



**The Ugly
Duckling Co.**

Report and Accounts for the year to 31 March 2022

Trustees' Report

The trustees are pleased to present their report for The Ugly Duckling Company CIO for the year to 31st March 2022.

Constitution and Charitable Objects

The Ugly Duckling Company (UDC) is a Charitable Incorporated Organisation registered on 24th May 2017. UDC's objects are the advancement of religion through the world, mainly by encouraging churches and individual Christians.

Organisational structure and decision making processes

UDC is governed by a Board of Trustees who normally meet 3–4 times per year, although with COVID-19 leading to reducing reserves and a major new resource being developed, trustees have been meeting more frequently. Meetings consider strategic planning issues as well as financial reports and other legal requirements. Trustees receive regular updates on the activity of the charity as well as trustee information circulated by the Charity Commission. UDC benefits from the professional skills of the trustees who, in the past year, have been part of reviewing new product developments and the response to COVID-19. Day to day running of the charity is delegated to the officers listed below.

Charity Details

Address

The Ugly Duckling Company
Oak House, Aylburton Business Centre
Stockwell Lane, Aylburton
GL15 6ST

Director

Mrs Sharon Lanfear

Website

www.theuglyducklingcompany.com

Bankers

Lloyds Bank plc
PO Box 1000
Andover BX1 1LT

Trustees

Rev Marc Owen – Chairman
Mr Keith Howick
Mr Graham McGill
Mr Philip Poole
Rev Stephen Taylor

Independent Examiner

Rhys Phillips
21 Highbeech Road
Bream
Lydney
GL15 6JH

Objectives and activities

The Ugly Duckling Co. is a Christian Charity based in the Forest of Dean. We are passionate about helping people find life in all its fullness through the power of conversation. We seek to highlight the importance of conversation and spirituality, as well as equip people to have more meaningful dialogue with one another.

Our resources and events encourage connections to be made, life changing conversations to flourish, relationships to be deepened, life skills to be developed and for people to care for their spirituality & well-being.

Used in more than 80 countries every year, our resources are used to connect with children, young people and adults to find meaning, purpose and hope in life.

A core focus of our work is around helping the church to build meaningful connections with their communities. However, our resources are also used by families, schools, universities, work places, community groups, pubs, cafes, care homes, prisons and hospitals by people of all faiths and none.

- **Resources Sold and People Impacted**

Over the past year we sold a total of 1,612 resources, compared to 506 in the previous COVID-19 pandemic year. The increase of sales showed the impact of coming out of lockdown and whilst modest, we sold 102 more resources this year than the year before lockdown, which was 1,510.

A large percentage of these sales were from our TableTalk Conversational packs (always our most popular resource) and in particular our new TableTalk for Well-being and Table Talk for Change packs, accounting for 686 of the resources sold.

Our resources are made up of Lead Products (course leaders guides and Table Talk Packs) and Delegate products (delegates guides and books sometimes used with courses but not always). In total, sales were made up of 1,083 lead products and 529 delegate products.

Whilst it is hard for us to know how many people benefitted from our resources this year, if just 8 people connected with each lead product that would be a total of 8,664 individuals. However, the actual total number of people engaged is likely to exceed this, as lead products are repeatedly utilised with different groups and resources sold in previous years continue to be used.

- **Apps Downloaded & People Impacted**

5,002 of our free Table Talk apps were downloaded over the year. This is slightly lower than the COVID-19 pandemic year where downloads stood at 5,911 and 5,658 in the year before lockdown. It is important to stress that our newest Table Talk Packs are not available as apps at the moment due to costs. Again it is hard to know

how many people engage with the apps, although we imagine this is possibly lower than with the physical boxes. If each download was used to connect with just 4 people then it would equate to 20,008 individuals engaging.

- **10:10 For Young People**

We were thrilled to launch our new well-being resource for young people in September 2021. Thanks to funding received from the Benefact Trust we were able to complete the project despite the challenges of a global pandemic. Designed as a ten session course, 10:10 provides an opportunity for young people to hear what doctors, psychologists, counsellors and youth workers have to say on subjects like kindness, forgiveness, relationships, purpose and looking after your mind. This enables young people to explore transformative ideas through films, discussion, activities, experiments and personal reflection on how we can learn to flourish and live life well. A suite of high quality, easy to use resources equips those leading the course to explore with young people how positive psychology and spirituality can boost well-being, improve health and transform lives.

By the end of this year 10:10 was being used in schools, colleges, churches, youth work organisations and hospitals. A total of 91 units were sold. We know that many of the groups using 10:10 are more than 12, so as a minimum we estimate at least 1,092 young people have benefitted from 10:10 in just 6 months.

- **10:10 For Children**

Following on from the youth version of 10:10 we have been able to commence work on the development of a Children's Version. Following the same themes as our youth version, there will be three levels to the resource with age appropriate content for children aged 5-11. Draft content has been put to trial and further writing and trials will take place across 2022. We hope to launch this resource in the spring / summer of 2023.

10:10FC combines the need for effective well-being education with the benefits of spirituality, creating content built on positive psychology and Christian spiritual principles. The resource is evidence-based and builds on what is known to improve Children's Well-being. The 10 themes will host a range of activities and films that will cover topics like: Finding Happiness, Savouring, Thankfulness; Kindness; Forgiveness; Friendships; How to look after the Mind, Body and Soul; Finding help when life goes wrong.

- **TableTalk**

Table Talk is now 12 years old and remains our most popular resource. Sales of our print packs were at their highest this year than any other year at 960 packs sold. Downloads of our TableTalk Apps were 5002.

We have two types of Table Talk Packs. These are known as TableTalk (set of 6 mini packs) and Table Talk Mini (one mini pack). We have a total of 14 versions of the Table Talk packs and 10 versions of the mini packs.

Over the past few years we have changed the packaging for new TableTalk packs and reprints. This change allows us to produce smaller print runs, design new projects and use less card and paper, making our TableTalk range more cost effective, adaptable and more sustainable.

Sales of our two newest packs, TableTalk for Well-being and TableTalk Mini for Change, launched in the previous year, were the strongest. These two resources were in response to the current challenges people experienced during the pandemic and our ability to launch them so quickly and effectively was made possible by our new designs. In the next year we are planning to create a new pack for Children and one for Families.

- **Courses**

We currently provide three courses for adults:

Resolve: a four-week course exploring what it means to enact positive change in your life. Designed to follow on from Christmas services, to be run in the New Year around the concept of New Year's Resolutions.

The Happiness Lab: a six-week course that enables delegates to explore what psychologists, doctors and faith leaders say will make people happier and help people to see that there is more to life than just the physical.

Puzzling Questions: a six-week course exploring some of life's deeper questions. Based on research conducted by Coventry Cathedral it explores six of the most popular questions asked by those interested in spirituality but outside of the local church.

The total number of courses was very low this year with only 32 sold compared to 125 in the pre-pandemic year. This is to be expected as even though lockdowns ended gatherings in groups still remained low and most sales this year happened in the last quarter.

- **Training, Exhibitions and Conferences**

We were able to return to exhibitions and conferences this year and we had a very successful time at the Christian Resources Exhibition in Esher in October 2021, followed by speaking engagements at the Freshstreams Leaders Conference in January 2022 and Christian Resources Exhibition in Exeter in February. These events are important as they provide an opportunity for us to promote and deliver our charitable aims to a wider audience.

- **KOBLE**

The Norwegian word for Connect, KOBLE is our new resource which we have begun trialing at Lydbrook Baptist Church. The aim of the resource is to help individuals and churches explore the art of connecting with people and helping them engage with people's spiritual journeys. It explores 7 D's (Desire, Dwell, Distinctiveness, Dialogue, Delivery, Decision, Discipleship).

Future plans for 2022 - 23

Over the next three years we want to focus on 5 key priorities. Our core emphasis will be on raising awareness of the need for conversation and its transforming power, promoting our resources, as well as expanding the range and reach of our resources.

- **Priority Area 1: Raising Awareness of the need for Transforming Spiritual Conversations.**

Through training, campaigning and writing we want to:

- Provide seminars and training events that explore the power, importance and dynamics of transformative spiritual conversations in mission and well-being. Unpacking the environments that enable conversations to flourish and the possibilities for change that arise from conversation.
- Develop a new resource called KOBLE (Norwegian word for connect). A course that will help individuals and churches explore the art of connecting with others; helping them engage with other people's spiritual journeys. This will explore the 7 D's (Desire, Dwell, Distinctiveness, Dialogue, Delivery, Decision, Discipleship).
- Promote the power of spiritual conversation and raise awareness of its value through various channels, such as press releases, blogs, social media, appearances on broadcast media, articles on our website and attendance at conferences and exhibitions. Working through identified networks, partnerships and collaborations.

- **Priority Area 2. Reaching People Digitally.**

Through the launch of a digital platform, and by using social media more effectively, we want to:

- Offer all our courses through an optional digital subscription model. This will:
 1. Offer an additional option to print.
 2. Improve access to our resources, especially for people outside of the UK.
 3. Enable us to easily update resources.
 4. Reduce our carbon footprint through a reduction of printing, postage and packing.

5. Provide a wide range of subscription options, enabling individuals, groups and organisations to run courses.
 6. Offer additional content for course participants via the course leaders subscriptions, enabling them to explore more content in their own time, thus improving the course experience.
- Expand the volume of free content on our main website to help people explore the power of conversation and spirituality independently of any specific course or resource.
 - Enable the addition of Table Talk apps to match all new print packs. Ensure our Table Talk apps are kept up to date to apply with operating upgrades by both Apple and Google.
 - Improve our social media and digital presence with increased content and through the use of a wider range of platforms.

• **Priority Area 3. New Resources.**

Through the creation of new resources, we want to offer relevant content for all ages and ensure our resources meet current needs. Resource development includes:

- 10:10 for primary age children (4-11s) built on the foundations of our existing 10:10 youth (11-17s) version.
- 3 - 4 New Table Talk Packs: Children, Families, Life Issues & Students
- The Happiness Lab pop up exhibition for churches to use in their communities as a first step for building connections.
- Table Talk Crackers for use at Christmas meals, foodbanks etc.
- Resources for Cafes, Pubs and informal settings.

• **Priority area 4: Developing partnerships projects.**

Through the development of new strategic partnerships we want to:

- Resource and deliver unique projects with other like-minded organisations to support the delivery of transforming conversations.
- Work directly with the people of Gloucestershire (where we are based) and deliver courses and services.
- Support the development and delivery of unique projects for other organisations that are wanting to use the power of spiritual conversation with people through their

work. These may be national or in other specific geographical locations outside of Gloucestershire.

- **Priority Area 5. Re-Invigorating Existing Resources.**

Through a programme to enhance and update existing resources we want to:

- Add new content to our existing resources enabling them to be applied in a variety of different ways. For example, the addition of lesson plans to our Table Talk youth packs would add some depth to the resource and provide opportunities for youth workers and teachers to broaden the conversation and application with young people.
- Update current courses to ensure they remain culturally relevant, expanding the content of Puzzling Questions, Resolve and The Happiness Lab.

Major risks identified

The main risks identified were:

- Ongoing increased demand on charitable trusts nationally is putting a lot of pressure on available funds being distributed to charities. As a faith-based charity some grants are not available to us. We are committed to increasing sales of the resources, exploring new ways of securing funds as well as continuing to make regular grant applications. We are however working to decrease the percentage reliance we have on grants.
- COVID-19 has impacted our sales again this year, however by the end of the year they were beginning to increase and actually rose above pre-pandemic levels. Despite this there are concerns that the cost of living crisis and overall financial challenges being faced by churches and individuals (the main purchasers of our resources) may impact sales in 2022/2023. To combat this we are continuing to promote our resources into new markets. We are also finding ways to keep our costs down, so we do not have to rise prices significantly which could further impact sales. We are working towards the development of a digital platform which will open up our resources to more people in the UK as well as internationally. We are also developing new resources and services to expand the reach of our work.

Financial review

Overall income increased slightly by £4,216. Whilst our grant income was lower than in previous years, down by £19,926, donations from individuals increased by £20,589. Overall costs were very similar to last year however development expenditure (on 10:10) decreased by £6,814 and other expenditure increased by £7,155.

Sales of our products and programmes increased as we emerged from the lockdowns of the previous years. Sales increased by £12,166.

The result of the above was that the balance at the end of the year stood at £18,532 down £22,967 on the previous year. However, development expenditure for 10:10 was successfully completed and the programme launched.

Whilst it is not shown in these accounts funding of £40,000 for the next financial year from other grant giving trusts is due at the start of April after the Balance Sheet date.

Ongoing Impact of COVID-19

We are now beginning to see a recovery from COVID-19 although most of this was experienced in the last quarter of 2021/2022. With general reserves falling to what has been identified as the minimum practical, the trustees and staff worked closely together to ensure that the charity matched its operational costs to its current income. As of the date of this report trustees are confident that UDC remains, and will remain viable with substantial grants already due for the next year and sales continuing to remain robust.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with relevant legislation and regulations. The trustees are required to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by:

Rev Marc Owen, Chairman

Date: 3 September 2022

Independent Examiner's Report

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act) and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act
- have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed by: Rhys Phillips, Independent Examiner

Date: 3 September 2022

Statement of Financial Activities for the year to 31 March 2022

	Note	Un- restricted funds £	Restricted income funds £	Total funds £	Prior year funds £
Incoming resources					
Income and endowments from:					
Donations and legacies		49,452	11,565	61,017	56,964
Charitable activities		24,450	-	24,450	24,285
Investments		1	-	1	3
Total	3	73,903	11,565	85,468	81,252
Resources expended					
Expenditure on:					
Charitable activities	4	80,874	27,561	108,435	108,094
Net expenditure		(6,971)	(15,996)	(22,967)	(26,842)
Reconciliation of funds:					
Total funds brought forward		16,790	24,709	41,499	68,341
Total funds carried forward		9,819	8,713	18,532	41,499

Balance Sheet at 31 March 2022

	Note	Un- restricted funds £	Restricted income funds £	Total this year £	Total last year £
Fixed assets					
Tangible assets	5	1,377	-	1,377	1,984
Total fixed assets		1,377	-	1,377	1,984
Current assets					
Stocks	6	1,808	-	1,808	2,115
Debtors	7	3,482	-	3,482	2,755
Cash at bank and in hand	8	5,200	8,713	13,913	39,806
Total current assets		10,490	8,713	19,203	44,676
Creditors: amounts falling due within one year	9	2,048	-	2,048	5,161
Net current assets/(liabilities)		8,442	8,713	17,155	39,515
Total assets less current liabilities		9,819	8,713	18,532	41,499
Creditors: amounts falling due after one year	9	-	-	-	-
Provisions for liabilities		-	-	-	-
Total net assets		9,819	8,713	18,532	41,499
Funds of the Charity					
Restricted income funds		9,819	-	9,819	24,709
Unrestricted funds		-	8,713	8,713	16,790
Total funds		9,819	8,713	18,532	41,499

Signed on behalf of all the trustees by:

Rev Marc Owen

Chairman

Date:

3 September 2022

Notes to the accounts for the year to 31 March 2022

1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 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 2019.

The charity constitutes a public benefit entity as defined by FRS 102

1.2 Going concern

There were no material uncertainties that cast doubt on the charity's ability to continue as a going concern.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

1.5 Material prior year errors

No material prior year errors have been identified in the reporting period (3.47 FRS 102 SORP).

2 Accounting policies

The following accounting policies have been applied by the charity:

Income

Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.
Grants & donations	Grants & donations are only included when the general income recognition criteria are met (5.10-12 FRS102 SORP).
Tax reclaims on donations and gifts	Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.
Support costs	The charity has incurred expenditure on support costs.
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.
interest, royalties and dividends	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.
Expenditure and liabilities	
Liability recognition	Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.
Governance and support costs	Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent & other costs by their usage.
Redundancy cost	The charity made no redundancy payments during the period.
Deferred income	No material item of deferred income has been included in the accounts.
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts.
Provisions for liabilities	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.
Assets	
Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least £200. They are valued at cost. The depreciation rates and methods used are disclosed in note 5.
Stocks and work in progress	Stocks held for sale as part of non-charitable trade are measured at the lower of cost or net realisable value. Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock. Work in progress is valued at cost less any foreseeable loss that is likely to occur on the contract.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

There were no accounting policies adopted additional or different from those above.

3 Analysis of income

		Unrestricted funds £	Restricted income funds £	Total funds £	Prior year £
Donations and legacies:	Donations and gifts	27,090	8,713	35,803	15,214
	Gift Aid	6,661	-	6,661	3,271
	General grants provided by government/other charities	15,701	2,852	18,553	38,479
	Total	49,452	11,565	61,017	56,964
Charitable activities:	Product Sales	19,266	-	19,266	7,100
	Consulting and Training Fees	3,400	-	3,400	16,200
	Expenses Recovered	1,784	-	1,784	985
	Total	24,450	-	24,450	24,285
Income from investments:	Interest income	1	-	1	3
	Total	1	-	1	3
TOTAL INCOME		73,903	11,565	85,468	81,252

Other information:

Within the income items above the following grants received are material:

	Current Yr £	Prior Yr £
General Funds		
West of England Baptists	5,365	-
CJRS government grant	5,588	6,879
5 others	7,600	1,600
Restricted Funds		
Allchurches Trust (now Benefact Trust)	-	30,000

4 Analysis of expenditure

	Unrestricted funds £	Restricted income funds £	Total funds £	Prior year £
Expenditure on charitable activities				
Cost of Sales - Direct Charitable Trading	8,732	-	8,732	4,414
Product/Programme Development	-	23,845	23,845	30,659
Employment Costs	57,789	-	57,789	56,755
Support Costs	14,353	3,716	18,069	16,266
Total expenditure on charitable activities	80,874	27,561	108,435	108,094
TOTAL EXPENDITURE	80,874	27,561	108,435	108,094

Other information:

Analysis of expenditure on charitable activities

Activity or programme	Activities undertaken directly	Support Costs	Total this year	Total prior year
	£	£	£	£
Resources for life-changing conversations	66,521	14,353	80,874	77,435
Wellbeing of young people	23,845	3,716	27,561	30,659
Total	90,366	18,069	108,435	108,094

Prior year expenditure on charitable activities can be analysed as follows:

Activities undertaken directly £91,828
Support Costs £16,266

Details of certain items of expenditure

There were no payments for any statutory external scrutiny of accounts or other services provided by our independent examiner in either the current or prior year.

5 Tangible Fixed Assets**Fixtures,
fittings
and
equipment****£*****Cost or valuation***

At the beginning of the year

9,907

Additions

-

Revaluations

-

Disposals

-

At end of the year

9,907

Depreciation and impairments

At the beginning of the year

7,923

Disposals

-

Depreciation

607

At end of the year

8,530

Net book value

Net book value at the beginning of the year

1,984

Net book value at the end of the year

1,377

Depreciation policy

Basis: straight line

Rates: Fixtures & fittings 10%

Computer equipment 20%

6 Stock**Charitable activities:**

Opening

Added in period

Expensed in period

Closing

Stock for resale	
£	
	2,115
	7,517
	(7,824)
	1,808

7 Debtors and prepayments

Trade debtors

Other debtors

Total

This year	Last year
£	£
1,624	-
1,858	2,755
3,482	2,755

8 Cash at bank and in hand

Short term deposits

Cash at bank and on hand

Total

This year	Last year
£	£
20	10,006
13,893	29,800
13,913	39,806

9 Creditors and accruals

Trade creditors

Accruals and deferred income

Taxation and social security

Other creditors

Total

Amounts falling due within one year		Amounts falling due after more than one year	
This year	Last year	This year	Last year
£	£	£	£
-	3,152	-	-
1,200	120	-	-
566	1,589	-	-
282	300	-	-
2,048	5,161	-	-