

REGISTERED COMPANY NUMBER: 3320318 (England and Wales)
REGISTERED CHARITY NUMBER: 1069833 (England and Wales)
REGISTERED CHARITY NUMBER: SCO43085 (Scotland)

**REPORT OF THE TRUSTEES
AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2023**

**FOR
STELLA MARIS**



STELLA MARIS

STELLA MARIS
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

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THE YEAR ENDED 31 DECEMBER 2023

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

1. The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities Statement of Recommended Practice (SORP 2019), applicable to charities preparing their accounts. This is in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Objectives

2. Stella Maris exists to support seafarers, fishers and their families in the UK and around the world. The object of the charity is to promote and advance the general and pastoral welfare of the People of the Sea worldwide, regardless of creed, gender or ethnic origin.

3. Stella Maris UK is part of the largest ship-visiting network in the world and is the official maritime charity of the Catholic Church. We operate under the oversight of the Vatican Dicastery for Promoting Integral Human Development. All our work is consistent with Christian principles and recognised practices of the Catholic Church.

Why does Stella Maris exist?

4. There are more than 1.9 million seafarers in the world, and they deliver more than 90% of the goods bought and sold in the UK. But their work can be tough, long and lonely. Seafarers and fishers work away from home for up to 12 months at a time, sometimes longer. They may face loneliness, isolation, danger and even exploitation. Many come from the world's poorer nations and work for low wages, often providing vital support to extended families at home. In port, due to rapid turn-around times, seafarers and fishers often have limited or no access to facilities ashore.

Who are the 'People of the Sea' supported by Stella Maris?

- Seafarers on board merchant ships and all who, for whatever reason, are undertaking a voyage.
- Fishers on board fishing vessels.
- Maritime personnel and port workers, including those who work on production platforms offshore or in port. Those preparing for the work above, those who have retired from this work, and their families.

What does Stella Maris do?

5. In the UK, Stella Maris provides a team of full-time and part-time paid ship-visiting chaplains, assisted by a team of volunteer ship visitors, whose task is to visit ships calling in ports around the UK. Their role is to:

- Listen to and counsel seafarers and fishers onboard ships.
- Support the People of the Sea in the practice of their Christian faith by, for example, celebrating Mass and the sacraments of the Catholic Church, and providing prayer, fellowship and faith resources.
- Provide practical help, such as Wi-Fi access to enable communication with home, and transport to shops, church and seafarers' centres.
- Provide support and advocacy in times of crisis, including in cases of hospitalisation, exploitation and unpaid wages.
- Develop a team of local volunteers to widen the provision of this work.

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- In addition, through the implementation of our International Strategy, Stella Maris UK supports the work of Stella Maris overseas, assisting our global network to support the People of the Sea in 57 countries, with more than 1,000 chaplains and volunteers worldwide, enabling up to 70,000 ship visits annually by the Stella Maris worldwide network.
- We also advocate on behalf of the People of the Sea with national and international bodies, and the shipping industry, particularly regarding human rights and welfare.

6. All Stella Maris services are provided free, across as broad a geographical area as resources allow, regardless of any factor other than need. Many seafarers and fishers visiting the UK are Catholics, but our service provision is not restricted to those who adhere to the Catholic faith.

Significant Activities and Mission in 2023

7. It's been another busy year for Stella Maris both nationally and internationally, as we continue to provide much needed support to seafarers, fishers and their families. With the war in Ukraine dragging on for a third year, our commitment to Fr Alex, Rostik and the Stella Maris team in Odesa has been unwavering, and we have recently provided them with a van and funding to enable them to continue their vital mission. For 2024, we intend to fund SM Ukraine's core operating costs. Our International Development strategy continues to focus on capacity building in Kenya, Tanzania, Namibia, Republic of South Africa and the Philippines. Examples of their work include:

- a. In South Africa, our team rescued a fishing crew in Cape Town who had been physically abused, denied medical care, forced to wear torn protective clothing, not been given sufficient food or water, and not been paid their wages. Our chaplain Fr Rico intervened, ensuring they received medicines, food and wages. We advocated for the crew, and they were repatriated at the vessel owner's cost.
- b. In Kenya, Fr Fred was on hand to help rescue fishers who had become trapped after and during severe flooding. The floods damaged homes and made fishing impossible, impacting livelihoods and food supplies. We helped fishing families reach areas of safety. We supported the community with emergency aid, food and supplies.
- c. In Mauritius, a passer-by in Port-Louis contacted us after he found three seafarers without shelter following the impact of Cyclone Freddy. We moved them to safety at our Seafarers' Centre. In a separate incident, police brought seven Sri Lankan fishers whose vessel had been arrested in Mauritian waters to our Centre. Our local team provided vital care and support for them all.
- d. In India, we petitioned for the release of an Indian seafarer who had been among the crew of an oil tanker forced to spend 10 months on their ship after it was detained in West Africa. The crew were traumatised. Our team in Tuticorin, where the seafarer was from, petitioned to get him freed. Since the crew's successful release, we continue to support the seafarer and his family.
- e. In South Korea, we provided support to a grieving crew on the GSL Alexandra following the death of a crew member while anchored at Busan Port. Our chaplain, Fr Raphael went on board to support the 15 Filipino seafarers. He gave them renewal of Baptism and offered prayers for them, for their dead colleague, and for protection and safe voyage.
- f. In the Philippines, our Cebu based chaplain and National Director, Fr John was on hand following the death from lung cancer of a Filipino seafarer, just five months after he had left his vessel due to health concerns. Fr John celebrated Mass at the wake and offered comfort to the family. He also informed the seafarer's widow about social and financial benefits she could claim.

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g. In Australia, our Sydney based chaplain Sr Mary comforted a bereaved tanker's captain who was distraught after hearing that his mother had died. Sr Mary went onboard to comfort him, bringing him holy water, Rosary beads and gifts. Through a mobile phone connection, they watched the wake taking place. Her presence brought him solace and helped lift him out of his despair.

8. Building on previous anti-slavery webinars, in 2023 we launched a Modern Slavery Identification and Awareness strategic initiative within the Maritime Sector, with six workshops hosted in key ports in England, Scotland and Northern Ireland. Proving phenomenally successful and involving many organisations drawn from across the port ecosystem, we intend to develop this work further in 2024 with the establishment of Steering Groups to examine issues raised in more detail.

9. Following a change at the top of the organisation, the new CEO has undertaken a comprehensive review of the management team, resulting in some organisational structural changes, for example, creating a Resources Team, incorporating Finance, Human Resources, Administration, Compliance and Information Technology functions. The reorganisation was designed to enhance Governance and Assurance, with a focus on the support to enhance the support we give to our People, i.e. trustees, permanent staff and volunteers, especially relating to Health and Safety, Wellbeing and Welfare.

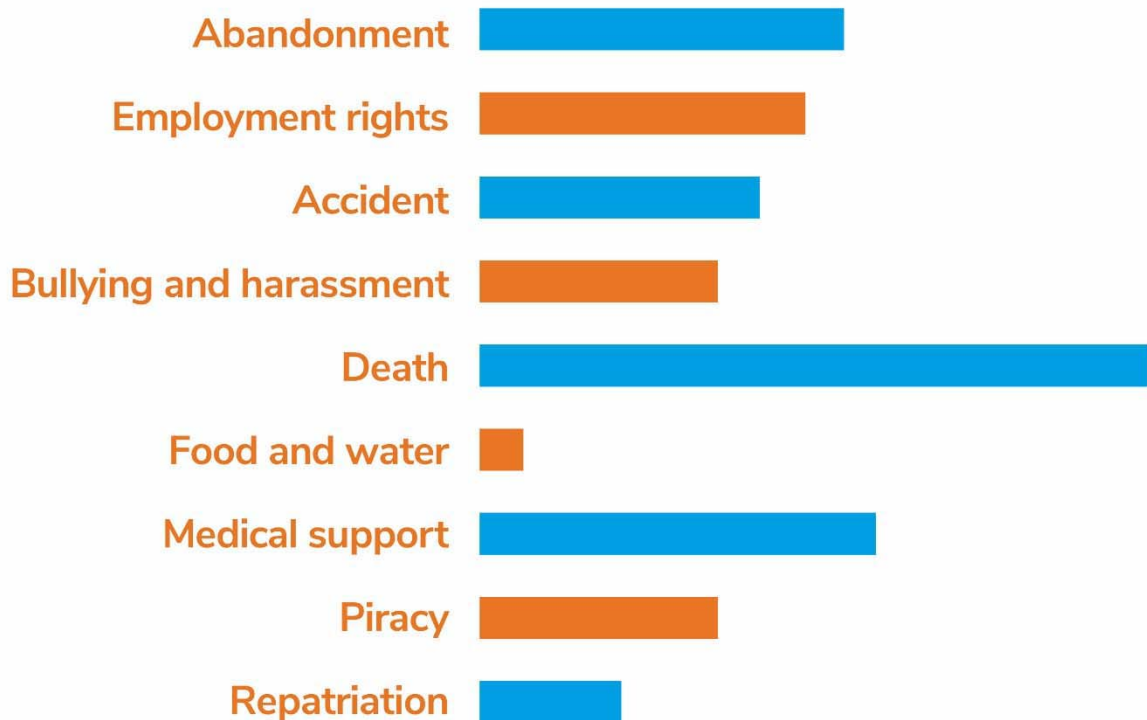
10. On a more light-hearted note, a Stella Maris supporter and Southampton sailor undertook a 2 ½ month long pilgrimage and circumnavigation of the UK coastline to celebrate 100 years of Stella Maris, in order to raise awareness and funds to support our work with seafarers and fishers.

11. Our five strategic priorities remain firm as we continue to support the People of the Sea right around the world:

a. **Priority 1 - The Friend when one was needed.** Our mission is relational. Day in, day out, primarily through ship visiting, Stella Maris chaplains and volunteers checked in with seafarers and fishers and responded to their needs. We provided free booklets on mental health, essential clothing and supplies, emotional and pastoral support, and helped seafarers connect with their families back home. Our Chaplains routinely provide visiting ships with temporary issued - units as an alternative to much needed SIM cards, although we strongly believe that Wi-Fi should be standard throughout all UK ports. As our reputation grows, more industry partners reach out to us to when seafarers are in distress, and we are directly contacted on a number of reasons, for example, to support an injured seafarer left behind in hospital, to attending to a ship's crew caught up in tragedy. The impact of small kindnesses, which form the basis of our ministry, can never be under-estimated.

b. **Priority 2 - Support in a Crisis.** When war broke out between Russia and Ukraine, we immediately reached out to our Stella Maris colleagues in Odesa, Ukraine. They made clear their commitment to supporting those affected by the war, despite the risks to their own safety and welfare. Working in close partnership with Stella Maris Ukraine, we have continued to provide emergency financial support to seafarers and their families throughout 2023. We have also continued to fund their psychological support services to the amount of £4,063, leaving £7,224 for 2024 and beyond. The chart below shows a breakdown of our crisis caseload in 2023, shown for illustrative purposes, where seafarers and fishers were supported in each case:

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c. **Priority 3 - Advocating for Change.** We continued to champion the rights of seafarers and fishers around the world, raising the profile of their work and advocating for better welfare. In 2023, we appointed our Bristol based Regional Port Chaplain to act as Advocacy Officer, to take on more proactive role within the Charity. Because our chaplains and ship visitors are involved daily in the lives of seafarers, fishers and their families, our voice carries weight, credibility and insight. Areas of advocacy included:

- (1) **Freedom of Navigation.** In 2023, we advocated for seafarers trapped on their vessels due to the war in Ukraine, and called for open shipping corridors from the principal Ukrainian ports transiting through the Black Sea. Later on in 2023, Yemen based Houthis rebels began targeting shipping transiting through the Gulf of Aden into the Red Sea, which included capturing the MV Galaxy Leader on 19 November. We continue to advocate for freedom of navigation and we deplore the targeting of innocent ships and their crews, and we call upon Governments and the maritime industry to work together to protect shipping and their crews. This includes providing specialist support to those crews still prepared to transit these dangerous war zones, as well as acknowledging the additional stresses and strains of longer voyages around the Cape of Good Hope.
- (2) **Modern Slavery.** In a bid to stop the potential abuse afforded by the use of Transit Visas, we called for an end to the practice of using these visas for migrant fishers. Whilst there has been some positive movement on ending Transit Visas, with a switch to Skilled Worker Visas, there is still much to be done in 2024.
- (3) **Abandonment.** The subject of abandonment continues to be an issue worldwide and our Stella Maris network continues to be involved in supporting those crews trapped in 'limbo.'

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(4) **Access to Shore Leave.** Access to shore leave for seafarers continues to be an issue. Whilst we understand modern day shipping operations resulting in faster turnaround in ports, where time is available, we implore the shipping industry to enable their crews to take shore leave, as very often we see it as a form of coercive control. Where we can, we transport crew ashore, taking them on day trips to provide them with a much welcome break and change of scene.

(5) **Human Trafficking.** Throughout the Stella Maris global network, we continue to support people caught up in human trafficking and this links to Stella Maris UK's Modern Slavery Awareness and Identification Workshops.

(6) **Database.** Stella Maris is extending the use of its Salesforce Ship Visiting database throughout the Stella Maris network to record injustices and abuses at sea more comprehensively, including cases of abandonment, modern slavery and trafficking.

d. **Priority 4 - Faith Resources.** Most seafarers we meet have a Christian faith background, and many are Catholic. Throughout 2023, we provided faith resources, prayer, and live-streamed Masses for them (as demonstrated by the statistics in the boxes below).



e. **Priority 5 - Extending our Reach.** Stella Maris is the world's largest ship visiting network, based in 353 ports in 57 countries. Our extensive team of more than 1,000 chaplains and volunteers meant we could support seafarers, wherever they were in 2023. Needs among seafarers are growing, so we are expanding the Stella Maris presence around the world. In 2023, donors' support helped extend our reach worldwide. Specific projects include:

(1) During 2023, the expansion of Stella Maris into Northern Ireland was consolidated following the recruiting of a new Belfast based Chaplain who will

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commence work on 1 January 2024. Through our network of volunteers, we continue to support fishers, including a seriously ill Filipino fisher and four Ghanian fishers alleged treated as human slaves.

(2) Capacity building work with our Stella Maris colleagues in Kenya, Tanzania, Namibia and South Africa continued.

Governance

12. There was one new trustee appointment during 2023. The work of governance is carried out through the main board and three sub-committees; the Finance, Audit and Risk Committee; the Safeguarding and Welfare Committee and the International Committee. During 2023, the Safeguarding and Welfare Committee supported an internal CEO led review of the organisational restructuring of the Support Team, which saw the establishment of a Resources Team, headed up by Head of Resources (combined with the Financial Controller post), with new posts of Head of Human Resources and Administration, and Head of Compliance. This important change was designed to enhance vital support functions across the Charity, and provide greater assurance to the Trustees.

Public Benefit

13. The trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

ACHIEVEMENT AND PERFORMANCE

14. Trustees have monitored activity of the Charity throughout 2023. The impact of Stella Maris is reflected in the stories of ongoing care for seafarers and fishers in crisis; the messages of thanks and appreciation from crews following our visits, and the knowledge that the support we provide prevents an escalation of problems and mental health issues. Our strategic partnerships with ship managers, owners, P&I clubs, legal firms and flag states increasingly helped to raise the profile of seafarers' and fishers' welfare during the year. Some of our key statistics for 2023 are set out in the infographic below:



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FINANCIAL REVIEW

Investment Policy and Environmental Sustainability

15. **Scope of Investment Powers.** The trustees are empowered by the Articles of Association to invest any trust monies, as authorised by law, in such manner as they think fit.

16. **Investment objectives.** The trustees have adopted a policy for the portfolio of investments that is designed to optimise returns over the longer term and thus provide a regular flow of funds to support Stella Maris's operating activities both in the UK and overseas.

17. **Investment decisions making.** In managing our financial reserves and regularly assessing market risk, the trustees draw up the investment policy and this is reviewed annually.

18. **Attitude to risk.** Our investment strategy is to accept a level of medium risk, with a balance sought between realising a target income and achieving capital growth. Investments are divided among equities, bonds, cash and alternatives. The portfolio is externally managed by investment managers who are regulated by the Financial Conduct Authority.

19. **How investments will be managed and reporting requirements for investment managers.** Updates on the value of the portfolio are provided to us quarterly. Once a year we discuss the performance of the investments with our investment manager, the prevailing and anticipated economic conditions, a forecast of future trends and we look at our future cash requirements to be funded by these investments.

20. **Types of investment, including ethical considerations.** In the implementation of this policy, the trustees follow the Charity Commission guidance for the investment of charitable funds. We are mindful of our status as an official agency of the Catholic Bishops' Conference of Scotland and the Catholic Bishops' Conference of England and Wales when investing the charity's assets. Our investment portfolio is consistent with, and will reflect, Catholic teaching. We will not invest in businesses that conduct activities contrary to Catholic Church teaching. The following examples illustrate our approach:

<u>Restriction</u>	<u>Notes</u>
<i>Sanctity of life</i>	Companies engaged in the provision and/or practice of abortion, embryo research and euthanasia are excluded. Also excluded are companies engaged in the manufacture of contraceptives.
<i>Labour standards</i>	Companies that fail to comply with International Labour Organisation (ILO) labour standards are excluded.
<i>Pornography</i>	Companies with over 10% of turnover resulting from adult entertainment related products and services are excluded.
<i>Fossil fuels</i>	Companies engaged in fossil fuel extraction are excluded.

21. **Morgan Stanley Capital International (MSCI) Grading.** In 2023 our investment portfolio received an AA ESG grading from the MSCI. MSCI, a provider of critical decision support tools and services for the global investment community, uses a 'AAA' to 'CCC' ratings scale to measure over 8,500 companies according to their exposure to industry-specific and financially material ESG risks, and their ability to manage those risks relative to peers.

22. **Investment Performance.** Our investment strategy is aligned with our operational strategy, and international projects can be funded using our investment portfolio to provide a higher income.

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23. **Environmental Sustainability.** As an organisation, we follow various steps to reduce our carbon footprint and impact on the environment. For example:

- We encourage the use of remote meetings (over the Microsoft Teams) to reduce travel.
- Many of our support staff are able to work from home in order to reduce travel,
- We discourage our staff from printing off emails and documents unless strictly necessary to save paper and trees.
- We offer digital communication methods to our supporters (an alternative to postal communications) to reduce paper and save trees.
- Our Head Office building encourages recycling of products and has energy saving devices, such as lights that switch off automatically when no movement in the room is detected.

Income and Expenditure

24. Donations, grants and legacy gifts from individuals and funders, and other income, totalled more than £2.53 million in 2023; only the third time we have crossed this milestone. This was principally due to generous support from individual donors, trusts and foundations, corporates and church parishioners, as well as the generosity of a number of supporters who remembered Stella Maris in their wills.

We received legacy donations which totalled £807k in 2023 which was higher than our annual average over previous years. Most significantly, we received a legacy of £195k from Annie Marie Roberts. We are very grateful to all those who remember Stella Maris in their wills. Whilst the timing of legacies can never be forecasted, it is a testament to the Charity's high standing and hard earned reputation that people and organisation wish to provide us a legacy.

25. The infographic below shows the percentage breakdown of income and expenditure in 2023:

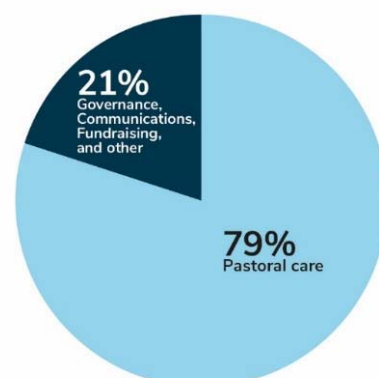
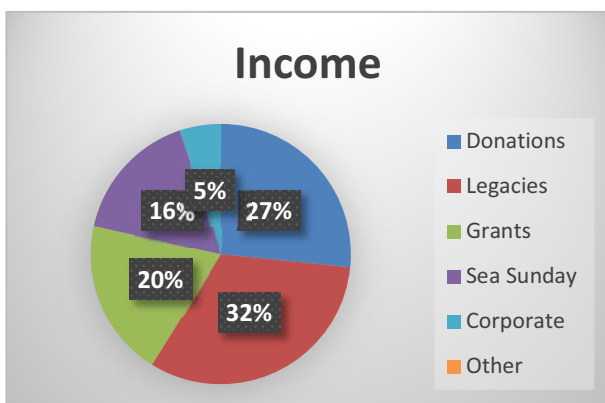
Our Income

Donations, grants, legacy gifts and other income received in 2023 amounted to £2.53m. We remember with deep gratitude all those who kindly left a donation in their will to Stella Maris. Leaving a legacy gift is a special way to support seafarers and fishers in to the future. Members of the Stella Maris community who passed away in 2023, including those who left a gift in their will, were remembered in a special memorial Mass held in St Mungo's Catholic Church, Glasgow in November.

Our Expenditure

We used our resources wisely and carefully to have the greatest impact on the wellbeing of seafarers and fishers. As well as supporting 22 chaplains covering 91 ports around the UK, we provided significant support to our international colleagues and coordinated some of Stella Maris' international and global emergency response work.

Our total expenditure in 2023 was £2.317m.



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Sea Sunday

26. Every year, usually in July, the Catholic Church dedicates a Sunday to the People of the Sea, known as 'Sea Sunday.' In England and Wales, churches are asked to provide a second or 'retiring' collection to support Stella Maris and its work. In 2023, Sea Sunday took place in July. Income from Sea Sunday collections received in 2023 was £411k (2022 - £429k). With many churches seeing reduced congregations following the pandemic, our aim is to inspire more churches to participate in Sea Sunday in order to grow income.

Appeals

27. We ran three direct mail fundraising appeals in 2023, at the start of Lent, Autumn Harvest and Christmas. In addition, we sent our Annual Review to donors in the summer, as a thank you and update (report) mailing which prompted further donations. Our strategy of increased segmentation in fewer appeals per year is not only saving costs, but also delivering higher income.

28. Meanwhile the Christmas appeal featured a 'gift catalogue' which people could buy a range of gifts for seafarers, such as well-being, faith, clothing, connection (SIM cards) and pastoral gifts.

Major Donors

29. We are most grateful for the generous support we receive from our major donors. Our face-to-face engagement with major donors has been slowly scaling up following the lifting of pandemic restrictions. We held a reception for our London/South East England supporters in Trinity House in July.

Corporates

30. Our work with corporates yielded £117,596. We attended several significant events, including London International Shipping Week where we were one of their chosen maritime charities. Our mental health support programme for Ukrainian seafarers has been funded by a corporate partner.

Trusts and Foundations

31. Grants from charitable partners, trusts and foundations remains an important source of income for the charity, enabling Stella Maris to grow and develop new programmes of work and new projects in the UK and overseas. In 2023, these included:

- A grant of £56,777 from the Merchant Navy Welfare Board and the Department of Transport to help establish chaplaincy services in Northern Ireland
- A second grant of £17,000 from the Merchant Navy Welfare Board and the Department of Transport to conduct a series of workshops and training activities focusing on the issues of modern slavery and forced labour in the port environment.
- A grant of £35,695 from The Seafarers' Charity to support the growth and development of Stella Maris Kenya
- A second grant from The Seafarers' Charity of £30,000 toward our Centenary Emergency Fund, providing grants for seafarers, fishers and their dependants in financial need and distress.
- A grant of £20,000 from Trinity House towards Stella Maris's chaplaincy work in the Bristol Channel

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- A grant of £43,312 from the TK Foundation to purchase a lifeboat for training purposes at Stella Maris's partner in India, the Albert Maritime Institute, Cochin, to enable cadets to complete their STCW qualifications.
- A second grant of £11,287 from the TK Foundation to provide emergency trauma counselling for seafarers and their families affected by the war in Ukraine.

32. **Sailing Pilgrimage.** In 2023, A Stella Maris supporter and Southampton sailor undertook a 2½ month-long sailing pilgrimage around the UK to celebrate 100 years of Stella Maris and to raise awareness and funds to support our work with seafarers and fishers. Russ Fairman took on the 2,433 nautical mile journey with a rotating crew of volunteers, leaving Southampton on 29 April. The 34ft yacht, Mintaka, stopped at 65 ports and holy sites along the way, before finishing in Portsmouth on 9th July. Local communities (including a bagpiper in the Outer Hebrides!) came out to greet Russ and cheer him on at 22 area gatherings held enroute around the UK. As a result of this marathon endeavour, Russ was awarded a Papal Blessing by Pope Francis for service to seafarers and fishers. It was presented to him by Bishop Kenneth Nowakowski, Bishop of the Ukrainian Catholic Eparchy of the Holy Family of London, during our Christmas carol service in the Ukrainian Catholic Cathedral.

Fundraising Approach

33. Our fundraising approach is as follows:

- Management.** The trustees have delegated day-to-day management of fundraising to the CEO and his team of experienced fundraisers employed by Stella Maris. This is documented with job descriptions, clear lines of reporting and accountability. We also have one part-time contractor working on digital fundraising who is closely managed by the Director of Development (including through three-weekly one-to-one support and supervision meetings).
- Regulation.** Stella Maris is an Organisational Member of the Chartered Institute of Fundraising and follows its recommended fundraising best practices. Our fundraising activities are also regulated by the Fundraising Regulator. A detailed fundraising report is submitted to each trustees' meeting. Our Director of Development is a longstanding Individual Member of the Chartered Institute of Fundraising and has for many years served as a Committee Member on its Fundraising in Christian Organisations Special Interest Group.
- Standards.** In our fundraising, we take various steps to protect vulnerable people and other members of the public from unreasonable or intrusive behaviour, etc. For example, we do not use street fundraisers (i.e. "chuggers"); we do not do door-to-door fundraising; we do not buy or rent lists of addresses; we have reduced our number of appeals to supporters to only three per year; we do not mail previous donors who have not given to us in the last three years, and if an elderly/vulnerable donor makes multiple donations in relatively quick succession, we double-check with them and ideally their family member/friend/carers (if applicable) that they actually meant to make all these donations to us.
- Complaints.** A small number of fundraising complaints were received and logged during the year (2023: 4, 2022: 3). Two complaints raised to the Fundraising Regulator related to simple requests to remove deceased family members from our emailing database. The other two complaints made directly to Stella Maris related to our online donation payment system, for which donors are encouraged by the third party supplier to pay a small processing fee to it. In response to the complaint, we have included a message on our website which informs donors how to avoid paying the voluntary 3rd party contribution.

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e. **General Data Protection Regulation (GDPR).** We actively seek to confirm consent from our supporters where required to remain compliant with GDPR legislation.

f. **Thanks.** We would like to express our gratitude to all our donors for their continued support, including our largest funders: The Seafarers' Charity, ITF Seafarers Trust, Merchant Navy Welfare Board and TK Foundation. Many thanks to our faithful knitters who turned out hundreds of woolly hats for grateful seafarers and fishers. Profound thanks to the hundreds of churches around the UK which took part in Sea Sunday in July. Across the UK, more than 80 people gave up their time to visit ships during 2023. This community of dedicated Stella Maris volunteers made an enormous difference to the lives of seafarers and fishers. We are so grateful for the faithful generosity of Stella Maris supporters. We receive grants from trusts, donations from companies in the maritime industry, collections by church congregations, legacies and gifts from individuals. These all support our chaplains to provide everyday care for seafarers and fishers in ports in the UK and around the world.

34. **Fundraising Priorities 2024.** Our fundraising priorities for 2024 are to:

a. **Continue to grow digital fundraising.** We will continue to encourage donors to move away from postal donations, to have more people giving digitally. We are researching and developing forms of contactless giving in churches, and developing other routes to encourage and grow online giving.

b. **Continue to grow numbers of regular givers.** In order to build sustained, dependable income, we will continue to direct donors towards regular giving rather than ad hoc giving.

c. **Increase engagement with major donors and corporate partners.** We will nurture and develop our relationships with major donors and key corporate funders through events and meetings.

d. **Create a Port Parishes programme.** We aim to increase our engagement with Catholic parishes in or near major UK ports, in order to recruit more local volunteers and bring new donors on board.

Reserves

35. **Consolidated Reserves.** Stella Maris' consolidated reserves fund as at 31 December 2023 stands at £5,270,403 (FY2022 £4,494,132), of which £168,890 is represented by fixed assets, £4,201,654 by investments and £899,858 of net assets. Total restricted reserves at the 2023 year-end were £215,447 (FY 2022 £232,947).

36. **Principles.** We review our reserves policy regularly and aim to maintain our reserves at a level sufficient to ensure our financial resilience and sustainability, including protecting the charity against risks identified in the Risk Register. Our reserves policy sets out the target reserves level and the key principles by which we will manage any excesses or deficits compared to the target. Our aim is to strike the appropriate balance between ensuring a sustainable financial position and using our funds to fulfil our charitable mission. Free reserves represent the unrestricted general funds of Stella Maris and exclude the restricted funds held and funds that have been allocated by our Trustees. The free reserves also exclude any funds that could only be realised by disposing of fixed assets held for charitable use.

37. **Free Reserves.** The Trustees have determined that holding free reserves of £2.3m within a target range of £2,185,000 to £2,415,000 (£2.3M +/- 5%), an amount equivalent to 12 months unrestricted expenditure, will enable the charity to smooth volatility and minimise disruption to Stella Maris activities.

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38. **Allocation of Reserves.** The Trustees intend to utilise £2.725m of reserves as follows:

a. **UK Chaplaincy Costs.** The Trustees intend to utilise £150k from reserves to provide additional chaplaincy positions for the next 2 years in Northern Ireland (£75k) and the North West (£75k).

b. **Contingency Reserves.** In addition, the trustees have allocated £975k from the reserves to:

(1) Cover the Sea Sunday reduction in income following COVID – 25% reduction for the next 3 years (£375k).

(2) Provide an investment volatility cushion (£500k).

(3) Pay for unbudgeted essential costs, where these cannot be funded by other means (£100k).

c. **International Strategy.** As part of our ongoing International Strategy Review for the 5-year period from 2025 – 2029, we intend to redesignate £1.6m over 5 years with core objectives as follows:

(1) To improve the Governance of Stella Maris national or regional organisations.

(2) To support the Global Formation and Training needs of Stella Maris chaplains and personnel.

(3) To develop the communication, marketing, and fundraising capacity of Stella Maris national or regional organisations.

(4) To support the Stella Maris national organisation's ability to advocate on behalf of the People of the Sea within their Territory.

(5) To support project based overseas initiatives that seek to improve and enrich the lives of the People of the Sea.

(6) To provide funds for the Centenary Emergency Funds (CEF) at £50k per annum, an increase from £45k per annum (total £250k over 5 years).

39. Therefore, our separately allocated funds total £2.725M. Our free reserves for 2023 (Reserves less fixed assets less restricted funds) less the trustee allocated funds of £2.3m, fall within the target range. If free reserves fall below the target range, we will aim to address any deficits within 5 years. If free reserves are above the target range, we will transfer surpluses to designated funds and spend these within 5 years.

FUTURE PLANS

40. In the coming years, the People of the Sea will need the support of Stella Maris more than ever. Supporting Ukrainian seafarers and their families will continue to be a key focus, especially as economic hardship starts to bite. Our priorities for 2023 are:

a. **Continue to ensure chaplains and ship visitors in the UK are resourced –** spiritually, practically, and financially – to serve the People of the Sea with ever greater

STELLA MARIS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

effectiveness. Through the implementation of our port parishes strategy, we will ensure that local parishes become an even greater source of prayer, people (volunteers) and financial support for our mission.

b. **Grow the UK mission of Stella Maris** in Northern Ireland, North East Scotland and North West England through the employment of port chaplains and recruitment of volunteer ship visitors.

c. **Support Stella Maris colleagues overseas** to strengthen their work and our global network through ongoing implementation of our international strategy, focusing on capacity building in South East Asia, the Middle East, and Eastern and Southern Africa.

d. **Continue to support Ukrainian seafarers and their families**, especially as economic hardship starts to bite while the war continues.

e. **Support the growth in our mission** by consolidating recent years' income growth and continuing to diversify our income sources.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

41. Stella Maris (UK) is an agency of both the Catholic Bishops' Conference of England and Wales (<https://www.cbcew.org.uk>) and the Catholic Bishops' Conference of Scotland (<https://www.bcos.org.uk>).

42. Stella Maris is a Registered Charity in England and Wales No 1069833, a Registered Charity in Scotland No SC043085 and a Company limited by Guarantee No 3320318.

43. The Articles of Association were agreed in 1997 and amended by Special Resolutions dated 24 July 2002, 6 June 2005, 1 April 2008, 9 June 2011, 15 March 2012, 4 December 2014, 16 July 2019 and 6 July 2021.

Recruitment and Appointment of Trustees

44. Trustees are appointed by the Bishop Promoters of Scotland and England and Wales by joint decision. Each Bishop Promoter acts for and on behalf of the Bishops' Conference of which he is a member.

45. Trustees are appointed on the basis of suitable qualifications and experience, including senior clergy experienced in chaplaincy and those with knowledge of the global maritime industry. They are invited to undertake regular training provided by our solicitors and specialist third party providers. Trustees also receive support from the Charity Commission and charity publications, and updates from the Chief Executive Officer.

46. Members of the Board of Trustees are also directors and members under the terms of the Companies Act. Members have no beneficial interest in the charity or any other company or charity with whom Stella Maris works in collaboration or cooperation.

47. The main Board of Trustees meets three times a year and takes reports and recommendations from the Finance, Audit and Risk Committee, the International Committee, and the Safeguarding and Welfare Committee.

STELLA MARIS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

48. All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related transactions are disclosed in the notes to the accounts. Trustees are required to disclose all relevant interests at each meeting.

Key management remuneration

49. Stella Maris benchmarks the pay and remuneration of key management personnel against the pay and remuneration of their counterparts in similar sized charities in the Catholic Church and maritime sector. Salaries are reviewed on an annual basis.

Risk management

50. The trustees' risk assessment and risk management programme covers all aspects of the operation and conduct of the charity. The process is managed through a risk register. It is a board document, which is reviewed by the full trustee board at least once a year. The risk evaluation process encompasses the following factors:

- a. **Strategic.** Risks that impact the sustainable delivery of the objects of the charity. The assessment is mindful of our responsibilities to our main partner organisations: other maritime charities, Stella Maris colleagues overseas, the Dicastery for Promoting Integral Human Development and International Christian Maritime Association (ICMA).
- b. **Operational.** Risks that impact the safe and continued delivery of the support services provided by the charity to seafarers and fishers. These risks include activities undertaken by the trustees, officers of the charity, port and cruise chaplains and their volunteers.
- c. **Financial.** Risks that impact the financial good health of the charity. These include investment performance, revenue from fundraising activities, cost control, sustainability, accounting controls, security and anti-fraud controls.

Risk assessment

51. The principal risk during 2023 was deterioration in our financial performance due to the residual cost of living crisis, and UK and global financial turbulence. In addition, we continued to monitor the implementation of the 2021 safeguarding review to manage risk in this area. We also monitored our GDPR-compliance, risks occasioned by our use of social media and risks of cyber-attack.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered company number

3320318 (England and Wales)

Registered charity number

1069833 (England and Wales)
SCO43085 (Scotland)

Registered office

39 Eccleston Square
London
SW1V 1BX

STELLA MARIS
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

Right Reverend Bishop Hugh Gilbert
Right Reverend Bishop Paul Mason
Mr Robert Ashdown
Mr William Azuh
Fr David Burke
Miss Luisa Campbell
Mrs Theresa Crossley
Mrs Maria Crowe
Mr Edward Donati (Appointed 8 March 2023)
Mr James Gosling OBE
Mr John Hood
Mr James Muir
Mr Esteban Pacha

Chief Executive Officer

Mr Tim Hill MBE (Appointed CEO on 1 June 2023 and Company Secretary 30 October 2023)

Auditors

Price Bailey LLP
Chartered Accountants
Statutory Auditors
24 Old Bond Street
London W1S 4AP

Solicitors

Stone King
13 Queen Square
Bath BA1 2HJ

Bankers

Lloyds Bank
PO Box 1000
BX1 1LT

The Co-operative Bank
City Office
80 Cornhill
London EC3V 3NJ

Investment Fund Managers

Waverton Investment Management Ltd
16 Babmaes Street
London
SW1Y 6AH

STELLA MARIS
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023
STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Stella Maris for the purposes of company law) 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).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and,
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small companies note

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Auditors

The auditors, Price-Bailey LLP, will be proposed for re-appointment at the forthcoming Extraordinary General Meeting.

STELLA MARIS

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

Approved by order of the board of trustees on 31 October 2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'E. Pacha', is written over a faint, light blue grid background.

Dr Esteban Pacha PhD- Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STELLA MARIS

Opinion

We have audited the financial statements of Stella Maris (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023, and of the incoming resources and application of resources including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

- the information given in the trustees' report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustees Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates and considered the risk of the Charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting and tax legislation. In relation to the operations of the Charity this included compliance with the Companies Act 2006, Charities Act 2011, Charities Commission, OSCR and SORP 2019.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance through the audit. We carried out specific procedures to address the risks identified. These included the following:

Reviewing minutes of Board meetings, reviewing any correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and enquiries of management and officers of the Charity. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

Management override: To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness. We reviewed systems and procedures to identify potential areas of management override risk.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at:

<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for> . This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)

For and on behalf of:

Price Bailey LLP

Chartered Accountants

Statutory Auditors

24 Old Bond Street

London W1S 4AP

Date: 31 October 2024

STELLA MARIS
STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME AND ENDOWMENTS					
Donations and legacies	2	2,233,204	298,210	2,531,414	2,303,881
Investment income	3	97,286	-	97,286	106,373
Other income		26,265	-	26,265	-
Total		2,356,755	298,210	2,654,965	2,410,254
EXPENDITURE ON					
Raising funds	4	475,492	-	475,492	551,899
Charitable activities					
Pastoral care to seafarers	5	1,525,950	315,710	1,841,660	2,160,979
Total		2,001,442	315,710	2,317,152	2,712,878
NET INCOME/(EXPENDITURE)		355,313	(17,500)	337,813	(302,624)
Net gains/(losses) on investments		438,458	-	438,458	(509,753)
NET MOVEMENT IN FUNDS		793,771	(17,500)	776,271	(812,377)
RECONCILIATION OF FUNDS					
Total funds brought forward		4,261,185	232,947	4,494,132	5,306,509
TOTAL FUNDS CARRIED FORWARD		<u>5,054,956</u>	<u>215,447</u>	<u>5,270,403</u>	<u>4,494,132</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The company has no recognised gains or losses other than those stated above.

STELLA MARIS
(REGISTERED COMPANY NUMBER:3320318)
BALANCE SHEET AT 31 DECEMBER 2023

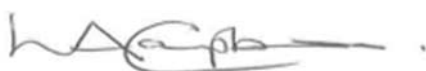
	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	11	168,890	186,503
Investments	12	4,201,654	4,041,264
		<u>4,370,544</u>	<u>4,227,767</u>
CURRENT ASSETS			
Debtors	13	399,787	278,787
Cash at bank and in hand		594,044	118,670
		<u>993,831</u>	<u>397,457</u>
CREDITORS			
Amounts falling due within one year	14	(93,972)	(131,092)
NET CURRENT ASSETS		<u>899,859</u>	<u>266,365</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,270,403	4,494,132
NET ASSETS		<u>5,270,403</u>	<u>4,494,132</u>
FUNDS			
Unrestricted funds	15	5,054,956	4,261,185
Restricted funds		215,447	232,947
TOTAL FUNDS		<u>5,270,403</u>	<u>4,494,132</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The notes on pages 26 to 37 form part of these financial statements.

Approved and authorised for issue by the board of trustees on 31 October 2024 and signed on its behalf by:

Ms Luisa Campbell – Trustee



Mr Esteban Pacha – Trustee



STELLA MARIS
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Cash generated from operations	A	<u>148,766</u>	<u>(341,209)</u>
Net cash provided by/ (used in) operating activities		<u>148,766</u>	<u>(341,209)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(64,851)	(147,491)
Purchase of fixed asset investments		(610,756)	(1,209,696)
Sale of tangible fixed assets		16,014	-
Sale of fixed asset investments		986,201	1,513,992
Interest received		-	-
Net cash provided by investing activities		<u>326,608</u>	<u>156,805</u>
Change in cash and cash equivalents in the reporting period		475,374	(184,404)
Cash and cash equivalents at the beginning of the reporting period		118,670	303,074
Cash and cash equivalents at the end of the reporting period		<u>594,044</u>	<u>118,670</u>

STELLA MARIS
NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

A RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	776,271	(812,377)
Adjustments for:		
Depreciation charges	82,464	51,903
(Gain)/ loss on investments	(535,835)	509,753
(Profit)/loss on disposal of fixed asset	(16,014)	-
Interest received	-	-
(Increase) in debtors	(121,000)	(124,080)
(Decrease)/increase in creditors	(37,120)	33,592
Net cash provided by /(used in) operating activities	<u>148,766</u>	<u>(341,209)</u>

B ANALYSIS OF CHANGES IN NET DEBT

	As at 1 January	Cash flows	As at 31
	2023		December 2023
	£	£	£
Cash	<u>118,670</u>	<u>475,374</u>	<u>594,044</u>

STELLA MARIS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statement of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under historical cost convention, as modified by the revaluation of certain assets, being investments which are included at market value.

The registered office of Stella Maris is 39 Eccleston Square, London, SW1V 1BX.
The functional currency is the pound sterling.

Going Concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. For at least a period of 12 months following the date of the approval of these financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Estate that a distribution will be made; or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donations and grants are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before Stella Maris is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued in debtors.

Interest on deposit funds and dividends on investments are recognised when the amounts can be measured reliably which is normally upon notification of the amount paid or payable by the bank or when the dividend yield has been notified by our investment advisors.

STELLA MARIS
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in the notes to the accounts.

Donated Goods and Services

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding income recognised as coming from donations within the SOFA.

Donated services are treated as income and a corresponding expense where the benefit is quantifiable and measurable. The value placed on donated services is the estimated value to the charity of the service received, being the price the charity estimates it would pay in the open market for a service of equivalent utility to the charity. Donated services recognised in the financial statements include those usually provided by an individual or entity as part of their trade or profession for a fee. The value of activities of the charity's volunteers is not considered to be quantifiable and is not recognised in the financial statements as income or expense.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Individual fixed assets costing £500 or more are capitalised at cost.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

STELLA MARIS
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023

Further explanation of the nature and purpose of each fund is included in note 17 to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial Instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable investments in stocks and shares. The measurement basis used for these instruments is detailed below.

Debtors and cash at bank

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and in hand included cash held on deposit or in a current account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Investments

Investments are stated at market value inclusive of accrued income as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market value or purchase date if later. Unrealised gains and losses are calculated as the difference between the market value at the end of the year and opening market value, or purchase date if later. Realised and unrealised gains are not separated in the statement of financial activities.

Key accounting estimates and areas of judgement

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material misstatement in the next financial year.

STELLA MARIS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

2 DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations	784,773	10,000	794,773	933,444
Legacies	807,421	-	807,421	430,615
Grants raised for work by Stella Maris in the UK	209,753	209,822	419,575	220,763
Grants raised for work by Stella Maris overseas	-	72,666	72,666	232,384
Sea Sunday collections	410,552	-	410,552	429,152
Ports levy	20,705	-	20,705	47,441
Contribution to Stella Maris overheads	-	5,722	5,722	10,082
	<u>2,233,204</u>	<u>298,210</u>	<u>2,531,414</u>	<u>2,303,881</u>

The income from donations and legacies was £2,846,214 (2022: £2,303,881) of which £2,243,204 was unrestricted (2022: £1,595,198) and £603,010 restricted (2022: £708,683).

3 INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Dividends	<u>97,286</u>	<u>-</u>	<u>97,286</u>	<u>106,373</u>

The total dividend income received in 2022 from investments was unrestricted.

Investment income of £22,667 (2022: £52,910) is derived from assets held in the United Kingdom, and income of £74,618 (2022: £53,463) is derived from assets held outside of the United Kingdom.

4 RAISING FUNDS

	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Raising donations and legacies				
Staff costs	233,880	-	233,880	182,099
Other direct costs	37,766	-	37,766	158,915
Support costs	<u>173,079</u>	<u>-</u>	<u>173,079</u>	<u>175,894</u>
	<u>444,725</u>	<u>-</u>	<u>444,725</u>	<u>516,908</u>
Investment managers fees	30,767	-	30,767	34,991
	<u>475,492</u>	<u>-</u>	<u>475,492</u>	<u>551,899</u>

All expenditure on raising funds in 2023 and 2022 was unrestricted.

STELLA MARIS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023

5 CHARITABLE ACTIVITIES COSTS

	Unrestricted funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Pastoral care to seafarers	1,525,950	315,710	1,841,660	2,160,979

In 2022 expenditure incurred included £1,237,454 of direct costs and £923,525 of support costs.
Expenditure in 2022 on charitable activities included £1,462,909 of unrestricted expenditure and £698,070 of restricted expenditure

6 GRANTS PAYABLE

	2023 £	2022 £
Total Grants	156,045	192,347

Pastoral care to seafarers	47,201	192,347
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The total grants paid to institutions during the year was as follows:

	2023 £	2022 £
To Seafarers, Scotland	-	8,593
AOS Denmark	-	75,000
AOS Ukraine	32,556	11,000
AOS Kenya	4,288	-
SFUK Grant paid to Archdiocese of Verapoly	-	5,000
SFUK Grant paid to AOS Manila	-	65,374
SFUK Grant paid to AOS Chennai	42,000	-
SFUK Grant paid to AOS Kenya	30,000	27,380
	108,844	192,347

7 SUPPORT COSTS

	Management £	Governance costs £	Totals 2023 £	Totals 2022 £
Costs of generating voluntary income	271,647	-	271,647	175,894
Pastoral care to seafarers	717,371	25,459	742,830	747,631
	989,018	25,459	1,014,477	923,525

Basis of allocation

All Support cost have been allocated in the ratio of Salaries paid re Fundraising and Charitable Activities
Support costs, included in the above, are as follows:

STELLA MARIS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023

Management

	Costs of generating voluntary income	Pastoral care of seafarers	Total activities 2023	Total activities 2022
	£	£	£	£
Staff Costs	233,881	334,683	568,564	445,582
Recruitment and training	-	13,363	13,363	288,293
Establishment costs	15,155	180,857	196,012	80,727
Motor and travel expenses	10,905	49,940	60,845	10,621
Administrative expenses	5,905	65,095	71,000	27,252
Professional fees	5,801	73,433	79,234	41,006
	<u>271,647</u>	<u>717,371</u>	<u>989,018</u>	<u>893,481</u>

Governance costs

	Total activities 2023	Total activities 2022
	£	£
Total activities		
Trustees' and board meeting expenses	4,311	5,052
Auditors' remuneration – fee for statutory audit	18,900	13,087
Insurance	1,720	3,776
Sundries	528	941
Legal fees	-	7,188
	<u>25,459</u>	<u>30,044</u>

8 NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):	2023	2022
	£	£
Auditors' remuneration	18,900	13,087
Depreciation – owned assets	<u>82,464</u>	<u>51,903</u>

9 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

During the year six trustees (2022: six) were reimbursed out of pocket expenses for travelling and subsistence totalling £4,293 (2022: £4,366). Additionally, £2,256 (2022: £1,583) of expenses were paid on behalf of the trustees' by the charity.

STELLA MARIS

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

10 STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,120,211	1,120,430
Social security costs	110,708	112,886
Other pension costs	104,068	109,664
	<u>1,334,987</u>	<u>1,342,980</u>

Key Management Personnel

The key management personnel of the charity comprise the Trustees, National Director and Development Director.

The total employee benefits of the key management personnel of the charity were £149,337 (2022:£158,440)

The average monthly number of employees during the year was as follows:

	2023	2022
Chaplaincy	22	22
Fundraising	9	9
Support	6	6
	<u>37</u>	<u>37</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£70,000 - £80,000	<u>1</u>	<u>1</u>

The charity paid contributions to pension scheme for one (2022: one) of those employees with emoluments in excess of £60,000.

11 TANGIBLE FIXED ASSETS

	Fixtures & fittings, Plant & Machinery	Motor vehicles	Computer equipment	Totals
	£	£	£	£
COST				
At 1 January 2023	13,518	354,626	52,969	421,113
Additions	-	64,851	-	64,851
Disposals	-	(21,957)	-	(21,957)
At 31 December 2023	<u>13,518</u>	<u>397,520</u>	<u>52,969</u>	<u>464,007</u>
DEPRECIATION				
At 1 January 2023	11,269	205,580	17,761	234,610
Charge for the year	588	69,948	11,928	82,464
Eliminated on disposal	-	(21,957)	-	(21,957)
At 31 December 2023	<u>11,857</u>	<u>253,571</u>	<u>29,689</u>	<u>295,117</u>
NET BOOK VALUE				
At 31 December 2023	<u>1,661</u>	<u>143,949</u>	<u>23,280</u>	<u>168,890</u>
At 31 December 2022	<u>2,249</u>	<u>149,046</u>	<u>35,208</u>	<u>186,503</u>

STELLA MARIS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023

12 FIXED ASSET INVESTMENTS

MARKET VALUE	Listed Investments £	Cash £	Total £
At 1 January 2023	4,027,861	13,403	4,041,264
Additions	610,756	-	610,756
Disposals	(986,201)	-	(986,201)
Revaluations	535,835	-	535,835
Cash movements in the year	(92,116)	92,116	-
At 31 December 2023	<u>4,096,135</u>	<u>105,519</u>	<u>4,201,654</u>

NET BOOK VALUE

At 31 December 2023	<u>4,096,135</u>	<u>105,519</u>	<u>4,201,654</u>
At 31 December 2022	<u>4,027,861</u>	<u>13,403</u>	<u>4,041,264</u>

Analysis of investments by type:

	2023 £	2022 £
Equities	2,929,297	2,926,738
Fixed interest securities	798,076	578,689
Property funds	100,627	173,059
Other investments	268,135	349,375
Cash held within the investment portfolio	105,519	13,403
	<u>4,201,654</u>	<u>4,041,264</u>

Geographical analysis of investments:

	2023 £	2022 £
Held inside the United Kingdom	977,714	1,013,486
Held outside the United Kingdom	3,223,940	3,027,778
	<u>4,201,654</u>	<u>4,041,264</u>

Historic cost

	<u>3,372,381</u>	<u>3,613,362</u>
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13 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other debtors	332,004	230,875
Prepayments	67,783	47,912
	<u>399,787</u>	<u>278,787</u>

STELLA MARIS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023

14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	20,590	65,250
Social security and other taxes	31,376	39,940
Other creditors	11,078	-
Accrued expenses	30,928	25,902
	<u>93,972</u>	<u>131,092</u>

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2023			
Fixed assets	24,941	143,949	168,890
Investments	4,201,654	-	4,201,654
Current assets	922,333	71,498	993,831
Current liabilities	(93,972)	-	(93,972)
	<u>5,054,956</u>	<u>215,447</u>	<u>5,270,403</u>

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 December 2022			
Fixed assets	34,538	151,964	186,502
Investments	4,041,264	-	4,041,264
Current assets	316,474	80,983	397,457
Current liabilities	(131,091)	-	(131,091)
	<u>4,261,185</u>	<u>232,947</u>	<u>4,494,132</u>

16 MOVEMENT IN FUNDS

	At 1 January 2023	Net movement in funds	At 31 December 2023
	£	£	£
Unrestricted funds			
Unrestricted	4,261,185	793,771	5,054,956
Restricted funds			
Merchant Navy Welfare Board	151,963	(49,670)	102,293
Pontifical Council for the Promotion of Integral Human Development (International Fund)	9,656	(2,200)	7,456
Marine Training Fund	4,607	-	4,607
Restricted Donations	28,929	10,000	38,929
Restricted grant income (UK)	20,000	23,056	43,056
Restricted grant income (INT)	17,792	1,314	19,106
	<u>232,947</u>	<u>(17,500)</u>	<u>215,447</u>
TOTAL FUNDS	<u>4,494,132</u>	<u>776,271</u>	<u>5,270,403</u>

STELLA MARIS

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2023**

Net movement in funds, included in the above are as follows:	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted	2,356,755	(2,001,442)	438,458	793,771
Restricted funds				
Merchant Navy Welfare Board	82,951	(132,621)	-	(49,670)
Pontifical Council for the Promotion of Integral Human Development (International Fund)	-	(2,200)	-	(2,200)
Marine Training Fund	-	-	-	-
Restricted Donations	10,000	-	-	10,000
Restricted grant income (UK)	132,593	(109,537)	-	23,056
Restricted grant income (INT)	72,666	(71,352)	-	1,314
	<u>298,210</u>	<u>(315,710)</u>	<u>-</u>	<u>(17,500)</u>
TOTAL FUNDS	<u>2,654,965</u>	<u>(2,317,152)</u>	<u>438,458</u>	<u>776,271</u>

Merchant Navy Welfare Board - grants received for the purchase of motor vehicles, seafarers' room refurbishment and chaplains' computer equipment and peripherals.

Pontifical Council for the Promotion of Integral Human Development (International Fund) & Marine Training – funds to be used to support Stella Maris activities around the world.

Restricted grant Income - grants received from a number of generous sources have been restricted to specific expenditure for which they were provided.

Restricted Donations – donations received from generous supporters, restricted to be spent on seafarers worldwide.

MOVEMENT IN FUNDS

	At 1 January 2022 £	Net movement in funds £	At 31 December 2022 £
Comparatives for period ending 31 December 2022			
Unrestricted funds			
Unrestricted	5,084,175	(822,990)	4,261,185
Restricted funds			
Merchant Navy Welfare Board	140,010	11,953	151,963
Pontifical Council for the Promotion of Integral Human Development (International Fund)	82,324	(72,668)	9,656
Marine Training Fund	-	4,607	4,607
Restricted Donations	-	28,929	28,929
Restricted grant income (UK)	-	20,000	20,000
Restricted grant income (INT)	-	17,792	17,792
	<u>222,334</u>	<u>10,613</u>	<u>232,947</u>
TOTAL FUNDS	<u>5,306,509</u>	<u>(812,377)</u>	<u>4,494,132</u>

STELLA MARIS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2023

Net movement in funds, included in the above are as follows:	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
Unrestricted	1,701,571	(2,014,808)	(509,753)	(822,990)
Restricted funds				
Merchant Navy Welfare Board	46,954	(35,001)	-	11,953
Pontifical Council for the Promotion of Integral Human De	44,470	(117,138)	-	(72,668)
Marine Training Fund	142,141	(137,534)	-	4,607
Restricted Donations	78,526	(49,597)	-	28,929
Restricted grant income (UK)	164,208	(144,208)	-	20,000
Restricted grant income (INT)	232,394	(214,592)	-	17,802
	<u>708,693</u>	<u>(698,070)</u>	<u>-</u>	<u>10,623</u>
TOTAL FUNDS	<u>2,410,264</u>	<u>(2,712,878)</u>	<u>(509,753)</u>	<u>(812,367)</u>

17 PENSION COMMITMENTS

The Charity operates a defined contribution scheme which is administered independently of the Charity. The cost to the Charity for the year was £104,068(2022: £109,664). At the balance sheet date the amount due to the pension scheme administrators was £11,078(2022: £11,358). The expected cost to the Charity in the coming year is expected to be in line with that of 2023.

18 RELATED PARTY DISCLOSURES

The total amount of donations to the Charity received from trustees during the year was £394 (2022: £90).

19 ULTIMATE CONTROLLING PARTY

The charitable company is under the control of its members. No one member has sufficient voting rights to control the charitable company.

20 MATERIAL LEGACIES

Legacy income is only included in incoming resources where the legacy has been received or both the receipt and the amount is probable. As at 31 December 2023 the Charity had been notified of the following legacy which had not been recognised as income in these accounts:

An Estate where the Charity is entitled to 2/15 share of the residual estate. The Charity does not have an estimate for this legacy.

21 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.