

MORNING STAR TRUST

England & Wales · Charity number 328320

Details

Status	Registered
Legal form	Charitable company
Company number	02412804
Registered	1989-08-18
Register	View on the Charity Commission register

Contact

Address	Morning Star Trust 43 Woodridge Close Enfield Middlesex EN2 8HJ
Phone	01243 908026
Email	info@mst.org.uk
Website	www.mst.org.uk

Activities

Objects: (A) THE PROCLAMATION OF THE GOSPEL OF CHRIST TOGETHER WITH THE ADVANCEMENT OF CHRISTIANITY IN ACCORDANCE WITH THE STATEMENT OF FAITH IN THE SCHEDULE TO THE ARTICLES. (B) THE EDUCATION OF YOUNG PEOPLE IN THE DEVELOPMENT OF THEIR PHYSICAL MENTAL AND SPIRITUAL CAPACITIES SO THAT THEY MAY GROW TO FULL MATURITY AS INDIVIDUALS AND MEMBERS OF SOCIETY AND THE PROVISION FOR THEM OF FACILITIES FOR RECREATION AND OTHER LEISURE TIME OCCUPATION IN THE INTERESTS OF SOCIAL WELFARE.

Activities: To share God's love and the good news about the offer of forgiveness and a relationship with God through Jesus. To enable people to develop physically, mentally, emotionally and spiritually, so that they may make or increase their contribution to society. To deliver the above objects primarily through means of sail training for the benefit of people from all backgrounds.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Religious Activities, Amateur Sport
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£294,955	£269,914	-	-
2023-12-31	£237,486	£270,364	-	-
2022-12-31	£250,394	£311,780	-	-
2021-12-31	£211,009	£189,853	-	-
2020-12-31	£214,832	£180,554	-	-

Trustees

Name	Role	Appointed
Hugh Crother		2025-07-20
Isabel Maria Varey		2022-10-15
Peter Anthony Adams		2020-11-21
RICHARD THOMAS		2026-03-16
Rachel Elizabeth Walters		2022-10-15
Rebecca Tarling		2026-02-16
Tony Ingall		2017-01-01
Verity Thomas		2024-04-15

MORNING STAR TRUST

England & Wales - Charity number 328320

Accounts



MORNING STAR TRUST

Annual Report and Accounts 2024



www.mst.org.uk

Letter from the Chair

We continue to pursue our objective of establishing long term sustainability to our operations. This includes the way we organise ourselves to deliver our charitable aims, which we do through the vehicle of sail training. Since 2022 we have been implementing a recovery programme to return to an annual surplus and rebuild our reserves. In 2023 there was a modest deficit, but in 2024 we returned a surplus of £25,041. This was achieved by early release of our programme resulting in increased sales. 2024 was the first year when we had three boats in service for the whole season and the increased capacity has paid off.

There is potential to grow the number of people we take to sea during 2025 as we are not yet at full capacity. In 2024 supporter's loans of £48,566 were reduced to £31,830. We are grateful to those whose confidence in the future of the trust consolidated loans into gift aided donations.

Maintenance of our fleet is crucial to our operations and sustainability. When we moved from Chatham in 2020 one of our losses was a dedicated team of local people who maintained our vessels. Late in 2023 we appointed Stewart Scott as Volunteer Vessel Maintenance Manager. He has worked hard this year to build a team of dedicated volunteers in the Havant area who undertake minor repairs and work that does not require professional input. He has identified various contractors with whom we can work with the more sophisticated regular maintenance. As any sailor knows, no matter how well you do your maintenance things still break and wear out. Two big items this year were the replacement of cookers on Bright Star of Revelation and Eastern Star of Revelation.

We are now very much looking towards the future of the Morning Star Trust. We have proven that the concept of using multiple boats is a better business model than running one big boat.

We are working on reaching out beyond the geographical area of the Solent and seeking to be a provider in the North-East and South-West of England. We have a particular focus on deprived areas of the country. To this end in both areas we have formed teams of supporters to develop our contacts with programs that work with homeless, addiction recovery, youth and mental health.

We continue to work on our vision for the complete renewal of our fleet by purchasing four identical vessels which will give us greater flexibility in our programme and enable us to diversify our markets. Given the age of our present vessels, this is vital for our sustainability. We have been developing our structures and processes to support the new fleet and excited to be launching our fund-raising programme in 2025.

Verity Thomas, a Naval Architect and sailing volunteer, joined the Trustees in 2024. She brings expertise in vessel design and construction to the board which is vital as we pursue the renewal of our fleet. She lives in the South-West and forms an important part of that team as we seek to develop our provision in that location. We welcome her and her insights.

2024 has been encouraging and it is down to the hard work of our 50+ dedicated volunteers, our salaried staff and the oversight of my fellow trustees all of whom I would like to thank for their enormous contribution. I express my deep gratitude to

the many individuals and charitable trusts who have contributed grants, one off gifts and regular giving to enable the ongoing work of the Morning Star Trust.



Anthony Ingall
Chair of Trustees.

In 2024 MST delivered
72 Voyages



For
363 Participants



and

397 Days at Sea



taking part in
3 Races



Our Mission

Our charity's objectives are:

- 1) The proclamation of the gospel of Christ together with the advancement of Christianity, in accordance with the Statement of Faith (the Apostles' Creed).
- 2) The education of young people in the development of their physical mental and spiritual capacities, so that they may grow to full maturity as individuals and members of society, and the provision for them of facilities for recreation and other leisure time occupation in the interests of social welfare.

What we do

Our principal objective is to share the Christian Faith. We aim to transform young people's lives, with God's love, through sail training. We are a values-based organisation which means our staff lead by example. Our faith is not to be imposed but to be shared. Our distinct Christian identity means we deliver our voyages and training unconditionally to those of all faiths and none. Our maxim is taken from St Francis who said, 'go and preach the Gospel and if necessary, use words.' Our approach to sharing our faith is a gentle one.

2024 saw the Morning Star Trust delivering an exciting, expanded program of residential voyages primarily designed for the needs of young people under 25. Our three boats worked hard providing Duke of Edinburgh Gold Expeditions (10-day voyages) Gold Residentials (5-day voyages) and Silver Expeditions (8 Day voyages.) We visited Northern France and the Channel Islands on several occasions. We provided weekends for youth groups, adults and a Women on the Water voyage with all female crew. We continued to deliver a range of RYA Practical and Theory Courses.

The Morning Star Trust entered the ASTO Guernsey to Poole Passage Race to commemorate 200 years of the RNLI. ASTO received a visit from their patron Her Royal Highness the Duchess of Edinburgh. The Morning Star Trust was privileged to take a full part in welcoming the Duchess. Rebecca Newall was asked to speak to the Duchess in front of 200 ASTO crew about her experience of sail training and the Morning Star Trust. We felt honoured that she was invited to speak on behalf of so many.

Our strategic aim is to operate four vessels to maximize the number of young people we take to sea in a sustainable way. Each year we get closer to this aim as we develop a sustainable model of operation. We are supported by the beneficial giving of their time by our volunteer sea staff helping to make this possible at the minimum of cost.

Towards the end of 2024 we saw a surge in bursary gifts, one off donations and grants towards our rolling refit. Our bursary fund enables us to subsidise a significant number of young people enabling their inclusion and participation. Grant funding enables us to maintain our vessels to the highest standards. We remain grateful to all who facilitate our mission.

Spiritual Stories from our voyages



The Personal Bilge Alarm

Five young people, strangers, came together for a Youth Sailing Adventure / Duke of Edinburgh Gold Residential.

At 23.00 hours lights out was called. The Sea Staff retired to their cabins. The Skipper was drifting off into sleep when he heard the crew

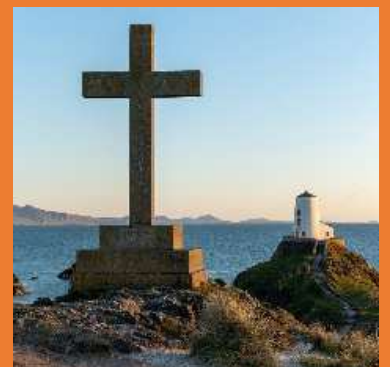
chatting about the Bible and Jesus, whether they attended church or not. He lay there wondering 'shall I get up and go and join in?' After prayer he decided to let them have their space, confident that God was at work. At 02.30, his personal 'bilge alarm' woke him. The heads were calling! The crew were still chatting quietly amongst themselves and hadn't slept. He stayed up with them. The questions rolled and stories were shared. The Skipper finally returned to his bunk at 03.30. In the morning one of the girls asked for 'Cornerstone' to be played on the music box, as she knew the words.

My Lighthouse



On a Church weekend voyage after a rough time in the Solent with four of the five crew being sick, and very despondent, the initial plan was abandoned, and they headed for Chichester. All were encouraged to look up at the horizon. West Pole was our "lighthouse". Calm waters were promised once over the bar.

All were smiling faces after a good clean up and lunch. Next day the breakfast chat turned to a reflection on the stormy weather of life, storms that we really might not enjoy but how we have Jesus as our lighthouse pointing towards the safe calm water of God's arms. The young lad who'd been sick the most was clearly moved and rushed to get "My Lighthouse" playing with them all singing along. Until that day "My Lighthouse" might just have been an encouraging song. Suddenly it had become a real-life experience.



Feedback from our voyages

'We just wanted to express our enormous thanks to all the staff and wonderful participants that made the February half term DofE residential voyage so brilliant!' Our son had a truly amazing experience. "Bonded in terror!" I think was the phrase used, after the challenging weather conditions and sickness on the second day! It was wonderful to hear how they all worked together as a team so well, having never met before or had any previous experience of sailing.

From a Foster Carer

We were extremely grateful for the opportunity to take this group of refugees and asylum seekers sailing - it was a wonderful experience overall and everyone thoroughly enjoyed the day, including those who felt a bit sea-sick.

From Refugee Group

I have sailed with MST once before and really enjoyed it. I have additional needs and Morning Star Trust have been happy to allow me to take part in their sailing holidays despite my learning disability.

From a Participant

My daughter came home last week after 10 days sailing with the Morning Star Trust and had a great experience. She now has DofE gold expedition and competent crew RYA certification under her belt. For a girl that can barely take public transport or walk to the shops it is an impressive achievement. ***This summer was transformative for her.*** My other two children now want to follow her adventures.

From a Facebook post

'Having just come back from our voyage, we all miss life on the boat dearly. This week has been one of the most exhilarating weeks of our lives, one we will remember forever. We learnt invaluable sailing skills, obtaining our competent crew, and exploring the Solent, we've formed lifelong friendships. The Sea Staff were the best - so supportive, kind and fun! We wholeheartedly recommend this sailing experience to anyone; it's a really fun opportunity to explore something completely different and meet new people whilst doing an exciting activity! Thank you, MST!

From the crew of a Youth Sailing Adventure



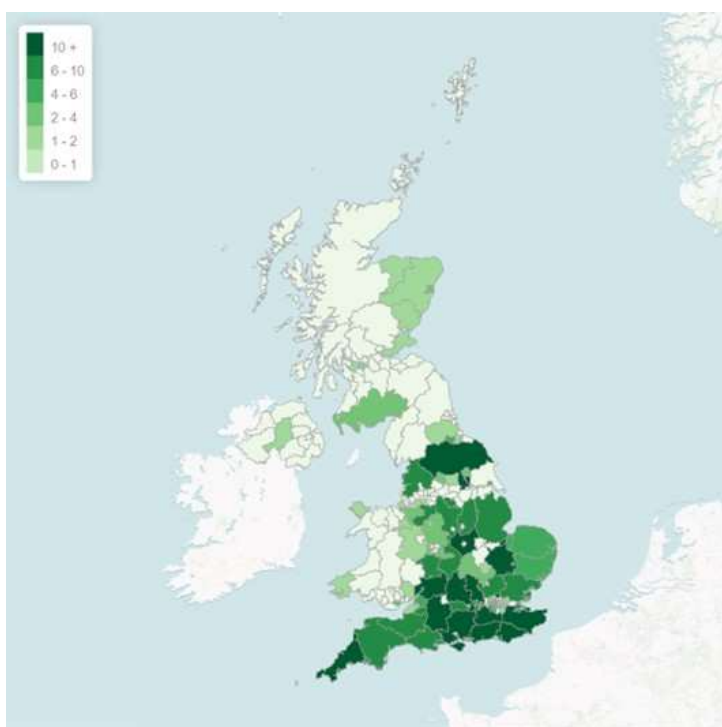
Voyage

Impacts

The Morning Star Trust was able to provide a total of 1591 Berth Days for 254 under 25s and 109 adult participants with over 397 days at sea. 181 participants gained their RYA Competent Crew. We delivered 29 Duke of Edinburgh voyages ranging from 8-day Silver Expeditions, through 5-day Gold Residentials to the ultimate experience of 10-day Gold Expeditions. These took place in the Solent, and along the South Coast, across to the Channel Islands and France. 15 people gained their RYA Day Skipper and 2 gained their RYA Yachtmaster offshore.

We entered Eastern Star of Revelation and Guiding Star of Revelation in the ASTO Guernsey to Poole Passage Race to Commemorate 200 years of the RNLI. Guiding Star of Revelation came first after 38 hours of difficult light wind sailing. Bright Star of Revelation entered the Sail Training Category of the Fowey Regatta Passage Race from Fowey to Falmouth (leg 1) and Falmouth to Fowey (leg 2) coming first in both legs. All three vessels entered the ASTO Cowes Small Ships Race around the cans with 12 young carers and 5 Cowes Sea Cadets taking part. Sadly, our entry in the Round the Island Race had to retire due to dangerous weather conditions.

Our weekend sailing has been good with a Women on the Water weekend in which 14 women took part. This was a new venture in 2024 and will be repeated for a group in Sunderland and another group in the Solent during 2025. 29 adults and 25 under 25s with their leaders took part in Church Weekend Voyages. We provided one voyage for 5 people for Deaf Sailing UK.



This shows a growth in every area of our operations. Participants come from all over the UK demonstrating our national reach.

The Morning Star Trust is actively seeking to improve our diversity, equity and inclusion. A strategy for this is in the making as we seek to make Sail Training in the unique environment of small yachts possible for a much wider spectrum of our nation's diverse population.

Bursaries

Bursary funding is essential to enable people who would not otherwise be able to afford to sail with us to go to sea and is foundational to the work of the Morning Star Trust. Our maxim is that 'no person under **25** is excluded from voyaging with us because of finance'. We enable participants to access our programmes from the widest possible range of backgrounds. The Morning Star Trust has supported Young Carers, vulnerable, at-risk people, refugees, those from low-income families and students through our bursary scheme.

In 2024, bursaries worth **£6,118** were awarded, enabling 12 young people to sail with the Morning Star Trust who would otherwise have struggled to participate. We also supported participants to apply for funding from additional sources and granted reduced price and free places to under 25s at our Annual Conference. This is significantly less than in 2023 when we had additional funding for the Small Rural Churches Youth Project. The bursaries we can grant are limited by the funding available.

Volunteers

In the 2024 sailing season, we grew our volunteer force to **49** volunteers, **16** serve as Skippers, **33** as Mates, and of the **49**, **14** also serve as volunteers on our Maintenance Team. At the end of the 2024 we had **33** prospective new volunteers in the pipeline. **43%** first sailed as youth crew with the Morning Star Trust.

To maintain their competency our volunteers put in considerable additional time at home completing courses in safeguarding, first aid, navigation, radar, GDPR, and attending our mandatory training weekends to complete their familiarisation with our vessels and ethos.

Safeguarding

The Morning Star Trust has a very strong commitment to safeguarding and review our already robust Safeguarding Policy annually.

Public Benefit

The Trustees have paid regard to the Charity Commission's Public Benefit guidance to ensure that all the activities of the Morning Star Trust continue to focus on delivering the charitable objectives of the charity. We have maintained our focus on the less advantaged by providing funding for our activities through our bursary scheme.

41 %

Of our income comes
from donations and grants

£169

True cost per participant
per day

95p

in every £ is spent
on our charitable
purpose

Financial Review

Overview

In 2024 the Trust's total income was **£294,955** (2023: £237,486). This was primarily income from charitable activities, specifically the delivery of residential youth work programmes onboard offshore sailing vessels. A total of **£122,242** was raised through donations, gifts, and funding. This was a rise of **£36,907** from the preceding year (2023: £85,335).

Our voyage programme provided a **£164,144** (2023: £145,506) contribution to funding our operations and charitable purposes. This represents an increase of **£18,638** brought about by increased activity.

Total expenditure was **£269,914** (2023: £270,364) a reduction of £451 achieved by tighter cost controls, which produced a net surplus of **£25,041** (2023: **£32,878 deficit**).

Accounting Policy

These accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts. They comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "*Accounting and Reporting by Charities*", issued in March 2005, insofar as it is applicable to a charity which is not subject to statutory audit.

Reserves Policy

The Trust's reserves (its unrestricted undesignated liquid assets) were a deficit of **£35,569** (2023: £60,844 deficit) at 31st December 2024. Loans totalling **£31,830** are included in current liabilities, as they could be called at any time, but most are unlikely to be called within 1 year.

The Trust's Reserves should normally be between 3 and 6 months of budgeted Operating Expenditure (not including the Voyage Costs that the Trust would not incur in the unlikely event that it had to temporarily stop providing voyages). In times of unplanned financial disruption, it may be appropriate for the total to fall below this range for a period, after which the Trust would work to build up its reserves again.

The Trustees receive monthly financial reports which enable them to assess whether the total value of Trust's available liquid assets falls within the range that this policy aims for. As they do not currently fall within this range, plans have been made to restore the Reserves as soon as is reasonably possible.

The Reserve Policy is reviewed on an annual basis (at the same time as approving the budgets for the year ahead) as well as whenever a change is made to the Trust's Risk Register. If reserves need to fall below 5% of the Trust's annual operating expenditure, the Trustees are informed immediately.

Structure and Governance

Going Concern

The trustees are satisfied that the trust's financial resources are such that there is no current financial uncertainty about the trust continuing as a going concern.

Structure

The charity is a company limited by guarantee, governed by its Memorandum & Articles of Association.

Governance

The Trustees of the Morning Star Trust:

- Exercise overall control of the charity by regular review of operation, activities and results of the charity and have responsibility for longer term strategic planning.
- Delegate the operational responsibility for safety management to the Chief Executive but remain accountable in law for all safety aspects of the charity.
- Have a management responsibility for ensuring the charity is undertaking its activities safely.
- Have a robust Safeguarding Policy the application of which is monitored closely.
- Review trust policies annually.
- Maintain a risk register and monitor risk management

Day to day control is exercised by the Chief Executive in accordance with the Schedule of Delegated Responsibilities.

Recruitment of Trustees

Trustees are appointed according to their skills and experience and are appointed by the existing Trustees on that basis.

An induction programme is agreed individually with each new Trustee on their appointment. It is tailored to their needs and experience. As a minimum Trustees are required to read the Charity Commission Guidance on Public Benefit and associated documentation, and to allow their decisions to be informed by this guidance.

Reporting to the Independent Examiner

Each Trustee has confirmed that there is no information, of which they are aware, which is relevant to the accounts, but of which the Independent Examiner is unaware.

They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Independent Examiner is aware of such information.

A Ingall

Anthony Ingall Date 08 July 2025

Chair of Trustees

ACKNOWLEDGEMENTS

The Trustees are indebted to all the charity's staff and volunteers for their tireless contribution to the success and effectiveness of our work.

They also wish to thank our members for their generous and regular giving and the numerous supporters' who made our work possible this year, including

- The Angela Gallagher Memorial Fund
- The Annie Tranmer Charitable Trust
- The Association of Sail Training Organisations
- The Boulton Trusts
- The Britland Charitable Trust
- The Doris Field Charitable Trust
- The Garfield Weston Foundation
- Goodnews Evangelical Mission
- Green Hills Christian Trust
- The Hamead Trust
- Joan Ainslie Charitable Trust
- The Sir James Roll Charitable Trust
- Lockett Trust
- The SMB Trust
- The Souter Charitable Trust
- Sport England
- Trinity House Maritime Charity
- The Truemark Trust
- The Tufton Charitable Trust

Morning Star Trust

Charity Registration No: 323820

Company Registration No: 02412804

A Company limited by guarantee.

Registered Office: 43 Woodridge Close,
Enfield, Middlesex,
EN2 8HJ

Operating Base: Northney Marina
Northney Road
Hayling Island
Hampshire
PO11 0NH

Telephone: 01243 908026

Website: www.mst.org.uk

Email: info@mst.org.uk

Trustees (who are also directors):

- P Adams
- P Adlington Resigned 17 March 2025
- A Ingall (Chair)
- N Ratcliffe
- D Shepherd (Secretary) Resigned 3 November 2024
- V Thomas (Secretary) Appointed 3 November 2024)
- I Varey
- R Walters

What was good about the voyage?

'Being part of small team. Learning different skills. Independence in plotting courses. Using the VHF radio. Enjoying sitting on deck looking at the stars. The quality of the ship. Generous food and drink. The instructors. Excellent skipper. Good price.'

Voyage Participants



Registered with
**FUNDRAISING
REGULATOR**

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	2023 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	1	90,545	31,697	122,242	85,335
Investments	2	62	-	62	88
Charitable activities	3	170,069	-	170,069	150,606
Other trading activities	4	280	-	280	457
Other income	5	2,302	-	2,302	1,000
Total		263,258	31,697	294,955	237,486
EXPENDITURE ON:					
Raising funds	6	12,515	-	12,515	17,495
Charitable activities	7	237,768	19,631	257,399	252,869
Total		250,283	19,631	269,914	270,364
Net Income/(expenditure)		12,975	12,066	25,041	(32,878)
Transfers between funds	19	2,570	(2,570)	-	-
Net movement in funds		15,545	9,496	25,041	(32,878)
RECONCILIATION OF FUNDS					
Total funds brought forward	18, 19	28,272	2,570	30,842	63,720
Total funds carried forward	18, 19	43,817	12,066	55,883	30,842

The statement of financial activities includes all gains and losses recognised during the year.
All of the above results are derived from continuing activities.

MORNING STAR TRUST
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

BALANCE SHEET AS AT 31 DECEMBER 2024

		2024		2023	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	14	79,386		89,116	
			79,386		89,116
CURRENT ASSETS					
Stocks	15	500		500	
Debtors	16	37,443		37,592	
Cash at hand and in bank		12,750		3,992	
Total current assets		<u>50,693</u>		<u>42,084</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	17	<u>74,196</u>		<u>100,358</u>	
Net current assets/(liabilities)			(23,503)		(58,274)
Net assets/(liabilities)			<u>55,883</u>		<u>30,842</u>
THE FUNDS OF THE CHARITY					
Restricted funds	18, 19		12,066		2,570
General Funds			43,817		28,272
Unrestricted funds	18, 19		<u>43,817</u>		<u>28,272</u>
Total charity funds			<u>55,883</u>		<u>30,842</u>

For the year ended 31 December 2024 the charity was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

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

The financial statements on pages 11 to 20 were approved and authorised for issue by the trustees on 08 July 2025 and signed on their behalf by:

Anthony Ingall
.....
A Ingall
Chair of directors

Morning Star Trust
Registered Charity Number 328320
Registered Company Number 02412804

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

Morning Star Trust is an incorporated charity, limited by guarantee, incorporated in England with the company number 02412804. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

The charity applies the exemptions from the inclusion of a statement of cash flows under the Charities Statement of Recommended Practice.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are content the charity was at all times a going concern and was at all times able to meet its financial obligations and debts as and when they fell due. This remains the case today, but additional measures have been taken to prevent or reduce the risk of unexpected voyage cancellation owing to mechanical or other failure and thus to avoid the high costs of such incidents occurring. These measures include tighter control of the maintenance and repair programme, closer scrutiny of voyage costs both direct and indirect, and a structured programme of marketing and promotion leveraging the Trust's long reputation for provision of high-quality training voyages. All of these measures have secured the financial sustainability of the organisation in 2024 and going forward.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. There are restricted funds which are used to provide Bursaries to enable young people to participate in sail training activities. Interest is credited to the fund on the balance, which is maintained in a separate bank account. Bursaries paid are charged against the fund. Separate funds represent: a) bursary funds to allow those not in employment or education to benefit from the activities run by the charity b) gifts towards the purchase of fixed assets; c) gifts to assist in the financing of future fixed assets; and d) gifts received towards winter refit of the vessels operated.

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

Donations towards fixed assets are recognised in the Statement of Financial Activities at the same rate as the underlying asset is depreciated.

Further details of each fund are disclosed in Notes 19 and 20.

Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset. Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

ACCOUNTING POLICIES

Resources expended

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to make payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the charity's sole charitable activity. Where applicable expenditure is stated inclusive of non-recoverable VAT.

Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Vessels and equipment	10%, 15% & 20% straight line
-----------------------	------------------------------

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises purchase costs only. Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in disposal.

Debtors and creditors receivable / payable within one year

Trade and other debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Liabilities and provisions

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements. Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS**1. Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Donations and grants	74,355	31,697	106,052	54,040	21,945	75,985
Gift aid	16,190	-	16,190	9,350	-	9,350
	<u>90,545</u>	<u>31,697</u>	<u>122,242</u>	<u>63,390</u>	<u>21,945</u>	<u>85,335</u>

2. Income from investments

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Interest receivable	62	-	62	88	-	88
	<u>62</u>	<u>-</u>	<u>62</u>	<u>88</u>	<u>-</u>	<u>88</u>

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Fee, grant and bursary income	164,144	-	164,144	145,506	-	145,506
Annual conference income	5,925	-	5,925	5,100	-	5,100
	<u>170,069</u>	<u>-</u>	<u>170,069</u>	<u>150,606</u>	<u>-</u>	<u>150,606</u>

4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Equipment sales	-	-	-	-	-	-
Shop income	280	-	280	457	-	457
	<u>280</u>	<u>-</u>	<u>280</u>	<u>457</u>	<u>-</u>	<u>457</u>

5. Other income

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Insurance claim	2,302	-	2,302	1,000	-	1,000
	<u>2,302</u>	<u>-</u>	<u>2,302</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS**6. Raising funds costs**

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Fundraising activity	8,528	-	8,528	9,377	-	9,377
Other fundraising costs	3,987	-	3,987	8,118	-	8,118
	<u>12,515</u>	<u>-</u>	<u>12,515</u>	<u>17,495</u>	<u>-</u>	<u>17,495</u>
Costs of goods sold	-	-	-	-	-	-
	<u>12,515</u>	<u>-</u>	<u>12,515</u>	<u>17,495</u>	<u>-</u>	<u>17,495</u>

7. Charitable activities

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Staff costs	102,833	-	102,833	98,221	-	98,221
Depreciation	10,778	-	10,778	10,779	-	10,779
Vessel operating costs	79,650	14,991	94,641	68,593	5,500	74,093
	<u>193,261</u>	<u>14,991</u>	<u>208,252</u>	<u>177,593</u>	<u>5,500</u>	<u>183,093</u>
Bursaries awarded	1,478	4,640	6,118	255	23,701	23,956
Support costs (see note 8.)	40,273	-	40,273	43,770	-	43,770
Governance costs (see note 9.)	2,756	-	2,756	2,050	-	2,050
	<u>237,768</u>	<u>19,631</u>	<u>257,399</u>	<u>223,668</u>	<u>29,201</u>	<u>252,869</u>

8. Support costs

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Training courses	6,802	-	6,802	5,526	-	5,526
Insurance	8,234	-	8,234	16,695	-	16,695
Printing, postage and stationery	50	-	50	125	-	125
Telephone and internet, IT costs	1,733	-	1,733	1,336	-	1,336
Storage costs	2,363	-	2,363	1,690	-	1,690
Subscriptions, licences and conference	8,677	-	8,677	8,811	-	8,811
Other administrative expenses	12,413	-	12,413	9,587	-	9,587
	<u>40,272</u>	<u>-</u>	<u>40,272</u>	<u>43,770</u>	<u>-</u>	<u>43,770</u>

9. Governance costs

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Trustee meeting costs	631	-	631	-	-	-
Independent examiner's fees	2,125	-	2,125	2,050	-	2,050
	<u>2,756</u>	<u>-</u>	<u>2,756</u>	<u>2,050</u>	<u>-</u>	<u>2,050</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

10. Independent examiner's fees

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Examination	2,125	-	2,125	2,050	-	2,050

11. Wages and salary cost

	2024 Total Funds £	2023 Total Funds £
Gross wages	87,499	87,246
Employer's national insurance costs (net of employment allowance)	3,345	3,435
Employer's pension contributions	3,445	3,311
	<u>94,289</u>	<u>93,992</u>

There were no employees with emoluments (excluding employer pension costs) above £60,000 in this or the preceding year

	2024	2023
The average number of employees during the year was:	3	3
	<u>3</u>	<u>3</u>

The four shore-based employees are a mixture of full-time and part-time staff representing three full-time equivalent staff positions.

12. Pension scheme

The charity operates defined contribution pension scheme for its employees. The total payable for the year under review was £3,445 (2023: £3,311).

13. Related party transactions

None of the trustees (or any persons connected with them - other than any disclosures made in Note 11) received any remuneration during the year. Expenses, in respect of their services as trustees, were paid in accordance with general policy for all volunteers, totalling £Nil (2023: £Nil). The number of trustees reimbursed such expenses during the year was Nil (2023: Nil)

Where trustees act as sea staff on sail training activities they are offered expenses to cover the cost of either leaving or joining the vessel at ports other than the home port. The amount so reimbursed each year cannot be readily ascertained but is restricted to the reasonable costs actually incurred

A trustee participated in a loan scheme in 2020 to fund acquisition of the 'Eastern Star' vessel advancing £10,000 to the trust of which £4,000 remains. The same trustee provided a 'top up' to the loan of £4,000 in 2024 leaving a total outstanding of £10,000

Another trustee provided a loan in 2024 to assist with cash flow, advancing £500 to the trust and this remains outstanding

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS**14. Tangible fixed assets**

	Vessels & Equipment £	Total £
<i>Cost</i>		
At 1 January 2024	130,706	130,706
Additions	3,275	3,275
On disposals	(5,311)	(5,311)
At 31 December 2024	<u>128,670</u>	<u>128,670</u>
<i>Depreciation</i>		
Accumulated at 1 January 2024	41,590	41,590
Charge for the year	10,777	10,777
On disposals	(3,083)	(3,083)
At 31 December 2024	<u>49,284</u>	<u>49,284</u>
Net book value at 31 December 2024	<u>79,386</u>	<u>79,386</u>
Net book value at 31 December 2023	<u>89,116</u>	<u>89,116</u>

15. Stocks

	2024 Total Funds £	2023 Total Funds £
Goods for resale	500	500
	<u>500</u>	<u>500</u>

16. Debtors

	2024 Total Funds £	2023 Total Funds £
Trade debtors	29,456	37,592
Other debtors	7,987	-
	-	-
	<u>37,443</u>	<u>37,592</u>

17. Creditors: amounts falling due within one year

	2024 Total Funds £	2023 Total Funds £
Trade creditors	1,546	3,336
Deferred income	33,091	44,806
Accruals	2,125	2,050
Vessel acquisition loan scheme	10,000	28,500
Other short term loans	21,830	20,066
Other creditors	5,604	1,600
	<u>74,196</u>	<u>100,358</u>

Deferred income relates to invoices raised for voyages booked in 2024 and for sailing activities in 2025.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Tangible fixed assets	79,386	-	79,386	89,116	-	89,116
Current assets	38,627	12,066	50,693	39,514	2,570	42,084
Current liabilities	(74,196)	-	(74,196)	(100,358)	-	(100,358)
	<u>43,817</u>	<u>12,066</u>	<u>55,883</u>	<u>28,272</u>	<u>2,570</u>	<u>30,842</u>

19. Analysis of net movement in funds

	Year ended 31 December 2024				
	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>					
Bursary funds	-	4,660	(4,640)	-	20
Asset replacement	-	-	-	-	-
Vessel refit costs	-	27,037	(14,991)	-	12,046
Vessel Skipper Project	-	-	-	-	-
Vessels Loan Repayment	1,500	-	-	(1,500)	-
Emergency Engine Repair	1,070	-	-	(1,070)	-
<i>Total restricted funds</i>	<u>2,570</u>	<u>31,697</u>	<u>(19,631)</u>	<u>(2,570)</u>	<u>12,066</u>
<i>Unrestricted funds</i>					
General Fund	28,272	263,258	(250,283)	2,570	43,817
<i>Total unrestricted funds</i>	<u>28,272</u>	<u>263,258</u>	<u>(250,283)</u>	<u>2,570</u>	<u>43,817</u>
Total funds	<u>30,842</u>	<u>294,955</u>	<u>(269,914)</u>	<u>-</u>	<u>55,883</u>

The transfer between funds represents the emergency engine repair and loan repayments that have been paid during the year from the bank.

	Year ended 31 December 2023				
	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>					
Bursary funds	8,326	15,375	(23,701)	-	-
Asset replacement	-	-	-	-	-
Vessel refit costs	-	5,500	(5,500)	-	-
Vessel Skipper Project	-	-	-	-	-
Vessels Loan Repayment	1,500	-	-	-	1,500
Emergency Engine Repair	-	1,070	-	-	1,070
<i>Total restricted funds</i>	<u>9,826</u>	<u>21,945</u>	<u>(29,201)</u>	<u>-</u>	<u>2,570</u>
<i>Unrestricted funds</i>					
General Fund	53,894	215,541	(241,163)	-	28,272
<i>Total unrestricted funds</i>	<u>53,894</u>	<u>215,541</u>	<u>(241,163)</u>	<u>-</u>	<u>28,272</u>
Total funds	<u>63,720</u>	<u>237,486</u>	<u>(270,364)</u>	<u>-</u>	<u>30,842</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

NOTES TO THE FINANCIAL STATEMENTS

20. Description of funds

Bursary funds	Funds received from various sources to support those less able to afford training voyages.
Asset replacement	Funds received from various sources to support the cost of eventual replacement of existing vessels with newer ones.
Vessel refit costs	Funds received from various sources in support of the costs of annual refit of all sailing vessels used by the Trust.
Vessel Skipper Project	Funding received from a charitable trust to meet the costs of employing a paid skipper on training voyages.
Vessels Loan Repayment	Funds received from various sources to facilitate the eventual (discretionary) repayment of funds advanced to assist the purchase of a new vessel.
Sport England Grant	Grant provided by a specific donor for a range of designated activities within the scope of the donor scheme rules.
Emergency Engine Repair Fund	Funds received from various resources to repair engine in emergency.

21. Comparative statement of financial activities

	Note	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	1	63,390	21,945	85,335
Investments	2	88	-	88
Charitable activities	3	150,606	-	150,606
Other trading activities	4	457	-	457
Other income	5	1,000	-	1,000
Total		215,541	21,945	237,486
EXPENDITURE ON:				
Raising funds	6	17,495	-	17,495
Charitable activities	7	223,668	29,201	252,869
Total		241,163	29,201	270,364
Net Income/(expenditure)		(25,622)	(7,256)	(32,878)
Transfers between funds	19	-	-	-
Net movement in funds		(25,622)	(7,256)	(32,878)
RECONCILIATION OF FUNDS				
Total funds brought forward	18, 19	53,894	9,826	63,720
Total funds carried forward	18, 19	28,272	2,570	30,842

Independent Examiner's Report to the Trustees of Morning Star Trust

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2024.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act').

In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Geoffrey Frost BSc(Hons) FCA

Blue Spire Limited
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Date:

MORNING STAR TRUST

England & Wales - Charity number 328320

Accounts



MORNING STAR TRUST

ANNUAL REPORT



2023

FROM THE CHAIR OF TRUSTEES

2023 started with three vessels available to us, however the challenges of 2022 meant that publication of our programme was delayed. Consequently, bookings were initially slow but picked up as the year progressed. And our marketing strategies bore fruit and we ended the year with close to breakeven (before some necessary prior year accounting adjustments) which was a great improvement on 2022. When the engine in Eastern Star failed, she was not out of service for a long period. Our prayers were answered, funding was made available, and she returned to service without having to cancel any voyages. Our thanks go to our donors and the those who made short term loans to enable us to continue delivering our programme.

The main innovation of this year has been the pilot project for Small Church Youth Groups which had its genesis in 2022 and started to grow again in 2023. You will see more about this later. Suffice it is to say that we are confident that this will open a new line of engagement with young people and prove to be a valuable resource for youth groups. The feedback from the pilot has been very encouraging. The project was [featured in the Church Times](#).

We are grateful to ASTO who administer the Hammond Innes Fund, Greenhills Christian Trust and the Whirlwind Trust who provided the seed corn funding to enable this project.

MST continues to develop links with other organisations with which we have synergy and can work together for common objectives. MST has offered volunteers for ASTO members, King's Fleet, Youth With A Mission, and CYE the opportunity to take RYA Qualifications and other training opportunities through MST. We are tentatively discussing how we can partner with

Urban Saints (formerly Crusaders) and the Federation of Broads Cruises.

Richard Brewer and Duncan Miller have both stepped down as trustees during the year; Richard Brewer, after 3 years of service and Duncan Miller, after 20 years of service. We welcomed Peter Adlington and Nicola Radcliffe to the Board during 2023. Peter Adlington, in addition to being a volunteer Mate, brings IT skills which are much needed in this technological age. Nicola Radcliffe is a Volunteer Skipper who first sailed with us aged 15, served a gap year and gained her RYA Yachtmaster Offshore through the Morning Star Trust.

Our Fleet Manager, Danielle Richardson, moved on in August having overseen a vast amount of refit work on our two Sigmas and establishing systems for maintaining the boats. Stewart Scott has joined us as Volunteer Fleet Manager and helped us in developing even more robust maintenance and refit systems, co-ordinating volunteers and bringing his engineering skills to our work. Stewart is also our Equity, Diversity, and Inclusion Ambassador.

Andrew Costa has joined us providing administrative assistance to the CEO, releasing him to concentrate on our strategic objectives. As we look forward to 2024, we are encouraged by a strong level of bookings and therefore intend to progress our plan for replacing our vessels within the next five years.

I would like to thank my fellow trustees, our CEO Graham Sykes, our staff and the multitude of

volunteers and supporters whose dedication makes the work of the Morning Star Trust possible.



Anthony Ingall Chair of Trustees March 2024

OUR MISSION

The charity's objects are:

- The proclamation of the gospel of Christ together with the advancement of Christianity, in accordance with the Statement of Faith (the Apostles' Creed).
- The education of young people in the development of their physical mental and spiritual capacities, so that they may grow to full maturity as individuals and members of society, and the provision for them of facilities for recreation and other leisure time occupation in the interests of social welfare.

WHAT WE DO

In 2023 the charity aimed to fulfil our objectives with a program of residential voyages designed for the needs of young people under 25 as well as weekend sailing for adults. Having three boats has given the opportunity of sailing in company. This works well for weekend voyages, Duke of Edinburgh and our Summer Adventures when we range further afield.

During term times we provide a range of RYA Courses including Competent Crew, Day Skipper, Yachtmaster, and Cruising Instructor. These training voyages help to provide additional funds for the work we do with young people.

We have been seeking to re-establish ourselves as a direct resource for churches offering weekend voyages for adults and voyages tailored for small youth groups. Please see detailed report below.

Our continuing aim is to maximize the number of young people, who would not otherwise get the opportunity, going to sea and experiencing the great adventure of offshore sailing. By the beneficial giving of their time our volunteer sea staff help to make this possible at the minimum of cost.

We remain reliant on donations for our bursary fund, from various charities which enable us to subsidise a significant number of young people enabling their inclusion and participation. We also seek grant funding for maintenance and development projects.



294

Young people and adults were direct beneficiaries of our charitable work participating in our adventurous voyage programme.

VOYAGE *IMPACTS*

A. The Small Rural Church Youth Group Project Report

Historically the Morning Star Trust has always been a resource to Churches and our 45 years of experience in this field means we have learned that our work is most effective when done in partnerships with the church and other organisations. We offer episodes in people's lives which some have described as 'peak experiences' while we aim to facilitate building people up for daily life.

Our CEO – Graham Sykes - spent 20 years in Rural Ministry in the Diocese of Hereford and found that by taking small youth groups sailing each year they grew in faith and number. He was also conscious of the scarcity of funding for quality youth events so our Small Rural Churches Youth Groups Project was built on these added insights. He has used his experience, working with our sea staff, to create a contemporary approach to this same issue. The voyages catered for small groups of 5, 6, 12 or 17 people and were designed to enable small rural church youth groups and confirmation groups to enjoy a weekend at sea with us. Our principle aims in the Small Rural Churches Project Pilot were:

- To prove to churches the benefit, in terms of personal and spiritual growth, for all participants, both youth and leaders, of taking people to sea.
- To make booking and administration easy for participant youth leaders by providing bespoke bookings pages and bursaries.
- To work with churches in partnership for the Gospel.
- 30 places were offered.
- 25 Churches and Deaneries applied.
- The initiative was so popular that MST worked hard to more than double the fully funded places available to 68. 425 berths more could have been filled if we had had the funding.

Our original offer and concept were for Small **Rural** Church Youth Groups. However, as the project progressed, we discovered other churches who had similar issues to rural churches; so, ultimately our participants came from a variety of contexts. These included deep rural multi-parish benefices, urban priority areas, and suburban churches from a mixture of Church traditions. Groups came from Baptist, Church of England and Ecumenical Youth Groups. Geographically they came from Bodmin in the West to Kent in the East. Feedback was extremely positive.

Outcomes:

1. It was a big investment in time and money, which was successful in proving the concept.
2. In 2024 MST will offer voyages simply as 'Church Weekends' to cater for all small youth groups.
3. Our full report will be sent as part of our marketing. This will encourage local churches to take this opportunity to invest in their young people and use these voyages as a tool to build and strengthen their ministry.

We give thanks for the generosity of ASTO who administer the Hammond Innes Fund, Greenhills Christian Trust, The Sarum St Michael Educational Charity. and the Whirlwind Trust who provided the seed corn funding to enable this project.



B. Other voyages

2023 was a recovery year. Our aim was to address the financial shortfalls emerging after the difficulties of refitting Guiding Star of Revelation and repairing Eastern Star of Revelation. Recovery was slowed by the failure of Eastern Star of Revelation's engine. Whilst this was unplanned expenditure, we are grateful to the couple who lent the money to the Trust to enable its replacement and to DD Marine for their swift procurement and fitting of a brand new engine limiting the loss of business.

The Morning Star Trust was able to provide a total of **1454** Berth Days for **264 under 25s** and **30 adult participants** with over **376 days** at sea. **107** participants gained their RYA Competent Crew. We delivered **22** Duke of Edinburgh voyages ranging from 8-day Silver Expeditions, through 5-day Gold Residentials to the ultimate experience of 10-day Gold Expeditions. These took place in the Solent, and along the South Coast, across to the Channel Islands and France, where one Gold Expedition witnessed the finish of the Fastnet Race. Our 10-day Summer Adventure voyages were unable to cross the Channel due to adverse weather but made their way to the West Country and on to the Scilly Islands and back.

A new venture this year was the entry of two vessels in the Round the Island Race, an epic one-day circumnavigation of the Isle of Wight which had 1,300 entrants comprising of a mix of highly professional sailors and rank amateurs. Guiding Star of Revelation (Skippered by Hugh Crothers) was placed 234 overall and 36 in class. Bright Star of Revelation (Skippered by Chris Tarling) was placed 336 overall and 105 in class. These are very creditable results and demonstrate the quality of our sail training. Once again, we participated in the ASTO Small Ships' Race (around the cans) entering all three vessels. The results were again excellent with Bright Star of Revelation (Skippered by Peter Adams) first in class and fifth overall, Eastern Star of Revelation (Skippered by Chris Tarling) eight overall and Guiding Star of Revelation (Skippered by Richard Giles) tenth overall.

The Morning Star Trust continued forging links with schools, youth groups, churches and homelessness organisations providing bespoke voyages crafted to the needs of each group. We found ourselves commended for our flexibility and our adaptability at short notice.

What was good about your voyage? *Learning how to steer and put up sails, being able to sail to the Isle of Wight and being able to play fun games of Uno.*

Crew Member Church Youth Group

Bursaries

The Morning Star Trust Bursary Fund is foundational to the charity's work. Through it we enable participants to access our programmes from the widest possible range of backgrounds. We are grateful to donors who make this possible. Morning Star Trust voyages are heavily subsidised by our supporters and funds generated from operations. In addition, the bursary fund exists to ensure that no person under 25 is excluded from voyaging with us because of finance. Vulnerable, at-risk people, refugees and students are included in our bursary scheme.

In 2023, bursaries worth £ **23,956** were awarded, enabling 81 young people to sail with the Morning Star Trust who would otherwise have struggled to participate. We also supported participants to apply for funding from additional sources.

Volunteers

In the 2023 sailing season, **22** volunteer Sea Staff collectively gave **491** days of service at sea. Around half our volunteer sea staff, including five skippers, are under 30, and 60% of our total sea staff first sailed with the charity as youth voyage crew. To maintain their competency our volunteers put in much extra time at home completing courses in safeguarding, first aid, GDPR, and attending our mandatory training weekends to complete their familiarisation with our vessels and ethos. We encourage and support our volunteers to access other training to enhance their offer as volunteers. We are aided in this by funding from the Trinity House Maritime Charity and ASTO. In 2023, through this partnership MST trained **6** Cruising Instructors, **4** Yachtmasters, and **31** Day Skippers. and **107** Competent Crew.

Safeguarding

We have a very strong commitment to safeguarding and review our already robust Safeguarding Policy annually.

Public Benefit

The Trustees have paid regard to the Charity Commission's Public Benefit guidance to ensure that all the activities of the Morning Star Trust continue to focus on delivering the charitable objectives of the charity. We have maintained our focus on the less advantaged by providing funding for our activities through our bursary scheme.



36 %

Of our income comes
from donations and grants

£182

True cost per participant per day

93p

*in every pound is spent on
charitable purpose*



'Keep doing what you do, the mission is a great one and will bear great fruit'

RYA Day Skipper Candidate

'Sailing with MST made me realise and appreciate the importance of teamwork, which will be an invaluable skill going forward as I begin medical school in September.'

Duke of Edinburgh Gold Expeditioner

"The Skipper was an excellent instructor - he was very patient, supportive, tailored his teaching method to suit our learning styles, challenged us with more difficult sailing manoeuvres, and made an intense week enjoyable."

Duke of Edinburgh Gold Expeditioner

'Great all-round experience for any young person. Just enough of an element of risk to have them excited desperate for more, while feeling at all times safe and in good hands.'

Church Youth Leader

'I would like to thank all the donors for this great experience and I would do it again if I had the chance'

Crew Youth Group Weekend

FINANCIAL REVIEW

In 2023 the Trust's total income was **£237,486** (2022: £250,934). This was primarily income from charitable activities, specifically the delivery of residential youth work programmes onboard offshore sailing vessels.

A total of **£85,335** was raised through donations, gifts, and funding. This was a **fall** of **£40,842** from the preceding year (2022: £126,177) which had benefited from a legacy and donations for a new vessel.

Our voyage programme provided a **£145,506** contribution to funding our operations and charitable purposes. This represents an **increase** of **£26,594** against the preceding year, (2022: £118,912).

Total expenditure was **£270,364** which produced a net deficit of **£32,878** (2022: £60,846). However this included an accounting adjustment of £8,434 which should have been accounted for in 2022.

Accounting Policy

These accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts. They comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, *"Accounting and Reporting by Charities"*, issued in March 2005, insofar as it is applicable to a charity which is not subject to statutory audit.

Reserves Policy

The Trust's reserves (its unrestricted undesignated liquid assets) were a deficit of **£60,844** at 31st December 2023. Loans totalling £48,566 are included in current liabilities, as they could be called at any time, but most are unlikely to be called within 1 year.

The Trust's Reserves should normally be between 3 and 6 months of budgeted Operating Expenditure (not including the Voyage Costs that the Trust would not incur in the unlikely event that it had to temporarily stop providing voyages). In times of unplanned financial disruption, it may be appropriate for the total to fall below this range for a period of time, after which the Trust would work to build up its reserves again.

The Trustees receive monthly financial reports which enable them to assess whether the total value of Trust's available liquid assets falls within the range that this policy aims for. As they do not currently fall within this range, plans have been made to restore the Reserves as soon as is reasonably possible.

The Reserve Policy is reviewed on an annual basis (at the same time as approving the budgets for the year ahead) as well as whenever a change is made to the Trust's Risk Register. If reserves needed to fall below 5% of the Trust's annual operating expenditure, the Trustees are informed immediately.

STRUCTURE & GOVERNANCE

Going Concern

The trustees are satisfied that the trust's financial resources are such that there is no current financial uncertainty about the trust continuing as a going concern.

Structure

The charity is a company limited by guarantee, governed by its Memorandum & Articles of Association.

Governance

The Trustees of the Morning Star Trust:

- exercise overall control of the charity by regular review of operation, activities and results of the charity and have responsibility for longer term strategic planning.
- delegate the operational responsibility for safety management to the Chief Executive but remain accountable in law for all safety aspects of the charity.
- have a management responsibility for ensuring the charity is undertaking its activities safely.
- have a robust Safeguarding Policy the application of which is monitored closely.
- review trust policies annually.
- Maintain a risk register and monitor risk management

Day to day control is exercised by the Chief Executive in accordance with the Schedule of Delegated Responsibilities.

Recruitment of Trustees

Trustees are appointed according to their skills and experience and are appointed by the existing Trustees on that basis.

An induction programme is agreed individually with each new Trustee on their appointment. It is tailored to their needs and experience. As a minimum Trustees are required to read the Charity Commission Guidance on Public Benefit and associated documentation, and to allow their decisions to be informed by this guidance.

Reporting to the Independent Examiner

Each Trustee has confirmed that there is no information, of which they are aware' which is relevant to the accounts, but of which the Independent Examiner is unaware.

They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Independent Examiner is aware of such information.



A Ingall
Chair of directors

3 September 2024
Date

ACKNOWLEDGEMENTS

The Trustees are indebted to all the charity's staff and volunteers for their tireless contribution to the success and effectiveness of our work.

They also wish to thank our members for their generous giving the numerous supporters who made our work possible this year, including:

- The Angela Gallagher Memorial Fund
- The Annie Tranmer Charitable Trust
- The Association of Sail Training Organisations
- The Boulton Trusts
- The Britland Charitable Trust
- The Doris Field Charitable Trust
- The Garfield Weston Foundation
- Goodnews Evangelical Mission
- Green Hills Christian Trust
- The Haremead Trust
- Joan Ainslie Charitable Trust
- The Sir James Roll Charitable Trust
- Lockett Trust
- The SMB Trust
- The Souter Charitable Trust
- Sport England
- Trinity House Maritime Charity
- The Truemark Trust

What was good about the voyage?

'Sitting on the front of the boat with my sister and friend, wetting our feet with waves, cooking, doing sailing and knowing how to do things differently. '

Voyage Participant

Morning Star Trust

Charity Registration No: 323820

Company Registration No: 02412804

A Company limited by guarantee.

Northney Marina

Northney Road

Hayling Island

Hampshire

PO11 0NH

01243 908026

www.mst.org.uk

info@mst.org.uk

*Registered Office: 43 Woodridge Close,
Enfield, Middlesex, EN2 8HJ*

Trustees (who are also directors):

- | | |
|--------------------------|----------------|
| • R Brewer | Resigned 2023 |
| • P Adams | |
| • P Adlington | Appointed 2023 |
| • A Ingall (Chair) | |
| • D Miller | Resigned 2023 |
| • N Radcliffe | Appointed 2023 |
| • D Shepherd (Secretary) | |
| • I Varey | |
| • R Walters | |



Registered with
**FUNDRAISING
REGULATOR**

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	1	63,390	21,945	85,335	126,177
Investments	2	88	-	88	20
Charitable activities	3	150,606	-	150,606	124,113
Other trading activities	4	457	-	457	624
Other income	5	1,000	-	1,000	-
Total		<u>215,541</u>	<u>21,945</u>	<u>237,486</u>	<u>250,934</u>
EXPENDITURE ON:					
Raising funds	6	17,495	-	17,495	9,490
Charitable activities	7	223,668	29,201	252,869	302,290
Total		<u>241,163</u>	<u>29,201</u>	<u>270,364</u>	<u>311,780</u>
Net Income/(expenditure)		(25,622)	(7,256)	(32,878)	(60,846)
Transfers between funds	19	-	-	-	-
Net movement in funds		<u>(25,622)</u>	<u>(7,256)</u>	<u>(32,878)</u>	<u>(60,846)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward	18, 19	53,894	9,826	63,720	124,566
Total funds carried forward	18, 19	<u>28,272</u>	<u>2,570</u>	<u>30,842</u>	<u>63,720</u>

The statement of financial activities includes all gains and losses recognised during the year.
All of the above results are derived from continuing activities.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

BALANCE SHEET AS AT 31 DECEMBER 2023

		2023		2022	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	14	89,116		90,070	
			89,116		90,070
CURRENT ASSETS					
Stocks	15	500		500	
Debtors	16	37,592		26,661	
Cash at hand and in bank		3,992		22,604	
Total current assets		<u>42,084</u>		<u>49,765</u>	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	17	<u>100,358</u>		<u>76,115</u>	
Net current assets/(liabilities)			(58,274)		(26,350)
Net assets/(liabilities)			<u>30,842</u>		<u>63,720</u>
THE FUNDS OF THE CHARITY					
Restricted funds	18, 19		2,570		9,826
General Funds			28,272		53,894
Unrestricted funds	18, 19		<u>28,272</u>		<u>53,894</u>
Total charity funds			<u>30,842</u>		<u>63,720</u>

For the year ended 31 December 2023 the charity was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

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

The financial statements on pages 11 to 20 were approved and authorised for issue by the trustees on 3 September 2024 and signed on their behalf by:



.....
A Ingall
Chair of directors

Morning Star Trust
Registered Charity Number 328320
Registered Company Number 02412804

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

Morning Star Trust is an incorporated charity, limited by guarantee, incorporated in England with the company number 02412804. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

The charity applies the exemptions from the inclusion of a statement of cash flows under the Charities Statement of Recommended Practice.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are content the charity was at all times a going concern and was at all times able to meet its financial obligations and debts as and when they fell due. This remains the case today, but additional measures have been taken to prevent or reduce the risk of unexpected voyage cancellation owing to mechanical or other failure and thus to avoid the high costs of such incidents occurring. These measures include tighter control of the maintenance and repair programme, closer scrutiny of voyage costs both direct and indirect, and a structured programme of marketing and promotion leveraging the Trust's long reputation for provision of high-quality training voyages. All of these measures have secured the financial sustainability of the organisation in 2023 and going forward.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. There are restricted funds which are used to provide Bursaries to enable young people to participate in sail training activities. Interest is credited to the fund on the balance, which is maintained in a separate bank account. Bursaries paid are charged against the fund. Separate funds represent: a) bursary funds to allow those not in employment or education to benefit from the activities run by the charity b) gifts towards the purchase of fixed assets; c) gifts to assist in the financing of future fixed assets; and d) gifts received towards winter refit of the vessels operated.

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

Donations towards fixed assets are recognised in the Statement of Financial Activities at the same rate as the underlying asset is depreciated.

Further details of each fund are disclosed in Notes 19 and 20.

Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset. Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

ACCOUNTING POLICIES

Resources expended

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to make payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the charity's sole charitable activity. Where applicable expenditure is stated inclusive of non-recoverable VAT.

Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Vessels and equipment	10%, 20% & 33.3% straight line
-----------------------	--------------------------------

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises purchase costs only. Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in disposal.

Debtors and creditors receivable / payable within one year

Trade and other debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Liabilities and provisions

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements. Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Donations and grants	54,040	21,945	75,985	62,877	49,652	112,529
Gift aid	9,350	-	9,350	13,648	-	13,648
	<u>63,390</u>	<u>21,945</u>	<u>85,335</u>	<u>76,525</u>	<u>49,652</u>	<u>126,177</u>

2. Income from investments

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Interest receivable	88	-	88	20	-	20
	<u>88</u>	<u>-</u>	<u>88</u>	<u>20</u>	<u>-</u>	<u>20</u>

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Fee, grant and bursary income	145,506	-	145,506	118,912	-	118,912
Annual conference income	5,100	-	5,100	5,201	-	5,201
	<u>150,606</u>	<u>-</u>	<u>150,606</u>	<u>124,113</u>	<u>-</u>	<u>124,113</u>

4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Equipment sales	-	-	-	150	-	150
Shop income	457	-	457	474	-	474
	<u>457</u>	<u>-</u>	<u>457</u>	<u>624</u>	<u>-</u>	<u>624</u>

5. Other income

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Insurance claim	1,000	-	1,000	-	-	-
	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

6. Raising funds costs

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Fundraising activity	9,377	-	9,377	9,360	-	9,360
Other fundraising costs	8,118	-	8,118	130	-	130
	<u>17,495</u>	<u>-</u>	<u>17,495</u>	<u>9,490</u>	<u>-</u>	<u>9,490</u>
Costs of goods sold	-	-	-	-	-	-
	<u>17,495</u>	<u>-</u>	<u>17,495</u>	<u>9,490</u>	<u>-</u>	<u>9,490</u>

7. Charitable activities

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Staff costs	98,221	-	98,221	101,037	8,122	109,159
Depreciation	10,779	-	10,779	9,620	-	9,620
Vessel operating costs	68,593	5,500	74,093	72,567	65,787	138,354
	<u>177,593</u>	<u>5,500</u>	<u>183,093</u>	<u>183,224</u>	<u>73,909</u>	<u>257,133</u>
Bursaries awarded	255	23,701	23,956	2,345	9,506	11,851
Support costs (see note 8.)	43,770	-	43,770	31,041	-	31,041
Governance costs (see note 9.)	2,050	-	2,050	2,265	-	2,265
	<u>223,668</u>	<u>29,201</u>	<u>252,869</u>	<u>218,875</u>	<u>83,415</u>	<u>302,290</u>

8. Support costs

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Training courses	5,526	-	5,526	6,357	-	6,357
Insurance	16,695	-	16,695	647	-	647
Printing, postage and stationery	125	-	125	1,079	-	1,079
Telephone and internet, IT costs	1,336	-	1,336	1,814	-	1,814
Storage costs	1,690	-	1,690	1,710	-	1,710
Subscriptions, licences and conference	8,811	-	8,811	9,810	-	9,810
Other administrative expenses	9,587	-	9,587	9,624	-	9,624
	<u>43,770</u>	<u>-</u>	<u>43,770</u>	<u>31,041</u>	<u>-</u>	<u>31,041</u>

9. Governance costs

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Trustee meeting costs	-	-	-	265	-	265
Independent examiner's fees	2,050	-	2,050	2,000	-	2,000
	<u>2,050</u>	<u>-</u>	<u>2,050</u>	<u>2,265</u>	<u>-</u>	<u>2,265</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

10. Independent examiner's fees

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Examination	<u>2,050</u>	<u>-</u>	<u>2,050</u>	<u>2,000</u>	<u>-</u>	<u>2,000</u>

11. Wages and salary cost

	2023 Total Funds £	2022 Total Funds £
Gross wages	87,246	88,819
Employer's national insurance costs	3,435	3,902
Employer's pension contributions	<u>3,311</u>	<u>2,428</u>
	<u>93,992</u>	<u>95,149</u>

There were no employees with emoluments (excluding employer pension costs) above £60,000 in this or the preceding year

	2023	2022
The average number of employees during the year was:	<u>3</u>	<u>4</u>

The five shore-based employees are a mixture of full-time and part-time staff representing four full-time equivalent staff positions.

12. Pension scheme

The charity operates defined contribution pension scheme for its employees. The total payable for the year under review was £3,311 (2022: £2,428).

13. Related party transactions

None of the trustees (or any persons connected with them - other than any disclosures made in Note 11) received any remuneration during the year. Expenses, in respect of their services as trustees, were paid in accordance with general policy for all volunteers, totalling £Nil (2022: £Nil). The number of trustees reimbursed such expenses during the year was Nil (2022: Nil)

Where trustees act as sea staff on sail training activities they are offered expenses to cover the cost of either leaving or joining the vessel at ports other than the home port. The amount so reimbursed each year cannot be readily ascertained but is restricted to the reasonable costs actually incurred

A trustee participated in a loan scheme in 2020 to fund acquisition of the 'Eastern Star' vessel advancing £10,000 to the trust and this remains outstanding.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

14. Tangible fixed assets

	Vessels & Equipment £	Total £
<i>Cost</i>		
At 1 January 2023	120,881	120,881
Additions	9,825	9,825
VAT adjustment in respect of prior year	-	-
At 31 December 2023	<u>130,706</u>	<u>130,706</u>
<i>Depreciation</i>		
Accumulated at 1 January 2023	30,811	30,811
Charge for the year	10,779	10,779
On disposals	-	-
At 31 December 2023	<u>41,590</u>	<u>41,590</u>
Net book value at 31 December 2023	<u>89,116</u>	<u>89,116</u>
Net book value at 31 December 2022	<u>90,070</u>	<u>90,070</u>

15. Stocks

	2023 Total Funds £	2022 Total Funds £
Goods for resale	<u>500</u>	<u>500</u>
	<u>500</u>	<u>500</u>

16. Debtors

	2023 Total Funds £	2022 Total Funds £
Trade debtors	37,592	18,227
Accrued income	-	1,570
Prepayments	-	6,864
	<u>37,592</u>	<u>26,661</u>

A review accrued income and prepayments was undertaken during the year under review which identified some items which should have been released in the comparative year.

17. Creditors: amounts falling due within one year

	2023 Total Funds £	2022 Total Funds £
Trade creditors	3,336	4,867
Deferred income	44,806	27,523
Accruals	2,050	2,000
Vessel acquisition loan scheme	28,500	30,000
Other short term loans	20,066	10,000
Other creditors	1,600	1,725
	<u>100,358</u>	<u>76,115</u>

Deferred income relates to invoices raised for voyages booked in 2023 and for sailing activities in 2024.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
Tangible fixed assets	89,116	-	89,116	90,070	-	90,070
Current assets	39,514	2,570	42,084	39,939	9,826	49,765
Current liabilities	(100,358)	-	(100,358)	(76,115)	-	(76,115)
	<u>28,272</u>	<u>2,570</u>	<u>30,842</u>	<u>53,894</u>	<u>9,826</u>	<u>63,720</u>

19. Analysis of net movement in funds

	Year ended 31 December 2023				
	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>					
Bursary funds	8,326	15,375	(23,701)	-	-
Asset replacement	-	-	-	-	-
Vessel refit costs	-	5,500	(5,500)	-	-
Vessel Skipper Project	-	-	-	-	-
Vessels Loan Repayment	1,500	-	-	-	1,500
Emergency Engine Repair	-	1,070	-	-	1,070
	-	-	-	-	-
<i>Total restricted funds</i>	<u>9,826</u>	<u>21,945</u>	<u>(29,201)</u>	<u>-</u>	<u>2,570</u>
<i>Unrestricted funds</i>					
General Fund	53,894	215,541	(241,163)	-	28,272
<i>Total unrestricted funds</i>	<u>53,894</u>	<u>215,541</u>	<u>(241,163)</u>	<u>-</u>	<u>28,272</u>
Total funds	<u>63,720</u>	<u>237,486</u>	<u>(270,364)</u>	<u>-</u>	<u>30,842</u>

	Year ended 31 December 2022				
	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>					
Bursary funds	13,015	4,817	(9,506)	-	8,326
Asset replacement	43,802	-	-	(43,802)	-
Vessel refit costs	3,359	41,085	(63,879)	19,435	-
Vessel Skipper Project	5,122	3,000	(8,122)	-	-
Vessels Loan Repayment	1,500	-	-	-	1,500
	-	750	(1,908)	1,158	-
<i>Total restricted funds</i>	<u>66,798</u>	<u>49,652</u>	<u>(83,415)</u>	<u>(23,209)</u>	<u>9,826</u>
<i>Unrestricted funds</i>					
General Fund	57,768	201,282	(228,365)	23,209	53,894
<i>Total unrestricted funds</i>	<u>57,768</u>	<u>201,282</u>	<u>(228,365)</u>	<u>23,209</u>	<u>53,894</u>
Total funds	<u>124,566</u>	<u>250,934</u>	<u>(311,780)</u>	<u>-</u>	<u>63,720</u>

	Unrestricted £	Restricted £	Total £
Asset Replacement to Unrestricted following review of historic use to acquire vessels	43,802.00	(43,802.00)	-
Unrestricted to restricted funds to cover the excess of expenditure over income received	(20,593.00)	20,593.00	-
	<u>23,209.00</u>	<u>(23,209.00)</u>	<u>-</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

20. Description of funds

Bursary funds	Funds received from various sources to support those less able to afford training voyages.
Asset replacement	Funds received from various sources to support the cost of eventual replacement of existing vessels with newer ones.
Vessel refit costs	Funds received from various sources in support of the costs of annual refit of all sailing vessels used by the Trust.
Vessel Skipper Project	Funding received from a charitable trust to meet the costs of employing a paid skipper on training voyages.
Vessels Loan Repayment	Funds received from various sources to facilitate the eventual (discretionary) repayment of funds advanced to assist the purchase of a new vessel.
Sport England Grant	Grant provided by a specific donor for a range of designated activities within the scope of the donor scheme rules.
Emergency Engine Repair Fund	Funds received from various resources to repair engine in emergency.

21. Comparative statement of financial activities

	Note	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	1	76,525	49,652	126,177
Investments	2	20	-	20
Charitable activities	3	124,113	-	124,113
Other trading activities	4	624	-	624
Other income	5	-	-	-
Total		201,282	49,652	250,934
EXPENDITURE ON:				
Raising funds	6	9,490	-	9,490
Charitable activities	7	218,875	83,415	302,290
Total		228,365	83,415	311,780
Net Income/(expenditure)		(27,083)	(33,763)	(60,846)
Transfers between funds	19	23,209	(23,209)	-
Net movement in funds		(3,874)	(56,972)	(60,846)
RECONCILIATION OF FUNDS				
Total funds brought forward	18, 19	57,768	66,798	124,566
Total funds carried forward	18, 19	53,894	9,826	63,720

Independent Examiner's Report to the Trustees of Morning Star Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Geoffrey Frost BSc(Hons) FCA
Blue Spire Limited
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

25 September 2024

Date

MORNING STAR TRUST

England & Wales - Charity number 328320

Accounts



ANNUAL REPORT

2022



MORNING STAR TRUST

LETTER FROM THE CHAIR

Having stepped up to the role during the year, I would like to start by recording our gratitude to my predecessor Jolyon La Trobe-Bateman who served MST (Morning Star Trust) for over 20 years as a Skipper, a Trustee and latterly as Chair of Trustees. He steered the Trust, with great wisdom, overseeing the start of the transition to our current operating model of using smaller boats.

Jolyon reported last year that 2021 was a year of growth for the Morning Star Trust, having enjoyed a busy and productive season. 2021 provided the resources to further our strategic plan to increase capacity and early in 2022 Morning Star Trust purchased a second Sigma 38 which we have named *Guiding Star of Revelation*. She is the third vessel in our fleet alongside *Bright Star of Revelation* purchased in 2019 and *Eastern Star of Revelation* purchased in 2021. As a Christian sail training charity, we thank God for his provision.

The refit of *Guiding Star of Revelation* took longer than expected due to supply chain difficulties, which meant we lost three months of planned booking. *Eastern Star of Revelation*, which had been refitted in 2021 was out of commission for most of the core season for some further structural repairs. *Bright Star of Revelation*, continued to deliver week after week throughout the season.

Our Round Britain Challenge gave participants a fantastic experience of long sailing passages. Participants saw great



personal growth and development and grew in character and resilience when faced with

delays caused by weather and boat issues. Despite the difficulties it was considered a success by those able to participate in any of the legs.

Whilst the issues with two of our vessels impacted what we were able to deliver in 2022, we ended the year with 3 boats ready for 2023 and an encouraging increase in operational income of £12,763 on 2021.

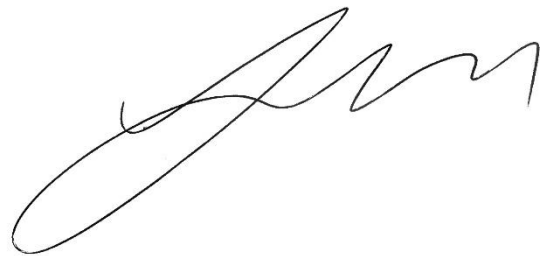
The generosity and commitment of donors and members is core to the valuable work of the Morning Star Trust. It enables us to continue to offer life changing experiences at sea, and most especially for young people.

In late 2022 we had a significant change of leadership. Toby Humphreys, who led us as CEO through the pandemic and helped form the present strategic plan, left to train for the ministry in the Church of England and we wish him well. Graham Sykes was appointed as his successor. At our Conference in December Jolyon La-Trobe Bateman, stepped down as Chair and I was elected to lead this next stage of the ministry of the Morning Star Trust. It is a great honour to have this role.

In 2022 we continued to receive some encouraging feedback from those who have sailed with us, their schools, and their parents. We were commended by the RYA Coding Inspectors for the quality of the presentation of our yachts. A Cruising Instructor Trainer observed that the quality of the candidates we put forward is very high. At our annual conference we had a significant number of under 25s who spoke well of their experiences sailing with Morning Star Trust. Our staff, trustees, volunteers, and supporters continue to serve with enthusiasm, commitment and

are focussed on our shared vision. It is a testimony to their ownership of that vision that we have recruited more highly qualified and younger volunteers which bodes well for the future of the trust.

As a charity, our core focus is on young people. We exist to bless them and offer opportunities for personal growth. The evidence is that the world events of the last three years have disproportionately impacted their wellbeing. The need for outdoor activities, rebuilding confidence and regaining skills is greater than ever, and we are determined to ensure that the Morning Star Trust grows to meet this need.

A handwritten signature in black ink, appearing to read 'Anthony Ingall', with a large, sweeping initial 'A'.

Anthony Ingall
Chair of Trustees
September 2023

OUR MISSION

The charity's objects are:

- The proclamation of the gospel of Christ together with the advancement of Christianity, in accordance with the Statement of Faith (the Apostles' Creed).
- The education of young people in the development of their physical mental and spiritual capacities, so that they may grow to full maturity as individuals and members of society, and the provision for them of facilities for recreation and other leisure time occupation in the interests of social welfare.

WHAT WE DO

In 2022 the charity aimed to fulfil our objectives with a programme of residential voyages designed for the needs of young people under 25 as well as weekend sailing for adults. This included two boats, sailing in company, around the British Isles. We also ran a number of Duke of Edinburgh expeditions and all our Youth Sailing Adventures can serve as DofE Residentials.

During term times we provide a range of RYA Courses including Competent Crew, Day Skipper, Yacht Master, and Cruising Instructor. These training voyages help to provide additional funds for the work we do with young people.

We have also worked with specialist charities helping homeless people to re-establish themselves by regaining confidence, learning to take initiative and restoring self-esteem and self-confidence.

Our continuing aim is to maximise the number of young people going to sea and experiencing the great adventure of offshore sailing. By the beneficial giving of their time our volunteer sea staff help to make this possible at the minimum of cost.

We remain reliant on donations for our bursary fund from various charities which allows us to subsidise a significant number of young people enabling their inclusion and participation.



188

Young people and vulnerable adults
were direct beneficiaries of our charitable
work participating in our adventurous
voyage programme.

A Case Study

In late 2022, a conversation with one of our contact Youth Leaders from a Church in Hampshire, led to us inviting 9 Ukrainian refugees aged 11 to 16 to come to sea with us for a weekend. It was an example of how Morning Star Trust can be a resource to local churches. Morning Star Trust drew on its bursary fund and the Church contributed. It was an interesting experience conducted in English, Russian and Ukrainian aided and abetted by Google translate. The youngsters are traumatised in a complex way. They have experienced the horror of war first hand because they came from close to the Belarus border.

All had left fathers behind in Ukraine who were not allowed to leave because they were under 60. It was important that we had cell phone signal so that they could take calls from their fathers each evening. They needed to hear their Dad's voices to know that they were alive. They are all sojourners in a foreign land. They are here as refugees and are having to conduct their education in English rather than Russian whilst their parents encourage them to speak Ukrainian rather than Russian. What Morning Star Trust was able to do, with the valuable generosity of grant making bodies who replenish our bursary fund, was to give these young people the kind of normal adventure that children of their age should have.



A truly life changing experience for all of them and a great way to take our minds off anything else which might be happening in the world! So incredibly proud of them.

Church Youth Worker

Thank you so much. It was the first time for my girls, and they came back full of emotions. It was a really happy time for them. They so love all the team and most spoke about driving (steering) My daughters came home more stronger, more confident and much happy.'

Refugee Parent

During 2022, despite the difficulties with refitting Guiding Star of Revelation and repairing Eastern Star of Revelation, by chartering replacement vessels when necessary, the Morning Star Trust was able to provide a total of **70 voyages to 181 under 25s and 71 adult participants** with over **423 days** at sea.

A great highlight of the year was the Round Britain Challenge, which was indeed very challenging. Two vessels took part sailing in company. They experienced significant delays caused by mechanical issues. This meant that the boats were sailing long passages, including a non-stop passage of 240 nautical miles in thick fog and 55 hours in duration. Those who took part certainly honed their sailing and navigation skills. They also learned to be valiant in adversity, maintain morale and build resilience in times of disappointment. Several participants signed up as members of the Morning Star Trust and attended our annual conference shifting the balance of age in a very positive younger trajectory with a significant number of under 25s, some of whom had crewed on at least one leg of the Round Britain Challenge. Their reports were deeply encouraging as they told of their experience, physically, emotionally, and spiritually.



Seven Seas Club.

Once again, we participated in the ASTO Small Ships' Race entering *Bright Star of Revelation*, skippered by our Staff Skipper, Chris Tarling, with a crew from the Cowes Sea Cadets sponsored by the Royal London Yacht Club. They distinguished themselves by crossing the line third in Class and eighth overall. Chris received the Seven Seas Trophy for the youngest skipper and crew seen here presented by Bob Jones a member of the

The Morning Star Trust continued forging links with schools, youth groups, churches and homelessness organisations providing bespoke voyages crafted to the needs of each group. We found ourselves commended for our flexibility and our adaptability at short notice.

None of this work would be possible without the hard work and commitment of our shore-based maintenance team led by Danielle Richardson assisted by Rebecca Newall in voyage administration and our 30 voluntary Sea Staff who give of their time and expertise to make voyaging with the Morning Star Trust such a high quality and affordable experience.

The people I met on the voyage were amazing, especially the skipper and two mates. They acted professionally throughout the entire expedition whilst also maintaining a friendly atmosphere with myself and the other attendees.

Crew Member 2022

Volunteers

During 2022 30 Sea Staff collectively gave 624 days of service at sea. Half our volunteer sea staff, including five skippers, are under 30. 60% of our sea staff first sailed with the charity as youth voyage crew. Professional competency is maintained by completing courses in safeguarding, first aid, GDPR, and attending mandatory training weekends. Volunteers are encouraged to access other training. We are aided in this by funding from the Trinity House Maritime Charity and ASTO. In 2022, through this partnership MST trained 1 Yachtmaster Instructor, 3 Cruising Instructors, 6 Yachtmasters and 19 Day Skippers. A further 10 former youth voyage crew from 2022 trained to become Sea Staff volunteers.

Safeguarding

We have a very strong commitment to safeguarding and review our already robust Safeguarding Policy every year. During the year the trust was commended on its procedures by an external reviewer and all the recommendations made have been implemented.

Bursaries

The Morning Star Trust Bursary Fund is foundational to the charity's work. Through it we enable participants to access our programmes from the widest possible range of backgrounds. We are grateful to donors who make this possible. Morning Star Trust voyages are heavily subsidised by our supporters and funds generated from operations. In addition, the bursary fund exists to ensure that no person under 25 is excluded from voyaging with us because of finance. This includes vulnerable, at risk people, refugees and students. Our policy is that wherever possible a person must make effort to pay at least 50% of a voyage but generally we offer up to 30%. In rare cases we offer 100% bursary to ensure that a person is included.

In 2022, bursaries worth **£11,851** were awarded, enabling twenty-two young people to sail with the Morning Star Trust. We also supported participants to apply for funding from additional sources.

Public Benefit

The activities of the Morning Star Trust continue to provide a public benefit that satisfies the Charity Commission's guidance by focusing on delivering the charitable objectives of the charity. We have maintained our focus on the less advantaged in providing funding through Our bursary scheme.



45%

of our income comes
from donations & grants

£110.55

true cost per
participant/day

95P

in every pound is spent
on charitable activity

"Go and challenge yourself, get out of your comfort zone, meet new people, enjoy it to the full"

"It's a worthwhile activity. The staff encourage you and give you responsibilities. The more you put in the more you get."

"It's an experience of a lifetime, I would advise anybody especially those with low self-esteem/confidence to go on."

I've realised so much more about the world this week. I watched the sun rise at sea. It was dark and then it was light, it feels like the start of something new for me.

"Great opportunity and really changed lives of those who were with us. We all had great fun and grew together."



FINANCIAL REVIEW

In 2022 the Trust's total income was **£250,934** (2021: **£211,009**). This was primarily income from charitable activities, specifically the delivery of residential youth work programmes onboard offshore sailing vessels.

A total of **£126,177** was raised through donations, gifts, and funding. This was a rise of £30,707 from the preceding year (2021: £95,470).

Our voyage programme provided a **£118,912** contribution to funding our operations and charitable purposes. This represents an increase of £12,763 against the preceding year, (2021: £106,149).

Total expenditure was **£311,780**, which produced a net deficit of £60,846 (2021 *surplus*: £21,155). A greater proportion of this deficit was due to our investment in *Guiding Star of Revelation* which should show increased returns in coming years.

Accounting Policy These accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts. They comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "*Accounting and Reporting by Charities*", issued in March 2005, insofar as it is applicable to a charity which is not subject to statutory audit.

Reserves Policy The Trust's reserves were a deficit of **£31,176** on 31st December 2022. The charity's trustees however consider the true position to be a surplus of £1,173 being the current assets inclusive of deferred income.

The Trust's Reserves should normally be between 3 and 6 months of budgeted Operating Expenditure (not including the Voyage Costs that the Trust would not incur in the unlikely event that it had to temporarily stop providing voyages). In times of unplanned financial disruption, it may be appropriate for the total to fall below this range for a period of time, after which the Trust would work to build up its reserves again.

The Trustees receive monthly financial reports which enable them to assess whether the total value of Trust's available liquid assets falls within the range that this policy aims for. If they do not fall within this range, plans will be made to restore the Reserves as soon as is reasonably possible.

The Reserve Policy is reviewed on an annual basis (at the same time as approving the budgets for the year ahead) as well as whenever a change is made to the Trust's Risk Register. If reserves needed to fall below 5% of the Trust's annual operating expenditure, the Trustees are informed immediately.

Going Concern The trustees are satisfied that the trust's financial resources are such that there is no current financial uncertainty about the trust continuing as a going concern.

STRUCTURE & GOVERNANCE

Structure:

The charity is a company limited by guarantee, governed by its Memorandum & Articles of Association.

Governance:

The trustees of the Morning Star Trust:

- exercise overall control of the charity by regular review of operation, activities and results of the charity and have responsibility for longer term strategic planning.
- delegate the operational responsibility for safety management to the Chief Executive but remain accountable in law for all safety aspects of the charity.
- have a management responsibility for ensuring the charity is undertaking its activities safely.
- have a robust Safeguarding Policy the application of which is monitored closely.
- review trust policies annually.

Day to day control is exercised by the Chief Executive in accordance with the Schedule of Delegated Responsibilities.

Recruitment of Trustees:

Trustees are appointed according to their skills and experience and are appointed by the existing Trustees on that basis.

An induction programme is agreed individually with each new Trustee on their appointment. It is tailored to their needs and experience. As a minimum Trustees are required to read the Charity Commission Guidance on Public Benefit and associated documentation, and to allow their decisions to be informed by this guidance.

Reporting to the Independent Examiner

Each Trustee has confirmed that there is no information, of which they are aware' which is relevant to the accounts, but of which the Independent Examiner is unaware.

They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Independent Examiner is aware of such information.

ACKNOWLEDGEMENTS

The Trustees are indebted to all of the charity's staff and volunteers for their tireless contribution to the success and effectiveness of our work.

They also wish to thank our members for their generous giving and the numerous supporters who made our work possible this year, including:

- The Angela Gallagher Memorial Fund
- The Ann Barker Legacy
- The Annie Tranmer Charitable Trust
- The Association of Sail Training Organisations
- Baxter and Grimshaw
- BBC Children in Need
- The Boulton Trusts
- The Britland Charitable Trust
- The Doris Field Charitable Trust
- The Garfield Weston Foundation
- Goodnews Evangelical Mission
- Green Hills Christian Trust
- Hampshire County Council
- The Haremead Trust
- Homelands Charitable Trust
- Justoan Ainslie Charitable Trust
- The Sir James Roll Charitable Trust
- The Lockett Trust
- The Mary Brown Trust
- The OTSAR Trust
- Silver Street Enfield
- The SMB Trust
- The Souter Charitable Trust
- Sport England
- Trinity House Maritime Charity
- The Truemark Trust
- The Tufton Charitable Trust
- The Whirlwind Charitable Trust

Morning Star Trust

Charity Registration No: 323820

Company Registration No: 02412804

A Company limited by guarantee.

Northney Marina
Northney Road
Hayling Island
Hampshire
PO11 0NH

01243 908026

www.mst.org.uk

info@mst.org.uk

*Registered Office: 43 Woodridge Close,
Enfield, Middlesex, EN2 8HJ*

Trustees (who are also directors):

- A F J La Trobe - Bateman (Chair, resigned Dec 2022)
- D Shepherd (Secretary)
- R Brewer
- P Adams
- A Ingall (appointed as Chair Dec 2022)
- D Miller
- I Varey (appointed Oct 2022)
- R Walters (appointed Oct 2022)
- P Adlington (appointed Sep 2023)

Well-equipped vessel, experienced skipper who took a practical approach, based on experience rather than just what it says in the book. They were good company when not sailing. I can't tell you how much I appreciate that. To your funders Thank you! This was a week that I will never forget! It is a fabulous set up, with fantastic values. I could not have afforded to pay a higher price. I was fortunate to experience sailing at this price with you.

Voyage Participants

A Ingall
Chair of directors

Date



Registered with
**FUNDRAISING
REGULATOR**

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	1	76,525	49,652	126,177	95,470
Investments	2	20	-	20	7
Charitable activities	3	124,113	-	124,113	109,634
Other trading activities	4	624	-	624	1,398
Other income	5	-	-	-	4,500
Total		<u>201,282</u>	<u>49,652</u>	<u>250,934</u>	<u>211,009</u>
EXPENDITURE ON:					
Raising funds	6	9,490	-	9,490	9,915
Charitable activities	7	218,875	83,415	302,290	179,938
Total		<u>228,365</u>	<u>83,415</u>	<u>311,780</u>	<u>189,853</u>
Net Income/(expenditure)		(27,083)	(33,763)	(60,846)	21,156
Transfers between funds	19	23,209	(23,209)	-	-
Net movement in funds		<u>(3,874)</u>	<u>(56,972)</u>	<u>(60,846)</u>	<u>21,156</u>
RECONCILIATION OF FUNDS					
Total funds brought forward	18, 19	57,768	66,798	124,566	103,410
Total funds carried forward	18, 19	<u>53,894</u>	<u>9,826</u>	<u>63,720</u>	<u>124,566</u>

The statement of financial activities includes all gains and losses recognised during the year.
All of the above results are derived from continuing activities.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

BALANCE SHEET AS AT 31 DECEMBER 2022

		2022		2021	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	14	90,070	90,070	89,339	89,339
CURRENT ASSETS					
Stocks	15	500		500	
Debtors	16	26,661		8,854	
Cash at hand and in bank		22,604		80,556	
Total current assets		49,765		89,910	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	17	76,115		54,683	
Net current assets/(liabilities)			(26,350)		35,227
Net assets/(liabilities)			63,720		124,566
THE FUNDS OF THE CHARITY					
Restricted funds	18, 19		9,826		66,798
General Funds			53,894		57,768
Unrestricted funds	18, 19		53,894		57,768
Total charity funds			63,720		124,566

For the year ended 31 December 2022 the charity was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

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

The financial statements on pages 11 to 20 were approved and authorised for issue by the trustees on and signed on their behalf by:

.....
A Ingall
Chair of directors

Morning Star Trust
Registered Charity Number 328320
Registered Company Number 02412804

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

Morning Star Trust is an incorporated charity, limited by guarantee, incorporated in England with the company number 02412804. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are outlined in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

The charity applies the exemptions from the inclusion of a statement of cash flows under the Charities Statement of Recommended Practice.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The trustees are content the charity was at all times a going concern and was at all times able to meet its financial obligations and debts as and when they fell due. This remains the case today, but additional measures have been taken to prevent or reduce the risk of unexpected voyage cancellation owing to mechanical or other failure and thus to avoid the high costs of such incidents occurring. These measures include tighter control of the maintenance and repair programme, closer scrutiny of voyage costs both direct and indirect, and a structured programme of marketing and promotion leveraging the Trust's long reputation for provision of high-quality training voyages. All of these measures have secured the financial sustainability of the organisation in 2023 and going forward.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. There are restricted funds which are used to provide Bursaries to enable young people to participate in sail training activities. Interest is credited to the fund on the balance, which is maintained in a separate bank account. Bursaries paid are charged against the fund. Separate funds represent: a) bursary funds to allow those not in employment or education to benefit from the activities run by the charity b) gifts towards the purchase of fixed assets; c) gifts to assist in the financing of future fixed assets; and d) gifts received towards winter refit of the vessels operated.

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

Donations towards fixed assets are recognised in the Statement of Financial Activities at the same rate as the underlying asset is depreciated.

Further details of each fund are disclosed in Notes 19 and 20.

Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset. Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

ACCOUNTING POLICIES

Resources expended

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to make payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the charity's sole charitable activity. Where applicable expenditure is stated inclusive of non-recoverable VAT.

Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Vessels and equipment	10%, 20% & 33.3% straight line
-----------------------	--------------------------------

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises purchase costs only. Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in disposal.

Debtors and creditors receivable / payable within one year

Trade and other debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Liabilities and provisions

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements. Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Donations and grants	62,877	49,652	112,529	40,697	47,701	88,398
Gift aid	13,648	-	13,648	6,677	395	7,072
	<u>76,525</u>	<u>49,652</u>	<u>126,177</u>	<u>47,374</u>	<u>48,096</u>	<u>95,470</u>

2. Income from investments

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Interest receivable	20	-	20	7	-	7
	<u>20</u>	<u>-</u>	<u>20</u>	<u>7</u>	<u>-</u>	<u>7</u>

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Fee, grant and bursary income	118,912	-	118,912	106,149	-	106,149
Annual conference income	5,201	-	5,201	3,485	-	3,485
	<u>124,113</u>	<u>-</u>	<u>124,113</u>	<u>109,634</u>	<u>-</u>	<u>109,634</u>

4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Equipment sales	150	-	150	-	-	-
Shop income	474	-	474	1,398	-	1,398
	<u>624</u>	<u>-</u>	<u>624</u>	<u>1,398</u>	<u>-</u>	<u>1,398</u>

5. Other income

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Profit on disposal of assets	-	-	-	2,711	-	2,711
Insurance claim	-	-	-	1,789	-	1,789
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,500</u>	<u>-</u>	<u>4,500</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

6. Raising funds costs

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Fundraising activity	9,360	-	9,360	9,455	-	9,455
Other fundraising costs	130	-	130	110	-	110
	<u>9,490</u>	<u>-</u>	<u>9,490</u>	<u>9,565</u>	<u>-</u>	<u>9,565</u>
Costs of goods sold	-	-	-	350	-	350
	<u>9,490</u>	<u>-</u>	<u>9,490</u>	<u>9,915</u>	<u>-</u>	<u>9,915</u>

7. Charitable activities

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Staff costs	101,037	8,122	109,159	42,894	8,378	51,272
Depreciation	9,620	-	9,620	7,250	-	7,250
Vessel operating costs	<u>72,567</u>	<u>65,787</u>	<u>138,354</u>	<u>45,013</u>	<u>34,373</u>	<u>79,386</u>
	183,224	73,909	257,133	95,157	42,751	137,908
Bursaries awarded	2,345	9,506	11,851	-	13,429	13,429
Support costs (see note 8.)	31,041	-	31,041	25,787	1,764	27,551
Governance costs (see note 9.)	<u>2,265</u>	<u>-</u>	<u>2,265</u>	<u>1,050</u>	<u>-</u>	<u>1,050</u>
	<u>218,875</u>	<u>83,415</u>	<u>302,290</u>	<u>121,994</u>	<u>57,944</u>	<u>179,938</u>

8. Support costs

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Training courses	6,357	-	6,357	1,925	1,200	3,125
Insurance	647	-	647	5,696	-	5,696
Printing, postage and stationery	1,079	-	1,079	890	-	890
Telephone and internet	1,814	-	1,814	1,587	-	1,587
Storage costs	1,710	-	1,710	1,841	-	1,841
Subscriptions, licences and conference	9,810	-	9,810	6,710	-	6,710
Other administrative expenses	<u>9,624</u>	<u>-</u>	<u>9,624</u>	<u>7,138</u>	<u>564</u>	<u>7,702</u>
	<u>31,041</u>	<u>-</u>	<u>31,041</u>	<u>25,787</u>	<u>1,764</u>	<u>27,551</u>

9. Governance costs

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Trustee meeting costs	265	-	265	-	-	-
Independent examiner's fees	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>1,050</u>	<u>-</u>	<u>1,050</u>
	<u>2,265</u>	<u>-</u>	<u>2,265</u>	<u>1,050</u>	<u>-</u>	<u>1,050</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

10. Independent examiner's fees

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Examination	<u>2,000</u>	<u>-</u>	<u>2,000</u>	<u>1,050</u>	<u>-</u>	<u>1,050</u>

11. Wages and salary cost

	2022 Total Funds £	2021 Total Funds £
Gross wages	88,819	37,981
Employer's national insurance costs	8,902	8,567
Employer's pension contributions	<u>4,337</u>	<u>1,279</u>
	<u>102,058</u>	<u>47,827</u>

There were no employees with emoluments (excluding employer pension costs) above £60,000 in this or the preceding year

	2022	2021
The average number of employees during the year was:	<u>4</u>	<u>3</u>

The five shore-based employees are a mixture of full-time and part-time staff representing four full-time equivalent staff positions.

12. Pension scheme

The charity operates defined contribution pension scheme for its employees. The total payable for the year under review was £4,337 (2021: £1,279).

13. Related party transactions

None of the trustees (or any persons connected with them - other than any disclosures made in Note 11) received any remuneration during the year. Expenses, in respect of their services as trustees, were paid in accordance with general policy for all volunteers, totalling £Nil (2021: £Nil). The number of trustees reimbursed such expenses during the year was Nil (2021: Nil)

Where trustees act as sea staff on sail training activities they are offered expenses to cover the cost of either leaving or joining the vessel at ports other than the home port. The amount so reimbursed each year cannot be readily ascertained but is restricted to the reasonable costs actually incurred

A trustee participated in a loan scheme in 2020 to fund acquisition of the 'Eastern Star' vessel advancing £10,000 to the trust and this remains outstanding.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

14. Tangible fixed assets

	Vessels & Equipment £	Total £
<i>Cost</i>		
At 1 January 2022	110,530	110,530
Additions	14,101	14,101
VAT adjustment in respect of prior year	(3,750)	(3,750)
At 31 December 2022	<u>120,881</u>	<u>120,881</u>
<i>Depreciation</i>		
Accumulated at 1 January 2022	21,191	21,191
Charge for the year	9,620	9,620
On disposals	-	-
At 31 December 2022	<u>30,811</u>	<u>30,811</u>
Net book value at 31 December 2022	<u>90,070</u>	<u>90,070</u>
Net book value at 31 December 2021	<u>89,339</u>	<u>89,339</u>

15. Stocks

	2022 Total Funds £	2021 Total Funds £
Goods for resale	500	500
	<u>500</u>	<u>500</u>

16. Debtors

	2022 Total Funds £	2021 Total Funds £
Trade debtors	18,227	420
Accrued income	1,570	1,570
Prepayments	6,864	6,864
	<u>26,661</u>	<u>8,854</u>

17. Creditors: amounts falling due within one year

	2022 Total Funds £	2021 Total Funds £
Trade creditors	4,867	320
Deferred income	27,523	8,305
Accruals	2,000	1,150
Vessel acquisition loan scheme	30,000	20,000
Other short term loans	10,000	-
Other creditors	1,725	24,908
	<u>76,115</u>	<u>54,683</u>

Deferred income relates to invoices raised for voyages booked in 2022 and for sailing activities in 2023.

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
Tangible fixed assets	90,070	-	90,070	45,537	43,802	89,339
Current assets	39,939	9,826	49,765	66,914	22,996	89,910
Current liabilities	(76,115)	-	(76,115)	(54,683)	-	(54,683)
	<u>53,894</u>	<u>9,826</u>	<u>63,720</u>	<u>57,768</u>	<u>66,798</u>	<u>124,566</u>

19. Analysis of net movement in funds

Year ended 31 December 2022					
	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>					
Bursary funds	13,015	4,817	(9,506)	-	8,326
Asset replacement	43,802	-	-	(43,802)	-
Vessel refit costs	3,359	41,085	(63,879)	19,435	-
Vessel Skipper Project	5,122	3,000	(8,122)	-	-
Vessels Loan Repayment	1,500	-	-	-	1,500
	-	750	(1,908)	1,158	-
<i>Total restricted funds</i>	<u>66,798</u>	<u>49,652</u>	<u>(83,415)</u>	<u>(23,209)</u>	<u>9,826</u>
<i>Unrestricted funds</i>					
General Fund	57,768	201,282	(228,365)	23,209	53,894
<i>Total unrestricted funds</i>	<u>57,768</u>	<u>201,282</u>	<u>(228,365)</u>	<u>23,209</u>	<u>53,894</u>
Total funds	<u>124,566</u>	<u>250,934</u>	<u>(311,780)</u>	<u>-</u>	<u>63,720</u>
			Unrestricted £	Restricted £	Total £
Asset Replacement to Unrestricted following review of historic use to acquire vessels			43,802.00	(43,802.00)	-
Unrestricted to restricted funds to cover the excess of expenditure over income received			(20,593.00)	20,593.00	-
			<u>23,209.00</u>	<u>(23,209.00)</u>	<u>-</u>

Year ended 31 December 2021					
	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Total funds carried forward £
<i>Restricted funds</i>					
Bursary funds	14,144	12,301	(13,430)	-	13,015
Asset replacement	52,794	-	(8,992)	-	43,802
Vessel refit costs	1,081	21,182	(18,904)	-	3,359
Vessel Skipper Project	8,500	5,000	(8,378)	-	5,122
Vessels Loan Repayment	127	1,373	-	-	1,500
Sport England Grant	-	8,240	(8,240)	-	-
<i>Total restricted funds</i>	<u>76,646</u>	<u>48,096</u>	<u>(57,944)</u>	<u>-</u>	<u>66,798</u>
<i>Unrestricted funds</i>					
General Fund	26,764	162,913	(131,909)	-	57,768
<i>Total unrestricted funds</i>	<u>26,764</u>	<u>162,913</u>	<u>(131,909)</u>	<u>-</u>	<u>57,768</u>
Total funds	<u>103,410</u>	<u>211,009</u>	<u>(189,853)</u>	<u>-</u>	<u>124,566</u>

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

NOTES TO THE FINANCIAL STATEMENTS

20. Description of funds

Bursary funds	Funds received from various sources to support those less able to afford training voyages.
Asset replacement	Funds received from various sources to support the cost of eventual replacement of existing vessels with newer ones.
Vessel refit costs	Funds received from various sources in support of the costs of annual refit of all sailing vessels used by the Trust.
Vessel Skipper Project	Funding received from a charitable trust to meet the costs of employing a paid skipper on training voyages.
Vessels Loan Repayment	Funds received from various sources to facilitate the eventual (discretionary) repayment of funds advanced to assist the purchase of a new vessel.
Sport England Grant	Grant provided by a specific donor for a range of designated activities within the scope of the donor scheme rules.

21. Comparative statement of financial activities

	Note	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	1	47,374	48,096	95,470
Investments	2	7	-	7
Charitable activities	3	109,634	-	109,634
Other trading activities	4	1,398	-	1,398
Other income	5	4,500	-	4,500
Total		162,913	48,096	211,009
EXPENDITURE ON:				
Raising funds	6	9,915	-	9,915
Charitable activities	7	121,994	57,944	179,938
Total		131,909	57,944	189,853
Net Income/(expenditure)		31,004	(9,848)	21,156
Transfers between funds	19	-	-	-
Net movement in funds		31,004	(9,848)	21,156
RECONCILIATION OF FUNDS				
Total funds brought forward	18, 19	26,764	76,646	103,410
Total funds carried forward	18, 19	57,768	66,798	124,566

Independent Examiner's Report to the Trustees of Morning Star Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Geoffrey Frost BSc(Hons) FCA
Blue Spire Limited
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

Date

MORNING STAR TRUST

England & Wales - Charity number 328320

Accounts



ANNUAL REPORT

2021



MORNING STAR TRUST

LETTER FROM THE CHAIR

Following the challenges of 2020, we are delighted that 2021 has been a year of positive growth for the Morning Star Trust, as we continue to change lives through youth work at sea.

The planned refit of *Eastern Star*, completed on schedule in early 2021, enabled us to increase the number of young people we could work with every year, and the charity has enjoyed a busy and productive season.

Continued Covid restrictions meant that the charity was unable to complete any residential activities until late May 2021, although we were able to carry out staff training and organise some non-residential voyage opportunities. From May onwards, we sailed a full programme of group and individual voyages, running at full capacity throughout, including success in the ASTO Mayflower Small Ships' Race.

The financial picture for 2021 was also very healthy. Although our income from donations dropped by around 50% year on year, this simply reflects the extraordinary generosity shown by so many towards the charity during 2020 when we were unable to sail. Income from voyages in this foreshortened 2021 season was higher than in the whole of 2019, which we believe highlights the strong position that the charity now finds itself in.



The positive trajectory has continued through the growth of our talented staff team, with the employment of a permanent Fleet Manager to support the operation and maintenance of our growing fleet. This will free up the full-time sea staff to spend more time at sea and to focus on youth work.

The charity finished the year blessed with much positive feedback from those who have sailed with us, as well as stable finances, healthy group and individual booking levels, and well-maintained modern yachts. Most importantly our staff, trustees, volunteers and supporters are enthusiastic, committed and focussed on our shared vision.

As a charity, our core focus is on young people, and it is clear that the events of the last two years have disproportionately impacted the wellbeing of this group. The need for outdoor activities, rebuilding confidence and regaining skills, will be greater than ever and we are determined to ensure that the Morning Star Trust remains able to meet this need.

Yours in Christ,

A handwritten signature in black ink, reading 'Jolyon'.

Jolyon La Trobe-Bateman, Chairman
March 2022

OUR MISSION

The charity's objects are:

- The proclamation of the gospel of Christ together with the advancement of Christianity, in accordance with the Statement of Faith (the Apostles' Creed).
- The education of young people in the development of their physical mental and spiritual capacities, so that they may grow to full maturity as individuals and members of society, and the provision for them of facilities for recreation and other leisure time occupation in the interests of social welfare.

WHAT WE DO

In 2021 the charity aimed to fulfil these objectives by the provision of residential voyages to young people (under 25 years old) onboard sail training vessels *Bright Star of Revelation* and *Eastern Star of Revelation*.

Voyages are also provided in partnership with selected groups of vulnerable adults. Where appropriate, excess capacity, particularly in term time, is used for voyages and training courses by paying adults.

Our aim is always to offer the maximum number of places to young people, many of whom were from disadvantaged backgrounds, on sail training activities at the lowest achievable cost.

For this we are reliant on funding which subsidises these costs, as well as providing for additional bursaries. The Trustees record their grateful thanks for this support without which subsidised places could not be offered.



200

Young people & vulnerable adults benefitted from engagement with our voyage programmes in 2021

VOYAGE IMPACT

Participants engage with surveys at the beginning and end of their voyage, which explore self-perceived character traits. This enables us to effectively measure the quantitative impact of our programmes.

86%

Were surprised by what they achieved

35%

Measured increase in participant resilience

100%

Agree they learned a new skill

91%

Now feel they have some good qualities

100%

Now have confidence that they can achieve

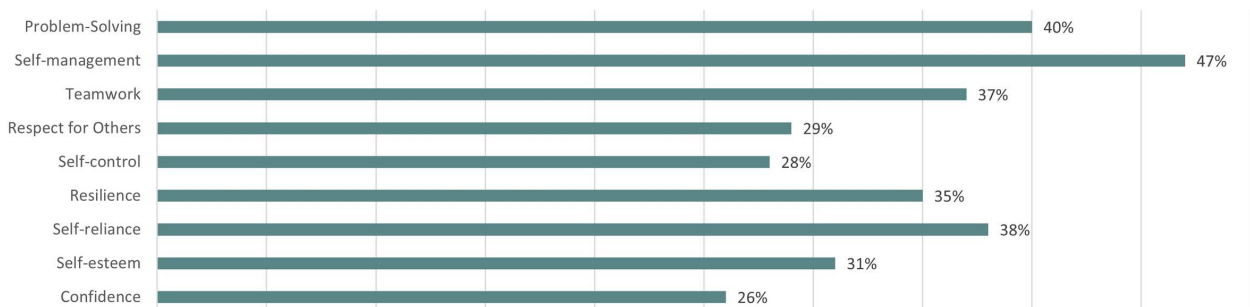
37%

Measured increase in teamwork skills

100%

Felt trusted by our sea staff

Sample measured increases in participant key skills during an MST voyage



“

Go and discover yourself. The sea has an uncanny knack of helping you to find out who you are; your failings, your misgivings and most importantly your true heart. This has been a most amazing experience and the value in this programme is priceless. Long, long may it continue to help others.

- Voyage Participant

”

2021 PERFORMANCE

The beginning of our sailing season was delayed until mid-May, due to the ongoing Covid-19 restrictions. Once we were able to safely resume, the charity provided **39 voyages** to **200 participants** over **288 days** at sea.

Highlights included the Mayflower Small Ships' Race, organised by ASTO, which saw Bright Star and Eastern Star competing against around 15 other sail training vessels in a passage race from the Solent to Dartmouth. This also enabled the boats to be deployed in the South West for a few weeks, before making their way back to the Solent at the end of the summer holiday.

In term time, the Trust continued to work with groups, although this side of our work has been significantly impacted by Covid. The charity sailed with seven groups this season, including schools, youth groups and churches, and it is our hope that this will continue to grow over future years as we return to normality.

Both vessels operated long programmes, running with extremely short turnarounds during the peak season, and we utilised 98% of our available capacity across the year. Sustaining this level of readiness is testament to the hard work and dedication of the shorebased maintenance and administration team.

Bursaries

Key to the charity's work is enabling participants to access our programmes from the widest possible range of backgrounds. We do this in part by actively fundraising for a bursary fund, from which we can support individual participants who are unable to afford our already-subsidised voyage fees.

In 2021, bursaries worth **£14,094** were awarded, enabling forty five young people to sail with the Trust - around a quarter of our total beneficiaries. We also supported participants to apply for funding from additional sources.

288

days at sea



1580

berth days delivered

17

average participant age

98%

available capacity utilised

“ It has been a very positive experience for everyone who took part and fantastic team building. The comments on the bus journey home were testament to the sense of achievement everyone felt after completing this particular trip! A BIG thank you to everyone involved, you are all amazing and your hard work, skills and kindness is truly appreciated. ”

- Group Leader

Volunteers and Training

Alongside our talented and able staff team, the charity would be unable to operate without the support of volunteers. Volunteers sail as Skippers and Mates onboard our vessels, as well as serving ashore in support roles, particularly during winter refits.

In the 2021 sailing season, 30 volunteer Sea Staff collectively gave 355 days of service at sea. Covid considerations, particularly in the early part of 2021, restricted the level of volunteer engagement ashore, so only three local volunteers were regularly involved with maintenance.

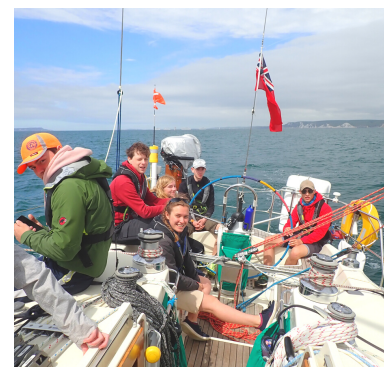
Around half our volunteer sea staff, including five skippers, are under 30, and 60% of our total sea staff first sailed with the charity as youth voyage crew. Two new Skippers, both under 25, were signed off in 2021, along with seven new Mates.

We encourage and support our volunteers to access training and, with the aid of the Trinity House Maritime Charity and ASTO, we were delighted to be able to train up three RYA Cruising Instructors, five Yachtmasters and seven Day Skippers from within the charity. A further ten former youth voyage crew from 2021 will begin training to become Sea Staff volunteers during 2022.

Public Benefit

In planning activities for the year, the Trustees have paid due regard to the Charity Commission's Public Benefit guidance to ensure that:

- all activities have been focussed on delivering the objects of the charity
- the charity's offering does not exclude the poor
- any incidental benefits have been wholly associated with the requirements of the operation of the charity.



45%

of our income comes
from donations & grants

£110.55

true cost per
participant/day

95P

in every pound is spent
on charitable activity

"Go and challenge yourself, get out of
your comfort zone, meet new people,
enjoy it to the full"

"It's a worthwhile activity. The staff
encourage you and give you
responsibilities. The more you put in
the more you get."

"It's an experience of a lifetime, I would
advise anybody especially those with
low self-esteem/confidence to go on."

I've realised so much more about the
world this week. I watched the sun rise
at sea. It was dark and then it was
light, it feels like the start of something
new for me.

"Great opportunity and really changed
lives of those who were with us. We all
had great fun and grew together."



FINANCIAL REVIEW

In 2021 the Trust's total income was **£211,009** (2020: £214,832). This was primarily income from charitable activities, specifically the delivery of residential youth work programmes onboard offshore sailing vessels.

A total of **£95,470** was raised through donations, gifts, and funding. This was a drop of £93,998 from the preceding year (2020: £189,468), which was primarily due to emergency gifts which were received to support the charity during the 2020 lockdowns.

Voyage programmes were resumed in late-May 2021, and **£106,149** was earned in this way. This represents an increase of £101,422 against the preceding year, when the charity's activities were severely hampered by Covid-19 restrictions (2020: £4,727). For reference, voyage income in 2019 earned £75,194.

Total expenditure was **£189,853**, which produced a net surplus of £21,156 (2020: £180,554 and £34,278). A greater proportion of this surplus is comprised of restricted funds, primarily linked to the ongoing capital appeal project to refit *Guiding Star*.

Accounting Policy

These accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts. They comply with the Charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, insofar as it is applicable to a charity which is not subject to statutory audit.

Reserves Policy

The Trust's reserves (its unrestricted undesignated liquid assets) were £12,231 on 31st December 2021.

This is in line with the Trustees' Policy that reserves should be between 5% and 50% of its annual operating expenditure (excluding "one off" projects). The Trustees believe that 5% is the correct minimum level of reserves to protect the charity, and those who benefit from it, from the effects of the most likely financial risks.

The Trustees have reached this conclusion because the charity currently has fixed assets of £89,339 as of 31st December 2021, which could be liquidated within the time window that this level of unrestricted liquid assets would make possible. The Trustees believe that 50% is the correct maximum level of reserves, because if more were held, this would unnecessarily tie up donors' money in an unproductive way.

The Trustees monitor the level of the Trust's reserves on a monthly basis. The Reserve Policy is reviewed on an annual basis (at the same time as approving the budgets for the year ahead) as well as whenever a change is made to the Trust's Risk Register. If reserves needed to fall below 5% of the Trust's annual operating expenditure, the Trustees would be informed immediately.

Going Concern

The trustees are satisfied that the trust's financial resources are such that there is no current financial uncertainty about the trust continuing as a going concern.



STRUCTURE & GOVERNANCE

Structure:

The charity is a company limited by guarantee, governed by its Memorandum & Articles of Association.

Governance:

The trustees of the Morning Star Trust:

- exercise overall control of the charity by regular review of operation, activities and results of the charity and have responsibility for longer term strategic planning.
- delegate the operational responsibility for safety management to the Chief Executive, but remain accountable in law for all safety aspects of the charity.
- have a management responsibility for ensuring the charity is undertaking its activities safely.
- review trust policies annually.

Day to day control is exercised by the Chief Executive in accordance with the Schedule of Delegated Responsibilities.

Recruitment of Trustees:

Trustees are appointed according to their skills and experience and are appointed by the existing Trustees on that basis. Each Trustee has confirmed that there is no information of which they are aware which is relevant to the accounts, but of which the Independent Examiner is unaware.

They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Independent Examiner is aware of such information.

An induction programme is agreed individually with new Trustees on appointment which is tailored to their needs and experience. As a minimum Trustees are required to read the Charity Commission Guidance on Public Benefit and associated documentation, and to allow their decisions to be informed by this guidance.



ACKNOWLEDGEMENTS

The Trustees are indebted to all of the charity's staff and volunteers for their tireless contribution to our successful work this year.

They also wish to thank the numerous supporters who made our work possible this year, including:

- The Alexis Trust
- The Angela Gallagher Memorial Fund
- The Annie Tranmer Charitable Trust
- The Association of Sail Training Organisations
- The Boulton Trusts
- The Britford Bridge Trust
- The Britland Charitable Trust
- The Doris Field Charitable Trust
- The Garfield Weston Foundation
- Goodnews Evangelical Mission
- Green Hills Christian Trust
- The Haremead Trust
- Joan Ainslie Charitable Trust
- The Lockett Trust
- The Sir James Roll Charitable Trust
- The Slavanka Trust
- The SMB Trust
- The Souter Charitable Trust
- Sport England
- The Sydney Black Charitable Trust
- Trinity House Maritime Charity
- The Truemark Trust
- The Tufton Charitable Trust
- The Whirlwind Charitable Trust

Morning Star Trust

Charity Registration No: 328320
Company Registration No: 02412804
A Company limited by guarantee.

Northney Marina Northney Road
Hayling Island Hampshire PO11 0NH

01243 908026 www.mst.org.uk
info@mst.org.uk

*Registered Office: 43 Woodridge Close,
Enfield, Middlesex, EN2 8HJ*

Trustees (who are also directors):

- A F J La Trobe - Bateman (Chair)
- D Shepherd (Secretary)
- P Adams
- R Brewer
- A Ingall
- D Miller
- H Crothers (*resigned Oct 2021*)



Thank you so very much. I would have never been able to experience the amazing week I had without your generous donations subsidising the fees. I can't tell you how much I appreciate that. I am hugely grateful that people donate to a cause like this, which helps young people like me not only develop practical skills, but also lifelong team working and social skills.

- Voyage Participant



Registered with
**FUNDRAISING
REGULATOR**

Charity Registration No. 328320

Company Registration No. 02412804 (England and Wales)

MORNING STAR TRUST

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	A F J La Trobe-Bateman P Adams R Brewer H Crothers (Resigned 9 October 2021) A Ingall D Miller D Shepherd
Secretary	D Shepherd
Charity number	328320
Company number	2412804
Principal address	Northney Marina Northney Road Hayling Island Hampshire PO11 0NH
Registered office	43 Woodridge Close Enfield England EN2 8HJ
Independent examiner	Geoffrey Frost BSc(Hons) FCA Blue Spire Limited Cawley Priory South Pallant Chichester PO19 1SY
Bankers	Lloyds Bank plc 142-146 High Street Chatham Kent ME4 4DQ

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
<u>Income and endowments from;</u>					
Donations, gifts and funding from other charitable sources	3	47,374	48,096	95,470	189,468
Income from sail training and experience operations	4	109,634	-	109,634	4,727
Other ancillary income	5	1,398	-	1,398	19
Interest receivable	6	7	-	7	19
Material other income	7	4,500	-	4,500	20,599
Total Income		162,913	48,096	211,009	214,832
<u>Expenditure on;</u>					
Raising funds	8	9,565	-	9,565	10,894
On Board Shop	8	350	-		
Charitable Activities	9	121,994	57,944	179,938	169,660
Total expenditure		131,909	57,944	189,853	180,554
Net income/(expenditure) for the year/ Net movement in funds		31,004	- 9,848	21,156	34,278
Release of restricted funds to unrestricted		-	-	-	-
Fund balances at 1 January 2021		26,764	76,646	103,410	69,132
Fund balances at 31 December 2021		57,768	66,798	124,566	103,410

The statement of financial activities includes all gains and losses recognised in the year

All income and expenditure derives from continuing activities

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006

Balance Sheet as at 31 December 2021

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	16		89,339		69,089
Current Assets					
Stocks	17	500		850	
Debtors	18	8,854		8,662	
Cash at bank and in hand		80,556		70,374	
		89,910		79,886	
Creditors; amounts falling due within one year	19	54,683		45,565	
Net current assets			35,227		34,321
Net Assets/(Liabilities)			124,566		103,410
Charity Funds					
Bursary Funds	22	13,015		14,144	
Restricted Funds					
Asset replacement		47,161		53,875	
Other restricted funds		6,622		8,627	
			66,798		76,646
Unrestricted funds			57,768		26,764
Total Charity Funds			124,566		103,410

For the financial year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Signed  AFJ La Trobe- Bateman

26 September 2022

**NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 Accounting policies

1.1 Accounting convention

Morning Star Trust is an incorporated charity, limited by guarantee, in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities is given in the trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. There are restricted funds which are used to provide Bursaries to enable young people to participate in sail training activities. Interest is credited to the fund on the balance, which is maintained in a separate bank account. Bursaries paid are charged against the fund. Separate funds represent: a) bursary funds to allow those not in employment or education to benefit from the activities run by the charity b) gifts towards the purchase of fixed assets; c) gifts to assist in the financing of future fixed assets; and d) gifts received towards winter refit of the vessels operated.

Donations towards fixed assets are recognised in the Statement of Financial Activities at the same rate as the underlying asset is depreciated.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset. Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to make payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the charity's sole charitable activity. Where applicable expenditure is stated inclusive of non-recoverable VAT.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery etc. 10%, 20% & 33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

NOTES TO THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises purchase costs only. Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in disposal.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Liabilities and provisions

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements. Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.12 restricted Funds

Restricted Funds are funds which are to be used in accordance with specific instructions imposed by donors or which have been raised by the charity for particular purposes

2 Critical accounting estimates and judgments

In the application of the charity's accounting policies, the trustees are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations, gifts, and funding from other charitable sources

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and Gifts	40,697	47,701	88,398	159,471
Donated Services	-	-	-	16,990
Gift Aid	6,677	395	7,072	13,007
	47,374	48,096	95,470	189,468
For the year ended 31 December 2020	70,786	118,682		189,468

4 Income from sail training and experience operations

	Unrestricted funds	Restricted funds	2021	2020
	£	£	£	£
Annual Conference Fees	3485	-	3,485	-
Fee, grant, and bursary income	106,149	-	106,149	4,727
	109,634	-	109,634	4,727

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5 Other ancillary income				
	Unrestricted funds	Restricted funds	2021	2020 (Unrestricted)
	£	£	£	£
Shop income	1,398	-	1,398	19
6 Interest receivable				
	Unrestricted funds	Restricted funds	2021	2020 (Unrestricted)
	£	£	£	£
Interest receivable	7	-	7	19
7 Material other income				
	Unrestricted funds	Restricted funds	2021	2020 (Unrestricted)
	£	£	£	£
Sales of Surplus Equipment	2711	-	2,711	
Marine Insurance Claim	1789	-	1,789	
Profit on sale of tangible fixed asset	-	-	-	20,599
	4,500	-	4,500	20,599

2020 Includes the net proceeds of sale of 'Dayspring' vessel

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Raising funds

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
<u>Advertising and promotion</u>				
Fundraising activities	9,455	-	9,455	10,122
Other fundraising costs	110	-	110	772
Staff costs	-	-	-	-
Advertising and promotion	9,565	-	9,565	10,894
<u>Other trading activities</u>				
On board shop (Cost of Goods Sold)	350	-	-	-
	9,915	-	9,565	10,894
For the year ended 31 December 2020				
Advertising and Promotion	10,894	-		10,894
Other trading activities	-	-		-
	10,894	-		10,894

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9 Charitable activities

Vessel operating costs	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Staff Costs	42,894	8,378	51,272	43,407
Depreciation and impairment	7,250	-	7,250	3,149
Vessel operating costs	45,013	34,373	79,386	65,883
Loss on Sale of Fixed Asset	-	-	-	21,298
	95,157	42,751	137,908	133,737
Grant funding of activities (see note 11)	-	13,429	13,429	1,786
Share of support costs (see note 12)	25,787	1,764	27,551	32,887
Share of governance costs (see note 12)	1,050	-	1,050	1,250
	121,994	57,944	179,938	169,660
Analysis by funds	2021	2020		
Unrestricted funds	121,994	102,879		
Restricted funds	57,944	66,781		
	179,938	169,660		

10 Description of charitable activities

Vessel operating costs

Activities undertaken directly comprise the operation of sail training and experience voyages aboard sea-going vessels

Direct relief comprises amounts donated to provide relief to individuals in particular circumstances

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11 Grants payable

The bursaries comprise grants to qualifying individuals towards the cost of sail training activities operated by the Trust

Vessel operating costs

Grants are made available to young people (who meet the detailed qualifications for the Bursary scheme) to enable them to participate in activities arranged by the Trust at a reduced cost

12 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Office, administration, and other similar costs	27,551	-	27,551	32,887	All relates to the main charitable activity
Committee costs	-	-	-	-	Governance
Independent examination	-	1,050	-	1,250	Governance
	<u>27,551</u>	<u>1,050</u>	<u>27,551</u>	<u>34,137</u>	
Analysed between charitable activities	<u>27,871</u>	<u>1,050</u>	<u>28,921</u>	<u>31,931</u>	

Fees paid to the independent examiner charged in these accounts amount to £1,150 (2020 - £1,250) excluding VAT. The independent examiner provides no other services to the charity

13 Trustees

None of the trustees (or any persons connected with them - other than any disclosures made in Note 14) received any remuneration during the year. Expenses, in respect of their services as trustees, were paid in accordance with general policy for all volunteers, totalling £ Nil (2020 £ Nil). The number of trustees reimbursed such expenses during the year was Nil (2020; Nil)

Where trustees act as sea staff on sail training activities they are offered expenses to cover the cost of either leaving or joining the vessel at ports other than the home port. The amount so reimbursed each year cannot be readily ascertained but is restricted to the reasonable costs actually incurred

NOTES TO THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Employees

Number of employees

The average monthly number of employees during the year was

2021	2020
Number	Number
3	1

Employment costs

2021	2020
£	£
37,981	21,774
8,567	5,621
1,279	2,207
47,827	29,602

The trustees estimate that the full time equivalent of staff employed is 2 (2020; 1) excluding volunteers in this or the comparative year

There were no employees whose annual remuneration was £60,000 or more

15 Taxation

The company is exempt from liability to UK Corporation Tax on its charitable activities. The trustees are of the opinion that all activities carried on in the year are charitable

NOTES TO THE FINANCIAL ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2021	91,390
Additions	27,500
Less Disposals	(8,360)
At 31 December 2021	110,530
Depreciation and impairment	
At 1 January 2021	22,301
Depreciation charged in the year	7,250
Less Disposals	(8,360)
At 31 December 2021	21,191
Carrying amount	
At 31 December 2021	89,339
At 31 December 2020	69,089

17 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	500	850

18 Debtors

	2021	2020
	£	£
Amounts falling due within one year		
Trade debtors	420	-
Prepayments and accrued income	6,864	4,410
Gift Aid accrued income	1,570	4,252
	8,854	8,662

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19 Creditors; amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	-	-
Vessel Acquisition Loan Scheme	20,000	20,000
Trade creditors	320	6,347
Other creditors	24,909	2,272
Accruals and deferred income	9,454	16,946
	54,683	45,565

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held seperately from those of the charity in an independently administererd fund.

The cost recognised in the year in respect of defined contribution schemes was £ 1,279 (2020 - £ 2,207)

21 Share capital

The charity does not have share capital. The company is limited by the guarantee of the members to a maximum of £1 each.

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

22 Fund Recognition

The income funds of the charity include restricted funds comprising unexpended balances of donations and grants held on trust for specific purposes as detailed below. Such funds arise from donations and other fund raising activities where the funds are donated or raised for a specifically stated purpose e.g. 'to finance a salaried skipper' and then expended in accordance with that specification.

	Movement in funds				Balance at 31
	Balance at 1 January 2021	Income	Bursaries awarded	Designated expenditure	December 2021
	£	£	£	£	£
Bursary funds	14,144	12,301	(13,430)	-	13,015
Asset replacement	52,794	-	-	(8,992)	43,802
Vessel refit costs	1,081	21,182	-	(18,904)	3,359
Vessel Skipper Project	8,500	5,000	-	(8,378)	5,122
Vessels Loan Repayment	127	1,373	-	-	1,500
Sport England Grant	-	8,240	-	(8,240)	-
	76,646	48,096	(13,430)	(44,514)	66,798
	Balance at 1 January 2021	Income	Bursaries awarded	Total Expenditure	Balance at 31 December 2021
Unrestricted Funds	26,764	162,913	-	131,909	57,768
	Balance at 1 January 2021	Income	Bursaries awarded	Total Expenditure	Balance at 31 December 2021
Totals	103,410	211,009	13,430	176,423	124,566

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Balance at 1 January 2020	Income	Bursaries awarded	Designated expenditure	Balance at 31 December 2020
	£	£	£	£	£
Comparative Figures for 2020					
Bursary funds	8,848	6,084	(788)	-	14,144
Asset replacement	1,027	51,767	-	-	52,794
Vessel refit costs	11,203	10,293	-	(20,415)	1,081
Staff and Volunteer Costs	1,554	40,614		(42,168)	-
Training Costs	2,113	1,297	(998)	(2,412)	-
Vessel Skipper Project	-	8,500	-	-	8,500
Vessels Loan Repayment	-	127	-	-	127
	24,745	118,682	(1,786)	(64,995)	76,646
	Balance at 1 January 2020	Income	Bursaries awarded	Total Expenditure	Balance at 31 December 2020
Unrestricted Funds	44,387	96,150	-	113,773	26,764
	Balance at 1 January 2021	Income	Bursaries awarded	Total Expenditure	Balance at 31 December 2021
Totals	69,132	214,832	1,786	178,768	103,360
Description of Funds					
Bursary funds	Funds received from various sources to support those less able to afford training voyages				
Asset replacement	Funds received from various sources to support the cost of eventual replacement of existing vessels with newer ones				
Vessel refit costs	Funds received from various sources in support of the costs of annual refit of all sailing vessels used by the Trust				
Vessel Skipper Project	Funding received from a charitable trust to meet the costs of employing a paid skipper on training voyages				
Vessels Loan Repayment	Funds received from various sources to facilitate the eventual (discretionary) repayment of funds advanced to assist the purchase of a new vessel				
Sport England Grant	Grant provided by a specific donor for a range of designated activities within the scope of the donor scheme rules				

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

23 Analysis of assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2021 are represented by;			
Tangible assets	45,537	43,802	89,339
Current assets/(liabilities)	12,231	22,996	35,227
	57,768	66,798	124,566
Comparative Figures for 2020	Unrestricted funds	Restricted funds	Total
	£	£	£
Tangible assets	15,165	53,875	69,040
Current assets/(liabilities)	11,549	22,771	34,320
	26,714	76,646	103,360

24 Related party transactions

A trustee participated in a loan scheme in 2020 to fund acquisition of the 'Eastern Star' vessel advancing £10,000 to the trust and this remains outstanding

Independent Examiner's Report to the Trustees of Morning Star Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Geoffrey Frost BSc(Hons) FCA
Blue Spire Limited
Cawley Priory
South Pallant
Chichester
West Sussex
PO19 1SY

26 September 2022

Date

MORNING STAR TRUST

England & Wales - Charity number 328320

Accounts

Charity Registration No. 328320

Company Registration No. 02412804 (England and Wales)

MORNING STAR TRUST

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Morning Star Trust

Trustees' Report 2020

Letter from the Chair and Chief Executive

2020 has been a year of great change and challenge for Morning Star Trust. In January, a new Chief Executive was appointed, and arrangements were finalised to relocate the charity from Chatham to Chichester, vacating our offices and workshops in the Historic Dockyard.

Morning Star was formally decommissioned in December 2019, marking the end of forty-two years of continuous use by the Trust (and its predecessors) as the oldest purpose-build sail training vessel in the UK. In early 2020 both *Morning Star* and *Dayspring* were sold into private ownership and *Bright Star* was moved to Northney Marina in Hampshire.

In March 2020, the rapid spread of Covid-19 forced us to suspend all voyages indefinitely. This loss of income remains a real danger to the continued viability of the Trust, and we must thank those who continued to support our work throughout this time. We are also grateful to those groups and participants who allowed us to move their bookings rather than asking for refunds.

Significant grant funding during the year was received from Sport England, the National Lottery, and the Association of Sail Training Organisations. Without these grants it is unlikely that the charity would still be here now and for this we are grateful.

Bright Star remained laid up for most of 2020 with weekly ship-keeping inspections by staff based locally. She was able to be used for training by a small number of sea staff in their family bubbles during the period when restrictions were eased, and we were able to complete one youth voyage in October working with a group from a boarding school bubble.

Bright Star was in excellent condition following her refit in 2019/20 and received sufficient use to prevent any decline in material condition through the year, meaning she will require very little maintenance expenditure during the winter of 2020/21.

Despite the challenges, 2020 provided the Trust's management an opportunity to focus on our long-term strategic plan following the major organisational and staffing changes in late 2019. Time was spent with stakeholders to develop a Theory of Change document, and to envision the future shape of the organisation. After much consideration and prayer, a major capital appeal was launched in September 2020 to fundraise to purchase and refit a second eleven-metre yacht to work alongside *Bright Star*.

Response to this appeal has been extraordinary and in around three weeks, sufficient funding was raised to purchase a Sigma 38, now named *Eastern Star of Revelation*. The vessel spent around two months in a boatyard for a hull and rig refit before moving home to Northney Marina in December 2020. Internal fitout and commissioning work is ongoing, but we are confident that the vessel will be ready to operate in early 2021.

Joly La Trobe Bateman, Chairman & Toby Humphreys, Chief Executive

The Trustees, who are also the Company Directors, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2020.

Objectives and Activities

The charity's objects are:

- the proclamation of the gospel of Christ together with the advancement of Christianity
- the education of young people in the development of their physical, mental, and spiritual capacities so that they may grow to full maturity as individuals and members of society.

In 2020 the charity aimed to fulfil these objectives by the provision of residential voyages to young people (under 25 years old) onboard sail training vessel *Bright Star of Revelation* (ON 923847). Voyages are also provided in partnership with selected groups of vulnerable adults. Where appropriate excess capacity, particularly in term time, is used for voyages and training courses by paying adults.

Our aim is always to offer the maximum number of places to young people, many of whom were from disadvantaged backgrounds, on sail training activities at the lowest achievable cost. For this we are reliant on funding which subsidises these costs, as well as providing for additional bursaries. The Trustees record their grateful thanks for this support without which subsidised places could not be offered.

Volunteers

A great contribution to the work of the Trust is provided by volunteers, both ashore and at sea, to enable us to continue. In 2020, the Trust employed one member of seagoing staff, and all other roles onboard both boats were filled by volunteers.

We were fortunate to have a full-time volunteer Staff Mate and Staff Bosun at the beginning of 2020, with Chris taking over as Bosun in September 2019, and Rebecca staying in the role of Mate for a second year. Rebecca and Chris gave 90 volunteer days in maintenance during the spring of 2020. Both Rebecca and Chris stopped volunteering in March with the onset of the first Covid-19 lockdown.

The Trust also benefited from a number of shorebased volunteers who gave twenty-five days of volunteering to assist with maintenance when restrictions permitted them access to the boat.

Despite the ongoing challenges posed by Covid-19, the Trust was able to complete one voyage with young people in October 2020, which was staffed exclusively by volunteers. The Trustees are grateful for the ongoing support of the wider MST supporter network who assisted in myriad ways with the continued success of the organisation during a year

Public Benefit

In planning activities for the year, the Trustees confirm that they have had due regard to the Charity Commissioner's Public Benefit guidance in ensuring that:

- all the Trust's activities have been focussed on delivering the objects of the Trust
- the Trust's offering does not exclude the poor
- and any incidental benefits have been wholly associated with the requirements of the operation of the Trust.

Achievements and Performance

Due to the lockdown, *Bright Star* remained alongside in Northney for most of the year. She completed 1 youth voyage, spending 7 days at sea.

28 voyages (178 days) were cancelled due to the Covid-19 pandemic.

Bright Star operated at 80% capacity and she served 4 young people.

We sailed with 4 individual beneficiaries who were either young people or vulnerable adults. (163 in 2019, 154 in 2018).

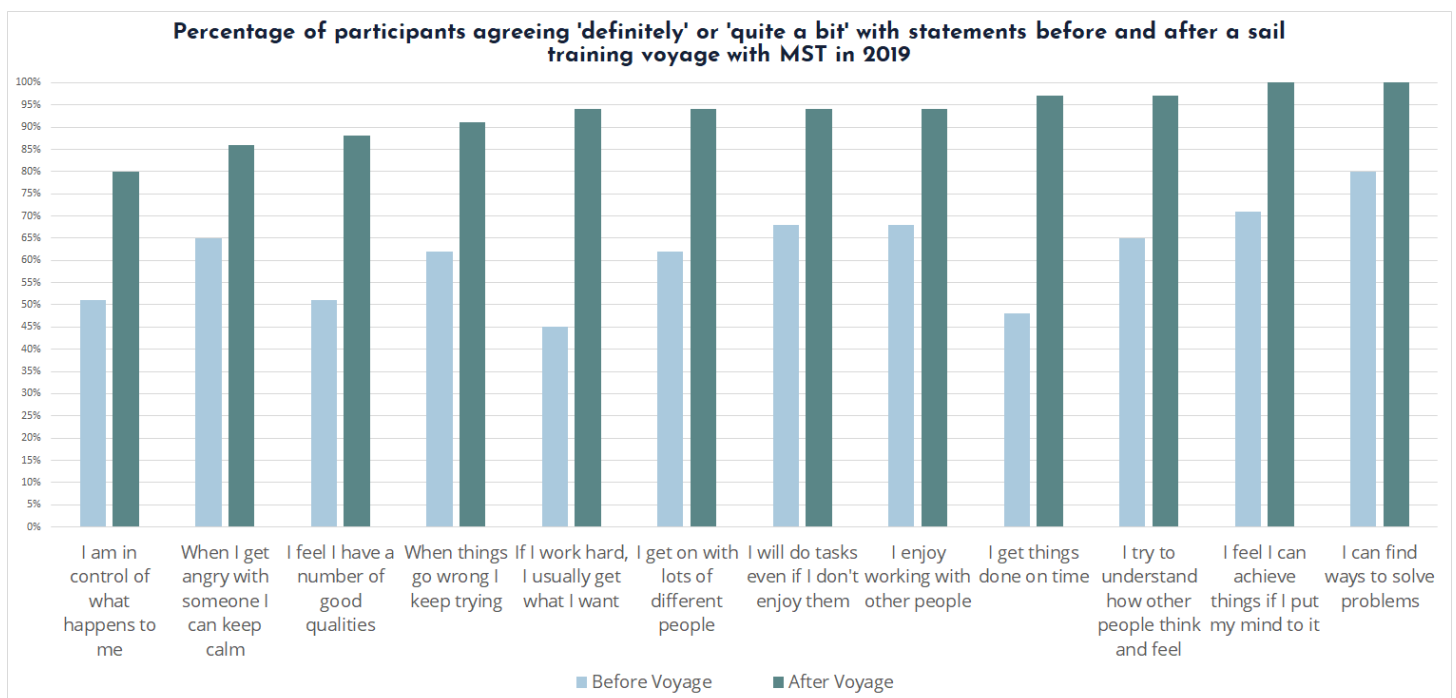
Outcomes

In 2019 we begun using a new framework for measuring voyage outcomes that was jointly developed with ASTO and the Universities of Newcastle and Edinburgh. Participants were asked to agree or disagree with a series of qualitative statements about themselves before and after the voyage. *As we were unable to record outcomes data in 2020, we have continued to use 2019 data for information.*

Participants on MST voyages improved dramatically across the board, but we saw especial improvement in the following areas:

- Perseverance; **"If I work hard I get what I want"** – 49% increase in agreement
- Timekeeping; **"I get things done on time"** – 49% increase in agreement
- Positive self-image; **"I feel I have a number of good qualities"** – 37% increase in agreement
- Socialisation and communal living; **"I get on well with lots of different people"** – 32% increase in agreement

At the end of their voyages, 100% of participants felt that they could **"find ways to solve problems"** and could **"achieve things if I put my mind to it"**.



Participants also completed an activity survey at the end of the voyage, and key outcomes were that 100% of participants agreed that they **“did things even though they were difficult”**, **“learned a new skill”**, and that their team **“worked well together”**. All participants also felt that they **“trusted the sea staff and they trusted me”**.

Percentage agreeing 'quite a bit' or 'definitely' with statements after a voyage with MST in 2019	
I did things even though they were difficult	100%
I trusted the staff and they trusted me	100%
I learnt a new skill	100%
Our team worked well together	100%
I got on well with the others	97%
I learned to stick to the ship's routine	97%
I had to do something important for the ship	94%
I learned about solving problems	89%
I learnt something new about myself	86%
I'm surprised at what I achieved	83%
I learnt something new about the environment	77%

Feedback from Voyage Crew in 2019:

"It is an incredible experience and I got to know so many new people who I wouldn't met otherwise."

"It's an experience of a lifetime, I would advise anybody especially those with low self-esteem/confidence to go on."

"A fantastic experience, a great staff team. Thoroughly enjoyable time and a great opportunity that I would thoroughly recommend"

"Highly recommend. Challenging but enjoyable and fun with friendly and supportive staff. Very rewarding."

"You should do it, as you experience so many more things than you get in ordinary life."

"The onboard crew were very helpful in discussion, responsibilities and instruction and made me feel safe, thank you very much."

"Go and challenge yourself, get out of your comfort zone, meet new people, enjoy it to the full"

"It's a worthwhile activity. The staff encourage you and give you responsibilities. The more you put in the more you get."

Feedback from Group Leaders in 2019:

"Great opportunity and really changed lives of those who were with us. We all had great fun and grew together."

"The Sea Staff were excellent teachers and great fun. they made us feel very welcome and were able to make every part of the syllabus enjoy-able, with time-trialled tacking and gybing and knot tying competitions. They were also great company in the evenings and we're extremely willing and able to answer all of our numerous questions."

"I have personally sailed with MST a few times and it has always been a positive experience, a lovely team to deal with, both in the office and on board! I also knew that MST had experience of dealing with vulnerable adults and people dealing with addictions so it would be appropriate to take the group we had on board Morning Star. It has been a very positive experience for everyone who took part and a good team building exercise. The comments on the bus journey home was testament to the sense of achievement everyone felt after completing this particular trip! A BIG thank you to everyone involved, you are all amazing and your hard work, skills and kindness is truly appreciated."

Financial Review

In 2020 the Trust's total income was £214,832 (2019: £266,250) and was primarily sourced through "donations, gifts, and funding from charitable sources".

A total of £189,468 was raised in donations, gifts, and funding. This was an increase of £2,626 from the preceding year (2019: 186,842).

Voyage income was extremely badly affected by Covid-19 restrictions, and the Trust only received £4,727 from voyage income. This represents a drop in income of £70,467 against the preceding year (2019: £75,194).

Total expenditure was £180,554, which produced a net surplus of £34,278. In 2019, total expenditure was £279,280, which produced a net deficit of £13,030.

This surplus is primarily made up of restricted funds, which are linked to the ongoing "*Eastern Star*" capital appeal project. The majority of this project's funding was received in 2020, but spending is ongoing into 2021.

The Trustees recognise the extraordinary circumstances of the accounting period 2020. That charitable sources income increased during the year is testament to the extraordinary generosity and faithfulness of the Trust's members and supporters.

Reserves Policy

The Trust's Reserves were £26,764 on 31st December 2020. This is in line with the Trustees Policy that the Trust's Reserves must be between 5% and 50% of its Annual Operating Expenditure (excluding "one off" projects). The Trustees believe that 5% is the correct minimum level of reserves to protect the charity, and those who benefit from it, from the effects of the most likely financial risks.

The Trustees have reached this conclusion because the charity currently has fixed assets of £69,089 as of 31st December 2020, which could be liquidated within the time window that this level of unrestricted liquid assets would make possible. The Trustees believe that 50% is the correct maximum level of reserves, because if more were held, this would unnecessarily tie up donors' money in an unproductive way.

The Trustees monitor the level of the Trust's Reserves on a quarterly basis. The Trustees review the Trust's Reserve Policy on an annual basis (at the same time as assessing the Financial Plan for the year ahead) and whenever a change is made to the Trust's Risk Register. If the Reserves needed to fall below 5% of the Trust's Annual Operating Expenditure, all the Trustees would be informed immediately by the Trust's Finance Administrator.

Accounting Policy

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 insofar as it is applicable to a charity which is not subject to a statutory audit.

Going Concern

The trustees are satisfied that the trust's financial resources are such that there is no current financial uncertainty about the trust continuing as a going concern.

Structure, Governance and Management

Structure:

The charity is a company limited by guarantee, governed by its Memorandum & Articles of Association.

Governance:

The trustees of MST:

- exercise overall control of the charity by regular review of operation, activities and results of the charity and have responsibility for longer term strategic planning.
- delegate the operational responsibility for safety management to the Operations Director remain accountable in law for all safety aspects of the Morning Star Trust.
- have a management responsibility for ensuring the MST is undertaking its activities safely.
- review trust policies annually.
- appoint the Advisory and Safety Committee to review and investigate safety incidents on board the trusts vessels and make recommendations to the operations team.
- Day to day control is exercised by the Operations Director in accordance with the Schedule of Delegated Responsibilities.

Recruitment of Trustees:

Trustees are appointed according to their skills and experience and are appointed by the existing Trustees on that basis. Each Trustee has confirmed that there is no information of which they are aware which is relevant to the accounts, but of which the Independent Examiner is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Independent Examiner is aware of such information.

An induction programme is agreed individually with new Trustees on appointment which is tailored to their needs and experience. As a minimum Trustees are required to read the Charity Commission Guidance on Public Benefit and associated documentation, and to allow their decisions to be informed by this guidance.

Reference and Administrative Details

Charity Name: Morning Star Trust

Charity Registration Number: 328320

Company Registration Number: 02412804

Principal Address: PO Box 817, Chichester, West Sussex, PO19 9WP

Registered Office: 43 Woodridge Close, Enfield, Middlesex, EN2 8HJ

Trustees:

- A F J La Trobe-Bateman (Chair)
- D Shepherd (Secretary)
- D Miller
- T Ingall
- H Bradley (resigned 23rd January 2021)
- P Adams (appointed 21st November 2020)
- H Crothers (appointed 21st November 2020)
- R Brewer (appointed 21st November 2020)
- *M La Trobe-Bateman (resigned 16th May 2020)*
- *M Comont (resigned 16th May 2020)*

Signed **AFJ La Trobe-Bateman**

MORNING STAR TRUST (Company Registration Number: 02412804)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	A F J La Trobe-Bateman P Adams R Brewer H Crothers A Ingall D Miller D Shepherd
----------	---

Secretary	D Shepherd
-----------	------------

Charity number	328320
----------------	--------

Company number	2412804
----------------	---------

Principal address	PO Box 817 Chichester PO19 9WP
-------------------	--------------------------------------

Registered office	43 Woodridge Close Enfield England EN2 8HJ
-------------------	---

Independent examiner	Blue Spire Limited Cawley Priory South Pallant Chichester PO19 1SY
----------------------	---

Bankers	Lloyds Bank plc 142-146 High Street Chatham Kent ME4 4DQ
---------	--

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations, gifts and funding from other charitable sources	3	70,786	118,682	189,468	186,842
Income from sail training and experience operations	4	4,727	-	4,727	75,194
Other ancillary income	5	19	-	19	122
Interest receivable	6	19	-	19	16
Material other income	7	20,599	-	20,599	3,876
Other income	8	-	-	-	200
Total Income		96,150	118,682	214,832	266,250
<u>Expenditure on:</u>					
Raising funds	9	10,894	-	10,894	12,930
Charitable Activities	10	102,879	66,781	169,660	266,350
Total expendediture		113,773	66,781	180,554	279,280
Net income/(expenditure) for the year/ Net movement in funds		(17,623)	51,901	34,278	(13,030)
Release of restricted funds to unrestricted		-	-	-	-
Fund balances at 1 January 2020		44,387	24,745	69,132	82,162
Fund balances at 31 December 2020		26,764	76,646	103,410	69,132

The statement of financial activities includes all gains and losses recognised in the year

All income and expenditure derives from continuing activities

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	17		69,089		57,042
Current Assets					
Stocks	18	850		750	
Debtors	19	8,662		8,555	
Cash at bank and in hand		70,374		31,512	
		79,886		40,817	
Creditors; amounts falling due within one year	20	45,565		28,727	
Net current assets			34,321		12,090
Net Assets/(Liabilities)			103,410		69,132
Charity Funds	23				
Bursary Funds		14,144		8,848	
Restricted Funds					
Asset replacement		53,875		1,027	
Other restricted funds		8,627		14,870	
			76,646		24,745
Unrestricted funds			26,764		44,387
Total Charity Funds			103,410		69,132

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Signed

AFJ La Trobe- Bateman

**NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

1.1 Accounting convention

Morning Star Trust is an incorporated charity, limited by guarantee, in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities is given in the trustees' report. The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. There are restricted funds which are used to provide Bursaries to enable young people to participate in sail training activities. Interest is credited to the fund on the balance, which is maintained in a separate bank account. Bursaries paid are charged against the fund. Separate funds represent: a) bursary funds to allow those not in employment or education to benefit from the activities run by the charity b) gifts towards the purchase of fixed assets; c) gifts to assist in the financing of future fixed assets; and d) gifts received towards winter refit of the vessels operated.

Donations towards fixed assets are recognised in the Statement of Financial Activities at the same rate as the underlying asset is depreciated.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset. Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to make payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the charity's sole charitable activity. Where applicable expenditure is stated inclusive of non-recoverable VAT.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery etc. 10%, 20% & 33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price. Cost comprises purchase costs only. Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in disposal.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Liabilities and provisions

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements. Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2 Critical accounting estimates and judgments

In the application of the charity's accounting policies, the trustees are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations, gifts, and funding from other charitable sources

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Donations and Gifts	63,315	96,156	159,471	186,842
Donated Services	-	16,990	16,990	
Gift Aid	7,471	5,536	13,007	
	70,786	118,682	189,468	
For the year ended 31 December 2019	32,719	154,123		186,842

4 Income from sail training and experience operations

	2020	2019
	£	£
Fee, grant, and bursary income	4,727	75,194

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5 Other ancillary income

	2020	2019
	£	£
Shop income	19	122
	<u> </u>	<u> </u>

6 Interest receivable

	2020	2019
	£	£
Interest receivable	19	16
	<u> </u>	<u> </u>

7 Material other income

	Unrestricted funds	Restricted funds	2020	2019
	£	£	£	£
Profit on sale of tangible fixed asset	20,599	-	20,599	3,876
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Includes the net proceeds of sale of 'Dayspring' vessel

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8 Other income

	2020	2019
	£	£
Sundry other income	-	200
	=====	=====

9 Raising funds

	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
<u>Advertising and promotion</u>				
Fundraising activities	10,122	-	10,122	6,682
Other fundraising costs	772	-	772	4,910
Staff costs	-	-	-	1,338
	=====	=====	=====	=====
Advertising and promotion	10,894	-	10,894	12,930
	=====	=====	=====	=====
<u>Other trading activities</u>				
On board shop	-	-	-	-
	=====	=====	=====	=====
	10,894	-	10,894	12,930
	=====	=====	=====	=====
For the year ended 31 December 2019				
Advertising and Promotion	10,628	2,302		12,930
Other trading activities	-	-		-
	=====	=====		=====
	10,628	2,303		12,930
	=====	=====		=====

**NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10 Charitable activities

Vessel operating costs	Unrestricted funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Staff Costs	8,026	35,381	43,407	95,997
Depreciation and impairment	3,149	-	3,149	7,220
Vessel operating costs	45,468	20,415	65,883	113,138
Loss on Sale of Fixed Asset	21,298	-	21,298	-
	77,941	55,796	133,737	216,355
Grant funding of activities (see note 12)	-	1,786	1,786	7,903
Share of support costs (see note 13)	23,688	9,199	32,887	40,568
Share of governance costs (see note 13)	1,250	-	1,250	1,524
	102,879	66,781	169,660	266,350
Analysis by funds	2020	2019		
Unrestricted funds	102,879	124,674		
Restricted funds	66,781	141,676		
	169,660	266,350		

11 Description of charitable activities

Vessel operating costs

Activities undertaken directly comprise the operation of sail training and experience voyages aboard sea-going vessels

Direct relief comprises amounts donated to provide relief to individuals in particular circumstances

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12 Grants payable

The bursaries comprise grants to qualifying individuals towards the cost of sail training activities operated by the Trust

Vessel operating costs

Grants are made available to young people (who meet the detailed qualifications for the Bursary scheme) to enable them to participate in activities arranged by the Trust at a reduced cost

13 Support costs

	Support costs	Governance costs	2020	2019	Basis of allocation
	£	£	£	£	
Office, administration, and other similar costs	32,887	-	32,887	40,568	All relates to the main charitable activity
Committee costs	-	-	-	134	Governance
Independent examination	-	1,250	1,250	1,390	Governance
	32,887	1,250	34,137	42,092	
Analysed between charitable activities	30,681	1,250	31,931	42,092	

Fees paid to the independent examiner charged in these accounts amount to £1,250 (2019 - £1,390) excluding VAT. The independent examiner provides no other services to the charity

14 Trustees

None of the trustees (or any persons connected with them - other than any disclosures made in Note 14) received any remuneration during the year. Expenses, in respect of their services as trustees, were paid totalling £ Nil (2019 £ Nil). The number of trustees reimbursed such expenses during the year was Nil (2019; Nil)

Where trustees act as skippers on sail training activities they are offered expenses to cover the cost of either leaving or joining the vessel at ports other than the home port. The amount so reimbursed each year cannot be readily ascertained but is restricted to the reasonable costs actually incurred

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15 Employees

Number of employees

The average monthly number of employees during the year was

2020	2019
Number	Number
1	3

Employment costs

	2020	2019
	£	£
Wages and salaries	21,774	50,135
Social security costs	5,621	10,398
Other pension costs	2,207	4,018
	29,602	64,551

The trustees estimate that the full time equivalent of staff employed is 1 (2019; 3) excluding volunteers

There were no employees whose annual remuneration was £60,000 or more

16 Taxation

The company is exempt from liability to UK Corporation Tax on its charitable activities. The trustees are of the opinion that all activities carried on in the year are charitable

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2020	137,407
Additions	49,495
Less Disposals	<u>(95,512)</u>
At 31 December 2020	<u>91,390</u>
Depreciation and impairment	
At 1 January 2020	80,365
Depreciation charged in the year	3,149
Less Disposals	<u>(61,213)</u>
At 31 December 2020	<u>22,301</u>
Carrying amount	
At 31 December 2020	<u>69,089</u>
At 31 December 2019	<u>57,042</u>

18 Stocks

	2020	2019
	£	£
Finished goods and goods for resale	850	750
	<u>850</u>	<u>750</u>

19 Debtors

	2020	2019
	£	£
Amounts falling due within one year		
Trade debtors	-	997
Prepayments and accrued income	4,410	4,920
Gift Aid accrued income	4,252	2,638
	<u>8,662</u>	<u>8,555</u>

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

20 Creditors; amounts falling due within one year

	2020	2019
	£	£
MS Leopold Funding Loan	-	22,500
Other taxation and social security	-	1,148
Eastern Star Acquisition Loan Scheme	20,000	-
Trade creditors	6,347	609
Other creditors	2,272	1,390
Accruals and deferred income	16,946	3,080
	45,565	28,727

21 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The cost recognised in the year in respect of defined contribution schemes was £ 2,207 (2019 - £ 4,018)

22 Share capital

The charity does not have share capital. The company is limited by the guarantee of the members to a maximum of £1 each.

23 Fund Recognition

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 January 2020	Income	Bursaries awarded	Designated expenditure	Balance at 31 December 2020
	£	£	£	£	£
Bursary funds	8,848	6,084	(788)	-	14,144
Asset replacement	1,027	51,767	-	-	52,794
Vessel refit costs	11,203	10,293	-	(20,415)	1,081
Staff and volunteer costs	1,554	40,614	-	(42,168)	-
Training costs	2,113	1,297	(998)	(2,412)	-
Skipper Salary	-	8,500	-	-	8,500
Eastern Star Loan Repayment	-	127	-	-	127
	24,745	118,682	(1,786)	(64,995)	76,646
	44,387	96,170	-	113,843	26,714

NOTES TO THE FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

24 Analysis of assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2020 are represented by;			
Tangible assets	15,165	53,875	69,040
Current assets/(liabilities)	11,549	22,771	34,320
	26,714	76,646	103,360

25 Related party transactions

A trustee participated in a loan scheme to fund acquisition of the 'Eastern Star' vessel advancing £10,000 to the trust (2019 - none)