



Bringing Hope to Broken Lives

MORNING STAR
(SALISBURY)
(A Company Limited by Guarantee)
ANNUAL REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021

CHARITY REGISTRATION No: 1094618

COMPANY REGISTRATION No: 4476953

**MORNING STAR (SALISBURY)
(A COMPANY LIMITED BY GUARANTEE)**

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LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER	1094618
COMPANY REGISTRATION NUMBER:	4476953
START OF FINANCIAL YEAR	1st January 2021
END OF FINANCIAL YEAR	31st December 2021
DIRECTORS TO 31ST DECEMBER 2021	Brian Livesey (Chairperson) Ruth Livesey (Secretary) Kerry Badger Keith Thomasson Elizabeth Beadle
EMPLOYEES	Mike Badger (CEO, Life Recovery Course Leader, and Support Worker) Hannah Badger (Financial Administrator)
OBJECTS	For the benefit of the community the business of: (a) providing houses or hostels and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means. (b) providing for persons suffering from drug and/or alcohol abuse or mentally afflicted, disabled physically or with learning disabilities, or otherwise suffering from breakdowns in interpersonal relationships Christian based values, services training and resources to better enable them to cope with the business of life.
REGISTERED OFFICE	Hothfield Coombe Road Salisbury SP2 8BT
CORRESPONDENCE ADDRESS	Hothfield Coombe Road Salisbury SP2 8BT
GOVERNING DOCUMENT	Memorandum and Articles of Association incorporated 3rd July 2002 as amended by Special Resolution dated 4th November 2002.
BANKERS	National Westminster Bank Plc 48 Blue Boar Row Salisbury Wiltshire SP1 1DF
SOLICITORS	Robinsons 83 Friar Gate Derby Derbyshire DE1 1PL
INDEPENDENT EXAMINER	Paul Bunyan B.Sc. ACA Brightwell House, Winterslow SP5 1QS

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REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2021

Overview

2021 has been the first full year with the new board of directors, leadership and with significant changes to the management and method of delivery of charitable work to fulfil the charitable objectives. Clearly due to the new operational management team and the retirement of Dave and Bev Kidley, some major changes needed to take place to enable the ongoing work of Morning Star against its charitable objectives. However, whilst these changes were necessary, the aim of the new board was to continue to work towards these objects by building on work that had already been done in the past and maintaining the ethos of the charity whilst shaping charitable operations in a different way that would match the skills, resources, and experience of the new leadership team. This report therefore focuses on a review of the major changes that have taken place this year under the transition to the new leadership team. It then describes the strategy and the corresponding charitable activities to the end of 2021 and explains staff recruitment to implement this strategy. Finally, this report summarises the plans for next year, and provides a financial breakdown of costs and expenditure in the context of these changes and activities.

Major Changes

Major changes in governance and leadership, and the means of delivering the charitable objects have resulted in changes to both income and expenditure, which are both now significantly less than last year. The most financially significant was to the provision of supported housing, under Object A of the Articles of Association. In 2020 this was provided to a Morning Star client using the home of Dave and Bev Kidley who were previously managing the charity and working to deliver its charitable objectives. The majority of the cost of this was borne out of funding received from Wiltshire Council for Housing Benefit and client support and the Manse Scheme. Given that this client was settled in his home with the Kidleys, then it was inappropriate to consider moving him to alternative supported housing when the Kidleys retired from their work with Morning Star. Therefore, Morning Star no longer supports this particular client. Consequently, no funds have been received from government funding and therefore grant income has gone down considerably. However, this also means that our costs have reduced considerably with only two part-time employees (one just 4 hours per month, the other two to three days per week) rather than two full time, and there is no longer a manse scheme or regular housing costs. Therefore, our income continues to cover our expenditure which funds the charitable activities which implement the strategy for this year described in the following.

Strategy and Charitable Activities

Given this major change in leadership, it was incumbent on the new board recruited at the end of 2020 to develop an initial strategy for a new season of Morning Star. This new strategy culminated in a three-part approach to charitable operations going forward. The first part was concerned with seeing the needs in front of us and meeting them. This resulted in a continuation of the Hope project from the previous year which became particularly important for vulnerable adults due to social isolation caused by the various lockdowns caused by the COVID19 pandemic. Therefore, throughout 2021 using the charity van and mostly items donated by supporters, Morning Star has supported clients in the community through the provision of food, personal and household essentials such as clothing, shoes, beds, bedding, curtains and furniture, as well as relational support and conversation to break social isolation. Surplus food collection and redistribution has therefore also continued throughout 2021 which has supported both individuals and hostels including Alabaré Place and John Baker House. Whilst these activities took place under the inherited Hope project, they required an update to, and in some cases new governance documents appropriate to the existing and intended future delivery operations of the charity. Consequently, in the first quarter of 2021 a number of new policies and procedures were written or updated to make sure the charity was properly protecting clients and staff. These included adult protection, safer recruitment, data protection, financial controls, lone working, and food hygiene. Some training was also completed by new staff and volunteers, in particular food hygiene.

The second part of the strategy concerned breaking the cycle of poverty, addiction and homelessness—considered to be at the heart of our work and ethos. Historically this had been implemented through the Morning Star Rehabilitation Centre at Winterslow. However, this had been closed in 2018 due to a change in the personal circumstances of Dave and Bev Kidley who were running charity operations at that time. Therefore, instead, it was proposed that this could be achieved by Morning Star taking over the running of Life Recovery Course and addiction support community that Mike and Kerry Badger had been leading out of SP2 Hope Centre connected with St Paul's Church in Salisbury. Following discussions with St Paul's, it was agreed that this transfer would be beneficial to the service and client group by offering greater focus and expertise than the church could provide, whilst church members would continue to provide support as needed and appropriate. Consequently, the second quarter of 2021 saw the roll out of this second stage of our strategy in the final planning and preparation of the course material under Morning Star. This included a professional review by a consultant addiction psychiatrist, the recruitment of volunteers to help us to run the course including one peer mentor, and the enrolment of beneficiaries. Our first 12-week course was then launched in June 2021 operating out of SP2 Café and Hope Centre. The running costs of the course have been low because to the end of 2021, St Paul's has generously allowed us to use this facility free of charge and some of the food provision has been through surplus supermarket food collection continued under the Hope project. However, to assist St Paul's in future running costs, it was proposed by the trustees that in 2022 Morning Star will hire the facility at a charity rate.

Then finally, the third part of our strategy concerned supporting people into housing in order to address object A in the Articles of Association, which was 'providing houses or hostels and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means.' We have, over this last year supported several clients in finding and/or moving into supported or move on accommodation managed by Wiltshire Council. We have also supplied essential furnishings and food to those on a low income and being re-housed, from donations made to the charity by supporters and using the Morning Star Van to deliver it. The donation of furnishings, clothes and food mean that our charity expenditure is kept down, and supporters are able to contribute in non-monetary ways as well as financial giving. This service has also provided us with the opportunity to discuss other needs with our clients and to advocate for them. All this has been made possible by establishing a good working relationship with the Rough Sleeper team at Wiltshire Council and by networking with other charities and organisations. In addition, in relation to object A we have also provided emergency accommodation for a limited time period to two rough sleepers who had no access to public funds but were in desperate need and one of whom was sleeping in a public toilet. Furthermore, we have delivered surplus supermarket food on a weekly basis to John Baker House and Alabaré Place in support

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of their supported hostel accommodation. The spin-off of this food and furnishings re-distribution is that we also help to reduce landfill and food waste and therefore help to preserve our natural world.

Staff Recruitment

To develop and implement this strategy, in April 2021 Mike Badger was appointed as CEO by the trustees. His brief was to run the charity operations and steer it to meet its charitable objectives. The scope of appointment was to act both in the capacity of charity administrator and also to provide support work directly to clients through both his own experience and pastoral skills and through building a team of volunteers. This started as a two day per week appointment, but it quickly became clear that a lot more work was required to implement the strategy. This was therefore extended to three days per week, the third day to be flexible and used as needed. Over this period, working together with Kerry who was appointed in a voluntary capacity as safeguarding officer, he has recruited a part time Financial Administrator and has safely recruited five regular volunteers who have supported food and furniture delivery, charity administration and addiction recovery work through the Life Recovery Course and Community in SP2 Hope Centre. He has also networked with clients, local government, churches, other charities, and supporters, and has worked with volunteers to help deliver against the charity objects. As a result of this networking, Morning Star was invited to, and has participated in a Wiltshire Council led 'Hope' project which aims to work together to support those often with complex needs and situations who find themselves homeless. Morning Star has also been invited to speak at several churches which has resulted in further donations of personal and household items many of which have now been passed on to clients.

Financial Support and Management

The majority of financial support for last year came through the generous giving of individuals, much of which came through standing orders. However, one donation was made of £11,973 from the Caring as One Foundation which represented over one third of the income. There were no conditions attached to this donation. The aim of the trustees from a financial management perspective was to maintain an income that would cover the operational cost whilst a decision was made over the course of the year on how best to use accumulated funds to mitigate poverty and homelessness. This balance of expenditure versus income was successfully achieved over the year. In the meantime, the best use of accumulated funds required some careful listening and a survey of the needs in Salisbury, particularly in terms of housing provision. The outcome of this survey is outlined in the future plans below.

Future Plans

The last quarter of the year saw the trustees together with the CEO developing some further thinking on object A relating to housing, including research into local supply and demand to establish the gaps in housing needs and provision and how Morning Star might help to fill these gaps. The research identified an average ongoing shortfall between supply and demand of at least eight people who were sleeping rough and waiting for supported housing in Salisbury. This is expected to get worse due to the war in Ukraine and an increasing number of refugees combined with increasing rents due to high inflation. Our plans to address this shortfall will be further developed in 2022 as we seek to investigate the possibility of partnering with a larger charity called Green Pastures, who would work with us to acquire housing and set up the necessary governance to run a supported housing project. It is thought that some of the accumulated funds (detailed in the financial summary below) will be used in the set-up cost of this project which will require additional specialist human resources to both manage the accommodation and support the complex needs of the client. In addition, housing in Salisbury is very expensive and it may become necessary for Morning Star to contribute a lump sum toward the cost of the housing.

Financial Summary

Total income for the year was £29,947 and total expenditure £18,632 resulting in a net surplus of £11,315 for the year.

The reserves policy is stated in note 16 to the financial statements.

As at 31st December 2021, the charity held reserves of £98,919 of which £96,099 were general reserves and £2,820 were restricted reserves.

No funds were in deficit.

Directors Statement

The directors consider the charity holds sufficient reserves not only to meet any unexpected financial expenditure and to enable the charity to continue as a going concern, but also has accumulated funds that can be used toward a further support worker and possibly toward affordable housing to accommodate the needs of some clients who find themselves homeless and on a very long waiting list for housing in Salisbury.

Structure, Governance and Management

The charity constitution and governing document is detailed on page 3 of this report. The charity has up to date policies and procedures for child and vulnerable adult protection, lone working, food handling, financial management and data protection.

STATEMENT OF DIRECTORS' RESPONSIBILITIES:

The Charities Act and the Companies Act require the Board of Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- a) select suitable accounting policies and then apply them consistently,
- b) make judgements and estimates that are reasonable and prudent,
- c) prepare financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business,

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d) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for the contents of the Report of the Directors, and the responsibility of the independent examiner in relation to the Report of the Directors is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

I approve the attached statement of financial activities and balance sheet for the period ended 31st December 2021 and confirm that I have made available all information necessary for its preparation.

Approved by the Board of Directors on the15th September 2022

Signed on behalf of the Board of Directors by ...*Mike Badger*

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021

Incorporating income and expenditure account

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
INCOME					
Voluntary Income	2a	29,947	0	29,947	14,435
Activities for Generating Funds	2b	0	0		0
Other	2c	0	0		62,435
TOTAL INCOME		29,947	0	29,947	76,870
EXPENSES					
Charitable Activities	3a	17,927	705	18,632	75,928
Other	3b	0	0	0	0
TOTAL RESOURCES EXPENDED		17,927	705	18,632	75,928
NET INCOME/(EXPENDITURE)		12,020	(705)	11,315	942
Transfer between funds	12	0	0	0	0
NET MOVEMENT IN FUNDS		12,020	(705)	11,315	942
RECONCILIATION OF FUNDS:					
Total Funds Brought Forward		84,079	3,525	87,604	86,662
TOTAL FUNDS CARRIED FORWARD		96,099	2,820	98,919	87,604

Movements on all reserves and all recognised gains and losses are shown above.

The notes on pages 10 to 15 form part of these financial statements.

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BALANCE SHEET
AS AT 31ST DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	31-Dec-21 Total £	31-Dec-20 Total £
Fixed Assets					
Tangible assets	8	7,937	2,820	10,757	13,218
Current Assets					
Debtors	9	1,344	0	1,344	6,524
Cash at bank and in hand	10	87,185	0	87,185	72,678
Total Current Assets		88,529	0	88,529	79,202
Creditors: amounts falling due within one year	11	367	0	367	4,816
NET CURRENT ASSETS		88,162	2,820	88,162	74,386
TOTAL ASSETS less current liabilities		96,099	2,820	98,919	87,604
NET ASSETS		96,099	2,820	98,919	87,604
Funds of the Charity					
General Funds		96,099	0	96,099	84,079
Restricted Funds	12	0	2,820	2,820	3,525
Designated Funds		0	0	0	0
Total Funds		96,099	2,820	98,919	87,604

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Directors' responsibilities

The directors are satisfied that for the year ended on 31st December 2021 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report appears on page 16.

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

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities.

The directors acknowledge their responsibility for ensuring that the company keeps proper accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and if its surplus and deficit for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the Directors on theand

Signed on their behalf by..... Company Registration No: 4476953.

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Accounting Basis, Policies and Analysis

Basis of Preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts have been prepared in accordance with: the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Charities Act 2011.

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

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operation and in order to comply with the requirements of the SORP.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

Material prior period errors

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

1. ACCOUNTING POLICIES

The particular accounting policies adopted are set out below.

Income

Recognition of Income

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

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

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and Donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (section 24 of FRS 102 SORP).

Tax Reclaims on Donations and Gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Gifts in Kind

Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable. Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

Donated Goods

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated Services and Facilities

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

Volunteer Help

The value of any voluntary help received is not included in the accounts. However, the benefit to the charitable objects is described in the Directors' annual report in terms of the number of volunteers recruited.

Income from interest, royalties and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

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Expenditure and liabilities

Liability Recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and Support Costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Deferred Income

No material item of deferred income has been included in the accounts.

Creditors

Creditors are measured at settlement amounts less any trade discounts. However, there are no creditors this year.

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. 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.

Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at the value to the charity on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a straight line basis over their estimated useful lives. The rates applied per annum are as follows:

Fixtures/Fittings	25%
Vehicles	12.5%

Debtors

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

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2. ANALYSIS OF INCOME

Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
a) Donations and Legacies				
Donations	28,603	0	28,603	12,811
Gift Aid	1,344	0	1,344	1,624
	29,947	0	29,947	14,435
b) Other Trading Activities				
Fundraising				
	0	0	0	0
c) Other Income				
Housing Benefit				8,060
Client Support				46,907
Rent Income				7,440
Sundry and Miscellaneous				28
	0	0	0	62,435

3. ANALYSIS OF EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
a) Charitable Activities				
Accountancy Fees				910
Advertising and Promotion	3		3	
Bank/Finance Charge	30		30	31
Client Accommodation Costs	594		594	
Client Support Costs	435		435	241
Depreciation Charge	2,106	705	2,811	2,724
Entertainment and Hospitality				90
Equipment Rental				150
Food Service (previously Banquet Run)	1,204		1,204	719
Insurance	500		500	494
Legal and Professional Fees	13		13	13
Life Recovery Group	379		379	
Manse Scheme				4,008
Mobile Phone	115		115	435
Motor Expenses	878		878	1,403
National Insurance (Employers)	5			2,047
Office Equipment	81		81	442
Postage	281		281	187
Printing	353		353	
Residential				279
Rough Sleeper Outreach	200		200	
Salaries	7,296	5	7,296	61,306
Staff Pensions	1,770		1,770	
Stationery	84		84	
Sundries	202		201	449
Unclaimed Gift Aid	1,404		1,404	
	17,928	705	18,632	75,928
b) Other Expenditure				
Loss on disposal of assets				
	0	0	0	0

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4. DETAILS OF CERTAIN TYPES OF EXPENDITURE

	2021	2020
	£	£
Independent examiner's fees		910
Assurance services other than audit or independent examination		
Tax advisory fees		
Other fees (for example: financial advice, consultancy, accountancy services) paid to the independent examiner		
	0	910
	0	910

5. STAFF COSTS AND NUMBERS

	2021	2020
	£	£
Gross Wages and Salaries	7,296	61,306
Employer's National Insurance Costs		2,047
	7,296	63,353
	7,296	63,353

Employees who were engaged in each of the following activities:

	2021	2020
	TOTAL	TOTAL
Costs of generating funds/fund raising	0	0
Activities in furtherance of organisation's objects	1	2
Supporting programmes	0	0
Management and Administration	1	0

6. PENSION SCHEME

One employee pays into a private pension scheme. MSS makes a contribution of 6% and pays a proportion of the pension under a salary sacrifice arrangement.

7. TRUSTEES AND OTHER RELATED PARTIES

In this financial period the charity has not paid any Trustees remuneration or benefits nor paid any Trustees' expenses.

8. TANGIBLE FIXED ASSETS

FIXTURES/FITTINGS

		Unrestricted	Restricted	Total
		£	£	£
Cost	01-Jan-21	13,605	16,070	29,675
Additions		350	0	350
Cost at	31-Dec-21	13,955	16,070	30,025
		13,955	16,070	30,025
Depreciation	01-Jan-21	13,505	16,070	29,575
Charge		188	-	188
Depreciation at	31-Dec-21	13,693	16,070	29,763
		13,693	16,070	29,763
Net Book Value	31-Dec-21	262	0	262
Net Book Value	31-Dec-20	100	0	100
		100	0	100

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VEHICLES

		Unrestricted £	Restricted £	Total £
Cost	01-Jan-21	15,348	5,640	20,988
Additions		0	0	0
Cost at	31-Dec-21	<u>15,348</u>	<u>5,640</u>	<u>20,988</u>
Depreciation Charge	01-Jan-21	5,755	2,115	7,870
		1,918	705	2,623
Depreciation at	31-Dec-21	<u>7,673</u>	<u>2,820</u>	<u>10,493</u>
Net Book Value	31-Dec-21	7,675	2,820	10,495
Net Book Value	31-Dec-20	9,593	3,525	13,118
TOTAL NBV	31-Dec-21	7,937	2,820	10,757
TOTAL NBV	31-Dec-20	9,693	3,525	13,218

9. DEBTORS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £	Total 31-Dec-20 £
Other Debtors	1,344	0	1,344	6,524
	1,344	0	1,344	6,524

10. CASH AT BANK AND IN HAND

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £	Total 31-Dec-20 £
Current Account	87,185	0	87,185	71,818
Petty Cash	0	0	0	0
Cheques in Hand	0	0	0	860
	87,185	0	87,185	72,678

11. CREDITORS AND ACCRUALS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £	Total 31-Dec-20 £
PAYE/NIC control Account	3	0	3	1,375
Accounts Payable	10	0	10	910
Other Creditors	354	0	354	1,188
Wages and Salaries	0	0	0	1,343
	367	0	367	4,816

12. RESTRICTED FUNDS

	Balance 01-Jan-21 £	Income	THIS YEAR		Balance 31-Dec-21 £
			Expenditure	Transfer	
Van	3,525	0	705	0	2,820
TOTAL	3,525	0	705	0	2,820

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	LAST YEAR				Balance 31-Dec-20 £
	Balance 01-Jan-20 £	Income	Expenditure	Transfer	
Housing Benefit	5,411	8,060	13,471	0	0
Van	4,230	0	705	0	3,525
TOTAL	9,641	8,060	14,176	0	3,525

13. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
Fixed Assets	7,937	2,820	10,757	13,218
Current Assets	88,529	0	88,529	79,202
Liabilities	367	0	367	4,816
	96,099	2,820	98,919	87,604

14. RECONCILIATION OF MOVEMENT ON CAPITAL AND RESERVES

The Company is Limited by Guarantee and is a Charity registered with the Charity Commission number 1094618 and is not, therefore, subject to Corporation Tax and does not have a Share Capital.

	2021 £	2020 £
Surplus / Deficit for the financial year	11,315	942
Balance Brought Forward	87,604	86,662
Closing Funds as at 31st December	98,919	87,604

15. RISK ASSESSMENT

The charity has sufficient reserve and accumulated funds to continue to deliver its charitable activities and pay employees for significantly more than the 3 months required by its financial control procedure. However, the use of the accumulated funds over and above the reserves are intended to be used to invest in further resources, which may be housing or to employ a further support worker and are the subject to ongoing trustee discussions.

16. RESERVES POLICY

The directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The directors will endeavour not to set aside funds unnecessarily. In accordance with the Morning Star Financial Control Procedure. The amount of reserve shall be a minimum of 25% of the forecast annual expenditure. In the event of a loss of income this then allows a 3-month notice period to be given to staff or beneficiaries.

**MORNING STAR (SALISBURY)
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

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

Respective responsibilities of trustees and examiner

The Directors of Morning Star ("the Charity") who are trustees under charity law are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 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 Parish as required by section 130 of the Act; or*
- 2. the accounts do not accord with those records; or*
- 3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.*

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.



**Paul Bunyan B.Sc. ACA
Brightwell House
Winterslow SP5 1QS**

30th July 2022