



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". The signature is written in a cursive, slightly slanted style.

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

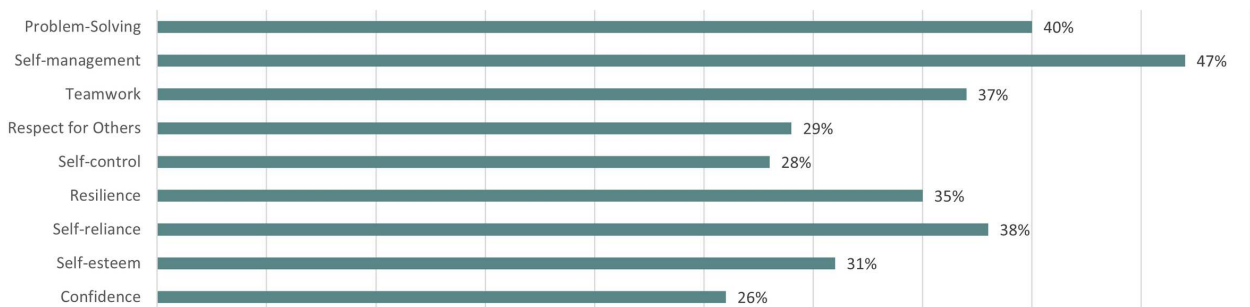
37%

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.

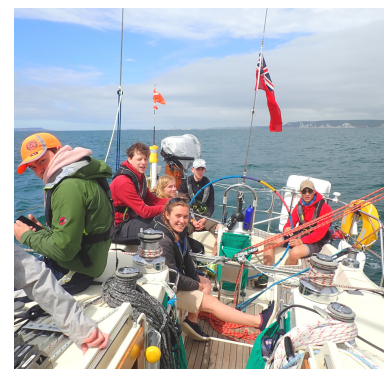
Around half our volunteer sea staff, including five skippers, are under 30, and 60% of our total sea staff first sailed with the charity as youth voyage crew. Two new Skippers, both under 25, were signed off in 2021, along with seven new Mates.

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

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

"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

MORNING STAR TRUST (Company Registration Number: 02412804)

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

	Notes	2021		2020	
		£	£	£	£
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
	<u>47,374</u>	<u>48,096</u>	<u>95,470</u>	<u>189,468</u>
For the year ended 31 December 2020	<u>70,786</u>	<u>118,682</u>		<u>189,468</u>

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
	<u>109,634</u>	<u>-</u>	<u>109,634</u>	<u>4,727</u>

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
<hr/> <hr/>				
6 Interest receivable	Unrestricted funds	Restricted funds	2021	2020 (Unrestricted)
	£	£	£	£
Interest receivable	7	-	7	19
<hr/> <hr/>				
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
<hr/> <hr/>				

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	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Advertising and promotion	9,565	-	9,565	10,894
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Other trading activities</u>				
On board shop (Cost of Goods Sold)	350	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	9,915	-	9,565	10,894
	<hr/>	<hr/>	<hr/>	<hr/>
For the year ended 31 December 2020				
Advertising and Promotion	10,894	-		10,894
Other trading activities	-	-		-
	<hr/>	<hr/>		<hr/>
	10,894	-		10,894
	<hr/>	<hr/>		<hr/>

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
	<hr/>	<hr/>	<hr/>	<hr/>
	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
	<hr/>	<hr/>	<hr/>	<hr/>
	121,994	57,944	179,938	169,660
	<hr/>	<hr/>	<hr/>	<hr/>
Analysis by funds	2021	2020		
Unrestricted funds	121,994	102,879		
Restricted funds	57,944	66,781		
	<hr/>	<hr/>		
	179,938	169,660		
	<hr/>	<hr/>		

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
	£	£
Wages and salaries	37,981	21,774
Social security costs	8,567	5,621
Other pension costs	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	<u>(8,360)</u>
At 31 December 2021	<u>110,530</u>
Depreciation and impairment	
At 1 January 2021	22,301
Depreciation charged in the year	7,250
Less Disposals	<u>(8,360)</u>
At 31 December 2021	<u>21,191</u>
Carrying amount	
At 31 December 2021	<u>89,339</u>
At 31 December 2020	<u>69,089</u>

17 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	500	850
	<u>500</u>	<u>850</u>

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
	<u>8,854</u>	<u>8,662</u>

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
	<hr/>	<hr/>
	54,683	45,565
	<hr/> <hr/>	<hr/> <hr/>

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 separately from those of the charity in an independently administered 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 December 2021 £
	Balance at 1 January 2021 £	Income £	Bursaries awarded £	Designated expenditure £	
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

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
	<u>57,768</u>	<u>66,798</u>	<u>124,566</u>
Comparative Figures for 2020			
Tangible assets	15,165	53,875	69,040
Current assets/(liabilities)	11,549	22,771	34,320
	<u>26,714</u>	<u>76,646</u>	<u>103,360</u>

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