

# ANNUAL REPORT



MORNING STAR TRUST



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



# 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 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
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	-
<b>Total</b>		<u>215,541</u>	<u>21,945</u>	<u>237,486</u>	<u>250,934</u>
<b>EXPENDITURE ON:</b>					
Raising funds	6	17,495	-	17,495	9,490
Charitable activities	7	223,668	29,201	252,869	302,290
<b>Total</b>		<u>241,163</u>	<u>29,201</u>	<u>270,364</u>	<u>311,780</u>
<b>Net Income/(expenditure)</b>		(25,622)	(7,256)	(32,878)	(60,846)
<b>Transfers between funds</b>	19	-	-	-	-
<b>Net movement in funds</b>		<u>(25,622)</u>	<u>(7,256)</u>	<u>(32,878)</u>	<u>(60,846)</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>	18, 19	53,894	9,826	63,720	124,566
<b>Total funds carried forward</b>	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	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	14	89,116	89,116	90,070	90,070
<b>CURRENT ASSETS</b>					
Stocks	15	500		500	
Debtors	16	37,592		26,661	
Cash at hand and in bank		3,992		22,604	
<b>Total current assets</b>		<u>42,084</u>		<u>49,765</u>	
<b>CURRENT LIABILITIES</b>					
Creditors: amounts falling due within one year	17	<u>100,358</u>		<u>76,115</u>	
<b>Net current assets/(liabilities)</b>			(58,274)		(26,350)
<b>Net assets/(liabilities)</b>			<u>30,842</u>		<u>63,720</u>
<b>THE FUNDS OF THE CHARITY</b>					
<b>Restricted funds</b>	18, 19		2,570		9,826
General Funds			28,272		53,894
<b>Unrestricted funds</b>	18, 19		<u>28,272</u>		<u>53,894</u>
<b>Total charity funds</b>			<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

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### 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

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### 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
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### 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	3,311	2,428
	<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>
<b>Total funds</b>	<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>
<b>Total funds</b>	<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 £
<b>INCOME AND ENDOWMENTS FROM:</b>				
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	-	-	-
<b>Total</b>		<u>201,282</u>	<u>49,652</u>	<u>250,934</u>
<b>EXPENDITURE ON:</b>				
Raising funds	6	9,490	-	9,490
Charitable activities	7	218,875	83,415	302,290
<b>Total</b>		<u>228,365</u>	<u>83,415</u>	<u>311,780</u>
<b>Net Income/(expenditure)</b>		(27,083)	(33,763)	(60,846)
<b>Transfers between funds</b>	19	23,209	(23,209)	-
<b>Net movement in funds</b>		<u>(3,874)</u>	<u>(56,972)</u>	<u>(60,846)</u>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	18, 19	57,768	66,798	124,566
<b>Total funds carried forward</b>	18, 19	<u>53,894</u>	<u>9,826</u>	<u>63,720</u>

## **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