MORNING STAR TRUST

Trustees Annual Report and Accounts 2025



www.mst.org.uk

Chair's report

I am pleased to report that although 2025 presented significant challenges for the Morning Star Trust, the outcomes from our voyages, and the feedback received from parents and participants, have been deeply encouraging. While the Trust's financial performance remains essential to our operations, it ultimately serves a greater purpose: that of enabling our primary mission of sharing the Gospel through exciting and transformative sail training experiences. Among our most impactful voyages in 2025 was the Soul Sailor programme, detailed later in this report.

The year was difficult for sales, largely due to the ongoing cost-of-living crisis, a trend we had already anticipated from our 2024 presales. Although fewer people sailed with us compared with the previous year, we were still able to more than break even thanks to the generosity of our donors. Encouragingly, the final quarter of 2025 showed a welcome uplift in pre-season bookings for 2026, bringing our forward sales more closely in line with 2024. Overall, we are seeing a steady improvement in our financial outlook, supported by being able to repay loans from a trustee and supporters and a more consistent solvency profile.

Throughout 2025, we continued to invest in systems improvements, enhancing the usability of our booking platform and implementing a new Member and Volunteer Management system. The latter enables us to track qualification validity and record volunteer hours accurately and consistently. The ability to record volunteer time is vital, as it reflects the significant value contributed by our community. In the first month of 2026 alone, over 600 volunteer hours were logged which is equivalent to £8,880 at the Real Living Wage rate of £14.80 (Living Wage Foundation). As we look toward to another busy season, we can now recognise and quantify the remarkable contribution of our volunteers, without whom our programme would not be possible. These developments form an essential part of our strategic preparations as we work towards operating a four-boat fleet.

Our financial position strengthened across 2024 and 2025, first through tighter cost control and subsequently through debt reduction and pricing adjustments. We are now seeing the steady restoration of reserves, a goal we have been working towards for three years. We are committed to maintaining this momentum to reinforce the charity's long-term financial resilience. Alongside this, we are enhancing our marketing activities and developing a more consistent social media presence, which we expect will yield stronger results in the years ahead.

Our annual Conference remains an important opportunity to share experiences, learning, and reflection with our dedicated volunteer team. This year, we were delighted to welcome Martina La Trobe Bateman who has been a Trust member for 30 years and was a former Trustee as our keynote speaker. Drawing on her role as a Hub Director at the Westminster Theological Centre, she offered valuable insights into faith-sharing. She also invited us to reflect more deeply, not only on our Christian mission, but also on how we can strengthen the delivery of the maritime cultural heritage that is woven through our voyages. Her contribution has encouraged us to enhance the continuing professional development of our volunteers and to explore new ways of enriching the heritage aspects of our programme.

Yours faithfully

Anthony Ingall

Chair of Trustees

Anthony Ingall



Lobsters provided by Sea Staff in Newlyn

In 2025 MST delivered

71 Voyages (2024 72)



For

369 Participants (2024 363)



330 Days at Sea (2024 397)



4 Races (2024 3)



Our Mission

Our charity exists to proclaim the gospel of Christ and advance Christianity in accordance with the Apostles' Creed. And to deliver opportunities in the education and development of young people, physically, mentally, and spiritually.

Delivery of our Mission

We deliver our mission through sail training, aiming to transform young people's lives with God's love. As a values-based organisation, we lead by example sharing our faith gently and without imposition, following the maxim attributed to St Francis: "Preach the Gospel, and if necessary, use words." Our voyages and training are delivered unconditionally to people of all faiths and none.

In 2025, the Morning Star Trust widened our voyage type to reach a greater variety of participants. We delivered residential voyages for young people under 25, including Duke of Edinburgh Gold and Silver Expeditions and Residentials. Our three vessels also supported youth groups, adult weekends, all-female "Women on the Water" voyages, a full range of RYA Practical and Theory courses together with social action voyages.

Our strategic aim is to operate four vessels increasing the number of people we support while maintaining sustainable operations. This will be made possible through the continuing dedication of our volunteer sea staff, whose contribution helps keep costs to a minimum.

In 2025 we received increased bursary gifts, donations, and grants supporting our work. These funds enable us to subsidise places for young people and maintain our vessels to the highest standards. We remain deeply grateful to all who contribute to our mission.

Safeguarding

The Morning Star Trust has a very strong commitment to safeguarding and review our already robust Safeguarding Policy annually. During 2025 we had no Safeguarding incidents.

Outcomes

We aim to report outcomes in a meaningful and transparent way. We ask all participants and the person who booked and paid for their voyage to complete a feedback form. We are collecting Case Studies from people who have sailed with us in the last 50 years to demonstrate lifelong impacts, which we will make available on our website during 2026. We record the number of participants, voyages and the number of days our vessels are at sea together with a record of the RYA Certificates issued each year. One example is set out below. In this way we measure our outcomes both quantitatively and qualitatively.

Quantitative Outcomes

Royal Yachting Association Awards

RYA Start Yachting	14
RYA Competent Crew	101
RYA Day Skipper	26
RYA Yachtmaster Offshore	1

Duke of Edinburgh Award Sections

Silver Expedition	5
Gold Residential	45
Gold Expedition	40

Voyage Participant by type

Adult Voyages >25	119
Church Weekends	21
Duke of Edinburgh	90
Mile Builders	11
Schools	5
Social Action	29
Races	33
RYA Specific Courses	46
Women on the Water Voyages	15
Number of People who went to sea	369

Qualitative Outcomes

I really enjoyed the unfiltered experience. You are put into this new environment and situation and they guide you through it.

Saying grace was established from the start and it was something new to many of them. By the end of the voyage they were all waiting for it and on the last evening they even waited for me to join them and then asked if they could each add thanks of their own after mine! A special moving moment. There were some other useful discussions and some individual conversations. When the sail blew out they were impressed that we had a replacement the same day and I said it was an answer to prayer!

Skippers Report

Thank you and your team for all the support you gave our Ukrainian Students. They had a fantastic time, and their parents are very proud to be going to Buckingham Palace to celebrate getting their Gold Duke of Edinburgh Award.

Teacher

They had THE BEST time this last 10 days. We've already heard so much about all you've done and I'll bet they will be talking about it for a long time to come... 😉 BIG Thank you to you and the whole team. Lucky kids. What an incredible experience you've given them x

Parent – Email

Thank you so very much for your support for three of our Ukrainian students, who have just finished their Gold Duke of Edinburgh awards. We are tremendously grateful for the opportunity MST gave them to join sailing trips with you, as part of their Gold awards. Without the generosity of the Morning Star Trust, and the 50 percent bursaries you kindly donated, they would not have been able to achieve this. We have had some great feedback from them, too. High spots included swimming in the open sea ('It was so clear and so beautiful - I didn't know England was like this') and steering the ship ('All by myself!) - not to mention grappling with seasickness and bad weather. Wonderful ...

When all three go with their mums to their Gold Award celebration at Buckingham Palace, it will be thanks to their determination, commitment and positivity, and the dedication of my amazing colleagues in our DofE team, but also to your big-hearted support.

Secondary School Teacher – Email



Thank you so much, my daughter has had an absolutely fantastic time on her Gold Duke of Edinburgh Sailing Residential. She has loved learning to sail and definitely now has the bug for it! She made some great new friends and just had such a wonderful time. Seeing seals and going for a dip in the sea were all an added bonus!

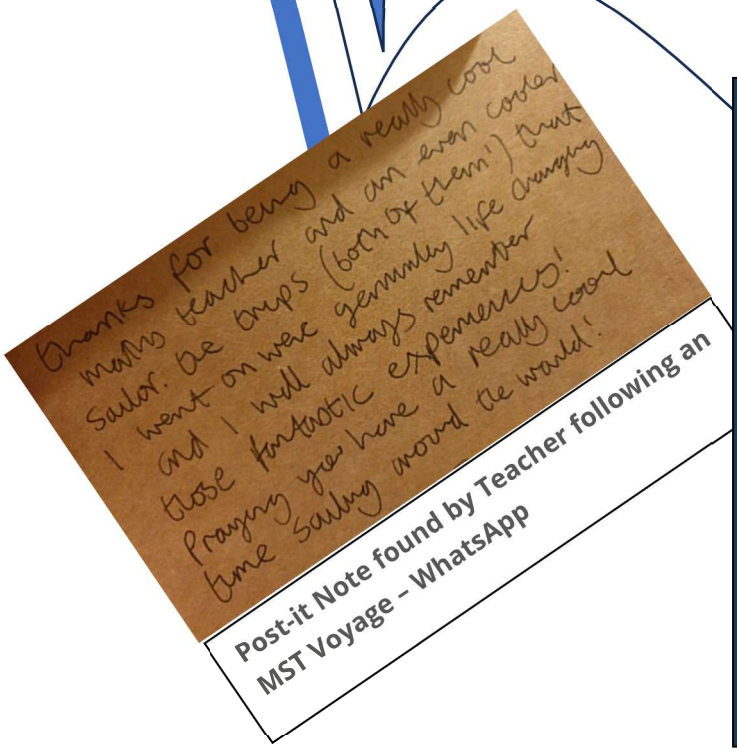
Parent by Email

I enjoyed how it was centred around the races and how all of the boats were moored together and we could talk with people on the other boats in the evenings and how having multiple boats also introduced some competitiveness. Even on Sunday when the weather

Watch words

Be kind, have fun, stay safe.

We teach skills not just drills.



Post-it Note found by Teacher following an MST Voyage – WhatsApp

The ethos of Morning Star Trust is really clear in the culture that is set by the team. Staff made the week relaxed, informative and really good fun! Every moment was a learning opportunity, and they made such an effort to get to know us as and our goals for the week. The Skipper amended the learning based on what we needed e.g. giving someone examples of how they might use a technique in racing or me an example of how to use it on the broads. The week really filled me with confidence to go out and be a day skipper. I came into the course really nervous, but I honestly couldn't have thought of a better way of learning my day skipper and came out not just getting the ticket as a tick box but really exciting to go and put my learning into practice.

Participant Comment on Ethos

Case Studies

In 2025, MST began gathering personal case studies to support a major capital funding appeal. These accounts highlight the lasting impact of an MST voyage, featuring participants who sailed more than 30 years ago as well as those with recent experience. Their stories show that the benefits extend beyond the individual voyage, with skills such as leadership, resilience, problem-solving, risk management, and faith influencing their lives in education, employment, and community settings.

Case studies are available at: **www.mst.org.uk/casestudies**

The Soul Sailors Project 2025



In 2025 Morning Star Trust re-kindled our partnership with Bethany City Church Sunderland and their Soul Kitchen delivering 4 Soul Sailors voyages taking 23 people to sea. One voyage was women only.

Soul Sailors voyages are primarily aimed at those recovering from abuse, addiction, homelessness, and prison. They are 'pilgrimages' where travelling with others and the conversations shared are more important than destination.
In this space Andrea* shared how the voyage became a turning point in her life, restoring her confidence and helping to establish herself in a new lifestyle. Adrian* had the confidence to secure a part-time cleaning job shortly after his voyage. He continues to grow in his newfound faith and volunteer at Bethany City Church leading the foodbank ministry.

Christine* a victim of domestic psychological abuse, has lived in a women's refuge for some time. Post voyage she now volunteers for Soul Kitchen. Following the voyage she was baptised. For forty years in her previous relationship, she had never been allowed to go away without her partner. To be able to come on a Soul Sailors voyage was liberating and "it was the best thing to happen to me for a long time".

Geoff and Fiona are key organisers and have sailed on many of the Soul Sailors voyages. "Our Soul community is often very broken and dysfunctional but also very beautiful. Many of the guys are living random lifestyles. Even days before departure we were not sure who would turn up. Two of our guys booked to sail sadly died from lifestyle issues in the lead up to the voyages and we had funerals to arrange and attend. However, we were privileged to bring some of our community sailing with MST to enable participants to move out of their comfort zones and to live to a routine. Speaking to them afterwards we can see it has been very beneficial. Most were buzzing at what they have done, something they could never have achieved without MST. It was an amazing team building experience, living together in close-proximity and having to work together.''

These are some of the countless highlights from our work with Bethany City Church. Together, we have seen sail training build courage, resilience, self-esteem and lasting friendships. It has been an incredible blessing to us to witness the impact of these voyages over the years and to hear the testimonies of those who come.

Funding: Adventure Mind, Barbour Foundation, Bethany City Church Sunderland. Christchurch Cathedral Oxford, Morning Star Trust, Sir John Priestman Charity Trust and St John's Anglican Church, Grove.

*Anonymised or name changed to protect identity

MST Trustees Diversity

	2025	
Male	3	50%
Female	3	50%
White British	6	100%

MST Skippers and Mates Diversity

	2025	
Skippers (Male)	12	67%
Skippers (Female)	6	33%
Mates (Male)	26	68%
Mates (Female)	12	32%

Bursaries

	2025	
Total Amount Distributed	£10,400	
Male	12	46%
Female	14	54%
African / Afro-Caribbean	0	0%
Asian	1	4%
Mixed	1	4%
Other White	4	15%
White British	20	77%

Women only voyages

There were 3 Women on the Water voyages taking 15 persons to sea.

Gender Diversity by bookings

	2025	
Male	140	51%
Female	118	43%
Non-binary	1	<1%
Not stated	15	6%

Ethnicity Diversity by bookings

	2025	
White	245	89%
Black	1	>1%
Asian	2	1%
Mixed	4	1%
Prefer not to say	8	3%
Blank response	14	5%

Age Diversity

(based on year of birth)

	2025	
Under 18	100	36%
18-25	84	31%
26-35	11	4%
36-45	16	6%
46-55	20	7%
56-65	26	9%
Over 65	17	6%
Data missing	0	0

EDI Report

In 2024, we began a structured analysis of our Equality, Diversity and Inclusion performance. Whilst the Trustees had developed an EDI policy a decade ago, it became clear in 2023 that policy statements are not enough, and we needed to develop a strategy to address diversity. Data collection was inconsistent and the data collected was insufficient in a fast-changing world and developing understanding of inclusion. A new, robust data-collection process was therefore established in 2024 to enable accurate monitoring and reporting, forming the baseline for future improvement.

Our understanding of the scope and complexity of EDI has continued to grow. A dedicated Volunteer EDI Officer now supports data analysis and advises the Trustees on strategic direction. As part of this strategy, MST is taking active steps to engage underrepresented communities and promote inclusive participation. This is a long-term effort, and meaningful change is expected to develop over several years.

For this analysis we used a reduced data set from our overall bookings eliminating, participants who are volunteers in training, CPD and Staff Training Voyages.

Our anonymised data can be found at www.mst.org.uk/EDIreport
Our reflections on our EDI figures mean that we have taken a strategic decision to broaden our offer and reach towards the more disadvantaged. Post pandemic we became reliant on Duke of Edinburgh Award Scheme voyages which risked becoming a monoculture. We revisited our primary charitable aim which is to proclaim the Gospel and have begun to rebuild our social action voyages and we are seeking to work with organisations who share the Christian faith as an ethos.



In 2025 we started to collate data on additional needs as another metric of diversity.

Medication

	2025	% of all participants
Medication for depression / anxiety	10	4
Asthma	15	5
Total on Medication	88	31

Dietary requirements

	2025	% of all participants
No uncooked tomatoes	4	1%
Gluten Free	6	2%
Lactose intolerant	4	1%
Vegetarian	17	6%
No Nuts	10	4%

Maintenance of Vessels

We have a plan to replace our vessels Bright Star of Revelation (built 1999), Eastern Star of Revelation (1996), and Guiding Star of Revelation (1988) in the next five years. Meanwhile we have been supported by numerous grants in the replacement of sails and reupholstering. We have installed radar on Bright Star of Revelation and Guiding Star of Revelation to bring them up to the same specification as Eastern Star of Revelation and the new MCA Code of Practice for Small Commercial Vessels which came into force in December 2025.

Volunteers

In November 2025, we introduced a new Volunteer Management System to better support our existing volunteers and to streamline the journey from initial enquiry through to serving as a Mate or Skipper. This development forms part of our wider strategy to grow our volunteer base in preparation for operating a future fleet of four vessels.

Our volunteers demonstrate remarkable commitment, dedicating significant time beyond their service hours to complete essential training. This includes courses in safeguarding, first aid, navigation, radar, and GDPR, as well as participation in mandatory training weekends. Through this, they gain familiarity with our vessels, deepen their understanding of our ethos, and maintain the high standards of competency required for their roles.

We are deeply thankful for the dedication and generosity of our volunteers. Their faithful service not only strengthens the mission of the Trust but also significantly reduces our operating costs.

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.

Financial Review

Overview

In 2025 the Trust's total income was **£305,785** *(2024:* £294,955). This was primarily income from charitable activities, specifically the delivery of residential youth work programmes onboard offshore sailing vessels. A total of **£165,254** was raised through donations, gifts, and funding. This was a rise of **£43,012** from the preceding year *(2024: £122,242).*
Our voyage programme provided a **£130,796** (2024: £164,144) contribution to funding our operations and charitable purposes. This represents a decrease of **£33,348** (2024: £18,638 increase) caused by the cost-of-living crisis.

Total expenditure was **£273,054** (2024: £269,914) an increase of **£3,133** due to increased maintenance costs. However, an increase in grants and gifts enabled MST to generate a net surplus of **£32,731** (*2024**: £25,041***) aiding the recovery of our reserves.

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*" 2019, insofar as it is applicable to a charity which is not subject to statutory audit.

Reserves Policy

The Trust's reserves (its unrestricted undesignated net liquid assets) were a deficit of **£1,909** (2024: £35,569 deficit) at 31st December 2025. Loans totalling **£22,250** (2024: £31,830) are included in current liabilities, as they could be called at any time, but most are unlikely to be called within 1 year.

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

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

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

Structure and Governance

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

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

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

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

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

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

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

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

Anthony Ingall

A Ingall
Chair of Trustees

Date 07 September 2026

54 %	£ 243	83%	93p
Of our income comes from donations and grants	True cost per participant per day	Of our income spent on Charitable Activities	In every pound is spent on our charitabl e activities.

ACKNOWLEDGEMENTS

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

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

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

Morning Star Trust

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

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

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

Telephone: *01243 908026*
Website: *www.mst.org.uk*
Email: *info@mst.org.uk*

Trustees (who are also directors):

- *P Adams*
- *P Adlington (Resigned 17 March 2025)*
- *A Ingall (Chair)*
- *N Ratcliffe (Resigned 17 November 2025)*
- *I Varey*
- *R Walters*
- *V Thomas*
- *H Crothers (Appointed 20 July 2025)*
- *R Tarling (Appointed 16 February 2026)*
- *R Thomas* (Appointed 16 March 2026)

Feed back quote of the year 2025

Skipper: *how are you doing, are you enjoying the voyage?*

Crew: *Yes it's been brilliant.*

Skipper: *would you recommend it to a friend?*

Crew: *100% yes, it's been amazing. My abbs hurt so much..... from laughing ....*

and retching



Registered with FUNDRAISING REGULATOR

MORNING STAR TRUST

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	**1**	118,919	46,335	165,254	122,242
Investments	**2**	245	-	245	62
Charitable activities	**3**	135,741	-	135,741	170,069
Other trading activities	**4**	525	-	525	280
Other income	**5**	4,020	-	4,020	2,302
Total		259,450	46,335	305,785	294,955
EXPENDITURE ON:					
Raising funds	**6**	18,190	-	18,190	12,515
Charitable activities	**7**	215,927	38,937	254,864	257,399
Total		234,117	38,937	273,054	269,914
Net Income/(expenditure)		25,333	7,398	32,731	25,041
Transfers between funds	**19**	5,097	(5,097)	-	-
Net movement in funds		30,430	2,301	32,731	25,041
RECONCILIATION OF FUNDS					
Total funds brought forward	**18, 19**	43,817	12,066	55,883	30,842
Total funds carried forward	**18, 19**	74,247	14,367	88,614	55,883

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 2025

BALANCE SHEET AS AT 31 DECEMBER 2025

	Note	2025 £	2025 £	2024 £	2024 £
FIXED ASSETS					
Tangible assets	**14**	76,156		79,386	
			76,156		79,386
CURRENT ASSETS					
Stocks	**15**	500		500	
Debtors	**16**	52,607		37,443	
Cash at hand and in bank		39,330		12,750	
Total current assets		92,437		50,693	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	**17**	79,979		74,196	
Net current assets/(liabilities)			12,458		(23,503)
Net assets/(liabilities)			88,614		55,883
THE FUNDS OF THE CHARITY					
Restricted funds	**18, 19**		14,367		12,066
General Funds			74,247		43,817
Unrestricted funds	**18, 19**		74,247		43,817
Total charity funds			88,614		55,883

For the year ended 31 December 2025 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 07 September 2026 and signed on their behalf by:

Anthony Ingall

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A Ingall
Chair of directors

Morning Star Trust
Registered Charity Number 328320
Registered Company Number 02412804

ACCOUNTING POLICIES

General information, scope and basis of the financial statements

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

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

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

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

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

Going concern

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

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

Fund accounting

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

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

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

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

Incoming resources

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

ACCOUNTING POLICIES

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

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

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

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

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

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

Debtors and creditors receivable / payable within one year
Trade and other debtors are recognised at the settlement amount after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

1. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Donations and grants	106,037	45,160	151,197	74,355	31,697	106,052
Gift aid	12,882	1,175	14,057	16,190	-	16,190
	118,919	46,335	165,254	90,545	31,697	122,242

2. Income from investments

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Interest receivable	245	-	245	62	-	62
	245	-	245	62	-	62

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Fee, grant and bursary income	130,796	-	130,796	164,144	-	164,144
Annual conference income	4,945	-	4,945	5,925	-	5,925
	135,741	-	135,741	170,069	-	170,069

4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Equipment sales	65	-	65	-	-	-
Shop income	460	-	460	280	-	280
	525	-	525	280	-	280

5. Other income

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Insurance claim	4,020	-	4,020	2,302	-	2,302
	4,020	-	4,020	2,302	-	2,302

NOTES TO THE FINANCIAL STATEMENTS

6. Raising funds costs

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Fundraising activity	8,851	-	8,851	8,528	-	8,528
Other fundraising costs	9,339	-	9,339	3,987	-	3,987
	18,190	-	18,190	12,515	-	12,515
Costs of goods sold	-	-	-	-	-	-
	18,190	-	18,190	12,515	-	12,515

7. Charitable activities

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Staff costs	97,737	-	97,737	102,833	-	102,833
Depreciation	14,056	-	14,056	10,778	-	10,778
Vessel operating costs	65,811	27,777	93,588	79,650	14,991	94,641
	177,604	27,777	205,381	193,261	14,991	208,252
Bursaries awarded	-	11,160	11,160	1,478	4,640	6,118
Support costs (see note 8.)	35,753	-	35,753	40,273	-	40,273
Governance costs (see note 9.)	2,570	-	2,570	2,756	-	2,756
	215,927	38,937	254,864	237,768	19,631	257,399

8. Support costs

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Training courses	4,022	-	4,022	6,802	-	6,802
Insurance	8,389	-	8,389	8,234	-	8,234
Printing, postage and stationery	649	-	649	50	-	50
Telephone and internet, IT costs	2,101	-	2,101	1,733	-	1,733
Storage costs	1,755	-	1,755	2,363	-	2,363
Subscriptions, licences and conference	7,930	-	7,930	8,677	-	8,677
Other administrative expenses	10,907	-	10,907	12,413	-	12,413
	35,753	-	35,753	40,272	-	40,272

9. Governance costs

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Trustee meeting costs	445	-	445	631	-	631
Independent examiner's fees	2,125	-	2,125	2,125	-	2,125
	2,570	-	2,570	2,756	-	2,756

NOTES TO THE FINANCIAL STATEMENTS

10. Independent examiner's fees

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Examination	2,125	-	2,125	2,125	-	2,125

11. Wages and salary cost

	2025 Total Funds £	2024 Total Funds £
Gross wages	85,137	87,499
Employer's national insurance costs (net of employment allowance)	2,288	3,345
Employer's pension contributions	3,341	3,445
	90,766	94,289

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

	2025	2024
The average number of employees during the year was:	4	3
	4	3

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

12. Pension scheme

The charity operates defined contribution pension scheme for its employees. The total payable for the year under review was £3,341 (2024: £3,445).

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 (2024: £Nil). The number of trustees reimbursed such expenses during the year was Nil (2024: Nil)

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

A trustee participated in a loan scheme in 2020 to fund acquisition of the 'Eastern Star' vessel advancing £10,000 to the trust of which £4,000 remains. The same trustee provided a ‘top up’ to the loan of £4,000 in 2024 leaving a total outstanding of £10,000. In 2025, the loan was reduced by £5,000 by way of donating, leaving the outstanding balance of £5,000.

Another trustee provided a loan in 2024 to assist with cash flow, advancing £500 to the trust and this remained outstanding during 2024. In 2025, the £500 was cleared as it converted to a gift by donor.

NOTES TO THE FINANCIAL STATEMENTS

14. Tangible fixed assets

	Vessels & Equipment £	Total £
Cost		
At 1 January 2025	128,670	128,670
Additions	10,930	10,930
On disposals	(208)	(208)
At 31 December 2025	139,392	139,392
Depreciation		
Accumulated at 1 January 2025	49,284	49,284
Charge for the year	14,056	14,056
On disposals	(104)	(104)
At 31 December 2025	63,236	63,236
Net book value at 31 December 2025	76,156	76,156
Net book value at 31 December 2024	79,386	79,386

15. Stocks

	2025 Total Funds £	2024 Total Funds £
Goods for resale	500	500
	500	500

16. Debtors

	2025 Total Funds £	2024 Total Funds £
Trade debtors	39,430	29,456
Other debtors	4,359	7,987
Prepayments	8,818	-
	52,607	37,443

NOTES TO THE FINANCIAL STATEMENTS

17. Creditors: amounts falling due within one year

	2025 Total Funds £	2024 Total Funds £
Trade creditors	1,285	1,546
Deferred income	49,782	33,091
Accruals	2,125	2,125
Vessel acquisition loan scheme	5,000	10,000
Other short term loans	17,250	14,010
Other creditors	4,537	13,424
	79,979	74,196

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

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Tangible fixed assets	76,156	-	76,156	79,386	-	79,386
Current assets	78,070	14,367	92,437	38,627	12,066	50,693
Current liabilities	(79,979)	-	(79,979)	(74,196)	-	(74,196)
	74,247	14,367	88,614	43,817	12,066	55,883

NOTES TO THE FINANCIAL STATEMENTS

19. Analysis of net movement in funds

	Year ended 31 December 2025				
	Total funds brought forward £	Total incoming resources £	Total resources expended £	Transfers between funds £	Total funds carried forward £
Restricted funds					
Bursary funds	20	16,188	(11,160)	1,000	6,048
Vessel refit costs	12,046	30,147	(27,777)	(6,097)	8,319
Vessels Loan Repayment	-	-	-	-	-
Emergency Engine Repair	-	-	-	-	-
Total restricted funds	12,066	46,335	(38,937)	(5,097)	14,367
Unrestricted funds					
General Fund	43,817	259,450	(234,117)	5,097	74,247
Total unrestricted funds	43,817	259,450	(234,117)	5,097	74,247
Total funds	55,883	305,785	(273,054)	-	88,614

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

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

20. Description of funds

Bursary funds	Funds received from various sources to support those less able to afford training voyages.
Vessel refit costs	Funds received from various sources in support of the costs of annual refit of all sailing vessels used by the Trust.
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.
Emergency Engine Repair Fund	Funds received from various resouces to repair engine in emergency.

NOTES TO THE FINANCIAL STATEMENTS

21. Comparative statement of financial activities

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

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

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2025.

Responsibilities and basis of report

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

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

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

Independent examiner's statement

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

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

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

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

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

Date

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

Dear Sirs

Morning Star Trust

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your independent examination of the charity's financial statements for the year ended 31 December 2025. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

General

1 We acknowledge that the work performed by you is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK) and that you do not express an audit opinion.

2 We confirm that the charity was entitled to exemption under section 144 of the Charities Act 2011 the requirement to have its financial statements for the financial year ended 31 December 2025 audited.

3 We have fulfilled our responsibilities as trustees as set out in the terms of your engagement letter dated 24 April 2020, under the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

4 All the transactions undertaken by the charity have been properly reflected and recorded in the accounting records.

5 All the accounting records have been made available to you for the purpose of your independent examination. We have provided you with unrestricted access to all appropriate persons within the charity, and with all other records and related information requested, including minutes of all management and trustee meetings and correspondence with The Charity Commission.

6 We believe it to be appropriate to transfer the balance of the asset replacement fund to unrestricted funds on the basis these funds were expended to acquire vessels in previous periods.

7 The financial statements are free of material misstatements, including omissions.

8 The effects of uncorrected misstatements are immaterial both individually and in total.

Assets and liabilities

9 The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the notes to the financial statements.

10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.

11 We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

12 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Legal claims

13 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for, and disclosed in, the financial statements.

Laws and regulations

14 We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

Related parties

15 Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

Subsequent events

16 All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

17 We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

Grants and donations

18 All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

Yours faithfully

Anthony Ingall

.....

A Ingall (Chair)
Signed on behalf of the board of trustees

Date 07 September 2026