

COMPANY REGISTRATION NUMBER 05899708

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 DECEMBER 2007**

Charity Number 1117985



**Harrisons
Chartered Accountants**

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007**

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**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 DECEMBER 2007**

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2007

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Citygate Church
Charity registration number	1117985
Company registration number	05899708
Registered and principal office	37 Palmerston Road Boscombe Bournemouth Dorset BH1 4HN

THE TRUSTEES

The trustees who served the company during the period were as follows

Mr J S Salway	
Mr J R Paget	
Mr J G McClelland	
Mr S M A Gollings	
Mr S D Theunissen	
Mr A C Lawrence	(Appointed 25 June 2007)
Mrs C M Kirkham	(Appointed 25 June 2007)

Secretary Mr J S Salway

Auditor Harrisons
Chartered Accountants
& Registered Auditors
4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

Bankers Lloyds Bank Plc
84 Victoria Road
Ferndown
Dorset
BH22 9JB

Solicitors Richards & Morgan Solicitors
67 Southbourne Grove
Bournemouth
BH6 3RN

CITYGATE CHURCH COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2007

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Citygate Church is a charitable company, limited by guarantee, incorporated on 8 August 2006 and registered as a charity on 15 February 2007. The company's Memorandum of Association established the objects and powers of the charitable company. The company is governed by its Articles of Association.

Recruitment and appointment of trustees

Trustees are recruited and appointed where they are deemed to possess the experience and skills required to perform the role of a trustee.

Induction and training of trustees

All trustees are considered to be highly experienced and skilled individuals. Training is provided where considered necessary.

Organisational structure

The elders are responsible to God for the leadership of the church. They are fitted and appointed by God and are to tend the flock and be examples to those in their care. They will work to ensure that the vision of the church is fully implemented. Trusteeship carries legal responsibilities and duties.

The trustees (who are appointed by the elders) have a dual responsibility -

They are the people responsible in law under the charity's governing document for controlling management and administration of the charity.

They have a major responsibility to support the elders in their leadership of the church, which leadership is accountable to God for every aspect of the church life including the oversight of the work of the trustees.

Provided that all parties have clean hearts, pure minds and are motivated at the Spirit's prompting, there is absolutely no need (or even risk) of disharmony.

Related parties

The church is part of a movement of churches in the United Kingdom and across the world called New Frontiers. It is also part of SWEA (South Wessex Evangelical Alliance). It provides support for a missionary working overseas with the Wycliffe Missionary Society. At home it is involved with the pregnancy crisis centre.

Risk management

The management of risk is the responsibility of the elders of the church who, together with the trustees, have examined the major strategic, business and operational risks which the church faces and confirm that systems have been established to ensure that exposure to such risks is minimised.

CITYGATE CHURCH COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2007

OBJECTIVES AND ACTIVITIES

Objectives set out in the Articles of Association

The objectives are -

To advance the Christian religion, to proclaim and further the gospel of God the Father, the Son the Holy Spirit and to preach and teach the Christian faith

To relieve sickness, poverty and distress and persons in need by virtue of age or social or economic circumstances, in particular but without prejudice to, the generality of the foregoing by the provision of accommodation or shelter

To advance the education whether of children or of adults

To further such other charitable purposes as the trustees from time to time in their absolute discretion determine

Activities

Alpha courses - a series of seminars and discussion groups for Christians and non-Christians alike

Youth and Childrens work - midweek and Sunday activities for Children

Overseas Mission work -

India - Citygate church has oversight of 15 churches in the North of India, bringing strategic church oversight through teaching and leadership training in order to advance the gospel in these regions. This involves periodic visits to India as well as visits from church leaders in India to the UK for training and conferences

Portugal - Citygate church provides training and financial support to the Newfrontiers Church in Penafial, Portugal

Uganda - Citygate church has been a conduit of funds for Bridging the Gap. This is a discrete part of the charity under which much of the support for programmes in Uganda is made, including setting up of a primary and secondary school as well as child sponsorship. The Bridging the Gap project will cease to be run by Citygate church from late 2008 and will be administered by an independent charity under the name Life Bridging Works (Charity reference 1122649) under separate administration

Street life project - continuing outreach to the prostitutes in Boscombe, providing friendship and practical support

Cell Groups - church members are placed in local small groups to meet together during the week and to outreach within their localities

Leadership training - continuing programme of training up future church leaders

Just Kidz - an outreach activity for children aged between 6 and 11 years old

Meet Jesus - biennial outreach mission conducted with support of other Bournemouth Churches

ACHIEVEMENTS AND PERFORMANCE

The charity has performed the activities as detailed in the 'Activities' paragraph above in order to achieve the objectives set out in the Articles of Association

CITYGATE CHURCH COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2007

FINANCIAL REVIEW

The charity made an overall surplus for the year of £32,238

With the exception of the freehold properties and bank accounts, Bournemouth Family Church transferred its assets, liabilities and operations to Citygate Church on 1 June 2007. A gift from Bournemouth Family Church of £131 is shown in the Statement of Financial Activities.

The unrestricted funds are in deficit by £78,765, being the net balance of a £113,123 deficit on The Seed account designated fund and a £34,358 surplus on the general fund.

The Seed account designated fund has historically related to money raised for purchases of property and general repairs as deemed necessary by church members. The deficit on this fund has arisen from the delayed transfer of the freehold properties from Bournemouth Family Church beyond balance sheet date. These properties are included in the balance sheet of Bournemouth Family Church at the year ended 31 December 2007 at £747,869, which is the remaining balance of The Seed account designated fund in the accounts of that charity. The liabilities associated with this fund, namely vast historical expenditure from bank accounts on property improvements and long term loans, having been transferred from Bournemouth Family Church, therefore have taken the fund into deficit. Action shall be taken to successfully transfer the freehold properties to Citygate Church in the near future.

The general fund is available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

It is the policy of the trustees to accumulate sufficient funds to ensure that the church is able to continue to operate and to meet its ongoing obligations. It is the trustees' intention that the Charity's level of reserves should be increased in the medium term as its level of membership and activities continue to grow. They consider that reserves equivalent to total fixed assets plus 3 months' expenditure is appropriate.

At the balance sheet date there were no free reserves. Whilst the trustees believe the resources are productively employed in the furtherance of the charity's objects it is their intention to utilise the buildings, which are to be transferred from Bournemouth Family Church in due course, to assist in increasing the free reserves in ancillary activities.

The charity, like Bournemouth Family Church before it, was granted the opportunity to occupy premises rent free in the year. This opportunity was taken up.

PLANS FOR FUTURE PERIODS

Since the church entered into a contract in mid 2007 for the provision to the church of a new auditorium as part of a mixed use complex to be developed by property developers, final designs have been submitted for planning approval with an intended building completion date of late summer 2010. The estimated cost to the church of fitting out the facility and all fees is expected to be in the region of £2m and plans have been made to ensure the raising of the necessary funds by subscription and donations.

AUDITOR

A resolution to re-appoint Harrisons as auditor for the ensuing year will be proposed at the Annual General Meeting.

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2007

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office
37 Palmerston Road
Boscombe
Bournemouth
Dorset
BH1 4HN

Signed by order of the trustees



MR J S SALWAY
Company Secretary

23 September 2008

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
YEAR ENDED 31 DECEMBER 2007**

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Charities Act 1993. The trustees are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CITYGATE CHURCH
YEAR ENDED 31 DECEMBER 2007**

We have audited the financial statements of Citygate Church for the year ended 31 December 2007 on pages 9 to 17 which have been prepared under the historical cost convention and the accounting policies set out on pages 11 to 12

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

The responsibilities of the trustees (who also act as directors of Citygate Church for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on page 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Trustees Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the trustees and other transactions is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

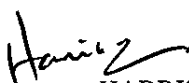
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE**
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CITYGATE CHURCH** *(continued)*
YEAR ENDED 31 DECEMBER 2007

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees Annual Report is consistent with the financial statements



HARRISONS
Chartered Accountants
& Registered Auditors

4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

14 October 2008

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 DECEMBER 2007

		Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 Dec 07 £	Total Funds Period from 8 Aug 06 to 31 Dec 06 £
	Note				
INCOMING RESOURCES					
Incoming resources from generating funds					
Voluntary income	2	253,782	72,218	326,000	—
Activities for generating funds	3	—	7,138	7,138	—
Investment income	4	685	1,170	1,855	—
Other incoming resources	5	24,721	—	24,721	—
TOTAL INCOMING RESOURCES		279,188	80,526	359,714	—
RESOURCES EXPENDED					
Charitable activities	6/7	(205,802)	(109,267)	(315,069)	—
Governance costs	8	(12,538)	—	(12,538)	—
TOTAL RESOURCES EXPENDED		(218,340)	(109,267)	(327,607)	—
NET INCOMING RESOURCES FOR THE YEAR					
	9	60,848	(28,741)	32,107	—
Gift from Bournemouth Family Church		(139,613)	139,744	131	—
NET MOVEMENT IN FUNDS/NET INCOME FOR THE YEAR					
		(78,765)	111,003	32,238	—
RECONCILIATION OF FUNDS					
Total funds brought forward		—	—	—	—
TOTAL FUNDS CARRIED FORWARD		(78,765)	111,003	32,238	—

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

The notes on pages 11 to 17 form part of these financial statements

CITYGATE CHURCH COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

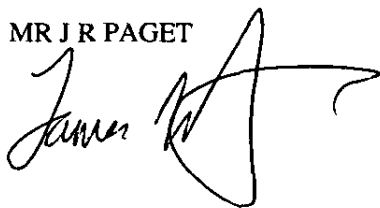
31 DECEMBER 2007

	Note	2007 £	£	2006 £
FIXED ASSETS				
Tangible assets	13		160,777	—
CURRENT ASSETS				
Debtors	14	13,167		—
Cash at bank and in hand		<u>15,251</u>		—
		28,418		—
CREDITORS: Amounts falling due within one year	15	<u>(101,957)</u>		—
NET CURRENT LIABILITIES			(73,539)	—
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>87,238</u>	—
CREDITORS: Amounts falling due after more than one year	16		<u>(55,000)</u>	—
NET ASSETS			<u>32,238</u>	—
FUNDS				
Restricted income funds	17		111,003	—
Unrestricted income funds	18		<u>(78,765)</u>	—
TOTAL FUNDS			<u>32,238</u>	—

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These financial statements were approved by the members of the committee on the 22 September 2008 and are signed on their behalf by

MR J R PAGET



MR S M A GOLLINGS



The notes on pages 11 to 17 form part of these financial statements

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007**

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small

Fund accounting

The general unrestricted fund is available for use at the discretion of the trustees in furtherance of the general objectives of the charity

The designated fund, the Seed account, represents unrestricted funds earmarked by the trustees for the purpose of purchasing, improving and maintaining freehold property

The restricted funds, the Orphan and School account and the Meet Jesus account, are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal

Fixed assets

All fixed assets are initially recorded at cost

All assets costing more than £400 are capitalised

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures and fittings	- 25% reducing balance
Leasehold property	- see below

Depreciation is not provided on buildings. It is the charity's policy to maintain its property in an adequate state of repair and, accordingly, the trustees consider that the life of the property is so long and its residual value is at such a level that depreciation is immaterial

Leasehold property is to be amortised over the lease term and is subject to a 999 year lease. Amortisation is considered immaterial for the purposes of the accounts for the current year

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007**

1. ACCOUNTING POLICIES *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Specific policies are applied to particular categories of income.

Voluntary income is received by way of grants and donations and is included in full in the statement of financial activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Investment income, being interest, is included when receivable.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Donations				
General gifts	16,259	16,015	32,274	–
Specific gifts	84,218	56,203	140,421	–
Offerings from church members	119,740	–	119,740	–
Gift aid recovered	33,565	–	33,565	–
	<u>253,782</u>	<u>72,218</u>	<u>326,000</u>	<u>–</u>

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Fundraising events	<u>7,138</u>	<u>7,138</u>	<u>–</u>

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007**

4. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£	£
Bank interest receivable	<u>685</u>	<u>1,170</u>	<u>1,855</u>	<u>—</u>

5. OTHER INCOMING RESOURCES

	Unrestricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£
Sundry income	28	28	—
Recovered expenditure	6,458	6,458	—
Rental income	<u>18,235</u>	<u>18,235</u>	<u>—</u>
	<u>24,721</u>	<u>24,721</u>	<u>—</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£	£
Advancement of the Christian religion	112,720	109,267	221,987	—
Support costs	<u>93,082</u>	<u>—</u>	<u>93,082</u>	<u>—</u>
	<u>205,802</u>	<u>109,267</u>	<u>315,069</u>	<u>—</u>

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	Total Funds 2007	Total Funds 2006
	£	£	£	£
Advancement of the Christian religion	<u>221,987</u>	<u>93,082</u>	<u>315,069</u>	<u>—</u>

8. GOVERNANCE COSTS

	Unrestricted Funds	Total Funds 2007	Total Funds 2006
	£	£	£
Audit fees	2,000	2,000	—
Bank loan interest payable	<u>10,538</u>	<u>10,538</u>	<u>—</u>
	<u>12,538</u>	<u>12,538</u>	<u>—</u>

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007**

9. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging

	Year to 31 Dec 07 £	Period from 8 Aug 06 to 31 Dec 06 £
Staff pension contributions	3,366	--
Depreciation	10,876	--
Auditors' fees	2,000	--
Loss on disposal of fixed assets	<u>232</u>	<u>--</u>

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	Year to 31 Dec 07 £	Period from 8 Aug 06 to 31 Dec 06 £
Wages and salaries	100,778	--
Social security costs	8,899	--
Pension costs	3,366	--
	<u>113,043</u>	<u>--</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	Year to 31 Dec 07 No	Period from 8 Aug 06 to 31 Dec 06 No
Average number of employees	<u>10</u>	<u>--</u>

No employee received emoluments of more than £60,000 during the year (2006 - Nil)

11. TRUSTEES' REMUNERATION

Mr A C Lawrence is a Trustee of the charity. During the year, Mr A C Lawrence received a salary of £16,591 (2006 £nil) and pension contributions of £1,864 (2006 £nil) were made on his behalf. With the exception of this, no Trustee received any remuneration during the current or previous year.

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the current or previous year, other than as disclosed in note 19.

No expenses were reimbursed to any Trustee during the current or previous year, other than as disclosed in note 19.

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007**

12. GIFT FROM BOURNEMOUTH FAMILY CHURCH

With the exception of the freehold properties and bank accounts, Bournemouth Family Church transferred its assets, liabilities and operations to Citygate Church on 1 June 2007. A gift from Bournemouth Family Church of £131 is shown in the Statement of Financial Activities. This figure represents the net balance of all the assets and liabilities transferred as at 1 June 2007.

It is intended that the freehold property, remaining bank accounts and outstanding loan in the name of Bournemouth Family Church will be transferred to Citygate Church. At the balance sheet date this had yet to occur.

As Citygate Church has effectively taken over the activities of Bournemouth Family Church, transactions in from bank accounts of the latter from 1 June to 31 December 2007 have been treated as made on behalf of Citygate Church.

13. TANGIBLE FIXED ASSETS

	Land and buildings £	Other plant & machinery etc. £	Total £
COST			
Additions	104,315	5,324	109,639
Disposals	-	(2,781)	(2,781)
Transfer	-	123,119	123,119
At 31 December 2007	<u>104,315</u>	<u>125,662</u>	<u>229,977</u>
DEPRECIATION			
Charge for the year	-	10,876	10,876
On disposals	-	(2,118)	(2,118)
Transfer	-	60,442	60,442
At 31 December 2007	<u>-</u>	<u>69,200</u>	<u>69,200</u>
NET BOOK VALUE			
At 31 December 2007	<u>104,315</u>	<u>56,462</u>	<u>160,777</u>
At 31 December 2006	<u>-</u>	<u>-</u>	<u>-</u>

Land and buildings represent the following -

a) Costs incurred by Citygate Church in respect of the St Swithuns Centre and 37 Palmerston Road. Title of both properties is to be transferred to Citygate Church in due course but was held by Bournemouth Family Church at balance sheet date.

b) Professional costs incurred in respect of the auditorium planned at the B&Q site on Holdenhurst Road.

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007**

14. DEBTORS

	2007 £	2006 £
Income tax recoverable	10,549	–
Other debtors	22	–
Prepayments	2,596	–
	<u>13,167</u>	<u>–</u>

15. CREDITORS: Amounts falling due within one year

	2007 £	2006 £
PAYE and social security	4,479	–
Other creditors	97,478	–
	<u>101,957</u>	<u>–</u>

16. CREDITORS: Amounts falling due after more than one year

	2007 £	2006 £
Other creditors	55,000	–

17. RESTRICTED INCOME FUNDS

	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2007 £
Meet Jesus fund	7,140	(6,816)	7,144	7,468
Orphan and school account	73,386	(102,451)	132,600	103,535
	<u>80,526</u>	<u>(109,267)</u>	<u>139,744</u>	<u>111,003</u>

The Meet Jesus fund is a restricted fund for the purpose of holding large scale events

The Orphan and School account is a restricted fund for the purpose of financing work for which the donations have been made

18. UNRESTRICTED INCOME FUNDS

	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2007 £
Seed account	100,818	(10,381)	(203,560)	(113,123)
General Funds	178,370	(207,959)	63,947	34,358
	<u>279,188</u>	<u>(218,340)</u>	<u>(139,613)</u>	<u>(78,765)</u>

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007**

18. UNRESTRICTED INCOME FUNDS *(continued)*

The Seed account designated fund has historically related to money raised for purchases of property and general repairs as deemed necessary by church members. The deficit on this fund has arisen from the delayed transfer of the freehold properties from Bournemouth Family Church beyond balance sheet date. These properties are included in the balance sheet of Bournemouth Family Church at the year ended 31 December 2007 at £747,869, which is the remaining balance of The Seed account designated fund in the accounts of that charity. The liabilities associated with this fund, namely vast historical expenditure from bank accounts on property improvements and long term loans, have been transferred from Bournemouth Family Church, therefore have taken the fund into deficit. Action shall be taken to successfully transfer the freehold properties to Citygate Church in the near future.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets/ (liabilities) £	Long term liabilities £	Total £
Restricted Income Funds:				
Meet Jesus fund	–	7,468	–	7,468
Orphan and school account	–	103,535	–	103,535
	–	111,003	–	111,003
Unrestricted Income Funds:				
Designated Funds	104,315	(162,438)	(55,000)	(113,123)
General Funds	56,462	(22,104)	–	34,358
	160,777	(184,542)	(55,000)	(78,765)
Total Funds	160,777	(73,539)	(55,000)	32,238

20. RELATED PARTY TRANSACTIONS

Citygate Church is related to Bournemouth Family Church by virtue of common trusteeships. On 1 June 2007 a gift of £131 (2006 £nil) was made from Bournemouth Family Church to Citygate Church representing the transfer of assets, liabilities and operations of Bournemouth Family Church to Citygate Church. At balance sheet date, Citygate Church owed Bournemouth Family Church £58,514 (2006 £nil) in respect of a loan.

Mr S M A Gollings is a trustee of the charity. During the year, Mr Gollings charged the charity £2,625 (2006 £nil) in respect of building work performed at the St Swithuns Centre. Mr Gollings was also reimbursed £566 (2006 £nil) in respect of expenses incurred on behalf of the charity.

Mr A C Lawrence is a trustee of the charity. During the year, Mr Lawrence was reimbursed £450 (2006 £nil) in respect of expenses incurred on behalf of the charity.

21. COMPANY LIMITED BY GUARANTEE

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