

COMPANY REGISTRATION NUMBER 05899708

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 DECEMBER 2008**

Charity Number 1117985

**Harrisons
Chartered Accountants**

WEDNESDAY



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**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008**

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**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
TRUSTEES ANNUAL REPORT
YEAR ENDED 31 DECEMBER 2008**

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 2008.

REFERENCE AND ADMINISTRATIVE DETAILS

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

THE TRUSTEES

The trustees who served the company during the year 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
Mrs C M Kirkham

Secretary Mr J S Salway

Auditor Harrisons
Chartered Accountants
& Registered Auditor
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 2008

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 2008

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 Penefial, 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.

Together at Accelerate - A Bible training weekend event for all the Newfrontiers churches in the South West. The churches gather once a year in August and is an opportunity to be encouraged, envisioned and trained for the Christian mission. The event is ticketed to cover infrastructure and programme costs and is currently held at the New Park Showground in Brockenhurst.

CITYGATE CHURCH COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

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.

FINANCIAL REVIEW

The charity made an overall surplus for the year of £882,209 (2007: £32,238).

The Seed account designated fund has historically related to money raised for purchases of property and general repairs as deemed necessary by church members. During the year freehold properties were gifted at cost from Bournemouth Family Church to Citygate. This gift amounted to £747,869.

The deficit on this fund in 2007 had arisen from the delayed transfer of the freehold properties from Bournemouth Family Church. These properties were included in the balance sheet of Bournemouth Family Church at the year ended 31 December 2007 at £747,869 and was gifted to Citygate Church on 24 September 2008. The liabilities associated with this fund, namely vast historical expenditure from bank accounts on property improvements and long term loans, were transferred from Bournemouth Family Church in 2007, therefore resulting in a deficit in 2007.

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 to assist in increasing the free reserves in ancillary activities.

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 granted planning permission during 2009. The building is intended to be completed in Autumn 2011. 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 2008

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

22 September 2009

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
YEAR ENDED 31 DECEMBER 2008**

The trustees (who are also the directors of Citygate Church for the purposes of company law) are responsible 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charitable 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 charitable company's auditor is 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 auditor is aware of that information.

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CITYGATE CHURCH
YEAR ENDED 31 DECEMBER 2008**

We have audited the financial statements of Citygate Church for the year ended 31 December 2008 on pages 9 to 17, which have been prepared on the basis of 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 2008

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 2008 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.

4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

25 September 2009



HARRISONS
Chartered Accountants
& Registered Auditor

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE**

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

YEAR ENDED 31 DECEMBER 2008

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	466,610	117,820	584,430	326,000
Activities for generating funds	3	–	65,535	65,535	7,138
Investment income	4	437	975	1,412	1,855
Other incoming resources	5	35,987	331	36,318	24,721
TOTAL INCOMING RESOURCES		503,034	184,661	687,695	359,714
RESOURCES EXPENDED					
Charitable activities	6/7	(351,510)	(183,807)	(535,317)	(315,069)
Governance costs	8	(18,742)	–	(18,742)	(12,538)
TOTAL RESOURCES EXPENDED		(370,252)	(183,807)	(554,059)	(327,607)
NET INCOMING RESOURCES FOR THE YEAR	9	132,782	854	133,636	32,107
Gift from Bournemouth Family Church		748,573	–	748,573	131
NET MOVEMENT IN FUNDS/NET INCOME FOR THE YEAR		881,355	854	882,209	32,238
RECONCILIATION OF FUNDS					
Total funds brought forward		(78,765)	111,003	32,238	–
TOTAL FUNDS CARRIED FORWARD		802,590	111,857	914,447	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.

All of the above amounts relate to continuing activities.

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

CITYGATE CHURCH COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

31 DECEMBER 2008

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	13	1,052,004	160,777
CURRENT ASSETS			
Debtors	14	13,904	13,167
Cash at bank and in hand		<u>99,454</u>	<u>15,251</u>
		113,358	28,418
CREDITORS: Amounts falling due within one year	15	<u>(50,415)</u>	<u>(101,957)</u>
NET CURRENT ASSETS/(LIABILITIES)		62,943	(73,539)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,114,947</u>	<u>87,238</u>
CREDITORS: Amounts falling due after more than one year	16	<u>(200,500)</u>	<u>(55,000)</u>
NET ASSETS		<u>914,447</u>	<u>32,238</u>
FUNDS			
Restricted income funds	17	111,857	111,003
Unrestricted income funds	18	<u>802,590</u>	<u>(78,765)</u>
TOTAL FUNDS		<u>914,447</u>	<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 2009 and are signed on their behalf by:

MR J R PAGET

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 2008**

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:

Leasehold property	- see below
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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.

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 2008**

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 2008 £	Total Funds 2007 £
Donations				
General gifts	36,288	–	36,288	32,274
Specific gifts	127,436	115,462	242,898	122,762
Offerings from church members	211,589	–	211,589	119,740
Gift aid recovered	91,297	2,358	93,655	51,224
	<u>466,610</u>	<u>117,820</u>	<u>584,430</u>	<u>326,000</u>

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Fundraising events	<u>65,535</u>	<u>65,535</u>	<u>7,138</u>

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008**

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Bank interest receivable	<u>437</u>	<u>975</u>	<u>1,412</u>	<u>1,855</u>

5. OTHER INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Sundry income	33	–	33	28
Recovered expenditure	4,684	331	5,015	6,458
Rental income	<u>31,270</u>	<u>–</u>	<u>31,270</u>	<u>18,235</u>
	<u>35,987</u>	<u>331</u>	<u>36,318</u>	<u>24,721</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Advancement of the Christian religion	190,892	172,992	363,884	221,987
Support costs	<u>160,618</u>	<u>10,815</u>	<u>171,433</u>	<u>93,082</u>
	<u>351,510</u>	<u>183,807</u>	<u>535,317</u>	<u>315,069</u>

7. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total Funds 2008 £	Total Funds 2007 £
Advancement of the Christian religion	<u>363,884</u>	<u>171,433</u>	<u>535,317</u>	<u>315,069</u>

8. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Accountancy fees	1,880	1,880	–
Audit fees	3,678	3,678	2,000
Legal fees	1,121	1,121	–
Bank loan interest payable	11,423	11,423	10,538
Bank charges	<u>640</u>	<u>640</u>	<u>–</u>
	<u>18,742</u>	<u>18,742</u>	<u>12,538</u>

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008**

9. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging/(crediting):

	2008	2007
	£	£
Staff pension contributions	4,891	3,366
Depreciation	16,272	10,876
Auditors' fees	3,678	2,000
Loss on disposal of fixed assets	<u>(334)</u>	<u>232</u>

10. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2008	2007
	£	£
Wages and salaries	195,690	100,778
Social security costs	17,825	8,899
Pension costs	4,891	3,366
	<u>218,406</u>	<u>113,043</u>

Particulars of employees:

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

	2008	2007
	No	No
Average number of employees	<u>11</u>	<u>10</u>

No employee received emoluments of more than £60,000 during the year (2007 - Nil).

11. TRUSTEES' REMUNERATION

The Memorandum of Association authorises the payment of remuneration to Trustees for services other than acting as a Trustee. The following paragraphs outline the payments so made.

Mr A C Lawrence is a Trustee of the charity. During the year, Mr A C Lawrence received a salary of £30,977 (2007 £16,591) and pension contributions of £3,134 (2007 £1,864) were made on his behalf.

Mr S D Theunissen is a Trustee of the charity. During the year, Mr S D Theunissen received a salary of £15,692 (2007 nil).

No other Trustees 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 20.

No expenses were reimbursed to any Trustee during the current or previous year, other than as disclosed in note 20.

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008**

12. GIFT FROM BOURNEMOUTH FAMILY CHURCH

Bournemouth Family Church transferred freehold property to Citygate Church on 24 September 2008. A gift from Bournemouth Family Church of £748,573 (2007 £131) is shown in the Statement of Financial Activities.

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

13. TANGIBLE FIXED ASSETS

	Land and buildings £	Other plant & machinery etc. £	Total £
COST			
At 1 January 2008	104,315	125,662	229,977
Additions	151,014	11,592	162,606
Disposals	-	(10,898)	(10,898)
Transfer	747,869	-	747,869
At 31 December 2008	<u>1,003,198</u>	<u>126,356</u>	<u>1,129,554</u>
DEPRECIATION			
At 1 January 2008	-	69,200	69,200
Charge for the year	-	16,272	16,272
On disposals	-	(7,922)	(7,922)
At 31 December 2008	<u>-</u>	<u>77,550</u>	<u>77,550</u>
NET BOOK VALUE			
At 31 December 2008	<u>1,003,198</u>	<u>48,806</u>	<u>1,052,004</u>
At 31 December 2007	<u>104,315</u>	<u>56,462</u>	<u>160,777</u>

Land and buildings represent the following:-

- a) St. Swithuns Centre and 37 Palmerston Road.
- b) Professional costs incurred in respect of the auditorium planned at the B&Q site on Holdenhurst Road.

Freehold property has a current insurance value in excess of £4.8 million.

There are costs included within Land and buildings relating to long leasehold property totalling £179,943.

14. DEBTORS

	2008 £	2007 £
Income tax recoverable	13,869	10,549
Other debtors	35	22
Prepayments	-	2,596
	<u>13,904</u>	<u>13,167</u>

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008**

15. CREDITORS: Amounts falling due within one year

	2008 £	2007 £
PAYE and social security	4,547	4,479
Other creditors	45,868	97,478
	<u>50,415</u>	<u>101,957</u>

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

	2008 £	2007 £
Bank loans and overdrafts	175,500	–
Other creditors	25,000	55,000
	<u>200,500</u>	<u>55,000</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2008 £	2007 £
Bank loans and overdrafts	175,500	–

Included in long term bank loans and overdrafts is a bank loan secured against 37 Palmerston Road and the St Swithuns Centre with a fixed charge.

17. RESTRICTED INCOME FUNDS

	Balance at 1 Jan 2008 £	Incoming resources £	Outgoing resources £	Balance at 31 Dec 2008 £
Meet Jesus fund	7,468	9	–	7,477
Orphan and school account	103,535	184,652	(183,807)	104,380
	<u>111,003</u>	<u>184,661</u>	<u>(183,807)</u>	<u>111,857</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

	Balance at 1 Jan 2008 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2008 £
Seed account	(113,123)	180,936	(34,942)	747,869	780,740
General Funds	34,358	322,098	(335,310)	704	21,850
	<u>(78,765)</u>	<u>503,034</u>	<u>(370,252)</u>	<u>748,573</u>	<u>802,590</u>

The Seed account designated fund has historically related to money raised for purchases of property and general repairs as deemed necessary by church members.

**CITYGATE CHURCH
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008**

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets/ (liabilities) £	Long term liabilities £	Total £
Restricted Income Funds:				
Meet Jesus fund	–	7,477	–	7,477
Orphan and school account	–	104,380	–	104,380
	–	111,857	–	111,857
Unrestricted Income Funds:				
Designated Funds	1,003,198	(21,958)	(200,500)	780,740
General Funds	48,806	(26,956)	–	21,850
	1,052,004	(48,914)	(200,500)	802,590
Total Funds	1,052,004	62,943	(200,500)	914,447

20. RELATED PARTY TRANSACTIONS

Citygate Church is related to Bournemouth Family Church by virtue of common trusteeships. On 24 September 2008 a gift of £748,573 (2007 £131) was made from Bournemouth Family Church to Citygate Church representing the transfer of freehold property from Bournemouth Family Church to Citygate Church. At balance sheet date, Citygate Church owed Bournemouth Family Church £nil (2007 £58,514) in respect of a loan.

Mr S M A Gollings is a trustee of the charity. During the year, Mr Gollings charged the charity £4,500 (2007 £2,625) in respect of building work performed at the St Swithuns Centre. Mr Gollings was also reimbursed £563 (2007 £566) 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 £2,548 (2007 £450) in respect of expenses incurred on behalf of the charity.

Mr S D Theunissen is a trustee of the charity. During the year, Mr Theunissen was reimbursed £173 (2007 £nil) in respect of expenses incurred on behalf of the charity.

Mr J S Salway is a trustee of the charity. During the year, Mr Salway was reimbursed £150 (2007 £nil) in respect of expenses incurred on behalf of the charity.

During the year the charity incurred £1,792 (2007 £nil) in respect of Trustees Indemnity Insurance.

21. COMPANY LIMITED BY GUARANTEE

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