

Company Registration No. 05899708
Charity Registration No. 1117985

CITYGATE CHURCH
REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2012



Saffery Champness
CHARTERED ACCOUNTANTS

CITYGATE CHURCH

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CITYGATE CHURCH

TRUSTEES AND TRUST INFORMATION YEAR ENDED 31 DECEMBER 2012

Trustees

Mr J S Salway
Mr S M A Theunissen
Mr A C Lawrence
Mrs C M Kirkham
Mr C C Morse

Auditors

Saffery Champness
Midland House
2 Poole Road
Bournemouth
Dorset
BH2 5QY

Solicitors

Lester Aldridge
Russell House
Oxford Road
Bournemouth
Dorset
BH8 8EX

Bankers

Lloyds Bank Plc
84 Victoria Road
Ferndown
Dorset
BH22 9JB

Royal Bank of Scotland Plc
49-51 Old Christchurch Road
Bournemouth
Dorset
BH1 1EG

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

HSBC Bank Plc
59 Old Christchurch Road
Bournemouth
Dorset
BH1 1EA

CITYGATE CHURCH

TRUSTEES AND TRUST INFORMATION (Continued) YEAR ENDED 31 DECEMBER 2012

Company Registration Number	05899708
Charity Number	1117985
Principal Office	138 Holdenhurst Road Bournemouth Dorset BH8 8AS
Elders	Mr G Miller Mr R White Mr M Flood Mr J Hosier Mr A C Lawrence

CITYGATE CHURCH

REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2012

Reference and Administrative

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their Report and Financial Statements of the Charity for the year ended 31 December 2012

The Trustees named on page 1 served throughout the year Mr J G McClelland served until his resignation on 23 October 2012

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 the company members of Citygate Church and are responsible to God for the leadership of the church. They are fitted and appointed by God 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 Elders named on page 2 served throughout the year. Mr C Mitchell served until his resignation on 30 November 2012.

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 the 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 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) for disharmony.

CITYGATE CHURCH

REPORT OF THE TRUSTEES (continued) YEAR ENDED 31 DECEMBER 2012

Related parties

The church is part of a movement of churches in the United Kingdom and across the world called Newfrontiers. Newfrontiers have gone through a period of transition in which its founder, Terry Virgo, has sought to continue the legacy of the movement by establishing and releasing apostolic leaders within the movement to carry the work forward with Newfrontiers churches relating to each sphere of leadership. Guy Miller, lead elder of Citygate Church is one of these leaders and Citygate has set up the Commission Apostolic Trust Ltd charity on 14 November 2012 to run the activities under these objectives.

Citygate Church is also part of SWEA (South West Evangelical Alliance).

Risk management

The management of risk is the responsibility of the trustees of the church who, together with the elders, 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. The risk register is reviewed regularly and various risks are considered at trustee board meetings.

Objectives and Activities

Principal Objectives

The main objectives of Citygate Church are to advance the Christian faith, to proclaim and further the gospel of God the Father, the Son and the Holy Spirit and to preach and teach the Christian faith.

To relieve sickness, poverty and distress to persons in need by virtue of age or social or economic circumstances.

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.

Principal Activities

Sunday meetings – Citygate Church meets on Sunday mornings across two services – 9.30am and 11.30am – for worship and preaching of the gospel message.

Alpha and Beta courses – a series of seminars and discussions groups for Christians and non-Christians alike, used to help people from all backgrounds to explore Christianity.

“Join Us” course – a course for those seeking to become members of Citygate Church. The course enables anyone to explore the vision of Citygate Church.

“Equip” – a course with a flexible and interactive seminar style, which looks to tackle everyday subjects that affect us all. The course aims to equip Christian believers and those looking into the Christian faith on practical and theological subjects.

CITYGATE CHURCH

REPORT OF THE TRUSTEES (continued) YEAR ENDED 31 DECEMBER 2012

Youth and children's work – Citygate has a wide range of activity groups for children. Our Sunday activities include four age appropriate groups for children which aim to teach the authentic Christian message through fun and engaging activities. There are also two youth groups for ages 11-18 who meet midweek. These groups are fun, thriving communities where young people grow and develop in their faith.

Students and twenties - Citygate students and twenties has grown to around 250 people including our core group of around 120 in higher education, at BU, AUCB and out in the workplace. This group is an integral part of Citygate's make-up, with events every week which build community and encourage faith.

Overseas Mission work -

India – Citygate Church, under Guy Miller's apostolic leadership, has oversight of all the Newfrontiers churches in 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. This work will be transferred to the Commission Apostolic Trust charity.

Iberian Peninsula – Citygate Church, under Guy Miller's apostolic leadership, has oversight of all the Newfrontiers churches in the Iberian Peninsula providing training and some financial support. This work will be transferred to the Commission Apostolic Trust charity.

Sudan Project – A project set up over 10 years ago, to support Bible Translation into the Toposan language in Sudan. Since the work started, we have seen two churches established as well as a school.

Local Mission work. -

Streetlife project – continuing outreach to female sex workers in Bournemouth, providing friendship, practical support, prayer and help in getting free from abuse and addiction.

Oasis – A coffee morning for the elderly in the local area, in order to support a very vulnerable and isolated group in our society.

Cell Groups – Church members are placed in local small groups to meet together during the week and to outreach within their localities. These groups are a means by which members grow in their faith, and have access to prayer and practical support towards that growth, including assistance with overcoming lifestyle issues.

Leadership training – Two courses of foundational and advance training for leaders and future leaders. This work will be transferred to the Commission Apostolic Trust charity.

Together at Westpoint – A Bible training weekend event for all the Newfrontiers churches associated with Guy Miller's apostolic leadership. The churches gather once a year in August and it 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 Westpoint Exhibition Arena, Exeter, Devon. This work will be transferred to the Commission Apostolic Trust charity.

Little Acorns – A weekly mums and toddlers group gathering over 35 adults and a further 45 children. This work has grown significantly over the years and now has over 20 families on a waiting list for places.

CITYGATE CHURCH

REPORT OF THE TRUSTEES (continued) YEAR ENDED 31 DECEMBER 2012

Achievements and performance

Overview

2012 has been a year of transition for Citygate Church as we have set up a new charity to continue the apostolic work we oversee under the umbrella of Newfrontiers. This new charity – Commission Apostolic Trust Ltd – was set up at the end of 2012 and will continue the work of planting churches, raising leaders and reaching nations.

During 2012, we added 44 new members to Citygate Church, we had over 400 guests visiting us during our bigger Sunday services and people from over 30 different nations. We had over 30 guests on our Alpha courses and we baptised 33 people during the year. Although numerical growth is important, we are more concerned with personal lives being changed by the gospel and we are therefore thrilled with the many testimonies of people who have been affected in this way throughout the year.

Youth and Students

One of our greatest achievements in 2012 has been engaging a children, youth and families worker. This has enabled Citygate church to connect with the families of the children we work with and to better link our mums and toddlers group (Little Acorns) with our other children and youth ministries. It has been a significant addition to our resources which has enabled us to further advance our work among families.

Our Little Acorns group for mums and toddlers is thriving and growing with around 75 coming along each week. Our Sunday childrens groups have also grown, so much so that there is now a need to add a fifth group to our Sunday morning children's activities. The quality of teaching and activities within these groups are attracting many new families to the church.

Our students and twenties community has also continued to grow and develop and we have a core group of over 120 people in this age bracket, with many more that we are interacting with throughout the town.

Work among the Poor

We have continued in our ministry to those most in need in Bournemouth, many with drug, alcohol and homelessness issues. We are frequently connecting with homeless people in the grounds of the St Swithuns centre and have strengthened our link with Michael House, a dry house which helps people walk away from addiction.

Our Streetlife ministry also continues its weekly outreach to female sex workers, creating genuine friendships and providing a whole range of support including housing, pastoral care and home visits.

The Citygate Centre

In June 2012 we received the gift of the completed shell of our new building. There has been a mass of activity around the fit out tender. We have experienced delays in agreeing a VAT method, as well as complex legal issues surrounding the lease contract which has caused a further delay in agreeing a loan facility with our bank – HSBC.

However, early in 2013, we signed a facility letter with HSBC for the mortgage and a contract with Greendale Construction Ltd for the internal fit out of the shell. In early 2013 we relocated our offices to the Citygate Centre and aim to meet as a church from mid-September 2013.

CITYGATE CHURCH

REPORT OF THE TRUSTEES (continued) YEAR ENDED 31 DECEMBER 2012

Public Benefit

The trustees believe that the charity meets the public benefit requirements and have complied with the duty in Section 4 and 17 of the Charities Act 2011 and that we have given due regard to the guidance issued by the Charity Commission on delivery of public benefit, including the Supplementary Guidance

Financial Review

The charity made an overall surplus for the year of £133,309 (2011 £134,068)

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

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 on-going 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 less long-term creditors 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

The key objectives to be addressed during the coming year are

- Growing and strengthening our membership base, by helping people integrate into the church community, whether through our exploratory courses and "Join Us" course, our community groups, or through our age appropriate groups designed to help people to be a part of our gospel centred community
- The expansion of our children's groups as we move in to the new Citygate Centre. The addition of an extra group will help us to provide quality age specific teaching and interaction for children
- As was previously noted, the Citygate Centre is intended to be completed for opening in September 2013. The estimated cost to the church of fitting out the facility and all fees is expected to be in the region of £1.6m. From the conception of the project, Citygate Church has raised around £780k through member donations and we believe that such generosity will continue along with loan finance, as we aim to finish the project in 2013

As discussed earlier, a number of activities will be transferred to Commission Apostolic Trust Ltd. These include

- Regional Fund – a fund used to administer the work relating to Guy Miller's apostolic involvement locally and internationally
- Leadership Training – as discussed previously
- Together at Westpoint event – as discussed previously
- Church Planting Fund – donations received at the Together at Westpoint event, and used for the purpose of planting new churches both locally and internationally

CITYGATE CHURCH

REPORT OF THE TRUSTEES (continued) YEAR ENDED 31 DECEMBER 2012

Responsibility of the Trustees

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 2006. 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

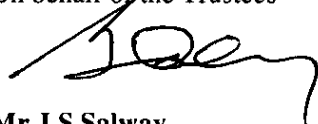
CITYGATE CHURCH

REPORT OF THE TRUSTEES (continued) YEAR ENDED 31 DECEMBER 2012

Auditor

Saffery Champness were appointed during the year as the charity's auditors. A resolution to re-appoint Saffery Champness as auditors will be proposed at the Annual General Meeting.

On behalf of the Trustees



Mr J S Salway
Company Secretary

Registered Office
37 Palmerston Road
Boscombe
Bournemouth
Dorset
BH1 4HN

11 June 2013

CITYGATE CHURCH

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CITYGATE CHURCH

We have audited the financial statements on pages 11 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members and trustees those matters we are required to state to them in an auditors' 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 trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the charity's state of affairs as at 31 December 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

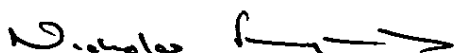
CITYGATE CHURCH

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CITYGATE CHURCH (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Nicholas Fernyhough (Senior Statutory Auditor)
For and on behalf of Saffery Champness**

24 July 2013

**Chartered Accountants
Statutory Auditors**

Midland House
2 Poole Road
Bournemouth
Dorset
BH2 5QY

CITYGATE CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	Unrestricted funds 2012 £	Restricted funds 2012 £	Total £	2011 £
Incoming resources					
Generated funds					
Voluntary income	1				
- continuing activity		603,815	-	603,815	737,247
- discontinued activity		157,924	112,547	270,471	-
Activities for generating funds	2				
- continuing activity		39,208	-	39,208	25,081
- discontinued activity		-	-	-	-
Investment income					
- continuing activity		190	-	190	901
- discontinued activity		27	316	343	-
Charitable activities	3				
- continuing activity		18,659	-	18,659	133,216
- discontinued activity		5,784	166,712	172,496	-
Total incoming resources					
- continuing activity		661,872	-	661,872	896,445
- discontinuing activity		163,735	279,575	443,310	-
Resources expended					
Costs of generating voluntary income	4				
- continuing activity		40,152	-	40,152	32,352
- discontinued activity		-	-	-	-
Charitable activities					
- continuing activity	4	432,579	266	432,845	721,407
- discontinued activity		170,892	316,731	487,623	-
Governance costs	4	11,253	-	11,253	8,618
Total resources expended					
- continuing activity		483,984	266	484,250	762,377
- discontinued activity		170,892	316,731	487,623	-
Net movement in funds					
- continuing activity		177,888	(266)	177,622	134,068
- discontinuing activity		(7,157)	(37,156)	(44,313)	-
Total net movement in funds		170,731	(37,422)	133,309	134,068

CITYGATE CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (continued) FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	Unrestricted funds 2012 £	Restricted funds 2012 £	Total £	2011 £
Total net movement in funds		170,731	(37,422)	133,309	134,068
Transfers		(1,294)	1,294	-	-
Fund balances brought forward at 1 January 2012		1,145,932	112,565	1,258,497	1,124,429
Fund balances carried forward at 31 December 2012		<u>1,315,369</u>	<u>76,437</u>	<u>1,391,806</u>	<u>1,258,497</u>

All gains and losses are included above. The surplus for the year for Companies Act purposes was £133,309 (2011 134,068)

The notes and accounting policies on pages 14 to 26 form part of these accounts

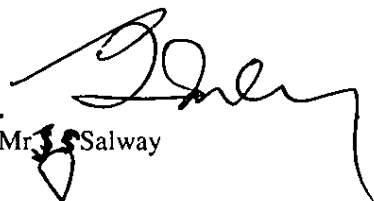
CITYGATE CHURCH

BALANCE SHEET AT 31 DECEMBER 2012

	Notes	£	2012 £	£	2011 £
Fixed assets					
Tangible assets	10		1,438,003		1,237,681
Investments	11		131		131
			<u>1,438,134</u>		<u>1,237,812</u>
Current assets					
Debtors	12	48,444		43,425	
Cash at bank and in hand		288,809		244,480	
		<u>337,253</u>		<u>287,905</u>	
Creditors: Amounts falling due within one year	13	(203,295)		(116,945)	
Net current assets			<u>133,958</u>		<u>170,960</u>
Total assets less current liabilities			<u>1,572,092</u>		<u>1,408,772</u>
Creditors: Amounts falling due after more than one year	14		(180,286)		(150,275)
Net assets			<u>1,391,806</u>		<u>1,258,497</u>
Funds					
Restricted funds	15		76,437		112,565
Unrestricted funds	16		1,315,369		1,145,932
Total funds	17		<u>1,391,806</u>		<u>1,258,497</u>

The notes and accounting policies on pages 14 to 26 form part of these accounts

Approved by the Board of Trustees on 11 June 2013 and signed on its behalf by


Mr J Salway


Mr S D Theunissen

CITYGATE CHURCH

ACCOUNTING POLICIES YEAR ENDED 31 DECEMBER 2012

A Basis of preparation

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 2006

B Consolidation

In the opinion of the members of the committee, the charity and its subsidiary undertakings comprise a small group. The charity has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare Group accounts

C Investments

Investments are stated at historical cost less provision for any diminution in value

D 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 Building account, represents unrestricted funds earmarked by the trustees for the purpose of purchasing, improving and maintaining freehold property

The restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal

E Fixed Assets

All fixed assets are initially recorded at cost

All assets costing more than £400 are capitalised

F 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

Motor vehicles – 25% reducing balance
Other plant and machinery – 25% reducing balance

Depreciation is not provided on buildings that have an anticipated life of over 100 years. 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 to be immaterial

CITYGATE CHURCH

ACCOUNTING POLICIES (Continued) YEAR ENDED 31 DECEMBER 2012

G Finance Lease agreements

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the statement of financial activities on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

H 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.

I 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 which are related to performance and specific deliverables are accounted for as the charity earns the rights to consideration by its performance.

J Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Irrecoverable VAT 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.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the time spent.

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

CITYGATE CHURCH

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2012

1 Voluntary income

	Unrestricted funds	Restricted funds	Total funds 2012	Total funds 2011
	£	£	£	£
Donations				
General gifts	499,372	66,873	566,245	517,696
Designated gifts (Building Fund)	211,851	-	211,851	126,061
New Frontiers Grants	50,516	45,674	96,190	93,490
	<u>761,739</u>	<u>112,547</u>	<u>874,286</u>	<u>737,247</u>

2 Incoming resources from activities for generating funds

	Unrestricted funds	Restricted funds	Total funds 2012	Total funds 2011
	£	£	£	£
Rental income	39,208	-	39,208	25,081
	<u>39,208</u>	<u>-</u>	<u>39,208</u>	<u>25,081</u>

3 Other incoming resources

	Unrestricted funds	Restricted funds	Total funds 2012	Total funds 2011
	£	£	£	£
Together at Westpoint	-	144,913	144,913	103,576
Training income	3,200	14,526	17,726	-
Other events and activities	21,243	7,273	28,516	29,640
	<u>24,443</u>	<u>166,712</u>	<u>191,155</u>	<u>133,216</u>

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

4 Analysis of total resources expended

	Grants £	Staff costs £	Other direct costs £	Support costs £	Total 2012 £	Total 2011 £
Costs of activities for generating funds						
Building maintenance	-	25,327	423	14,402	40,152	32,352
	-	25,327	423	14,402	40,152	32,352
Charitable activities						
Sunday meetings	-	49,007	1,766	43,205	93,978	72,245
Local mission	79,766	51,938	19,700	43,205	194,609	112,964
Worldwide mission	70,130	16,585	23,127	28,804	138,646	123,418
Youth and children's work	-	25,430	5,410	28,804	59,644	45,575
Training and teaching	-	59,059	29,943	57,607	146,609	123,934
Pastoral care	-	49,007	-	57,607	106,614	80,373
Together at Westpoint	-	33,504	132,463	14,401	180,368	162,898
	149,896	284,530	212,409	273,633	920,468	721,407
Governance	-	2,594	8,659	-	11,253	8,618
Total resources expended	149,896	312,451	221,491	288,035	971,873	762,377
Support staff costs		81,924		(81,924)		
		394,375		206,111		

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

5 Allocation of support costs

	Total	Fund-raising & events	Church activities	Mission activities	Teaching & Training	Buildings
	£	£	£	£	£	£
Property costs	29,301	1,465	4,395	16,116	5,860	1,465
Travel costs	25,175	1,259	3,776	13,846	5,035	1,259
Staff costs	81,924	4,096	12,289	45,058	16,385	4,096
Office costs	101,665	5,083	15,250	55,916	20,333	5,083
Information Technology	15,887	794	2,383	8,738	3,178	794
Teaching & training costs	18,906	945	2,836	10,399	3,781	945
Finance costs	5,920	296	888	3,256	1,184	296
Communications	9,257	463	1,388	5,091	1,851	464
	<u>288,035</u>	<u>14,401</u>	<u>43,205</u>	<u>158,420</u>	<u>57,607</u>	<u>14,402</u>

6 Grant expenditure

The charity made the following grants during the period

	Local	Worldwide	2012	2011
	£	£	£	£
Mission work in Penafiel Portugal	-	2,600	2,600	7,250
Church plant in Eastleigh	10,000	-	10,000	5,000
Church plant in Bridport	6,000	-	6,000	-
Church plant in Madrid	-	12,000	12,000	5,000
Church plant in Waterlooville	30,000	-	30,000	-
Church plant in Basingstoke	5,000	-	5,000	-
Church plant in Brighton	-	-	-	5,000
Church plant in Porto Portugal	-	20,000	20,000	17,850
Church plant in Exmouth	5,000	-	5,000	-
Church plant in Cranborne	5,000	-	5,000	-
Church plant in Taunton	-	-	-	5,000
Mission work in India	-	19,750	19,750	16,480
Mission work in Sudan	-	11,330	11,330	11,550
Mission work in Cyprus	-	2,000	2,000	-
Mission work with the poor	4,341	-	4,341	11,779
Mission work in Zimbabwe	-	-	-	2,632
Grants to Newfrontiers	13,800	-	13,800	9,000
Other local mission work	625	-	625	85
Other mission work worldwide	-	2,450	2,450	625
	<u>79,766</u>	<u>70,130</u>	<u>149,896</u>	<u>97,251</u>

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

7 Net incoming resources for the year

This is stated after charging

	2012	2011
	£	£
Staff pension contributions	4,890	5,089
Depreciation	9,995	11,969
Depreciation of freehold property	57,265	-
Auditors' fees	5,500	4,320
Deficit on disposal of fixed assets	-	744

8 Staff costs

Total staff costs were as follows

	2012	2011
	£	£
Wages and salaries	358,298	285,554
Social security costs	31,188	25,801
Pension costs	4,890	5,089
	394,376	316,444

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

	2012	2011
	No	No
Average number of employees	14	10

9 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 £35,083 (2011 £33,412) and pension contributions of £3,508 (2011 £3,341) 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 £23,687 (2011 £21,805)

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 18

No expenses were reimbursed to any trustee during the current or previous year, other than as disclosed in note 18

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

10 Tangible fixed assets

	Land and buildings £	Other plant & machinery £	Total £
Cost or valuation			
At 1 January 2012	1,201,822	145,470	1,347,292
Additions	263,479	4,103	267,582
At 31 December 2012	1,465,301	149,573	1,614,874
Depreciation			
At 1 January 2012	-	109,611	109,611
Charge for the year	57,265	9,995	67,260
At 31 December 2012	57,265	119,606	176,871
Net book value			
31 December 2012	1,408,036	29,967	1,438,003
31 December 2011	1,201,822	35,859	1,237,681

Land and buildings represent the following -

- St Swithuns Centre, freehold property at a cost of £617,184 (2011 £617,184) (insurance value in excess of £5 million)
- 37 Palmerston Road is due to be sold in March 2013 and therefore the costs of the property have been depreciated to the net realisable value of £160,000 (2011 £217,265)
- Costs incurred in respect of premises in long leasehold property totalling £630,852 (2011 £367,373)

Finance lease agreements

Included within the net book value of £1,471,070 is £640 (2011 £853) relating to assets held under finance lease agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £213 (2011 £285).

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

11 Investments

Movement in value:

	2012 £	2011 £
Cost at 31 December 2012 and 31 December 2011	131	131
Historical cost at 31 December 2012	131	131

Analysis of investments at 31 December 2012 between funds:

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Other investments				
Investment in subsidiary	131	-	131	131

The charity owns 100% of the issued share capital of Citygate Events Limited. Citygate Events Limited has not yet begun to trade.

12 Debtors

	2012 £	2011 £
Income tax recoverable	6,472	6,627
Other debtors	11,771	2,277
Prepayments	19,786	34,521
VAT recoverable	7,862	-
Accrued income	2,553	-
	48,444	43,425

13 Creditors

	2012 £	2011 £
Amounts due within one year:		
Bank loans	11,936	12,249
Other loans	10,000	-
Trade creditors	38,570	48,312
PAYE and social security	-	7,334
Other creditors	142,789	49,050
	203,295	116,945

The bank loan is secured as detailed in note 14

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

14 Creditors

	2012 £	2011 £
Amounts due after more than one year:		
Bank loans and overdrafts	136,926	148,472
Other loans	41,500	-
Finance leases	1,860	1,803
	<u>180,286</u>	<u>150,275</u>

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

	2012 £	2011 £
Bank loans – due within one year	11,936	12,249
- due after one year	136,926	148,472
	<u>148,862</u>	<u>160,721</u>

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

Included within creditors falling due after more than one year is an amount of £88,466 (2011 £96,402) in respect of liabilities which fall due for payment after more than five years from the balance sheet date

The other loans are interest free and unsecured

Future commitments under finance leases agreements are as follows

	2012 £	2011 £
Amounts payable within one year	614	936
Amounts payable between two to five years	1,860	1,803
	<u>2,474</u>	<u>2,739</u>

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

15 Restricted income funds

	Balance at 1 January 2012 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 December 2012 £
Large scale events	958	144,912	147,164	1,294	-
Mission	35,894	-	35,894	-	-
Regional	37,234	61,575	69,680	-	29,129
Portugal	944	-	944	-	-
Child sponsorship	3,724	-	-	-	3,724
India	27,672	21,861	24,603	-	24,930
Leadership training	5,873	37,384	30,818	-	12,439
Bridport	-	13,540	7,325	-	6,215
Little Acorns	266	-	266	-	-
Streethlife	-	303	303	-	-
Total	112,565	279,575	316,997	1,294	76,437

Restricted funds are made up as follows -

The Large scale events heading combines funds for events arranged by the charity which include the annual Together at Westpoint event

The Mission fund is for the purpose of financing missionary work for which donations have been specifically made

The Regional fund is for the purpose of supporting the Newfrontiers churches in the South West of England

The Portugal fund is for the purpose of providing training and financial support to the Newfrontiers Church in Penefial, Portugal

The Little Acorns fund is for the purpose of running the Citygate playgroup

The India fund is for the purpose of overseeing and training 15 churches in the North of India

The Leadership Training is for the purpose of training future church leaders

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

15 Restricted income funds (continued)

The Streetlife Fund is for the purpose of providing friendship, practical support and help for prostitutes in the Bournemouth area helping individuals get free from abuse and addiction

The Child Sponsorship fund is for the purpose of setting up a primary and secondary school in Uganda as well as child sponsorship

The Bridport Fund is for the purpose of setting up and running a church plant in Bridport

16 Unrestricted income funds

	Balance at 1 January 2012 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 December 2012 £
Building Fund	1,077,072	211,819	1,219	-	1,287,672
General funds	68,860	613,788	653,657	(1,294)	27,697
	<u>1,145,932</u>	<u>825,607</u>	<u>654,876</u>	<u>(1,294)</u>	<u>1,315,369</u>

The Building Fund designated fund relates to money raised for purchases of property and general repairs as deemed necessary by church members

17 Analysis of net assets between funds

	Tangible fixed assets and investment £	Long term liabilities £	Net current assets £	Total £
Restricted income funds:				
Restricted funds	-	-	77,647	77,647
Unrestricted income funds:				
Designated funds	1,287,672	-	-	1,287,672
General funds	150,462	(180,286)	56,311	26,487
Total funds	<u>1,438,134</u>	<u>(180,286)</u>	<u>133,958</u>	<u>1,391,806</u>

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2012

18 Related party transactions

Mr A C Lawrence is a trustee of the charity. During the year, Mr Lawrence was reimbursed £3,243 (2011 £5,484) 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 £382 (2011 £481) in respect of expenses incurred on behalf of the charity. Mrs Theunissen, Mr S D Theunissen's wife, was paid £765 in respect of accounting services during the year.

Mr J G McClelland is a trustee of the charity. During the year, Mr McClelland was reimbursed £nil (2011 £218) in respect of expenses incurred on behalf of the charity.

Mr J Salway is a trustee of the charity. During the year, Mr Salway was reimbursed £600 (2011 £nil) in respect of expenses incurred on behalf of the charity.

During the year the charity incurred £716 (2011 £1,576) in respect of Trustees Indemnity Insurance.

The charity owns 100% of the issued share capital of Citygate Events Limited, a company incorporated on 9 August 2011. Mr S D Theunissen is a director of this company.

19 Company limited by guarantee

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