

Company Registration No. 05899708
Charity Registration No. 1117985

CITYGATE CHURCH
REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2015



Saffery Champness
CHARTERED ACCOUNTANTS

CITYGATE CHURCH

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CITYGATE CHURCH

TRUSTEES AND TRUST INFORMATION YEAR ENDED 31 DECEMBER 2015

Trustees	Mr J S Salway Mr S M A Theunissen Mr A C Lawrence Mrs C M Kirkham Mr C Morse (resigned 20 th May 2015) Mr C Vessey
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 HSBC Bank Plc 59 Old Christchurch Road Bournemouth Dorset BH1 1EA
Company Registration Number	05899708
Charity Number	1117985
Principal Office	138A Holdenhurst Road Bournemouth Dorset BH8 8AS
Elders	Mr G Miller Mr R White Mr J Hosier Mr A C Lawrence Mr M Taylor (appointed 26 th April 2015)

CITYGATE CHURCH

REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

Trustee/Directors Report

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 2015.

The trustees named above served throughout the year.

Objectives and Activities

Principal Aims & 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

In order to achieve its objectives, Citygate Church works through the following core activities:

1. Sunday meetings – Citygate Church meets on Sunday mornings for worship and preaching of the gospel message.

2. Teaching and Training

- a. 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.
- b. "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.

3. Youth and children's work, students and twenties

- a. 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 and on Sundays. These groups are fun, thriving communities where young people grow and develop in their faith.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

- b. Students and twenties - Citygate students and twenties reach out to those in higher education, at BU, AUCB and out in the workplace. This group is an integral part of Citygate's make-up.

4. Mission Work

a. Worldwide

- 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. In 2014 we ceased our regular support and we will continue to support one off projects in line with our charitable purpose.
- India Mission Support – a project run by Steve and Beth Deveraj in Tamil Nadu, India, involving the establishment of a school in a rural district of India as well as leading a local church.
- Bursary Fund – Citygate is committed to mission. A fund has been set up to contribute towards mission trips abroad for Citygate members looking to gain mission experience in different cultures.
- Commission Network – Citygate is committed to supporting Commission Apostolic Trust Ltd in its vision to plant churches, training leaders, reach the nations with the gospel and support the poor. Citygate give regularly to the work of Commission nationally and internationally.

b. Local Mission Work

- Sleepsafe Project – in 2015 Citygate took an active role in providing shelter for the homeless over the winter months. In partnership with Bournemouth Churches Housing Association and other local churches, Citygate provided overnight shelter and warm food in the Citygate Centre for one evening and one morning per week. The aim of the project is to provide emergency help as well as look to house the homeless in the long term.
- Little Acorns – a weekly 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.
- General Community 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.
- Specific Community Groups – we have launched a number of new community groups over the last two years with a mission focus, aimed at reaching out to those in a specific location, people group or passion. We also have a number of groups with a focus on supporting and caring for people going through similar situations.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

5. Pastoral Care

- We have a pastoral team who look to care for those in need of support, whether they are going through tough situations in work life or home life, or whether they are looking to grow in their faith through discipleship.

Achievements and performance

Overview

The year has seen Citygate Church develop a stronger sense of community. We have looked to help every member be involved in smaller communities and serving areas in order to deepen relationships.

We have also continued to fit out the Citygate Centre which is now fully functional on both the ground and first floor level. We have been able to fit out and move our offices to the first floor, therefore releasing space in the Community Wing for Church use and external hire.

At the end of 2015 we had seen 51 new members added, 11 people baptised, 30 people complete our Alpha courses, 241 people in community groups and over 280 people wanting to know more about Citygate Church or get involved. We also had over 790 people at our two Christmas carol events which included many guests who may have heard the Christian message for the first time. 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

Review of the year's activities

Each of the areas of activities of Citygate Church along with the development of the Citygate Centre are outlined below with significant achievements for 2015 noted.

1. Sunday meetings

One of Citygate Church's key activities are our Sunday meetings where our focus is to worship and encounter God, preach from the Bible and offer prayer for those in need or those wanting to grow in their faith. It is also an opportunity to welcome new people from all walks of life and help each person to find their place in Citygate Church. In 2015 we continued to see visitors to Citygate Church with over 280 filling in our 'connect' cards. We have also seen high numbers of guests at our special Sunday meetings including Baptisms, Dedications, Easter and Christmas celebrations.

Throughout 2015, we have built on our investment in welcoming and integrating those who are new to Citygate Church, helping them to find their place. In 2015 we have prioritised helping people to commit to community groups in which they can find friendship on a deeper level than is possible at our larger Sunday meetings. Other ways that we have helped people to find their place is through our Alpha or Beta courses, as well as our 'Join Us' course, or serving in established volunteer teams.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

2. Teaching and training

Our Alpha and Beta courses were well attended in the year with 30 people completing all 7 sessions of our Alpha course. We also had 51 new members come through our Join Us course and are getting established in building community and in mission.

3. Youth and children's work, students and twenties

2015 was a year of significant growth in the children and youth work, building on growth from the previous year. The number of children attending our Sunday groups increased from an average of 63 in 2014 to 72 in 2015 with a high of 106 children on one of our Sundays during the year. Moving our offices to the first floor has given our children's groups the space they've desperately needed to accommodate growth. Our Family Christmas Celebration was once again a huge success with around 220 children and their families attending. A number of those attending were invited through our local community outreach groups as well as the local primary school with which we have an excellent relationship.

4. Mission Work

Worldwide

The projects in Tamil Nadu in India are continuing to serve the local community, with two churches now established, a school serving over 600 pupils, as well as an agricultural initiative. There is also a children's home to care for orphans and vulnerable children.

Our support to the Commission Network, both in time and monetary resources, is helping to support churches being started, leaders being trained and equipped, and communities being transformed by the Christian message both nationally and internationally.

We continued to offer opportunities for overseas mission through our Bursary Fund. This fund is available to church members who choose to join a volunteer team for mission trips overseas. Citygate Church look to provide a contribution towards mission costs.

Local

Our established local ministries and projects such as Little Acorns continue to support and serve the local community. In 2014 we set up a number of new community ministries to serve different spheres of our society and they have continued to gather momentum in 2015 –

- A community group working in the women's refuge, providing friendship, support and prayer to vulnerable women.
- A group providing free, educational English to over 100 Internationals in a relational style setting.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

- A coffee morning for the over 60s, providing friendship and support on a weekly basis.
- A community choir with crèche facilities, providing friendship and support to vulnerable mums through a shared love of music.
- A community craft group reaching out to vulnerable mums, with strong links to the community choir, providing friendship, prayer and support.
- The Sleepsafe Project, linked with Bournemouth Churches Housing Association, providing overnight shelter and food to the homeless during the winter months and providing signposting and practical help in finding long term accommodation.
- An Educational English Discussion group, providing free language support to internationals wanting to develop their spoken English. This group supports over 100 internationals on a weekly basis, providing friendship and support

These new groups are making a tangible difference in people's lives and we are seeing a number of those attending

The Citygate Centre

Having relocated to the Citygate Centre in 2013, we were able to finally utilize all the space in this excellent facility in 2015. Our Building Fund Gift Week allowed us to fit out the first floor and relocate our offices. Our regular Building Fund income is also covering our mortgage payments on our £1m facility with HSBC. In early 2016 we were able to sell our St Swithuns building and use some of the proceeds to pay off the variable element of our mortgage.

Citygate Events Ltd, Citygate Church's trading arm, having started trading in 2014, continued in its activity throughout 2015. We have managed to keep good relationship with existing clients and continue to attract a diverse range of clients for hiring the venue, from community enterprises to corporate businesses as well as Citygate and Commission Network ministries.

Citygate Events Ltd had turnover of just over £71k (2014: £63k) for the year. This income has allowed us to significantly subsidise the centre running costs and we look to grow our turnover in subsequent years.

Our lease agreement with St Swithuns Church for the hire of the St Swithuns building continued through to the sale of the building in early 2016. This lease has allowed us to cover any repairs and running costs for the St Swithuns site as well as set aside reserves for future periods.

Communications and resources

Citygate Church has maintained a regularly updated website which is a central point for resources, upcoming events, media archives and information about Citygate Church. This website has valuable resources in all areas of our work. We also send regular updates on Citygate activities through our weekly e-bulletin as well as social media.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

Incoming resources

Total incoming resources for the year were £719k (2014: £703k). This income is made up of both donations, event ticket income, rental income and gifted profits from Citygate Events Ltd.

Undesignated donations are mainly received from Citygate Church members and those who would call Citygate their church. These gifts amounted to just over £404k (2014: £366k). Gifted profits from Citygate Events Ltd amounted to £56k (2014: £51k). We received rental income of £36k (2014: £27k) for the hire of our St Swithuns site.

The trustees set out some funding objectives for the gift weeks in 2015. Funds raised during the gift weeks were to predominantly be used to fund the fitting out of the first floor offices at the Citygate Centre.

The first floor was fit out by the end of November 2015 having used the funds raised during the gift weeks subsidised by funds already held within the building fund. From gift weeks we raised donations of £158k (2014: £181k).

We received restricted funds for Beacon Church Bridport as we continue to support this fledgling church administratively. In November we handed over administrative support to Beacon Church as they have now received charitable status. Please see the notes on restricted funds below.

We received restricted funds for a social project in Portugal which was sent in the year, as well as a one off gift for our work with a women's refuge which will be spent for purpose in 2016.

We also cleared restricted funds held for Child Sponsorship through supporting the Life Bridging Works charity.

Future objectives

The objectives for 2016 and beyond is to continue to build our sense of community both within Citygate Church and looking to affect the local area. This means establishing our newer community ministries as well as pursuing other new initiatives that will allow us to take the gospel to the areas we believe we are called to pursue.

We will continue to welcome visitors from all walks of life whether through our community outreach or during our Sunday services and integrate them in to Citygate church, helping them to find their place to belong.

Our Alpha and Beta courses will continue to be key activities in helping people to explore Christianity and grow in their faith.

As mentioned earlier, we will look to reduce our liabilities significantly in light of the sale of St Swithuns, prioritising repayment of our mortgage facility.

Our leadership structure will be changing in 2016. Guy Miller who oversees the Commission Network of churches will step back from the lead elder role in Citygate Church to devote more time to seeing Commission grow and develop. Guy Miller will continue to be an integral part of the eldership team with Russell White taking on the lead elder role in Citygate Church at the end of 2016. 2016 will therefore be a year of transition but one we believe will serve Citygate Church well for the foreseeable future.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

Finally, continuing to build a strong administrative base is key in order to facilitate growth in all the above pursuits and demonstrate sustainable good practice as a UK charity.

Grant making policy

Grants are made to organisations or individual that we have long standing relationship with. Our funding of projects in Southern Sudan in the past have been through James Lokuda, which we have been working with on a number of projects both in Kenya and Southern Sudan for over 15 years. More recently we have teamed with Life Bridging Works a charity set up by former members of Citygate Church who work with James Lokuda with Child Sponsorship projects alongside other sustainable projects.

We continue to support Steve and Beth Deveraj, members of Citygate Church who moved to Tamil Nadu in India to start a school and church. We have had a long standing relationship with the family and look to support them coming back to England every 3 or 4 years for respite. We are in communication a number of times during the year, receiving reports on the development of both projects.

We have continued to support the PACE Trust, a Christian Charity which brings the practical Christian message to young people in local schools in Bournemouth. We have good relationship with both the board of trustees as well as one of the schools workers.

We regularly give to Commission Apostolic Trust Ltd which is a network of churches who support each other and apostolically oversee Citygate Church. Citygate Church is significantly involved in the work of Commission led by Guy Miller who is lead elder of Citygate Church.

We have continued to support Michaels House, a dry house in the local area, providing accommodation for those recovering from addiction. Two of the trustees of the trust are members of Citygate Church.

Reserves Policy

The trustees review the charity's reserves regularly in the light of Charity Commission guidance. The trustees believe that the charity should hold free reserves of between three and six months of regular church giving income, as it is believed that this will provide sufficient funds to respond to any shortfalls in donations and event income, and would cover all costs in unforeseen circumstances.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

The charity's current reserves position is as follows:

- The total funds held by the charity at 31 December 2015 are £1,747,867 (2014: £1,643,211).
- There is £880 (2014: £17,950) for restricted funds. Restricted funds arise where gifts are received for specific purposes as outlined by the giver. Expenditure is distributed in line with these requirements. In 2015 Citygate Church received donations and other income to the value of £42.7k for restricted purpose. The apportionment of the funding is specified in note 16 of the accounts.
- £70,000 (2014: £829,195) has been designated by the trustees at 31 December 2015. The balance from 31 December 2014 related to the value of the Citygate Centre. This building project is now complete and therefore the trustees felt that these funds no longer needed to be designated as the building is now in use for the day to day running of the charity. The balance designated at 31 December 2015 is the amount that the trustees feel should be set aside in case of emergency works required to be carried out on the building.
- The designated funds are in case of emergency building works to be carried out and the fund will be reviewed annually to ensure reasonable.
- Within the total funds there is £1,641,397 which could only be realised by selling the fixed assets held by the charity. This value includes the bank loans in place with security over these assets and also the concessionary loans that were given to the charity to fund the building project.
- Therefore the total free reserves held by the charity at the year-end are £35,590.
- This amount is less than the policy set by the trustees as three to six months of regular church income is between £101k and £202k. The trustees believe that the level of free reserves will increase over the next few years as the costs required for the building will go down.

Support, volunteers and other organisations

Citygate Church is only able to continue in the work it does because of the time and resources given by volunteers. The trustees express their thanks for the ongoing generosity of individuals in both donations and volunteer time.

Employees

The work of Citygate Church relies on the commitment and hard work of its valued staff. At the year-end Citygate Church directly employed 10 members of staff, and a further 7 on joint contracts with Commission Apostolic Trust Ltd.

The trustees wish to take this opportunity to thank all staff, past and present, for their service and commitment.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

Remuneration policy

Trustees decide on salaries for all staff. The process for review involves using a Salary Matrix which was developed by one of the trustees which considers key responsibility areas for each role which are scored on a systematic basis and weighted depending on the level of responsibility and value that each category is to the organisation. Appraisal review feedback is also given to the trustees and used in determining where on the scale each employee is performing based on the matrix.

Salaries are reviewed at the end of each financial year and coincide with the production of budgets. These are reviewed and discussed by trustees and approved at the year end.

Public Benefit

One of the main objectives of a church is to engage in social action work for the benefit of the community it serves. This principle is strongly encouraged as a core belief of the Christian faith. The nature of this work varies enormously, but typically, churches will engage in a number of different projects - a recent survey of

churches associated with 'Commission', found that each church was involved in an average of seven social action projects. The most common are:

- Mothers and toddlers groups
- Marriage counselling /courses
- Community festivals/fun days
- Debt counselling
- Children's clubs (not including Sunday school type activities)
- School assemblies / RE work
- Parenting help/courses
- Food distribution
- Caring for the Elderly (not exclusively for church members)
- Youth work

While these are the most common, there are many others which churches run, and also in conjunction with other churches in their local vicinity. These include street patrols, sex workers/ trafficking, pregnancy/post-abortion help, working with the homeless and other community improvement initiatives (such as clean ups). Working with those in or recovering from addiction (e.g. drugs/alcohol) is also a common social action project among this family of churches. Citygate Church is involved in most of the above activities and its work among those in recovery from addiction and abuse as well its support and reaching out to sex workers, is benefiting the community it serves.

Our public meetings on Sundays provide an opportunity for teaching, worship, envisioning and sharing time together as a community of people. This is with the aim of individuals enjoying being together to develop a strong sense of community and also to envision church members to serve their own local community.

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.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

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 by the members at the Annual General Meeting where they are deemed to possess the experience and skills required to perform the role of a director. The trustees may also appoint a director to serve until the next Annual General Meeting, at which time he or she would cease to hold office but would be eligible for election.

Induction and training of trustees

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

Organisational structure

Overall, Citygate Church is led by Guy Miller and a team of elders. They are responsible to God for the leadership of the church. They will work to ensure that the vision of the church is fully implemented.

The elders named on page 2 served throughout the year.

The trustees carry 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 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.

The board of trustees consists of two executive trustees, one of whom is an elder (Andrew Lawrence), and 4 non-executive trustees. The non-executive trustees bring experience and expertise in business, human resources, risk management, information governance, security and law.

The trustees have delegated the day to day responsibilities of the charity to key staff and executive trustees. These include Finance, Governance, HR and Risk systems and processes. The executive trustees will report to the trustees on a regular basis on these areas of responsibility. The Elders will set the vision and direction of the church and lead the church through teaching and training.

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REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

Related parties

The charity was born out of a movement of churches in the United Kingdom and across the world called Newfrontiers. Newfrontiers has now multiplied in to a number of networks which work both individually and in partnership where there is mutual benefit. Guy Miller, lead elder of Citygate Church, leads one of these networks, set up as a charity under the name Commission Apostolic Trust Limited. The charity was established on 14 November 2012 and runs the above activities under its charitable objectives.

Risk management

The trustees have overall responsibility for the charity's internal control. Such a system can provide only reasonable and not absolute assurance against errors or fraud. There is a clear delegation of the trustees' authority through the executive trustees and the elders to the rest of the charity.

The charity operates a planning and budgeting system with an annual budget approved by the board of trustees. A financial reporting system monitors the income and expenditure of the charity against the budget on a monthly basis.

A register of the risks faced by the charity is being developed, identifying the major strategic and operational risks faced and how they are being managed. The major risks identified are reputational risk and loss of key staff.

Citygate Church is developing a monitor of the key risks identified. Reputational risk is managed through a number of strategies including accountability of senior leaders and clear management of communications and public relations. Loss of key staff risks are mitigated to an extent through the performance appraisal process which encourages open communication and line management of staff, as well as a clear policy on reviewing salaries and other benefits.

The trustees are satisfied that systems are in place to monitor, manage, and mitigate the charities exposure to major risks. They consider that the development of the charity's reserves and reviewing internal controls and risk will provide the charity with adequate risk assurance and sufficient resources in the event of adverse conditions. They also recognise that the nature of some of the charity's work requires active acceptance and management of some risks when undertaking activities to achieve the objectives of the charity.

CITYGATE CHURCH

REPORT OF THE TRUSTEES YEAR ENDED 31 DECEMBER 2015

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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 the 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 charity will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charity's auditor is unaware, and
- the trustees have each taken all steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

CITYGATE CHURCH

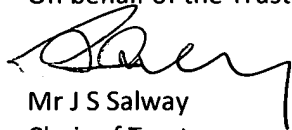
**REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2015**

Auditors

Saffery Champness, the charity's auditors are willing to remain in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

The Trustees have taken advantage of the small companies' regime in preparing the Report to the Trustees.

On behalf of the Trustees:



Mr J S Salway
Chair of Trustees
24/05/2016

CITYGATE CHURCH

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CITYGATE CHURCH

We have audited the financial statements of Citygate Church for the year ended 31 December 2015 set out on pages 18 to 38. 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), including Financial Reporting Standard 102.

This report is made solely to the company's members and the trustees, 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 charitable company, the company's members and trustees 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 in relation to the financial statements, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Charities Act 2011 and the Companies Act 2006 and report in accordance with those Acts. 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 group's and the parent 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 Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2015 and of the group's 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 requirements of the Companies Act 2006 and the Charities Act 2011.

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

Opinion on other requirement of the Companies Act 2006

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

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 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity 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; or
- the trustees were not entitled to prepare the financial statements and the Report of the Trustees in accordance with the small companies' regime and take advantage of the small companies exemption in preparing the Report of the Trustees and the strategic report.



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

3 June 2016

**Chartered Accountants
Statutory Auditors**

Midland House
2 Poole Road
Bournemouth
Dorset
BH2 5QY

CITYGATE CHURCH

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	Unrestricted funds 2015 £	Restricted funds 2015 £	Total £	2014 £
Income					
Donations	2	561,953	41,818	603,771	583,697
Charitable activities	4	6,503	795	7,298	15,518
Other trading activities	3	107,422	-	107,422	103,079
Investment income		-	61	61	273
Total income		<u>675,878</u>	<u>42,674</u>	<u>718,552</u>	<u>702,567</u>
Expenditure					
Raising funds	5	17,001	-	17,001	11,540
Charitable activities	5	511,626	60,399	572,025	570,041
Total expenditure		<u>528,625</u>	<u>60,399</u>	<u>589,026</u>	<u>581,581</u>
(Losses)/Gains on revaluation of freehold property		(25,000)	-	(25,000)	82,816
Net income/(expenditure)		<u>122,253</u>	<u>(17,725)</u>	<u>104,526</u>	<u>203,802</u>
Transfer between funds		(655)	655	-	-
Net movement in funds		<u>121,598</u>	<u>(17,070)</u>	<u>104,526</u>	<u>203,802</u>
Reconciliation of funds:					
Total funds brought forward		<u>1,625,261</u>	<u>17,950</u>	<u>1,643,211</u>	<u>1,439,409</u>
Total funds carried forward		<u>1,746,859</u>	<u>880</u>	<u>1,747,739</u>	<u>1,643,211</u>

All gains and losses are included above. The surplus for the year for Companies Act purposes was £104,656 (2014: £203,802)

The notes and accounting policies on pages 21 to 38 form part of these accounts.

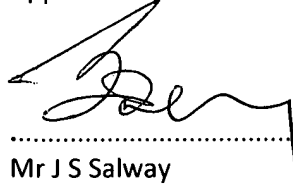
CITYGATE CHURCH

BALANCE SHEETS AT 31 DECEMBER 2015

		2015		2014	
	Notes	Group £	Charity £	Group £	Charity £
Fixed assets					
Tangible assets	11	2,598,421	2,598,421	2,594,807	2,594,807
Investments	12	-	131	-	131
		<u>2,598,421</u>	<u>2,598,552</u>	<u>2,594,807</u>	<u>2,594,938</u>
Current assets					
Debtors	13	29,422	76,120	17,077	57,228
Cash at bank and in hand		206,099	143,980	158,033	112,898
		<u>235,521</u>	<u>220,100</u>	<u>175,110</u>	<u>170,126</u>
Creditors: Amounts falling due within one year	14	<u>(129,179)</u>	<u>(113,758)</u>	<u>(93,138)</u>	<u>(88,383)</u>
Net current assets		<u>106,342</u>	<u>106,342</u>	<u>81,972</u>	<u>81,743</u>
Total assets less current liabilities		<u>2,704,763</u>	<u>2,704,894</u>	<u>2,676,779</u>	<u>2,676,681</u>
Creditors: Amounts falling due after more than one year	15	<u>(957,024)</u>	<u>(957,024)</u>	<u>(1,033,568)</u>	<u>(1,033,568)</u>
Net assets		<u>1,747,739</u>	<u>1,747,870</u>	<u>1,643,211</u>	<u>1,643,113</u>
Funds					
Restricted funds	16	880	880	17,950	17,950
Revaluation reserve	17	57,816	57,816	82,816	82,816
Unrestricted funds	17	<u>1,689,043</u>	<u>1,689,174</u>	<u>1,542,445</u>	<u>1,542,347</u>
Total funds	18	<u>1,747,739</u>	<u>1,747,870</u>	<u>1,643,211</u>	<u>1,643,113</u>

The notes and accounting policies on pages 21 to 38 form part of these accounts.

Approved by the Board of Trustees on 24 May 2016 and signed on its behalf by



 Mr J S Salway



 Mr S D Theunissen

Company number: 05899708

CITYGATE CHURCH

**CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2015**

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Cash flows from operating activities:					
Net cash provided by operating activities	23		201,556		212,176
Cash flows from investing activities:					
Dividends, interest and rents from investments		61		273	
Proceeds from the sale of property, plant and equipment		1,683		-	
Purchase of property, plant and equipment		(92,368)		(136,352)	
Net cash provided by (used in) investing activities			(90,624)		(136,079)
Cash flows from financing activities					
Repayments of borrowing		(53,354)		(10,231)	
Repayment of hire purchase		(512)		(511)	
Repayments of other loans		(9,000)		(10,000)	
Net cash used in financing activities			(62,866)		(20,742)
Change in cash and cash equivalents in the reporting period			48,066		55,355
Cash and cash equivalents at the beginning of the reporting period			158,033		102,678
Cash and cash equivalents at the end of the reporting period	24		206,099		158,033

CITYGATE CHURCH

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2015

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1 January 2015) and the Companies Act 2006.

Citygate Church constitutes a public benefit entity as defined by FRS102.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

1.2 Transition to FRS102

The date of transition to FRS102 is 1 January 2014, and these are the first financial statements the charity has prepared in accordance with this FRS.

Adoption of the new FRS has required the following changes to accounting policies:

- Incoming resources are recognised when receipt is probable rather than virtually certain.
- As detailed in note 6, support costs allocated to other activities now include governance costs.

There are no changes to the charity's net assets resulting from the transition.

1.3 Consolidation

These accounts present the results of the Charity and its wholly owned subsidiary Citygate Events Limited. The Charity has taken advantage of the exemption under section 408 of Companies Act 2006, not to publish its own Statement of Financial Activities.

1.4 Investments

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

1.5 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 funds represent unrestricted funds earmarked by the trustees for specific purposes.

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

1.6 Fixed Assets

All fixed assets are initially recorded at cost.

All assets costing more than £400 are capitalised.

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 31 DECEMBER 2015

1.7 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 improvements are to be depreciated over 10 or 25 years depending on the nature of the assets.

1.8 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.

1.9 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.

1.10 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.

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2015

1.11 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.

1.12 Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Concessionary loans

Concessionary loans received are valued at the amount received by the charity adjusted to reflect any interest payable.

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total funds 2015	Total funds 2014
	£	£	£	£
Donations				
General gifts	404,207	41,818	446,025	402,578
Designated gifts (Building Fund)	157,746	-	157,746	181,119
	561,953	41,818	603,771	583,697

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

3	Other trading activities	Unrestricted funds	Restricted funds	Total funds 2015	Total funds 2014
		£	£	£	£
	Rental income	<u>107,422</u>	<u>-</u>	<u>107,422</u>	<u>103,079</u>
		<u>107,422</u>	<u>-</u>	<u>107,422</u>	<u>103,079</u>
4	Other incoming resources	Unrestricted funds	Restricted funds	Total funds 2015	Total funds 2014
		£	£	£	£
	Other events and activities	<u>6,503</u>	<u>795</u>	<u>7,298</u>	<u>15,518</u>
		<u>6,503</u>	<u>795</u>	<u>7,298</u>	<u>15,518</u>

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

5 Analysis of total resources expended

	Grants £	Staff costs £	Other direct costs £	Support costs £	Total 2015 £	Total 2014 £
Costs of activities for generating funds						
Fundraising expenses	-	-	771	-	771	-
Costs in respect of						
Citygate Events Ltd	-	-	16,230	-	16,230	11,540
	-	-	17,001	-	17,001	11,540
Charitable activities						
Citygate Centre	-	45,457	134,506	19,215	199,178	180,876
Sunday meetings	-	31,782	5,078	25,620	62,480	72,941
Mission	53,856	24,287	49,128	19,215	146,487	121,814
Youth and children's work	-	12,385	6,101	12,810	31,297	57,807
Training and teaching	-	26,917	6,267	25,620	58,804	79,454
Pastoral care	-	35,793	12,368	25,620	73,781	57,149
	53,856	176,621	213,448	128,100	571,895	570,041
Total resources expended	53,856	176,621	230,449	128,100	588,026	581,581
Support staff costs		77,172		(77,172)		
		253,793		50,928		

Included within other direct costs for Citygate Centre is interest on bank loans paid of £32,239 (2014: £35,027).

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2015

6 Allocation of support costs

	Total	Church activities	Mission activities	Teaching & Training	Buildings
	£	£	£	£	£
Property costs	6,853	1,371	3,084	1,371	1,027
Travel costs	2,905	581	1,307	581	436
Staff costs	75,635	15,127	34,036	15,127	11,345
Office costs	14,563	2,913	6,552	2,913	2,185
Information Technology	10,860	2,172	4,887	2,172	1,629
Teaching & training costs	2,728	546	1,227	546	409
Finance costs	1,430	286	644	286	214
Communications	3,530	706	1,588	706	530
Governance costs:					
Audit and accountancy	7,588	1,518	3,415	1,518	1,137
Trustees insurance	471	94	212	94	71
Staff costs	1,537	306	693	306	232
	<u>128,100</u>	<u>25,620</u>	<u>57,645</u>	<u>25,620</u>	<u>19,215</u>

7 Grant expenditure

The charity made the following grants during the period:

	Local	Worldwide	2015	2014
	£	£	£	£
Mission work in India	-	2,640	2,640	3,100
Mission work in Sudan	-	500	500	9,350
Mission work with the poor	2,000	-	2,000	1,025
Grants to Commission Apostolic Trust Limited	19,246	-	19,246	17,415
Grants to Commission Apostolic Trust Limited - Westpoint	-	5,000	5,000	3,000
Other local mission work	13,134	-	13,134	10,780
Other mission work worldwide		11,336	11,336	-
	<u>34,380</u>	<u>19,476</u>	<u>53,856</u>	<u>44,670</u>

CITYGATE CHURCH**NOTES TO THE ACCOUNTS (continued)**
YEAR ENDED 31 DECEMBER 2015**8 Net incoming resources for the year**

This is stated after charging:

	2015	2014
	£	£
Staff pension contributions	3,872	6,022
Depreciation	60,895	67,618
Auditors' fees	6,450	5,000
	<u> </u>	<u> </u>

9 Staff costs

Total staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	225,906	198,491
Social security costs	24,015	23,497
Pension costs	3,872	6,022
	<u> </u>	<u> </u>
	253,793	228,010
	<u> </u>	<u> </u>

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

	2015	2014
	No	No
Average number of employees	9	9
	<u> </u>	<u> </u>

No employee earned over £60,000 during the current or prior year.

During the year the key management personnel received remuneration of £113,858 (2014: £134,924)

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2015

10 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 £27,361 (2014: £31,865) and pension contributions of £2,468 (2014: £3,508) were made on his behalf for his role as an Elder of the Church.

Mr S D Theunissen is a trustee of the Charity. During the year, Mr S D Theunissen received a salary of £15,373 (2014: £13,502) for his role as finance director.

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 19.

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

11 Tangible fixed assets Group and Charity

	Land and buildings £	Other plant & machinery £	Total £
Cost or valuation			
At 1 January 2015	2,548,325	253,268	2,801,593
Additions	75,585	16,783	92,368
Revaluation	(25,000)		(25,000)
Disposals	-	(52,359)	(52,359)
At 31 December 2015	2,598,910	217,692	2,816,602
Depreciation			
At 1 January 2015	36,634	170,152	206,786
Charge for the year	38,479	22,416	60,895
On disposals	-	(49,500)	(49,500)
At 31 December 2015	75,113	143,068	218,181
Net book value			
31 December 2015	2,523,797	74,624	2,598,421
31 December 2014	2,511,691	83,116	2,594,807

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2015

11 Tangible fixed assets (continued)

Land and buildings represent the following: -

- a) St Swithun's Centre, freehold property at a valuation of £675,000 (2014: £700,000). This property has been valued at the agreed selling price of the property. The property sale was completed in 2016.
- b) Costs incurred in respect of premises in long leasehold property total £1,923,910 (2014: £1,848,325). Depreciation charged in respect of the property amounted to £38,479 (2014: £36,634).

Finance lease agreements

Included within the net book value of £2,594,807 is £240 (2014: £360) relating to assets held under finance lease agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £120 (2014: £120).

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

12 Investments

Movement in value:

	2015		2014	
	Group	Charity	Group	Charity
	£	£	£	£
Cost at 31 December 2015 and 31 December 2014	-	131	-	131
Historical cost at 31 December 2015	-	131	-	131

Analysis of investments at 31 December 2015 between funds:

	Unrestricted funds	Restricted funds	Total 2015	Total 2014
	£	£	£	£
Other investments				
Investment in subsidiary	131	-	131	131

The charity owns 100% of the issued share capital of Citygate Events Limited, a company registered in England and Wales (07734479).

The subsidiary undertaking, Citygate Events Limited lets and operates the conference and exhibition centres of Citygate Centre.

A summary of the subsidiary undertaking results for the year is given below:

	2015	2014
	£	£
Gross income	71,886	63,005
Gross expenditure (excluding gift aided profits to charity)	(16,230)	(11,540)
Net surplus before donating profits to charity	55,656	51,465

At the balance sheet date the aggregate share capital and reserves of the subsidiary undertaking stood at £1 (2014: £99)

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

13 Debtors

	2015		2014	
	Group	Charity	Group	Charity
	£	£	£	£
Trade debtors	23,655	15,416	1,960	-
Amounts owed by group undertakings	-	55,655	-	44,565
Income tax recoverable	-	-	2,925	2,925
Other debtors	-	-	7,702	7,702
Prepayments	5,049	5,049	4,490	2,036
VAT recoverable	719	-	-	-
Accrued income	-	-	-	-
	<u>29,422</u>	<u>76,120</u>	<u>17,077</u>	<u>57,228</u>

14 Creditors

	2015		2014	
	Group	Charity	Group	Charity
	£	£	£	£
Amounts due within one year:				
Bank loans	55,500	55,500	51,268	51,268
Concessionary loans	13,500	13,500	4,000	4,000
Trade creditors	24,047	22,185	9,270	9,764
PAYE and social security	5	5	6,254	6,254
Finance leases	431	431	485	485
Deferred income	29,150	15,847	13,380	8,131
Other creditors	<u>6,290</u>	<u>6,290</u>	<u>8,481</u>	<u>8,481</u>
	<u>129,179</u>	<u>113,758</u>	<u>93,138</u>	<u>88,383</u>

The bank loan is secured as detailed in note 15.

The deferred income relates to rental income received for periods starting on or after 1 January 2016

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

15 Creditors

	2015		2014	
	Group £	Charity £	Group £	Charity £
Amounts due after more than one year:				
Bank loans and overdrafts	848,024	848,024	905,610	905,610
Concessionary loans	109,000	109,000	127,500	127,500
Finance leases	-	-	458	458
	<u>957,024</u>	<u>957,024</u>	<u>1,033,568</u>	<u>1,033,568</u>

The following liabilities disclosed under creditors are secured by the group

	2015		2014	
	Group £	Charity £	Group £	Charity £
Bank loans – due within one year	55,500	55,500	51,268	51,268
- due after one year	<u>848,024</u>	<u>848,024</u>	<u>905,610</u>	<u>905,610</u>
	<u>903,524</u>	<u>903,524</u>	<u>956,878</u>	<u>956,878</u>

Included in long term bank loans is a bank loan secured against the Citygate Centre on Holdenhurst Road. The loan is repayable over 15 years at a fixed interest rate of 4.08% per annum for 5 years with a variable rate of 2.33% per annum over the Bank of England base rate for the remaining period.

Included within creditors falling due after more than one year is an amount of £623,207 (2014: £678,207) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

The concessionary loans are interest free and unsecured.

Future commitments under finance leases agreements are as follows:

	2015		2014	
	Group £	Charity £	Group £	Charity £
Amounts payable within one year	431	431	485	485
Amounts payable between two to five years	-	-	458	458
	<u>431</u>	<u>431</u>	<u>943</u>	<u>943</u>

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

16 Restricted income funds

Group and Charity

	Balance at 1 January 2015 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 December 2015 £
Child sponsorship	3,724	-	3,724	-	-
Oasis refuge	-	880	-	-	880
Fonte Social Portugal	-	508	508	-	-
Syrian Refugee offering	-	5,584	5,584	-	-
Bridport	14,226	35,702	50,583	655	-
Total	17,950	42,674	60,399	655	880

Restricted funds are made up as follows: -

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

Oasis Refuge – Donation received specifically for our work with the Women's Refuge.

Fonte Social Portugal is for the purpose of resourcing a social action project in Penefiel Portugal.

Syrian Refugee Offering is for the purpose of providing crisis relief for Syrian Refugees.

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

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

17 Unrestricted income funds

Group

	Balance at 1 January 2015 £	Incoming resources £	Outgoing Resources £	Losses on revaluation /Transfers £	Balance at 31 December 2015 £
Building Fund	829,195	157,746	85,608	(901,333)	-
General funds	713,250	518,132	443,017	830,678	1,619,043
Revaluation reserve	82,816	-	-	(25,000)	57,816
Designated fund	-	-	-	70,000	70,000
	<u>1,625,261</u>	<u>675,878</u>	<u>528,625</u>	<u>(25,655)</u>	<u>1,746,859</u>

Charity

	Balance at 1 January 2015 £	Incoming resources £	Outgoing Resources £	Losses on revaluation /Transfers £	Balance at 31 December 2015 £
Building Fund	829,195	157,746	85,608	(901,333)	-
General funds	713,152	500,960	425,616	830,678	1,619,174
Revaluation reserve	82,816	-	-	(25,000)	57,816
Designated fund	-	-	-	70,000	70,000
	<u>1,625,163</u>	<u>658,706</u>	<u>511,224</u>	<u>(25,655)</u>	<u>1,746,990</u>

The Building Fund designated fund relates to money raised for purchases of property and general repairs as deemed necessary by church members. As the Building project has now been completed this fund has been released to the general fund.

The designated fund is for the amount that the trustees deem necessary to be set aside for possible future emergency building work on Citygate Centre.

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

18 Analysis of net assets between funds

Group

	Tangible fixed assets and investment £	Long term liabilities £	Net current assets £	Total £
Restricted income funds:				
Restricted funds	-	-	880	880
Unrestricted income funds:				
General fund	2,540,605	(957,024)	35,462	1,619,043
Revaluation reserve	57,816	-	-	57,816
Designated funds	-	-	70,000	70,000
Total funds	2,598,421	(957,024)	106,342	1,747,739

Charity

	Tangible fixed assets and investment £	Long term liabilities £	Net current assets £	Total £
Restricted income funds:				
Restricted funds	-	-	880	880
Unrestricted income funds:				
General fund	2,540,736	(957,024)	35,462	1,619,174
Revaluation reserve	57,816	-	-	57,816
Designated funds	-	-	70,000	70,000
Total funds	2,598,552	(957,024)	106,342	1,747,870

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued) YEAR ENDED 31 DECEMBER 2015

19 Related party transactions

During the year 1 trustee (2014: 1) was reimbursed £69 (2014: £14) for travel expenses and 1 trustee (2014: 2) was reimbursed £85 (2014: £232) for hospitality and entertaining expenses. A bursary of £200 was given to 1 trustee in the year (2014: £nil).

The charity owns 100% of the issued share capital of Citygate Events Limited, a company incorporated on 9 August 2011. Mr S D Theunissen, Mr J S Salway and Mr E Walker are directors of this company.

As at 31 December 2015 Citygate Events Limited owed Citygate Church £55,655 (2014: £44,565) which relates to the gift aid distribution payable.

20 Company limited by guarantee

The company is limited by guarantee and therefore has no share capital. In the case of a winding up each member has guaranteed to contribute an amount not exceeding £10. At 31 December 2015 the total of such guarantees was £50 (2014: £40).

21 Taxation

Citygate Church is a registered charity and can claim exemption from Corporation Tax on income and gains which are applied for charitable purposes under section 505, Income and Corporation Taxes Act 1988.

The subsidiary company is subject to Corporation tax.

CITYGATE CHURCH

NOTES TO THE ACCOUNTS (continued)
YEAR ENDED 31 DECEMBER 2015

22 Comparative information of the Statement of Financial Activities

	Unrestricted £	Restricted income £	Total 2014 £
Income:			
Donations	547,427	36,270	583,697
Charitable activities	12,756	2,762	15,518
Other trading activities	103,079	-	103,079
Investments	7	266	273
Total	663,269	39,298	702,567
Expenditure on:			
Raising Funds	11,540	-	11,540
Charitable activities	528,939	41,102	570,041
Total	540,479	41,102	581,581
Gains on revaluation of fixed assets	82,816	-	82,816
Net income	205,606	(1,804)	203,802
Net movement in funds	205,606	(1,804)	203,802
Reconciliation of funds:			
Total funds brought forward	1,419,655	19,754	1,439,409
Total funds carried forward	1,625,261	17,950	1,643,211

The statement of financial activities contains all gains and losses for the year and all activities relate to continuing operations. The profit for the purposes of the Companies Act 2006 is the net incoming resources before unrealised losses/gains.

CITYGATE CHURCH**NOTES TO THE ACCOUNTS (continued)**
YEAR ENDED 31 DECEMBER 2015

23 Reconciliation of net income to net cash flow from operating activities

	2015	2014
	£	£
Net income for the reporting period (as per the statement of financial activities)	104,656	203,802
Depreciation	60,895	67,618
Dividends, interest and rents from investments	(61)	(273)
Loss on disposal of fixed assets	1,176	-
Revaluation of property	25,000	(82,816)
(Increase)/decrease in debtors	(12,345)	6,993
Increase in creditors	22,235	16,852
Net cash inflow from operating activity	201,556	212,176

24 Analysis of cash and cash equivalents

	2015	2014
	£	£
Cash in hand	206,099	158,033