

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

City Gate Community Projects

(A company limited by guarantee)

Charity registration number: 1093245

Company registration number: 04298200

Independent Examiners Ltd  
2 Broadbridge Business Centre  
Delling Lane  
Bosham, Chichester  
West Sussex  
PO18 8NF

# **CITY GATE COMMUNITY PROJECTS**

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# **CITY GATE COMMUNITY PROJECTS**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Trustees</b>	Yvonne Au Fiona Bennett Elizabeth Brewer Gwyn Davies Stephen Hardman Keith Harrison Suzanne Maine (appointed 1 December 2022) James Marchant Caroline Ward Jonathan Wilkins Katharine Bingley (resigned 24 January 2023)
<b>Secretary</b>	Jonathan Wilkins
<b>Charity Registration Number</b>	1093245
<b>Company Registration Number</b>	04298200
<b>Registered Office</b>	The charity is incorporated in England. FareShare Sussex & Surrey Unit 3-4 Fairway Business Centre Westergate Road Brighton BN2 4JZ
<b>Independent Examiner</b>	G W Schulz ACMA Independent Examiners Ltd 2 Broadbridge Business Centre Delling Lane Bosham, Chichester West Sussex PO18 8NF
<b>Bankers</b>	The Co-operative Bank P.O. Box 250 Skelmersdale WN86WT

# **CITY GATE COMMUNITY PROJECTS**

## **TRUSTEES' REPORT**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2023.

### **Objectives and activities**

#### ***Objects and aims***

The charitable objects as stated in the governing documents are summarised in our mission: "To fight hunger, tackle food waste and transform lives through the redistribution of food."

The charity's purposes, for the public benefit are:

1. The relief of people in need through fighting hunger
2. The advancement of environmental protection through tackling food waste
3. The advancement of citizenship through the promotion of volunteering

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The trustees ensure that the charity is always managed with a view to benefitting the public and with regard to its beneficiaries. It also means identifying and minimising risks of harm. Decisions are made in accordance with the general framework for 'trustee decision making'.

In 2022-23, FareShare Sussex & Surrey achieved the following for the public benefit:

- 2.4 million meals provided for vulnerable people
- 1,014 tonnes of food distributed to community projects
- 850 tonnes of surplus food saved from waste
- 153 charity and community partners received food in Sussex and Surrey
- 17,370 vulnerable people received meals every week

At FareShare Sussex & Surrey, we source good-to-eat food from the food industry that would otherwise go to waste and landfill. We store and sort this food and deliver it to charities, breakfast clubs, after school clubs, children's and family centres, hostels, food banks, supported housing and other community groups to provide nutritious meals for those in the community who need it most.

We provide a range of volunteering opportunities for people from diverse backgrounds. We would be unable to offer our service without their invaluable support. Our volunteers receive incoming food, stock the warehouse, pick deliveries and load and drive our delivery vans. They also support office administration, manage our social media activities and develop our fundraising activities. Our volunteers are motivated by a desire to give back to the community, develop their skills, support vulnerable people and tackle food waste. FareShare Sussex & Surrey employability training supports people with job readiness skills to help them find work, often in the food sector.

# **CITY GATE COMMUNITY PROJECTS**

## **TRUSTEES' REPORT**

*"You can get to a certain age where you think you may become invisible, that you are never going to learn something new. FareShare Sussex & Surrey gives you that - you know you are respected, you're needed. It makes you feel like you have a purpose and you are not disappearing anymore and you can learn new skills."*

Caroline, Volunteer Driver

Proud achievements in 2022-23 include:

- 74 volunteers completed formal training in Food Safety, Health and Safety and manual handling.
- 17 volunteers progressed into employment, having had opportunities to improve skills in communication, food safety and warehousing.
- 3 volunteers were taken on in paid staff roles at FareShare Sussex & Surrey.
- 26 trainees participated in the FareShare Futures employability training programme.

### **Structure, governance and management**

#### ***Nature of governing document***

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum and Articles of Association on 03/10/2001 and as amended by Special Resolution.

#### ***Recruitment and appointment of trustees***

The management of the company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

#### ***Risk management***

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

### **Achievements and performance**

The 2022/23 year was successful in very arduous conditions. The cost of living crisis took hold as utilities, fuel and food inflation saw demand for our services skyrocket. Food inflation peaked at 19.1% during the period. The consequences had a direct cost impact on the charity, our partners and ultimately, the beneficiaries.

This year also launched the celebration of 20 years serving the people of Sussex and Surrey since 2002. Alongside events to mark this achievement, the anniversary provided a platform to relaunch our website with branding being freshened to incorporate Surrey into our operational name. Our operational name change and geographic jurisdiction was also amended with the Charity Commission.

#### ***Industry Partnerships***

The charity continues to benefit from working in partnership securing food from a wide range of suppliers from all stages of the supply chain, including growers, manufacturers, wholesalers, hospitality and retailers.

## CITY GATE COMMUNITY PROJECTS

### TRUSTEES' REPORT

For only the second time in 20 years, we saw our food volumes fall (-10%) as supply was squeezed by a variety of very challenging factors. The availability and flow of surplus food slowed as product ranges and national food volumes reduced and consumers faced empty shelves at retailers. Covid 19 spikes also continued to cause disruption in the first half of the year.

In spite of such strong headwinds, FareShare Sussex & Surrey still managed to distribute 1,014 tonnes of food to the communities we serve. However, during the year, we experienced disruption to our food supply at different stages including an especially difficult period at the start of our first quarter. Local food sourcing became increasingly important, leading to further staffing investment and the appointment of a new role. This is starting to yield results but for the moment is still not sufficient to meet increasing needs.

*"We're extremely proud to support FareShare Sussex & Surrey. The team makes donating so simple, and we are delighted to be able to help whenever we can. Knowing our eggs help so many people in our local community makes us very proud of our family farm."* Susie Macmillan, Director, The Mac's Farm

#### *People*

The headcount in our teams of both staff and volunteers was increased and strengthened during the year. A new recruitment and growth strategy across the teams had the aim of increasing capacity and maximising opportunities to rescue and redistribute a more stable volume of food in these uncertain times.

This demonstrated considerable commitment and flexibility, delivering enough food to provide 2.4 million meals to 153 Community Food Members (2020-21: 181), providing nutritious meals for 17,290 beneficiaries per week (2020-21: 21,720). Our volunteers contributed an incredible 24,726 hours during the year.

June 2022 saw the appointment of Dan Slatter as Chief Executive Officer following the departure of his predecessor. Further changes were subsequently made with an internal appointment of a new Head of Development joining the Senior Management Team in November.

Through the support of the European FLAVOUR programme, FareShare Sussex & Surrey worked in partnership with the network to broaden its work, develop employability training and create recipes using surplus food. 26 trainees took part in our 'FareShare Futures' employability and training programme, which was designed to help people in the community become employment ready and offer work experience in the food sector. Thanks to the FLAVOUR funding, we delivered skill sharing workshops to boost confidence in the kitchen and to provide inspiration to reduce food waste and create nutritious meals on a budget.

## CITY GATE COMMUNITY PROJECTS

### TRUSTEES' REPORT

Over the year, we ran 44 cooking on a budget workshops for a total of 211 people in partnership with our community groups. Beneficiaries included homeless people and young adults with unstable living conditions, women escaping domestic abuse, people from the travelling community, people who are neurodiverse or have additional needs or suffer from mental health issues, those who are unemployed and low income families struggling with the cost of living. The FLAVOUR programme and funding stream drew to a close in August. The charity aims to continue to develop its work on employability to support people in preparation for work, with the aim to open this programme into our new Surrey sites in 2023.

*"There's a strong sense of community, being a part of something important, where everyone's contribution is valued and acknowledged. It makes FareShare a warm and positive place to be. Personally, it's helped me through a period of significant difficulty in my life, which I would have found much harder if I hadn't been here."* Jon, Warehouse Volunteer

#### Food

As already noted, demand for food from our community partners has remained high and increased further as the impact of inflation and the cost of living crisis continued to bite. This, combined with a lower food yield, meant forming a waiting list of community partners who needed to receive food from us. The list totalled 17 at the end of March, which equates to 11% of our current membership. Furthermore, 27 existing members requested an increase in food volume supplied. 90% of our members reported an increase in demand for their service in our annual survey (May '22). To offer some much needed support, the charity decided to freeze membership fees for the year at 2021/22 levels, particularly in the face of rising inflation.

*"We really try to make the food as creative and interesting as possible. It's so important for the elderly. Sometimes it's the only time they'll eat a main course. And it's a social thing, bringing everyone together. Also, we've got people that used to stick to jacket potatoes every day, and now they're having curries, and with chillies."* Tammi, Chef Hop50

*"It makes my money go a little bit further. Things have really gone up in price. There's my husband and these two. It's been really helpful getting veg and fruit I wouldn't normally afford, like broccoli, carrots and raspberries. Our boys get free school meals, so this is even more important and helpful in the school holidays. We just couldn't manage without the Food from FareShare Sussex & Surrey."* Jane, Service user at Seaside Community Hub

# CITY GATE COMMUNITY PROJECTS

## TRUSTEES' REPORT

### *Development plans*

The focus was sharpened on our plans to expand our reach and capacity in Surrey following the appointment of our new Chief Executive. In addition to partners in East and West Sussex, we have been delivering food to a number of community projects in Surrey, an area where there is significant demand. As a result, we have been developing plans and seeking funding to extend our area of operation and open a warehouse in the county. As we closed the year, big strides had been made towards launching new facilities in Surrey. Firstly, with a new warehouse, and secondly with an initiative to open a production kitchen. Heads of Terms have recently been agreed with owners and lease holders. On 23rd May 2023 the trustees agreed to designate funding of £250k for this initiative, which is included in Note 17 of these accounts.

*"It has been an absolute pleasure to have supported the brilliant work that FareShare Sussex & Surrey do over the last 12 months. By offering free digital marketing expertise across SEO, content, strategy and paid media, we hope that we have helped the team achieve maximum impact. They are a joy to work with and we are in awe of their unwavering efforts to tackle food poverty, reduce waste and care for the community. We love our partnership and look forward to continuing our work together!"* Sam Zindel, Managing Director, Propellernet

### *Environmental Impact*

FareShare Sussex & Surrey continues to review and improve our own environmental footprint as an organisation.

This is driven by our 'Green Team' made up of both staff and volunteers. The team continues to work through our action plan, making carbon reductions from our 2021/22 carbon footprint report. The plan includes both small and large scale improvements. In the last year, we have saved 1,359 tonnes of CO2 from being released into the atmosphere through our work rescuing food.

An example of our larger investments has been the addition of another electric powered van to our fleet. This van was partially funded by the Rampion Offshore Wind Community Benefit Fund. Since joining the fleet in early winter, the van has covered 3,500 miles delivering and collecting surplus food. This has saved an estimated 350 kg of CO2 emissions.

Our fleet now comprises three out of seven delivery and collection vehicles powered by electricity. We purchased a further electric van this financial year and expect delivery in the first quarter of 2023. Funding for the most recent vans has been secured from capital grants from funders and commercial partners.

Looking ahead, the Green Team will continue to seek environmental improvements to our operations. Among the measures being explored is the installation of Solar PV panels at our Brighton warehouse.

*"As a Trust, we distribute small pots of money where we think they can make the most impact and support people on the front line of the current cost of living crisis. By giving to FareShare Sussex & Surrey, for the work they do exclusively across Sussex, we know that our money has a huge impact at what is a challenging time for many."* Richard Piggott, Homity Trust



# CITY GATE COMMUNITY PROJECTS

## TRUSTEES' REPORT

### *Notable achievements*

Other notable achievements included:

- Formal registration as a Real Living Wage Employer with the Real Living Wage Foundation.
- Initiation of registration process with the Fundraising Regulator.
- Selection as the Mayor of Brighton and Hove's charity of the year.
- Completion of successful external audits of Health & Safety, Food Safety and Safeguarding.

The consistency of the food supply remains uncertain for the year ahead and we have budgeted for likely continued increased running costs but especially on utilities and fuel, with inflation rates remaining very high.

*"Food is a brilliant way to bring people together, something about food can take the anxiety out of meeting new people and starting conversations. It elevates your mood and makes you feel good. It just makes people feel valued and a part of something."*

*"We couldn't make these meals and run the service without the value of the food from FareShare Sussex & Surrey. Food and support from FareShare Sussex & Surrey is helping us form some more targeted work and reach out to different groups - for instance we've just started a food and friends group for women and families."* Gary Pargeter, Service Manager, Lunch Positive

### **Financial review**

Despite a difficult funding and operating landscape, the directors are pleased to report a surplus of income over expenditure in 2022-23.

Following the strong financial performance in the year 2022-23 the trustees established a designated fund to support our expansion into Surrey, reserved for opening a new warehouse and production kitchen during the summer of 2023. We also passed this on to all our Community Food Members by freezing fees for the first quarter of 2023-24.

Total income for the year was £797,563 (2022: £728,139). This was mostly achieved through voluntary income, including grants and donations, and includes the investment in new and increased staffing levels in the Fundraising and Communications team.

Total expenditure was £605,896 (2022: £619,258) with spending on charitable activities being 89% of total expenditure.

The directors are responsible for the financial viability and sustainability of FareShare Sussex & Surrey. The directors reviewed and updated the reserves policy during the year, which ensures a minimum of six months' reserve funding in place.

### **Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

# **CITY GATE COMMUNITY PROJECTS**

## **TRUSTEES' REPORT**

### **Statement of responsibilities**

The trustees (who are also the directors of City Gate Community Projects for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.


The trustees are responsible for keeping proper accounting records that can 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. They 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.

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

### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 25 July 2023 and signed on its behalf by:



Jonathan Wilkins  
Company secretary and trustee

**CITY GATE COMMUNITY PROJECTS**  
**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF CITY GATE COMMUNITY PROJECTS**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2023 which are set out on pages 10 to 24.

**Responsibilities and basis of report**

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

Having satisfied myself that the accounts of City Gate Community Projects are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

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

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

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

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



.....  
G W Schulz ACMA  
Independent Examiners Ltd

25 July 2023

## CITY GATE COMMUNITY PROJECTS

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	610,967	16,089	627,056	625,737
Charitable activities	4	157,462	-	157,462	83,865
Other trading activities	5	-	-	-	18,254
Investment income	6	453	-	453	85
Other income	7	12,592	-	12,592	198
Total income		<u>781,474</u>	<u>16,089</u>	<u>797,563</u>	<u>728,139</u>
<b>Expenditure on:</b>					
Raising funds	9	67,215	-	67,215	33,161
Charitable activities	10	513,799	24,882	538,681	586,097
Total expenditure		<u>581,014</u>	<u>24,882</u>	<u>605,896</u>	<u>619,258</u>
Net income/(expenditure)		<u>200,460</u>	<u>(8,793)</u>	<u>191,667</u>	<u>108,881</u>
Net movement in funds		200,460	(8,793)	191,667	108,881
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>704,213</u>	<u>43,232</u>	<u>747,445</u>	<u>638,564</u>
Total funds carried forward	17	<u>904,673</u>	<u>34,439</u>	<u>939,112</u>	<u>747,445</u>

The notes on pages 13 to 24 form an integral part of these financial statements.

**CITY GATE COMMUNITY PROJECTS**  
**(REGISTRATION NUMBER: 04298200)**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	<u>288,725</u>	<u>192,226</u>
		<u>288,725</u>	<u>192,226</u>
<b>Current assets</b>			
Debtors	14	109,969	50,501
Cash at bank and in hand		<u>564,845</u>	<u>522,743</u>
		674,814	573,244
<b>Creditors: Amounts falling due within one year</b>	15	<u>(24,427)</u>	<u>(18,025)</u>
<b>Net current assets</b>		<u>650,387</u>	<u>555,219</u>
<b>Net assets</b>		<u>939,112</u>	<u>747,445</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		34,439	43,232
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>904,673</u>	<u>704,213</u>
<b>Total funds</b>	17	<u>939,112</u>	<u>747,445</u>

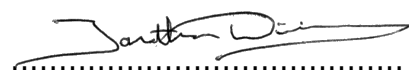
For the financial year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 10 to 24 were approved by the trustees, and authorised for issue on 25 July 2023 and signed on their behalf by:



Jonathan Wilkins  
Company secretary and trustee

The notes on pages 13 to 24 form an integral part of these financial statements.

**CITY GATE COMMUNITY PROJECTS**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash income		191,667	108,881
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	9	42,547	49,869
Investment income	6	<u>(453)</u>	<u>(85)</u>
		233,761	158,665
<b>Working capital adjustments</b>			
Increase in debtors	14	(59,468)	(40,278)
Increase/(decrease) in creditors	15	<u>6,402</u>	<u>(121,955)</u>
Net cash flows from operating activities		<u>180,695</u>	<u>(3,568)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	6	453	85
Purchase of tangible fixed assets	13	(139,046)	(16,182)
Sale of tangible fixed assets		<u>-</u>	<u>17,488</u>
Net cash flows from investing activities		<u>(138,593)</u>	<u>1,391</u>
Net increase/(decrease) in cash and cash equivalents		42,102	(2,177)
Cash and cash equivalents at 1 April		<u>522,743</u>	<u>524,920</u>
Cash and cash equivalents at 31 March		<u><u>564,845</u></u>	<u><u>522,743</u></u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase/(decrease) in cash		42,102	(2,177)
Net funds at 1 April 2022		<u>522,743</u>	<u>524,920</u>
Net funds at 31 March 2023		<u><u>564,845</u></u>	<u><u>522,743</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 13 to 24 form an integral part of these financial statements.

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**1 Charity status**

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

**2 Accounting policies**

**Summary of significant accounting policies and key accounting estimates**

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

**Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

**Basis of preparation**

City Gate Community Projects meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

**Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

***Gift aid***

Gift aid receivable is included in income when there is a valid declaration from the donor. Any Gift aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

***Interest receivable***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

***Charitable activities***

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.



**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Tangible fixed assets**

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

**Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Furniture and equipment	25% reducing balance (pre April 2021)
Furniture and equipment	10% on cost (post April 2021)

**Debtors**

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

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**Liabilities**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

# CITY GATE COMMUNITY PROJECTS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

### Financial instruments

The company 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.

## 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Donations and legacies;				
Donations	105,612	-	105,612	77,281
Gift aid reclaimed	22,708	-	22,708	5,136
Grants, including capital grants;				
Grants from other charities	385,108	16,089	401,197	413,052
Grants from companies	72,163	-	72,163	38,798
Statutory and European funding	25,376	-	25,376	91,470
	<u>610,967</u>	<u>16,089</u>	<u>627,056</u>	<u>625,737</u>

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**4 Income from charitable activities**

	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Administrative fees (CRM)	156,138	156,138	62,647
Intern placement	1,324	1,324	21,074
Training	-	-	144
	<u>157,462</u>	<u>157,462</u>	<u>83,865</u>

**5 Income from other trading activities**

	<b>Total funds £</b>	<b>Total 2022 £</b>
Fundraising	-	18,254
	<u>-</u>	<u>18,254</u>

**6 Investment income**

	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Interest receivable and similar income;			
Interest receivable on bank deposits	453	453	85
	<u>453</u>	<u>453</u>	<u>85</u>

**7 Other income**

	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Miscellaneous	12,592	12,592	198
	<u>12,592</u>	<u>12,592</u>	<u>198</u>

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**8 Intangible income**

In addition to the income shown in the Statement of Financial Activities, there is the food supplied by retailers, food manufacturers and consumers to FareShare Sussex.

Based on advice from FareShare UK and professional advisers, including MHA Carpenter Box, the food supplied, stored and distributed from and to third parties has been treated as 'intangible income'. Full details including weight, value and assumption for valuation are fully disclosed below.

	<b>Weight kg</b>	<b>Value £</b>
Stocks of food at the beginning of the year	51,990	87,343
Donated food	993,272	1,668,697
Distributed food	(982,800)	(1,651,104)
Disposal of waste	<u>(10,100)</u>	<u>(16,968)</u>
Stocks of food at end of the year	<u>52,362</u>	<u>87,968</u>

**9 Expenditure on raising funds**

**a) Costs of generating donations and legacies**

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Marketing and publicity		13,091	13,091	571
Other direct costs of generating voluntary income		15,788	15,788	2,438
Staff Costs	12	<u>38,336</u>	<u>38,336</u>	<u>30,152</u>
		<u>67,215</u>	<u>67,215</u>	<u>33,161</u>

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**10 Expenditure on charitable activities**

		<b>Unrestricted funds General</b>	<b>Restricted funds</b>	<b>Total 2023</b>	<b>Total 2022</b>
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rent and rates		57,917	-	57,917	66,047
Utilities		11,732	-	11,732	12,091
Equipment		4,151	620	4,771	2,970
Health and safety		4,441	-	4,441	3,569
Cleaning		4,378	-	4,378	4,712
Insurance		5,624	-	5,624	5,151
Repairs and maintenance		9,577	-	9,577	7,939
Memberships, licences and subscriptions		5,951	-	5,951	8,916
Vehicle expenses		76,431	980	77,411	61,113
Recruitment and administration		2,093	-	2,093	4,434
Printing, post and stationery		3,883	-	3,883	3,180
Volunteer expenses		5,800	-	5,800	9,181
Telephone		4,197	-	4,197	3,033
Training and staff wellbeing		1,214	-	1,214	3,377
Travel and subsistence		3,153	-	3,153	1,493
Waste collection		8,768	-	8,768	9,437
Legal and professional fees		-	-	-	1,726
Sundry expenses		228	-	228	84
Independent examination		1,500	-	1,500	1,500
Depreciation, amortisation and other similar costs		33,755	8,793	42,548	52,411
Staff costs	12	269,006	14,489	283,495	323,733
		<u>513,799</u>	<u>24,882</u>	<u>538,681</u>	<u>586,097</u>

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**11 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

**12 Staff costs**

The aggregate payroll costs were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	295,403	328,264
Social security costs	19,470	19,790
Pension costs	<u>6,958</u>	<u>5,831</u>
	<u><u>321,831</u></u>	<u><u>353,885</u></u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
Fundraising	1	1
Charitable activities	<u>11</u>	<u>13</u>
	<u><u>12</u></u>	<u><u>14</u></u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £105,169 (2022 - £36,995).

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**13 Tangible fixed assets**

	<b>Furniture and equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2022	340,776	-	340,776
Additions	<u>-</u>	<u>139,046</u>	<u>139,046</u>
At 31 March 2023	<u>340,776</u>	<u>139,046</u>	<u>479,822</u>
<b>Depreciation</b>			
At 1 April 2022	148,550	-	148,550
Charge for the year	<u>37,886</u>	<u>4,661</u>	<u>42,547</u>
At 31 March 2023	<u>186,436</u>	<u>4,661</u>	<u>191,097</u>
<b>Net book value</b>			
At 31 March 2023	<u>154,340</u>	<u>134,385</u>	<u>288,725</u>
At 31 March 2022	<u>192,226</u>	<u>-</u>	<u>192,226</u>

**14 Debtors**

	<b>2023 £</b>	<b>2022 £</b>
Trade debtors	69,240	42,347
Prepayments	18,363	7,000
Accrued income	21,504	-
Other debtors	<u>862</u>	<u>1,154</u>
	<u>109,969</u>	<u>50,501</u>

**15 Creditors: amounts falling due within one year**

	<b>2023 £</b>	<b>2022 £</b>
Trade creditors	18,899	3,621
Other taxation and social security	-	11,778
Other creditors	4,030	1,126
Accruals	<u>1,498</u>	<u>1,500</u>
	<u>24,427</u>	<u>18,025</u>

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**16 Pension and other schemes**

**Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £6,958 (2022 - £5,831).

Contributions totalling £40 (2022 - £1,097) were payable to the scheme at the end of the year and are included in creditors.

**17 Funds**

	<b>Balance at 1 April 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 March 2023 £</b>
<b>Unrestricted funds</b>					
<i><b>General</b></i>					
General Funds	704,213	781,474	(581,014)	(250,000)	654,673
<i><b>Designated</b></i>					
Surrey Development Fund	-	-	-	250,000	250,000
<b>Total unrestricted funds</b>	<u>704,213</u>	<u>781,474</u>	<u>(581,014)</u>	<u>-</u>	<u>904,673</u>
<b>Restricted funds</b>					
Cold Room - Capital Funded Fixed Assets	41,649	-	(8,398)	-	33,251
Cold Room - Fixed Assets	1,514	-	(378)	-	1,136
Equipment - Fixed Assets	69	-	(17)	-	52
Salaries	-	14,489	(14,489)	-	-
Van and equipment	-	1,600	(1,600)	-	-
	<u>43,232</u>	<u>16,089</u>	<u>(24,882)</u>	<u>-</u>	<u>34,439</u>
<b>Total funds</b>	<u>747,445</u>	<u>797,563</u>	<u>(605,896)</u>	<u>-</u>	<u>939,112</u>



**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
<i><b>General</b></i>				
General Funds	401,056	684,523	(381,366)	704,213
<i><b>Designated</b></i>				
Salaries	48,000	-	(48,000)	-
Member fees	86,580	-	(86,580)	-
CFM fees	6,724	-	(6,724)	-
Covid response roles	32,000	-	(32,000)	-
WRAP covid response support roles	8,970	-	(8,970)	-
Brighton and Hove Carbon Fund	8,000	-	(8,000)	-
Grants from Trusts and Foundations	7,500	-	(7,500)	-
	<u>197,774</u>	<u>-</u>	<u>(197,774)</u>	<u>-</u>
<b>Total unrestricted funds</b>	<u>598,830</u>	<u>684,523</u>	<u>(579,140)</u>	<u>704,213</u>
<b>Restricted funds</b>				
Cold Room - Capital Funded Fixed Assets	37,624	14,616	(10,591)	41,649
Cold Room - Fixed Assets	2,018	-	(504)	1,514
Equipment - Fixed Assets	92	-	(23)	69
Office and admin	-	1,500	(1,500)	-
Rent and unit costs	-	12,000	(12,000)	-
Salaries	-	10,500	(10,500)	-
Van and equipment	-	5,000	(5,000)	-
	<u>39,734</u>	<u>43,616</u>	<u>(40,118)</u>	<u>43,232</u>
<b>Total funds</b>	<u><u>638,564</u></u>	<u><u>728,139</u></u>	<u><u>(619,258)</u></u>	<u><u>747,445</u></u>

**CITY GATE COMMUNITY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

**18 Analysis of net assets between funds**

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2023 £</b>
Tangible fixed assets	254,286	34,439	288,725
Current assets	674,814	-	674,814
Current liabilities	<u>(24,427)</u>	<u>-</u>	<u>(24,427)</u>
Total net assets	<u>904,673</u>	<u>34,439</u>	<u>939,112</u>

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 31 March 2022 £</b>
Tangible fixed assets	148,994	43,232	192,226
Current assets	573,244	-	573,244
Current liabilities	<u>(18,025)</u>	<u>-</u>	<u>(18,025)</u>
Total net assets	<u>704,213</u>	<u>43,232</u>	<u>747,445</u>