

REGISTERED COMPANY NUMBER: (England and Wales)
REGISTERED CHARITY NUMBER: 1132037

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 July 2021
for
THE GATE READING

Avalon Accounting Limited
12 Park Lane
Tilehurst
Reading
Berkshire
RG31 5DL

THE GATE READING

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for the Year Ended 31 July 2021

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THE GATE READING

Report of the Trustees for the Year Ended 31 July 2021

The Gate has continued to work to its vision, 'Renewed by the Fathers presence, we are an apostolic church, redeeming people, communities and culture'. During Covid advice from the Government and follow on advice given from the Baptist Union gave us a framework to both keep people safe and also enable the church to continue appropriate ministry. Our TLG education provision and nursery school 'Acorns' continued to run in line with national guidance throughout the whole period. In August 21 we began meeting outside for Sunday services in a large open space but were also able to maintain the livestream from the services so people could engage online. In the autumn and winter we returned to meeting inside the building at Gate Central for those that wanted to come with a livestream of the service available. In Spring 21 as restrictions began to ease, more people gradually returned to meeting.

The leadership team and trustees are grateful to the staff for supporting the work of the church throughout the year during all the challenges of Covid; ensuring that guidance from the government and baptist union was followed, enabling those who wanted to, to meet safely and for those who remained cautious being able to continue to access church services and groups online. We also would like to thank everyone who faithfully gave time and money to serve the church across all of its ministries.

Our social action arm Love your Community was part of a nationwide initiative 'Love your Neighbour' which had a focus on supporting those who were really struggling due to covid-19, especially in the area of food poverty.

We continued to work towards our planned development of the 'Gate Central' site and are working towards a planned start of work on site in late 2021/early 2022.

Due to Covid the community that joined us from Sindlesham in Wokingham mostly accessed church online up until Spring 21. In June and July of 21 a team was created to begin a pioneering work in that area planned to launch in September 21. In July we began to have a number of refugees from Hong Kong who joined the church who we began to support with things such as finding work, cv writing and English Language lessons.

The Gate maintained its missional links mainly through working online with churches involved in the Turning and Barnabas Fellowship of Churches. Due to our Senior Minister Yinka Oyekan being the elected president of the Baptist Union we also continued to support a number of Baptist churches in areas including art in church, healing, reaching families and pioneering new initiatives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

(England and Wales)

Registered Charity number

1132037

Registered office

384 The Meadway
Tilehurst
Reading
Berkshire
RG30 4NX

THE GATE READING

Report of the Trustees
for the Year Ended 31 July 2021


Trustees

Alastair Mitchell Baker
Janet Barfoot
Gareth Owen
Yinka Oyekan
Mary Lewis

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Approved by order of the board of trustees on 26/5/22 and signed on its behalf by:


Yinka Oyekan - Trustee

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Statement of Financial Activities
for the Year Ended 31 July 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		251,840	159,504	411,344	352,104
Investment income	2	-	36,063	36,063	37,531
Other income		-	-	-	32,352
Total		<u>251,840</u>	<u>195,567</u>	<u>447,407</u>	<u>421,987</u>
EXPENDITURE ON					
Raising funds		40,726	12,611	53,337	65,798
Charitable activities					
Charity		173,759	1,278	175,037	188,155
Total		<u>214,485</u>	<u>13,889</u>	<u>228,374</u>	<u>253,953</u>
NET INCOME		<u>37,355</u>	<u>181,678</u>	<u>219,033</u>	<u>168,034</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		1,732,280	923,972	2,656,252	2,488,218
TOTAL FUNDS CARRIED FORWARD		<u><u>1,769,635</u></u>	<u><u>1,105,650</u></u>	<u><u>2,875,285</u></u>	<u><u>2,656,252</u></u>

THE GATE READING

Balance Sheet
31 July 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	7	2,097,671	1,538	2,099,209	2,034,186
CURRENT ASSETS					
Debtors	8	51,121	-	51,121	48,194
Investments	9	25,000	-	25,000	25,000
Cash at bank		913,352	-	913,352	790,476
		<u>989,473</u>	<u>-</u>	<u>989,473</u>	<u>863,670</u>
CREDITORS					
Amounts falling due within one year	10	(1,672)	(23,689)	(25,361)	(29,879)
NET CURRENT ASSETS/(LIABILITIES)		<u>987,801</u>	<u>(23,689)</u>	<u>964,112</u>	<u>833,791</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,085,472	(22,151)	3,063,321	2,867,977
CREDITORS					
Amounts falling due after more than one year	11	-	(188,036)	(188,036)	(211,725)
FUND TRANSFER		(1,315,837)	1,315,837	-	-
NET ASSETS		<u>1,769,635</u>	<u>1,105,650</u>	<u>2,875,285</u>	<u>2,656,252</u>
FUNDS	13				
Unrestricted funds				1,769,635	1,732,280
Restricted funds				1,105,650	923,972
TOTAL FUNDS				<u>2,875,285</u>	<u>2,656,252</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

THE GATE READING

Balance Sheet - continued

31 July 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 26/5/22 and were signed on its behalf by:



Yinka Oyekan - Trustee

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Notes to the Financial Statements for the Year Ended 31 July 2021

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with 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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

INCOME

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

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles - 20% on reducing balance

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

2. INVESTMENT INCOME

	2021	2020
	£	£
Charitable income 1 - property rental within Charitable objects- Restricted	36,000	37,163
Other interest receivable operating- Restricted	63	368
	<u>36,063</u>	<u>37,531</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	385	481
Surplus on disposal of fixed assets	-	(32,352)
	<u>-</u>	<u>(32,352)</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

Mr. Yinka Oyekan received a salary of £43,926 (2020- £43,926) and Employer Pension Contribution of £2,196 (2020- £2,196), Mr. Gareth Owen received a salary of £29,417 (2020- £29,417) and Employer Pension Contribution of £1,471 (2020- £1,471).

Retainer fees of £15,848 (2020- £15,849) Paid to Mrs. Janet Barfoot for services provided.

TRUSTEES' EXPENSES

Trustees who are employees are reimbursed expenses in their role as employees. No Trustee received and payment of Expenses in their role as trustees (2020- NIL).

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2021	2020
	14	14
Trustees & Employees	<u>14</u>	<u>14</u>

No employees received emoluments in excess of £60,000.

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Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

6. **COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	331,745	20,359	352,104
Investment income	-	37,531	37,531
Other income	-	32,352	32,352
Total	331,745	90,242	421,987
EXPENDITURE ON			
Raising funds	58,243	7,555	65,798
Charitable activities			
Charity	188,155	-	188,155
Total	246,398	7,555	253,953
NET INCOME	85,347	82,687	168,034
RECONCILIATION OF FUNDS			
Total funds brought forward	1,646,933	841,285	2,488,218
TOTAL FUNDS CARRIED FORWARD	1,732,280	923,972	2,656,252

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Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

7. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Totals £
COST			
At 1 August 2020	2,032,263	3,755	2,036,018
Additions	65,408	-	65,408
At 31 July 2021	2,097,671	3,755	2,101,426
DEPRECIATION			
At 1 August 2020	-	1,832	1,832
Charge for year	-	385	385
At 31 July 2021	-	2,217	2,217
NET BOOK VALUE			
At 31 July 2021	2,097,671	1,538	2,099,209
At 31 July 2020	2,032,263	1,923	2,034,186

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Prepayments and accrued income	1,121	1,483
Other Debtors	50,000	46,711
	51,121	48,194

9. CURRENT ASSET INVESTMENTS

	2021 £	2020 £
Loans & Receivables	25,000	25,000

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Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other loans (see note 12)	23,689	23,050
Social security and other taxes	1,039	2,329
Net Wages	(87)	-
Accrued expenses	720	4,500
	<u>25,361</u>	<u>29,879</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Other loans (see note 12)	<u>188,036</u>	<u>211,725</u>

12. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Baptist Union Loan- due within 1 year	19,689	19,050
Loan Payable-SCBA Loan- Restricted	4,000	4,000
	<u>23,689</u>	<u>23,050</u>
Amounts falling between one and two years:		
Baptist Union Loan- due after one year	168,036	187,725
Loan Payable - SCBA loan - Restricted-Current	20,000	24,000
	<u>188,036</u>	<u>211,725</u>

13. MOVEMENT IN FUNDS

	At 1.8.20	Net movement in funds	At 31.7.21
	£	£	£
Unrestricted funds			
General fund	1,732,280	37,355	1,769,635
Restricted funds			
Restricted Fund	923,972	181,678	1,105,650
TOTAL FUNDS	<u>2,656,252</u>	<u>219,033</u>	<u>2,875,285</u>

THE GATE READING

Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	251,840	(214,485)	37,355
Restricted funds			
Restricted Fund	195,567	(13,889)	181,678
TOTAL FUNDS	<u>447,407</u>	<u>(228,374)</u>	<u>219,033</u>

Comparatives for movement in funds

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
Unrestricted funds			
General fund	1,646,933	85,347	1,732,280
Restricted funds			
Restricted Fund	841,285	82,687	923,972
TOTAL FUNDS	<u>2,488,218</u>	<u>168,034</u>	<u>2,656,252</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	331,745	(246,398)	85,347
Restricted funds			
Restricted Fund	90,242	(7,555)	82,687
TOTAL FUNDS	<u>421,987</u>	<u>(253,953)</u>	<u>168,034</u>

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Notes to the Financial Statements - continued for the Year Ended 31 July 2021

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.19 £	Net movement in funds £	At 31.7.21 £
Unrestricted funds			
General fund	1,646,933	122,702	1,769,635
Restricted funds			
Restricted Fund	841,285	264,365	1,105,650
TOTAL FUNDS	<u>2,488,218</u>	<u>387,067</u>	<u>2,875,285</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	583,585	(460,883)	122,702
Restricted funds			
Restricted Fund	285,809	(21,444)	264,365
TOTAL FUNDS	<u>869,394</u>	<u>(482,327)</u>	<u>387,067</u>

14. RELATED PARTY DISCLOSURES

The Gate Reading church is associated with The Gate Building Development Company Ltd (company number: 12272715) with a common director.

The church has contracted with the company in relation to the redevelopment of its site in Reading. The church has also provided a loan for the company. The value of the outstanding loan as at 31 July 2021 is £25,000.

The church is associated with The Baptist Union Great Britain (charity number: 1125912) with a common trustee. The church paid grants to The Baptist Union Great Britain of £5,000 in the year and £902.50 in subscription fees.

The church is associated with the Barnabas Fellowship of Churches (charity number: 1071300) with two trustees in common. The church made grants worth £19,835.75 (for 11 months) to this charity in 2020-2021.

The church is associated with Love Your Community (charity number: 1172625) with a common trustee. Love Your Community paid rent and services of £24,000 to the church during the year.

The church support the Emmaus Project registered as an Amuta in Israel in the sum of £3,000 per annum. Gareth Owen is an Amuta member.

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Notes to the Financial Statements - continued
for the Year Ended 31 July 2021

15. EVENTS AFTER THE REPORTING DATE

In the next financial year The Gate plans to begin the redevelopment of the Gate Central site. Having secured planning permission and having a costed building design. We expect a fully equipped building to cost in the region of 4.3 million pounds. Having already raised £750,000 through the sale of the Oxford Road and Wilson Road sites and through member pledges and gifts, we have raised just over 1 million pounds. The Baptist Union Corporation has agreed a loan of 1.75 million pounds that means phase 1 of the project (A fully watertight shell and a fully equipped ground floor) to be completed. We will continue fundraising activities including further member giving and approaching charitable trusts, so that we can complete Phase 2 of the building (fully equipping the first and second floors).

THE GATE READING

Detailed Statement of Financial Activities
for the Year Ended 31 July 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Special appeals & gifts -Restricted	46,443	71,414
Weekly offerings, direct credits and allocated and other gifts	265,744	205,973
Gift aid tax recovery - Unrestricted	54,007	56,344
Donation-Restricted	42,000	18,223
Grants	3,150	150
	<hr/> 411,344	<hr/> 352,104
Investment income		
Charitable income 1 - property rental within		
Charitable objects- Restricted	36,000	37,163
Other interest receivable operating- Restricted	63	368
	<hr/> 36,063	<hr/> 37,531
Other income		
Gain on sale of tangible fixed assets	-	32,352
	<hr/>	<hr/>
Total incoming resources	447,407	421,987
EXPENDITURE		
Charitable activities		
Salaries- Unrestricted	110,380	112,905
Social security	4,795	6,298
Pensions	3,667	3,667
Youth Work- Unrestricted	2,153	6,255
Catering & Events- Unrestricted	513	1,397
Messy Church, Families & Children- Unrestricted	1,583	750
Retainer-Unrestricted	15,848	15,849
Staff Expenses- Unrestricted	4,194	4,898
Minibus & Travel- Unrestricted	1,165	1,653
Depreciation of tangible fixed assets	385	481
Grants to institutions	29,036	31,835
Grants to individuals	1,318	2,167
	<hr/> 175,037	<hr/> 188,155
Support costs		
Finance		
Loan Interest- Restricted	6,928	7,555

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Detailed Statement of Financial Activities
for the Year Ended 31 July 2021

	2021 £	2020 £
Finance		
Information technology		
IT software & equipment- Unrestricted	2,285	1,666
Other		
Maintenance, Alterations & Cleaning- Unrestricted	8,327	5,674
Insurance	3,500	5,498
Utilities & Telephone	13,523	11,843
Printing, Postage and Stationery- unrestricted	11,332	21,982
Sundry Expenses- Unrestricted	458	4,784
	<hr/> 37,140	<hr/> 49,781
Other 2		
Subscriptions- Unrestricted	2,389	-
Storage- Restricted	1,026	-
	<hr/> 3,415	<hr/> -
Governance costs		
Accountancy and Independent Examination-Unrestricted	2,426	5,308
Legal & Professional and Consultancy- Unrestricted	1,143	1,488
	<hr/> 3,569	<hr/> 6,796
Total resources expended	<hr/> 228,374	<hr/> 253,953
Net income	<hr/> <hr/> 219,033	<hr/> <hr/> 168,034