

THE GATE READING
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

THE GATE READING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Y Oyekan
G Owen
M Lewis
A Mitchell-Baker
R C Baker (Appointed 1 August 2022)
G J Bowden (Appointed 1 August 2022)
R Silley (Appointed 1 August 2022)

Charity number

1132037

Auditor

Bruton Charles - Chartered Accountants
The Coachhouse
Henley-on-Thames
Oxfordshire
RG9 4QG
RG9 4QG

THE GATE READING

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THE GATE READING

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2023

The trustees present their annual report and financial statements for the year ended 31 July 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 's [governing document], the Charities Act 2011 and "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).

Objectives and activities

The main objectives of the church are:

1. the advancement of the Christian faith according to the principles of the Baptist denomination in the United Kingdom and/or other parts of the world as the charity trustees think fit;
2. the advancement of education in the United Kingdom and/or other parts of the world as the charity trustees think fit; and
3. the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage in the United Kingdom and/or other parts of the world as the charity trustees think fit.

The trustees have read the Charity Commission guidance on public benefit, and are satisfied that the activities in this report clearly demonstrate that the charity is providing a benefit to the public.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the should undertake.

Achievements and performance

The Gate has continued to work to it's vision, 'Renewed by the Fathers presence, we are an apostolic church, redeeming people, communities and culture' .

Our Sindlesham community in Wokingham has seen significant growth since our merger with Sindlesham Baptist Church in 2019/20, with large influx of Hong Kong worshippers, many newly settled in the country.

Work continued on the planned development of the 'Gate Central' site with completion just after the end of the financial year. The Tilehurst community met in the local Avenue School during the building work.

Pioneering of new communities in Didcot and more recently near the University has bene progressing well.

Our social action arm Love your Community including Acorns Nursery School has continued to thrive. Sadly in early 2023, our TLG Centre in Calcot had to be closed due to a decision to close all centres by TLG nationally. All the pupils were successfully transitioned to other providers.

The leadership team and trustees are grateful to the staff for supporting the work of the church throughout the year; .We also would like to thank everyone who faithfully gave time and money to serve the church across all of it's ministries.

The Gate maintained its missional links mainly through working with churches involved in the Turning and Barnabas Fellowship of Churches. we also continued to support a number of Baptist churches in revitalisation and pioneering.

Financial review

Details of the charities income, costs, net income/(expenditure) and financial position for the year can be found on pages 7 and 8 and the supporting notes.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

THE GATE READING

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

The trustees have assessed the major risks to which the church is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Gate Reading (formerly Reading Community Church) is affiliated to the Baptist Union. The church's premises are held in trust by the Baptist Union Corporation Limited. The church's constitution was adopted on 1 July 2009 as amended by special resolution on 23 August 2009. The church became a registered charity with the Charity Commission England and Wales on 7 October 2009 (charity number: 1132037).

The trustees who served during the year and up to the date of signature of the financial statements were:

Y Oyekan

G Owen

M Lewis

A Mitchell-Baker

R C Baker

(Appointed 1 August 2022)

G J Bowden

(Appointed 1 August 2022)

R Silley

(Appointed 1 August 2022)

The trustees' report was approved by the Board of Trustees.



Y Oyekan

Trustee

17 April 2024

THE GATE READING

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2023

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the and of the incoming resources and application of resources of the for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE GATE READING

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE GATE READING

Opinion

We have audited the financial statements of THE GATE READING (the "Company") for the year ended 31 July 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE GATE READING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE GATE READING

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

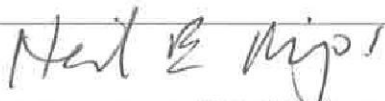
This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

THE GATE READING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE GATE READING



Neil Major (Senior Statutory Auditor)
for and on behalf of Bruton Charles

17 April 2024

Chartered Accountants
Statutory Auditor

The Coach House
Greys Green Business Centre
Henley-on-Thames
Oxfordshire
RG9 4QG

Bruton Charles is eligible for appointment as auditor of the by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE GATE READING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2023

| | | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ Restated | Restricted funds 2022 £ Restated | Total 2022 £ |
|------------------------------------------------------|---|------------------------------------|----------------------------------|--------------------|------------------------------------------------|----------------------------------------------|--------------------|
| Notes | | | | | | | |
| Income and endowments from: | | | | | | | |
| Donations and legacies | 2 | 336,663 | 584,763 | 921,426 | 151,588 | 334,314 | 485,902 |
| Charitable activities | 3 | 8,062 | - | 8,062 | - | - | - |
| Investments | 4 | 841 | 61 | 902 | - | - | - |
| Assets received on amalgamation of Sindlesham Church | 5 | 1,075,346 | - | 1,075,346 | - | - | - |
| Total income | | 1,420,912 | 584,824 | 2,005,736 | 151,588 | 334,314 | 485,902 |
| Expenditure on: | | | | | | | |
| Raising funds | 6 | - | 7,897 | 7,897 | - | - | - |
| Charitable activities | 7 | 288,247 | 129,078 | 417,325 | 254,440 | 40,454 | 294,894 |
| Total expenditure | | 288,247 | 136,975 | 425,222 | 254,440 | 40,454 | 294,894 |
| Net incoming resources before transfers | | 1,132,665 | 447,849 | 1,580,514 | (102,852) | 293,860 | 191,008 |
| Gross transfers between funds | | 827,683 | (827,683) | - | (236,899) | 236,899 | - |
| Net income/(expenditure) for the year/ | | | | | | | |
| Net movement in funds | | 1,960,348 | (379,834) | 1,580,514 | (339,751) | 530,759 | 191,008 |
| Fund balances at 1 August 2022 | | 1,429,576 | 1,636,717 | 3,066,293 | 1,769,635 | 1,105,650 | 2,875,285 |
| Fund balances at 31 July 2023 | | 3,389,924 | 1,256,883 | 4,646,807 | 1,429,884 | 1,636,409 | 3,066,293 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The restated figures in 2022 relate to transfers that should have been disclosed to arrive at the correct split of unrestricted and restricted funds. For the 2023 transfers refer to note 11 for more details.

THE GATE READING

BALANCE SHEET

AS AT 31 JULY 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|----------------------------------------------------------------|-------|-----------|-------------|-----------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 6,677,757 | | 2,322,627 |
| Current assets | | | | | |
| Debtors | 14 | 461,535 | | 801,170 | |
| Investments | 15 | - | | 25,000 | |
| Cash at bank and in hand | | 87,087 | | 108,000 | |
| | | 548,622 | | 934,170 | |
| Creditors: amounts falling due within one year | 16 | (148,415) | | (26,656) | |
| Net current assets | | | 400,207 | | 907,514 |
| Total assets less current liabilities | | | 7,077,964 | | 3,230,141 |
| Creditors: amounts falling due after more than one year | 17 | | (2,431,157) | | (163,848) |
| Net assets | | | 4,646,807 | | 3,066,293 |
| Income funds | | | | | |
| Restricted funds | | | 1,256,883 | | 1,636,409 |
| <u>Unrestricted funds - general</u> | | | | | |
| Designated funds | 18 | 21,050 | | - | |
| General unrestricted funds | | 3,368,874 | | 1,429,884 | |
| | | | 3,389,924 | | 1,429,884 |
| | | | 4,646,807 | | 3,066,293 |

The financial statements were approved by the Trustees on 17 April 2024



Y Oyekan
Trustee

THE GATE READING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|---------------------------------------------------------------|-------|-------------|-------------|-----------|-----------|
| Cash flows from operating activities | | | | | |
| Cash generated from/(absorbed by) operations | 21 | | 848,035 | | (580,613) |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (4,355,376) | | (223,726) | |
| Fair value of property received on amalgamation | | 1,025,000 | | - | |
| Proceeds from disposal of other investments | | 25,000 | | - | |
| Investment income received | | 902 | | - | |
| Net cash used in investing activities | | | (3,304,474) | | (223,726) |
| Financing activities | | | | | |
| Bank funds received on amalgamation | | 50,346 | | - | |
| Cash inflow/ (outflow) from borrowings | | 2,322,051 | | (1,013) | |
| Net cash generated from/(used in) financing activities | | | 2,372,397 | | (1,013) |
| Net decrease in cash and cash equivalents | | | (20,913) | | (805,352) |
| Cash and cash equivalents at beginning of year | | | 108,000 | | 913,352 |
| Cash and cash equivalents at end of year | | | 87,087 | | 108,000 |

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the 's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the . Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the .

1.4 Income

Income is recognised when the is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------------|-----------------------------------------|
| Freehold land and buildings | Not depreciated, see note 12 commentary |
| Motor vehicles | 20% on reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the 's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

2 Donations and legacies

| | Unrestricted funds general 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds general 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|------------------------------|-----------------------------------------------|----------------------------------|--------------------|-----------------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 211,490 | 435,405 | 646,895 | 151,588 | 152,624 | 304,212 |
| Gift aid tax recovery | 123,159 | 49,222 | 172,381 | - | 17,740 | 17,740 |
| Grants | - | 43,945 | 43,945 | - | 107,200 | 107,200 |
| Charitable - Property rental | - | 50,987 | 50,987 | - | 50,642 | 50,642 |
| Other interest receivable | - | 84 | 84 | - | 108 | 108 |
| Donation - Restricted | - | 120 | 120 | - | 6,000 | 6,000 |
| Other donations and legacies | 2,014 | 5,000 | 7,014 | - | - | - |
| | <u>336,663</u> | <u>584,763</u> | <u>921,426</u> | <u>151,588</u> | <u>334,314</u> | <u>485,902</u> |

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

3 Charitable activities

| | 2023 £ | 2022 £ |
|-----------------------------------|-----------|-----------|
| Ministry income: Youth activities | 8,062 | - |

4 Investments

| | Unrestricted funds general 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|---------------------|-----------------------------------------------|----------------------------------|--------------------|--------------------|
| Interest receivable | 841 | 61 | 902 | - |

5 Assets received on amalgamation of Sindlesham Church

| | Unrestricted funds general 2023 £ | Total 2022 £ |
|----------------------------------------------|-----------------------------------------------|--------------------|
| Property received on amalgamation | 1,025,000 | - |
| Bank accounts funds received on amalgamation | 50,346 | - |
| | 1,075,346 | - |

6 Raising funds

| | Restricted funds 2023 £ | Total 2022 £ |
|------------------------------------|----------------------------------|--------------------|
| <u>Fundraising and publicity</u> | | |
| Building project fundraising costs | 7,897 | - |
| | 7,897 | - |

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

7 Charitable activities

| | Unrestricted Charitable Expenditure 2023 £ | Restricted Charitable Expenditure 2023 £ | Total 2023 £ | Unrestricted Charitable Expenditure 2022 £ | Restricted Charitable Expenditure 2022 £ | Total 2022 £ |
|------------------------------------------|--------------------------------------------------------|------------------------------------------------------|--------------------|--------------------------------------------------------|------------------------------------------------------|--------------------|
| Staff costs | 167,619 | - | 167,619 | 154,869 | - | 154,869 |
| Depreciation of tangible fixed assets | - | 246 | 246 | - | 308 | 308 |
| Building project expenses | - | 1,704 | 1,704 | - | - | - |
| Youth work | 6,985 | - | 6,985 | 9,368 | - | 9,368 |
| Catering & Events | 2,081 | - | 2,081 | 307 | - | 307 |
| Families & Children | 2,487 | - | 2,487 | 1,728 | - | 1,728 |
| Premises expenses | 57,496 | 26,501 | 83,997 | 37,431 | 4,521 | 41,952 |
| Minibus & Travel | 5,943 | - | 5,943 | 2,143 | - | 2,143 |
| Grants to institutions | 26,147 | 200 | 26,347 | 39,648 | 28,769 | 68,417 |
| Grants to individuals | - | 6,134 | 6,134 | - | 323 | 323 |
| Legal fees | 5,329 | - | 5,329 | - | - | - |
| IT costs | 3,884 | - | 3,884 | 4,936 | - | 4,936 |
| Bank charges | 793 | 310 | 1,103 | 273 | 96 | 369 |
| Interest payable | - | 93,983 | 93,983 | 8 | 6,437 | 6,445 |
| Subscriptions | 3,453 | - | 3,453 | 2,170 | - | 2,170 |
| Audit and accountancy | 5,553 | - | 5,553 | 1,392 | - | 1,392 |
| Sundry expenses | 477 | - | 477 | 167 | - | 167 |
| | <u>288,247</u> | <u>129,078</u> | <u>417,325</u> | <u>254,440</u> | <u>40,454</u> | <u>294,894</u> |

Support costs as part of above charitable costs

| | | | | | | |
|-----------------------|---------------|---------------|----------------|---------------|---------------|---------------|
| IT costs | 3,884 | - | 3,884 | 4,936 | - | 4,936 |
| Premises expenses | 57,496 | 1,501 | 58,997 | 37,431 | 4,521 | 41,952 |
| Bank charges | 793 | 310 | 1,103 | 273 | 96 | 369 |
| Interest payable | - | 93,983 | 93,983 | 8 | 6,437 | 6,445 |
| Subscriptions | 3,453 | - | 3,453 | 2,170 | - | 2,170 |
| Audit and accountancy | 5,553 | - | 5,553 | 1,392 | - | 1,392 |
| Sundry expenses | 477 | - | 477 | 167 | - | 167 |
| | <u>71,656</u> | <u>95,794</u> | <u>167,450</u> | <u>46,377</u> | <u>11,054</u> | <u>57,431</u> |

8 Trustees' Remuneration and Benefits

Mr Yinka Oyekan received a salary of £45,244 (2022 - £45,244) and Mr Gareth Owen received a salary of £30,298 (2022 - £30,298).

Janet Barfoot received a retainer of £6,801 (2022: £16,323). Janet Barfoot resigned as a Trustee on 31 July 2022.

Trustees who are employees are reimbursed minor amounts of expenses in their role as employees.

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

9 Employees

The average monthly number of employees during the year was:

| | 2023 Number | 2022 Number |
|-------------------------|----------------|----------------|
| | 6 | 8 |
| | | |
| Employment costs | 2023 | 2022 |
| | £ | £ |
| Wages and salaries | 151,267 | 145,522 |
| Social security costs | 7,810 | 5,619 |
| Other pension costs | 8,542 | 3,728 |
| | | |
| | 167,619 | 154,869 |

There were no employees whose annual remuneration was more than £60,000.

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Transfers between funds

When fixed assets are purchased, where fund raising for these is classed as a restricted activity, transfers are made from restricted to unrestricted funds for the value of this expenditure when it is paid and no longer funded by loan finance. Other transfers may be made by the trustees between funds, for example where the need to finance a deficit on a restricted fund arises, restricted funds have been lawfully released and residue funds can be transferred to unrestricted funds or where the donor or charity law permits funds that have been restricted to be used for unrestricted purposes.

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

12 Tangible fixed assets

| | Freehold land and buildings | Motor vehicles | Total |
|------------------------------------|-----------------------------|----------------|-----------|
| | £ | £ | £ |
| Cost | | | |
| At 1 August 2022 | 2,321,397 | 3,755 | 2,325,152 |
| Additions | 3,330,376 | - | 3,330,376 |
| Sindlesham church amalgamation | 1,025,000 | - | 1,025,000 |
| At 31 July 2023 | 6,676,773 | 3,755 | 6,680,528 |
| Depreciation and impairment | | | |
| At 1 August 2022 | - | 2,525 | 2,525 |
| Depreciation charged in the year | - | 246 | 246 |
| At 31 July 2023 | - | 2,771 | 2,771 |
| Carrying amount | | | |
| At 31 July 2023 | 6,676,773 | 984 | 6,677,757 |
| At 31 July 2022 | 2,321,397 | 1,230 | 2,322,627 |

Included within the Freehold Land and Buildings above are the following properties and their net book values: The Gate - Central: £4,813,643, (2022: £1,546,397); The Gate - Empress Road: £775,000, (2022: £775,000); The Gate - Sindlesham: £1,025,000, (2022: £Nil).

No depreciation is provided on the Freehold Properties as the charity has in place a comprehensive programme of property maintenance and repairs for the properties and the market value of the properties is deemed to be not below the carrying value shown within these accounts.

13 Financial instruments

| | 2023 | 2022 |
|-----------------------------------------------------------|------|--------|
| | £ | £ |
| Carrying amount of financial assets | | |
| Instruments measured at fair value through profit or loss | - | 25,000 |

14 Debtors

| | 2023 | 2022 |
|---------------------------------------------|---------|---------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Other debtors | 459,582 | 800,000 |
| Prepayments and accrued income | 1,953 | 1,170 |
| | 461,535 | 801,170 |

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

15 Current asset investments

| | 2023 £ | 2022 £ |
|------------------|-----------|-----------|
| Loans receivable | - | 25,000 |

16 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|-----------|-----------|
| Borrowings | 79,090 | 24,348 |
| Other taxation and social security | 1,096 | 1,096 |
| Accruals and deferred income | 68,229 | 1,212 |
| | 148,415 | 26,656 |

17 Creditors: amounts falling due after more than one year

| | 2023 £ | 2022 £ |
|-----------------|-----------|-----------|
| Other creditors | 2,431,157 | 163,848 |

The above long term creditors as at 31 July 2023 include:

A loan due to the Baptist Union amounting to £1,983,2460 in total; £1,908,156 is disclosed within the long term creditors and £75,090 is disclosed within short term creditors. Interest only is being paid on this loan as at the year end and interest was being charged between 6.5% to 7.5% during the year, ending in 7.5% as at 31 July 2023.

Many interest free loans from the congregation totalling £507,000 with no set repayment dates or terms. These include a loans from Trustees - G Owen £2,000; Yinka Oyekan £5,000; A Mitchell Baker £12,000; M Lewis £1,000.

A loan due from the Southern Counties Baptist Association amounting to £16,000. This loan is interest free and the repayment terms are that £4,000 per annum is to be repaid. £4,000 of the overall loan of £20,000 at year end is shown within creditors due within one year.

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Movement in funds | | Movement in funds | | |
|--------------------------|--------------------|--------------------------|--------------------|--------------------|-------------------------|
| | Incoming resources | Balance at 1 August 2022 | Incoming resources | Resources expended | Balance at 31 July 2023 |
| | £ | £ | £ | £ | £ |
| Sindlesham Bank activity | - | - | 67,879 | (46,829) | 21,050 |
| | - | - | 67,879 | (46,829) | 21,050 |

Three bank accounts were amalgamated during the year in respect of Sindlesham Church. As part of the income shown above, amounts representing the opening balances as at 1/8/22 were £5,348 for the Lloyds account and £24,998 for one of the Skipton Building Society accounts. An amount of £20,034 was brought in at year end for the 2nd Skipton Building Society account. These amounts are also shown as part of the 'Assets received on the amalgamation of the Sindlesham Church' on the SOFA as unrestricted income.

19 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total Unrestricted funds | Restricted funds | Total |
|---------------------------------------------------|--------------------|------------------|--------------------------|------------------|-----------|
| | 2023 | 2023 | 2023 | 2022 | 2022 |
| | £ | £ | £ | £ | £ |
| Fund balances at 31 July 2023 are represented by: | | | | | |
| Tangible assets | 3,328,398 | 3,349,359 | 6,677,757 | 1,358,200 | 2,322,627 |
| Current assets/(liabilities) | 61,526 | 338,681 | 400,207 | 71,375 | 907,514 |
| Long term liabilities | - | (2,431,157) | (2,431,157) | - | (163,848) |
| | 3,389,924 | 1,256,883 | 4,646,807 | 1,429,575 | 3,066,293 |

As part of the above unrestricted current assets/ liabilities funds £21,050 relates to designated funds held in respect of the Sindlesham bank accounts.

20 Related party transactions

Transactions with related parties

During the year the entered into the following transactions with related parties:

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2023

20 Related party transactions

(Continued)

The church is associated with Barnabas Fellowship of Churches, to which it donated £24,466 in 2022/23. Gareth Owen is a trustee and 4 staff members received retainers from BFOC for their work.

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. Payments made to TGBDC during the year amounted to £3,330,375. The value of the outstanding invoices owed to TGBDC as at 31 July 2023 is £Nil. Amounts accrued as owing to TGBDC are £63,129 as at the year end and are included in the payments figure above.

The church is associated with The Baptist Union Great Britain (charity number: 1125912) with a common Trustee who's term with BUGB ended in September 2022. The church paid grants to The Baptist Union Great Britain of £5,000 in the year and £676 in subscription fees.

The church is associated with Love Your Community (company limited by guarantee and charity number:1172625) of which they are the controlling member, and there is also 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 £1,625 per annum. Gareth Owen is an Amuta member.

During the year a number of trustees loaned funds to the charity in respect of its building project, for more details refer to note 17.

THE GATE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2023

| | | | | |
|----|-------------------------------------------------------------------|-----------------------|-----------------|----------------------|
| 21 | Cash generated from operations | 2023 £ | 2022 £ | |
| | Surplus for the year | 1,580,514 | 191,008 | |
| | Adjustments for: | | | |
| | Investment income recognised in statement of financial activities | (902) | - | |
| | Gain in respect of property received on amalgamation | (1,025,000) | - | |
| | Bank funds received on amalgamation | (50,346) | - | |
| | Depreciation and impairment of tangible fixed assets | 246 | 308 | |
| | Movements in working capital: | | | |
| | Decrease/(increase) in debtors | 339,635 | (750,049) | |
| | Increase/(decrease) in creditors | 3,888 | (21,880) | |
| | Cash generated from/(absorbed by) operations | 848,035 | (580,613) | |
| 22 | Analysis of changes in net (debt)/funds | At 1 August 2022 £ | Cash flows £ | At 31 July 2023 £ |
| | Cash at bank and in hand | 108,000 | (20,913) | 87,087 |
| | Loans due | (188,196) | (2,322,051) | (2,510,247) |
| | | (80,196) | (2,342,964) | (2,423,160) |