

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007
FOR
CITY GATEWAY
(LIMITED BY GUARANTEE)

Connor Warin Limited
Chartered Accountants
Registered Auditors
Trinity House
Foxes Parade
Waltham Abbey
Essex EN9 1PH



CITY GATEWAY
(LIMITED BY GUARANTEE)

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for the Year Ended 31 March 2007

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CITY GATEWAY
(LIMITED BY GUARANTEE)

COMPANY INFORMATION
for the Year Ended 31 March 2007

DIRECTORS AND TRUSTEES

Chairman	Dirk Paterson
Secretary	Will Betts (1 st June 2007)*
Treasurer	Simon Kempson (1 st June 2007)*
Trustees	Jonathon Hellewell Gareth Jones (appointed 1 st June 2007) Ryan Lynch (resigned 2 nd June 2006)

* These positions were appointed after the financial year end of 31st March 2007

REGISTERED OFFICE: Montefiore Centre
Formerly Bethnal Green Training Centre
Hanbury Street
London
E1 5HZ

REGISTERED NUMBER 3760619 (England and Wales)

AUDITORS Connor Warin Limited
Chartered Accountants
Registered Auditors
Trinity House
Foxes Parade
Waltham Abbey
Essex EN9 1PH

BANKERS: National Westminster Bank plc
PO Box 282
216 Bishopsgate
London, EC2M 4JH

CHARITY NUMBER. 1078360

GOVERNING DOCUMENT: Memorandum and Articles of Association

CITY GATEWAY
(LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2007

The directors (who are also trustees for charitable purposes) for City Gateway present their report with the financial statements of the company for the year ended 31st March 2007

DIRECTORS

Chairman	Dirk Paterson
Secretary	Will Betts (1 st June 2007)*
Treasurer	Simon Kempson (1 st June 2007)*
Trustees	Jonathon Hellewell
	Gareth Jones (appointed 1 st June 2007)
	Ryan Lynch (resigned 2 nd June 2006)

* These positions were appointed after the financial year end of 31st March 2007

OBJECTS

- a To bring hope to the local community of Tower Hamlets, by helping to alleviate poverty & deprivation, unemployment and social exclusion, by seeking to impact and improve the quality of living for residents in the area, particularly through raising aspirations, improving skill levels, developing individual potential, and increasing their opportunities to succeed in life
- b To achieve our goals by providing Progression routes through Advice & Guidance, Skills Training, Vocational Programmes, Employment Support and Social Enterprise programmes alongside Mentoring and Volunteering Opportunities,
- c To have a particular focus on young people who are not in education, employment or training (the NEET group), but also on other disadvantaged groups such as Black and Minority Ethnic (BAME) women
- d To have a holistic approach to ensure that we have a positive and lasting impact on the local area and its exciting and diverse community, working with the community, for the community

The strategies mainly employed to assist the charity to meet these goals include providing Progression routes through Advice & Guidance, Education & Skills training, Vocational Programmes, Employment Support & Social Enterprise programmes, Mentoring and Volunteering Opportunities

City Gateway has two distinct elements Grant-Funded Programmes and a Social Enterprise Hub, however these are vital in supporting and complimenting one another The Grant-funded programmes all have a specific focus on individual's progression and are designed and delivered in ways to compliment each other and to provide a client with a natural, yet structured progression route within City Gateway

These programmes include our Outreach and Engagement activities, Short taster courses designed to motivate young people to achieve, change attitudes and get excited about positive activity and pathways for their futures, and longer Work-Based Learning programmes where young people will train part-time to gain a qualification of their choice from IT, Sports Leadership, Multimedia and Creative Arts (levels 1-3) and concurrently be on a relevant internal part-time work-placement within the Enterprise Hub Alongside each of these activities, trainees receive holistic one to one mentoring support to help them achieve the most from each of the programmes and to assist them into a job or higher education

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

City Gateway is a company limited by guarantee governed by its Memorandum and Articles of Association dated 28th April 1999 It is registered as a charity with the Charity Commission Each trustee has agreed to contribute any amount not exceeding £1 in the event of the charity winding up

CITY GATEWAY
(LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2007

APPOINTMENT OF TRUSTEES

Trustees are appointed on the basis of their individual skills and experiences, the position and need City Gateway has which they are able to fill or contribute to and by their commitment to City Gateway and its vision, ethos, aims and objectives. They are met by all existing board members who will then agree and vote on the new appointment.

TRUSTEE INDUCTION AND TRAINING

Newly appointed trustees are briefed on the company's Memorandum and Articles of Association, the current Strategic Business Plan, and given an overview of the company's recent financial performance. The functions of the committee and its decision-making processes are also explained, as are their individual roles, responsibilities and legal obligations under both charity and company law. Each trustee is given a clear role and responsibilities and is expected to attend all quarterly board meetings. Trustees are also encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

ORGANISATION

The board of trustees administers the charity and meets quarterly. Certain individuals have particular areas of expertise and therefore responsibilities such as Legal, Finance, HR and PR. The employed Chief Executive Officer of City Gateway is appointed by the trustees to manage the day to day operations of the charity and has an agreed level of delegated authority for operational matters including vision and direction, finance, employment and performance-related activity. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

RISK MANAGEMENT

A risk management strategy has been set in place to review, monitor and plan for all risks which the organization may face, now or in the future. This comprises a detailed risk register of all aspects of the organization and its activities, and for each project we undertake, outlining possible risks, which may occur, procedures to mitigate the risks identified, and regular re-assessments both of the risks already outlined on the register and of projects and activities for potential new risks. All new projects and activities developed and run by City Gateway undergo a risk assessment before they begin. This process has heightened awareness to the potential risks faced and will assist with the development of robust contingency plans.

ACTIVITIES AND PERFORMANCE

The year 2007 has been exciting and much more progressive in terms of the tremendous growth and expansion of City Gateway's experience. Over the year we have increased our staff numbers from 11 to 33. By bringing in such diverse expertise, we were able to deliver significantly more services of greater quality. It also brought about a number of challenges, particularly in relation to organisational structures, such as HR, Staff Management and Communication systems. A past concern of attracting suitable staff to CG has been largely dealt with through our successful graduate and apprenticeship placement schemes. Our close partnership working with local churches and corporate firms, has provided us with a strong volunteer base for a range of services.

One area where the staff expertise was evident was fundraising, where we significantly explored in increasing our inflow by taking up new and challenging opportunities without compromising on our very core values. This concerted effort saw our financial turnover propel just over 100% and also saw an increase in our statutory contract income. Our financial turnover increased from just under £360,000 to around £860,000.

We continued to establish ourselves as one of Tower Hamlets' 6 Community Hubs for Progression, sourced with Neighbourhood Renewal Funds, providing clients with Information, Advice and Guidance (IAG) and individual action plans for progression. Through this contract we were able to greatly increase our partnership working and contacts with other organizations within the community working towards similar goals. Thousands of our local people have benefited from the exciting work that the organisation has been carrying out over the last 12 months and our exciting successes have helped significantly raise the profile of City Gateway across London and the UK within a range of sectors and networks.

CITY GATEWAY
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REPORT OF THE TRUSTEES
for the Year Ended 31 March 2007

During the year we continued to successfully deliver particularly on our statutory contracts from the European Regional Development Fund (ERDF) for our Outreach and Engagement Work and from Ocean New Deal for Communities (ONDC) to provide training, employment preparation and job outcomes for young people living specifically within the Ocean Estate, working as part of a much wider government initiative to regenerate the Stepney area. We also started a new contract from the London Development Agency (LDA) to deliver NEET reduction work in Tower Hamlets as well as managing other delivery pan-London. We secured a range of smaller commissions from the local authority and sub-contracting opportunities with the Learning & Skills Council. We were also successful in securing a contract with the LDA to deliver in a new area focussing on socially excluded women groups. This contract is for the 2007/08 financial year and runs for three years.

During this period the Enterprise Hub developed and following the establishment of our flagship social enterprises Gateway Promotions and Gateway Studios (now Gateway Media). During the year under review we further went on to set up four enterprise projects, Gateway Motion, Quack IT, Creative Me and The Bus. This was made possible by generous set-up grants from Beyond the Barn and they have gained significant momentum and seen exciting successes through out the year, bringing in finances through private jobs and having a social impact by providing employment and apprenticeship opportunities for local unemployed young people.

We held two large Presentation and Showcase Events at the offices of two of our committed corporate supporters ABN AMRO NV and Allen & Overy. Both of these were wonderful evenings with opportunities to celebrate the achievements of all our trainees and of City Gateway's growth and successes.

Our new premises at the Stepney Life Centre are slowly but surely moving closer to the completion date and we continue to campaign to raise funds for the full costs of the centre. As well as our premises at the Montefiore Centre, we have been able to build a strong base at Lansbury Lodge as the Women's Community Project goes from strength to strength.

As Trustees we have responsibility for the oversight of City Gateway's financial and business performance. We also report here on the objectives of value for money. This means we are required to review our financial needs. We do this in two ways – through an ongoing review of budgets and financial plans and also through a more targeted approach in taking up new contracts.

The financial statements are presented in the standard format required by the Charities (Accounts and Reports) Regulations 2005 and the Charity Statement of Recommended Practice 2005.

City Gateway has had a positive financial year. Due to the increase in staff and the taking up of new projects and contracts, expenditure was doubled over last year's. However expenditure was well contained within budget and was matched with an increase in the inflows.

Having examined City Gateway's requirements in relation to the main risks of the organization, the Trustees have set in place a policy to build up the organisation's Reserve Fund. The establishment and generation of this fund is in line with the Operational guidance No 43 (Charity Income Reserves) issued by the Charity Commission which seeks to guarantee financial security and ensure a level of reserves within its operations.

The policy is set in place to build up the organisation's Reserve Fund to contain enough money for at least 3 months' expenditure, but ideally 6 months. This would give security to the organization and its activities in the event of the delayed release of agreed funds, particularly from government contracts, or through a dry period of fundraising or enterprise sales. It would be a pool of money to draw from to enable activities to continue its operations. To begin to achieve this total, we set out £120,000 to the designated fund account.

However, as a growing organization this policy will be reviewed periodically to ensure our targets match our need.

PLANS FOR THE FUTURE

The future of City Gateway looks very exciting. We have plans to continue to develop the sustainability and excellence of our current projects and enterprises and seek to develop stronger partnerships across the sector to ensure ongoing and improved joint working.

CITY GATEWAY
(LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
for the Year Ended 31 March 2007

As we continue to grow, a key focus for the future will be maintaining the organisation's vision and ethos and holding onto our core values Compassion, Local Community, Excellence, Relationship, Integrity, Sustainability, Partnership, and Innovation

We plan to maintain our integral grassroots foundations by developing our services from a number of local community centres across the borough which will mean at least two new bases of delivery by the end of next year in addition to our current bases at Montefiore Centre (Formally Bethnal Green Training Centre) in Spitalfields and Lansbury Lodge in Poplar. One of these will be our own premises in Stepney which we have been working towards over the last couple of years. The other we hope will be the Limehouse Youth Centre which we hope to acquire through purchasing a medium-term lease off the local authority.

The future is looking good, however the challenges are as big as ever not only trying to improve the quality of living for the local community but also ensuring that as we develop and grow we maintain all that makes us special and unique.

RESERVES POLICY

Having examined City Gateway's requirements in the relation to the main risks of the organization, the Trustees have set in place a policy to build up the organisation's Reserve Fund. The establishment and generation of this fund is in line with the Operational guidance No 43 (Charity Income Reserves) issued by the Charity Commission which seek to guarantee financial security and ensure a level of reserves within its operations.

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STATEMENT OF DIRECTORS RESPONSIBILITIES:

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

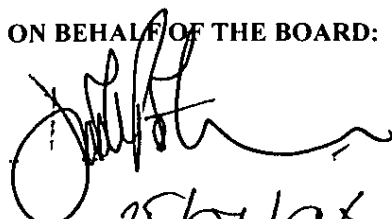
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS:

The auditors, Connor Warin Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



Dated 25/01/08

CITY GATEWAY
(LIMITED BY GUARANTEE)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CITY GATEWAY
(LIMITED BY GUARANTEE)

We have audited the financial statements of City Gateway for the year ended 31 March 2007 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's directors, as a body, in accordance with Sections 43 and 44 of the Charities Act 1993. 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Directors' Report and the financial statement in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

We have been appointed as auditors under the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We are not required to consider whether the statement in the Directors' Report concerning the major risks to which the company is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the company's risk management and control procedures.

We read other information contained in the Directors' Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming an opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 2007 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993 and the Companies Act 1985.



Connor Warin Limited
Chartered Accountants
Registered Auditors
Trinity House
Foxes Parade
Waltham Abbey
Essex EN9 1PH

Dated 28/1/8 .

CITY GATEWAY
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2007

	<u>Notes</u>	Unrestricted Funds	Restricted Funds	Total	Total
		General	Designated	2007	2006
		£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated activities					
Voluntary income		56,192	-	154,962	110,941
Activities for generating funds		1,416	-	1,416	2,727
Investment income		830	-	830	543
Incoming resources from charitable activities		89,895	-	510,121	600,016
TOTAL INCOMING RESOURCES		148,333	-	608,891	757,224
RESOURCES EXPENDED					
Charitable activities	3	42,252	-	624,451	666,703
Governance costs		4,000	-	-	4,000
TOTAL RESOURCES EXPENDED		46,252	-	624,451	670,703
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		102,081	-	(15,560)	86,521
GROSS TRANSFERS BETWEEN FUNDS		(80,000)	80,000	-	-
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		22,081	80,000	(15,560)	86,521
OTHER RECOGNISED GAINS/LOSSES					
Gains on revaluation of investments	5	(2,348)	-	-	(2,348)
NET MOVEMENT IN FUNDS		19,733	80,000	(15,560)	84,173
FUNDS BROUGHT FORWARD		20,873	80,000	15,560	116,433
FUNDS CARRIED FORWARD		£40,606	£160,000	-	£200,606
				£200,606	£116,433

The notes form part of these financial statements

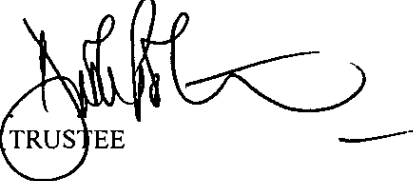
CITY GATEWAY
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BALANCE SHEET
31 March 2007

		<u>31 3 07</u>		<u>31 3 06</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Investments	5	13,433		15,781	
Tangible assets	6	<u>4,452</u>		<u>6,619</u>	
			17,885		22,400
CURRENT ASSETS:					
Debtors	7	47,173		83,395	
Cash at bank		<u>149,537</u>		<u>36,808</u>	
		196,710		120,203	
CREDITORS Amounts falling due within one year	8	<u>13,989</u>		<u>26,170</u>	
NET CURRENT (LIABILITIES) / ASSETS			<u>182,721</u>		<u>94,033</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u><u>£200,606</u></u>		<u><u>£116,433</u></u>
FUNDS					
Restricted	11		-		15,560
Designated	11		160,000		80,000
Unrestricted	11		<u>40,606</u>		<u>20,873</u>
			<u><u>£200,606</u></u>		<u><u>£116,433</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

ON BEHALF OF THE BOARD:


 TRUSTEE

Simon Kempson
 TRUSTEE

Approved by the Board on 25/01/06

The notes form part of these financial statements

CITY GATEWAY
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2007

1 ACCOUNTING POLICIES

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting & Reporting by Charities" 2005

Income and expenditure

Income and expenditure is recognised on the accruals basis of accounting, Grants and donations are recognised in full when receivable and only deferred to subsequent periods when the donor/grantor has stipulated that the gift is to include a stated future period or other conditions are not met

Other resources expenses are recognised in the period in which they are incurred and include attributable VAT where is cannot be recovered

Fund accounting

Restricted funds are to be used for specified purposes as laid down by the donor Expenditure which meets these criteria is charged to the fund

Unrestricted funds are donations and other income received or generated for the objects of the charity without further specified purpose and are available as general funds

Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and depreciated at rates sufficient to write off each asset over its useful life Individual items costing under £1,000 are written off on purchase The periods are

Furniture and fittings	- 4-6 years
Computer equipment	- 3 years

Corporation tax

The company is a registered charity and is exempt from taxation under the Income & Corporation Taxes Acts

Pension

The company operates defined contribution pension arrangements for certain of its staff The costs of the scheme are charged to expenditure as the charges are incurred

2 OPERATING SURPLUS

The operating surplus is stated after charging

	31 3 07	31 3 06
	£	£
Depreciation - owned assets	2,167	3,226
Auditors' remuneration	<u>4,000</u>	<u>2,775</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

CITY GATEWAY
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
for the Year ended 31 March 2007

3. CHARITABLE EXPENSES

	Unrestricted funds	Restricted funds	Total 2007	Total 2006
Employment costs	12,472	428,438	440,910	179,364
External trainers charges	-	77,104	77,104	38,118
External project costs	-	8,749	8,749	19,647
Computer equipment	1,576	6,698	8,274	3,223
Trainee allowances	-	36,494	36,494	14,156
Course expenses	-	48,282	48,282	6,964
Other training costs	6,834	1,020	7,854	879
Training & associated costs	-	2,047	2,047	266
Telephone	4,594	-	4,594	2,607
Insurance	1,632	-	1,632	862
Office costs	5,228	535	5,763	2,562
Accounts and examination	1,683	-	1,683	3,451
Miscellaneous costs	-	3,084	3,084	1,698
Rent	6,066	12,000	18,066	18,066
Depreciation	2,167	-	2,167	3,226
	<u>42,252</u>	<u>624,451</u>	<u>666,703</u>	<u>295,089</u>

4. STAFF COSTS

	31 3 07 £	31 3 06 £
Wages and salaries	396,148	134,508
Employers NI	37,204	13,614
Pension schemetrn contributions	<u>7,558</u>	<u>7,395</u>

No employee earned more that £60,000 p a

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

31 3 07	31 3 06
<u>20</u>	<u>4</u>

CITY GATEWAY
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2007

5. INVESTMENTS

	31 3 07 £	31 3 06 £
HBOS plc (1,283 shares) price at date of gift	7,846	7,846
Valuation brought forward	15,781	10,584
Valuation carried forward	<u>13,433</u>	<u>15,781</u>
(Loss)/Gain on revaluation	<u>(2,348)</u>	<u>5,197</u>

6. TANGIBLE FIXED ASSETS

	<u>Furniture & fittings</u>	<u>Computer equipment</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 April 2006	1,212	31,224	32,436
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2007	<u>1,212</u>	<u>31,224</u>	<u>32,436</u>
DEPRECIATION:			
At 1 April 2006	1,000	24,817	25,817
Charge for year	<u>53</u>	<u>2,114</u>	<u>2,167</u>
At 31 March 2007	<u>1,053</u>	<u>26,931</u>	<u>27,984</u>
NET BOOK VALUE:			
At 31 March 2007	<u>159</u>	<u>4,293</u>	<u>4,452</u>
At 31 March 2006	<u>212</u>	<u>6,407</u>	<u>6,619</u>

**7 DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31 3 07 £	31 3 06 £
VAT	1,520	-
Gifts & grants receivable	45,379	54,407
Other debtors and prepayments	<u>274</u>	<u>28,988</u>
	<u>47,173</u>	<u>83,395</u>

CITY GATEWAY
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NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2007

**8 CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31 3 07	31 3 06
	£	£
VAT	-	891
Trade creditors	7,293	22,163
Accrued expenses	<u>6,696</u>	<u>3,116</u>
	<u>13,989</u>	<u>26,170</u>

9. OUTLINE SUMMARY OF FUND MOVEMENTS

The funds on the balance sheet are made up as follows

Fund name	Fund balance b/fwd	Incoming resources	Outgoing resources	Transfers	Gains & losses	Fund balance c/fwd
<u>Restricted funds</u>						
NRF / Leaside	-	40,751	40,751	-	-	-
NDC	-	127,255	127,255	-	-	-
PAYP	-	29,923	29,923	-	-	-
Life Line Hands Free	-	29,204	29,204	-	-	-
ERDF	-	46,587	46,587	-	-	-
London Development Agency	-	206,401	206,401	-	-	-
Community Development Fund	-	30,000	30,000	-	-	-
Deutsche Bank	11,511	49,274	60,785	-	-	-
Jack Petchey Grant	-	30,000	30,000	-	-	-
Microsoft Unlimited Potential	-	2,500	2,500	-	-	-
William Wates Memorial Trust	-	10,000	10,000	-	-	-
Peabody Trust	-	6,996	6,996	-	-	-
Baring Foundation	4,049	-	4,049	-	-	-
	15,560	608,891	624,451	-	-	-
<u>Unrestricted funds</u>						
General fund	20,873	148,333	46,252	(80,000)	(2,348)	40,606
Designated fund	80,000	-	-	80,000	-	160,000
	100,873	148,333	46,252	-	(2,348)	200,606
TOTAL FUNDS	116,433	757,224	670,703	-	(2,348)	200,606

CITY GATEWAY
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2007

10. FUNDS

The funds on the balance sheet are made up as follows

	<u>Unrestricted</u>	<u>Designated</u>	<u>Total</u>
	£	£	£
ASSETS			
Investments	13,433	-	13,433
Tangible assets	4,452	-	4,452
Debtors	36,710	10,463	47,173
Bank	-	149,537	149,537
	<u>54,595</u>	<u>160,000</u>	<u>214,595</u>
LIABILITIES			
Creditors	<u>13,989</u>	-	<u>13,989</u>
	<u>13,989</u>	-	<u>13,989</u>
FUND BALANCES	<u>40,606</u>	<u>160,000</u>	<u>200,606</u>

11. GUARANTEE STATUS

The company is limited by guarantee, which means that every member undertakes to contribute to the assets of the company in the event of a winding up, such amounts as may be required not exceeding ten pounds

12. INTANGIBLE INCOME

During the year the charity received services in kind from corporate supporters. These have not been included in the financial statements because the trustees have not been able to assess what the value of the gifts amount to

ABN Ambro hosted a presentation and provided the use of their conservatory room as well as laying on drinks and canapés for guests

CITY GATEWAY
(LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT
for the Year Ended 31 March 2007

	<u>31 3 07</u>		<u>31 3 06</u>	
	£	£	£	£
Income:				
Gifts and donations	154,962		105,131	
Income tax recoverable	-		-	
Government grants	600,016		254,701	
Training and room hire	<u>1,416</u>		<u>2,727</u>	
		756,394		362,559
Other income:				
Bank interest receivable		<u>830</u>		<u>543</u>
		757,224		363,102
Expenditure:				
Employment costs	440,910		179,364	
External training charges	77,104		38,118	
Telephone	4,594		2,607	
Office costs	5,752		2,562	
Motor expenses	1,133		500	
External project costs	8,749		19,647	
Computer equipment	8,274		3,223	
Trainee allowances	36,494		14,156	
Course expenses	48,282		6,964	
Other costs	6,721		379	
Training and associated costs	2,047		266	
Minor equipment	-		-	
Annual report	-		-	
Sundry expenses	3,082		1,698	
Accountancy fees	5,684		6,226	
Bad debts	2		-	
Rent	18,066		18,066	
Insurance	1,632		862	
Bank charges	<u>10</u>		<u>-</u>	
		668,536		294,638
		88,688		68,464
Depreciation:				
Fixtures & fittings	53		71	
Computer equipment	<u>2,114</u>		<u>3,155</u>	
		2,167		3,226
		86,521		65,238
Revaluation on investments		<u>2,348</u>		<u>(5,197)</u>
NET PROFIT		<u>£84,173</u>		<u>£70,435</u>