

REGISTERED COMPANY NUMBER: 03760619 (England and Wales)
REGISTERED CHARITY NUMBER: 1078360

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014
FOR
CITY GATEWAY**

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City Gateway

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City Gateway

Report of the trustees for the year ended 31 August 2014

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2014. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
03760619 (England and Wales)

Registered Charity number
1078360

Registered office
32 Mastmaker Court,
Mastmaker Road,
London,
E14 9UB

Trustees

D Paterson (Chairman)
S Kempson (Vice Chair)
J Gooding
W Lum
J Bishop
R Duncombe-Anderson

(appointed 5 December 2013)
(appointed 5 December 2013)

CEO

E Stride

Auditors

Mazars LLP
Times House,
Throwley Way
Sutton
Surrey SM1 4JQ

Bankers

National Westminster Bank
PO Box 282
216 Bishopsgate
London
EC2M 4QB

OBJECTIVES AND ACTIVITIES

Mission

To bring hope to local communities across London and principally East London.

Aims and How We Do This?

We seek to:

1. Connect with the most excluded individuals, to engage them in positive activities, train them in skills they need and progress them into work;
2. Bring together different groups and cultures and work against conflict and division; and
3. Promote local economic growth through the development of sustainable social enterprises.

We exist to bring hope to all those who are poor and excluded and in need. Our focus is and will always be to help and support the most vulnerable and needy. That means we work with the kind of people that are often the most hard to reach. In doing so, we recognise our important role in the community to bring together different communities and create social cohesion.

We run youth training and employment programmes, a youth work programme, a women's project, families project and a number of social enterprises- offering individuals everything from community events and drop-in youth clubs through to apprenticeship schemes and the chance to develop their own business ideas.

Our work helps individuals overcome obstacles such as poor language levels, a lack of role models, limited aspirations and low skill levels and positively progress in life, whether into an apprenticeship or further education or simply in growing confidence. We engage with the needs of individuals through a step by step progression and seek to provide individuals with the confidence, employability skills and the all-round development they need to reach their potential. In partnership with the borough, and a wide range of firms and community organisations we have seen amazing changes in both groups of people and individuals.

Our Ethos and Values

Our ethos is to follow the example that Jesus set; to love our neighbours, and to help those in society who are poor, excluded and in need.

It is core to City Gateway, especially as we grow, we seek to find new ways to express and demonstrate this passion and way of working in everything we do.

Our values, together with our ethos guide us in how to behave and the attitude in which to work.

- **Excellence:** To continuously improve our services and the quality of what we offer. That is why we put ourselves under rigorous scrutiny from external experts to examine our services – whether that's Office for Standards in Education (Ofsted), Investors in People, Matrix, Hear by Right, to mention a few. We are accountable to our Trustees and our young people and women that are our ultimate seal of approval.
- **Ambition:** To grow, expand and reach more people. As a charity, there are always obstacles to our ambition. This may for instance be a lack of finances or resources. That

City Gateway

Report of the trustees for the year ended 31 August 2014

is why we are structured to be responsive to new opportunities and tackle emerging social issues, which act as barriers to our young people, women and families to progressing in life.

- **Innovation:** City Gateway has been successful in what it does – in reaching people, delivering services and demonstrably changing lives - because it is innovative too. We work through life issues with our service users and all that they are going through. That may be gangs, domestic violence, risk of prostitution, low self-esteem or hopelessness.

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.

Appointment of Trustees

Trustees are appointed on the basis of their skills and experience as well as their desire and passion to further City Gateway's mission and ethos. A mix of different skills and backgrounds is sought on the board and sub groups and recruitment based on needs of the roles which need to be fulfilled.

Each candidate meets with the Chair of the Board and the Chief Executive Officer and is invited to attend board meeting/s informally so that the Board and the individual can assess whether they are suited to the role.

(The Trustees in office during the period ended 31 August 2014 are listed on page 1)

Trustee Induction and Training

Newly appointed Trustees are briefed on their responsibilities and the Memorandum and Articles of Association, the current Strategic Business Plan, and given an overview of the recent financial performance. The functions of the board 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 has clear responsibilities, often given a particular role and is expected to attend all Trustee meetings and very often one to one meetings with managers at City Gateway or sub group meetings. Trustees are also encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

Trustees are responsible for setting general policy, finalising and approving the annual plan and budget, monitoring the charity and making major decisions about the strategic direction of the charity and the capital expenditure. Trustees appoint the Chief Executive Officer of City Gateway to manage and lead the charity and agree a level of delegated authority. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

Employee involvement

City Gateway continues to operate an internal communications policy with the aim of engendering greater staff involvement in the charity's activities.

Equal opportunity

The charity's policy is to promote equal opportunity in employment regardless of gender, race, colour or disability subject only to capability and suitability for the task and legal requirements. Where existing employees become disabled it is the charity's policy to provide continuing employment under terms and conditions and to provide equal opportunity for promotion for disabled employees wherever appropriate.

Risk Management

We continue to assess, review, monitor and plan for all risks which the organisation may face, now or in the future. Our Risk Management Strategy comprises a risk register of all aspects of the organisation 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.

Public Benefit Statement

City Gateway has always, and will continue to, take its responsibilities of ensuring that its charitable activities contribute significantly to the lives of those we work with and specifically within the local areas in which those activities are undertaken. With reference to Charities Act 2011, all our charitable activities are directed towards having a lifelong impact on the local area and these activities are undertaken to further our charitable purposes for the public benefit. The examples below (see achievements and performance) are a testament of our commitment to the public benefit requirement.

All Trustees give their time voluntarily and receive no private benefit from the charity.

ACHIEVEMENTS AND PERFORMANCE 2013-2014

Over the last 12 months City Gateway has continued to pioneer innovative services for the people of Tower Hamlets and surrounding boroughs, bringing hope to more individuals than ever before.

We take a carefully designed and holistic approach to addressing the complex progression needs of the local community, who are some of the most vulnerable individuals often living in extreme deprivation. We work to build trust by offering, advice, mentoring and training in order to provide routes out of poverty and social exclusion. We see high level of progression by equipping people for further education, sustainable livelihoods and significantly healthier lives. Our three key aims as a charity are to:

- Engage, mentor and train the most excluded individuals;
- Bring together different groups and cultures, and work against conflict and division;
- Promote local economic growth through the development of sustainable social enterprises.

Our unique step-by-step progression model builds confidence and aspirations, whilst addressing individual need. This is reflected in our three main programmes:

- **Youth Services**, providing vocational training for young people who are NEET (not in education, employment or training), alongside support in basic skills, employability and personal development, and progression routes into our Apprenticeship programme and sustained employment. To complement formal training, our Informal Education team provides specialist wrap-around support to 'at risk' learners, positive activities, and an innovative Young Leaders programme to promote peer support networks.
- **Women and Families Services**, helping excluded women towards socio-economic independence, through community-building, personal development, English language learning, training and employment progression. Providing early years intervention and targeted family support for disadvantaged children and their carers, and facilitating increased parental access to local services.

City Gateway Report of the trustees for the year ended 31 August 2014

- **Social Enterprise Hub**, currently with four enterprises providing training and jobs for our clients, whilst helping to fund City Gateway's activities through provision of commercial services locally.

Youth Services

Since our inception, City Gateway Youth Services has been committed to serving the most disengaged and most disadvantaged young people in Tower Hamlets and the surrounding boroughs. This year saw an even greater focus on supporting the most marginalised young people.

City Gateway Youth Services works carefully to accommodate Special Education Needs (SEN) learners from all backgrounds. 10% of Key Stage Four (KS4) students have statements and 90% are School action plus learners. At 16-19 delivery, learners face multiple barriers to employment including exceptionally low prior attainment, SEN, low motivation and often criminal records or gang affiliations.

In addition to a growing SEN team, our dedicated targeted support team works with young people who face significant safeguarding risks. The team currently works with the highest risk cases during the current year due to current capacity (approximately 30% of all learners).

KS4 Performance

Maths and English

Results in English have improved dramatically over the last 12 months with 72% of learners achieving Level 1 Functional Skills (FS) and 82% a D-G GCSE. This lays strong foundations for post 16 learning.

Improvements at Maths Level 1 and D-G GCSE are again seen as positive results with 49% gaining Level 1 FS and 52% a D-G GCSE is a major achievement.

Area and level	2012/13	2013/14	Change	
			PPT ¹	%
English Level 1	48%	72%	24	50%
Maths Level 1	37%	49%	12	32%
English Functional Skills	52%	83%	31	60%
Maths Functional Skills (FS)	37%	49%	12	32%

Vocational Subjects Achievement

In order to secure future progression onto Post 16 education, City Gateway Youth Services aims to give all learners the opportunity to achieve a level 1 vocational qualification. This year 100% of learners who sat a Level 1 Qualification passed. In addition we aspire to help as many learners as possible achieve a Level 2 Qualification. After the Ofsted inspection in May we have changed the way in which achievement is measured and so no comparisons to this data are available.

Achievement Level	Total
Achieved Units of Level 1 Qualification or above	100%
Achieved Full L1 Qualification or above	100%
Achieved Units of L2 Qualification or above	62%
Achieved Full L2 Qualification	31%

¹ Percentage Point (PTT)

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Report of the trustees for the year ended 31 August 2014

Positive progression²

91% of learners made a positive progression.

All of the learners at KS4 are considered to have either an SEN or safeguarding issue, or both. This puts them into the highest risk category of becoming NEET (not in education, employment or training). To see over 90% of learners moving into a positive progression is an extraordinary result for City Gateway Youth Services and the learners. We continue to push ourselves as an organisation by setting high standards for progression across all courses, and seeing this level of progression realised at 100% in the majority of our courses is a credit to the staff that teach and support these learners.

16-19 Provision

Maths and English

Post 16 learners at City Gateway enter with an extremely low previous achievement level in English and Maths. Enhancements to our initial assessment process have helped to improve teaching across the area. In order to secure positive progressions into employment a target of Level 1 is required. After the Ofsted inspection in May 2014 we have changed the way in which achievement is measured and so no comparisons to this data are available. In measuring achievement under the old system, there is a 5ppt improvement across the board.

Level achieved	Achieved	
	%	Count
Level 1 or above in English	92	103
Level 2 English	21	24
Level 1 or above in Maths	79	52
Level 2 in Maths	10	7

Vocational Subjects Achievement

	Engage	Export	Employ
Retained	76	148	166
Achieved	63	118	139
Achieved %	83	80	84
2012/2013 %	80	80	81

² The percentage of individuals who completed a course and are known to have moved into sustained education

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Positive Progression

	Engage	Export	Employ
Positive prog	71	120	123
Retained	76	148	166
Progressed %	93	81	74
2012/2013 %	87	89	84

One area of particular success, is in our Advanced Sport progressions increased from 49% in 2012-13 to 90% in 2013-14 by maximizing delivery through our social enterprise "Gateway Motion" as well as other gyms leading to better outcomes for learners

In addition to these results, learners across City Gateway Youth Services saw a marked improvement in attendance, behaviour and in softer job readiness skills, measured through our newly established Skills Profile.

All of this was recognised in this year's Outstanding Ofsted report;

- "A large majority of learners progress into apprenticeships, further education and employment having started at City Gateway 14-19 Provision with very few, if any, qualifications.
- "Staff at City Gateway 14-19 provision ensure that exceptional work placements, and employers' participation in the delivery of programmes, raise the aspirations of young people and provide them with the skills to secure outstanding apprenticeships and employment.
- "Learners make excellent progress in developing personal and social skills, often from a low starting point.
- "Learners' attendance improves significantly from very low levels when learners first start at City Gateway 14-19 Provision. By the end of their programme, most learners have high attendance.
- "Staff provide exceptional support to learners that helps them participate, and remain, in education. Staff identify each learner's barriers to education exceptionally well and creatively develop effective strategies to overcome these difficulties."
- "Outstanding teaching, learning and assessment motivate and enthuse learners in lessons, ensuring learners behave well, enjoy learning and make rapid progress."
- "Leaders encourage staff to be innovative in the methods they use to support and teach learners. This, combined with the exceptionally good knowledge staff have of their learners and community, ensures individual students' needs are met very effectively."
- "Staff are committed to the vision and values of City Gateway 14-19 Provision. As a result, the level of aspiration and ambition for their learners pervades all aspects of their work."
- "Staff have an excellent understanding of the many reasons young people in their community are not in education, employment or training. They provide a safe and secure place for learners and work extremely well with external agencies to overcome learners' barriers to attending education".

-Ofsted Report, May 2014

City Gateway Report of the trustees for the year ended 31 August 2014

Informal Education

In addition to our formal educational delivery, City Gateway also delivers a broad range of youth work services in the local community.

Area	Contacts		Participants		Recorded outcomes	Accredited outcomes
	Count	Unique	Count	Unique		
Tower Hamlets youth work	543	460	258	186	195	141
City youth work	163	127	85	61	43	43
Enrichment	281	237	193	156	-	-
Street work	384	353	47	37	-	-
Total	1,371	1,177	583	440	238	184

Apprenticeships

City Gateway is best known for our Apprenticeships due to the successful ladder for London campaign. Of all of our positive progressions for young people, our own apprenticeship service makes up around one third of these outputs.

We are committed to a high quality apprentice service that puts the needs of the young people and the work place providers, side by side. Our ability to support young people into roles at prestigious firms helps us to stand out from other apprentice providers. The significant lack of prior attainment by the people group we work with makes the outcomes we achieve all the more substantial.

2013/14	Actual
Number starting employment	229
Number starting courses	262
Success (Retention x achievement) (%)*	83

76% of all City Gateway apprentices progressed into full time jobs. For those that did not, our newly developed Careers and Progression Service, continues to work with young people to support them into employment, education or other courses for development.

"An exceptionally high proportion of 16- to 19-year-old learners progress into further education, training or employment, with a large majority progressing into City Gateway's outstanding apprenticeship programme. Most of these progress into advanced level apprenticeships. Staff monitor the destinations of their learners closely in the six months following completion of their courses and take very effective action to help those who do not immediately progress into further training or employment, back into education at City Gateway 14-19 Provision.

Learners' opportunities to progress into employment are significantly enhanced by the extremely prestigious work placements and involvement of employers, such as the House of Commons, Ernst and Young and Credit Suisse. Employees from companies work with tutors to deliver training, accompany learners on trips and provide mock interviews. As a result, many learners have high aspirations and successfully gain employment or apprenticeships with these employers."

- Ofsted May 2014

Women's Services

The City Gateway Women's Project (CGWP) works with hard-to-reach women from the local community to help them towards social and economic independence, through a holistic programme of community-building, personal development and support, skills training and progression into work.

We deliver a wide range of support, training and employment services from two different centres in Tower Hamlets. We have also developed a wide range of strategic partnerships with local schools, health centres, refuges, children's centres, Tower Hamlets Council and other statutory and civil society organisations in order to spread resources, share best practice and facilitate referrals.

This year we worked 356 Women across our projects, with many more attending drop in sessions.

Overview of local need

Tower Hamlets has the second highest proportion of economically inactive working age women in Great Britain (44%, Office for National Statistics, ONS 2012) and the second highest proportion in England of people with poor or no fluency in English (ONS, Census Data 2011). As a result, the women we work with face multiple barriers to engaging with local services, and in the labour market. These include lack of English, low skills, expensive childcare, and poor health, leading to low aspirations and confidence. This impacts borough-wide rates of child poverty and increases the likelihood of these children becoming NEET, offending, and suffering poor health. Tower Hamlets is the local authority with the highest levels of child poverty in the UK (42%, End Child Poverty, 2013).

New delivery in 2013/14

- **Employability programmes** - including Curriculum Vitae (CV)-writing workshops and Information Technology (IT) courses, as well as interview practice and insight tours with corporate partners.
- **Advice Champions volunteer programme** - offering placements within CGWP whilst volunteers study Community Volunteering Qualification (Level 1), giving our clients opportunity to develop employability and confidence skills in a professional setting.
- **Weekly advice sessions** - for women needing information or support with job seeking/Job Centre Plus (JCP), benefits, money management, housing and family concerns.

Expanded delivery

- **Employment projects** - partnering with international and national firms and community projects to offer apprenticeship opportunities to local women.
- **Vocational courses** - Business Administration, Beauty and Childcare which expanded to Level 3 in 2013/2014
- **Women's Voice** - Confidence building and public speaking classes, empowering local women to become leaders in their communities.
- **ESOL** - English for Speakers of Other Languages
- **Functional Skills** - English and Maths courses
- **Lunchtime literacy and numeracy sessions** - with corporate volunteers working one-to-one and in small groups with students to improve their basic numeracy and communication skills.
- **Informal social development activities** - including everything from exercise classes and self-defence courses, through to health education and money management sessions.
- **Creative development programmes** - in 2013/2014 crochet courses were run
- **Beauty Gateway** - our social enterprise Beauty Salon, offers training and employment opportunities to local women (see "Social Enterprise End of Year Report 2013-2014" for further information)

CGWP works with every woman on the programme to overcome the barriers to study and employment that she may face, through provision of free on-site childcare, a translation service, extensive Information, Advice and Guidance and ongoing mentoring to identify and resolve risk issues.

Children and Families Services

As part of an expansion in our delivery to support the broader community our Children and Families services have seen a high level of engagement working with over 250 children, or parents from around 100 families.

All elements of our Children and Families Project express one or more of its main themes:

- **'Grow' – health, safety and wellbeing:** this area focusses on ensuring that children grow up in a safe, healthy and happy environment, where they feel cared for, their physical, emotional and social needs are met and they are developing according to the norms for their chronological age.
- **'Strengthen' – positive, consistent relationships:** this area focusses on the interpersonal relationships within the family or household, ensuring that there is positive communication and that conflict is dealt with in an appropriate way. This includes parenting and managing children's behaviour in a way that is consistent and appropriate for the development level of the child.
- **'Achieve' – making progress in learning together:** this area focusses on both formal and informal learning, the acquisition of skills and knowledge that will improve the family as a unit and also the life chances for the individual. Learning enables families to attain a sustainable livelihood and gives individuals more choices in life, giving them hope for a more positive future.
- **'Build' – contributing to the local community:** this area focusses on enabling family members to have the confidence to make a contribution, both within the family and within the local community. By reducing the isolation experienced by many vulnerable families, and supporting family members to integrate into a local group, they are less marginalised and have a wider support network to call on in time of need. They are also empowered to make their own positive life choices.

These categories have been decided on after much consultation with parents and local stakeholders, and we feel that they reflect the real issues that face families in Tower Hamlets.

Key delivery

- **Home Visits** - crucial in enabling us to establish trusting relationships with families who are living in social exclusion, who find it hard to trust mainstream service providers, and who rarely travel beyond their immediate locality
- **Targeted Family Support** - a programme of focussed intervention that considers the unique needs of both the child and carer and how they can be supported together.
- **New Mums Club** - an informal support group that is themed each week according to common issues (e.g. breastfeeding, sleeping patterns). Vulnerable and excluded mums are given a safe space to get to know other new parents, find out about support, play and bond with their babies, and share ideas and experiences.
- **Creative Parenting** - an informal group parenting course, run with children (0-2 years) and parents together. The focus is on developing language and communication skills and building strong relationships, establishing healthy routines and lifestyle patterns.
- **Stay and Play Programme** - centred around the child and their healthy development this is a weekly session that engages disadvantaged parents/carers together with their early years (0-3 year old) child in order to teach and support and them in essential play and bonding activities.
- **Meal Clubs** - professional childcare and nutritional meals for children (2-5 years old) with their mothers during breakfast, lunch and after-nursery hours, as well as offering mothers training in healthy lifestyles and parenting.

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- **Family Advice Café** - This is an informal drop-in session where parents of children in the After School Club can have free refreshments, socialise with other parents, and get access to information about local services, benefits, or advice about issues they are dealing with.
- **Family Trips** - 'Get to know your area' family trips – Families learn about local history and how to get around their borough. Visits will include local places of interest, such as Mudchute Farm, Canary Wharf, Museum of the Docklands, Greenwich Park and the Tower of London. Having fun together strengthens family relationships and is important in creating positive emotions in individuals.
- **Community Days** - an enjoyable way to continue building a trusting relationship with the local community, demonstrating hospitality, respect and cultural sensitivity, making known the services we provide, and helping local social networks to grow organically among excluded individuals and family units.

Social Enterprise;

The primary purpose of all City Gateway Social Enterprises is to provide social outputs and to deliver services which will be used by internal and/or external customers in order to offer an enhanced training environment for our learners.

They aim to generate as many work placement opportunities as possible without compromising quality of placements. Social Enterprises should strive to reflect a true business environment in order to provide a higher quality training experience.

City Gateway currently runs four Social Enterprises:

- **Beauty Gateway** - Offering beauty treatments for external corporate bookings, this project is becoming more imbedded with our Women's project, offering real world experiences for learners.
- **Flavour Gateway** - One of our longest standing enterprises, Flavour Gateway is moving from strength to strength. It now provides food for learners on site through the '@The Hub' and a front facing public accessed café – 'Kitchen 32'. Plans are being developed to explore the scalability of this opportunity to continue to increase the number of social outputs on offer.
- **Gateway Motion** - With the launch of our onsite Gym, now open to the public and working in partnership with No 1 Fitness, we are able to offer opportunities for our learners to set up their own personal training businesses. The success of this project has seen a sharp increase in the progression routes available of learners on our increasingly popular sports courses.
- **Gateway Tots** - The centre piece of our Children's and Families service has now launched as a fully-fledged nursery, receiving the highest possible baseline assessment in the boroughs history. This uniquely run programme offers learners studying Child Care, the opportunity to gain first-hand experience through apprentices, and make a lasting impact in the lives of local residents.

Conclusion

The unique blend of services on offer at City Gateway, continue to bring hope to over 2000 people every year, and our plans for continued development will help more people to realise their potential. As Trustees we are exceptionally proud of the dedication of our staff and volunteers and believe that the challenges in managing a growing, diverse organisation will be met with enthusiasm and passion.

FUTURE PLANS

In 2014/15 City Gateway will continue to deliver its mission to bring hope to people by engaging, mentoring and training those who are most excluded. We will look to increase the volume of our services, recognising that there are many in Tower Hamlets and east London who do not have access to good quality provision. We will aim to increase the financial as well as other resources available for us to carry out our work.

Critical success targets are delivery targets that should be achieved to operate well and sustainably. City Gateway does far more than these targets below and will always aim to have such a work ethic, however, it is important to carve out what we must do as a minimum to consider ourselves to be successful.

- Provide at least 90 KS4 places
- Recruit and deliver up to 475 individual 16-19 learners on the post 16 programmes
- Provide 180 new starts in apprenticeships
- 150 completed learners on the Adult Skills programme achieving their qualification
- 120 children take up Early Years provision at Gateway Tots
- 350 women engaged in one or more programmes

Although not critical in terms of financial sustainability, we think it is important to achieve the following targets so that we are pushing to bring hope to as many people as possible:

- 800 unique learners engaged in our informal education services.
- Provide services to 40 families.
- Provide at least 100 unique social output opportunities through our social enterprises.
- Staff to have 95% positive score on understanding and being committed to City Gateway's ethos and values.

City Gateway will aim to work actively in partnership with London Borough of Tower Hamlets and other statutory and corporate partners to deliver these objectives. We will engage actively with central and local government where there is congruence in policy initiatives and City Gateway's aims.

FINANCIAL REVIEW

The accounts contained in this report have been presented in accordance with the Statement of Recommended Practice (SORP): Accounting for Charities (SORP, 2005) and with relevant companies and charities legislation and regulations.

The Statement of Financial Activities shows City Gateway's gross income from all sources and how this income was expended and the split of financial activity between restricted and unrestricted funds.

HIGHLIGHTS

- **Income** **£8.0 million**
- **Expenditure** **£7.7 million**

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Report of the trustees for the year ended 31 August 2014

This represents 40% growth in income (£2.3m) and 38% growth in expenditure (£2.1m) compared to the prior year. This growth relates primarily to the following:

- Increased volume of education services delivered to learners aged 14-19 (through services delivered to City Gateway 14-19 Provision) (Increase of £1.7m). This relates to an increased volume of delivery at both KS4 and Post 16, and continued development of our services.
- Increase volume of Apprenticeship Training Agency activities (within City Gateway Enterprises Ltd subsidiary) (Increase of £0.6m). This relates to the 2nd year of operation of the Apprenticeship Training Agency and the first year in which the volume of activity was consistent for the full year.

RESERVES POLICY

City Gateway is committed to using its resources in pursuit of its charitable activities. It is also committed, however to maintaining a level of reserves that is prudent to meet its on-going liabilities, sufficient to ensure that all service delivery commitments can be met and to protect the long term sustainable future of our operations. This commitment is represented by the Designated Working Capital Fund. This commitment 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 sufficient level of reserves.

The policy is to aim to maintain sufficient designated reserves to cover at least 3 months of future expenditure but ideally 6 months. These funds are set aside in order to ensure continuity of delivery and sustainability. As in previous years a number of significant funding sources are received in arrears, however, in the current year a number of new income streams (including Apprenticeship Training Agency activities and services delivered to City Gateway 14-19 Provision) are received fully or partially in advance. Both the Designated Working Capital Fund and income received in advance provide cash flow to ensure that liabilities can be met when they fall due. The balance of the Designated Working Capital Fund at 31 August 2014 was £1,160,000 which represents approximately 2 months of budgeted future expenditure.

This policy is regularly reviewed to ensure that it continues to be appropriate and sufficient.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of City Gateway for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

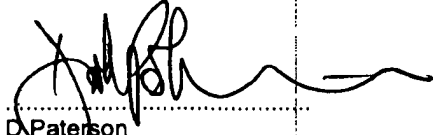
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

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Report of the trustees for the year ended 31 August 2014

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'D. Paterson', written over a dotted line.

D. Paterson
Trustee

Date: 3/2/15

City Gateway

Report of the independent auditor to the members of City Gateway

We have audited the financial statements of City Gateway for the year ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members as a body. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

N J Wakefield

Nicola Wakefield (Senior Statutory Auditor)
For and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date: *13 March 2015*

City Gateway
Consolidated Statement of Financial Activities for the year ended 31 August 2014

	Note	General funds £	Designated funds £	Restricted Funds £	2014 Total funds £	2013 Total funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	130,247	-	-	130,247	119,281
Activities for generating funds		295	-	-	295	135
Investment income		4,022	-	-	4,022	9,319
Incoming resources from charitable activities						
Charitable activities	3	7,182,090	-	720,717	7,902,807	5,597,987
Total incoming resources		7,316,654	-	720,717	8,037,371	5,726,722
RESOURCES EXPENDED						
Charitable activities						
Charitable activities	4	6,847,255	-	834,230	7,681,575	5,556,160
Governance costs	5	64,206	-	-	64,206	34,991
Total resources expended		6,911,461	-	834,230	7,745,781	5,591,151
NET INCOMING/ (OUTGOING) RESOURCES BEFORE TRANSFERS						
		405,193	-	(113,603)	291,590	135,571
Transfers between funds		(400,000)	400,000	-	-	-
NET INCOMING/ (OUTGOING) RESOURCES		5,193	400,000	(113,603)	291,590	135,571
Other recognised gains						
Gains on investment assets	9	30	-	-	30	320
Net movement in funds		5,223	400,000	(113,603)	291,620	135,891
RECONCILIATION OF FUNDS						
Total funds brought forward		71,416	760,000	136,291	967,707	831,816
TOTAL FUNDS CARRIED FORWARD	13, 14	76,639	1,160,000	22,688	1,259,327	967,707

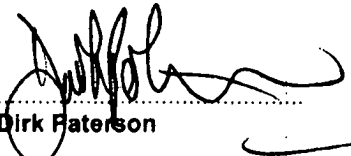
All amounts relate to continuing activities and there are no other gains or losses other than as disclosed in the statement of financial activities.

The notes form part of these financial statements

City Gateway
Consolidated Balance sheet at 31 August 2014

		2014	2013
	Note	£	£
FIXED ASSETS			
Tangible assets	9	93,913	83,661
Investments	10	<u>621</u>	<u>591</u>
		94,534	84,252
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	1,171,897	867,095
Cash at bank and in hand		<u>1,177,362</u>	<u>969,552</u>
		2,349,259	1,836,647
CREDITORS			
Amounts falling due within one year	12	(1,184,466)	(953,192)
NET CURRENT ASSETS		<u>1,164,793</u>	<u>883,455</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,259,327	967,707
NET ASSETS		<u>1,259,327</u>	<u>967,707</u>
FUNDS	13,14		
Unrestricted funds		76,639	71,416
Designated fund		1,160,000	760,000
Restricted funds		<u>22,688</u>	<u>136,291</u>
TOTAL FUNDS		<u>1,259,327</u>	<u>967,707</u>

The financial statements were approved by the Board of Trustees on 3/2/15 and were signed on its behalf by:

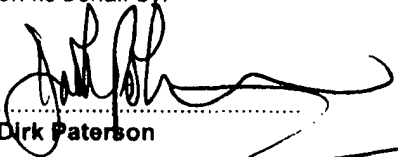

 Dirk Paterson
 Trustee

**City Gateway
Charity Balance sheet at 31 August 2014**

		2014	2013
	Note	£	£
FIXED ASSETS			
Tangible assets	9	93,913	83,661
Investments	10	621	591
Investment in subsidiary	10	<u>100</u>	<u>100</u>
		94,634	84,352
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	999,457	971,522
Cash at bank and in hand		<u>973,659</u>	<u>366,212</u>
		1,973,116	1,337,734
CREDITORS			
Amounts falling due within one year	12	(808,423)	(454,379)
NET CURRENT ASSETS		<u>1,164,693</u>	<u>883,355</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,259,327	967,605
NET ASSETS		<u>1,259,327</u>	<u>967,707</u>
FUNDS	13,14		
Unrestricted funds		76,639	71,416
Designated fund		1,160,000	760,000
Restricted funds		<u>22,688</u>	<u>136,291</u>
TOTAL FUNDS		<u>1,259,327</u>	<u>967,707</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008) and have been audited under the Companies Act 2006.

The financial statements were approved by the Board of Trustees on 31/2/15 and were signed on its behalf by:


Dirk Paterson
Trustee

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities. The trustees have considered the basis of preparation of the financial statements and consider that it is appropriate to prepare the financial statements on the going concern basis.

These financial statements consolidate those of the charity with its wholly owned subsidiary company, City Gateway Enterprises Limited. In accordance with paragraph 397 of SORP 2005, no separate Statement of Financial Activities (SOFA) has been presented for the charity alone.

The charity has taken advantage of the exemptions set out in Financial Reporting Standard 1 (FRS 1) from preparing a cash flow statement on the grounds that it is a small group. The charity has also taken advantage of the exemption available in accordance with FRS 8 "Related party transactions" not to disclose transactions with its wholly owned subsidiary company.

Incoming resources

All incoming resources are included on the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Income received in advance on contracts, performance related grants and grants for future periods is carried through to the Balance Sheet as deferred income and included in creditors. Where it is probable that income received will be claimed back, this amount is included in the SOFA as an income provision and is also included on the Balance Sheet as a creditor.

Resources expended

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.

Governance costs

Expenditure allocated to governance costs includes direct costs, such as statutory audit fees and costs at trustees' meetings, and also an apportionment of shared costs associated with governance activities.

Tangible fixed assets

Depreciation is provided at rates calculated in order to write off each asset evenly over its estimated useful life. Individual items costing under £1,000 are written off on purchase. Estimated useful life of assets is as follows:

Fixtures and fittings	-1 to 5 years
Computer equipment	-3 years
Motor vehicles	-5 years

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. Designated funds are those unrestricted funds which the trustees have earmarked to be used for a particular purpose.

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.

City Gateway
Notes to the financial statements for the year ended 31 August 2014

1. ACCOUNTING POLICIES (CONTINUED)

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

	2014	2013
	£	£
2. VOLUNTARY INCOME		
Individual donations & Fundraising events	118,375	67,218
Corporate donations	11,243	21,183
Other	<u>629</u>	<u>30,880</u>
	<u>130,247</u>	<u>119,281</u>
	<u> </u>	<u> </u>
3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES		
Youth Services	7,297,495	5,180,177
City Gateway Women's Project	605,312	417,809
	<u>7,902,807</u>	<u>5,597,986</u>
	<u> </u>	<u> </u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES (CONTINUED)

City Gateway has received incoming resources from charitable activities, including grants and statutory contracts from the following sources:

	2014	2013
	£	£
29 th May 1961 Charitable Trust	7,000	-
Apprentice Employer Contributions	1,685,379	1,040,725
Baily Thomas Charitable Fund	8,000	-
Big Lottery Fund – Awards for All	6,600	-
Big Lottery Fund – Reaching Communities	135,882	107,079
Charles Hayward Foundation	6,668	-
City Bridge Trust	235,855	34,682
City Gateway 14-19 Provision	3,817,458	2,157,062
City of London Corporation	128,087	52,895
Community Link (Talent Match)	27,552	-
Credit Suisse	101,450	99,450
Diageo	15,000	15,000
Grant Thornton	6,875	-
General Electronic (GE) Capital	38,106	38,330
Goldman Sachs International	-	81,925
Hilton in the Community Foundation	16,000	-
Home Office Community Fund	-	14,543
Isle of Dogs Community Foundation (IDCF)	-	1,000
Impetus (PEF)	100,000	-
Job Centre Plus (JCP)	33,183	-
JP Morgan	123,635	128,308
London Borough of Tower Hamlets	68,451	40,083
London Stock Exchange Group Foundation	25,500	34,000
Neuberger Berman Foundation	5,761	1,920
Poplar Housing and Regeneration Community Association (HARCA)	-	38,017
Porticus	10,000	24,000
Skills Funding Agency	1,128,251	935,183
Société Générale	17,432	29,883
State Street Foundation	18,986	32,547
The Coutts Foundation	8,000	-
The Henry Smith Charity	10,267	30,200
The London Community Foundation	-	190,363
Trust for London	20,885	21,683
Education Funding Agency (Direct and sub-contracting)	49,250	353,014
Other	<u>47,294</u>	<u>96,095</u>
	<u>7,902,807</u>	<u>5,597,987</u>

4. CHARITABLE ACTIVITIES

	Youth Service £	Womens' Project £	2014 £	2013 £
Direct charitable activities	5,004,404	607,504	5,611,908	3,968,779
Support costs	1,760,447	309,220	2,069,667	1,587,381
Total	6,764,851	916,724	7,681,575	5,556,160
Support costs broken down by activity				
Senior management	481,616	84,595	566,211	344,935
Finance & contract management	276,070	48,491	324,561	227,354
IT & Information management	176,061	30,925	206,986	189,869
Premises & Facilities	288,070	50,599	338,669	423,595
Human Resources & Staff development	246,067	43,221	289,288	174,194
Marketing & Public Relations	292,563	51,389	343,952	227,434
Total support costs	1,760,447	309,220	2,069,667	1,587,381

Apportionment of support costs between activities is based on staff numbers.

5. GOVERNANCE COSTS

	2014 £	2013 £
Auditors remuneration	10,450	10,145
Other costs	53,756	24,846
	64,206	34,991

6. NET INCOMING RESOURCES

Net incoming resources are stated after charging:

	2014 £	2013 £
Auditors' remuneration – audit fees	8,700	8,445
Auditors' remuneration – other services	1,750	1,700
Depreciation - owned assets	55,071	55,780
Other operating leases	46,163	86,123

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2014 (2013: £nil).

Trustees' Expenses

One trustee received reimbursements of travel expenses of £191 in total during the year ended 31 August 2014 (2013: £98, one trustee).

8. STAFF COSTS

	2014 £	2013 £
Wages and salaries	5,997,081	4,279,283
Social security	449,365	326,152
Pension	181,077	103,353
Other staff costs	<u>115,709</u>	<u>69,493</u>
	<u>6,743,232</u>	<u>4,778,281</u>

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

Apprentices and casual staff	115	92
Permanent staff	<u>173</u>	<u>143</u>
	<u>288</u>	<u>235</u>

Employees who earned more than £60,000 p.a. are as follows:

£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
£80,001 - £90,000	<u>-</u>	<u>-</u>

Pension contributions made on behalf of employees earning over £60,000 p.a.

	£	£
£60,001 - £70,000	-	4,150
£70,001 - £80,000	4,400	-
£80,001 - £90,000	<u>-</u>	<u>-</u>
	<u>4,400</u>	<u>4,150</u>

City Gateway

Notes to the financial statements for the year ended 31 August 2014

9. TANGIBLE FIXED ASSETS

GROUP AND CHARITY	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 September 2013	70,500	5,872	190,856	267,228
Additions	<u>26,878</u>	<u>-</u>	<u>38,446</u>	<u>65,324</u>
At 31 August 2014	<u>97,378</u>	<u>5,872</u>	<u>229,302</u>	<u>332,552</u>
DEPRECIATION				
At 1 September 2013	59,110	5,872	118,585	183,567
Charge for year	<u>10,892</u>	<u>-</u>	<u>44,179</u>	<u>55,071</u>
At 31 August 2014	<u>70,002</u>	<u>5,872</u>	<u>162,764</u>	<u>238,638</u>
NET BOOK VALUE				
At 31 August 2014	<u>27,376</u>	<u>-</u>	<u>66,538</u>	<u>93,914</u>
At 31 August 2013	<u>11,390</u>	<u>-</u>	<u>72,271</u>	<u>83,661</u>

10. FIXED ASSET INVESTMENTS

GROUP AND CHARITY	Listed investments £
MARKET VALUE	
At 1 September 2013	591
Revaluations	<u>30</u>
At 31 August 2014	<u>621</u>
NET BOOK VALUE	
At 31 August 2014	<u>621</u>
At 31 August 2013	<u>591</u>

There were no investment assets outside the UK.

INVESTMENTS IN SUBSIDIARY

CHARITY

COST	£
At 1 September 2013 and at 31 August 2014	<u>100</u>

Subsidiaries included in consolidation	Activities	% of capital held	Net assets at 31 August 2014 £	Profit for the year ended 31 August 2014 £
City Gateway Enterprises Limited	Operation of Apprenticeship Training Agency	100%	£100	-

City Gateway
Notes to the financial statements for the year ended 31 August 2014

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP	2014	2013
	£	£
Debtors	761,549	552,967
Accrued income	384,368	219,096
Other debtors	25,980	95,032
	<u>1,171,897</u>	<u>867,095</u>

CHARITY	2014	2013
	£	£
Debtors	494,173	238,766
Accrued income	368,071	190,169
Other debtors	25,980	95,030
Intercompany debtors	111,233	447,557
	<u>999,457</u>	<u>971,522</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

GROUP	2014	2013
	£	£
Trade creditors	113,716	9,539
Value Added Tax (VAT)	34,968	73,571
Other creditors	191,701	221,207
Accruals	425,589	141,097
Deferred income	418,492	507,778
	<u>1,184,466</u>	<u>953,192</u>

CHARITY	2014	2013
	£	£
Trade creditors	112,395	8,871
VAT	-	447
Other creditors	147,448	150,578
Accruals	316,560	105,517
Deferred income	232,020	188,966
	<u>808,423</u>	<u>454,379</u>

13. UNRESTRICTED FUNDS

GROUP	At 1 September 2013	Incoming resources	Resources expended	Gains	Transfers	At 31 August 2014
	£	£	£	£	£	£
Unrestricted funds:						
General funds	71,416	7,316,654	(6,911,461)	30	(400,000)	76,639
Designated working capital fund	760,000	-	-	-	400,000	1,160,000
Total unrestricted funds	831,416	7,316,654	(6,911,461)	30	-	1,236,639

City Gateway

Notes to the financial statements for the year ended 31 August 2014

13. UNRESTRICTED FUNDS (CONTINUED)

CHARITY	At 1 September 2013	Incoming resources	Resources expended	Gains	Transfers	At 31 August 2014
	£	£	£	£	£	£
Unrestricted funds:						
General funds	71,416	5,444,518	(5,039,325)	30	(400,000)	76,639
Designated working capital fund	760,000	-	-	-	400,000	1,160,000
Total unrestricted funds	831,416	5,444,518	(5,039,325)	30	-	1,236,639

Details of designated funds

The Working Capital Designated Fund has been set aside by the trustees out of unrestricted funds. These funds have been set aside in order to ensure continuity of delivery and sustainability. A number of significant funding sources are received in arrears and the Working Capital Fund ensures that expenditure commitments can be met when due. The Working Capital Fund currently represents approximately two months of expenditure (2013: two months).

£400,000 was transferred from unrestricted funds to the Working Capital Fund during the current period for the purposes described above.

14. RESTRICTED FUNDS

GROUP AND CHARITY	At 1 September 2013	Incoming resources	Resources expended	At 31 August 2014
	£	£	£	£
Baily Thomas Charitable Foundation	-	8,000	(2,000)	6,000
Big Lottery (Awards for All)	-	6,600	(6,600)	-
Big Lottery (Reaching Communities)	-	135,882	(132,582)	3,300
Charles Hayward Foundation	-	6,668	(6,668)	-
City Bridge Trust	24,432	43,191	(64,123)	3,500
City Bridge Trust (Apprenticeship)	-	100,233	(100,233)	-
Community Link (Talent Match)	-	27,552	(24,230)	3,322
Credit Suisse	-	101,450	(101,450)	-
Diageo	15,000	-	(15,000)	-
Ernst & Young	-	750	-	750
Grant Thornton	-	6,875	(6,875)	-
GE Capital	-	38,106	(38,106)	-
Hilton in the Community Foundation	-	16,000	(16,000)	-
JP Morgan	-	123,635	(123,635)	-
London Borough of Tower Hamlets	926	67,525	(67,118)	1,333
London Stock Exchange Group Foundation	25,500	-	(25,500)	-
Neuberger Berman Foundation	-	5,761	(5,761)	-
Porticus	10,000	-	(10,000)	-
St Andrew Holborn Charity	-	2,604	(2,604)	-
SEIF	13,748	-	(10,265)	3,483
Société Générale	17,432	-	(17,432)	-
State Street Foundation	18,986	-	(18,986)	-
The Coutts Foundation	-	8,000	(8,000)	-
The Henry Smith Charity	10,267	-	(10,267)	-
London Catalyst	-	1,000	-	1,000
Trust for London	-	20,885	(20,885)	-
Total restricted funds	136,291	720,717	(834,320)	22,688

City Gateway
Notes to the financial statements for the year ended 31 August 2014

14 RESTRICTED FUNDS (CONTINUED)

Details of restricted funds

Baily Thomas Charitable Foundation	Holiday programmes for young people with SEN
Big Lottery (Awards for All)	Support for mothers and children at City Gateway Women's Project
Big Lottery (Reaching Communities)	City Gateway Women's Project
Charles Hayward Foundation	Families Together Project – Early Years Intervention
City Bridge Trust	Ladder for London initiative across the City of London Corporation
City Bridge Trust (Apprenticeship)	Apprenticeship Programme
Community Link	Supporting young people into sustained employment
Credit Suisse	Supporting NEET young people into sustained employment
Diageo	Supporting City Gateway Women's Project's Practical Women Programme in engaging women through outreach work.
Ernst & Young	Apprenticeship Programme
Grant Thornton	Apprenticeship Programme
GE Capital	Capacity Building at City Gateway Women's Project
Hilton in the Community Foundation	Crises Intervention Programme, Early Intervention Programme and Pre Apprenticeship programmes
JP Morgan	Family Support Project at City Gateway Women's Project
London Borough of Tower Hamlets	Various Youth Work related activities
London Stock Exchange Group Foundation	To fund 60 young people on Employ to achieve Level 3 enterprise qualification, work placement with City Gateway enterprise and mini business development project
Neuberger Berman Foundation	City Gateway Youth Services
Porticus	Support for mothers and children at City Gateway Women's Project
St Andrew Holborn Charity	Youth Work Outdoor Activities
SEIF	Development of health focussed community social enterprises
Société Générale	Supporting young people into sustained employment
State Street Foundation	Launch of Beauty Gateway Social Enterprise at City Gateway Women's Project
The Coutts Foundation	Apprenticeship support programme
The Henry Smith Charity	City Gateway Women's Project – ESOL (English for Speakers of Other Languages) training
London Catalyst	Hardship fund
Trust for London	Childcare Training Courses at City Gateway Women's Project

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	93,913	-	-	93,913
Investments	621	-	-	621
Cash	9,674	1,145,000	22,688	1,177,362
Net current liabilities	(27,569)	15,000	-	(12,569)
Net assets at 31 August 2014	76,639	1,160,000	22,688	1,259,327

City Gateway

Notes to the financial statements for the year ended 31 August 2014

16. CITY GATEWAY ENTERPRISES LIMITED

City Gateway has a wholly owned subsidiary, City Gateway Enterprises Limited which was incorporated in the United Kingdom on 8 October 2012. A summary of its trading results is shown below. Audited accounts will be filed with the Registrar of Companies. The investment in this subsidiary is included in the company balance sheet at a value of £100, this being the net assets of the subsidiary.

	Year ended 31 August 2014	Period ended 31 August 2013 £
Turnover	1,976,406	1,094,346
Cost of sales	(1,452,957)	(1,034,180)
Gross profit	523,449	60,166
Administrative expenses	(313,351)	(43,295)
Gift aid donation to Charity	(210,098)	(16,871)
Retained in the subsidiary	-	-
Total assets of subsidiary	990,672	946,469
Total liabilities of subsidiary	(990,572)	(946,369)
Equity shareholders' funds	100	100

17. 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 one pound.

18. INTANGIBLE INCOME

During the year the charity received services in kind from corporate supporters. These services included room hire for various events and legal advice throughout the year as well as various other kinds of support. These services have not been included in the financial statements because the trustees have not been able to accurately assess what the value of these gifts amounts to.

19. RELATED PARTY TRANSACTIONS

Due to the nature of the Charity's operations and composition of its Trustees, it is possible that there will be transactions from time to time between the Charity and organisations with which Trustees of the Charity have a relationship. If such transactions do occur, they are conducted on an arm-length basis and in compliance with the Charity's Financial Regulations and Policies.

City Gateway 14-19 Provision is a related party of City Gateway. City Gateway was the sponsoring charity in setting up City Gateway 14-19 Provision (an Alternative Provision Academy Trust) and provides delivery and support services to City Gateway 14-19 Provision under a Service Level Agreement (SLA). The two entities continue to work closely together to provide education services which are complementary to each other. All the services provided to City Gateway 14-19 Provision are done so 'At Cost' and are subjected to a Tripartite Agreement with the Secretary of State for Education. A trustee of City Gateway is also a member and governor of City Gateway 14-19 Provision.

During the year, City Gateway engaged in the following transactions with City Gateway 14-19 Provision:

- City Gateway received £3,815,497 (2013: £2,157,062) from City Gateway 14-19 Provision in relation to the provision of education services, support services and other services.
- City Gateway received £26,220 (2013: £77,000) from City Gateway 14-19 Provision in relation to the rental of the whole of the premises 28 Ensign Court. Subsequently, City Gateway paid £12,716 (2013: £26,000) to City Gateway 14-19 Provision in relation to the rental of part of its premises.
- City Gateway paid £199,970 (2013: £204,000) to City Gateway 14-19 Provision in relation to City Gateway's share of the employment costs of staff who were jointly employed by the two entities and were paid directly by City Gateway 14-19 Provision.

The balance due from City Gateway 14-19 Provision at 31 August 2014 was £594,680 (2013: £165,193).

As permitted under FRS 8, no disclosure is made in respect of transactions between the Charity and its wholly owned subsidiary, City Gateway Enterprises Limited.

During the year, City Gateway paid £19,803 (2013: £18,373) to Tower Hamlets Community Church in relation to the use of its Lansbury Lodge premises. A trustee of City Gateway is also a trustee of Tower Hamlets Community Church.