



**LITTLE GATE TRUST
A COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS
AND
TRUSTEES' ANNUAL REPORT**

**FOR THE YEAR ENDED
30 APRIL 2021**

Charity Number:
1167335 (England and Wales)
Company number:
10102445



**THE LITTLE GATE TRUST
FINANCIAL STATEMENTS
AND
TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED
30 APRIL 2021**

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THE LITTLE GATE TRUST GENERAL INFORMATION

Registered charity name	The Littlegate Trust
Charity number	1167335
Company number	10102445
Principal & registered office address	The Pennyfarthing Pennyfarthing Place Oxford OX1 1QF
Trustees	Alexander Marcham Simon Pillar Jack Pitman Robin Cooper Paul Lindon Gregory Brisk
Accountants	SPX Oxford Ltd Peace House 19 Paradise Street Oxford OX1 1LD
Independent Auditor	Peters Elworthy & Moore Chartered Accountants Statutory Auditors Salisbury House Station Road Cambridge CB1 2LA
Bankers	NatWest Bank 11 Market Place Abingdon OX14 3HH
Solicitors	Edward Connor Solicitors 39 The Point Market Harborough LE16 7QU

**THE LITTLE GATE TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 30 APRIL 2021**

The Trustees, who are also known as directors, are pleased to present their annual directors' report together with the financial statements of the charitable company for the period ending 30 April 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report & Directors' Report) Regulations 2013 has been omitted.

Our purposes and activities, including public benefit

The purpose and vision of the charity are to advance the Evangelical Christian faith, in particular (but without limitation) by providing premises for churches and other Christian charities or groups to meet and to carry out activities and make grants to organisations who are in sympathy with the Trust's objectives. It may also provide accommodation for staff employed by, or office-holders within, churches and other Christian charities.

This vision noted above will be for the benefit of both church members and for the wider public at large. By promoting the Christian faith, the charity enables members of the public to better understand their purpose in life, the moral framework that arises from understanding the Bible's teaching and the peace with God that comes from trusting in Jesus Christ. The charity also enables Christians to exercise their rights to freedom of worship, association and expression for the good of society as a whole, demonstrating the importance of those freedoms.

The services of worship and other activities run on the premises will be open to members of the public, so enabling them to hear about the Christian faith and a Christian way of life. The Trustees also expect that the premises provided to churches and Christian groups will be used for a wider benefit to the community, including those who are disadvantaged and in need, by providing a focal point for the community and for people to seek support and help in times of difficulty.

Of particular importance in this regard is the fact that the meeting rooms in The Pennyfarthing building are now being used as the location for the offices of the St Ebbe's Debt Centre. This was established during this financial year by arrangement between The Little Gate Trust, St Ebbe's Church, Hope Trust Oxford (another registered charity) and Christians Against Poverty (known as CAP). The Debt Centre provides debt counselling for people in financial difficulty, including those in need of bankruptcy or insolvency. In spite of opening its doors during the time of lockdown due to Covid-19,

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many clients have already been seen, both in person and remotely, and this work seems destined to be in great demand in future years as a recognised means of relieving poverty and assisting those who have fallen on hard times.

Whilst the organisations who are permitted to use the premises the trustees provide will need to be in sympathy with the charity's doctrine and ethos, the Trustees are satisfied that this is permitted under section 196 (Schedule 23) of the Equality Act. Furthermore, whilst decision-making activities and some limited services may need to be restricted in their participation to those who are in agreement with this doctrinal basis, it is expected that most activities will be open to all members of the public should they wish to attend. In shaping the charity's objectives, therefore, the Trustees confirm they have had due regard to the Charity Commission's guidance on public benefit and are satisfied that this has been adhered to.

Achievements, performance & plans for future periods

In its fifth year the Trustees were pleased to see the continued realisation of their primary vision to provide places for Church congregations and other Christian organisations to meet and for Christian activities to take place. In addition to the continued oversight of existing property assets used in line with this aim, during the 2020-21 financial year the Trustees' primary focus has been the continued improvement of its estate to serve better the gospel needs of Oxford. In particular, following the launch of a new congregation at Grace Church Cowley in the autumn of 2019, and the employment of a Minister to lead that congregation, the Trustees have continued to support the work of Grace Church Cowley throughout this financial year by identifying suitable long term accommodation to house the appointed minister and his family.

Following a lengthy search for such accommodation a house was found in Wilkins Road, Cowley, OX4 and the Trustees set about raising the necessary finance to purchase the house. An appeal for funding was made by the Trustees to the congregations of St Ebbes and of Grace Church Cowley, and a loan was applied for from CAF Bank (the banking arm of the Charities Aid Foundation). These left a shortfall which was provided by loans on various terms (interest-free, interest-bearing, and equity-participating) from individuals and a Christian charity, all of whom are sympathetic and supportive of the Trust's aims and objectives. The purchase of the house was completed in March 2021, and at the same time a lease between the Trust and St Ebbes Church was entered into which enabled the Minister and his family to take up residence immediately.

During this year, the Trustees have also continued with the upgrading of two of its existing properties by installing new double-glazed windows into the flat above The Pennyfarthing, and a new central heating system in the house in Dale Close, Oxford.

The Trustees have also continued to receive donations during the 2020-21 year. Throughout all these achievements the Trustees remain immeasurably grateful to all those who have supported the charity's vision. This has been evidenced in various ways, including through sacrificial financial

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contributions, practical aid, professional support and through prayer. The Trustees give great thanks to God for all that has taken place during the financial year.

Financial review

During the year ended 30 April 2021 the Little Gate Trust raised £196,145 in donations (2020: £26,391) and £32,071 in investment income (2020: £27,400). The Trust's funding has come from individual donors and from property rental. Expenditure on charitable activities totalled £118,551 (2020: £64,948), comprising Mortgage Interest of £735 (2020: nil), Rent/rates of 15,000 (2020: £15,196), Legal costs £22,235 (2020: £3,983), repairs and maintenance £18,674 (2020: £11,966), Insurance £890 (2020: £1,388), Depreciation £28,445 (2020: £28,445), other costs £14,369 (2020: £1,113) and Governance costs £18,203 (2020: £2,790).

At the end of the year the Trust held cash reserves of £87,663 (2020: £84,887). In light of ongoing costs, the Trustees have historically agreed a reserves policy stating that in normal circumstances they would seek to hold reserves equivalent to one year's net operating estimated costs, equivalent to approximately £30,000. As the operations of the Trust have expanded the Trustees acknowledge that annual expenditure will increase (note in Financial Year 21-22 the Trust has begun to employ an individual to aid in the running of the charity). Notwithstanding the increased running costs, the Trustees consider that a reserves policy of £30,000 remains appropriate. In particular, the Trust's income will increase in line with costs with expenditure such that regular outgoings will be met from regular Trust revenues.

In future it is expected that surplus funds over and above those required for regular operating expenditure will be deployed either in repaying outstanding loan obligations as these fall due, in making additional grants or in acquiring more property in line with the Objects. Considering the level of funds on hand, the commitments made and the expected level of further income the Trustees are confident that the Little Gate Trust should be considered to be a valid going concern.

Covid-19 considerations

The trustees have considered the implications of Covid-19 on the Trust and are of the view that this should be of negligible impact. Specifically, this is on the basis that the Trust's primary ongoing income stream is from rents, with a relatively small reliance placed on regular (non-project related) donations. To the extent that specific projects are identified the Trustees remain confident, based on historic performance, the funding can be raised and will only proceed with projects once funding has been arranged in advance. Funding for capital acquisitions is typically in the form of debt, loans or donations, or a combination of these.

**THE LITTLE GATE TRUST
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Funds held as custodian trustee

The Little Gate Trust holds no funds on behalf of others in the role of custodian trustee.

Structure, Governance and Management

The Little Gate Trust is a company limited by guarantee governed by its Memorandum and Articles of Association, dated 4 April 2016. It is registered as a charity with the Charity Commission. Membership of the company is only open to the Trustees, each of whom shall be admitted as a member automatically on their appointment as a Trustee. There are currently seven members and the maximum number of members and trustees is nine. The names, initial lengths of term and dates of appointment of the Trustees are set out below.

Names of Trustees: Term: Date of appointment:

Dr Stephen Willis: 4 years: 4 April 2016
Mrs Elizabeth Mortimer: 5 years: 4 April 2016
Mr Alexander Marcham: 6 years: 4 April 2016
Mr Simon Pillar: 6 years: 4 April 2016
Mr Jack Pitman: 5 years: 5 February 2018
Mr Robin Cooper: 5 years: 2 February 2019
Mr Paul Lindon: 5 years: 10 December 2019
Mr Gregory Brisk: 5 years: 20 September 2020

During the year Dr Stephen Willis completed his term and resigned on 9 August 2020. Mr Gregory Brisk was appointed by unanimous decision as a Trustee on 20 September 2020, having been identified as having a complementary skillset which would be additive to the governance of Christian charitable trust with the primary aim of holding real estate. Subsequent to the year-end Mrs Elizabeth Mortimer resigned on 7 October 2021.

Apart from as set out above, every Trustee must be appointed for no more than 5 years and no Trustee may serve for more than three consecutive terms of office without the passage of at least one intervening year during which time they do not serve as a Trustee.

Appointment, induction & training of trustees

New trustees must be appointed by a 75% majority of the total number of trustees. In order to be eligible to be appointed as a trustee an individual must be over 18 years of age and must confirm in writing his or her willingness to be appointed as a trustee and his or her wholehearted and unreserved agreement with, and support for, the Objects of the Little Gate Trust, including those statements set out in the Statement of Faith included as Schedule 1 to the Memorandum and Articles of Association.

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All trustee appointments must be on the basis that the existing trustees are satisfied concerning the appointee's wholehearted commitments to the Objects of the Little Gate Trust and commitment to the responsibilities of being a Trustee, and in particular concerning the balance of skills, knowledge and experience needed for the effective administration of the Little Gate Trust. All appointments are also subject to approval from an external body, currently being The Matthew Ministry (registered charity number 1166819). Trustee induction and training has taken place.

Removal of trustees

Trustees may be disqualified or removed from office for various reasons. These include administrative (the missing of 3 consecutive meetings of trustees), clerical (bankruptcy or disqualification under the Charities Act or the Companies Act), for reasons of capacity (e.g. for mental or physical incapacity) or through no longer subscribing to the Objects of the company, as set out in the Memorandum and Articles of Association.

Organisation

Notwithstanding the note above, a Chair of the trustees is typically appointed to lead proceedings. The trustees must meet at least twice annually but may meet more frequently as required. A quorum is present at meetings where four trustees are in attendance (if the total number of trustees is six). Decisions made in a meeting are determined by a simple majority vote.

All trustees are unpaid.

There are no employees or paid workers in the charity.

Risk management

A risk management policy has been created and approved by the Trustees.

Trustees' Responsibilities Statement.

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company Law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial reporting Standard 102: The Financial Reporting Standard Applicable in the UK & Republic of Ireland (FRS 102).

**THE LITTLE GATE TRUST
TRUSTEES' ANNUAL REPORT
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Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resource of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Signed on behalf of the trustees

Alexander Marcham

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Alexander Marcham

Trustee

Date: 22 February 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LITTLE GATE TRUST**FOR THE YEAR ENDED 30 APRIL 2021**

OPINION

We have audited the financial statements of Little Gate Trust (the 'charitable company') for the year ended 30 April 2021, which comprise the Statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2021 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.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LITTLE GATE TRUST**FOR THE YEAR ENDED 30 APRIL 2021**

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LITTLE GATE TRUST

FOR THE YEAR ENDED 30 APRIL 2021

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' Responsibilities Statement, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LITTLE GATE TRUST**FOR THE YEAR ENDED 30 APRIL 2021**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the responsible individual ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011 and relevant taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence available;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we reviewed the minutes of board meetings to identify any references to non-compliance with laws and regulations.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reading the minutes of meetings of those charged with governance.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LITTLE GATE TRUST

FOR THE YEAR ENDED 30 APRIL 2021

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Hewett (Senior Statutory Auditor)

for and on behalf of
Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 23 February 2022

THE LITTLE GATE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 APRIL 2021

		Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
		£	£	£	£	£	£
	Notes						
Income from:							
Donations and legacies	2	59,503	136,642	196,145	26,391	-	26,391
Investment income	3	32,071	-	32,071	27,400	-	27,400
Total income		<u>91,574</u>	<u>136,642</u>	<u>228,216</u>	<u>53,791</u>	<u>-</u>	<u>53,791</u>
Expenditure on:							
Charitable activities	4	118,551	-	118,551	64,948	-	64,948
Total expenditure		<u>118,551</u>	<u>-</u>	<u>118,551</u>	<u>64,948</u>	<u>-</u>	<u>64,948</u>
Net gains/ (losses) on investments		-	-	-	34,615	-	34,615
Net income / (expenditure) before transfers		(26,977)	136,642	109,665	23,458	-	23,458
Other gains/ (losses)		-	-	-	(33,981)	-	(33,981)
Transfers between funds		136,642	(136,642)	-	-	-	-
Net movement in funds		<u>109,665</u>	<u>-</u>	<u>109,665</u>	<u>(10,523)</u>	<u>-</u>	<u>(10,523)</u>
Reconciliation of funds:							
Total funds brought forwards		2,207,402	-	2,207,402	2,217,925	-	2,217,925
Total funds carried forward		<u>2,317,067</u>	<u>-</u>	<u>2,317,067</u>	<u>2,207,402</u>	<u>-</u>	<u>2,207,402</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 16 to 23 form part of these financial statements.

**THE LITTLE GATE TRUST
BALANCE SHEET
AS AT 30 APRIL 2021**

		2021	2020
		£	£
	Notes		
FIXED ASSETS			
Tangible assets	8	2,210,348	2,245,782
Investment properties	9	1,352,500	895,000
		<u>3,562,848</u>	<u>3,140,782</u>
CURRENT ASSETS			
Debtors	10	2,250	2,250
Cash at bank		87,663	84,887
		<u>89,913</u>	<u>87,137</u>
CREDITORS: Amounts falling due within one year	11	(284,883)	(221,536)
NET CURRENT LIABILITIES		(194,970)	(134,399)
CREDITORS: Amounts falling due after more than one year	12	(1,050,811)	(798,981)
NET ASSETS		<u>2,317,067</u>	<u>2,207,402</u>
FUNDS			
INCOME FUNDS			
Unrestricted Income funds	14	2,317,067	2,207,402
Restricted Income funds	14	-	-
TOTAL INCOME FUNDS		<u>2,317,067</u>	<u>2,207,402</u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the trustees and authorised for issue and signed on their behalf by:

Alexander Marcham

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Alexander Marcham

Trustee

Date: 22 February 2022

The notes on pages 16 to 23 form part of these financial statements.

**THE LITTLE GATE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021 (continued)**

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

General information and basis of Preparation

The Little Gate Trust is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are the provision of premises for churches and Christian activities.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 October 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared in sterling which is the functional currency of the charity.

Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Income

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

Donations

Donations are recognised in the period in which they are received.

Investment income

Investment income is earned through holding assets for investment purposes such as property. It includes rental income and is recognised on an accruals basis.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

THE LITTLE GATE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021 (continued)

Statement of Accounting Policies (continued)

Expenditure on charitable activities

These are costs incurred on the charitable activities, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Tangible Fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets are depreciated on the following basis:

Land	not depreciated
Freehold buildings	50 years
Long leasehold property	over the life of the lease
Other assets	over their estimated useful life

Liabilities

Creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure. Concessionary loans are initially measured at the amount received or paid. Subsequent measurements are adjusted for any accrued interest with impairment recognised in the SoFA.

Investment properties

Investment property is carried at fair value determined annually by the trustees based on professional advice received. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

Financial instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE LITTLE GATE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021 (continued)

Statement of Accounting Policies (continued)

The charity has loans where the amount to be repaid will vary depending on the market value of the property at the time of sale of the property or at the agreed repayment dates. The loans constitute non-basic financial instruments and are measured at fair value at each reporting date with changes in fair value recognised in 'others gains / (losses)' in the SoFA.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. DONATIONS AND LEGACIES

	Unrestricted	Restricted	Total Funds 2021	Total Funds 2020
	£	£	£	£
Donations	59,503	136,642	196,145	26,391
	<u>59,503</u>	<u>136,642</u>	<u>196,145</u>	<u>26,391</u>

3. INCOME FROM INVESTMENTS

	Unrestricted	Restricted	Total Funds 2021	Total Funds 2020
	£	£	£	£
Rental income	32,071	-	32,071	27,400
	<u>32,071</u>	<u>-</u>	<u>32,071</u>	<u>27,400</u>

THE LITTLE GATE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021 (continued)

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total Funds 2021	Total Funds 2020
	£	£	£	£
Direct costs				
Mortgage interest	735	-	735	-
Rent and rates	15,000	-	15,000	15,196
Legal costs	22,235	-	22,235	3,983
Repairs and maintenance	18,674	-	18,674	11,966
Insurance	890	-	890	1,388
Depreciation	28,445	-	28,445	28,445
Other costs	14,369	-	14,369	1,113
	<u>100,348</u>	<u>-</u>	<u>100,348</u>	<u>62,158</u>
Support costs				
Audit (governance)	17,300	-	17,300	600
Accountancy (governance)	903	-	903	2,190
	<u>118,551</u>	<u>-</u>	<u>118,551</u>	<u>64,948</u>

5. NET INCOME / EXPENDITURE FOR THE PERIOD INCLUDES:

	2021	2020
	£	£
Operating lease rentals	15,000	15,000
Audit	17,300	600
Depreciation	28,445	28,445

6. AUDITORS' REMUNERATION

	2021	2020
	£	£
Audit fee	6,500	-
(Over)/under accrued in previous years	10,800	-
Previous auditors' fees	<u>-</u>	<u>600</u>
	<u>17,300</u>	<u>600</u>

7. TRUSTEES AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

The trustees (who are the key management personnel of the trust) neither receive nor waived any remuneration during the year. The trustees did not have any expenses reimbursed during the year.
The aggregate of donations received during the year from trustees was £60,000 (2020: £974)

THE LITTLE GATE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021 (continued)

8. TANGIBLE FIXED ASSETS

	Freehold Land and buildings £	Long-term leasehold property £	Totals £
COST			
At 1 May 2020	824,016	1,502,586	2,326,602
Adjustment for additions on investment properties incorrectly capitalised in previous year	-	(6,989)	(6,989)
At 30 Apr 2021	<u>824,016</u>	<u>1,495,597</u>	<u>2,319,613</u>
DEPRECIATION			
At 1 May 2020	32,960	47,860	80,820
Charge for the year	<u>16,480</u>	<u>11,965</u>	<u>28,445</u>
At 30 Apr 2021	<u>49,440</u>	<u>59,825</u>	<u>109,265</u>
NET BOOK VALUE			
At 30 Apr 2021	<u>774,576</u>	<u>1,435,772</u>	<u>2,210,348</u>
At 30 April 2020	<u>791,056</u>	<u>1,454,726</u>	<u>2,245,782</u>

9. INVESTMENT PROPERTIES

	Total £
Valuation at 1 May 2020	895,000
Additions	457,500
Revaluation	-
Valuation at 30 Apr 2021	<u>1,352,500</u>

10. DEBTORS

	2021 £	2020 £
Prepayments	<u>2,250</u>	<u>2,250</u>
	<u>2,250</u>	<u>2,250</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accruals	7,500	1,536
CAF Mortgage due within one year	7,383	-
Loans (tranche 2) (see note 13)	220,000	220,000
Loans (tranche 2) (see note 13)	<u>50,000</u>	<u>-</u>
	<u>284,883</u>	<u>221,536</u>

THE LITTLE GATE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021 (continued)

12. CREDITORS: AMOUNTS FALLING DUE WITHIN MORE THAN ONE YEAR

	2021 £	2020 £
Financial instruments - loans (tranche 1) (see note 13)	533,981	533,981
Loans (tranche 1) (see note 13)	15,000	15,000
Loans (tranche 2) (see note 13)	200,000	250,000
Financial instruments - loans (tranche 3) (see note 13)	34,880	-
Loans (tranche 3) (see note 13)	54,880	-
CAF Mortgage 2-5 years (see note 13)	46,093	-
CAF Mortgage >5 years (see note 13)	215,977	-
	<u>1,050,811</u>	<u>798,981</u>

13. FINANCIAL INSTRUMENTS AND LOANS

Financial instruments – loans (tranche 1): In 2018-19 a number of loans were used to purchase the property in the year and are interest free. The amounts due to the lenders are directly linked to the market value of 32 Dale Close, and will be revalued each year to reflect the increase or decrease in market value of the property and the loan. Events triggering repayment are the sale of the property or 12 months written notice from the lender to the Charity. A breakdown of the individual loan repayment date are as follows: £507,282 (2020: £507,282) will be repaid by the 31 December 2027 and £26,699 (2020: £26,699) will be repaid by the 30 April 2029.

Loans tranche 1: In addition to the above one loan of £15,000 (2020: £15,000) was drawn to purchase 32 Dale Close. The concessionary loan is interest free and will be repaid by the 31 December 2022.

Loans tranche 2: During 2018-19 three further loans were used to purchase a property in Temple Cowley. The concessionary loans are interest free. The first loan, totalling £50,000 (2020: £50,000), is due for repayment by 31 May 2023. The second loan, totalling £200,000, was due for repayment in equal instalments of £40,000 on 1 April 2023, 1 April 2024, 1 April 2025, 1 April 2026 and 1 April 2027. During the year, the lender reduced the loan by £50,000 with this amount being gifted to the charity in the year (see note 17). The remaining balance of £150,000 is now due for repayment in equal instalments of £50,000 on 30 June 2021, 30 June 2023 and 30 June 2024. The third loan of £220,000 can become due at any time with 6 months written notice from the lender, therefore is included in creditors due within one year. No amounts were repaid during the year.

Financial instruments – loans (tranche 3): During of the year several private loans were used to purchase the property at 6 Wilkins Road. Of these loans, £34,880 is due to the lenders which is linked to the market value of the property, a further £34,880 bears interest at 4% per annum, and a further £20,000 was loaned interest free. All these loans are repayable upon sale of the property, or 10 years from first drawdown (between 16 November 2030 and 15 February 2031), or earlier at the option of the Trust.

CAF Mortgage: During the year the charity took out a mortgage, secured on 6 Wilkins Road, of £270,000. The mortgage bears interest at 2.9% above CAF banks BBR rate. The loan is repayable by instalments over a term of 25 years to 19 March 2046.

THE LITTLE GATE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021 (continued)

14. FUNDS

	Balance at 1 May 2020	Income	Expenditure	Gains, losses and transfers	Balance at 30 Apr 2021
	£	£	£	£	£
Designated funds - fixed assets	2,121,801	-	-	131,397	2,234,654
General funds	85,601	91,574	(118,551)	5,245	82,413
Restricted income: Grace Church Minister's House	-	136,642	-	(136,642)	-
	<u>2,207,402</u>	<u>228,216</u>	<u>(118,551)</u>	<u>-</u>	<u>2,317,067</u>

The designated fixed asset fund represents the carrying value of tangible fixed assets and investment properties less related borrowings.

The restricted income fund for the Grace Church Minister's House was set up to fundraise for the purchase of this property. Once the property is purchased the restricted fund is transferred to unrestricted funds (designated as above).

STATEMENT OF FUNDS – PRIOR YEAR

	Balance at 1 May 2019	Income	Expenditure	Gains, losses and transfers	Balance at 30 Apr 2020
	£	£	£	£	£
Designated funds - fixed assets	2,102,623	-	-	19,178	2,121,801
General funds	115,302	53,791	(64,948)	(18,544)	85,601
	<u>2,217,925</u>	<u>53,791</u>	<u>(64,948)</u>	<u>634</u>	<u>2,207,402</u>

The designated fixed asset fund represents the carrying value of tangible fixed assets and investment properties less related borrowings.

THE LITTLE GATE TRUST
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021 (continued)

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Designated	General	Total Funds
	£	£	2021 £
Tangible fixed assets	2,210,348	-	2,210,348
Investment properties	1,352,500	-	1,352,500
Current assets	-	89,913	89,913
Current liabilities	(277,383)	(7,500)	(284,883)
Non-current liabilities	(1,050,811)	-	(1,050,811)
Total net assets	2,234,654	82,413	2,317,067

	Designated	General	Total Funds
	£	£	2020 £
Tangible fixed assets	2,267,238	-	2,267,238
Investment properties	895,000	-	895,000
Current assets	-	87,137	87,137
Current liabilities	(220,000)	(1,536)	(221,536)
Non-current liabilities	(798,981)	-	(798,981)
Total net assets	2,121,801	85,601	2,207,402

16. MEMBERS LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

17. RELATED PARTY TRANSACTIONS

Information about related party transactions and outstanding balances is outlined below:

Simon Pillar, a trustee of The Littlegate Trust, is also a director of Pillar investments II Pty Limited. Pillar investments II Pty Limited made donations of £50,000 (2020: £974) during the period (see note 13).

Robin Cooper, a trustee of The Littlegate Trust, made donations of £10,000 (2020: £NIL) during the period.

18. LEASE COMMITMENTS

Under the terms of the lease for its long leasehold property the charity must pay £15,000 per annum until 19 January 2142.