



The Banner of Truth Trust

Report and Financial Statements

Year ended: 31st March 2025

Registered Charity Number: 235652

Scottish Charity Number: SC038435

The Banner of Truth Trust

Report and Financial Statements

Year ended: 31st March 2025

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Trustees

Jeff Kingswood
Chairman

Rev Iain H Murray
Rev Mark G Johnston
Thomas E Richwine
Robert Strivens
Donald John MacLean
Warren Peel
David Campbell
Andrew Young
David Whitla
Jon Payne (resigned April 2024)

Solicitors

Balfour + Manson LLP
54-66 Frederick Street
Edinburgh
EH2 1LS

Key Management Personnel

General Manager - John Rawlinson
Editor - Jonathan Watson

Auditors

Whitelaw Wells
Statutory Auditors
9 Ainslie Place
Edinburgh
EH3 6AT

Bankers

Bank of Scotland plc
PO Box 1000
BX2 1LB

Connected bodies

The Banner of Truth Building Fund Trust
The Grey House
3 Murrayfield Road
Edinburgh
EH12 6EL

Principal Office

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Edinburgh
EH12 6EL

Banner of Truth
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Carlisle
Pennsylvania 17015
USA

The Banner of Truth Trust

Report of the Trustees for the year ended 31 March 2025

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2025. These financial statements comply with the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, The Charity Accounts (Scotland) Regulations 2006 (as amended), the Trust Deed, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Statement of Disclosure to Auditors

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each Trustee has taken all the steps they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Objectives and Activities

The Banner of Truth Trust is a Charity established under a Deed of Trust dated 1 July 1959. The object of the Trust is the promotion of the better knowledge and understanding of the doctrines of the Christian faith.

The Trust seeks to achieve this object primarily through the publishing and distribution of Christian literature throughout the world. Additional activities include organising conferences, publishing a monthly magazine, maintaining a podcast, and maintaining a social media and internet presence.

Especially for Ministers, Missionaries, Students training for the Ministry, and those in difficult financial situations, the Trust seeks to provide its resources at subsidised prices. To aid in this, the Trust accepts donations towards the provision of these subsidised resources.

Achievements and Performance

During the year overall sales of books showed a small decrease compared to last year. Direct sales to consumers continue to be a strong channel. As in recent past years, there were continued special sales in the USA to organisations taking large quantities of one title for promotional purposes. These sales are low margin but high volume and make a useful contribution to revenues.

Work continued in the year on eBooks with many new titles being developed and published.

The Bookfund supported many worthy projects and large numbers of books were distributed free of charge or at very high discount. These books go into many different countries in the world, as well as within the UK and USA. The Bookfund balance at the end of the year was adequate to continue significant levels of activity in the coming year. There continues to be a strong demand for Bookfund grants from all parts of the world, and a good interest from donors.

The designated fund continues to provide significant quantities of books to various projects and also support the translation of titles authored by J C Ryle into different languages.

Activities on social media, and a strategy to link social media use to the website continues to be successful. Email marketing continues to highlight backlist titles and engage with customers and has proved successful. The production of articles for the website continues and we are seeing many people visiting the site to read the articles. The daily devotionals on the website The podcast, started last year, has continued and receives good listener feedback.

The annual Yarnfield Park Ministers and Youth conferences and the Borders Conference continued. They were all encouraging times and well attended.

There were no unusual developments in the year under review nor since the year end.

Public Benefit

The Trustees consider that the activities of the Trust deliver significant public benefit.

Gifts of books to those who otherwise would not be able to afford to buy books, or significant subsidies, provide materials which further the object of the charity and demonstrate public benefit.

The continued publication programme and the distribution through a variety of channels of the literature that the charity publishes serves to provide public benefit and furthers the aims of the charity to promote the better knowledge and understanding of the doctrines of the Christian faith.

The continuation of the conferences and magazine year by year also contribute towards achieving the aims of the charity.

The conference fees are set to allow as many people as possible to attend and in some instances the charity is able to subsidise or pay for attendees. In particular, the ministers' conference is an important part of the activities of the charity.

The new podcast makes a further contribution to achieving the aims of the charity.

Financial Review

During the year under review, 15 new titles were published in line with the publishing budget.

Total incoming resources were £2,425,471 (2024: £2,414,031) and sales of English and Spanish books and magazines totalled £2,084,315 (2024: £2,127,786). This is the primary source of funding. It should be noted that there was a loss on overseas exchange, primarily from the balances owed to the Trust from Banner of Truth, USA. A loss, after charging all administrative and overhead expenses, of £103,759 (2024: £104,723) was realised.

Donations and legacies received in the year amounted to £138,174 (£94,227) to assist in providing donations from the Trust in the form of books, subsidies for conferences, and publication of books.

Donations made by the Trust in the form of books, conference subsidies, translating costs, and other gifts amounted to £163,880 (2024: £146,598).

Bank interest and investment income amounting to £92,865 (2024: £100,530) was received and a loss on foreign exchange amounted to £39,292 (2024 £54,851 loss).

Any cash balances are managed and, where possible, retained in interest bearing accounts to maximise the returns.

Investment Policy and Performance

The investments of the Trust are part of the designated fund. The investments have been placed with investment managers, and the balance is held in interest bearing cash accounts. The investment policy is for the investments to generate an annual income that can be used for the purposes of the designated fund, and also to maintain a capital increase to offset the effects of inflation.

In order to do this, the investment managers have been instructed to work with medium to low risk investments. The Trustees consider the performance this year to be satisfactory.

Reserves Policy

Out of total Trust funds of £6,643,166, £47,805 is in restricted funds, and stock represents £4,305,232. The designated fund represents £2,553,593 of the total funds. Of this, £2,096,941 is held with investment managers and the income and balance of the fund is held for its designated use. The expenditure of this varies from year to year depending on need.

It is the policy of the Trustees to invest the Trust's surplus funds into stock while maintaining a sufficient cash balance to meet the substantial cost of the Trust's publishing programme and operating costs for 1 year. The cash and bank balances at the date of the balance sheet amount to £469,318. The Trust's free reserves are £1,851,519 (2024: £2,040,142). The current level of reserves is considered adequate to meet the costs of the operation of the Trust in the coming year. The reserves policy is reviewed annually.

Risk Management

The Trustees have considered the key risks that could affect the charity, due to both internal and external factors, and are confident that satisfactory action has been taken to mitigate against such risks.

Key risks include: damage/loss of stock due to fire/flood etc, mitigated with insurance and fire prevention activities; health and safety accidents, mitigated by training, procedures and risk assessments; computer theft/malicious attacks, mitigated by back-up systems, security systems and insurance.

Plans for Future Periods

The Trustees expect to continue to consolidate the work of the Trust in all areas- publishing, magazine, conferences, podcast, and Bookfund.

The Trust has been very involved in working with architects to develop the requirements for a new office and warehouse to provide for the future development of the Trust. The costs for this are included in the loss during the year.

Work continues by the Trustees and senior management to consider various options for expanding the work of the Trust and some of the ideas will be tested and potentially incorporated into the new building design to provide enhanced facilities for the future development of the work.

Structure, Governance and Management

The Trust is organised with a General Manager, Mr J Rawlinson, reporting to the Trustees. The General Manager has the delegated responsibility for conducting the day-to-day activities of the charity.

The overall strategy of the Trust is directed by the Trustees. Day-to-day decisions are taken by the General Manager, with delegated authority to senior staff members for their areas of responsibility.

Annual budgets are authorised by the Trustees, and would include major capital projects and spending.

New Trustees are appointed by a majority vote of the current Trustees, in accordance with the Banner of Truth Trust procedure for appointment of Trustees, provided that the person proposed as a new Trustee adheres to the fundamental principles of the Trust, as set out in the Trust Deed. Other than as provided for in charity law, no other person or body has the power to appoint Trustees. New Trustees are appointed for a period of 5 years, after which they may be re-appointed for additional 5-year periods.

New Trustees are trained in the general responsibilities of Trustees using Charity Commission literature and provided appropriate training in the operations of the Trust by members of the Trust staff.

Staff remuneration for all staff, including key management, is reviewed annually, and normally increased in line with inflation, and changes in staff circumstances/responsibilities. Periodic benchmarking takes place of salaries to ensure that all salaries are in line with industry expectations.

Staff costs are listed in note (3) to the accounts.

As well as the Charity Commission for England and Wales, the charity is registered with the Office of the Scottish Charity Regulator (OSCR).

Connected bodies/Related parties/Remuneration

Trustees give of their time freely and are not remunerated. They are required to declare any relevant interests for the related parties register. Details of trustee expenses and related parties are covered in notes (4) and (13) of the accounts.

Reference and Administrative Details

Details of senior staff, trustees and advisors are found on page 1 of these accounts.

Trustees' responsibilities in relation to the financial statements


The charity Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The charity Trustees are also responsible for safeguarding the assets of the Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees on: 30th January 2026

A handwritten signature in black ink, appearing to read 'J. Kingswood', written in a cursive style.

Jeff Kingswood
Chair

Independent Auditor's Report to the Trustees of The Banner of Truth Trust

Opinion

We have audited the financial statements of The Banner of Truth Trust for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of the resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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 this 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.

Independent auditor's report to the Trustees of The Banner of Truth Trust
(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of the financial statements which 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 charity'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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error.

From enquiries of those charged with governance, it was determined that the risk of material misstatement from fraud was low with little scope for fraud to occur. Our audit testing is designed to detect material misstatements from fraud where there is not high-level collusion.

Our audit testing was designed to detect material misstatements from other irregularities that result from error where there is not high-level concealment of the error. In this regard the following audit work was undertaken: applicable laws and regulations were considered, reviewed and discussed with management; senior management meeting minutes were reviewed; internal controls were reviewed; and journals were reviewed. From this audit testing it was determined that the risk of material misstatement in this regard was low.

Independent auditor's report to the Trustees of The Banner of Truth Trust
(continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We performed income and expenditure testing which was designed to identify any irregularities as a result of mistakes or human error. From this audit testing it was determined that the risk of material misstatement in this regard was low.

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 auditor's report.

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Section 144 (1) of the Charities Act 2011, Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AS



30 January 2026

Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Banner of Truth Trust

Statement of Financial Activities incorporating the Income and Expenditure for the year

	Notes	Unrestricted Funds		Restricted Funds	Total Funds	Total Funds
		Accumulated Fund	Designated Fund		2025	2024
		£	£	£	£	£
Income and endowments from:						
Donations and Legacies		96,995		41,179	138,174	94,227
Incoming resources from Charitable Activities						
- Book and Magazine Sales		2,084,315			2,084,315	2,127,786
- Royalties on foreign editions		28,918			28,918	20,933
- Conference Income		81,199			81,199	70,553
Investments						
- Bank interest		14,645	3,066		17,711	25,234
- Dividends			75,154		75,154	75,296
Total Income		2,306,072	78,220	41,179	2,425,471	2,414,031
Expenditure on:						
Charitable Activities	15					
- Cost of Sales		1,186,537	78,564	50,454	1,315,555	1,346,734
- Other gifts		-		5,528	5,528	14,191
- Conference costs		110,533		1,000	111,533	93,347
- Other costs		1,017,117	18,338		1,035,455	916,990
- Governance Costs		61,159			61,159	147,491
Total Expenditure		2,375,346	96,902	56,982	2,529,230	2,518,753
Net income						
and net movement in funds before						
gains / (losses) on investments		(69,274)	(18,682)	(15,803)	(103,759)	(104,723)
- Loss on foreign exchange		(39,292)			(39,292)	-54,851
Net gains /(losses) on investments			(4,634)		(4,634)	86,099
Net Movement in Funds		(108,566)	(23,316)	(15,803)	(147,685)	(73,476)
Reconciliation of Funds						
	12					
Total Funds brought forward		4,150,334	2,576,910	63,608	6,790,851	6,864,327
Total Funds c/fwd at 31 March 2025		4,041,768	2,553,593	47,805	6,643,166	6,790,851

Detailed comparisons for the year ending 31 March 2025 are contained in note 17.

The charity has no recognised gains or losses other than the results for the year set out above. All activities of the charity are classed as continuing and are unrestricted in the current and previous years.

The notes on pages 12 to 24 are an integral part of these accounts.

The Banner of Truth Trust

Balance Sheet as at 31 March 2025

	Notes	2025 £	2024 £
Fixed Assets			
Tangible Fixed Assets	7	10,322	8,617
Investments	8	2,096,941	2,101,575
Total Fixed Assets		2,107,263	2,110,192
Current Assets			
Stock	9	4,305,232	3,411,676
Debtors	10	151,989	132,132
Cash at bank and in hand		469,318	1,416,934
Total Current Assets		4,926,539	4,960,742
Liabilities			
Creditors: amounts falling due within one year	11	390,636	280,085
Current assets less current liabilities		4,535,903	4,680,657
Total Net Assets		6,643,166	6,790,850

Representing:-

The Funds of the charity

Unrestricted accumulated fund	12	4,041,768	4,150,334
Unrestricted Designated fund	12	2,553,593	2,576,910
Unrestricted translation fund	12	-	-
Restricted fund	12	47,805	63,608
Total charity Funds		6,643,166	6,790,851

Approved by the trustees on 30th January 2026 and signed on their behalf by:


 Jeff Kingswood
 Trustee

The notes at pages 12 to 24 are an integral part of these accounts

The Banner of Truth Trust

Statement of cash flows for the year ending 31 March 2025

		Total Funds 2025	Prior Funds 2024
	Notes	£	£
Net cash used in operating activities	16	(1,034,097)	(941,785)
Cash flows from investing activities:			
Interest and dividends		92,865	100,530
Purchase of furniture and equipment		(6,383)	(1,810)
Proceeds from sale of investments			-
Net cash provided by investing activities		86,482	98,720
Cash flows from financing activities:			
Receipt of expendable endowment		-	-
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(947,615)	(843,065)
Cash and cash equivalent brought forward		1,416,934	2,237,247
Cash and cash equivalents carried forward		469,319	1,416,934

The notes at pages 12 to 24 are an integral part of these accounts

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

I - Accounting policies

Charity information

The Trust was created by Deed of Trust dated 1st July 1959.

I.1 Accounting convention

The accounts have been prepared in accordance with the Trust's Deed, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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)" (as amended for accounting periods commencing from 1 January 2019).

The Trust is a Public Benefit Entity as defined by FRS 102.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

I.2 Going concern

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

I.3 Charitable funds

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

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

I.4 Incoming resources

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

Sales represent the invoiced value of goods supplied and the income is recognised at the date of invoice. All donations, foreign royalty income, and legacies are recognised when the trust has entitlement to it.

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

Non-cash legacies are recognised on receipt.

Bank interest and investment related dividends are recognised when earned.

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

I Accounting policies (Continued)

I.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. More information on this allocation is below.

The cost of managing investments is charged either against the investment capital, the investment dividend income, or charged directly to the Trust.

The expenditure on charitable activities includes grants made, governance costs and support costs.

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the statutory audit and legal fees.

I.6 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

I.7 Cash and cash equivalents

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

Basic financial assets

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

Basic financial liabilities

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

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

I Accounting policies (Continued)

I.8 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

I.9 Stock

Stock is valued at the lower of cost and net realisable value. Cost is the charge for paper, printing and binding made to the Trust in respect of the books held. Net realisable value is the price at which the stock can be realised in the normal course of the Trust's activities after allowing for the cost of realisation.

Provision is made for obsolete, slow moving and damaged stock.

I.10 Fixed assets and depreciation

Depreciation is calculated to write off the cost of the fixed assets on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are as follows :-

Furniture and fittings	25%
Computers and office equipment	25%
Motor Vehicles	25%

All assets costing more than £500 are capitalised.

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to Statement of Financial Activities.

I.11 Foreign Currencies

Assets and liabilities expressed in foreign currencies are converted to sterling at the year end rate. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Differences on exchange are taken to the statement of financial activities in the current year.

I.12 Pensions

The Trust operates group personal pension policies in respect of certain employees. The policies are set up with defined contribution plans. The pension costs are charged to the statement of financial activities as they fall due.

I.13 Taxation

As the Trust is a registered charity, it is exempt from United Kingdom taxation.

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

2 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the opinion of the Trustees, there were no critical accounting estimates and judgements exercised in the preparation of the accounts.

3 Staff costs

	2025 £	2024 £
Wages and salaries	544,721	500,947
Social security costs	48,781	43,451
Pension Costs	61,726	69,515
Total	655,228	613,913

In the year, the number of employees of the Trust was 25 (2024: 22). This is comprised of 3 administrative (2024: 5), 10 editorial (2024: 10), 3 warehouse (2024: 2), 2 production (2024: 3) and 7 support staff (2024: 2).

One employee was remunerated between £70,000-£80,000 and one between £100,000-110,000 (2024: One between £60,000-£70,000 and One between £80,000-£90,000).

Remuneration of key management personnel amounted to £177,357 (2024: £86,739).

4 Trustees

Trustees' expenses for the year amounted to £12,263 (2024 : £10,720). Eight (2024: ten) of the trustees received reimbursement of expenses incurred in travel & subsistence.

Four trustees (Rev. Mark G Johnston, Rev. Iain Murray, David Campbell and Andrew Young) received royalty payments totalling £4,416 (2024: £5,464) for sales of their books by The Banner of Truth Trust.

Rev. Mark G Johnston received £6,048 (2024: £7,200) for editorial services for the magazine. No other trustee received remuneration for their role as a trustee.

To enable the trustees to perform their role, free copies of new book titles are given to each Trustee to a value of £1,850 (2024: £1,244).

5 Pension

The pension cost charge represents contributions payable by the Trust to the group personal pension policies of employees and amounted to £61,726.(2024: £69,515)

6 Auditors' Remuneration

The auditors' remuneration was £ 8,500 in respect of audit services for the year to 31 March 2025 (2024: £7,200).

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

7 Fixed Assets

	Computer and office equipment £	Fixtures and fittings £	Motor Vehicles £	Total £
Cost				
At 31 March 2024	43,401	45,684	-	89,085
Additions	5,384	999	-	6,383
Disposals	-	-	-	-
At 31 March 2025	48,785	46,683	-	95,468
Depreciation				
At 31 March 2024	36,117	44,351	-	80,468
Charge for the year	3,681	997	-	4,678
Disposals	-	-	-	-
At 31 March 2025	39,798	45,348	-	85,146
Net Book Value				
At 31 March 2025	8,987	1,335	-	10,322
Net Book Value At 31 March 2024	7,286	1,331	-	8,617

7.1 Operating Lease Commitments

Minimum lease payments under non-cancellable operating leases fall due as follows:-

	2025 £	2024 £
Within one year	2,420	2,420
Between one and five years	7,260	9,680
	9,680	12,100

8 Investments

	2025 £	2024 £
Market value at 1 April	2,101,575	2,038,231
Additions in year at cost	151,104	84,606
Disposals in year at proceeds	(262,591)	(52,270)
Realised gain (loss) on disposals	111,147	1,876
Unrealised gain (loss)	100,044	84,222
Movement in cash holding	(95,069)	(48,128)
(Decrease)/Increase in market value during the year	(4,635)	70,307
Closing dividend pending	-	(6,963)
Market Value at 31 March	2,096,941	2,101,575

The investment is with investment managers, Brewin Dolphin, London, UK, and the total investment cost was £1,770,466 (2024: £1,729,304), at 31 March 2025 £1,753,032 was invested in the markets (2024: £1,707,920) and £17,434 is in cash (2024: £21,384). 67.45% of the investments are held in the UK. None (2024: one) investment represents in excess of 5% of the portfolio.

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

9 Stock

	2025 £	2024 £
Books	4,305,232	3,411,676
	4,305,232	3,411,676

10 Debtors

	2025 £	2024 £
Amounts falling due within one year :		
Trade Debtors	14,095	48,262
Other debtors	-	15,410
Prepayments	36,714	41,518
Banner of Truth, Carlisle, USA	-	-
Banner of Truth Building Fund Trust	101,180	26,943
	151,989	132,132

11 Creditors

	2025 £	2024 £
Amounts falling due within one year :		
Trade Creditors	206,235	56,242
VAT	4,913	-
Royalties	86,593	111,076
Accruals and other creditors	31,843	6,375
Banner of Truth, Carlisle, USA	(12,994)	33,431
Deferred Income *	74,046	72,960
	390,636	280,085

* Deferred Income amounted to £ 74,046 (2024: £72,960) for the Ministers and Youth Conferences held in April 2025. The brought forward value of £72,960 was fully released into the SOFA in the current year.

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

12 Reconciliation of movement in Trust Funds

	Accumulated Fund £	Designated Fund £	Restricted Funds £	Total 2025 £
Total Funds b/fwd at 31 March 2024	4,150,334	2,576,910	63,608	6,790,851
Incoming resources	2,306,072	78,220	41,179	2,425,471
(Outgoing resources)	(2,375,346)	(96,902)	(56,982)	(2,529,230)
Unrealised (losses)/gains on investments	-	(4,634)		(4,634)
Gains on foreign exchange	(39,292)			(39,292)
Total Funds c/fwd at 31 March 2025	4,041,768	2,553,593	47,805	6,643,166
	Accumulated Fund £	Designated Fund £	Restricted Funds £	Total 2024 £
Total Funds b/fwd at 31 March 2023	4,277,118	2,493,614	93,595	6,864,327
Incoming resources	2,311,077	78,967	23,987	2,414,031
(Outgoing resources)	(2,383,010)	(81,770)	(53,974)	(2,518,754)
Unrealised (losses)/gains on investments	-	86,099	-	86,099
Gains on foreign exchange	(54,851)	-	-	(54,851)
Total Funds c/fwd at 31 March 2024	4,150,334	2,576,910	63,608	6,790,851

The translation fund was set up to fund the translation and publishing of foreign language literature.

The designated fund is money primarily set aside for the provision of the works of J C Ryle free of charge or at subsidised rates to pastors, missionaries, colleges, etc.

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

12 Reconciliation of movement in Trust Funds (continued)

Restricted Funds comprise of:

	Balance at 31 March 2024 £	Incoming £	Expended £	Balance at 31 March 2025 £
Dewar Fund	-	5,528	(5,528)	-
Chinese Print	17,555	-	-	17,555
Book Fund	38,852	34,652	(50,454)	23,051
Other restricted gifts	7,201	999	(1,000)	7,200
Closing Trust Funds	63,608	41,179	(56,982)	47,805

	Balance at 31 March 2023 £	Incoming £	Expended £	Balance at 31 March 2024 £
Dewar Fund	-	11,474	(11,474)	-
Chinese Print	17,555	-	-	17,555
Other restricted gifts	76,040	12,512	(42,500)	46,053
Closing Trust Funds	93,595	23,987	(53,974)	63,608

The Dewar Fund was set up out of investment income from a legacy. The donor stipulated that the income was to be used for the publication of theological literature.

The Chinese Print Fund was set up to fund the publishing of theological literature in China.

The Banner of Truth Book Fund supplies ministers, missionaries, colleges and seminaries, and needy individuals all around the world with books either free of charge or at heavily subsidised prices.

Other Restricted gifts come from a variety of sources throughout the year. Details of these individually immaterial funds are available from the registered office on request.

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

13 Related Party Transactions

The Trustees, who are listed on page I, are directors of Banner of Truth, a non-profit corporation exempt from taxation based in Carlisle, USA.

Sales to Banner of Truth (USA) during the year totalled £1,535,457 (2024 : £1,674,086).

The sum owed by the Banner of Truth (USA) at 31 March 2025 is £791 (2024: -186)

Certain of the Trustees are also Trustees of The Banner of Truth Building Fund Trust. The Building Fund Trust owns the Grey House and the warehouses used by the Trust.

A sum of £49,005 is owed from The Banner of Truth Building Fund Trust at 31 March 2025 (2024 : £26,943).

	Balance owed at 31 March 2024 £	Incoming £	Expended £	Balance owed at 31 March 2025 £
The Banner of Truth Building Fund	26,943	259,556	(185,319)	101,180

The incoming sum represents rental income paid from The Banner of Truth (USA) which is transferred to the building fund. Expenditure is items paid for by The Banner of Truth Trust such as property taxes and property repairs. These items are refunded to The Banner of Truth Trust by The Banner of Truth Building Fund Trust.

The Banner of Truth (USA) donated £12,072 from their Book Fund to the Banner of Truth Trust's restricted Book Fund.

Notes to the financial statements
for the year ending 31 March 2025

14 Balance Sheet as at 31 March 2025

Asset and Liability Allocation to funds.

	Unrestricted Funds Accumulated Funds £	Designated Funds £	Restricted Funds £	2025 £
Fixed Assets				
Tangible fixed assets	10,322	-	-	10,322
Investments	-	2,096,941	-	2,096,941
	10,322		-	2,107,263
Current Assets				
Stock	4,305,232	-	-	4,305,232
Debtors	151,989	-	-	151,989
Cash and bank balances	378,186	43,328	47,805	469,318
	4,835,406	43,328	47,805	4,926,538
Creditors: amounts falling due within one year	390,636	-	-	390,636
Net current assets	4,444,771	43,328	47,805	4,535,903
Net assets	4,455,093	2,140,269	47,805	6,643,166
Representing:-				
Total Trust Funds	4,041,768	2,553,593	47,805	6,643,166
	Unrestricted Funds Accumulated Funds £	Designated Funds £	Restricted Funds £	2024 £
Fixed Assets				
Tangible fixed assets	8,617	-	-	8,617
Investments	-	2,101,575	-	2,101,575
	8,617		-	2,110,192
Current Assets				
Stock	3,411,676	-	-	3,411,676
Debtors	132,132	-	-	132,132
Cash and bank balances	1,016,390	336,936	63,608	1,416,934
	4,560,198	336,936	63,608	4,960,742
Creditors: amounts falling due within one year	280,085	-	-	280,085
Net current assets	4,280,113	336,936	63,608	4,680,657
Net assets	4,288,730	2,438,511	63,608	6,790,850
Representing:-				
Total Trust Funds	4,150,334	2,576,910	63,608	6,790,850

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

15 Analysis of Charitable Expenditure

The charity undertakes direct charitable activities only.

	Book Production	Magazine Production	Conferences	Governance Costs	2025
Unrestricted Cost of Sales	1,171,182	15,355	-	-	1,186,537
Grants and Subsidies	152,884	-	1,000	-	153,884
Other Gifts	-	-	-	-	-
Conference Costs	-	-	110,533	6,698	117,231
Advertising and Sales Expenses	102,081	44,491	-	-	146,572
Staffing Costs	491,142	92,328	71,758	-	655,228
Depreciation	3,507	659	512	-	4,678
Support Costs	157,889	29,681	23,068	54,461	265,099
TOTALS	2,078,685	182,514	206,871	61,159	2,529,230

	Book Production	Magazine Production	Conferences	Governance Costs	2024
Unrestricted Cost of Sales	1,221,256	15,865	-	-	1,237,121
Grants and Subsidies	134,744	-	1,000	-	135,744
Other Gifts	-	-	-	-	-
Conference Costs	-	-	92,347	16,153	108,500
Advertising and Sales Expenses	89,238	44,250	-	-	133,488
Staffing Costs	460,173	86,506	67,233	-	613,912
Depreciation	4,933	927	721	-	6,581
Support Costs	113,987	21,428	16,654	131,338	283,407
TOTALS	2,024,331	168,976	177,955	147,491	2,518,753

Costs allocations are allocated either as a direct cost or as an indirect cost which is apportioned between cost centres in respect of the amount of staff time spent working on that area.

The main items included in support costs are repair and replacement of machinery and equipment, business insurance, telephone and internet charges, travel costs, staff training, computer maintenance, office cleaning and gardening, stationery, heating and lighting, bank charges, Trustee expenses, audit fees, legal and other professional charges.

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

16 Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net movement in funds	(147,685)	(73,476)
Add back depreciation charge	4,681	6,582
Deduct interest income shown in investing activities	(92,865)	(100,530)
Deduct gains/ add back losses on investments	4,634	(86,099)
Decrease in debtors	(19,857)	136,851
Increase in inventories	(893,556)	(631,048)
(Decrease)/Increase in creditors	110,551	(194,065)
Net cash used in operating activities	(1,034,097)	(941,785)

The Banner of Truth Trust

Notes to the financial statements for the year ending 31 March 2025

17. Statement of financial activities for the year ended 31 March 2024

	Unrestricted Funds		Restricted Funds	Total Funds
	Accumulated Fund	Designated Fund		
	£	£	£	£
Income and endowments from:				
Donations and Legacies	70,241		23,987	94,227
Incoming resources from Charitable Activities				
- Book and Magazine Sales	2,127,786			2,127,786
- Royalties on foreign editions	20,933			20,933
- Conference Income	70,553			70,553
Investments				
- Bank interest	21,564	3,671		25,234
- Dividends		75,296		75,296
Total Income	2,311,077	78,967	23,987	2,414,031
Expenditure on:				
Charitable Activities				
- Cost of Sales	1,237,121	70,831	38,783	1,346,734
- Other gifts	-		14,191	14,191
- Conference costs	92,347		1,000	93,347
- Other costs	906,051	10,939		916,990
- Governance Costs	147,491			147,491
Total Expenditure	2,383,010	81,770	53,974	2,518,755
Net income and net movement in funds before gains / (losses) on investments	(71,933)	(2,803)	(29,987)	(104,723)
- Gain on Foreign Exchange	(54,851)			(54,851)
Net gains /(losses) on investments		86,099		86,099
Net Movement in Funds	(126,784)	83,296	(29,987)	(73,476)
Reconciliation of Funds				
Total Funds brought forward	4,277,118	2,493,614	93,595	6,864,327
Total Funds c/fwd at 31 March 2022	4,150,334	2,576,910	63,608	6,790,851