

BANNER OF TRUTH BUILDING FUND

England & Wales · Charity number 248800

Details

Other names	"BANNER OF TRUTH BUILDING FUND"
Status	Registered
Legal form	Trust
Registered	1966-08-17
Register	View on the Charity Commission register

Contact

Address	3 Murrayfield Road Edinburgh EH12 6EL
Phone	01313377310
Email	info@banneroftruth.co.uk
Website	www.banneroftruth.org

Activities

Objects: "THE ACQUISITION MAINTENANCE FURNISHING AND EQUIPPING OF A BUILDING AS A CENTRE FOR THE CARITABLE ACTIVITIEIS OF THE BANNER OF TRUTH TRUST" AND AS SPECIFICALLY FURTHER DECLARED BY THE TRUST DEED.

Activities: Provison of buildings

Classification

- **How:** Provides Buildings/facilities/open Space, Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NATIONAL AND FOREIGN
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£280,139	£128,285	-	-
2024-03-31	£3,098,998	£115,509	£7,717,973	0
2023-03-31	£1,335,629	£60,777	£4,754,641	0
2022-03-31	£54,984	£26,281	-	-
2021-03-31	£79,679	£83,139	-	-

Trustees

Name	Role	Appointed
David Campbell		2022-04-30
Dr Donald John MacLean		2017-04-28
Dr ROBERT STRIVENS		2015-04-09
REVEREND IAIN HAMISH MURRAY		
Rev Andrew Young		2022-10-13
Rev MARK GARDINER JOHNSTON		
Rev Warren Peel		2019-04-03

Accounts



The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2025

Registered Charity Number 248800

Scottish Charity Number SC038434

The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2025

Contents

Legal and administrative information for the year ended 31 March 2025.....	I
Trustees' report for the year ended 31 March 2025.....	2-4
Auditors' report for the year ended 31 March 2025.....	5-7
Statement of financial activities for the year ended 31 March 2025.....	8
Balance Sheet as at 31 March 2025.....	9
Notes to the financial statements for the year ended 31 March 2025.....	10-16

Legal and administrative information for the year ended 31 March 2025

Trustees

Rev Iain H Murray
Rev Mark G Johnston
Robert Strivens
Donald John MacLean
Warren Peel
David Campbell
Rev Andrew Young

Solicitors

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

General Manager - Key Management Personnel

John Rawlinson

Auditors

Whitelaw Wells
Statutory Auditors
9 Ainslie Place
Edinburgh
EH3 6AT

Banker

Bank of Scotland plc
PO Box 1000
BX2 1LB

Connected bodies

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

Principal Office

The Grey House
3 Murrayfield Road
Edinburgh
EH12 6EL

Banner of Truth
610 Alexander Spring Road
Carlisle
Pennsylvania 17015
USA

The Banner of Truth Building Fund 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 Building Fund Trust was established as a Charitable Trust under a Trust Deed dated February 22, 1966.

The objectives of the Building Fund Trust are:

- (a) To acquire, maintain, furnish and equip a building as a centre for the charitable activities of the Banner of Truth Trust.
- (b) To provide and maintain suitable facilities for the Banner of Truth Trust to print and publish Christian literature.
- (c) To promote, advance and disseminate a better knowledge and understanding of the doctrines of the Christian faith throughout the world.

In pursuance of the above objectives, the Building Fund Trust owns three properties in Edinburgh - a house in Murrayfield, which is used by the Banner of Truth Trust as its Head Office, and two warehouses in Sighthill for the storage and despatch of the Banner of Truth Trust's Christian literature. These properties were purchased respectively in 1972, 1973 and 1986 and the Building Fund Trust maintains, furnishes and equips these properties as appropriate. In addition, the Building Fund Trust owns an office and warehouse in Carlisle, USA, developed in 2022.

These buildings are for the exclusive use of the Banner of Truth Trust and Banner of Truth, USA and have proved of significant benefit to the Trust in its expanding work worldwide.

Achievements and Performance

The day-to-day activities of the charity in this period have been the monitoring of the current building stock and the performance of necessary repairs. In the year, only minor repairs have been undertaken and no additional facilities purchased.

There are plans to consolidate the Edinburgh properties onto a single site. A site has been purchased, planning permission has been obtained, and building design work is ongoing.

During the year, a 2-acre piece of land next to the US property was purchased. This will allow for any future expansion and also protects the current building investment from any unwanted development on the neighbouring land.

Public Benefit

The Trustees have given careful consideration to the Charity Commission's public benefit guidance and consider that the activities of the Trust deliver significant public benefit in the support of the work of the Banner of Truth Trust.

Financial Review

The income and the expenditure for the year were £280,139 (2024: £3,098,999) and £128,285 (2024: £115,509) respectively.

Of the incoming resources £112,947 was in the form of donations and legacies, and £121,139 in the form of rent. The rental income comes from the Banner of Truth USA for the use of the office and warehouse in Carlisle, PA, and rental income from the flat and cottage located at the Murrayfield office premises.

Major items of expenditure were property maintenance and taxes.

Bank interest amounting to £42,153 (2024: £1,923) was received and a loss on foreign exchange amounted to £5,314 (2024 £20,158).

The net surplus for the year was £146,540 (2024: £2,963,332) which was largely, as per last year, dominated by donation/legacy income.

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

Reserves Policy

Out of total Trust funds of £7,864,513 (2024: £7,717,973), fixed assets account for £4,660,258 (2023: £3,577,147).

It is the policy of the Trustees to build levels of reserves that provide for the maintenance of the building assets and also to provide new premises for the work of the Banner of Truth Trust when that is required. Currently the levels of reserves are not considered adequate for the needs in the next 2-5 years and the Trustees are considering actions that may be required to address this. One likely action will be a donor campaign to raise donations.

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/destruction of buildings due to fire etc, mitigated by day-to-day fire prevention activities and insurance to cover rebuild costs; building adequacy to fulfil the objectives of the Trust, this is recognised as a problem and the mitigation is planning to provide new facilities for the Banner of Truth to operate from.

Plans for Future Periods

There is a need for new facilities for the work in Edinburgh of the Banner of Truth Trust.

The Building Fund Trust and the Banner of Truth Trust will be engaging in a fund-raising campaign to raise the necessary finance to build the required facilities. The aim will be to start a building project within the next 2 years.

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. Major capital projects are authorised by the Trustees.

New Trustees are appointed by a majority vote of the current Trustees, in accordance with the Banner of Truth Building Fund 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 the General Manager.

There are no paid staff.

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 (7) and (8) of the accounts.

Reference and Administrative Details

Details of senior staff, trustees and advisors are found on page I 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 trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution.

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.

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

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



Donald John MacLean
Trustee

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

Opinion

We have audited the financial statements of The Banner of Truth Building Fund 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 Buidling Fund 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 4 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 Buidling Fund 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 Building Fund Trust

Statement of Financial Activities incorporating the Income and Expenditure Account for the year ending 31 March 2025

	General Funds 2025	General Funds 2024
Notes	£	£
Income and endowments from:		
Charitable Activities		
- Other rent received	3,900	3,900
- Rent from Banner of Truth, USA	121,139	105,014
Donations and Legacies	112,947	2,988,161
Investment income		
- Bank interest	42,153	1,923
Income	280,139	3,098,999
Expenditure		
Charitable Expenditure		
- Professional fee charges	5,726	5,751
- Property expenses	40,217	32,526
- Depreciation 3	82,336	77,232
- General expenses	6	-
Expenditure	128,285	115,509
Net Income for the year	151,854	2,983,490
Gain on Foreign Currency Exchange	(5,314)	(20,158)
Net movement in funds for the year	146,540	2,963,332
Reconciliation of Funds		
Balance brought forward at 1 April 2024	7,717,973	4,754,641
Balance carried forward at 31 March 2025	7,864,513	7,717,973

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 10 to 15 are an integral part of these accounts.

The Banner of Truth Building Fund Trust

Balance Sheet as at 31 March 2025

	Notes	2025 £	2024 £
Fixed Assets			
Tangible fixed assets	3	4,660,258	3,577,147
		4,660,258	3,577,147
Current Assets			
Debtors	4	34,329	2,987,377
Short term deposits		3,277,707	1,190,428
		3,312,036	4,177,805
Current liabilities			
Creditors	5	107,780	36,980
Net current assets		3,204,256	4,140,825
Net assets		7,864,513	7,717,972

Representing:-

Trust Funds - General Fund

Accumulated revenue surplus	7,864,513	7,717,973
Accumulated unrealised gains on investments	-	-
Total Trust Funds	7,864,513	7,717,973

These financial statements were approved by the Trustees on 30th January 2026 and signed on their behalf by:



Donald John MacLean
Trustee

The notes on pages 10 to 15 are an integral part of these accounts.

The Banner of Truth Building Fund 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 22 February 1966.

1.1 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 2016).

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

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

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.

In accordance with the Charities SORP (FRS 102), the charity is exempt from preparing a cash flow statement and none has been included.

1.2 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 and for a period of at least 12 months from the date of approval of these financial statements. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 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.

1.4 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.

The rental of property is the main source of regular income. Rental income is recognised in accordance with the lease agreements.

The Banner of Truth Building Fund Trust

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

I Accounting policies (Continued)

Cash donations are recognised on receipt. Other 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 on receipt of the amounts into the bank account.

I.5 Expenditure

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 costs associated with maintaining the properties, 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.

The Banner of Truth Building Fund is not VAT registered.

I.6 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.

The Banner of Truth Building Fund Trust

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

I Accounting policies (Continued)

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.

1.7 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 :-

Heritable Property	2%
Fixtures and fittings	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.

1.8 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.

1.9 Taxation

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

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.

The Banner of Truth Building Fund Trust

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

3 Fixed Assets

	Heritable Property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2024	3,924,489	-	3,924,489
Additions	1,165,447	-	1,165,447
Disposal	-	-	-
At 31 March 2025	5,089,936	-	5,089,936
Depreciation			
At 1 April 2024	347,342	-	347,342
Eliminated on Disposal	-	-	-
Charge for the year	82,336	-	82,336
At 31 March 2025	429,678	-	429,678
Net Book Value			
At 31 March 2025	4,660,258	-	4,660,258
Net Book Value			
At 31 March 2024	3,577,147	-	3,577,147

There is likely to be a material difference between the carrying and market value of the property. As the properties have not been valued it is not practicable to quantify the difference.

4 Debtors

Amounts falling due within one year :

	2025 £	2024 £
Other Debtors	34,329	2,987,377
	34,329	2,987,377

The Banner of Truth Building Fund Trust

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

5 Creditors

Amounts falling due within one year :

	2025	2024
	£	£
Accruals	6,600	10,038
Banner of Truth Trust	101,180	26,943
	107,780	36,980

6 Auditors' remuneration

The auditors' remuneration for the year in respect of audit services was £5,725 (2024: £5,700). Remuneration in respect of non-audit services was £0 (2024 : £0).

7 Related Party Transactions

The Trustees who are listed on page 1 are also Trustees of the Banner of Truth Trust. The Banner of Truth Trust uses the Grey House and warehouses in Edinburgh that are owned by the Trust for no cost. The Trustees are also Directors of Banner of Truth, a non-profit corporation, exempt from taxation based in Carlisle USA, which occupies the office and warehouse owned by the Trust in Carlisle, USA.

Rental income of £121,139 (2024: £105,014) was received during the year from The Banner of Truth USA, none of which is outstanding at the year end (2024 £none)

There were no legacies received (2024: £2,946,875).

A sum of £101,180 (2024: £26,943) is owed to The Banner of Truth Trust.

	Balance owing at 31 March 2024	Expended	Incoming	Balance owing at 31 March 2025
	£	£	£	£
The Banner of Truth	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. The 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 Building Fund Trust

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

8 Trustees and Key Management Staff Remuneration

No trustees, key management staff, or any person connected with them has received or is due to receive any remuneration for the year directly or indirectly from the charity's funds.

The Trust employs no staff.

9 Post Balance Sheet Events

There are no post balance sheet events to note (The Trust purchased land for £700,949 on 25th September 2024.)

Accounts



The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2024

Registered Charity Number 248800

Scottish Charity Number SC038434

The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2024

Contents

Legal and administrative information for the year ended 31 March 2024.....	I
Trustees' report for the year ended 31 March 2024.....	2-4
Auditors' report for the year ended 31 March 2024.....	5-7
Statement of financial activities for the year ended 31 March 2024.....	8
Balance Sheet as at 31 March 2024.....	9
Statement of cash flows	10
Notes to the financial statements for the year ended 31 March 2024.....	11-16

Legal and administrative information for the year ended 31 March 2024

Trustees

Rev Iain H Murray
Rev Mark G Johnston
Robert Strivens
Donald John MacLean
Warren Peel
David Campbell
Sinclair Ferguson (term of service concluded April 2023)
Ian Hamilton (term of service concluded April 2023)

Solicitors

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

General Manager - Key Management Personnel

John Rawlinson

Auditors

Whilelaw Wells
Statutory Auditors
9 Ainslie Place
Edinburgh
EH3 6AT

Banker

Bank of Scotland plc
PO Box 1000
BX2 1LB

Connected bodies

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

Principal Office

The Grey House
3 Murrayfield Road
Edinburgh
EH12 6EL

Banner of Truth
610 Alexander Spring Road
Carlisle
Pennsylvania 17015
USA

The Banner of Truth Building Fund Trust

Report of the Trustees for the year ended 31 March 2024

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2024. 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 Building Fund Trust was established as a Charitable Trust under a Trust Deed dated February 22, 1966.

The objectives of the Building Fund Trust are:

- (a) To acquire, maintain, furnish and equip a building as a centre for the charitable activities of the Banner of Truth Trust.
- (b) To provide and maintain suitable facilities for the Banner of Truth Trust to print and publish Christian literature.
- (c) To promote, advance and disseminate a better knowledge and understanding of the doctrines of the Christian faith throughout the world.

In pursuance of the above objectives, the Building Fund Trust owns three properties in Edinburgh - a house in Murrayfield, which is used by the Banner of Truth Trust as its Head Office, and two warehouses in Sighthill for the storage and despatch of the Banner of Truth Trust's Christian literature. These properties were purchased respectively in 1972, 1973 and 1986 and the Building Fund Trust maintains, furnishes and equips these properties as appropriate. In addition, the Building Fund Trust owns an office and warehouse in Carlisle, USA, developed in 2022.

These buildings are for the exclusive use of the Banner of Truth Trust and Banner of Truth, USA and have proved of significant benefit to the Trust in its expanding work worldwide.

Achievements and Performance

The day-to-day activities of the charity in this period have been the monitoring of the current building stock and the performance of necessary repairs. In the year, only minor repairs have been undertaken and no additional facilities purchased.

There are plans to consolidate the Edinburgh properties onto a single site. A site has been identified and matters are in process to purchase it.

Public Benefit

The Trustees have given careful consideration to the Charity Commission's public benefit guidance and consider that the activities of the Trust deliver significant public benefit in the support of the work of the Banner of Truth Trust.

Financial Review

The income and the expenditure for the year were £3,098,999 (2023: £1,335,629) and £115,509 (2023: £60,777) respectively, giving a surplus for the year of £2,983,490 (2023: £1,274,852).

Of the incoming resources £2,988,161 was in the form of donations and legacies, and £108,914 in the form of rent. The rental income comes from the Banner of Truth USA for the use of the office and warehouse in Carlisle, PA, and rental income from the flat and cottage located at the Murrayfield office premises.

Major items of expenditure were property maintenance and taxes.

Bank interest amounting to £1,923 (2023: £1,197) was received and a loss on foreign exchange amounted to £20,158 (2023: £184,313 gain).

The net surplus for the year was £2,963,332 (2023: £1,459,165) which was largely, as per last year, dominated by donation/legacy income.

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

Reserves Policy

Out of total Trust funds of £7,717,973 (2023: £4,754,641), fixed assets account for £3,577,147 (2023: £3,654,379).

It is the policy of the Trustees to build levels of reserves that provide for the maintenance of the building assets and also to provide new premises for the work of the Banner of Truth Trust when that is required. Currently the levels of reserves and not considered adequate for the needs in the next 2-5 years and the Trustees are considering actions that may be required to address this. One likely action will be a donor campaign to raise donations.

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/destruction of buildings due to fire etc, mitigated by day-to-day fire prevention activities and insurance to cover rebuild costs; building adequacy to fulfil the objectives of the Trust, this is recognised as a problem and the mitigation is planning to provide new facilities for the Banner of Truth to operate from.

Plans for Future Periods

There is a need for new facilities for the work in Edinburgh of the Banner of Truth Trust. It is expected that in the next year a site will be purchased. Work is ongoing to gain planning permission to build on the identified site, which will be necessary prior to completing the purchase.

The Banner of Truth Trust, as the user of a potential new facility, has been very involved in working with architects to develop the requirements for a new office and warehouse.

The Building Fund Trust and the Banner of Truth Trust will be engaging in a fund-raising campaign to raise the necessary finance to build the required facilities. The aim will be to start a building project within the next 2 years.

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. Major capital projects are authorised by the Trustees.

New Trustees are appointed by a majority vote of the current Trustees, in accordance with the Banner of Truth Building Fund 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 the General Manager.
There are no paid staff.

Connected bodies/Related parties/Remuneration.

Trustees give of their time freely and are not remunerated. They are required to declare any relevant interests

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 the financial position of the charity and to enable them to ensure that the financial statements comply with 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 trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution.

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.

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

Signed on behalf of the Trustees on: 11TH DECEMBER 2024



Donald John MacLean
Trustee

Independent Auditor's Report to the Trustees of The Banner of Truth Trust
Year ended 31 March 2024

Opinion

We have audited the financial statements of The Banner of Truth Trust for the year ended 31 March 2024, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows 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 FRS102 '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 2024 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 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 charity 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 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 we do not express any form of assurance conclusion thereon.

THE BANNER OF TRUTH TRUST

Independent Auditor's Report to the Trustees of The Banner of Truth Trust Year ended 31 March 2024

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires 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 charity 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:

THE BANNER OF TRUTH TRUST

Independent Auditor's Report to the Trustees of The Banner of Truth Trust Year ended 31 March 2024

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:

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 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.

We carried income testing and grants payable testing which was designed to identify any irregularities as a result of simple 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 Report of the Auditors.

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 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 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



12 December 2024

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

The Banner of Truth Building Fund Trust

Statement of Financial Activities incorporating the Income and Expenditure Account for the year ending 31 March 2024

	General Funds 2024	General Funds 2023
Notes	£	£
Income and endowments from:		
Charitable Activities		
- Other rent received	3,900	4,800
- Rent from Banner of Truth, USA	105,014	54,890
Donations and Legacies	2,988,161	1,274,743
Investment income		
- Bank interest	1,923	1,197
- Dividends	-	-
Income	3,098,999	1,335,629
Expenditure		
Charitable Expenditure		
- Professional fee charges	5,751	5,380
- Property expenses	32,526	9,935
- Depreciation	77,232	40,967
- General expenses	-	-
- Loss on Disposal	-	4,495
Expenditure	115,509	60,777
Net Income for the year	2,983,490	1,274,852
Gain on Foreign Currency Exchange	(20,158)	184,313
Net movement in funds for the year	2,963,332	1,459,165
Reconciliation of Funds		
Balance brought forward at 1 April 2023	4,754,641	3,295,476
Balance carried forward at 31 March 2024	7,717,973	4,754,641

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 11 to 16 are an integral part of these accounts.

The Banner of Truth Building Fund Trust

Balance Sheet as at 31 March 2024

	Notes	2024 £	2023 £
Fixed Assets			
Tangible fixed assets	3	3,577,147	3,654,379
		3,577,147	3,654,379
Current Assets			
Debtors	4	2,987,377	-
Short term deposits		1,190,428	1,217,526
		4,177,805	1,217,526
Current liabilities			
Creditors	5	36,980	117,264
Net current assets		4,140,825	1,100,262
Net assets		7,717,973	4,754,641
Representing:-			
Trust Funds - General Fund			
Accumulated revenue surplus		7,717,973	4,754,641
Accumulated unrealised gains on investments		-	-
Total Trust Funds		7,717,973	4,754,641

These financial statements were approved by the Trustees on 11th DECEMBER 2024 and signed on their behalf by:



Donald John MacLean
Trustee

The notes on pages 11 to 16 are an integral part of these accounts.

The Banner of Truth Building Fund Trust

Statement of cash flows for the year ending 31 March 2024

		Total funds 2024	Prior Funds 2023
	Notes	£	£
Net cash provided used in operating activities	9	(29,020)	1,172,167
Cash flows from investing activities:			
- Dividends, interest and rents from investments		1,923	1,197
- Purchase of furniture and equipment		-	(2,272,683)
- Proceeds from the sale of property		-	243,973
- Purchase of property		-	-
- Proceeds from sales of investments		-	-
- Purchase of investments		-	-
Net cash provided by investing activities		1,923	(2,027,513)
Change in cash and cash equivalents in the year		(27,096)	(855,346)
Cash and cash equivalent brought forward		1,217,526	207,287
Cash and cash equivalents carried forward		1,190,428	1,217,526

The notes on pages 11 to 16 are an integral part of these accounts.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2024

I - Accounting policies

Charity information

The Trust was created by Deed of Trust dated 22 February 1966.

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 2016).

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

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

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.

The rental of property is the main source of regular income. Rental income is recognised in accordance with the lease agreements.

Cash donations are recognised on receipt. Other 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 on receipt of the amounts into the bank account.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2024

I Accounting policies (Continued)

I.5 Expenditure

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 costs associated with maintaining the properties, 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.

The Banner of Truth Building Fund is not VAT registered.

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 Building Fund Trust

Notes to the financial statements for the year ending 31 March 2024

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 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 :-

Heritable Property	2%
Fixtures and fittings	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.10 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.11 Taxation

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

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.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2024

3 Fixed Assets

	Heritable Property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2023	3,924,489	-	3,924,489
Additions	-	-	-
Disposal	-	-	-
At 31 March 2024	3,924,489	-	3,924,489
Depreciation			
At 1 April 2023	270,110	-	270,110
Eliminated on Disposal	-	-	-
Charge for the year	77,232	-	77,232
At 31 March 2024	347,342	-	347,342
Net Book Value			
At 31 March 2024	3,577,147	-	3,577,147
Net Book Value			
At 31 March 2023	3,654,379	-	3,654,379

There is likely to be a material difference between the carrying and market value of the property. As the properties have not been valued it is not practicable to quantify the difference.

4 Debtors

Amounts falling due within one year :

	2024 £	2023 £
Other Debtors	2,987,377	-
Banner of Truth Trust	-	-
	2,987,377	-

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2024

5 Creditors

Amounts falling due within one year :

	2024 £	2023 £
Accruals	10,038	25,359
Banner of Truth Trust	26,943	91,905
	36,980	117,264

6 Auditors' remuneration

The auditors' remuneration for the year in respect of audit services was £5,700 (2023: £5,325). Remuneration in respect of non-audit services was £0 (2022 : £70).

7 Related Party Transactions

The Trustees who are listed on page 1 are also Trustees of the Banner of Truth Trust. The Banner of Truth Trust uses the Grey House and warehouses in Edinburgh that are owned by the Trust for no cost. The Trustees are also Directors of Banner of Truth, a non-profit corporation, exempt from taxation based in Carlisle USA, which occupies the office and warehouse owned by the Trust in Carlisle, USA.

Rental income of £105,014 (2023: £54,890) was received during the year from The Banner of Truth USA, none of which is outstanding at the year end (2023: £ none).

A legacy (£2,946,875) was received from a donor by The Banner of Truth USA and then donated to The Banner of Truth Building Fund. The cash transfer was completed post year-end by May 2024.

A sum of £26,943 (2023: £91,905) is owed to The Banner of Truth Trust.

	Balance owing at 31 March 2023			Balance owing at 31 March 2024
	£	Expended £	Incoming £	£
The Banner of Truth	91,905	35,275	(100,237)	26,943

The incoming sum represents rental income paid from The Banner of Truth (USA) which is transferred to the building fund. The 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 Building Fund Trust

Notes to the financial statements for the year ending 31 March 2024

8 Trustees and Key Management Staff Remuneration

No trustees, key management staff, or any person connected with them has received or is due to receive any remuneration for the year directly or indirectly from the charity's funds.

The Trust employs no staff.

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

	2024	2023
	£	£
Net movement in funds	2,963,332	1,459,165
Add back depreciation charge	77,232	40,967
Add back loss on disposal of fixed assets	-	4,495
Deduct interest income shown in investing activities	(1,923)	(1,197)
Decrease in debtors	(2,987,377)	-
(Decrease)/Increase in creditors	(80,284)	(331,263)
Net cash used in operating activities	(29,020)	1,172,167

10 Post Balance Sheet Events

The Trust purchased land for £700,949 on 25th September 2024.

Accounts

The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2023

Registered Charity Number 248800

Scottish Charity Number SC038434

The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2023

Contents

Legal and administrative information for the year ended 31 March 2023.....	1
Trustees' report for the year ended 31 March 2023.....	2-3
Auditors' report for the year ended 31 March 2023.....	4-6
Statement of financial activities for the year ended 31 March 2023.....	7
Balance Sheet as at 31 March 2023.....	8
Statement of cash flows	9
Notes to the financial statements for the year ended 31 March 2023.....	10-14

The Banner of Truth Building Fund Trust Registered Charity Number 248800

Legal and administrative information for the year ended 31 March 2023

Trustees

Rev Iain H Murray
Rev Mark G Johnston
Robert Strivens
Donald John MacLean
Warren Peel
David Campbell

Solicitors

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

General Manager

John Rawlinson

Auditors

Thomson Cooper Accountants
3 Castle Court
Carnegie Campus
Dunfermline
KY11 8PB

Banker

Bank of Scotland plc
PO Box 1000
BX2 1LB

Connected bodies

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

Principal Office

The Grey House
3 Murrayfield Road
Edinburgh
EH12 6EL

Banner of Truth
610 Alexander Spring Road
Carlisle
Pennsylvania 17015
USA

The Banner of Truth Building Fund Trust

Report of the trustees for the year ended 31 March 2023

The Banner of Truth Building Fund Trust was established as a Charitable Trust under a Trust Deed dated February 22, 1966.

The objectives of the Building Fund Trust are:

- (a) To acquire, maintain, furnish and equip a building as a centre for the charitable activities of the Banner of Truth Trust.
- (b) To provide and maintain suitable facilities for the Banner of Truth Trust to print and publish Christian literature.
- (c) To promote, advance and disseminate a better knowledge and understanding of the doctrines of the Christian faith throughout the world.

In pursuance of the above objectives, the Building Fund Trust owns three properties in Edinburgh - a house in Murrayfield, which is used by the Banner of Truth Trust as its Head Office, and two warehouses in Sighthill for the storage and despatch of the Banner of Truth Trust's Christian literature. These properties were purchased respectively in 1972, 1973 and 1986 and the Building Fund Trust maintains, furnishes and equips these properties as appropriate. In addition, the Building Fund Trust owns an office and warehouse in Carlisle, USA, developed in 2022.

These buildings are for the exclusive use of the Banner of Truth Trust and Banner of Truth, USA and have proved of significant benefit to the Trust in its expanding work worldwide.

Review of activities, financial review, and future plans

The day to day activities of the charity in this period have been the monitoring of the current building stock and the performance of necessary repairs. In the year, only minor repairs have been undertaken and no additional facilities purchased or specified.

The income and the expenditure for the year were £1,335,629 and £60,777 respectively.

There are plans to consolidate the Edinburgh properties onto a single site. Initial work has been undertaken to assess the needs and feasibility.

Public Benefit

The Trustees have given careful consideration to the Charity Commission's public benefit guidance and consider that the activities of the Trust deliver significant public benefit in the support of the work of the Banner of Truth Trust.

Reserves Policy

The policy is to hold reserves that can be used to fund the possible future needs of the Trust for additional property for its operation and to maintain the current properties in good order. The current level of reserves is considered adequate to meet the costs of the operation of the Trust in the coming year, and also possible expansion in the future.

Investment Policy and Performance

The policy of the Trustees is to invest the bulk of any cash assets not required for immediate expenditure in conservative market investments. There are currently no investments.

The balance of the Trust cash funds are invested in interest bearing accounts to maximise the interest returns but allow for the funds to be used for property repairs as required.

Organisational structure

The charity is organised by a General Manager, Mr J Rawlinson, reporting to the Trustees, who 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. Trustees authorise any major capital projects and spending.

The Banner of Truth Building Fund Trust

Report of the trustees for the year ended 31 March 2023

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.

Appointment of Trustees

New Trustees may be appointed by a majority vote of the current 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 trained in the general responsibilities of Trustees using Charity Commission literature and provided appropriate training in the operations of the Trust by the General Manager.

Connected bodies/Related parties

The Trustees, who are listed on page 1, are directors of Banner of Truth, a non-profit corporation exempt from taxation based in Carlisle, USA. The organisation's activities consist principally of the sale and distribution of Banner of Truth books and Christian literature. The Banner of Truth, USA, uses the Building Fund Trust's Warehouse in Carlisle, USA. Rental income of £54,890 was received from the Banner of Truth, USA during the year.

The Trustees are also Trustees of The Banner of Truth Trust, who use the three Edinburgh properties owned by the Building Fund Trust. There was a sum of £91,905 owed to the Banner of Truth Trust at 31 March 2023.

Trustees' responsibilities in relation to the financial statements

The charity trustees are 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).

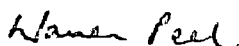
The law applicable to charities in England and Wales and Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. 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 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 Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, The Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Signed on behalf of the Trustees on 3 June 2024



Warren Peel
Trustee

THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 March 2023

Opinion

We have audited the financial statements of The Banner of Truth Building Fund Trust ("the Trust") for the year ended 31 March 2023 comprising the Statement of Financial Activities, Balance Sheet and notes. 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 charitable Trust's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust 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 Trust'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 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 auditor's 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.

Opinions on other matters

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

THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 March 2023

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust 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 where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

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

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.

Extent to which the audit was capable of detecting irregularities, including fraud

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the Trust's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including financial and taxation legislation and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 March 2023

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the Trust.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

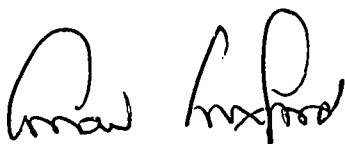
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with 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 Trust's members and 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 Trust, the Trust's members as a body and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Croxford (Senior Statutory Auditor)
for and on behalf of Thomson Cooper, Statutory Auditor
Dunfermline

4 June 2024

The Banner of Truth Building Fund Trust

Statement of financial activities for the year ending 31 March 2023

	General Funds 2023	General Funds 2022
Notes	£	£
Income & expenditure		
Incoming Resources		
Trading Income		
- Other rent received	4,800	5,900
- Rent from Banner of Truth, USA	54,890	29,940
- Donations and Legacies	1,274,743	-
- Bank interest	1,197	1,848
Investment income		
- Dividends	-	17,296
Total Incoming Resources	1,335,629	54,984
Resources expended		
Other Expenditure		
- Professional fee charges	5,380	2,075
- Property expenses	9,935	10,396
- Depreciation	40,967	13,785
- General expenses	-	25
- Loss on Disposal	4,495	-
Total Resources Expended	60,777	26,281
Net Incoming Resources for the year	1,274,852	28,703
Gain on Foreign Currency Exchange	184,313	111,554
Unrealised gain on investments	-	141,325
Net movement in funds for the year	1,459,165	281,582
Reconciliation of Funds		
Balance brought forward at 1 April 2022	3,295,476	3,013,894
Balance carried forward at 31 March 2023	4,754,641	3,295,476

The Banner of Truth Building Fund Trust

Balance Sheet as at 31 March 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible fixed assets	3	3,654,379	1,671,128
Investments	4	-	-
		3,654,379	1,671,128
Current Assets			
Debtors	5	-	-
Short term deposits		1,217,526	2,072,871
		1,217,526	2,072,871
Current liabilities			
Creditors	6	117,264	448,522
Net current assets		1,100,262	1,624,349
Net assets		4,754,641	3,295,477
Representing:-			
Trust Funds - General Fund			
Accumulated revenue surplus		4,754,641	3,295,477

These financial statements were approved by the Trustees on 3 June 2024 and signed on their behalf by:

Warren Peel

Warren Peel
Trustee

The Banner of Truth Building Fund Trust

Statement of cash flows for the year ending 31 March 2023

	Notes	Total Funds 2023 £	Prior Funds 2022 £
Net cash used in operating activities	11	1,172,167	561,792
Cash flows from investing activities:			
Interest and dividends		1,197	19,144
Purchase of furniture and equipment		(2,272,683)	(1,353,039)
Proceeds from sale of investments		-	2,238,742
Proceeds from sale of property		243,973	
Net cash provided by investing activities		(2,027,513)	904,847
Change in cash and cash equivalents in the year		(855,346)	1,466,639
Cash and cash equivalent brought forward		2,072,871	606,232
Cash and cash equivalents carried forward		1,217,525	2,072,871

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2023

1 - Accounting policies

Charity information

The Trust was created by Deed of Trust dated 22 February 1966.

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

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.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

1.2 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.

The Trustees have considered a period of 12 months from the date of approval of the accounts.

1.3 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.

1.4 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 on a cash basis.

Cash donations are recognised on receipt. Other 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 on receipt of the amounts into the bank account.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2023

1 Accounting policies (Continued)

1.5 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 independent examination and legal fees.

1.6 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.

1.7 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.

1.8 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.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2023

1 Accounting policies (Continued)

1.9 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 :-

Heritable Property	2%
Fixtures and fittings	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.

1.10 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.

1.11 Taxation

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

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.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2023

3 Fixed Assets

	Heritable Property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2022	2,042,288	-	2,042,288
Additions	2,272,683	-	2,272,683
Disposal	(390,482)	-	(390,482)
At 31 March 2023	3,924,489	-	3,924,489
Depreciation			
At 1 April 2022	371,160	-	371,160
Eliminated on Disposal	(142,017)	-	(142,017)
Charge for the year	40,967	-	40,967
At 31 March 2023	270,110	-	270,110
Net Book Value			
At 31 March 2023	3,654,379	-	3,654,379
Net Book Value			
At 31 March 2022	1,671,128	-	1,671,128

There is likely to be a material difference between the carrying and market value of the property. As the properties have not been valued it is not practicable to quantify the difference.

4 Investments

	2023 £	2022 £
Market value at 1 April 2022	-	2,097,417
Increase/(decrease) in market value during the year	-	141,325
Disposals	-	(2,238,742)
Market Value at 31 March 2023	-	-
Historical cost at 31 March 2022	-	-

5 Debtors

Amounts falling due within one year :

	2023 £	2022 £
Other Debtors	-	-
	-	-

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2023

6 Creditors

Amounts falling due within one year :

	2023 £	2022 £
Accruals	25,359	301,717
Banner of Truth Trust	91,905	146,805
	117,264	448,522

7 Auditors' remuneration

The auditors' remuneration for the year in respect of audit services was £2,700 (2022: £2,700). Remuneration in respect of non-audit services was £10 (2022 : £45).

8 Related Party Transactions

The Trustees who are listed on page 1 are also Trustees of the Banner of Truth Trust. The Banner of Truth Trust uses the Grey House and warehouses in Edinburgh that are owned by the Trust. The Trustees are also Directors of Banner of Truth, a non-profit corporation, exempt from taxation based in Carlisle USA, which occupies the office and warehouse owned by the Trust in Carlisle, USA.

Rental income of £54,890 (2022: £29,940) was received during the year from The Banner of Truth USA.

9 Trustees Remuneration

No trustees or any person connected with them has received or is due to receive any remuneration for the year directly or indirectly from the charity's funds.

10 Contingent Liabilities

Under the terms of the building under construction in the US at the balance sheet date, there is a contingent liability for remedial works due to the local authority. The Trust is required to maintain funds to the value of \$518,714 (£420,335) until such time as the local authority deem the works to have been completed satisfactorily.

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

	2023 £	2022 £
Net movement in funds	1,459,165	281,582
Add back depreciation charge	40,967	13,785
Add back loss on disposal of fixed assets	4,495	-
Deduct interest income shown in investing activities	(1,197)	(19,144)
Deduct gains/ add back losses on investments	-	(141,325)
(Decrease)/Increase in creditors	(331,263)	426,894
Net cash used in operating activities	1,172,167	561,792

Accounts

The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2022

Registered Charity Number 248800

Scottish Charity Number SC038434

The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2022

Contents

Legal and administrative information for the year ended 31 March 2022.....	1
Trustees' report for the year ended 31 March 2022.....	2-3
Auditors' report for the year ended 31 March 2022.....	4-6
Statement of financial activities for the year ended 31 March 2022.....	7
Balance Sheet as at 31 March 2022.....	8
Notes to the financial statements for the year ended 31 March 2022.....	9-13

The Banner of Truth Building Fund Trust Registered Charity Number 248800

Legal and administrative information for the year ended 31 March 2022

Trustees

Sinclair B Ferguson - Resigned 30 April 2023
Chairman

Rev Iain H Murray
Rev Ian Hamilton - Resigned 30 April 2023
Rev Mark G Johnston
Rev Edward Donnelly - Resigned 29 April 2022
Robert Strivens
Donald John MacLean
Warren Peel
David Campbell - Appointed 29 April 2022
Andrew Young - Appointed 30 April 2023

Solicitors

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

General Manager

John Rawlinson

Auditors

Thomson Cooper Accountants
3 Castle Court
Carnegie Campus
Dunfermline
KY11 8PB

Banker

Bank of Scotland plc
PO Box 1000
BX2 1LB

Connected bodies

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

Principal Office

The Grey House
3 Murrayfield Road
Edinburgh
EH12 6EL

Banner of Truth
63 East Louthier Street
Carlisle
Pennsylvania 17013
USA

The Banner of Truth Building Fund Trust

Report of the trustees for the year ended 31 March 2022

The Banner of Truth Building Fund Trust was established as a Charitable Trust under a Trust Deed dated February 22, 1966.

The objectives of the Building Fund Trust are:

- (a) To acquire, maintain, furnish and equip a building as a centre for the charitable activities of the Banner of Truth Trust.
- (b) To provide and maintain suitable facilities for the Banner of Truth Trust to print and publish Christian literature.
- (c) To promote, advance and disseminate a better knowledge and understanding of the doctrines of the Christian faith throughout the world.

In pursuance of the above objectives, the Building Fund Trust owns three properties in Edinburgh - a house in Murrayfield, which is used by the Banner of Truth Trust as its Head Office, and two warehouses in Sighthill for the storage and despatch of the Banner of Truth Trust's Christian literature. These properties were purchased respectively in 1972, 1973 and 1986 and the Building Fund Trust maintains, furnishes and equips these properties as appropriate. In addition, the Building Fund Trust owns an office and warehouse in Carlisle, USA, purchased in 1986, and a small storage facility, also in Carlisle, purchased in 2014, and being redeveloped in this financial year.

These buildings are for the exclusive use of the Banner of Truth Trust and Banner of Truth, USA and have proved of significant benefit to the Trust in its expanding work worldwide.

Review of activities, financial review, and future plans

The day to day activities of the charity in this period have been the monitoring of the current building stock and the performance of necessary repairs. In the year, only minor repairs have been undertaken and no additional facilities purchased or specified.

The income and the expenditure for the year were £54,984 and £28,281 respectively.

The stock market investments were liquidated in the year to pay for development of a new building in Carlisle, PA.

There are plans to consolidate the Edinburgh properties onto a single site. A similar project in the USA, building a new facility is under way.

Public Benefit

The Trustees have given careful consideration to the Charity Commission's public benefit guidance and consider that the activities of the Trust deliver significant public benefit in the support of the work of the Banner of Truth Trust.

Reserves Policy

The policy is to hold reserves that can be used to fund the possible future needs of the Trust for additional property for its operation and to maintain the current properties in good order. The current level of reserves is considered adequate to meet the costs of the operation of the Trust in the coming year, and also possible expansion in the future.

Investment Policy and Performance

The policy of the Trustees is to invest the bulk of any cash assets not required for immediate expenditure in conservative market investments. There are currently no investments.

The balance of the Trust cash funds are invested in interest bearing accounts to maximise the interest returns but allow for the funds to be used for property repairs as required.

Organisational structure

The charity is organised by a General Manager, Mr J Rawlinson, reporting to the Trustees, who 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. Trustees authorise any major capital projects and spending.

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.

Appointment of Trustees

New Trustees may be appointed by a majority vote of the current 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 trained in the general responsibilities of Trustees using Charity Commission literature and provided appropriate training in the operations of the Trust by the General Manager.

Connected bodies/Related parties

The Trustees, who are listed on page 1, are directors of Banner of Truth, a non-profit corporation exempt from taxation based in Carlisle, USA. The organisation's activities consist principally of the sale and distribution of Banner of Truth books and Christian literature. The Banner of Truth, USA, uses the Building Fund Trust's Warehouse in Carlisle, USA. Rental income of £29,940 was received from the Banner of Truth, USA during the year.

The Trustees are also Trustees of The Banner of Truth Trust, who use the three Edinburgh properties owned by the Building Fund Trust. There was a sum of £146,805 owed to the Banner of Truth Trust at 31 March 2022.

Trustees' responsibilities in relation to the financial statements

The charity trustees are 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 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 Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, The Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

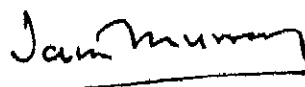
As well as the Charity Commission, the charity is registered with the Office of the Scottish Charity Regulator (OSCR).

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Signed on behalf of the Trustees:

I H Murray
Trustee
21 May 2023



THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of The Banner of Truth Building Fund Trust ("the Trust") for the year ended 31 March 2022 comprising the Statement of Financial Activities, Balance Sheet and notes. 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 charitable Trust's affairs as at 31 March 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust 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 trust'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 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 auditor's 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.

Opinions on other matters

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

THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust 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 where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

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

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.

Extent to which the audit was capable of detecting irregularities, including fraud

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the Trust's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including financial and taxation legislation and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the Trust.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

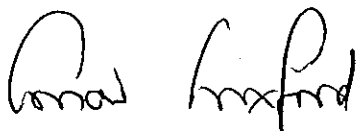
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with 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 Trust's members and 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 Trust, the Trust's members as a body and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Croxford (Senior Statutory Auditor)
for and on behalf of Thomson Cooper, Statutory Auditor
Dunfermline

22 May 2023

The Banner of Truth Building Fund Trust

Statement of financial activities for the year ending 31 March 2022

	General Funds 2022	General Funds 2021
Notes	£	£
Income & expenditure		
Incoming Resources		
Trading Income		
- Other rent received	5,900	2,400
- Rent from Banner of Truth, USA	29,940	31,002
- Bank Interest	1,848	1,428
Investment Income		
- Dividends	17,286	44,849
Total Incoming Resources	54,984	79,679
Resources expended		
Other Expenditure		
- Professional fee charges	2,075	1,860
- Property expenses	10,386	67,484
- Depreciation	13,785	13,785
- General expenses	25	-
Total Resources Expended	26,281	83,139
Net Incoming Resources for the year	28,703	(3,460)
Gain on Foreign Currency Exchange	111,554	-
Gain on Investments	141,325	471,158
Net movement in funds for the year	281,582	467,698
Reconciliation of Funds		
Balance brought forward at 1 April 2021	3,013,894	2,546,198
Balance carried forward at 31 March 2022	3,295,476	3,013,894

The Banner of Truth Building Fund Trust

Balance Sheet as at 31 March 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible fixed assets	3	1,671,128	331,874
Investments	4	-	2,097,417
		1,671,128	2,429,291
Current Assets			
Debtors	5	-	-
Short term deposits		2,072,871	608,231
		2,072,871	687,803
Current Liabilities			
Creditors	6	448,622	21,628
Net current assets		1,624,349	684,803
Net assets		3,295,477	3,013,894
Representing:-			
Trust Funds - General Fund			
Accumulated revenue surplus	7	3,295,477	1,351,440
Accumulated unrealised gains on investments		-	1,662,454
Total Trust Funds		3,295,477	3,013,894

These financial statements were approved by the Trustees on 22 May 2023 and signed on their behalf by:

Jan Murray

I H Murray
Trustee

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2022

1 - Accounting policies

Charity information

The Trust was created by Deed of Trust dated 22 February 1966.

1.1 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 2016).

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

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

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.

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

1.2 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.

1.3 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.

1.4 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 on a cash basis.

Cash donations are recognised on receipt. Other 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 on receipt of the amounts into the bank account.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2022

1 Accounting policies (Continued)

1.5 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 independent examination and legal fees.

1.6 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.

1.7 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.

1.8 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.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2022

1 Accounting policies (Continued)

1.9 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.

1.10 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 :-

Heritable Property	2%
Fixtures and fittings	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.

1.11 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.

1.12 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.

1.13 Taxation

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

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 significant estimates or judgements in the preparation of the financial statements.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2022

3 Fixed Assets

	Heritable Property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2021	688,249	4,249	693,498
Additions	1,353,039	-	1,353,039
Disposal	-	(4,249)	(4,249)
At 31 March 2022	2,042,288	-	2,042,288
Depreciation			
At 1 April 2021	357,375	4,249	361,624
Charge for the year	13,785	-	13,785
Eliminated on disposal	-	(4,249)	(4,249)
At 31 March 2022	371,160	-	371,160
Net Book Value			
At 31 March 2022	1,671,128	-	1,671,128
Net Book Value			
At 31 March 2021	331,874	-	331,874

There is likely to be a material difference between the carrying and market value of the property. As the properties have not been valued it is not practicable to quantify the difference.

A building in Carlisle, Pennsylvania, US has been sold after this accounting period.

4 Investments

	2022 £	2021 £
Market value at 1 April 2021	2,097,417	1,626,259
Increase/(decrease) in market value during the year	141,325	471,158
Disposals	(2,238,742)	-
Market Value at 31 March 2022	-	2,097,417
Historical cost at 31 March 2022	-	434,983

Investments with Foreign and Colonial and Scottish Investment Trust have been disposed of during the year in full.

5 Debtors

Amounts falling due within one year :

	2022 £	2021 £
Other Debtors	-	-
	-	-

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2022

6 Creditors

Amounts falling due within one year:

	2022 £	2021 £
Accruals	301,717	3,200
Banner of Truth Trust	146,805	18,428
	<u>448,522</u>	<u>21,628</u>

7 General Reserve

	Revenue	Unrealised Gains	Total
Opening Revenue surplus at 1 April	1,351,441	-	1,351,441
Surplus in year	281,582	-	281,582
Accumulated Unrealised gain on Investments at 1 April	-	1,662,454	1,662,454
Transfer unrealised gains to revenue surplus	1,662,454	(1,662,454)	-
	<u>3,295,477</u>	<u>-</u>	<u>3,295,477</u>

8 Auditors' remuneration

The auditors' remuneration for the year in respect of audit services was £1,900, (2021 : £1,700). Remuneration in respect of non-audit services was £176 (2021 : £160).

9 Related Party Transactions

The Trustees who are listed on page 1 are also Trustees of the Banner of Truth Trust. The Banner of Truth Trust uses the Grey House and warehouses in Edinburgh that are owned by the Trust. The Trustees are also Directors of Banner of Truth, a non-profit corporation, exempt from taxation based in Carlisle USA, which occupies the office and warehouse owned by the Trust in Carlisle, USA.

Rental income of £29,840 (2021: £31,002) was received during the year from The Banner of Truth USA.

10 Trustees Remuneration

No trustees or any person connected with them has received or is due to receive any remuneration for the year directly or indirectly from the charity's funds.

11 Capital Commitments

At the balance sheet date the Trust is committed to a contract for the design and build of a new office and warehouse in Carlisle, Pennsylvania, US. The build has been completed since the balance sheet date. The capital commitment outstanding at the balance sheet date is £2M.

12 Contingent Liabilities

Under the terms of the building under construction in the US at the balance sheet date, there is a contingent liability for remedial works due to the local authority. The Trust is required to maintain funds to the value of \$518,714 (£394,534) until such time as the local authority deem the works to have been completed satisfactorily.

Accounts

The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2021

Registered Charity Number 248800

Scottish Charity Number SC038434

The Banner of Truth Building Fund Trust

Report and Financial Statements

Year ended: 31st March 2021

Contents

Legal and administrative information for the year ended 31 March 2021.....	1
Trustees' report for the year ended 31 March 2021.....	2
Auditors' report for the year ended 31 March 2021.....	4
Statement of financial activities for the year ended 31 March 2021.....	7
Balance Sheet as at 31 March 2021.....	8
Notes to the financial statements for the year ended 31 March 2021.....	9

Legal and administrative information for the year ended 31 March 2021

Trustees

Sinclair B Ferguson
Chairman

Rev Iain H Murray
Rev Ian Hamilton
Rev Mark G Johnston
Rev Edward Donnelly
Robert Strivens
Donald John MacLean
Warren Peel

Solicitors

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

General Manager

John Rawlinson

Auditors

Thomson Cooper Accountants
3 Castle Court
Carnegie Campus
Dunfermline
KY11 8PB

Banker

Bank of Scotland plc
PO Box 1000
BX2 1LB

Connected bodies

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

Principal Office

The Grey House
3 Murrayfield Road
Edinburgh
EH12 6EL

Banner of Truth
63 East Louthier Street
Carlisle
Pennsylvania 17013
USA

The Banner of Truth Building Fund Trust

Report of the trustees for the year ended 31 March 2021

The Banner of Truth Building Fund Trust was established as a Charitable Trust under a Trust Deed dated February 22, 1966.

The objectives of the Building Fund Trust are:

- (a) To acquire, maintain, furnish and equip a building as a centre for the charitable activities of the Banner of Truth Trust.
- (b) To provide and maintain suitable facilities for the Banner of Truth Trust to print and publish Christian literature.
- (c) To promote, advance and disseminate a better knowledge and understanding of the doctrines of the Christian faith throughout the world.

In pursuance of the above objectives, the Building Fund Trust owns three properties in Edinburgh - a house in Murrayfield, which is used by the Banner of Truth Trust as its Head Office, and two warehouses in Sighthill for the storage and despatch of the Banner of Truth Trust's Christian literature. These properties were purchased respectively in 1972, 1973 and 1986 and the Building Fund Trust maintains, furnishes and equips these properties as appropriate. In addition, the Building Fund Trust owns an office and warehouse in Carlisle, USA, purchased in 1986, and a small storage facility, also in Carlisle, purchased in 2014.

These buildings are for the exclusive use of the Banner of Truth Trust and Banner of Truth, USA and have proved of significant benefit to the Trust in its expanding work worldwide.

Review of activities, financial review, and future plans

The day to day activities of the charity in this period have been the monitoring of the current building stock and the performance of necessary repairs. In the year, only minor repairs have been undertaken and no additional facilities purchased or specified.

The income and the expenditure for the year were £79,679 and £83,139 respectively. The stock market investments have seen an increase in value in the year, which is in line with the performance of the stock market over the year.

There are plans to consolidate the Edinburgh properties onto a single site. A similar project in the USA to look at a new facility is under way. It is recognised that there will need to be ongoing maintenance of the current buildings. In anticipation of the need to finance the build costs of a new facility in the USA, the investment portfolio was sold since the end of the year. The net proceeds were £2,238,742.

Public Benefit

The Trustees have given careful consideration to the Charity Commission's public benefit guidance and consider that the activities of the Trust deliver significant public benefit in the support of the work of the Banner of Truth Trust.

Reserves Policy

The policy is to hold reserves that can be used to fund the possible future needs of the Trust for additional property for its operation and to maintain the current properties in good order. The current level of reserves is considered adequate to meet the costs of the operation of the Trust in the coming year, and also possible expansion in the future.

Investment Policy and Performance

The policy of the Trustees is to invest the bulk of the cash assets in conservative market investments. The investment performance is reviewed regularly. The current investments are considered to be performing adequately, and the Trustees have decided to retain the current investments. These investments are due to be liquidated in the coming year to fund the new USA facility.

The balance of the Trust cash funds are invested in interest bearing accounts to maximise the interest returns but allow for the funds to be used for property repairs as required.

Organisational structure

The charity is organised by a General Manager, Mr J Rawlinson, reporting to the Trustees, who 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. Trustees authorise any major capital projects and spending.

The Banner of Truth Building Fund Trust

Report of the trustees for the year ended 31 March 2021

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.

Appointment of Trustees

New Trustees may be appointed by a majority vote of the current 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 trained in the general responsibilities of Trustees using Charity Commission literature and provided appropriate training in the operations of the Trust by the General Manager.

Connected bodies/Related parties

The Trustees, who are listed on page 1, are directors of Banner of Truth, a non-profit corporation exempt from taxation based in Carlisle, USA. The organisation's activities consist principally of the sale and distribution of Banner of Truth books and Christian literature. The Banner of Truth, USA, uses the Building Fund Trust's Warehouse in Carlisle, USA. Rental income of £31,002 was received from the Banner of Truth, USA during the year.

The Trustees are also Trustees of The Banner of Truth Trust, who use the three Edinburgh properties owned by the Building Fund Trust. There was a sum of £18,428 owed to the Banner of Truth Trust at 31 March 2021.

Trustees' responsibilities in relation to the financial statements

The charity trustees are 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 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.

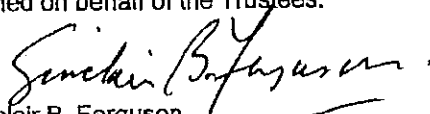
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, The Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Trust and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Signed on behalf of the Trustees:


Sinclair B. Ferguson
Trustee

15 March 2022

THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of The Banner of Truth Building Fund Trust ("the Trust") for the year ended 31 March 2021 comprising the Statement of Financial Activities, Balance Sheet and notes. 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 charitable Trust's affairs as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust 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 trust'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 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 auditor's 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.

Opinions on other matters

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

THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trust 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 where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 3, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

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

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.

Extent to which the audit was capable of detecting irregularities, including fraud

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income, posting of unusual journals along with complex transactions and manipulating the Trust's key performance indicators to meet targets. We discussed these risks with client management, designed audit procedures to test the timing of revenue, tested a sample of journals to confirm they were appropriate and reviewed areas of judgement for indicators of management bias to address these risks.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the officers and other management (as required by the auditing standards).

We reviewed the laws and regulations in areas that directly affect the financial statements including financial and taxation legislation and considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

THE BANNER OF TRUTH BUILDING FUND TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

With the exception of any known or possible non-compliance with relevant and significant laws and regulations, and as required by the auditing standards, our work in respect of these was limited to enquiry of the officers and management of the Trust.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

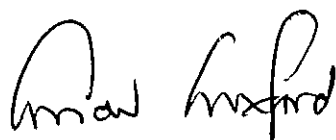
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with 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 Trust's members and 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 Trust, the Trust's members as a body and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Croxford (Senior Statutory Auditor)
for and on behalf of Thomson Cooper, Statutory Auditor
Dunfermline

2nd March 2022

The Banner of Truth Building Fund Trust

Statement of financial activities for the year ending 31 March 2021

	General Funds 2021	General Funds 2020
Notes	£	£
Income & expenditure		
Incoming Resources		
Trading Income		
- Other rent received	2,400	3,000
- Rent from Banner of Truth, USA	31,002	32,054
- Bank interest	1,428	1,311
Investment Income		
- Dividends	44,849	52,956
Total Incoming Resources	79,679	89,321
Resources expended		
Other Expenditure		
- Professional fee charges	1,860	987
- Property expenses	67,494	10,114
- Depreciation	13,785	13,785
Total Resources Expended	83,139	24,886
Net (outgoing)/ Incoming Resources for the year	(3,460)	64,435
Unrealised gain on investments	471,158	(365,588)
Net movement in funds for the year	467,698	(301,153)
Reconciliation of Funds		
Balance brought forward at 1 April 2020	2,546,196	2,847,349
Balance carried forward at 31 March 2021	3,013,894	2,546,196

The Banner of Truth Building Fund Trust

Balance Sheet as at 31 March 2021

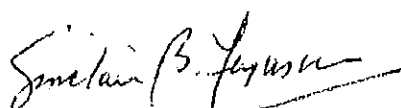
	Notes	2021 £	2020 £
Fixed Assets			
Tangible fixed assets	3	331,874	345,659
Investments	4	2,097,417	1,626,269
		<u>2,429,291</u>	<u>1,971,918</u>
Current Assets			
Debtors	5	-	148,055
Short term deposits		606,231	427,623
		<u>606,231</u>	<u>575,678</u>
Current liabilities			
Creditors	6	<u>21,628</u>	<u>1,400</u>
Net current assets		<u>584,603</u>	<u>574,278</u>
Net assets		<u>3,013,894</u>	<u>2,546,196</u>

Representing:-

Trust Funds - General Fund

Accumulated revenue surplus	1,351,440	1,354,800
Accumulated unrealised gains on investments	1,662,454	1,191,296
Total Trust Funds	<u>3,013,894</u>	<u>2,546,196</u>

These financial statements were approved by the Trustees on 1st march 2022 and signed on their behalf by:



Sinclair B. Ferguson
Trustee

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2021

1 - Accounting policies

Charity information

The Trust was created by Deed of Trust dated 22 February 1966.

1.1 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)" (effective 1 January 2019).

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

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

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

The Trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

1.2 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.

The trustees are aware of the continued impact of Covid-19. The trustees are actively taking all steps to mitigate any impact the virus may have on the trust. The trustees have considered a period of 12 months from the date of approval of the financial statements.

1.3 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.

1.4 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 on a cash basis.

Cash donations are recognised on receipt. Other 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 on receipt of the amounts into the bank account.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2021

1 Accounting policies (Continued)

1.5 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 independent examination and legal fees.

1.6 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.

1.7 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.

1.8 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.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2021

1 Accounting policies (Continued)

1.9 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.

1.10 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 :-

Heritable Property	2%
Fixtures and fittings	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.

1.11 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.

1.12 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.

1.13 Taxation

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

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.

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2021

3 Fixed Assets

	Heritable Property £	Fixtures and fittings £	Total £
Cost			
At 1 April 2020	689,249	4,249	693,498
Additions	-	-	-
Disposal	-	-	-
At 31 March 2021	689,249	4,249	693,498
Depreciation			
At 1 April 2020	343,590	4,249	347,839
Charge for the year	13,785	-	13,785
At 31 March 2021	357,375	4,249	361,624
Net Book Value			
At 31 March 2021	331,874	-	331,874
Net Book Value			
At 31 March 2020	345,659	-	345,659

There is likely to be a material difference between the carrying and market value of the property. As the properties have not been valued it is not practicable to quantify the difference.

4 Investments

	2021 £	2020 £
Market value at 1 April 2020	1,626,259	1,991,847
Increase/(decrease) in market value during the year	471,158	(365,588)
Market Value at 31 March 2021	2,097,417	1,626,259
Historical cost at 31 March 2020	434,963	434,963

All of the Investments are held within the UK. Investments are with Foreign and Colonial and Scottish Investment Trust.
(See note 10)

5 Debtors

Amounts falling due within one year :

	2021 £	2020 £
Other Debtors		
Banner of Truth Trust	-	148,055
	-	148,055

The Banner of Truth Building Fund Trust

Notes to the financial statements for the year ending 31 March 2021

6 Creditors

Amounts falling due within one year :

	2021 £	2020 £
Accruals	3,200	1,400
Banner of Truth Trust	18,428	-
	21,628	1,400

7 Auditors' remuneration

The auditors' remuneration for the year in respect of audit services was £3,200 (2020 : £1,400). Remuneration in respect of non-audit services was £60 (2020 : £36).

8 Related Party Transactions

The Trustees who are listed on page 1 are also Trustees of the Banner of Truth Trust. The Banner of Truth Trust uses the Grey House and warehouses in Edinburgh that are owned by the Trust. The Trustees are also Directors of Banner of Truth, a non-profit corporation, exempt from taxation based in Carlisle USA, which occupies the office and warehouse owned by the Trust in Carlisle, USA.

Rental Income of £31,002 (2020: £32,054) was received during the year from The Banner of Truth USA.

The debtor amount due from the Banner of Truth Trust is £0 (2020: £148,055).

The creditor amount due to the Banner of Truth Trust is £18,428 (2020: £0).

9 Trustees Remuneration

No trustees or any person connected with them has received or is due to receive any remuneration for the year directly or indirectly from the charity's funds.

10 Events since the end of the year

Since the end of the year the entire investment portfolio was sold. The net proceeds were £2,238,742. The disposal of the investment portfolio was made to provide funding for property additions due to take place in the near future.