

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

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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, 1986.

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.

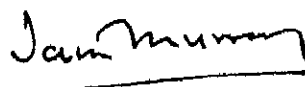
As well as the Charity Commission, the charity is registered with the Office of the Scottish Charity Regulator (OSCR).

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.

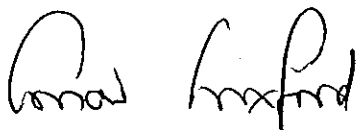
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing 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 | 21,626 |
| 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 7 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.

