



# FINANCIAL STATEMENTS 2024

BAPTIST UNION CORPORATION LIMITED (THE)

YEAR ENDED 31 DECEMBER 2024

Registered Company: 00032743  
Charity Number: 249635

## **INTRODUCTION**

The Directors of the Baptist Union Corporation Limited (“The Corporation”) present their Annual Report together with the audited financial statements for the year ended 31 December 2024 which comply with the Companies Act 2006, Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The Annual Report and Financial Statements are structured as follows:

<b>Section</b>	<b>Description</b>	<b>Page Reference</b>
<b>1</b>	Objectives and Activities	What we set out to do
<b>2</b>	Structure, Governance and Management	How we do things
<b>3</b>	Achievements and Performance	
<b>4</b>	What we have done so far	
<b>5</b>	Financial Review	About our finances
<b>6</b>	Who We Are	Directors and key staff
	Directors’ Responsibilities	
	Auditors’ Report	
	Financial Statements	Our Finances in detail
	Notes to the Financial Statements	

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **SECTION 1 – OUR OBJECTIVES AND ACTIVITIES**

#### **Our Objectives**

The principal object of the Corporation is the advancement of Christian Faith and its Practice, especially by the means of and in accordance with the principles of the Baptist Denomination. Its activity is directed towards helping Baptist churches in their work, not least through encouraging the effective management of their assets and resources.

The Corporation's principal activities are to act as custodian/holding trustee of many Baptist Churches and administering the Baptist Union Loan Fund. It also helps churches with guidance on legal, property and charity matters, as well as having responsibility for various funds and investments.

The charitable Corporation is part of the family of Baptist organisations serving the needs of many of the Baptist Churches in Great Britain and works especially closely with the Baptist Union of Great Britain.

#### **Public Benefit**

Having regard to the guidance published by the Charity Commission (PB2), the Charity Trustees continued to provide public benefit by seeking to advance the Christian Faith and Practice in accordance with the principles of the Baptist Denomination.

Throughout 2024 the Corporation continued to support the Baptist Union and its member churches, Regional Associations and Colleges in a wide range of activities including:

- Providing a wide range of support services, including legal and general advice and acting as custodian trustees.
- Making Loans to churches for new buildings, for extensions and/or refurbishment of church premises as well as the sale and purchase of church manses.
- Helping churches generate income with a range of interest-bearing deposits.
- Supporting the Baptist denomination through the continued provision of a £20m loan to support the Family Solution to reduce the deficit in the Baptist Pension Scheme.

#### **Our Strategies to achieve success**

The Corporation continues to operate within the core areas of its work setting objectives, measurable goals and assessing achievements year on year against these. Key features of the strategic plan are:

- Delivering high quality legal support to churches
- Supporting churches in property transactions
- Equipping churches and other Baptist bodies through offering loans and deposits that offer competitive rates of interest.
- Managing the Corporation's activities in line with good practice.

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **SECTION 2 – STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing Document**

The Corporation is governed by its Memorandum and Articles of Association dated 14<sup>th</sup> November 1890, as amended by Special Resolutions dated 14<sup>th</sup> April 1950, 12<sup>th</sup> March 1963, 22<sup>nd</sup> November 2001, 15<sup>th</sup> March 2005, 20<sup>th</sup> March 2006, 3<sup>rd</sup> May 2013, 24<sup>th</sup> June 2014, and 30<sup>th</sup> June 2016.

#### **Recruitment and Training of Directors**

The Corporation is run by a Board of Directors who act as directors of the Corporation, and who met six times in 2024. The Board of Directors consists of:

- Up to two senior staff chosen by the Baptist Union of Great Britain, and the Treasurer for the time being of the Baptist Union of Great Britain; who serve ex-officio.
- The Moderator of the Corporation; appointed by the members in the Annual General Meeting.
- Thirteen Association Directors; one appointed by each of the thirteen Associations designated by the Baptist Union of Great Britain, as set out in section 6 below.
- Up to five Directors; co-opted by the remaining Directors.

Prospective Directors are asked to confirm they are not disqualified from serving as charity trustees. After appointment they are provided with information about governance and the Corporation's principal activities and processes. Updates on current legal issues are regularly provided to the Directors.

For the purposes of good governance, the Memorandum and Articles of Association of the Corporation had previously been amended by a Special Resolution of the members to provide term limits for the Directors. Directors may be appointed for a maximum of three terms of three years.

The Directors also completed a Skills Survey to identify the specific contribution they could bring to the Board and to enable the Corporation to identify areas where the experience of the Board could be strengthened and recruit to the Board accordingly.

#### **Directors' interests**

No Director had any beneficial interest in the Corporation or in any contract or arrangement of a material nature with the Corporation during the year under review, although two churches (2023: two) of which a Director is a member, have loans from the Corporation in the ordinary course of their business. Expenses were paid to 15 Directors (2023: 14) amounting to £5,629 (2023: £2,966).

#### **Related Parties**

The members of the Corporation are the members of the Trustee Board of the Baptist Union of Great Britain. The Home Mission Fund is the principal working fund of that Union. The Home Mission Fund provides staff, offices and ancillary support to the Corporation, as well as substantial capital. Details of these costs and interest paid are set out in note 17 of these financial statements.

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **SECTION 2 – STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Key management personnel remuneration**

Key management personnel are considered to be:

- The Board of Directors for the Corporation – as detailed below under the section “Who we are”
- Support Services Team Leader and Company Secretary Mr Chris Jones
- Baptist Union Corporation Ltd Manager Mrs Caroline Sanderson (until 9 Feb 2024)
- Legal Services Manager Mr Damien Miller (from 17 Jan 2025)
- Commercial Manager Mr Tim Chowns
- Baptist Union Corporation Ltd Finance Officer Lord Ian Wakeham (until 5 April 2024)

All staff of the Corporation are employed by the Baptist Union of Great Britain and the arrangements for setting the pay and remuneration is the responsibility of the Trustee Board of the Baptist Union. There is a management fee in place whereby the Corporation reimburses staff costs to BUGB in proportion to the work done on behalf of the Corporation and the Union.

#### **Risk Management**

The Corporation maintains a Risk Management Matrix which is reviewed annually by the Directors and key management personnel as a means of identifying the risks, financial and non-financial that might affect the work and reputation of the Corporation. The aim is to establish and operate appropriate and adequate controls. A full review of the Matrix is presented to the Directors annually, and highlights are also given every meeting.

The key risks identified in the most recent review were:

<b>Risk</b>	<b>Approach to monitoring and management of the risk</b>
A requirement to comply with a new set of banking laws or regulations that is of such high cost as to be a threat to the BUC business model.	Advice has been taken from Leading Counsel on the regulatory environment faced by the Corporation for its financial services. The Corporation’s solicitors actively monitor developments in banking regulation and any relevant changes will be reported to the board promptly.
Breach of statutory regulations leading to reputational damage and/or external enforcement action	The Corporation’s solicitors actively monitor relevant legal developments and report to the board annually.
Failure of governance and control of the Corporation.	The Corporation’s solicitors provide regular input to the board to ensure good governance is followed.
A long term significant economic decline causing a collapse of loan applications with an increased number of loan defaults	Lending policy in place with balance of loans tracked and reviewed. Appropriate level of capital held to absorb borrower defaults.

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **SECTION 2 – STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Funds and Property Held as Custodian Trustee on Behalf of Others**

The charity holds financial assets as Custodian Trustee for 20 Baptist organisations which have objects that are compatible with the charitable objects of the Corporation. The Corporation acts solely as an Agent and carries no decision-making capacity.

Cash Deposits	15	1
Income Units	751	9
National Savings Income Bonds	13	1
UK Equities	2,438	9
<b>Total</b>	<b>3,217</b>	<b>20</b>

The Charity also acts as property trustee for 1,002 churches and charity organisations. Arrangements are made for the safe custody of deeds and documents, with each set stored in a labelled packet, and included in an index system. For all financial accounts a separate account is kept for each beneficial owner and a spreadsheet is maintained of the beneficial owner of each account.

The organisations are all Baptist organisations and therefore have objects that are compatible with the charitable objects of the Corporation.

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **SECTION 3 – ACHIEVEMENTS AND PERFORMANCE**

The Corporation continued to offer legal and practical information on trusteeship, property and other issues, provide churches with access to funding and offer deposit facilities.

The Corporation made available £2,387k (2023: £900k) in loans to 5 churches (2023: 4 churches), of which £1,830k (2023: £700k) was to support church acquisition and development of church property, £557k (2023: £200k) was in connection with manses. There were no loans approved for paying off pension deficits (2023: £NIL). All qualifying applications were met as required. The total loans outstanding decreased from £37.4m (2023) to £33.4m.

The Corporation assisted many churches to buy, sell, let or alter their property. In 2024 property transactions totalling over £15.1m (2023: £15.9m) were completed.

The directors were able to make from the Corporation's surplus a donation of £732k (2023: £399k) to the Baptist Home Mission Fund and £550k (2023: £550k) to the Baptist Union Pension Reserve.

The Corporation continues to publish leaflets and other information for churches, all of which are available from the Baptist Union of Great Britain website at [www.baptist.org.uk](http://www.baptist.org.uk). An expanded programme of webinars was delivered to support churches with practical and technical matters.

Two members of staff of the Baptist Union hold Practising Certificates from the Solicitors Regulation Authority to undertake reserved activity legal work on behalf of the Corporation.

During the year the Corporation undertook trust work on an agency basis on behalf of the East Midland Baptist Trust Company.

The Directors continued to oversee the Baptist Union Listed Building Advisory Committee which deals with consent for alterations to Baptist listed buildings under the ecclesiastical exemption scheme.

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024**

**SECTION 4 – WHAT WE HAVE DONE SO FAR**

The Corporation intends to continue to respond to the needs of Baptist churches and to offer guidance to them on legislative and other statutory developments affecting churches. The Corporation will continue to maintain and develop its suite of guidance leaflets available to churches and will offer training, including webinars, to support churches on various topics of interest.

The Corporation continues to develop its offering of loans and deposits for churches and plans to grow both its portfolio loans and deposits in the coming year.



**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024****SECTION 5 – FINANCIAL REVIEW****Review of Financial Results**

Overall deposits (excluding from the Baptist Union of Great Britain) decreased during the year from £80.2m to £80.0m, a decrease of £0.2m, (-0.3%). Due to increases in the Bank of England base rate, total interest paid to Baptist depositors increased from £2,688k to £2,956k, an increase of 10%.

Excluding the loans to the Retired Baptist Minister's Housing Organisation (RBMHO, charity no. 1177649), loans decreased from £15.4m to £13.4m, a decrease of £2.0m (12.9%). The balance on the RBMHO loans decreased by £2m to £20.0m (2023: £22.0m).

Support Costs increased from £498k to £544k, an increase of 9.3%.

Overall, the operating result (income less expenditure other than gifts to the Baptist Union of Great Britain as disclosed in note 7) was a surplus of £1.28m compared to a surplus of £0.95m in 2023, an increase of 35.1%.

**Policy on Reserves**

One of the principal ways of meeting its charitable objective is for the Corporation to operate the Baptist Union Loan Fund. The Corporation needs to ensure it has sufficient capital available in the form of reserves in order to be in a position to absorb bad debts on loans without damaging its ability to repay depositors.

At the end of the year, the total Reserves remains at £4.39m (2023: £4.39m) as a result of gifting the year's profit to the Baptist Union of Great Britain. This compares to an estimate of minimum required reserves of £3.5 (see analysis below). The current level of reserves is considered by the directors to be appropriate as the Corporation wishes to operate with a level of prudence and have reserves capacity to support growth in loans in 2025 and beyond.

**Estimate of Minimum Required Reserves Level**

Area	£'000	Basis for reserves
6 months' operating expenses	302	<i>Based on budgeted operating expenditure (excl gifts to BUGB)</i>
Winding up costs	100	<i>Redundancy costs plus other</i>
Deposit risk	1,318	<i>11% of risk-weighted deposits with financial institutions</i>
Lending Risk	1,790	<i>11% of risk-weighted loans</i>
<b>Estimated Reserves Required</b>	<b>3,510</b>	
<b>Actual Reserves Available</b>	<b>4,387</b>	

## BAPTIST UNION CORPORATION LIMITED (THE)

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024

#### SECTION 6 – WHO WE ARE

The Baptist Union Corporation Ltd

**Company Number** 00032743

**Charity Registration No** 249635

**Registered and Principal Office** Baptist House, 129 Broadway, Didcot, OX11 8RT

#### **Directors**

**Moderator and Director** Dr C Hanning

Ex-officio	Mr C Jones	Team Leader Support Services
	Mr M Pandian	Treasurer

Appointed by Associations	Mr P Walls	Central Baptist Association
	<i>Vacancy</i>	West of England Baptist Association
	Mr J Ponsford	Southern Counties Baptist Association
	<i>Vacancy</i> (until 16.02.2024)	Eastern Baptist Association
	Ms H Beckett (from 16.02.2024)	Eastern Baptist Association
	The Revd A Chesworth	Yorkshire Baptist Association
	Mr T Walker	South West Baptist Association
	Rev J Lennox	Northern Baptist Association
	Rev C Lewis (resigned 16.09.2024)	South Wales Baptist Association
	Ms K Kaneen (from 16.09.2024)	South Wales Baptist Association
	Mr J Levick	Heart of England Baptist Association
	Mr O Obidipe	London Baptist Association
	Dr C Hanning	East Midlands Baptist Association
	Mr M Southcombe	South Eastern Baptist Association
	Mr A Hawksworth	North West Baptist Association

Staff Members	Mr T Chowns
	Mr D Miller (from 17.01.2025)
	Mrs C Sanderson (resigned 09.02.2024)
	Mr C Jones

Co-opted	Mr R English
	Mr S Welch
	Mr G Ward
	Ms K Martindale

**REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024**

**SECTION 6 – WHO WE ARE (Cont)**

**Key Management Personnel**

Secretary	Mrs C Sanderson (from 3 <sup>rd</sup> Feb 2023, resigned 9 <sup>th</sup> Feb 2024) Mr C Jones (from 31 <sup>st</sup> Jan 2024)
Manager	Mrs C Sanderson (resigned 9 <sup>th</sup> Feb 2024)
Legal Services Manager	Mr D Miller (appointed 2 January 2025)
Commercial Manager	Mr T Chowns
Finance Officer	Lord I D Wakeham (resigned 5 Apr 2024)

**Auditor** Moore Kingston Smith LLP,  
9 Appold Street,  
London,  
EC2A 2AP

**Bankers** HSBC,  
6 High Street  
Abingdon  
OX14 5AZ

**Solicitors** Anthony Collins Solicitors LLP,  
134 Edmund Street,  
Birmingham,  
B2 2EF

**Surveyors** Savills,  
Exchange House,  
Petworth,  
GU28 0BF

## **DIRECTORS' RESPONSIBILITIES**

The Directors of the Baptist Union Corporation Limited are responsible for preparing the Directors' Report and the 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 & Wales/Northern Ireland requires the Directors as Trustees to prepare financial statements for each financial 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 these financial statements, the Directors as Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS 102);
- 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 operation.

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

In so far as the Directors as Trustees are aware:

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

**On behalf of the board**



Dr C Hanning

Moderator

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BAPTIST UNION CORPORATION LIMITED (THE)**

### **Opinion**

We have audited the financial statements of The Baptist Union Corporation ('the Corporation') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 Corporation's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Corporation 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 directors' 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 Corporation'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 directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 course of 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 themselves. 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BAPTIST UNION CORPORATION LIMITED (THE)**

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Corporation and its environment obtained in the course of the audit, we have not identified material misstatements Directors' report.

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

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

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 11, the directors 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 directors 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 directors are responsible for assessing the Corporation'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 directors either intend to liquidate the Corporation 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BAPTIST UNION CORPORATION LIMITED (THE)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Corporation.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Corporation and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the Corporation complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

**BAPTIST UNION CORPORATION LIMITED (THE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BAPTIST UNION CORPORATION LIMITED (THE)**

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Use of our report**

This report is made solely to the Corporation's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the Corporation and Corporation's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Date 19 June 2025

Andrew Stickland (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor  
9 Appold Street  
London  
EC2A 2AP



**BAPTIST UNION CORPORATION LIMITED (THE)**

**STATEMENT OF FINANCIAL ACTIVITIES YEAR (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2024**

		2024	2024	2024	2023
		Unrestricted	Expendable	Total	Total
		£	Endowment	£	£
			£		
<b>Income</b>					
Donations and legacies	2	80,283	-	80,283	800
Charitable activities	3	2,836,882	-	2,836,882	2,870,092
Investment income	4	1,994,385	-	1,994,385	1,263,992
Other income	5	-	-	-	-
<b>Total Income</b>		<b>4,911,550</b>	<b>-</b>	<b>4,911,550</b>	<b>4,134,884</b>
<b>Expenditure</b>					
Raising funds	6	-	-	-	-
Charitable activities	7	4,911,550	-	4,911,550	4,134,884
Other expenditure	9	-	-	-	-
<b>Total Expenditure</b>		<b>4,911,550</b>	<b>-</b>	<b>4,911,550</b>	<b>4,134,884</b>
<b>Net movement in funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<b>3,386,677</b>	<b>1,000,000</b>	<b>4,386,677</b>	<b>4,386,677</b>
Total funds carried forward		<b>3,386,677</b>	<b>1,000,000</b>	<b>4,386,677</b>	<b>4,386,677</b>

The notes on pages 19 to 27 form an integral part of these financial statements

**BAPTIST UNION CORPORATION LIMITED (THE)****BALANCE SHEET AT 31 DECEMBER 2024**

		2024	2023
	Notes	£	-as restated £
<b>Current Assets</b>			
Debtors	12	42,424,507	46,601,234
Short-term Cash Investments	14	31,709,097	26,951,641
Cash and Bank	13	10,740,415	11,463,322
		<b>84,874,019</b>	<b>85,016,197</b>
<b>Current Liabilities</b>			
Creditors:			
Amounts falling due within one year	15	80,487,342	80,629,520
<b>Total Net Assets</b>		<b>4,386,677</b>	<b>4,386,677</b>
<b>Funds of the Charity</b>			
Unrestricted funds		3,386,677	3,386,677
Expendable Endowment funds	16	1,000,000	1,000,000
<b>Total funds</b>		<b>4,386,677</b>	<b>4,386,677</b>

The financial statements were approved by the Directors and signed on their behalf by



Dr C Hanning  
Moderator

Date: 4<sup>th</sup> June 2025

The notes on pages 19 to 27 form an integral part of these financial statements

**BAPTIST UNION CORPORATION LIMITED (THE)**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 £	2023 -as restated £
<b>Net Income for the reporting period</b>		-	-
Adjustments for:			
Dividends and interest from investments	4	(1,994,385)	(1,263,992)
Decrease/(increase) in debtors	12	4,176,727	(1,787,533)
(Decrease)/increase in creditors and provisions		(142,178)	11,426,700
<b>Net cash provided by operating activities</b>		<b>2,040,164</b>	<b>8,375,175</b>
Cash flows from investing activities			
Amounts invested in short term deposits		(30,157,843)	(16,537,805)
Amounts withdrawn from short term deposits		25,479,574	9,403,822
(Increase)/decrease in interest due but unpaid		(79,187)	(413,408)
Dividends and interest from investments	4	1,994,385	1,263,992
<b>Net cash used in investing activities</b>		<b>(2,763,071)</b>	<b>(6,283,399)</b>
<b>Changes in cash and cash equivalents in the year</b>		<b>(722,907)</b>	<b>2,091,776</b>
Cash and cash equivalents brought forward		11,463,322	9,371,546
<b>Cash and cash equivalents carried forward</b>		<b>10,740,415</b>	<b>11,463,322</b>

The notes on pages 19 to 26 form an integral part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

### **1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**(a) Basis of Accounting**

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), Financial Reporting Standard 102 and the Charities Act 2011, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Baptist Union Corporation Limited is a registered charity, no. 249635, and meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The accounts are shown in British pounds and are rounded to the nearest whole pound.

**(b) Preparation of the financial statements on a going concern basis**

The Trustees consider that there are sufficient reserves held at year end to manage any stagnation or foreseeable downturn in the economy in the UK. The Trustees have a reasonable expectation that the Corporation has adequate resources to continue in operational existence for the foreseeable future. The Corporation has therefore continued to adopt the going concern basis in preparing its financial statements.

**(c) Funds Accounting**

Unrestricted Funds: General unrestricted funds represent funds which are expendable at the discretion of the Corporation in the furtherance of the objects of the charity and which have not been designated for other purposes.

Expendable Endowment: This is a capital fund provided by the Baptist Union of Great Britain to support the ongoing operation and growth of the Loan Fund.

**(d) Income**

Income is recognised in the Statement of Financial Activities when the Corporation has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received and the amount can be measured reliably.

- Donations are accounted for when received.
- Legacies are accounted for when entitlement to the legacy and the probability of receiving the legacy is confirmed, and the legacy can be reliably measured.
- Interest receivable from loans is accounted for on an accruals basis.
- Expenses received on trusts are included during the period in which they are received.
- Investment income is accounted for on an accruals basis where the amount can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

**(e) Expenditure**

Expenditure is recognised in the Statement of Financial Activities once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

- Charitable activities represent expenditure in the furtherance of the object of the Corporation, and includes interest payable on deposits, supporting the Baptist Home Mission Fund, interest payable to the Baptist Union of Great Britain, management charges payable to Baptist Union of Great Britain and general support costs
- Support costs represent governance, central finance and computer facilities, together with an appropriate allowance for salaries and other office costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**(h) Debtors**

Accrued income is recognised in the period to which it relates.

Loans are considered concessionary loans made as they are made by the Corporation to further its purposes. Loans are initially measured at the amount paid, with the carrying amount adjusted subsequently to reflect repayments and any interest receivable. Where any loan made is considered to be irrecoverable an impairment loss is recognised.

Prepayments and other debtors are recognised at the settlement amount due.

Debtors are measured at their recoverable amount.

**(i) Cash at bank and Short-term Investments**

Cash at bank relates to short-term deposits, and is available within 3 months.

Notice deposits relate to monies available between 3 and 12 months.

Cash at bank and short-term deposit balances have been restated as at 31 December 2023 to more accurately reflect the maturity terms on short-term deposits held at that date.

**(j) Creditors**

Creditors are recognised where the Corporation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Accruals and other creditors are recognised at their settlement amount due.

Trust accounts and loan fund deposits are recognised where held at the amount received and the carrying amount is adjusted to reflect any interest payable.

Loans are considered concessionary loans received as they are made to the Corporation to further its purposes and any interest charged is below the prevailing market rates.

**(k) Financial instruments**

The Corporation only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

**(l) Assets held as custodian trustee**

These financial statements do not include any assets held by the Charity as Custodian Trustee with the exception of assets held on Miscellaneous Trust Accounts and Covenant Trust Accounts shown below.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Miscellaneous Trust Account Assets	3,217,209	2,882,626
Covenant Trust Account Assets	-	266
Miscellaneous Trust Account Creditors	(3,217,209)	(2,882,626)
Covenant Trust Account Creditors	-	(266)
<b>Total</b>	<b>-</b>	<b>-</b>

**(m) Taxation**

The Corporation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meet the definition of a Corporation for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**(n) Legal status of the Corporation**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £0.25p

**(o) Judgement and Key Sources of Estimations Uncertainty**

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

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

## 2. DONATIONS AND LEGACIES

	Unrestricted 2024 £	Endowment 2024 £	TOTAL 2024 £	TOTAL 2023 £
Donations	3	-	3	800
Legacies	80,280	-	80,280	-
	<b>80,283</b>	<b>-</b>	<b>80,283</b>	<b>800</b>

## 3. CHARITABLE ACTIVITIES

	Unrestricted 2024 £	Endowment 2024 £	TOTAL 2024 £	TOTAL 2023 £
Interest receivable from loans	2,722,235	-	2,722,235	2,754,168
Expenses receivable on trusts	101,160	-	101,160	107,513
Fee for operating gift aid scheme	-	-	-	2,286
Accommodation fees	6,000	-	6,000	6,000
Voluntary Contribution for legal aid	7,487	-	7,487	-
Other Income	-	-	-	125
	<b>2,836,882</b>	<b>-</b>	<b>2,836,882</b>	<b>2,870,092</b>

## 4. INVESTMENT INCOME

	Unrestricted 2024 £	Endowment 2024 £	TOTAL 2024 £	TOTAL 2023 £
Interest on cash	1,994,385	-	1,994,385	1,263,992
	<b>1,994,385</b>	<b>-</b>	<b>1,994,385</b>	<b>1,263,992</b>

## 5. OTHER INCOME

There was no other income in 2024 or 2023.

## 6. RAISING FUNDS

There was no expenditure on raising funds in 2024 or 2023.

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

## 7. CHARITABLE ACTIVITIES

	Unrestricted 2024 £	Endowment 2024 £	TOTAL 2024 £	TOTAL 2023 £
Interest paid:				
Deposits and trust accounts	2,956,049	-	2,956,049	2,687,885
Bad debt & doubtful debts	129,062	-	129,062	-
Gift to:				
Baptist Union Home Mission	732,454	-	732,454	399,136
Baptist Union Pension Reserve	550,000	-	550,000	550,000
Support Costs (note 8)	543,985	-	543,985	497,863
	<b>4,911,550</b>	<b>-</b>	<b>4,911,550</b>	<b>4,134,884</b>

## 8. SUPPORT COSTS

	Unrestricted 2024 £	Endowment 2024 £	TOTAL 2024 £	TOTAL 2023 £
<b>Costs</b>				
Management charges	317,280	-	317,280	309,777
Office facilities	63,750	-	63,750	63,750
Computer expenses	27,077	-	27,077	16,752
Other Support costs	51,605	-	51,605	27,482
<b>Total</b>	<b>459,712</b>	<b>-</b>	<b>459,712</b>	<b>417,761</b>
<b>Governance Costs</b>				
Auditor's remuneration (note 10)	31,010	-	31,010	28,890
Legal & professional	32,202	-	32,202	23,486
Insurance	21,061	-	21,061	27,726
<b>Total Governance Cost</b>	<b>84,273</b>	<b>-</b>	<b>84,273</b>	<b>80,102</b>
<b>Total Support Costs</b>	<b>543,985</b>	<b>-</b>	<b>543,985</b>	<b>497,863</b>

## 9. OTHER EXPENDITURE

There was no other expenditure in 2024 or 2023

## 10. NET INCOME FOR THE YEAR

	2024 £	2023 £
This is stated after		
Auditor's remuneration	31,010	28,890



## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

## 11. EMPLOYEES AND DIRECTORS

No director as trustee received any emoluments from the Corporation during the year (2023: £nil).

A total of £5,629 (2023: £2,966) was paid to 15 Directors as trustees (2023: 14) in reimbursement of travelling and subsistence expenses.

There are no direct employees of the Corporation.

## 12. DEBTORS

	2024 £	2023 £
Loans:		
Manse	4,478,143	4,269,084
Churches	8,402,526	10,197,225
Pensions	185,756	263,013
RBMHO	20,000,000	22,022,199
Other	349,066	670,389
<b>Total Loans</b>	<b>33,415,491</b>	<b>37,421,910</b>
Provision for doubtful debts	-	-
Prepayments and other debtors	1,069	6,451
Interest due but unpaid	673,061	593,874
Amounts due from closed churches	25,142	81,193
Baptist Union of Great Britain	8,309,744	8,497,806
<b>Total Debtors</b>	<b>42,424,507</b>	<b>46,601,234</b>

In respect of the outstanding loans of £33,415,491 (2023: £37,421,910), £22,510,343 (2023-restated: £21,007,895) is due to be repaid within 12 months, £644,468 (2023-restated: £722,126) is due to be paid between 12 & 24 months, £1,924,880 (2023-restated: £2,460,585) is due to be repaid between three and five years, and £8,335,800 (2023-restated: £13,231,304) is due to be repaid in more than five years.

Loans totalling £1.935m (2023: £4.235m) have been approved but not taken up as at 31 December 2024.

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

## 13. CASH AND BANK BALANCES

	2023 -as restated £	2024 £
Short-term deposits	10,740,415	11,463,322
<b>Total</b>	<b>10,740,415</b>	<b>11,463,322</b>

Short-term deposits are available in less than three months.

## 14. ANALYSIS OF CASH AND CASH INVESTMENTS

	1 Jan 2024 -as restated £	Cash Flow £	31 Dec 2024 £
Notice Deposits	26,951,641	4,757,456	31,709,097
Cash at Bank	11,463,322	(722,907)	10,740,415
<b>Total Deposits</b>	<b>38,414,963</b>	<b>4,034,549</b>	<b>42,449,512</b>

Notice deposits are available between 3 and 12 months, short-term deposits are available in less than three months.

## 15. CREDITORS

	2024 £	2023 £
Loan fund deposits		
General Deposits	67,761,872	66,991,003
Deposits from Trust Accounts	12,221,186	13,229,245
<b>Total Deposits</b>	<b>79,983,058</b>	<b>80,220,248</b>
Amounts falling due within one year		
Accruals and creditors	504,284	409,006
Covenant Trust Account assets	-	266
<b>Total Creditors</b>	<b>80,487,342</b>	<b>80,629,520</b>

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

## 16. ENDOWMENT

	1 Jan 2024	Income	Expenditure	Gains and (Losses)	Transfers	31 Dec 2024
Capital Fund	1,000,000	-	-	-	-	1,000,000
			<b>Fixed Assets</b>	<b>Investment</b>	<b>Current Assets</b>	<b>Total</b>
Capital Fund			-	-	1,000,000	1,000,000
			-	-	1,000,000	1,000,000

The Capital Fund is an expendable endowment fund provided by the Baptist Union of Great Britain to support the ongoing operation and growth of the Loan Fund.

## 17. RELATED PARTY TRANSACTIONS

The members of the Corporation are the Trustees of Baptist Union of Great Britain (charity registration number 1181392); therefore, the Baptist Union of Great Britain is a related party to the Corporation and its Ultimate Controlling Party.

- a) During the year ended 31 December 2024, the Corporation:
  - a. Incurred management charges and office and ancillary costs totalling £408,107 (2023: £390,279) from the Baptist Home Mission Fund
  - b. Gifted £550,000 (2023: £550,000) to the Baptist Union Pension Reserve.
  - c. Allocated the total year's Unrestricted surplus of £732,454 (2023: £399,136) for the Baptist Union Home Mission Fund
- b) At 31 December 2024 the Baptist Union of Great Britain owed the Corporation £8,309,742 (2023: £8,497,806). The Baptist Union of Great Britain is a controlling party of the Corporation.
- c) In December 2018, a long-term loan was provided to RBMHO, who have a common controlling party in Baptist Union of Great Britain, of £20m and secured on properties held within their property portfolio as a fixed charge. This loan formed part of the assets and liabilities transferred to RBMHO on 31 December 2018. This loan is interest only so the balance remains at £20m. RBMHO also has a working capital loan with an outstanding balance of £0. The Retired Baptist Ministers Housing Organisation is under common control with the Corporation.
- d) Included within general deposits and deposits from trust accounts under creditors as at 31 December 2024 are amounts of £3,503,218 (2023: £47,813) owed to the Retired Baptist Ministers Housing Organisation and £987,710 (2023: £966,185) owed to the Baptist Union of Great Britain. Both organisations are charities under common control with the Corporation.
- e) Eight churches with a trustee in common with the Baptist Union Corporation had thirteen deposit accounts with the Corporation totalling £1,178,616 and two loans totalling £491,328 at 31 December 2024.

**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024**

- f) The Central Baptist Association, a charity with a trustee in common with the Baptist Union Corporation, has four deposit accounts totalling £648,065 and a loan totalling £215,349 at 31 December 2024. In addition, during the year the Baptist Union Corporation donated an amount of £141,628 to the Central Baptist Association as a result of the sale of the property from the closed Chipperfield Church.
- g) Spurgeon's College, a charity with a trustee in common with the Baptist Union Corporation had a deposit with the Baptist Union Corporation totalling £117,837 and a loan with a value of £349,066 at 31 December 2024.
- h) East Midlands Baptist Trust Company is a charity with a trustee in common with the Baptist Union Corporation, had a deposit with the Baptist Union Corporation totalling £844,168 at 31 December 2024.
- i) The London Baptist Property Board is a charity with a trustee in common with the Baptist Union Corporation had three deposits totalling £3,014,282 at 31 December 2024.
- j) During the year, £1,771 (2023: £2,105) was paid to the Christian Conference Trust, a charity with a trustee in common with the Baptist Union Corporation, for conferencing facilities provided.