BAPTISTS TOGETHER

FINANCIAL STATEMENTS 2025

BAPTIST UNION CORPORATION LIMITED (THE)

YEAR ENDED 31 DECEMBER 2025

BAPTIST UNION CORPORATION LIMITED (THE)

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 2025 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:

	Section	Description	Page Reference
1	Objectives and Activities	What we set out to do	Page 2
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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

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 2025 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 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 2025

SECTION 2 – STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Corporation is governed by its Memorandum and Articles of Association dated 14th November 1890, as amended by Special Resolutions dated 14th April 1950, 12th March 1963, 22nd November 2001, 15th March 2005, 20th March 2006, 3rd May 2013, 24th June 2014, and 30th 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 2025. 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 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 complete a Skills Survey on a regular basis. This survey identifies the specific contribution the Directors can bring to the Board and enable the Corporation to identify areas where the experience of the Board could be strengthened and allow the Corporation to recruit to the Board accordingly.

The Corporation has a Strategic Plan that is reviewed regularly.

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 one church (2024: two) of which a Director is a member, have loans from the Corporation in the ordinary course of their business. Expenses were paid to 17 Directors (2024: 15) amounting to £2,408 (2024: £5,629).

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 2025

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"
- Company Secretary – Mr Damien Miller from 24 Nov 2025 and Mr Chris Jones to 24 Nov 2025
- Support Services Team Leader — Mr Chris Jones
- Legal Services Manager — Mr Damien Miller (from 17 Jan 2025)
- Commercial Manager — Mr Tim Chowns

All staff of the Corporation are jointly employed by the Corporation and 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 in consultation with the moderator of the Corporation. There is an arrangement 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:

Risk	Approach to monitoring and management of the risk
Change of legal understanding which makes it difficult for the Corporation to enforce loan agreements, particularly arising from the inability of the Corporation to take charges over a property to secure loans where it is also the holding trustee.	This is being actively monitored with the Corporation's solicitors. An alternative solution is currently being developed and the Board is being kept updated.
Breach of confidentiality.	The Corporation has an IT security policy in place and Staff and Directors have undergone training to mitigate this risk.
Inability to obtain adequate insurance for the Corporation's activities at a viable price.	The Corporation has a broker in place to obtain appropriate insurance. The Finance and Audit Committee annually review insurances.
The Corporation's product offering is not appropriate.	The Corporation's Board regularly review interest rates as well as review profitability every quarter. The annual budget process helps ensure overall profitability is appropriate.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

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 21 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.

Type of Assets Held	£'000	Organisations
Cash Deposits	17	1
Income Units	954	9
National Savings Income Bonds	13	1
UK Equities	2,792	10
Total	3,776	21

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 2025

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 £3,015k (2024 £2,387k) in loans to 4 churches (2024: 5 churches), of which £2,975k (2024: £1,830k) was to support church acquisition and development of church property, £40k (2024: £557k) was in connection with manses. All qualifying applications were met as required. The total loans outstanding decreased from £33.4m (2024) to £31.7m.

The Corporation assisted many churches to buy, sell, let or alter their property. In 2025 property transactions totalling over £15.3m (2024: £15.1m) were completed.

The Directors were able to make from the Corporation's surplus a donation of £773k (2024: £732k) to the Baptist Home Mission Fund and £550k (2024: £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. 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 2025

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 2025

SECTION 5 – FINANCIAL REVIEW

Review of Financial Results

Overall deposits (excluding from the Baptist Union of Great Britain) decreased during the year from £80.0m to £78.4m, a decrease of £1.6m, (-2.0%). Due to decreases in the Bank of England base rate, total interest paid to Baptist depositors decreased from £2,956k to £1,900k, a decrease of 36.1%.

Excluding the loans to the Retired Baptist Minister's Housing Organisation (RBMHO, charity no. 1177649), loans decreased from £13.4m to £12.5m, a decrease of £0.9m (6.7%). The balance on the RBMHO loans decreased by £0.8m to £19.2m (2024: £20.0m).

Total income received decreased by £1.1m (23% decrease). This was largely due to the decreases in the Bank of England base rate which resulted in a decrease in the interest earned from loans held with the Corporation as well as a decrease in investment income to the Corporation.

Support Costs increased from £544k to £557k, an increase of 2.4%.

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 £1.32m compared to a surplus of £1.28m in 2024, an increase of 3.1%.

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 (2024: £4.39m) as a result of gifting the year's surplus to the Baptist Union of Great Britain. This compares to an estimate of minimum required reserves of £3.8m (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	303	*Based on budgeted operating expenditure (excl gifts to BUGB)*
Winding up costs	100	*Redundancy costs plus other*
Deposit risk	1,691	*11% of risk-weighted deposits with financial institutions*
Lending Risk	1,676	*11% of risk-weighted loans*
Estimated Reserves Required	**3,770**	
Actual Reserves Available	**4,387**	

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

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
	Vacancy	West of England Baptist Association
	Mr J Ponsford	Southern Counties Baptist Association
	Ms H Beckett	Eastern Baptist Association
	The Revd A Chesworth	Yorkshire Baptist Association
	Mr T Walker	South West Baptist Association
	Rev J Lennox	Northern Baptist Association
	Ms K Kaneen	South Wales Baptist Association
	Mr J Levick	Heart of England Baptist Association
	Vacancy	London Baptist Association
	Mr O Obidipe (resigned 21st Sep 25)	London Baptist Association
	Dr C Hanning	East Midlands Baptist Association
	Vacancy (from 27th Jan 26)	South Eastern Baptist Association
	Mr M Southcombe (resigned 27th Jan 26)	South Eastern Baptist Association
	Mr A Hawksworth	North Western Baptist Association
Staff Members	Mr T Chowns	
	Mr D Miller (from 17th Jan 25)	
	Mr C Jones (resigned 13th Apr 26)	
Co-opted	Mr R English	
	Mr S Welch	
	Mr G Ward	
	Ms K Martindale	
	Mr M Southcombe (from 27th Jan 26)	

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

SECTION 6 – WHO WE ARE (Cont)

Key Management Personnel

Secretary	Mr D Miller (from 24th Nov 25) Mr C Jones (to 24th Nov 25)
Legal Services Manager	Mr D Miller (from 17th Jan 25)
Commercial Manager	Mr T Chowns

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 2025 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 2025 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.

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.

- 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.

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

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

Date 01/05/2026

STATEMENT OF FINANCIAL ACTIVITIES YEAR (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted 2025 £	Endowment 2025 £	TOTAL 2025 £	TOTAL 2024 £
Income					
Donations and legacies	2	(6,043)	-	(6,043)	80,283
Charitable activities	3	2,175,404	-	2,175,404	2,836,882
Investment income	4	1,610,107	-	1,610,107	1,994,385
Other income	5	-	-	-	-
Total Income		**3,779,468**	**-**	**3,779,468**	**4,911,550**
Expenditure					
Raising funds	6	-	-	-	-
Charitable activities	7	3,779,468	-	3,779,468	4,911,550
Other expenditure	9	-	-	-	-
Total Expenditure		**3,779,468**	**-**	**3,779,468**	**4,911,550**
Net movement in funds		-	-	-	-
RECONCILIATION OF FUNDS					
Total funds brought forward		**3,386,677**	**1,000,000**	**4,386,677**	**4,386,677**
Total funds carried forward		**3,386,677**	**1,000,000**	**4,386,677**	**4,386,677**

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 2025

	Notes	2025 £	2024 £
Current Assets			
Debtors	12	41,007,179	42,424,507
Cash Investments	13	35,093,160	31,709,096
Cash at Bank	13	8,621,658	10,740,416
		84,721,997	**84,874,019**
Current Liabilities			
Creditors:			
Amounts falling due within one year	14	80,335,320	80,487,342
Total Net Assets		**4,386,677**	**4,386,677**
Funds of the Charity			
Unrestricted funds		3,386,677	3,386,677
Expendable Endowment funds	15	1,000,000	1,000,000
Total funds		**4,386,677**	**4,386,677**

The financial statements were approved by the Directors on 30th April 2026 and signed on their behalf by



Dr C Hanning
Moderator

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

BAPTIST UNION CORPORATION LIMITED (THE)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025	2024
		£	£
Net Income for the reporting period		-	-
Adjustments for:			
Dividends and interest from investments	4	(1,610,107)	(1,994,385)
Decrease in debtors		1,417,327	4,176,727
(Decrease) in creditors and provisions		(152,022)	(142,178)
Net cash (used)/provided by operating activities		**(344,802)**	**2,040,164**
Cash flows from investing activities			
Amounts invested in short term deposits		(42,733,789)	(30,157,843)
Amounts withdrawn from short term deposits		39,469,859	25,815,493
(Increase)/decrease in interest due but unpaid		(120,133)	(79,187)
Dividends and interest from investments	4	1,610,107	1,994,385
Net cash used in investing activities		**(1,773,956)**	**(2,427,152)**
Changes in cash and cash equivalents in the year		**(2,118,758)**	**(386,988)**
Cash and cash equivalents brought forward		10,740,416	11,127,404
Cash and cash equivalents carried forward		**8,621,658**	**10,740,416**

Analysis of changes in net debt

	At 01/01/2025	Cash-flows	Non-cash changes	At 31/12/2025
Cash	10,740,416	(2,118,758)	-	8,621,658
Loans falling due after one year	-	-	-	-
	10,740,416	**(2,118,758)**	**-**	**8,621,658**

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

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

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.

(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 adverse impact from 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.
Endowment Funds: Expendable endowment funds, 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 gross when received.
- Legacies are accounted for when entitlement to the legacy and the probability of receiving the legacy is confirmed, and the legacy is measurable.
- 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 2025

(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 24 months.

(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 2025

(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 shown below.

	2025	2024
	£	£
Miscellaneous Trust Account Assets	3,776,496	3,343,100
Miscellaneous Trust Account Creditors	(3,776,496)	(3,343,100)
Total	-	-

(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 £0.25.

(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 2025

2. DONATIONS AND LEGACIES

	Unrestricted 2025 £	Endowment 2025 £	TOTAL 2025 £	TOTAL 2024 £
Donations	1,650	-	1,650	3
Legacies	(7,693)	-	(7,693)	80,280
	(6,043)	**-**	**(6,043)**	**80,283**

3. CHARITABLE ACTIVITIES

	Unrestricted 2025 £	Endowment 2025 £	TOTAL 2025 £	TOTAL 2024 £
Interest receivable from loans	2,075,129	-	2,075,129	2,722,235
Expenses receivable on trusts	52,001	-	52,001	101,160
Fee for operating gift aid scheme	-	-	-	-
Accommodation fees	6,000	-	6,000	6,000
Voluntary Contribution for legal aid	42,274	-	42,274	7,487
	2,175,404	**-**	**2,175,404**	**2,836,882**

4. INVESTMENT INCOME

	Unrestricted 2025 £	Endowment 2025 £	TOTAL 2025 £	TOTAL 2024 £
Interest on cash	1,610,107	-	1,610,107	1,994,385
	1,610,107	**-**	**1,610,107**	**1,994,385**

5. OTHER INCOME

There was no other income in 2025 or 2024.

6. RAISING FUNDS

There was no expenditure on raising funds in 2025 or 2024.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

7. CHARITABLE ACTIVITIES

	Unrestricted 2025 £	Endowment 2025 £	TOTAL 2025 £	TOTAL 2024 £
Interest paid:				
Deposits and trust accounts	1,889,978	-	1,889,978	2,956,049
Bad debt & doubtful debts	9,750	-	9,750	129,062
Gift to:				
Baptist Union Home Mission	772,740	-	772,740	732,454
Baptist Union Pension Reserve	550,000	-	550,000	550,000
Support Costs (note 8)	557,000	-	557,000	543,985
	3,779,468	**-**	**3,779,468**	**4,911,550**

8. SUPPORT COSTS

	Unrestricted 2025 £	Endowment 2025 £	TOTAL 2025 £	TOTAL 2024 £
Costs				
Staff costs	337,831	-	337,831	317,280
Office facilities	65,886	-	65,886	63,750
Computer expenses	27,984	-	27,984	27,077
Other Support costs	47,297	-	47,297	51,605
Total	**478,998**	**-**	**478,998**	**459,712**
Governance Costs				
Auditors' remuneration (note 10)	30,970	-	30,970	31,010
Legal & professional	17,415	-	17,415	32,202
Insurance	29,617	-	29,617	21,061
Total Governance Cost	**78,002**	**-**	**78,002**	**84,273**
Total Support Costs	**557,000**	**-**	**557,000**	**543,985**

9. OTHER EXPENDITURE

There was no other expenditure in 2025 or 2024.

10. NET INCOME FOR THE YEAR

	2025 £	2024 £
This is stated after		
Auditors' remuneration:		
Audit work	30,970	31,010

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

11. EMPLOYEES AND DIRECTORS

	Note	2025	2024
Staff costs:		**£**	**£**
Salaries		281,548	274,269
Social security costs		33,436	25,467
Pension costs	16	19,203	15,688
Total		**334,187**	**315,424**
The average number of employees:		10	10

Employees are jointly employed by the Baptist Union of Great Britain and the Corporation and their associated costs are then recharged to the Charity. No employee received emoluments in excess of £60,000 during the period (2024: £nil).

No director as trustee received any emoluments from the Corporation during the year (2024: £nil).

A total of £2,408 (2024: £5,629) was paid to 17 Directors as trustees (2024: 15) in reimbursement of travelling and subsistence expenses.

12. DEBTORS

	2025	2024
	£	**£**
Loans:		
Manses	4,159,689	4,478,143
Churches	7,860,236	8,402,526
Pensions	139,133	185,756
RBMHO	19,203,008	20,000,000
Other	354,684	349,066
Total Loans	**31,716,750**	**33,415,491**
Prepayments and other debtors	1,070	1,069
Interest due but unpaid	793,194	673,061
Amounts due from closed churches	36,209	25,142
Baptist Union of Great Britain	8,459,956	8,309,744
Total Debtors	**41,007,179**	**42,424,507**

In respect of the outstanding loans of £31,716,750 (2024: £33,415,491), £1,541,853 (2024: £3,080,370) is due to be repaid within 12 months, £1,224,773 (2024: £1,128,263) is due to be paid between 12 & 24 months, £3,607,543 (2024: £3,506,117) is due to be repaid between three and five years, and £25,342,581 (2024: £25,700,741) is due to be repaid in more than five years.
Loans totalling £2,428,000 (2024: £1,585,000) have been approved but not taken up as at 31 December 2025.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

13. ANALYSIS OF CASH AND CASH INVESTMENTS

	1 Jan 2025	Cash Flow In	Cash Flow Out	31 Dec 2025
	£	£	£	£
Cash Investments	31,709,096	42,853,923	(39,469,859)	35,093,160
Cash at Bank	10,740,416	127,258,577	(129,377,335)	8,621,658
Total Deposits	**42,449,512**	**170,112,500**	**(168,847,194)**	**43,714,818**

Cash investments are available between 3 and 24 months, cash at bank is available in less than three months.

14. CREDITORS

	2025	2024
	£	£
Loan fund deposits		
General Deposits	56,234,669	61,737,121
Deposits from Trust Accounts	24,067,377	18,245,936
Total Deposits	**80,302,046**	**79,983,057**
Amounts falling due within one year		
Accruals and creditors	33,274	504,285
Total Creditors	**80,335,320**	**80,487,342**

15. ENDOWMENT

	1 Jan 2025	Income	Expenditure	Gains and (Losses)	Transfers	31 Dec 2025
Capital Fund	1,000,000	-	-	-	-	1,000,000

	Fixed Assets	Investment	Current Assets	Total
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.

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

16. PENSIONS

As per note 11, the Corporation's employees are employed jointly by BUGB and the Corporation and their associated costs are paid by BUGB and then recharged to the Corporation. The Corporation is therefore not a direct participating employer within any pension scheme.

The staff are eligible to join the Baptist Pension Scheme ("the Scheme"), which is a separate legal entity administered by the Pension Trustee (Baptist Pension Trust Limited). The Scheme, previously known as the Baptist Ministers Pension Fund, started in 1925. At the beginning of the financial year, the scheme comprised of a defined benefits scheme which was closed to future accrual on 31 December 2011 and a defined contribution plan which was opened in January 2012. The assets of the Scheme are held separately from those of the participating employers.

For the current and previous financial year, the pension provision for members of the Scheme is being made by BUGB through the Defined Contribution (DC) Plan. In general, members pay 8% of their Pensionable Income and employers pay 6% of members' Pensionable Income into individual pension accounts, which are operated and managed on behalf of the Pension Trustee by Broadstone Corporate Benefits Ltd. In addition, the employer pays a further 4% of Pensionable Income to cover Death in Service Benefits, administration costs, and an associated insurance policy which provides income protection for Scheme members if they are unable to work due to long-term incapacity. This income protection policy has been insured by the Baptist Union of Great Britain with Aviva Limited. Furthermore, members of the Basic Section pay reduced contributions of 5% of Pensionable Income, and their employers also pay a total of 5%. These costs are paid by BUGB as the employer and the costs are re-charged to the Corporation.

In October 2024, the insurance company Just Group completed a buy out of the liabilities of the closed defined benefit scheme. From that date any remaining liability of the participating scheme members to defined benefit scheme ceased and the £1 per month deficit contributions payable by the participating employers which were agreed in the recovery plan approved in August 2022 also ceased from that date. Administration of the closed defined benefit scheme transferred from the pension trustees to Just Group from that date.

The total pension costs for the Corporation for 2025 were £19,203 (2024: £15,688).

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 2025, the Corporation:

   a. Incurred management charges and office and ancillary costs totalling £431,701 (2024: £408,107) from the Baptist Home Mission Fund

   b. Gifted £550,000 (2024: £550,000) to the Baptist Union Pension Reserve.

   c. Allocated the total year's Unrestricted surplus of £772,739 (2024: £732,454) for the Baptist Union Home Mission Fund

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

b) At 31 December 2025 the Baptist Union of Great Britain owed the Corporation a total of £8,459,956 (2024: £8,309,744). Of this £3,894,416 (2024: £5,672,857) was in connection with inter-company transactions that have taken place and £4,565,540 (2024: £2,636,887) in connection with the Baptist Union Pension Reserve. In addition, within the general deposits and deposits from trust accounts under creditors as at 31 December 2025 an amount of £1,002,319 (2024: £987,710) owed to the Baptist Union of Great Britain.

c) In December 2018, a long-term loan was provided to RBMHS, who have a common controlling party in the 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, but some money has been repaid in 2025 so the balance is £19.2m (2024: £20m). RBMHO also has a working capital loan with an outstanding balance of £0 and deposit accounts with a balance of £1.41m at 31 December 2025 (2024: £3.49m).

d) Three churches with a trustee in common with the Baptist Union Corporation had seven accounts with the Corporation totalling £263,340 and £0 loans at 31 December 2025.

e) The Central Baptist Association, a charity with a trustee in common with the Baptist Union Corporation, has three deposit accounts totalling £606,739 and a loan totalling £204,064 at 31 December 2025.

f) 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 £828,825 at 31 December 2025.

g) During the year, £2,302 (2024: £1,771) was paid to the Christian Conference Trust, a charity with two trustees in common with the Baptist Union Corporation, for conferencing facilities provided.