



**HEATH STREET BAPTIST CHURCH
HAMPSTEAD**

84 Heath Street, London, NW3 1DN
020 7431 0511
ewan_king@mac.com
www.heathstreet.org
Registered charity number: 1178001

**Report and Accounts
for the year ending
31 December 2022**

Minister: Revd Ewan J King

Deacons: Annie Fang
Sarah Harper
Gaynor Humphreys (Treasurer)
Wilf Merttens (Secretary)

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2022**

Heath Street Baptist Church was established as a congregation in 1861 and its building dates from 1862. Governance arrangements were revised in a Charity Commission Scheme sealed on 25 October 1937 and until April 2018 it was an excepted charity. Since 18 April 2018, the Church has been registered with the Charity Commission as a Charitable Incorporated Organisation. The congregation maintains membership of the Baptist Union of Great Britain and the London Baptist Association.

Administrative details

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Independent Examiner

Derek John Baker
51 Meadway
Southgate
London N14 6NJ

Solicitor

Carter Lemon Camerons
20 King Street
London EC2V 8EG

Legal status

Heath Street Baptist Church is a Charitable Incorporated Organisation whose constitution was last amended on 11 July 2021.

Charity Registration Number 1178001

Church Safeguarding Officer

John-Henry Baker

REPORT OF THE DEACONS

Governance and management

The church operates as a Charitable Incorporated Organisation under the rules of its CIO constitution.

At the end of the year there were 31 members of the church: Frida King was accepted into membership during the year by unanimous decision at a general meeting of members. Quarterly church meetings are open to all interested people but on the relatively few occasions when votes are required only members may vote.

Objectives and activities

The principal purpose of the CIO is: The advancement of the Christian faith according to the principles of the Baptist denomination. The church may also advance education and carry out other charitable purposes in the UK and/or other parts of the world.

Public benefit statement

As a registered charity Heath Street Baptist Church, through its members and its Diaconate, is aware of the Charity Commission's guidance on public benefit, especially in the advancement of religion. Our services of worship are open to all. We see our building as a valuable resource to the local community and it is open on most days of the week. The church premises are used, or hired, by people of all faiths or none and by both secular and Christian organisations and groups. We provide activities and services directly each week to local children, from babies to young teenagers, and to homeless and vulnerable people. We also offer frequent concerts (normally free entry) to the local community and support a community choir. Pastoral care and support are also offered to all.

Financial review

The financial statements which follow show receipts and payments for 2022, investments and reserves balances at the year end and known liabilities for 2023.

Financial risks

We undertook essential repairs to the building during 2022, in particular to tackle urgent repairs to the stonework façade of the building. With support from individual donations and some Listed Places of Worship reimbursement (to cover VAT) the extent to which reserves were used for this work was lessened. Less essential work to the facade (of an aesthetic rather than structural nature) has been deferred until further funds can be raised. Only 5% of the cost of the main 2022 works therefore remains to be paid in 2023 and provision has been made for this in the 2023 budget.

The church made a short term loan to support Mission Housing in the acquisition of a family home for John-Henry Baker and his family within reasonable reach of the church. This loan can be reviewed annually in July and terminated when the Church needs the capital sum.

In 2021 we borrowed £500,000 for a ten-year period on a variable interest rate to secure the purchase of a manse for our Minster and his family. The interest rate rose quarterly in 2022 in line with the UK bank rate but we are satisfied that for 2023 we are on track both to repay capital (planned to reduce to zero after ten years) and interest on the remaining sum.

We have depleted our reserves but are still able to show financial viability for the coming year. Our reserves policy is outlined within the accounts which follow.

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2022**

Secretary's summary of main activities and achievements in 2022

Heath Street is a friendly church in the heart of Hampstead. We are a small, diverse worshipping community. All are welcome to attend our services and our regular congregation is often joined by newcomers and visitors to Hampstead.,

In 2022 our services of worship were on Sunday morning at 11 a.m. in the church, and this year for the first time since the pandemic we were able to have all services held in person in the church. We continued to facilitate the sharing of worship over Zoom for those who were vulnerable or otherwise could not attend in person. Our minister, Ewan King, continues to support young people, established musicians and the Heath Street Choir to play and sing worship music at our Sunday morning services.

2022 saw stonework restoration taking place on the frontage of the church. Renovation was called for because of safety issues, with falling crumbs of stone alerting us to the poor condition of the façade. The contract to repair and clean went to Permanens, whom the church found to be excellent. The top of the north spire, which had been severely damaged some years ago, was replaced. The stonework was hammer-tested, repaired/restored and fully cleaned. For the time being only the higher levels are repaired to the very best standard. To make good the whole frontage will not require scaffolding the building as before and for this reason can be done piecemeal. The stonework project depleted our reserves, costing over £200,000, but also saw a fundraising campaign that raised an impressive £32,000, with significant donations coming not just from the current congregation but members and friends who now live abroad, those who come to concerts and other events, and some local people who like the building even if they do not use it. The largest donation was £10,000 and the smallest just £10. A further £32,000 came from applications to a government programme to support work on listed buildings.

Music and A/V Coordinator John-Henry Baker, in place of restarting the Tuesday lunchtime concerts, began the *Sunday Sundown* series. He designed and launched a new marketing campaign to reach out to new audiences with a concert on most Sundays at 6 p.m., usually free with a retiring collection for the musicians. They have grown in popularity and have regularly attracted audiences of 30+ people.

This year Heath Street Choir became incorporated as its own charity, with the trustees being Ewan King, Rachel Zimmern, Hildi Hawkins and Iain McNaught. The artistic director is Emily Gray.

Our children's worker Wilf Merttens continued our children's Sunday Club, and added another session of *Storymakers*, our afterschool club, to the roster of church activities. A set of primary-aged children met on Mondays during term times, with the secondary-aged children meeting on a Wednesday. Both clubs gained new regular participants. A new annual activity was added to the calendar, with the inaugural *Moses and Miriam Boat Race* taking place on the river Ver, St Albans, on a sunny Saturday in May.

Laura Somers continued in her role as part-time caretaker, keeping the church spaces tidy and undertaking and commissioning repairs. Her relationship with our regular cleaner Monica is very good, and building users note the overall increased tidiness of the whole space and the better organisation of the kitchen particularly.

Oldtime Nursery has continued to slowly rebuild a clientele of babies, toddlers and carers after the pandemic.

Deacons for the whole of 2022 were Annie Fang, Gaynor Humphreys (Treasurer), Wilf Merttens (Secretary) and Sarah Harper. Julie Benoit often joined the Deacons via Zoom to support their meeting and learn about the diaconate. Our Minister Ewan King chaired the meetings.

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2022**

This year saw many new faces join the congregation at Heath Street. This came with one baptism, several applications for membership and several new commitments to supporting and building up the life of the church at Heath Street.

During the season of Lent we met online over Zoom twice a day to follow the 'Lent Prose', an early-medieval hymn. We followed it sometimes in the original Latin though mostly in English translation. Laura Somers illustrated the booklet that provided the words for the hymn.

This year saw the launch of a new digital ministry for our church, with our minister Ewan King leading us on a pilgrimage through Dante Alighieri's redemptive epic, the *Divine Comedy*. Together we read and discuss a canto a week over zoom. The pilgrimage began on 15th April and will conclude on Good Friday, 29th March 2024

Theresa Thom, Susan LeQuesne and Ewan King continued to represent our church on the Churches Together in Hampstead group. This year CTIH held a Ceilidh at Rosslyn Hill Chapel, with music led by our minister Ewan King.

Signed on behalf of the Church's Trustees

Name

EJ King

Date

17/04/23

Name

Marion Hughes

Date

17 April 2023



**CHARITY COMMISSION
FOR ENGLAND AND WALES**

**Independent examiner's report on the
accounts**

Section A Independent Examiner's Report

Report to the trustees/ members of	Heath Street Baptist Church		
On accounts for the year ended	31 December 2022	Charity no (if any)	1178001
	Set out on pages		

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 December 2022.

Responsibilities and basis of report As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:  Date: 21 February 2023

Name: Derek John Baker

Relevant professional qualification(s) or body (if any): F. C. A. (retired)

Address: 51 Meadway, Southgate, London N14 6NJ

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2022**

GENERAL CHURCH FUND	2022	2021
RECEIPTS	£	£
Weekly offerings, standing orders, Gift Aid refunds	11,822	9,025
Donations (not eligible for Gift Aid)	1,393	3,350
Space hire: community groups & musicians	7,575	8,540
School's hall hire	39,559	47,900
Scammell Fund (Note 1)	247	221
J Harvey Memorial Fund	13	13
COIF Charities Deposit Fund interest	1,350	18
Bank interest	39	0
IT refund	0	10
Refunds	123	258
Sale of piano (note 2)	10,000	0
Total ordinary receipts	<u>72,121</u>	<u>69,335</u>
 Payments		
Minister's stipend and on-costs	28,588	27,997
Manse running costs	6,084	3,590
Relief ministers' expenses	672	403
Music ministry	14,920	14,805
Children's ministry	8,682	11,691
Caretaking	8,640	0
Sunday music	4,596	2,723
Church running costs (heat, light, cleaning, etc)	11,547	13,295
Church communications (telephone, IT, publicity, etc)	5,297	5,530
Church subscriptions and donations	395	387
Church events	3,690	1,422
Miscellaneous items	237	578
Governance	650	787
Bank charges	87	98
Total ordinary general payments	<u>94,085</u>	<u>83,308</u>
 Net at 31 December 2022	 -21,964	 -13,973

Note 1 The Scammell Ministerial Endowment is held in trust by London Baptist Property Board. At 31 December 2022 its value was £4,379 (2021, £4,637). Its income is given to Heath Street for Minister's expenses.

Note 2 The Church accepted a generous offer to sell our piano and lease an alternative at a peppercorn charge.

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2022**

PROPERTY FUND	2022	2021
	£	£
Receipts		
Rent income (note 1)	139,412	151,030
Stonework project: donations (including Gift Aid)	32,569	0
Stonework project: grants received (note 2)	31,789	0
COIF Charities Deposit Fund interest	2,768	1,883
London Baptist Property Board interest	529 *	59
Refund of School insurance premium	2,468	2,842
Total receipts	209,534	155,815
Payments		
Repairs to Church	7,722	16,252
Stonework project including professional fees	213,571	0
Repairs to school building	0	0
Manse repairs	575	939
Manse sale and purchase (note 3)	39,360	124,886
Manse loan repayments (note 4)	56,826	2,733
Insurance (Church, manse and school)	9,372	8,521
Other legal and professional fees	0	2,676
Total payments	327,427	156,007
Net at 31 December	-117,893	-192

*not in bank record, but retained in LBPB account

- Note 1 The 2021 figure included rent arrears from 2020.
 Note 2 Grants were received from the Listed Places of Worship Grants Fund for VAT paid on this project.
 Note 3 2022 figure represents primarily the completion of work to upgrade 63 Agincourt Road, the new manse.
 Note 4 The 2022 figure represents four quarters' loan repayment to the London Baptist Property Board and the first three scheduled repayments of capital. The loan started at £500,000 to assist with the purchase of Heath Street's new manse, to be repaid in full over ten years.

SPECIAL FUNDS & COLLECTIONS 2022

	b/f	Income	Expenditure	Balance
		£	£	£
Heath Street Refugee Support (note 6)				
Raising funds to support local families	3,480	7,300	3,681	7,100
Contact Club				
Funds held (note 7)	718	125	298	545
Baroquestock				
Funds raised and used for music events	0	5,331	5,293	39
British Ukrainian Aid				
Funds raised at a concert, 19 March 2022	0	350	350	0
Panzi Hospital, DRC				
Raising funds to support their work	50	0	50	0
Grand total	4,248	13,106	9,671	7,684

- Note 6 This Fund was established to support refugee families known to the Church. Donations have been made by members of the congregation and other friends of the Church.
 Note 7 Funds are held for this project which offers food and friendship for homeless people and those on a low income. Volunteers from this Church, St Mary's RC Church and others have run this Sunday evening event for many decades at Heath Street Baptist Church.

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2022**

STATEMENT OF ASSETS AND LIABILITIES AT 31 DECEMBER 2022

	2022	2021
ASSETS	£	£
Bank balance at year end	12,321	69,271
Short term deposits		
London Baptist Property Board	40,461	39,932
COIF Charities Deposit Fund income fund	136,500	161,500
COIF Charities Deposit Fund property fund	85,500	165,500
Investments		
COIF Charities Investment Fund income units (James Harvey Memorial Fund)	442	500
COIF Charities Investment Fund income units (property account) (note 1)	63,612	71,983
Loan to Mission Housing (note 2)	<u>25,000</u>	<u>0</u>
TOTAL	<u>363,837</u>	<u>508,686</u>

REPRESENTING BALANCES ON THE FOLLOWING ACCOUNTS

General account	37,929	59,893
Property account	317,782	444,045
James Harvey Memorial Fund	442	500
Special account	<u>7,684</u>	<u>4,247</u>
	<u>363,837</u>	<u>508,686</u>

Our buildings are held in trust by the London Baptist Property Board. The Church building is insured for £8,215,000 and the adjacent school building for £995,220. The manse was purchased in 2021 for £1,646,500.

Note 1 There was an decrease in capital value of £8,370.35 on this Fund in the course of the year, as advised by CCLA and this is reflected above in the Property account

Note 2 The sum of £25,000 was lent in 2021 to Mission Housing (a Registered Society under the Co-operative and Community Benefit Society's Act 2014) to assist with the purchase of housing for John-Henry Baker and his family. The loan can be repaid in full to the Church in July 2024.

LIABILITIES

As noted on the previous page in Note 4, Heath Street Baptist Church took on a ten-year loan in 2021 to assist with the purchase of our new manse. The loan was £500,000 and at the end of 2022 the balance owed was £466,192.74. The last repayment of 2022 (in early October) saw the interest rising to 5% (from 2.85% at the start of the loan in 2021).

During 2022 the Church had to undertake a project, essential for safety, to renew the stonework façade of the building. All the safety work and most of the restoration were completed during the year; however, some work to restore detail and replace damaged stonework at the lowest level of the building remains to be completed when funds become available. 5% of contract costs and surveyor's fees for the work completed have been retained and will fall due in September 2023.

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2022**

UNRESTRICTED FUNDS

The Deacons have resolved that a practical level of unrestricted reserve should be set at no less than three months of normal running costs. For 2023 we estimate this at approximately £35,000.

RESTRICTED FUNDS

Within the balances for the year the following are held as restricted funds

	01-Jan-22	31-Dec-22	Where held
	£	£	
1 Lift and Access Fund (note 1)	60,000	10,000	Property Fund
2 Organ Fund	1,710	920	General Fund
3 Contact Club	718	545	Special Funds & Collections
4 Refugee Welfare Fund	3,480	7,100	Special Funds & Collections
5 Other Special Collections	50	39	Special Funds & Collections
TOTAL	65,957	18,604	

DESIGNATED FUNDS

Within the balances for the year the following are held as designated funds

	01-Jan-22	31-Dec-22	Where held
	£	£	
1 Cyclical maintenance, Church	75,000	45,000	Property Fund
2 Cyclical maintenance, School	10,000	10,000	Property Fund
3 Cyclical maintenance, Manse	5,000	5,000	Property Fund
4 Extraordinary repair fund (all)	150,000	100,000	Property Fund
5 Provision for costs and fees for stonework repair (note 2)	0	15,000	Property Fund
6 Provision for manse loan repayment (2023)	120,000	105,000	Property Fund
TOTAL	360,000	280,000	

Note 1 In 2014 an anonymous donation of £10,000 (including Gift Aid) was given to the Church specifically towards our installation of a lift. This remains a restricted fund. In 2017 £50,000 was given to the Church as a general bequest from our former Minister, Rev. Dr. Marie Isaacs. Because her commitment to the accessibility of the building was well known, the congregation decided to restrict the latter sum to be used towards installing a lift or providing better accessibility from the street. Subsequent critical needs, however, have depleted Church reserves dramatically (notably the safety issue of restoring the stone façade) and the Deacons have resolved to restore the sum to "designated" status, while at the same time retaining improved accessibility as a strong aspiration.

Note 2 The urgency and scale of this work was not understood until part-way through the year when the Deacons agreed to draw on the designated Extraordinary Repair Fund and the Church Cyclical Maintenance Fund as well as to undertake a fundraising campaign.