

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2023**

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

Sarah Harper

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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 33 members of the church: Penny Carnegie and Jessica Xie were 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 2023, investments and reserves balances at the year end and known liabilities for 2024.

Financial risks

We undertook some essential repairs to the building during 2023, and we saw the completion of repairs mainly undertaken in 2022 to the stonework façade of the building. A final grant towards this from the Listed Places of Worship Fund (to cover VAT) went towards the remaining 5% of the cost of the main 2022 works.

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 Minister and his family. The interest rate rose quarterly in 2023 in line with the UK bank rate: we are satisfied that for 2024 we are on track both to repay capital (planned to reduce to zero after ten years) and interest on the remaining sum.

Our reserves at the end of 2023 were marginally higher than at the previous year end. Costs, especially of running buildings and keeping them in reasonable condition, rise relentlessly: our accounts show that we are reasonably confident of financial viability for the coming year. Our reserves policy is outlined within the accounts which follow.

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Secretary's summary of main activities and achievements in 2023

Heath Street Baptist Church is a welcoming and inclusive community in the heart of Hampstead. 2023 was a year marked by spirited worship, memorable musical experiences, and the addition of new events to our church calendar.

Our Sunday morning services remained the focal point of our worship, gathering our diverse community together in fellowship and praise. We were delighted to continue hosting all services in person within the church.

Under the leadership of our Minister, Ewan King, our worship services were enriched by the talents of young people, accomplished musicians, the Heath Street Choir, many guest readers, and visiting preachers such as Father John Moffat and Prof. Chris Southgate.

Music remained a cornerstone of our shared life and the offering of the church to the wider community. 2023 actually saw some exceptional worship music and special events featuring new Christian music. Many of these were part of the Sunday Sundown Concert series curated by our Music Outreach Officer, John-Henry Baker. Memorable highlights included a concert featuring settings of Julian of Norwich's mystical writings by Danish singer-songwriter Mikael R Andreasen, and a contemplative album of Psalms and sacred songs recorded by UK oboist and composer Rachel Chaplin. The brilliant worship music of Geraldine and Carey Luce added a unique dimension to a service of worship in which Geraldine led the singing with her husband accompanying on the piano. They performed together that evening at Sunday Sundown with an offering of Jazz interpretations of Chopin.

Our commitment to community engagement and outreach was evident in the addition of new events to our church calendar. The inaugural 'Saul Drop', a creative interpretation of biblical narratives, offered children a chance to playfully recreate the lowering in a basket of Saul from the walls of Damascus as described in Acts 9, and also mentioned by Paul in his second letter to the Corinthians. Similarly, the second annual Moses and Miriam Boat Race was once again a highlight of our events for children and families, drawing participants of all ages together in celebration and creativity. This year it was held at a park in North Finchley, and the children and teenagers of the church made some beautiful boats to carry the little baby Moses downstream. Both of these events were filmed, with one of our young people, Ilya Ghasempour, creating original music for the resulting videos.

We welcomed individuals from diverse backgrounds and ages into our congregation, attempting to foster a sense of belonging and shared mission. Baptisms, applications for membership, and new commitments to the life of the church underscored the growing vitality of the life of God's church here at Heath Street. The church together celebrated as Zholiet's son Babak and her daughter Maral were baptised in the church on the Iranian new year, Nowroz.

The launch of a fortnightly prayer meeting provided a supportive space for members and attendees to come together in prayer and fellowship. This new ministry was suggested at our church meeting in September, after the diaconate asked members to discuss ministry, historic, current and future. Several members and attendees got together and have set up a fortnightly prayer meeting that takes place in different people's homes. This has been a very encouraging new ministry for the church and has cemented the position of some newer attendees.

We also continued our journey through Dante's Divine Comedy, led by Minister Ewan King, as part of our digital ministry. This ongoing pilgrimage, conducted over Zoom, offered participants an opportunity for learning and reflection as we explored the redemptive themes of Dante's epic poem.

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Theresa Thom, Susan Le Quesne and Ewan King continued to represent our church in the Churches Together in Hampstead group. We once again helped run (and participated in) a successful Churches Together Quiz, which took place at Rosslyn Hill Chapel and raised money for a children's centre down in Camden Town.

Heini King was commissioned to do a painting of the church, which she completed; it now hangs in the vestibule.

Signed on behalf of the Church's Trustees

Name *EJ King*
Date *3/5/24*

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GENERAL CHURCH FUND	2023	2022
RECEIPTS	£	£
Weekly offerings, standing orders, Gift Aid refunds	13 036	11 822
Space hire: community groups & musicians	9 947	7 575
School rent for "rear rooms" (Note 1)	51 578	0
School's hall hire	47 406	39 559
Scammell Fund (Note 2)	255	247
J Harvey Memorial Fund	13	13
COIF Charity Deposit Fund interest	5 640	1 350
Bank interest	43	39
Insurance claims	19 495	123
Sale of piano (Note 3)	0	10 000
Donations	1 339	1 393
Total ordinary receipts	148 752	72 122
 Payments		
Minister's stipend and on-costs	30 359	28 588
Manse running costs	5 556	6 084
Relief ministers' expenses	683	672
Music ministry	15 995	14 920
Children's ministry	7 410	8 682
Caretaking	7 970	8 640
Sunday music	5 885	4 596
Church running costs (heat, light, cleaning, etc)	12 725	11 547
Church communications (tel., IT, publicity, etc)	5 351	5 297
Church subscriptions & donations	382	395
Church events	5 618	3 690
Miscellaneous items	337	237
Insurance refunds paid out	19 495	0
Governance	290	650
Bank charges	60	87
Total ordinary general payments	118 115	94 086
 Net at 31 December 2023	 30 637	 -21 964

- Note 1 An adjustment has been made during 2023 to reallocate General Church income shown in 2022 as part of the Property Fund. Income from letting rooms at the rear of the Church basement is now identified as contributing to the Church's General Fund, while income from letting the adjacent building, 84A Heath Street, is allocated to the Property Fund. This year's figures show the correct allocation for 2023 and an adjustment for 2022. There is no change in total income. Our External Examiner is satisfied that this accurately amends an earlier error in presentation.
- Note 2 Scammell Ministerial Endowment is held in trust by London Baptist Property Board. At 31 December 2023 its value was £4,276 (2022, £4,379). Its income is given to Heath Street for Minister's expenses.
- Note 3 The Church accepted a generous offer in 2022 to sell our piano and lease an alternative at a peppercorn cost.

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PROPERTY FUND	2023	2022
	£	£
Receipts		
Rent income (Note 1)	119 164	139 412
Stonework project: donations incl Gift Aid	1 569	32 569
Stonework project: grants received (Note 2)	4 396	31 789
COIF Charity Deposit Fund interest	7 235	2 768
London Baptist Property Board interest	1 585	529
Refund of School insurance premium	2 684	2 468
Insurance claim	1 990	0
Total receipts	138 624	209 534
Payments		
Repairs to Church	16 332	7 722
Stonework project incl professional fees	6 019	213 571
Repairs to school building	18 006	0
Manse repairs	1 847	575
Manse sale and purchase (note 3)	0	39 360
Manse loan repayments (note 4)	102 990	56 826
Insurance (Church, manse and school)	10 931	9 372
Insurance refund paid out	1 990	0
Other legal and professional fees	0	0
Total payments	158 114	327 427
 Net at 31 December	 -19 490	 -117 893

Note 1 See Note 1 on previous page.

Note 2 Grants were received from the Listed Places of Worship Grants Fund for VAT paid on this project.

Note 3 The 2022 figure represents 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 to reduce the loan, arranged for £500,000 to assist with the purchase of Heath Street's new manse, to be repaid in full over ten years. The 2023 figure represents four quarters of capital and loan repayments plus an additional payment of £25,000 capital. Interest rates increased with bank rate in each quarter of 2023

SPECIAL FUNDS & COLLECTIONS 2023

	b/f	Income	Expenditure	Balance
		£	£	£
Heath Street Refugee Support (Note 5)	7 100	2 588	4 408	5 279
Raising funds to support local families				
Contact Club	545	696	274	967
Funds held				
Church concerts (Sunday Sundown) (Note 6)	0	4 561	5 302	-740
Donations and Gift Aid received				
Baroquestock (Note 7)	39	10 590	10 629	0
Funds raised and used for music events				
Support for Syria	0	150	150	0
Funds raised at a concert in January 2023				
Hampstead Community Choir	0	327	327	0
Proceeds of St Cecilia's Day concert				
Grand total	7 683	18 913	21 090	5 506

Note 5 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 6 Funds are held for this project which offers food and friendship for homeless and vulnerable people. Volunteers from this Church, St Mary's RC church and others have run this Sunday evening event for decades at Heath Street Baptist Church.

Note 7 These figures represent donations by people attending concerts and contributions to musicians. The deficit will be rectified in early 2024 when further settlement of income has taken place.

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STATEMENT OF ASSETS AND LIABILITIES AT 31 DECEMBER 2023

	2023	2022
ASSETS	£	£
Bank balance at year end	24 706	12 321
Short term deposits		
London Baptist Property Board	42 047	40 461
COIF Charities Deposit Fund income fund	116 500	136 500
COIF Charities Deposit Fund property fund	100 500	85 500
Investments		
COIF Charities Investment Fund income units (James Harvey Memorial Fund)	483	442
COIF Charities Investment Fund income units (property account) (Note 1)	69 458	63 612
Loan to Mission Housing (Note 2)	25 000	25 000
TOTAL	378 693	363 837

REPRESENTING BALANCES ON THE FOLLOWING ACCOUNTS

General account	68 566	37 929
Property account	304 137	317 782
James Harvey Memorial Fund	483	442
Special account	5 506	7 684
	378 693	363 837

Note 1 There was an increase in capital value of £5,845.35 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 3, Heath Street Baptist Church undertook 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 2023 the balance owed was £390,214 (at end of 2022, £466,193). At the year end the interest rate was 6.5% (from 2.85% at the start of the loan in 2021).

Our buildings are held in trust by the London Baptist Property Board. The Church building is insured for £8,888,320 and the adjacent building for £1,245,540. The manse was purchased in 2021 for £1,646,500.

During 2022 the Church had to undertake a project, essential for safety, of renewing the stonework façade of the building. While some work at the lowest level of the building remains to be completed to restore detail and replace some damaged stonework, all the safety work and most of the restoration were completed. Expenditure in 2023 was for the 5% retained for 12 months when the work was finished. A last grant from the Listed Places of Worship fund reimbursed the Church for VAT on that sum.

School walkway project: provision is being made in 2024 for work on the south side of the Church building where a walkway providing access to the school building adjacent requires repair for safety and to avoid further deterioration.

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RESERVES

UNRESTRICTED FUNDS

The Deacons believe that a prudent level of unrestricted reserve should be set at six months of normal running costs, held in the General Church Fund. For 2024 we estimate this at approximately £60,000.

RESTRICTED FUNDS

At the end of 2023 the balances held as restricted funds were as follows:

	£	Where held
1 Lift and Access Fund	10 000	Property Fund
2 Organ Fund	920	General Fund
3 Contact Club	967	Special Funds & Collections
4 Refugee Welfare Fund	5 279	Special Funds & Collections
5 Church concerts	-740	Special Funds & Collections
5 Special collections	0	Special Funds & Collections
TOTAL	16 426	

DESIGNATED FUNDS

At the end of 2023 the balances held as designated funds were as follows:

	£	Where held
1 Cyclical maintenance, Church	50 000	Property Fund
2 Cyclical maintenance, School	10 000	Property Fund
3 Cyclical maintenance, Manse	7 500	Property Fund
4 Extraordinary repair fund (all)	100 000	Property Fund
5 Provision for further costs and fees for stonework repair	0	Property Fund
6 Expected School walkway work	20 000	Property Fund
7 Manse loan repayment (2024)	105 000	Property Fund
TOTAL	292 500	



**CHARITY COMMISSION
FOR ENGLAND AND WALES**

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

Section A

Independent Examiner's Report

Report to the trustees

Charity Name
HEATH STREET BAPTIST CHURCH

On accounts for the year ended

31 DECEMBER 2023 Charity no (if any) **1178001**

Set out on pages

6-9 (remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended DD / MM / YYYY.

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

[The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of [insert name of applicable listed body]]. Delete [] if not applicable.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below *) 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.

* Please delete the words in the brackets if they do not apply.

Signed:

DR

Date:

23/2/2024

Name:

DEREK JOHN BAKER

Relevant professional qualification(s) or body

INSTITUTE OF CHARTERED ACCOUNTANTS (ver'd)