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www.heathstreet.org

Registered charity number: 1178001

Minister: Revd Ewan J King

Deacons: Annie Fang

Sarah Harper

Gaynor Humphreys (Treasurer)

Wilf Merttens (Secretary)

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2021**

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
10 Aldersgate Street
London EC1A 4HJ

Legal status

Heath Street Baptist Church is a Charitable Incorporated Organisation
(registered on 18 April 2018)
Charity Registration Number 1178001

Church Safeguarding Officer

John-Henry Baker

Public benefit

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. In normal circumstances we provide activities and services directly each week to local children, from babies to young teenagers, and to homeless and vulnerable people. During some of 2021, national and regional lockdowns made it impossible to run these services but, as is detailed in the following report, services (online as necessary) and pastoral care and support were offered throughout the year.

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2021**

HEATH STREET BAPTIST CHURCH, HAMPSTEAD

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.

SECRETARY'S REPORT

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, visitors to Hampstead, and by online participants in our services.

In 2021 our services of worship were held when possible on Sunday morning at 11 a.m. in the church. During lockdowns we replaced physical gathering with worship hosted online, followed by coffee and chat over Zoom. Our Minister Ewan King has supported many young people to play and sing worship music on a Sunday morning.

During a difficult year for musicians, our Music Outreach Officer, John-Henry Baker, supported them by offering church space and his expertise in recording. This supported careers and creativity at a time when normal performances could not take place. Our Children's Worker Wilf Merttens continued our children's Sunday Club where possible and other activities for children, going online where children were not able to attend in person because of the pandemic. He also produced a YouTube storytelling series on the book of Judges, with help from John-Henry Baker. Laura Somers joined our staff team during the year as part-time caretaker, keeping the church spaces tidy and undertaking or commissioning repairs.

Old Time Nursery restarted and began to rebuild a clientele of babies, toddlers and carers. Ewan, John-Henry and Godfrey play and entertain at a very high standard, and the group retains an excellent reputation in the local area.

The Contact Club restarted in 2021 when it was felt to be legal and safe to do so. However, it had to close again due to the rise in cases in the winter season. The volunteers opened again at the earliest opportunity in 2022.

Baroquestock once again held a music festival in the church this year, a success with all events highly commended by the attendees. John-Henry and his Baroquestock colleague Nicola Barbagli were supported by volunteers from the church community. Storytelling from Wilf was part of the billing for the final night. The Italian Cultural Institute provided some direct financial support.

The Diaconate continued to meet at least monthly. Julie Benoit often attended Deacons' meetings this year.

HEATH STREET BAPTIST CHURCH ANNUAL REPORT AND ACCOUNTS 2021

Heath Street has continued to support and help resettle two families of refugees who are members of our church, with further advice and aid being offered to other refugees who sought help or joined the church's community.

In 2021 we received Zahra Safaryazdi, Emad Eisapour, Frida King, and Tom and Fiona Shaw into membership. This year also saw the baptisms of Zahra, Emad and also of Frida King. As Ewan, who normally conducts baptisms, is Frida's father, we invited Rev'd Jeremy Fletcher from the parish church of St John-at-Hampstead to conduct the ceremony.

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. The booklet that provided the words for the hymn was beautifully illustrated by Laura Somers.

Easter came just after a national lockdown, and consequently we did not put on a passion play or host a mission trip. However, the children had a holiday club at the church, Wilf Merttens (with the help of many in the church community) organised an online Easter egg hunt, and we put on worship services and musical events for our paschal celebrations.

2021 also saw a major learning series curated and led by our Minister Ewan King. He selected a theology lecture on YouTube for every week of the year, with each talk being accompanied by a Gospel song chosen from a YouTube mix compiled by Matthew Merttens. Participants watched the lectures and then met on a Friday for discussion. Ewan King commented on the videos and sparked the discussions.

Theresa Thom, Susan Le Quesne and Ewan King continued to represent our church on the Churches Together in Hampstead group which supports the family of Syrian refugees brought to safety by the community sponsorship scheme. In the autumn CTiH also organised a quiz to raise money for Afghanistan. Wilf Merttens compered the evening and Ewan King provided music on the piano but the Heath Street team failed to triumph!

As we approached Christmas, we began our Advent series of online worship, meeting every night at 9 on Zoom to read and sing a short compline. The order of service was designed and printed by John-Henry Baker.

We had various lunches as a church, including at Harvest festival, Christmas, and to mark the baptisms of Zahra and Emad. Due to the multicultural blessings of our congregation, each gathering found us sharing European, Eritrean, Korean and Persian dishes.

Christmas saw us worshipping together in the church for midnight mass and again on Christmas morning. A nativity video was produced by the children and young people of the church, with an improvised score by organist Bill Carslake and bassist Anselm King.

TREASURER'S REPORT

On the following pages are the income and expenditure accounts and balance sheet for the Church for the financial year 2021. The following brief notes highlight some key points and look ahead.

The continuing effect of COVID-19 meant that 2021, while less turbulent than 2020, was still financially challenging for the church. We were grateful for our new tenants in the School building, Heathside School, whose rental payments were impeccably regular.

From the Treasurer's perspective, interruptions to regular weekly services in the building, and some members of the congregation still shielding or in and out of self-isolation, meant another decrease

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2021**

in weekly offerings, making this figure more disappointing than the previous year's. We continue to be specially grateful to people who give through weekly, monthly or quarterly standing orders and for others who make a bank transfer when they are at services, or at key points in the year. One donor, not a church attender, but grateful for our programme of recitals, made a one-off donation matched by his employer, amounting to £2,000. Hire of our space by other congregations, and other regular and occasional groups, for singing sessions, concerts and even ceilidhs showed "normal" life coming back to Hampstead and boosted our income very helpfully.

A big investment was made in the year – selling the two-storey flat which had been provided for some years as the manse and buying and renovating a three-storey house in Gospel Oak. The renovation inevitably took longer than we planned and the King family coped with temporary accommodation for many months but they were able to move into the new manse at the start of 2022 and the Deacons believe that this is an investment in the long-term interests of the church. We have taken on a ten-year loan from the London Baptist Property Board and will need all our sources of income to be maintained and strengthened to ensure we can pay down the loan over the period.

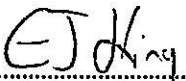
As 2022 starts, we face a daunting challenge. Our stonework facade has begun to crumble and the risk of this continuing or worsening could not be ignored. We have had to engage in a contract to check for all vulnerable areas of the Bath stone, right up into the two spirelets and, while we are about it, to clean the facade and restore some of the erosion and damage inevitable over 160 years. The end result should transform our part of Heath Street and really show our neighbours and visitors our confidence in and commitment to our mission.

We have made plans as prudently as possible to cope with this new challenge but the financial demands will be tough and without extra help will use our hard-saved reserves almost completely. We need to ask everyone who loves and appreciates Heath Street – our work and our building – to dig deep to help us. The other Deacons and I will be very happy to talk to anyone able to help.

The Deacons offer their thanks to Derek Baker for his thorough work on the accounts as our Independent Examiner, which he does on a voluntary basis. See his statement on the last page of this Report.

Reserves policy: restricted and designated funds are set out at the end of the following accounts. In addition, a general reserve of some six months running costs has been accepted as prudent by the Deacons.

Report and accounts approved by Trustees and signed on their behalf by


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Rev'd Ewan J King, Chair of the Diaconate, 7 March 2022

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2021**

GENERAL CHURCH FUND

RECEIPTS	2021	2020
	£	£
Weekly offerings, standing orders, Gift Aid refunds	9,025	9,499
Use of Church rooms	56,440	28,300
Scammell Fund (note 1)	221	200
J Harvey Memorial Fund	13	9
COIF Charity Deposit Fund interest	18	289
IT refund	10	0
Insurance refund	258	3483
Donations	3,350	85,860
Total General Church Fund receipts	69,335	127,640
PAYMENTS		
Minister's stipend and on-costs	27,997	27,798
Manse running costs	3,591	4,345
Relief Minister's expenses	403	482
Music ministry	14,805	14,440
Children's ministry	11,692	9,422
Sunday music	2,723	3,845
Church running costs (heating, lighting, cleaning, etc)	13,295	14,598
Church communications (IT, telephone, publicity, etc)	5,530	4,405
Church subscriptions and donations	387	803
Church events	1,422	3,593
Miscellaneous items	578	578
Governance	787	290
Refunded donation	0	100
Bank charges	98	60
Total General Church Fund payments	83,308	84,759
Net at 31 December 2021	-13,973	42,881

Note 1 Scammell Ministerial Endowment is held in trust by the London Baptist Property Board. At 31 December 2021 its value was £4,637 (in 2020, £4,096). Its income is given to Heath Street for Minister's expenses.

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2021**

PROPERTY FUND

RECEIPTS	2021	2020
	£	£
Rent income (note 1)	151,030	127,794
COIF Charity Deposit Fund interest	1,883	2,168
London Baptist Property Board interest	59	113
Refund of school insurance premium	2,842	2,699
Total Property Fund receipts	155,815	132,774
 PAYMENTS		
Repairs to Church building	16,252	9,126
Repairs to school building	0	930
Manse repairs	939	5,022
Manse sale and purchase (note 2)	124,886	0
Manse loan repayments (note 3)	2,733	0
Insurance (Church, school and manse)	8,521	7,530
Legal and professional fees	2,676	11,713
Total Property Fund payments	156,007	34,321
 Net at 31 December 2021	 -192	 98,453

Note 1 An underpayment of rent by Heathside School in 2020 was rectified at the start of 2021.

Note 2 This figure includes net proceeds from the sale of the old manse and purchase of 63 Agincourt Road, all remedial work undertaken at the new manse, legal and professional fees directly related to the exercise, and temporary accommodation, storage and removal costs for the Minister's family.

Note 3 A first instalment of loan repayment to the London Baptist Property Board (LBPB) against a loan of £500,000 to assist with the purchase of our new manse, to be repaid in full over ten years. The manse is held in trust by the LBPB. In 2021 interest was charged at 2.85%. Capital repayment will begin in 2022.

SPECIAL FUNDS AND COLLECTIONS 2021

	b/f	Income	Expenditure	Balance
Heath Street Refugee Support (note 4)	5,159	6,813	8,492	3,480
Raising funds to support local families				
Contact Club (note 5)	764	100	146	718
 Baroquestock (note 6)	 0	 1,563	 1,563	 0
Funds raised and used towards music festival				
Panzi Hospital DRC	50	0	0	50
Funds raised to support its work				
Grand total	5,973	8,476	10,201	4,248

Note 4 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 5 Funds held for this project which offers food and friendship for homeless and vulnerable people

Note 6 Donations received towards one of the annual programmes and payments made to musicians

**HEATH STREET BAPTIST CHURCH
ANNUAL REPORT AND ACCOUNTS 2021**

STATEMENT OF ASSETS AND LIABILITIES AT 31 DECEMBER 2021

ASSETS	2021	2020
	£	£
Bank balance at year end	69,271	10,220
Short term deposits		
London Baptist Property Board	39,932	39,873
COIF Charities Deposit Fund income fund	161,500	146,500
COIF Charities Deposit Fund property fund	165,500	255,500
Investments		
COIF Charities Investment Fund income units (James Harvey Memorial Fund)	500	438
COIF Charities Investment Fund property units (property account) (note 1)	71,983	63,040
Total assets	508,686	515,571

REPRESENTING BALANCES ON THE FOLLOWING ACCOUNTS

General account	59,893	73,866
Property account	444,045	435,294
James Harvey Memorial Fund	500	438
Special account	4,248	5,973
Total	508,686	515,571

Note 1 The increase in capital value on this Fund (£8,942.50 in the course of the year), as advised by CCLA, is reflected above in the Property account

LIABILITIES

As noted on the previous page in Note 3, Heath Street Baptist Church negotiated a loan of £500,000 to assist with the purchase of our new manse, to be repaid in full over ten years. The manse is held in trust by the LBPB. In 2021 interest was charged at 2.85% and we have been advised that from 1 February 2022 this will rise to 3%. Capital repayment will begin in 2022 and is payable quarterly from 1 April 2022, amounting to £37,501 by the end of the financial year at a rate of 10% of the loan per annum.

The balance owed by Heath Street Baptist Church at 31 December 2021 was £503,609 (i.e. the full capital value and one quarter's interest due and subsequently paid).

Our buildings are held in trust by the London Baptist Property Board. The Church building is insured for £6,458,497 and the adjacent school building £994,232. The manse we sold during 2021 (the top flat at 43 Denning Road, NW3) achieved a sale price of £1,160,000 and the new property purchased for our Minister's family was bought for £1,646,500.

The Church is also committed to starting a project essential for safety of renewing the stonework facade of the building. This will begin in February 2022 and estimated costs are in the region of £150,000 in 2022. Every effort will be made to raise funds to contribute to this challenging amount.

HEATH STREET BAPTIST CHURCH ANNUAL REPORT AND ACCOUNTS 2021

UNRESTRICTED FUNDS

The Deacons believe that a prudent level of unrestricted reserve should be set at six months of normal running costs. For 2022 we estimate this at approximately £66,000.

RESTRICTED FUNDS

Within the balances on the previous page, the following are held as restricted funds:

	01-Jan-21	31-Dec-21	Where held
	£	£	
1 Lift and Access Fund	60,000	60,000	Property Fund
2 Organ Fund	1,710	1,710	General Fund
3 Contact Club	764	717	Special Funds & Collections
4 Refugee Welfare Fund	5,159	3,480	Special Funds & Collections
5 Special collections	50	50	Special Funds & Collections
TOTAL	67,683	65,957	

DESIGNATED FUNDS

Within the balances on the previous page, the following are held as designated funds

	01-Jan-21	31-Dec-21	Where held
	£	£	
Cyclical maintenance, Church	75,000	75,000	Property Fund
Cyclical maintenance, School	15,000	10,000	Property Fund
Cyclical maintenance, Manse	10,000	5,000	Property Fund
Extraordinary repair fund	100,000	150,000	Property Fund
Lift and Access Fund	50,000	0	Property Fund
Provision for loan to Mission Housing	0	25,000	Property Fund
Provision for manse loan repayment (2022 and 2023)	100,000	120,000	Property Fund
TOTAL	350,000	385,000	



CHARITY COMMISSION
FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Report to the trustees/
members of

Heath Street Baptist Church

On accounts for the year
ended

31 December 2021

Charity no
(if any)

1178001

Set out on pages

5 - 8

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 December 2021.

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:

29 January 2022

Name:

Derek John Baker

Relevant professional
qualification(s) or body (if
any):

F. C. A. (retired)

Address:

51 Meadway, Southgate, London N14 6NJ