



**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 2018**

Minister: Revd Ewan J King

**Deacons: Ms Annie Fang
Mrs Gaynor Humphreys (Treasurer)
Mr Wilf Merttens (Secretary) from 1 April 2018
Mrs Theresa Thom (Secretary) to 31 March 2018**

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 by, 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.

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.

Report on activities in 2018

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 small regular congregation is often joined by newcomers and visitors to Hampstead. Weekday activities draw in large numbers of local people and the church has become a local hub especially for music and children's activities.

Our services of worship continue to be held every Sunday morning at 11 a.m. and include both traditional and contemporary music. There are activities for children at most services and we have a dedicated and qualified Children's Worker.

The Diaconate began the year with three Deacons, Annie Fang, Gaynor Humphreys (Treasurer) and Theresa Thom (Secretary) and meetings were chaired by our Minister, Ewan King. On Easter Sunday, Wilf Merttens was installed as a Deacon and he took over the role of Secretary. Theresa gradually transferred her duties to him. Theresa maintains her role in the Contact Club, and her various roles in church housekeeping. Her period of service as Secretary was greatly appreciated by her fellow Deacons and the wider congregation.

John-Henry Baker, a Church member who helps run Old Time Nursery, our twice weekly musical session for small children, and arranges free weekly lunchtime recitals on Tuesdays, is employed by the Church in the part-time post of Music Outreach Coordinator, for an initial two-year period.

Wilf Merttens continues to run our children's Sunday Club and other creative events for children and adults. Wilf was also heavily involved in the successful community sponsorship bid made by Churches Together in Hampstead. A family of Syrian Refugees are now cared for by the group, and Church Member Theresa Thom is involved with the creation of a second CTiH group, which plans to sponsor a second family.

Alimohammad Ghasempour was baptised this year. Leila Ranjpur, Ali's wife, and their son Elya have also been regular attendees, and the church has supported them as they have sought and won asylum. Church members continue to support them with employment, housing and education concerns.

Judith Peak, our church organist for several years, retired from this role in May 2018.

We are grateful to church member Robin Thorne who is the Administrator of our website, www.heathstreet.org.

Welcomed into membership in 2018 were Konrad Biadun, Laura Somers, Jennifer Finamore and Christina Cairns. Christina's new baby Leila was blessed in the service of October 28th. Sadly for us the family moved back to the States soon after this in November.

A rich programme of services and events continues to be offered at Heath Street throughout the year and, especially, at Easter and Christmas. At Easter 2018, as in the previous year, the Church hosted a visit by a group of Austrian Baptists who helped the children put on an immersive-theatre passion play.

Fellowship was also shared at special Harvest and Christmas lunches.

Harvest saw us again collecting for refugees (along with New End School), this year striking up a relationship with the Maria Skobtsova house in Calais, through Simon Jones, vice principal of Spurgeon's College.

Our sermon series inspired by Shakespeare's "7 Ages" as taken from *As You Like It* was a great success. Dr Minlib Dallh of Regent's Park College Oxford preached on the subject of the Lover, and our children's worker Wilf Merttens preached on the subject of the school child. All others were preached by Minister Ewan King.

The works on our vestibule were completed, and the refurbishment has greatly improved the space, making the church more welcoming and less cluttered.

Our work on getting funding for the lift to the lower hall continues. In 2018 we worked with professional bid writer Felicity Green to make a bid to City Bridge Trust. We delayed submitting the bid as we wanted to also enter a bid for the Hampstead CIL fund, thinking that winning the latter could make the former bid all the stronger. We lost out in the CIL fund, despite a successful campaign to win the votes of local people. 2019 will see us push on with the project and submit our bid to the City Bridge Trust.

The scale of activity in the church made it essential that Heath Street change its legal status from being an "excepted charity" to formal registration with the Charity Commission. With the full support of church members, the Deacons applied for the church to be registered as a Charitable Incorporated Organisation (CIO) and achieved this on 18 April 2019. The new constitution was framed for minimal change in Heath Street's structures and decision-making processes but it does mean that the church is now a legal entity in its own right.

Note to financial report 2018

On the following pages are the income and expenditure accounts and balance sheet for the Church for the financial year 2018. The following brief notes may assist in clarifying these.

Heathside Preparatory School continues to lease from the Church the school premises which we own immediately south of the Church building and part of the lower ground floor of the main building. A rent review was due before the final five year period of the current lease. This should have been finalised by August 2017 but had not been completed at the time these accounts were examined and may need to proceed to arbitration. The Church's Trustees believe that it is prudent not to accrue a figure estimating a new rent level.

The Church received a legacy of £2,000 from the estate of Mrs Margaret Smith, a former Church member, Deacon and Secretary, who is much missed.

Four projects were undertaken this year which involved investment from Church funds:

- The entrance porch and circulation area, the vestibule, were thoroughly overhauled (for the first time in 50+ years), with new lighting, flooring and decoration. There has been a warm response to the new bright, welcoming appearance. Several members of the congregation made specific donations towards this work.
- In a previous year the congregation had earmarked £10,000 for the purchase of a high quality new piano for the sanctuary and an opportunity came at auction to buy a Steinway grand piano, which has made an appreciable difference both to services and recitals. A generous supporter of our music at the Church added £500 towards the cost.
- A new soft play area has been created in a corner of the sanctuary to allow babies and toddlers some secluded space to play during services, allowing their parents and carers to supervise them and participate in worship. Thanks especially to Heini King and Wilf Merttens for making this happen.
- We also took a first step towards more responsible environmental stewardship of our building and its activities, by undertaking an eco-audit which has provided guidance on all aspects of our use of the building and how it can be improved. Only small changes have as yet been made but the audit provides many ideas for improvement, some of which will take time, effort and money to implement. The Deacons and wider congregation are keeping this under regular review.

We have not yet been able to undertake comprehensive improvements to the accessibility of the building, especially through our ambition to install a lift between the lower and ground floors. Plans have been prepared and listed building consent obtained but much fundraising is still needed.

We must express our thanks to all those regular worshippers at the Church and occasional users of our services who make financial contributions towards our routine costs. Our estimated day to day running costs in 2019, quite apart from regular and emergency maintenance and improvements, is around £250 per day, and every pound donated (especially when the giver lets us add Gift Aid) is hugely valued.

We are grateful to Derek Baker for acting as Independent Examiner of the accounts, on a voluntary basis. See his report on the last page.

Income and Expenditure accounts for year ended 31 December 2018

GENERAL CHURCH FUND	2018	2017
RECEIPTS	£	£
Weekly offerings and standing orders	10,338	9,090
Use of Church rooms (Note 1)	47,371	35,783
Scammell Fund (Note 2)	235	223
J Harvey Memorial Fund	12	12
COIF Charities Deposit Fund interest	408	268
Donations (Note 3)	2,480	394
Total receipts	60,844	45,770
Payments		
Minister's stipend and on-costs	26,081	25,535
Manse running costs	3,878	3,708
Relief ministers' expenses	538	729
Music ministry	13,484	18,641
Children's ministry	4,209	2,181
Sunday music	5,358	4,956
Church running costs (heat, light, cleaning, etc)	13,498	13,349
Church communications (tel., IT, publicity, etc)	5,343	2,956
Church subscriptions and donations	1,982	535
Church events	0	1,250
Miscellaneous items	1,208	153
Bank charges	60	60
Total payments	75,639	74,053
Net at 31 December	-14,795	-28,283

Note 1 One off lettings and regular use of Church space by community-based groups and choirs

Note 2 Scammell Ministerial Endowment is held in trust by London Baptist Property Board. At 31 December 2018 its value was £4,734. Its income is given to Heath Street for Minister's expenses

Note 3 £2,000 of this figure was a legacy from Mrs Margaret Smith

The Church buildings and the manse, a two-storey flat in Denning Road, are held in trust by the London Baptist Property Board and their capital value is: Church buildings: £3,888,514 (insured value); and manse £995,000 (cost of purchase).

Income and Expenditure accounts for year ended 31 December 2018 (cont.)

PROPERTY FUND	2018	2017
Receipts	£	£
Rent income (Note 1)	67,000	67,000
COIF Charity Deposit Fund interest	2,205	1,950
London Baptist Property Board interest	252	148
Refund of insurance from Heathside School	1,890	1,789
Donations for vestibule refurbishment	911	0
Donation towards purchase of piano	500	0
Legacy	0	50,000
Total receipts	72,758	120,887
 Payments		
Repairs to Church	24,189	11,988
Lift and access project (Note 2)	1,131	10,357
Vestibule project (Note 3)	18,530	1,368
New piano (Note 4)	11,825	0
Eco-Church (Note 5)	650	0
Soft play area	2,998	0
Repairs to school building	156	0
Manse costs	6,895	2,313
Insurance (Church and school building)	7,132	6,720
Legal and professional fees	2,149	1,200
Total payments	75,655	33,946
 Net at 31 December	 -2,897	 86,942

- Note 1 A rent review in relation to Church premises leased by Heathside School was due by August 2017 at the start of the last five years of the lease. This had not been concluded by the end of the 2018 financial year
- Note 2 Preparatory work was done for this project in 2017 and small associated expenses incurred in 2018. Effort is being put into fundraising for this much wanted improvement in accessibility within the building
- Note 3 The Church porch and vestibule were refurbished during the year, including considerably improved lighting and floor covering
- Note 4 With the agreement of Church members investment was made, with informed advice, in a Steinway grand piano, bought at auction
- Note 5 As a first step in a commitment to improving environmental responsibility in the running of the church building, an eco-audit was commissioned from 3 Acorns consultancy

SPECIAL FUNDS & COLLECTIONS 2018

	b/f	Income	Expenditure	Balance
	£	£	£	£
Contact Club				
Funds held (Note 1)	878	5	0	883
Coffee mornings				
Raising funds for Camden AgeUK	43	0	0	43
Panzi Hospital DRC				
Funds raised in 2017 and 2018 to support this work (sent via the Panzi Foundation, based in USA)	446	695	486	655
Grand total	1,367	700	486	1,581

Note 1 Contact Club: this Club for lonely and vulnerable people in our community is a joint project with the Roman Catholic Church of St Mary, Hampstead. Heath Street Baptist Church holds the Club's funds as a restricted fund, only to be used at the direction of the Club's Treasurer.

STATEMENT OF ASSETS AND LIABILITIES AT 31 DECEMBER 2018

ASSETS	2018	2017
	£	£
Bank balance at year end	20,809	28,539
Short term deposits		
London Baptist Property Board	39,444	39,192
COIF Charities Deposit Fund Income Fund	101,500	101,500
COIF Charities Deposit Fund Property Fund	123,500	133,500
Investments		
COIF Charities Investment Fund income units (James Harvey Memorial Fund)	349	359
COIF Charities Investment Fund income units (property account) (Note 1)	50,139	51,692
TOTAL	335,741	354,782
 REPRESENTING BALANCES ON THE FOLLOWING ACCOUNTS		
General account	73,568	88,363
Property account	260,243	264,693
James Harvey Memorial Fund	349	359
Special funds and collections account	1,581	1,367
TOTAL	335,741	354,782

Note 1: There was a decrease in capital value on this Fund in the course of the year, as advised by CCLA and this is reflected above in the Property Account.

RESERVES POLICY

The designated funds below are being built up to a prudent level based on the beginnings of quinquennial planning (the first full plan to be completed in 2019). In addition a free reserve is retained to allow for roughly 12 months of general running costs, which the Deacons believe to be a minimum advisable level.

MOVEMENT IN RESTRICTED AND DESIGNATED FUNDS

Restricted

	Fund name	1 Jan 2018	Income	Expenditure	31 Dec 2018
		£	£	£	£
1	Lift and Access Fund	60,000	0	0	60,000
2	Organ Fund	1,710	0	0	1,710
3	Contact Club	878	5	0	883
4	Special collections	489	695	486	698
TOTAL		63,077	700	486	63,291

Designated

1	Cyclical maintenance (Church)	12,500	37,500	0	50,000
2	Cyclical maintenance (School)	10,000	2,500	0	12,500
3	Cyclical maintenance (Manse)	7,500		0	7,500
4	Extraordinary repair fund (all buildings)	25,000	50,000	0	75,000
5	Lift and Access Fund	50,000	0	0	50,000
TOTAL		105,000	90,000	0	195,000

Report of the Independent Examiner to the Deacons of Heath Street Baptist Church

On the accounts for the year ended 31 December 2018

Respective responsibilities of Trustees and Examiner

The Church's Trustees are responsible for the preparation of the accounts. The church's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the church and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which give me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act or
- the accounts do not accord with the accounting records

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

Signed by the Examiner

D J Baker

Date 27/1/2019

Name Derek John Baker

Relevant Professional Qualification(s) or body

FCA retired

Address 51 Meadway
Southgate
London
N14 6NJ