

HEART ANNUAL REPORT 2020



headingley enterprise and arts centre

CHAIR'S INTRODUCTION – Richard Norton

I set myself the task, when reflecting on how to describe HEART's 2020, of avoiding words like *unprecedented* and *strange* (usually to be found before the word *times*). It is, though, a very hard task to pull off, since our business year, which started with great promise in October 2019, came to a juddering halt in March 2020 when, like most enterprises, HEART had to close its doors under the rules brought in to tackle the Covid pandemic. While this was, naturally, a blow in business terms, our first concerns were for our staff, our users, and the wider community. We sought out the support available at national and local level, and are very grateful for the financial support received from the government, Leeds City Council and Power to Change, as well as from Headingley Development Trust which deferred loan repayments in the later part of the year. We were able to top up the wages of furloughed staff into the summer, as the Board was determined to recognise the

resilience, commitment, and innovation of every member of staff, who have all helped keep HEART so relevant and vibrant. We increased our social media activity, and, when it was possible to re-open our gates, were able to offer welcome and attractive "outdoor living", with our new gazebo and "bubble evenings" and other outdoor events proving hugely popular. In a year characterised by grief and loss and isolation, there were still some rays of bright hope. It was clear from the number of customers over the summer and the feedback we received that the community saw HEART as a safe haven in a confusing and dark world, and were reassured and comforted by the care that Mike Bird and his colleagues had put into making the centre Covid-secure. It was also clear that people wanted to experience human connections again, but wanted the right kind of social interaction. For us that meant making the very most of one of HEART's key assets – its outside space.

Al fresco dining!



We are taking the learning from this part of "life under lockdown" and developing ideas to do even more with that space as part of our 10th anniversary planning. Another cause for new optimism is people's keenness to stay local. Whether it is the work Zero Carbon Headingley is doing on 15-minute neighbourhoods, or the bumper trading year the Headingley Greengrocer has had, or the "buzz" at every Farmers' Market, the concept of building strong, friendly communities capable of meeting many of our needs within walking or cycling distance is perhaps even more powerful now than it was when Headingley Development Trust began in 2005. HEART has a major part to play in meeting that desire for localness. It gives us a firm foundation on which to ground our second decade.

We finished the 2019-2020 financial year making a small loss. However, whilst that does

matter, what matters as much, if not more, is that we have been able to be a decent employer, have doubled our efforts to offer a safe and cheerful space, and have maintained our focus on sustainability, mutuality, localness and well-being. None of this would have been possible without the support of our staff – so brilliantly led by Mike Bird – our volunteers, our customers and users and to all of you, our loyal, patient and generous friends.

Here's to calmer, safer and saner 2021.

Other Board Members:

Janet Matthews – Treasurer

Liz Westmorland

Isobel Mills

Atam Verdi

Tim Goodall

Kerri Graham

MANAGER'S REPORT – Mike Bird

Well, what a challenge this year has been! Who could have foreseen the changes and upheaval we would all go through when our financial year began in October 2019? HEART actually had its best ever financial month in February, and then things changed completely as we went into lockdown for three months, with a gradual reopening but many restrictions – particularly on room hire – affecting our income. However, through this time we kept positive and upbeat and found the support of our community and friends to be a continued tonic. The marvellous Sophie, thrown into a marketing role, did a wonderful job in keeping our presence high with social media content. Many people posted comments, interacted with the content or, indeed, provided content for us to use on Facebook etc. We also received many donations through our Crowdfunder which we were right to call “Your Support Keeps Us Going”. When we did reopen, we saw this support even more as the café – trading ‘al fresco’ – proved a huge success and, we received so much positive feedback through our Customer Survey with, overwhelmingly, comments in favour of the processes we had put in place to make us ‘Covid Secure’.

At the beginning of the year we took the decision to put all Assembly staff on permanent contracts and, for the first time, were able to pay all staff

above the minimum wage. In what has been a challenging year for HEART staff their commitment, enthusiasm and desire to ‘make things work’ has been, for me, the most positive thing of 2020.

Sadly, in September, Anne left to return to North America. She was, and remains, such a part of HEART and it's no coincidence that our increased success over the past three years ties in with her time with us. We wish her well.

As ever, without our fabulous volunteers, we would not be here. Their keenness to return as soon as they were able and enthusiasm when they did so was wonderful to see.

We are now nearing our 10th anniversary and, due to Covid, some of our plans have been curtailed or delayed. However, there are many reasons to celebrate as we go into 2021. HEART has shown it can adapt and change and will continue to do that. Whether attracting new groups or events to HEART, or through our focus on the environment we strive to remain, with your support, at the HEART of our community.

TREASURER'S REPORT – Janet Matthews

HEART accounts 2020

Income and Expenditure account

This year HEART has made a loss of £2077, after three years of making a surplus. The loss reflects the impact of Covid on HEART since March 2020. Total turnover decreased by £110,000. Room hire and rental income reduced by £64,000 Cafe income reduced by £40,000 and Pulse by £5000. However donations increased by £6000. This year HEART received over £74,000 income from support and grants to alleviate the impact of Covid: the Coronavirus Job Retention Scheme of £36,872, a Business Support Grant of £25,000 and a Power to Change grant of £12,500. Cafe cost of sales were £1000 more than last year: cafe wages increased by £14,000 but other costs decreased by £13,000. Administrative expenditure was £1000 lower than last year. The main increases in expenditure were an increase in cleaning and repairs of £15,000 which includes the new guttering at a cost of £11000. There were decreases in expenditure on rates of £6000, utilities of £6000 and in other expenditure of £4000.

Balance Sheet

Fixed assets include the building value of nearly £1m which is the subject of a long term lease with Leeds City Council.

Creditors due after more than one year include

- the two loans from HDT totalling £325,000.
- Capital grants of £709,000 are grants received for the costs of building HEART; these are written down each year over the same period as depreciation on fixed assets.

PULSE

We received so much support from so many of our users – Aspire, The Games Club, U3A, Leeds Jazz Orchestra to name just a few – but, in particular, we'd like to thank our fantastic Pulse members. Their support both financially and around the Covid regulations we introduced made a massive difference to us and we look forward to welcoming them all back.

The following is from Tom, at New Business Relationships, one of our Pulse members:

I cannot thank-you personally enough for you and your FAB Management Teams huge support, clear communication, patience in abundance and help in the most difficult business year possible. Suspending membership fees during Lock-Down when all my revenue had temporarily stopped due to the nature of our b2b work, reopening at the 1st possible point and providing a safe environment for myself/ my staff to return to has been of invaluable help with HEART being a rock for myself and my business to *tether itself to* in the most difficult year probably feasible. No amount of business acumen could have foreseen a mass global pandemic which would affect the UK like it has. Being a micro business is hard enough in normal times and with the strike of Covid it could have easily wiped my whole business out, undoing the 4 years of hard work of building up a small business from nothing. Having survived 2020 with HEART's support, we now foresee an opportunity for exponential growth as the circa 2.5 million UK SMEs look to make up for lost sales and revenue in 2021. We will be repaying the loyalty HEART has shown to us and in 2021 we aim to fill as many full time seats in Pulse as possible.

Thanks again for your support in 2020!

HEART 10

HEART opened on 8 January 2011 with many celebrations and (justifiably) lots of pride in such a beautiful transformation of the old Bennett Road School. The architects and planners very cleverly retained some of the school features – staircase and railings, wooden panelling – whilst adding new features such as the mezzanine floor and wonderful spiral staircase in what is now Pulse, and linking all the buildings together under one roof – now the reception area.

Since opening HEART has faced many challenges but despite this has gone from strength to strength under the direction of its Board and the Managers. Mark Taylor was the first manager from 2011 – 2014, followed by Elaine Frances-Truett until 2016. Mike, manager from 2016 until now has overseen the most successful, and also the most difficult, period of HEART's life to date. Although the cafe initially opened under a franchise operation in 2011, the Board decided to take the cafe under the management of HEART itself within the first 6 months. After a year or two of struggling to find its niche the cafe is now a mainstay of HEART's income and daily operation, changing its name in December 2017 to Assembly Bar and Kitchen.

Music has always been at the centre of HEART's being – starting in 2011 with Jazz at HEART, a short time later providing a platform for young classical musicians with 'Classical Platform', and moving into regular, very popular weekly 'Tuesday Night Live' sessions in the cafe from May 2016. Alongside regular art exhibitions and the Film Club (2012) HEART has always provided an eclectic range of entertainment.

Other significant dates over the past 10 years include:

2014 – Winner of RICS Pro Yorkshire award for Community Benefit

2015 - Art Installation at the pedestrian gate

April 2018 – opening of The Green Yard

Autumn 2018 – refinancing of HEART's loan through the Headingley Investment Fund

October 2018 – opening of Tiny Boo

April 2019 – Sunday opening

Although the Covid pandemic made 2020 an extraordinarily difficult year, HEART has adapted by building a permanent gazebo in the courtyard and deciding to close the car park for the summer

and autumn so that there was traffic free space at the front of the building for outside eating, music and other outdoor events.

10th Anniversary year - 2021

HEART is now celebrating its first 10 years with a series of events that began with the planting of an olive tree on 8 January.

Tree planting – our Chair doing the honours!



Other significant events planned throughout the year include a number of music events, the commissioning of work from local artists to represent and hang in the meeting rooms, a wish tree in the reception area from January and the opportunity to discuss ideas from this and for HEART's next 10 years later in the year, a secret art raffle towards the end of the year – finishing with a new year's party at the end of the year. These and all the ideas are subject to change in the current circumstances.

We finish this section of the Annual report with a few words from staff past and present:

Elaine Frances-Truett, Manager 2014-16:

When I moved to Leeds I was looking for a role where I could get involved and become part of the local community. When the post for HEART came up I thought it would be perfect and HEART did not disappoint! I have so many happy memories of my time . . . the fantastic team of staff and volunteers, lovely Pulse members, the joyously varied groups who made HEART their home, delicious food from the café and good friends made. Happy 10th birthday HEART! I'm proud to be part of your story. Here's to many more successful years with HEART at the centre of the Headingley community.

HEART Annual Report 2020

Anne Romano, Customer Administration Manager 2016-2020:

When I moved to Leeds in 2015, I left my home and my children to accompany my husband as he pursued his dreams. In searching for something of my own in our new world I found HEART, and in the process, I found myself.

HEART is a unique place full of spirit and imagination. The commitment of everyone involved and the openness of the community to what they are trying to achieve makes HEART a very special place. For the four years I was involved, I saw HEART evolve from a "community Centre with a café" to a professional, community-focused gathering hub with an extraordinary restaurant and a powerhouse events venue. My experience as volunteer, employee, supporter, fan, devotee, and rabid admirer of HEART has brought me joy and personal fulfilment and I want to thank Mike and HEART board for giving me the best job I ever had. Here's to another 10 years!

Fay Clarricoates, Assembly Bar + Kitchen Supervisor 2019-present:

It's a privilege to be part of the 10th celebrations. I'm honoured to be part of this building's story and excited for its many years to come.

The Centre is a great place to work and I love spending my time here. I have the joy of engaging with the most amazing people every day. This core community hub is filled with enthusiasm for innovation. This always makes me think about the building's history and its position in the community. It was originally a base for learning and development. The essence of this endeavour is in the bricks and mortar to this day and it reinforces that we should treat every day like a school day.

A snow-covered HEART

