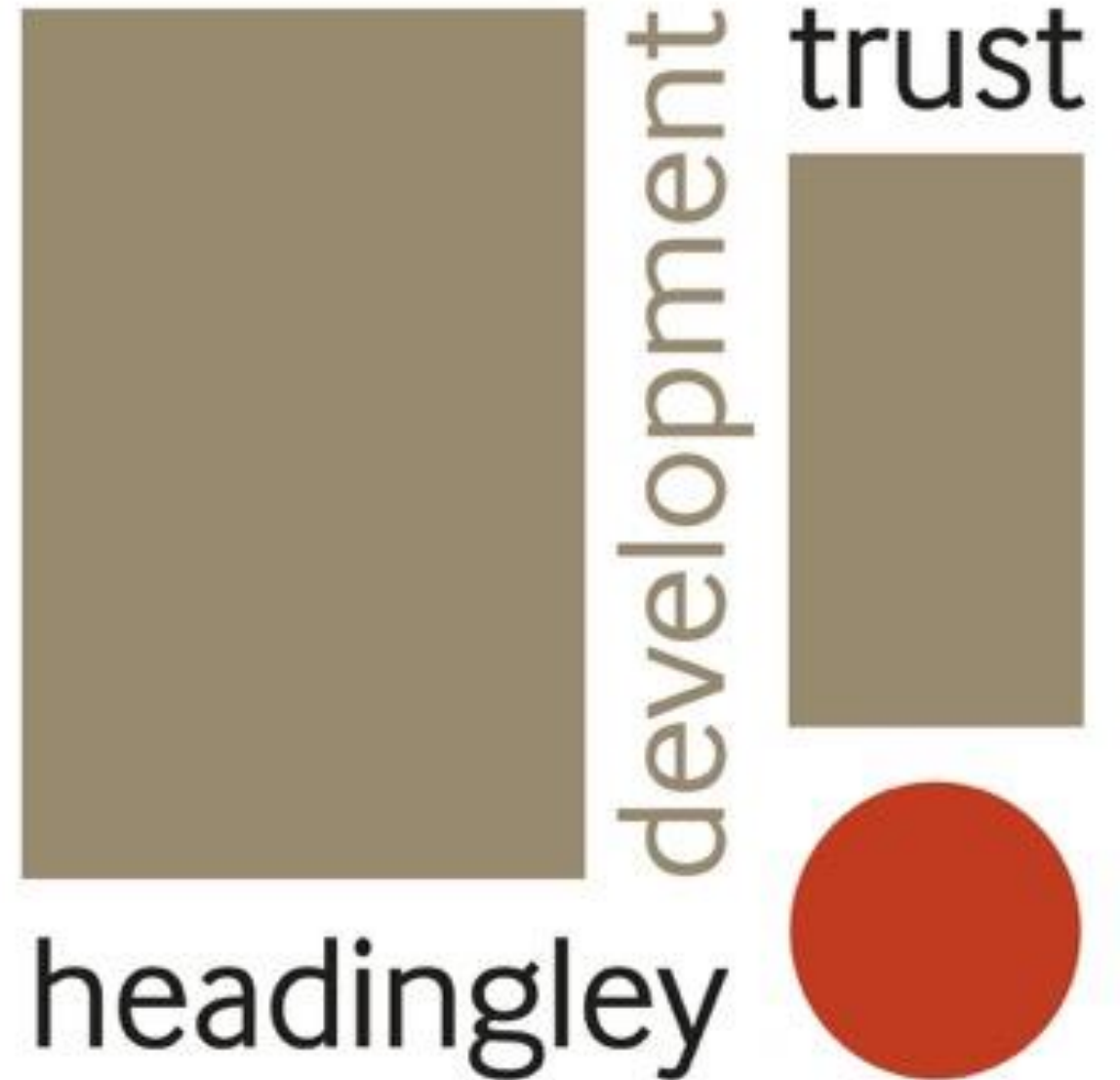


Headingley Development Trust (HDT)

Annual General Meeting of Members

26 March 2025

<https://hdtleeds.org.uk/>



# AGENDA

## Part 1

## AGM

Welcome & Year in Review

Sam Schwab

Financial Overview and Accounts

John Chandler

Concluding AGM Business

Alan Beswick

- Acceptance of financial statements & selection of auditors
- Director appointments

Discussion and Feedback

## Interval

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## Part 2

## HIF2025

Introducing HIF2025

Isobel Mills & Alan Beswick

Discussion and Feedback

Close

Review of the Year (Sam Schwab)

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Headingley Development Trust

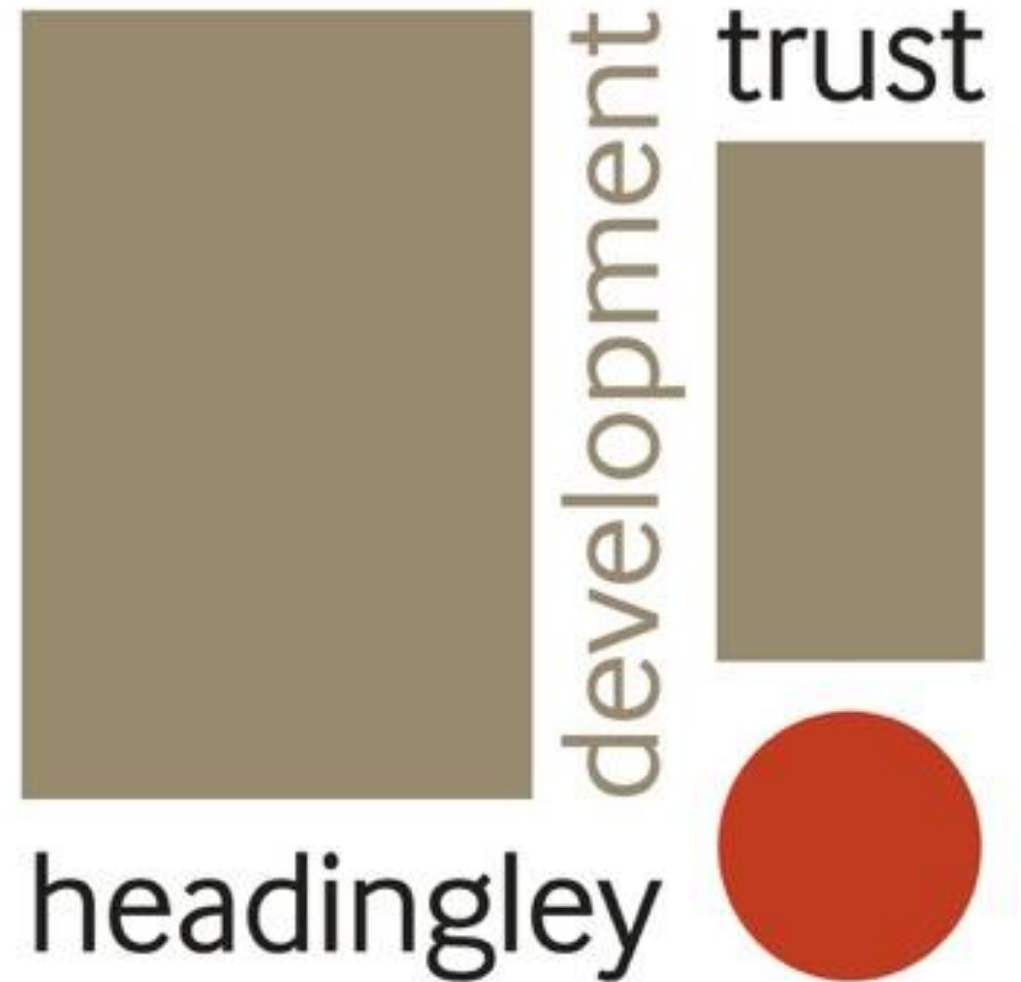
# HDT ANNUAL REPORT 2024

# Finance and Accounts (John Chandler)

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Headingley Development Trust

Financial Accounts  
Year ending 30<sup>th</sup> September 2024



# Some context to our Statutory Accounts

We continue to operate in tough economic conditions

- The Statutory Accounts reported here are an accurate reflection of our performance

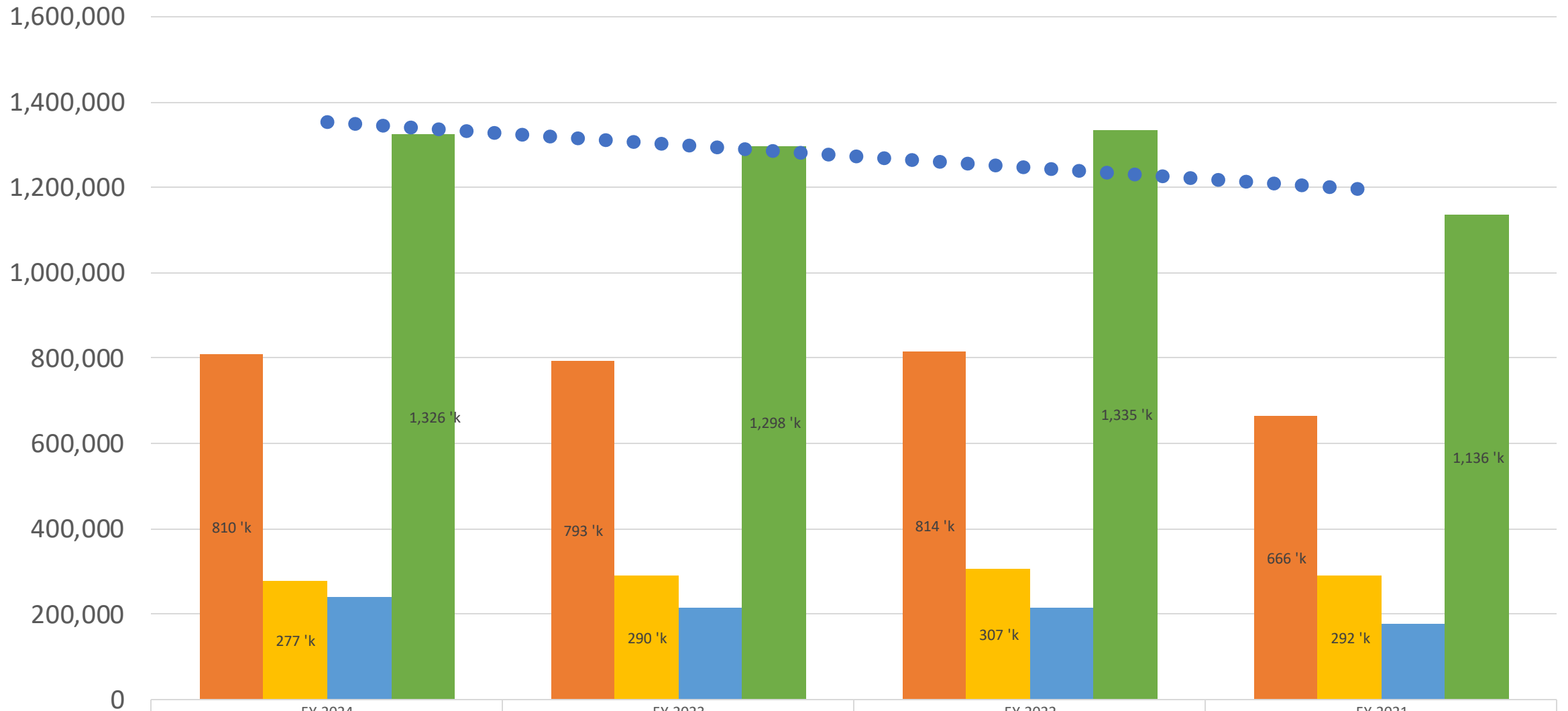
HDT is supported today by our historic Community investors

- Reflected in our closing Share Capital of £ 550'K

AND.....this year that original investment has again been used to generate a little over £1.3 million of value-added within our local Community in the form of:

- Income +
- Local purchasing +
- Local salaries

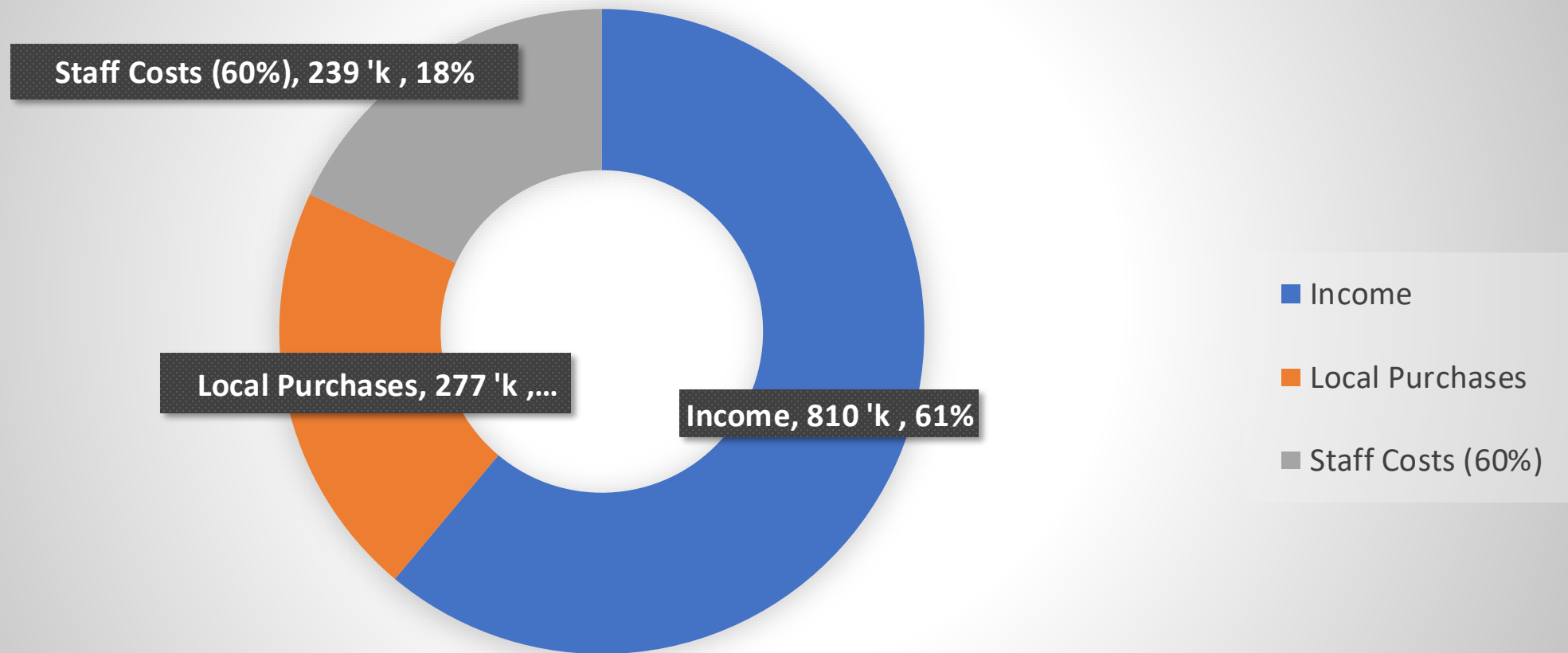
## Total Value Added to the Local Community.....since 2020



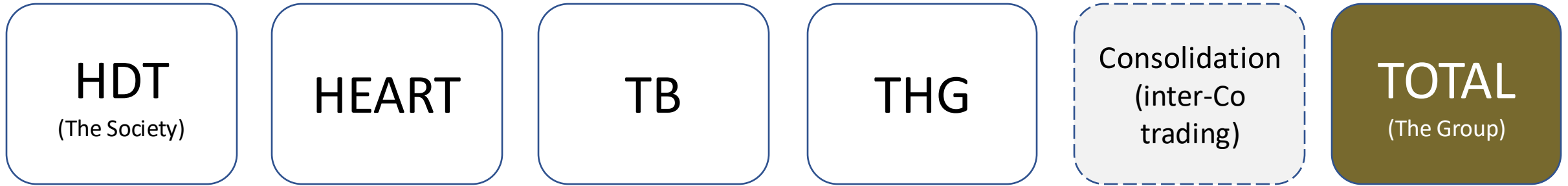
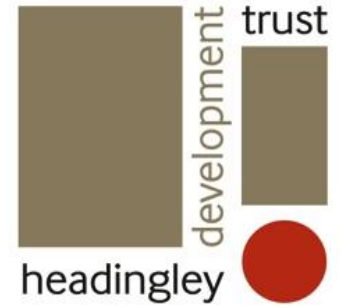
	FY-2024	FY-2023	FY-2022	FY-2021
Income	810 'k	793 'k	814 'k	666 'k
Local Purchases	277 'k	290 'k	307 'k	292 'k
Staff Costs (60%)	239 'k	215 'k	214 'k	178 'k
Added Value	1,326 'k	1,298 'k	1,335 'k	1,136 'k

# Over £1.3 Million in Local Value-Added

Breakdown of Value Added to the Headingley Community.....Financial Year 2024

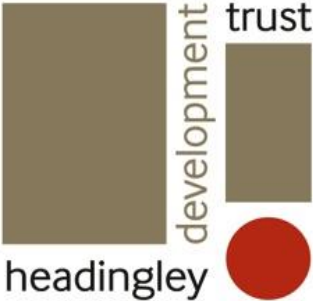


# Our current enterprise structure



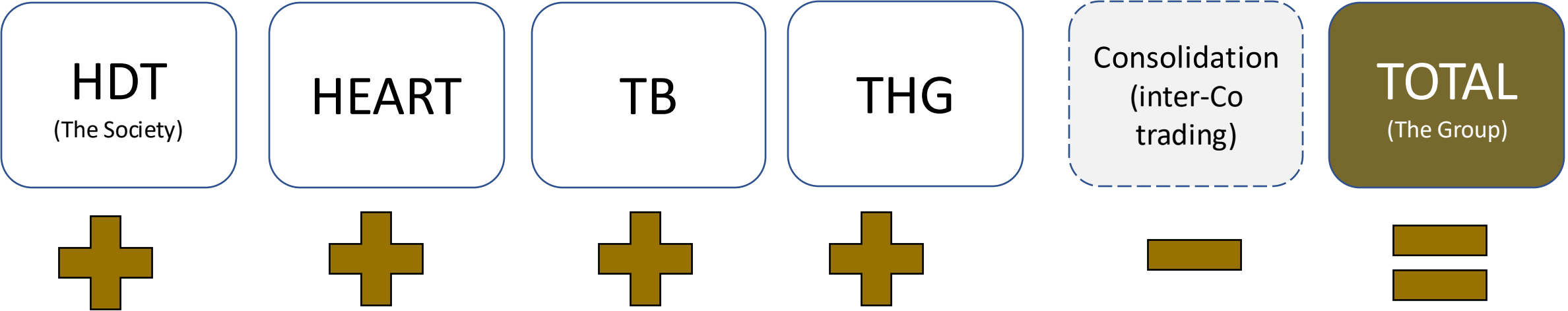
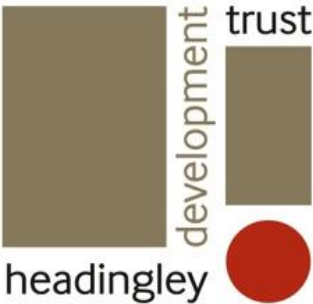


# Group Income Totals – Last Three Years



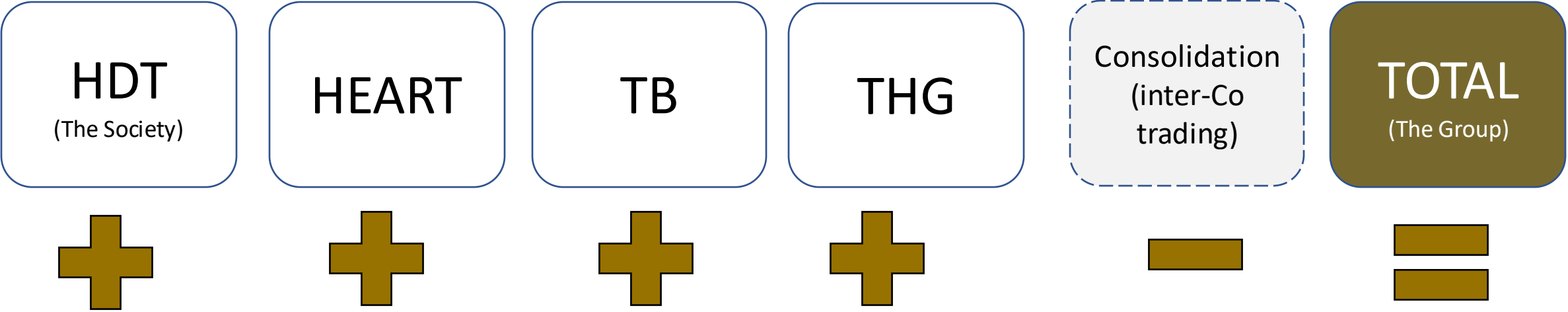
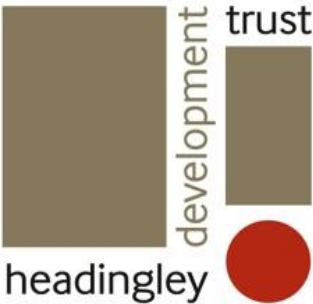
	HDT (The Society)	HEART	TB	THG	Consolidation (inter-Co trading)	TOTAL (The Group)
	+	+	+	+	-	=
2024:	£49,928	£501,676	£18,416	£247,188	(£ 8,590)	£808,628
2023:	£36,303	£475,202	£17,298	£264,441	£-	£793,244
2022:	£35,409	£496,079	£-	£282,774	£-	£814,262

# HDT Group Operating Surplus/(Loss)



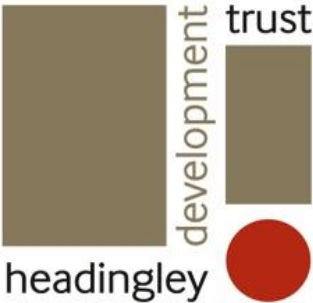
2024:	£ 19,304	(£ 57,337)	£15,828	(£11,801)	(£ 2,890)	(£36,896)
2023:	£ 900	(£ 42,130)	£15,217	(£ 57)	(£ 2,168)	(£28,238)
2022:	£ 3,420	(£ 33,371)	£-	(£ 1,610)	£-	(£33,561)

# Income v Surplus/(Deficit) before Tax



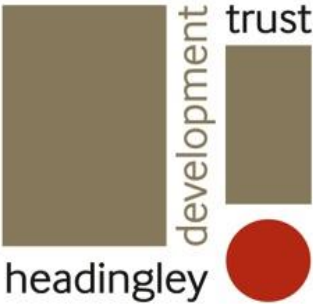
Income:	£49,928	£501,676	£18,416	£247,188	(£ 8,590)	£808,628
Surplus/ (Deficit):	£18,525	(£ 64,468)	£15,828	(£ 13,389)	(£ 2,890)	(£ 46,394)

# Group Surplus/(Deficit) before Taxation



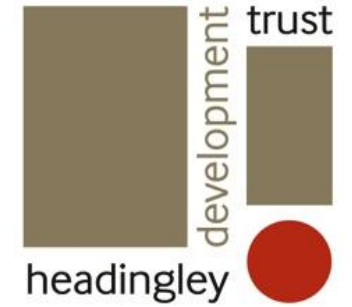
HDT (The Society)	HEART	TB	THG	Consolidation (inter-Co trading)	TOTAL (The Group)
+	+	+	+	-	=
2024: £18,525	(£ 64,468)	£15,828	(£13,389)	(£ 2,890)	(£46,394)
2023: £5,859	(£ 50,664)	£15,217	(£1,215)	(£ 2,168)	(£32,971)
2022: £9,334	(£ 40,960)	(£-)	(£2,944)	(£-)	(£34,570)
2021: £9,025	£5,431	(£-)	£10,821	(£-)	£25,277

# Group Balance Sheet - 30 September



HDT (The Society)	HEART	TB	THG	Consolidation (inter-Co)	TOTAL (The Group)
+	+	+	+	-	=
2024: £689,696	(£228,560)	£40,360	(£5,746)	(£14,373)	£481,376
2023: £690,492	(£164,093)	£17,298	£ 7,643	(£11,482)	£547,092
2022: £694,022	(£113,428)	(£-)	£ 9,750	(£1)	£590,343
2021: £702,592	(£ 72,468)	(£-)	£13,039	(£1)	£643,273

# 2024 - In Summary



In another year of external 'disruption' our total income rose by just under 1.9% over the previous year, but we ended up with a 32.1 % increase in operating losses across the Group. Reflecting the continued impact of high energy costs and other general inflationary pressures.

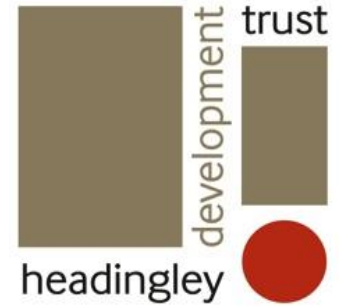
Looking at another side of the same financial picture:

- Our enterprises again added an estimated £1.3million in value to the wider Headingley community;
- They enabled the Development Trust to continue to pay a return of 2% to our HIF2018 shareholders.

With thanks, as always, to:

- the staff and volunteers for their hard work in challenging circumstances;
- our members and customers for supporting our ventures throughout the year

# A further limitation on Share Withdrawals



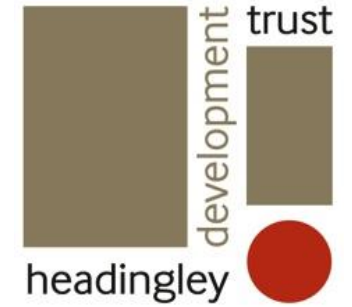
Despite a third year of challenging economic conditions, with continued energy driven inflation pressure and high UK interest rates, the Board of Directors remains comfortable with the long-term financial position of the Headingley Development Trust (the HDT Group).

That stated, and as confirmed by the latest audited accounts, given the operational losses of the Development Trust over the last three financial years, the directors have now decided to further limit share capital withdrawals in the form of repayment of share investments to members. This also protects HDT Group's continued legal status and operability in respect of the 2015 Guidance issued by the FCA.

The initial "6% limitation on opening Share Capital" on share withdrawals in any one year is still in effect as a basic rule,

- *and withdrawal requests from Shareholders for the next two years will be considered individually, according to the current availability of liquid funds at the time of each request.*

# FY2022 - FY2024 – Statement of Equity



Share capital £	30-Sep-2024	30-Sep-2023	30-Sep-2022
Opening balance	559,917	560,550	569,430
New share capital added during year	5,248	5,440	5,870
Share capital withdrawn during year	(15,026)	(6,073)	(14,750)
Closing balance	550,139	559,917	560,550

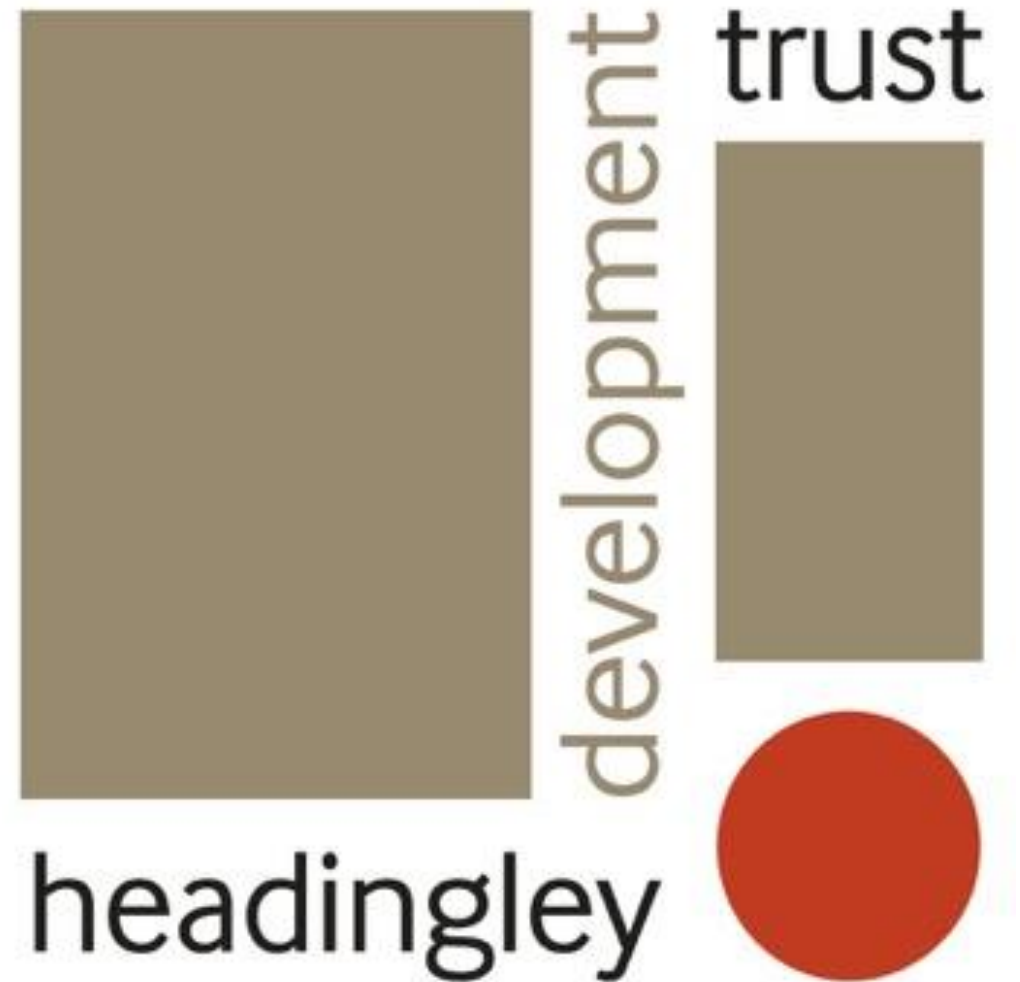


# Concluding AGM Business (Alan Beswick)

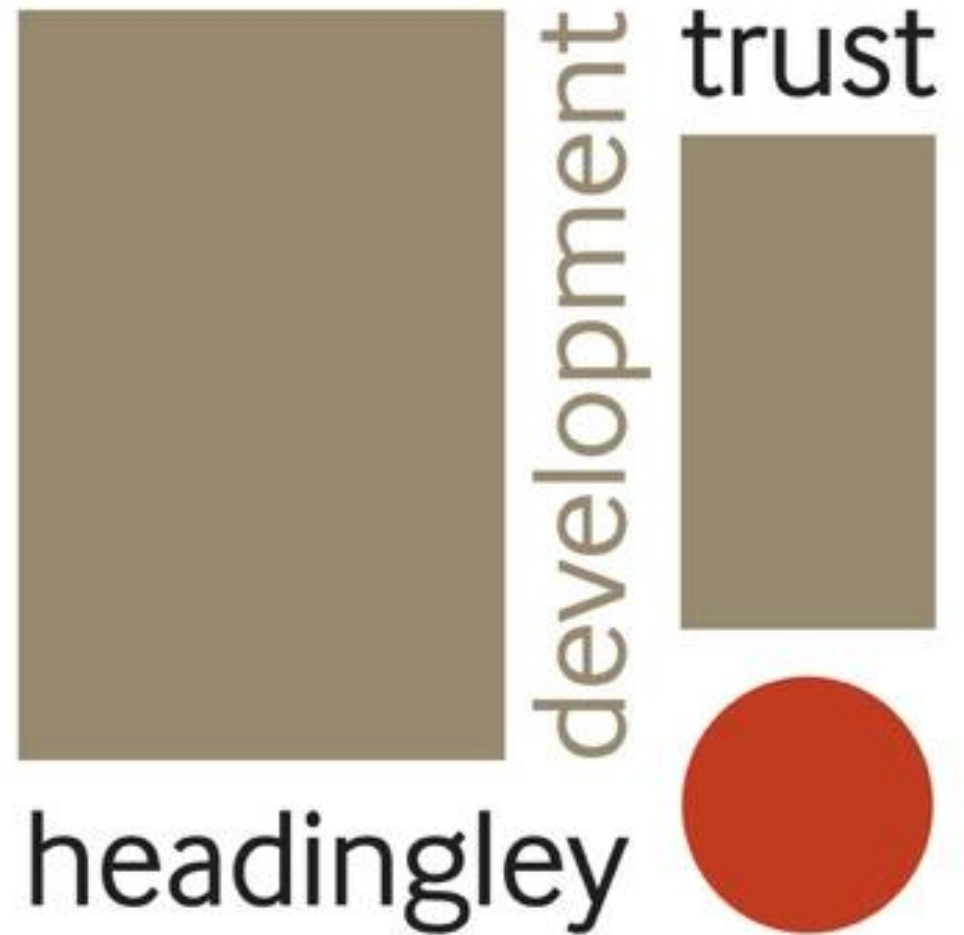
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## Headingley Development Trust

- Receive the accounts & appointment of auditors
- Appointment of directors

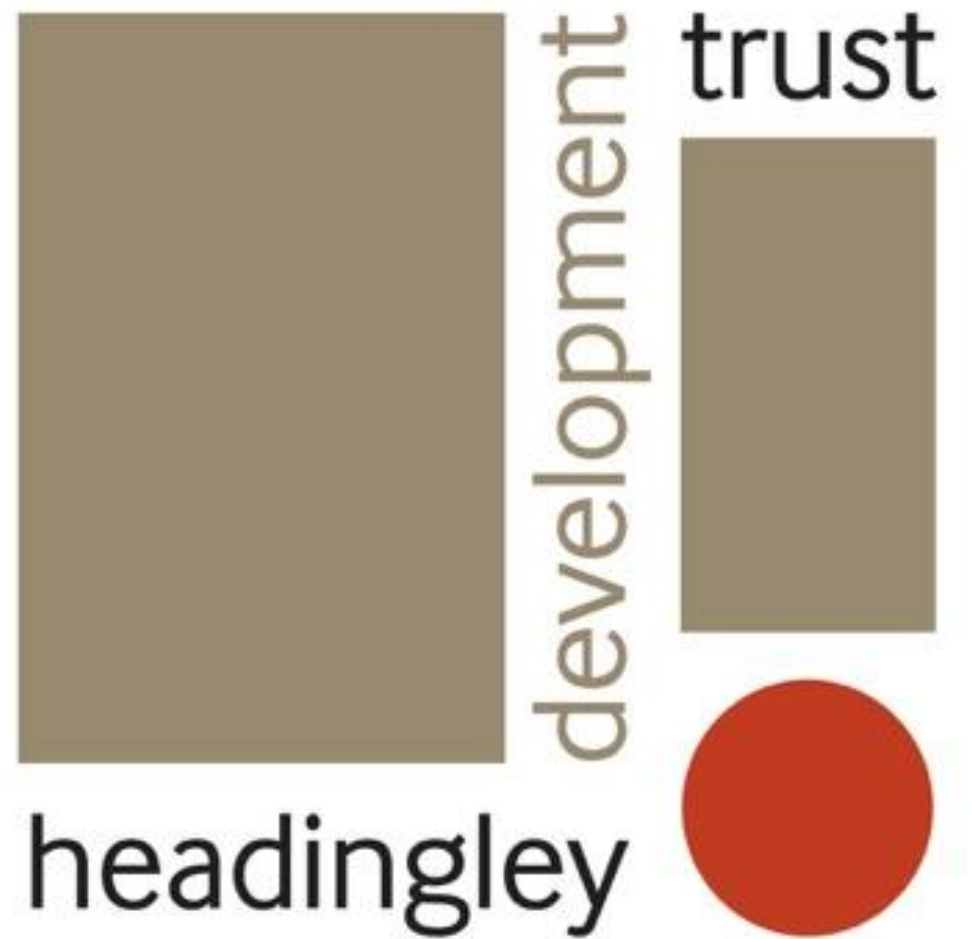


# Questions and reflections



Interval

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# Introducing **HIF2025** (Isobel Mills & Alan Beswick)

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Headingley Development Trust



# To cover

- Why shares
- A brief reminder of our Community Shares Journey so far
- What we have learned
- What this means for **HIF2025**
- Our video
- Questions!



# Why shares



HDT has always seen Community Shares as a practical way of furthering members' ambitions

- For a welcoming and neighbourly Headingley
- With a good mix of housing
- And a vibrant local economy
- That thinks about the future





# The Journey So far

In 2008 we raised £205k

- £105,000 for development of HEART
- £100,000 to support the purchase of the Natural Food Store
- But offered no interest

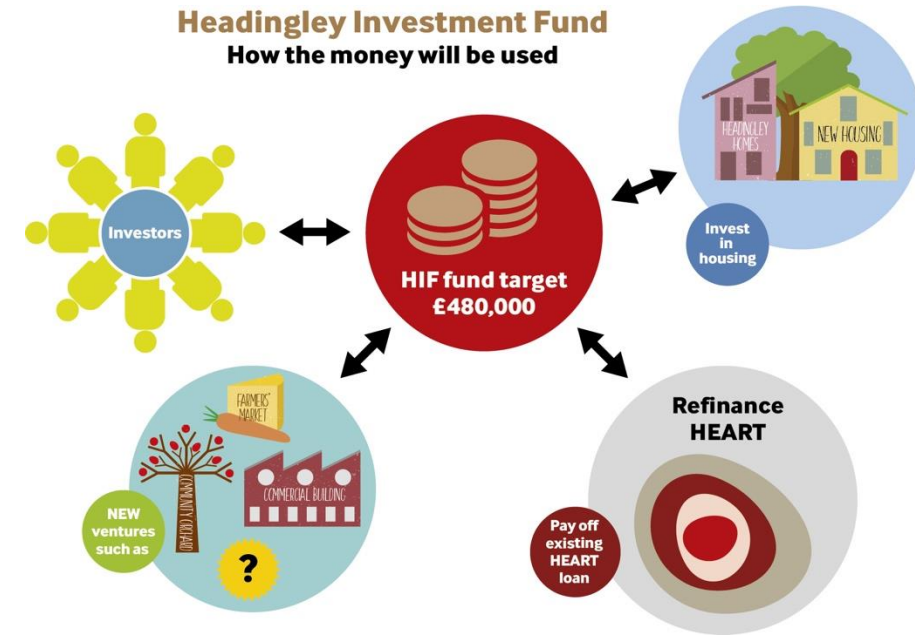


# The Journey So far (continued)



## In 2018 we raised £481k

- Loan to HEART of £260k
- Loan to buy and refurbish 50 Headingley Mount of £100k
- £50k to buy the Greengrocer business, and then £105k to acquire THG and Butcher's freehold at 50 North Lane.
- We offered 2% interest – and charged projects 3%





# Lessons learned (I)



**When asked about Community Shares people said they were excited about:**

- Further investment in energy efficiency/greening of HDT's current assets
- Investment in these assets that increases their long-term viability
- Projects that span, and bring together different generations and groups
- Support for a brighter High Street (independent businesses, green/play space)
- Support for smaller projects – a sort of community chest

# Lessons learned (II)



## Experience shows that:

- Investors' decisions and their trust are based on much, much more than a financial "return" ...
- ... and many 2018 investors have foregone interest
- It matters to people that their investment keeps our existing and treasured assets in great shape...
- ...but people are passionate about what could be, as well as what is.

# What this means for HIF2025



## The themes and the story...

- Economic backdrop very different from 2018 – and 2008 even more so
- Getting harder and harder to identify projects that fit with members' vision and ambitions...
- ...and generate a return at pace
- Many of the enterprises that inspire people and could transform are about “deep investment” – and payback over a longer time

# What this means for **HIF2025** (continued)



Need to balance doing what we know WILL generate a return – so swap out THG's costly loan (as we did with HEART)

But also invest in other projects members would like us to take forward

Which is why we are proposing a mixed portfolio of investments...

...and a choice of interest rates

# What this means for HIF2025 (continued)



## The mixed portfolio:

- A more affordable, local line of credit for The Headingley Greengrocer
- Ensuring a viable future for the enterprises we already have
- A “set-aside pot” – Reserves in Readiness.

# Strand 1

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## A more affordable, local line of credit for The Headingley Greengrocer

- Community Shares are ‘good giving and ‘better money’
- So exactly as with HEART, we would use **HIF2025** to “repatriate” the mortgage we have obtained for 50 North Lane, and put THG on a far more sustainable footing
- This gives the business greater security and certainty – and sets it on the path of the next 125 years!



# Strand 2

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## Ensuring a viable future for the enterprises we already have

- Helping HEART thrive by investing in the playground, Pulse, Tiny Boo
- Investing in the fabric of both HEART and THG: solar panels, better use of space, responding to customer needs
- But have to recognise these projects will not generate a quick return, even if they reduced outgoings and draw in new and more footfall



# Strand 3

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## Reserves in Readiness: Illustrative only

- Small pot of say £30,000 enabling us as in 2018 to be nimble and opportunistic
- Taking back the High Street and making every corner count
- Low Carbon Homes Club
- Seed money for smaller, start-up enterprises (but remember, this is only circa 10% of the overall ask)





# Our HIF2025 video

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# Key Features of HIF2025

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A choice of interest rates

0%

2%

4%



# Other features



Minimum target is £100k – but aiming for £200k - £300k

- Applied for match funding from Booster Fund again (£50k)

We hope to encourage younger investors

- Shares can be bought on behalf of a minor
- Booster Fund will allow us to offer 'subscription' purchase (pay over 12 months)
- Minimum investment set at £100

Shares you buy will make you an HDT member

As with all shares offers, interest rates and withdrawals depend on financial position – and are at HDT discretion



# Key Dates

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End March 2025

Offer opens (you can invest from today!)

30<sup>th</sup> June 2025

Offer closes

(option to extend 1 month)

1<sup>st</sup> July 2025

Go Live Date

Investors select their interest rate & interest begins to accrue

1<sup>st</sup> July 2028

Investors select how interest is received

First opportunity to give 3 months notice to withdraw funds

1<sup>st</sup> October 2028 and  
annually thereafter

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Interest will be paid out/ reinvested or donated

# Financial modelling and assurance



Projects will be charged investor rate + 1%

Modelled minimum and maximum fund targets and range of interest rates

Modelling shows **HIF2025** can:

- generate a small surplus,
- make annual interest payments to members,
- support a modest level of withdrawals over time
- and will not be detrimental to HDT



**Community  
Shares**

**STANDARD**

- The offer document and application form are easy to understand
- You are provided with all the facts you need to make an informed decision
- The facts are supported by the annual accounts and/or business plan for the Society
- Nothing in the documents is purposely incorrect, confusing or misleading.

# How to find out more and invest



- Offer Document and Business Plan available from tonight on our website [www.hdtleeds.org.uk/investment-fund](http://www.hdtleeds.org.uk/investment-fund)
- Come and talk to us
  - This evening!
  - At the Farmers' Market - April, May and June markets
  - On Zoom – date tbc
  - Other events tbc
  - Contact us at [HIF2025@hdtleeds.org.uk](mailto:HIF2025@hdtleeds.org.uk)
- Invest via Crowdfunder <https://www.crowdfunder.co.uk/p/hif25>

# Thank you for listening

## Questions and reflections



## HIF2025

### HIF2025 Working Group

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Alex Barrie  
Archie Wright-Beattie  
Alan Beswick  
John Chandler  
Hazel Dimsdale  
John Hall

Isobel Mills  
Sam Schwab  
Mike Sells  
Helen Seymour  
Matthew Spence

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