

Sweffling Community Pub Limited Inaugral Annual Members Meeting 2nd July 2026

DRAFT MINUTES

Attendees

Oliver Stockman, Martin Holland, Sachiko Osawa, David Burles, Paul Brimson, Michelle Scales, Benjamin Morris, Justin Kibble, Alexander Whitehead, Paul Scales, Anna Morris, Allan Crampton, Greg Lorne, Eleanor Lorne, Caroline Crampton, Barry Feher, Jeremy Hayes, Matthew Hyde, Ian Clements, Ken Bate, Mel Kemp, Sally Enefer-Kemp, Simon Beaumont, Jennifer Beaumont, Ingrid Emsden

Apologies

Paul Thomas, Ross Parsons, Rachel Nightingale, Anthony Butler, Graham Pettit, Leaf Kalfayan, Jonathan Hooton, Robin Burrows-Ellis, David Wolfe, Nicky Driscoll, Peter Greene, Roman Geisler, Spadge Hopkins, Neil Thompson, Trevor Halls, Mik Bedson, David Johnson, Richard Keal, Sarah Whitehead, Peter Crane, Hugh Kemp, Barbara Copson, Debbi Tayler, Juliet Scott, Hannah Pilgrim, Ann Hyde, Frederick Simpson, Cally Callomon, Shirley Harry, Colin Baldwin, Fiona Leggo, Mathew Perry, Jonathan Kaye-Morrell, Paul Smiddy, Anthony Hamilton

Chaired By: Oliver Stockman

Committee: Sachiko Osawa (Treasurer), Alexander Whitehead (Company Secretary), Paul Scales (Member)

Meeting Start: 19:05

1. Apologies for absence

See above

A quorum was declared by the Company Secretary

2. Chairpersons report and 3. Treasurers report

Dear members

We're early on in our journey and I'm glad to report that the pub is physically in good shape and that trading revenue is so far broadly in line with our projections.

We've had our share of known unknowns and unknown unknowns for which I'll provide some detail shortly, but thanks to our incredible team of volunteers the pub has developed a wonderfully renewed atmosphere and this is borne out in the increase in sales.

It's lovely to see some new faces in the pub and some faces returning that we've not seen in some time.

Key highlights:

- Our events have been a great success, with the new monthly quiz proving exceptionally popular.
- We've had a brilliant variety of musicians through the pub, with Ingrid bringing in some new artists that we'd love to see again
- Changes to the pub layout have been gratefully received by all.
- The refresh of the wine selection has been very well received and this is borne out in the trading figures, many thanks to Stephen and Cheriane for their help.
- Significant works undertaken internally and externally on the properties by our tireless team of volunteers
- Revision of opening hours has improved takings and atmosphere and we hope for more changes to come

Our number of members currently stands at 59.

Financial Commentary

As this is such a short financial year, running from formation on the 2nd December to 5th April, we only have full accounts for what is generally the worst trading quarter for the industry. We have also included for comparison our draft P+L for Q1 FY26 (to be subsequently referred to as Q1-26) to highlight a more normal trading period in the ramp up to the busiest summer months.

Income and Capital

For the financials over the year just concluded, the Pioneer share offer was oversubscribed at just over £33,000 which has left us with a healthy balance sheet and we have not needed to make any major drawings from the working capital except to pay the Lease premium.

Trading for the festive period and January were both on target with Christmas and the Wassail bringing in solid revenues, and Q1-26 is trading notably above last years results from the previous management and on projection.

We're very pleased to say that despite significant pressures from our producers (their costs are up significantly due to inflation and energy price rises - some casks are up 5-10% since April) we have managed to maintain our target GP of 63% with some careful purchasing and a fantastic commitment from the team to minimise wastage, even when the casks have tried their hardest to deposit their contents on us. Prices have remained as set out at the start of the year, with the exception of a small uplift for occasional premium ales, curiosity beers, and recently launched Wine of the Month.

Expenditure

With regard to expenditure, our projections made in 2025 were in the ballpark, though a few items weren't easily identified in the previous management accounts. We have additionally incurred some costs related to changes in the business operations, such as costs for accounting software, payment processing fees and some general expenses relating to the different ways of working.

Renovations on the properties have been kept to the hundreds of pounds and paid for out of trading income, which is an incredible testament to the property team.

The primary notable variation from the projections have related to energy, for which previous years accounts have not given a true picture of the energy required to heat the pub and flats to a suitable living standard in the coolest months. We've tried a variety of combinations of wood and electricity and gratefully received some donations of wood to help us along the way. With this in mind we are now budgeting £500-£1000 per month for the coldest months of the year, though this quickly tails away as the weather warms. Some issues with the age of the electricity meters has made changing supplier a challenge, and the rates from the incumbent provider are not at all favourable. After some prolonged discussions and failed engineer visits we believe we are now close to being able to get the meters changed to smart meters and therefore gaining the flexibility to change suppliers, which should realise a 20-40% saving in electricity costs, and more work on energy efficiency could be explored when under ownership, potentially supported by grant funding.

Additionally, while working with the council to try and ascertain the correct banding and categorisation of the various property units on site we've been made aware of an additional council tax account that wasn't immediately obvious from the summary accounts from the owners. As things stand we have two sets of council tax to pay:

- **Flat 1** - we anticipated adding to the business rates account but currently cannot, this is covered in more detail in the property section. We anticipate that under ownership Flat 1 would either form part of the business rates if converted to C5, or that a long-term tenant would pay council tax if C3 and therefore this is exceptional expenditure this year rather than part of forward looking projections.
- **Managers Flat** - this was not accounted for in the original projections. This is currently shown in the Rates section of the accounts. The council tax for the managers flat will be added to the forward looking projections.

As a community group we are receiving mandatory rate relief of 80% on the business rates for the rest of the premises. Once we've finished working on the properties classifications then we may ask for discretionary full rate relief.

Results and forward looking statements

Based on the data we have, we should reach the end of the calendar year with reasonable profits which can either be used towards the purchase and associated fees, or as stated in the pioneer offer, if for some reason we cannot purchase the pub at the end of the lease we anticipate being able to return the pioneer shareholder funds either in whole or a significant proportion thereof.

We will also be feeding all the information we have gathered over the two quarters into revised scenarios for the business plan for the upcoming share offer.

Accountancy and Audit

With regards accountancy and auditing, we have a mandatory requirement for full audit if turnover is over £10.2 million or assets are over £5.1 million, and a mandatory requirement for either full audit or accountants report from a qualified auditor if turnover exceeds £90k. If turnover is under £90k we have the option for full audit or to disallow the audit requirements.

As we've had a short year for FY25 and we are below both thresholds, in an effort keep costs down, we have tabled a motion to dismiss the requirement to audit for FY25. We will be well below the statutory audit requirement in FY26 so we have also tabled a motion to dismiss the requirement for a full audit, though we do intend to have an accountants report as we anticipate exceeding the £90k turnover threshold.

Property

I'm now going to dedicate an entire section to property, as the revenue is such a critical part of the pub's long term future.

We generated very little property income during FY25 as work was underway on the flats, and Badger Cottage needed it's marketing re-invigorating.

Q1-26 has provided much more useful data, and the geopolitical climate has generated a volume of summer accommodation trade which means we go into the summer holidays with a healthy number of bookings for Badger Cottage, of which the primary source has been Booking.com. Interestingly, we believe due to the cost of living squeeze, the bulk of visits are currently 2-night stays which have a lower opportunity for profit due to increased changeover costs. 3-5 night stays are generally much healthier margin. We will attach a calculator as part of the business plans for the share offer which shows this in more detail.

We've also been able to take some short and longer term bookings for the flats and collect data on rents available, and example occupancy. It looks like unless we hit 100% occupancy on short-term bookings, we are likely to be more profitable using them as long-term standard tenancies. As part of our work on the classification of the properties, we've been advised and are just awaiting confirmation that Flat 1 will need full planning permission for change to Class E or C5 classification if we are to continue short term bookings (and we cannot add it to business rates unless we've had 140 days as a holiday let with 70 nights let out). As the lease currently prevents us taking standard domestic tenancies until purchase, we're now evaluating whether a commercial shorter-term let (let to a business to house their staff) meets the criteria for the remainder of the lease term as this does not impose the same restrictions as the Renters Rights Act.

We're awaiting remaining guidance due imminently on Flat 2 which we believe is currently classified as Class E, and therefore may have easier routes to either C3 (standard domestic) or the upcoming C5 (holiday let) and will update as soon as this information is available. Our preferred strategy for the pub under ownership would be to use one Flat as C3/Standard Let and one Flat as a C5 Holiday/Short term and compare the two for a year to maintain the benefit of solid regular income from one, and the option to trial different rental rates with the other, assuming this can be achieved without significant planning costs.

We feel that full planning applications are out of scope for the team at the current time, the time for the application to complete would be very close to the end of the lease, there are notable costs involved, and the team need to focus on the up-coming share raise. It should be noted that as the site has previously had significant holiday traffic due to the campsite it would be reasonable to assume

that there would be no major grounds for a refusal. We will submit a pre-planning application to further clarify the current position with the council planning department.

We've also commissioned an independent Fire Safety audit for all of the premises as these have for many years been undertaken internally, we await full results but no major remediations are required, some areas will inevitably be able to be improved upon. We'd like to specifically thank Chris and Cath for their help with this.

With regards further works on the flats, under ownership we'd like to improve the bathrooms, modernise the heaters, and have identified that soundproofing between the upstairs and downstairs needs improvement. Some grants have been highlighted to us which may help with these.

With all things considered, we believe the original projections of £20-35kpa (net of servicing/changeover costs for the short-term lets) are still achievable under long-term ownership, but we may not be able to fully realise these during the remaining lease period.

I'd like to personally thank the property team for a truly incredible amount of work so far, particularly Peter for being brave enough to be co-ordinator. Richard, Hannah, Michelle, Paul, Mark and Anna have all put in huge amounts of work both in labour and in donations, furnishings and other improvements.

I'd like to also take a moment to thank Pat McGovern who donated two weeks to rewiring a significant portion of the flats.

Food

Plans to re-open the kitchen are now underway, we needed to prioritise getting the accommodation up and running due to it's higher share of revenue. To bring the kitchen more in keeping with current regulations we are adding a new dedicated fridge and dedicated freezer for food. A new cooker has already been procured and we are awaiting disposal of the old one as attempts to sell it fell through. Additionally we are trying to locate a catering grade double sink with double draining board at a sensible second hand price, as it is now required that separate sinks be used for food prep and washing up.

Once these works are complete we will apply for a new assessment and look to resume cheese toasties for the summer and hotpots for the cooler months.

Thanks

I am extremely lucky to have both a great committee and extended group of voluntary co-ordinators (known for now as the Project Team) along side me as we close out a short financial year and embark on the primary fundraise to purchase the pub.

On the committee – Sachiko, Paul and Fraser have been incredible anchors for the business, I'm exceptionally grateful for Sachiko's diligent work on the finances, Fraser's excellent legal advice and Paul for regular donations of useful furnishings and covering the bar on Mondays so that I can get through all the emails.

On the project team:

- Peter for his amazing, tireless efforts to keep the properties in shape as Property Co-ordinator
- Anna who originally did an amazing job as Events Co-ordinator and who has significantly increased accommodation bookings as Lettings Co-ordinator
- Ben for doing an excellent job of rota management as Volunteer Co-ordinator and for taking more than his fair share of volunteer bar shifts, we can't keep him out of the place!
- Shelley for standing in as acting manager on her shift days, as well as an excellent job of keeping the stock in check and the pub spick and span.
- Clive for acting as Designated Premises Supervisor and keeping us up-to date on industry practices
- Ingrid for recently taking on an acting role as Events and Musicians co-ordinator

4. Vote to disapply audit for FY2025

Proposed by Committee

Votes for: Unanimous

5. Vote to disapply audit for FY2026

Proposed by Committee

Votes for: Unanimous

6. Nominations and Election

No additional applicants for Committee positions either received before the event or in person in the room.

Vote by members to allow committee to decide separately the length of each tenure rather than members voting on each tenure length (who proposed/seconded?)

Whole Committee resigned, and unanimously re-elected by the quorum

7. Report on grants and forthcoming share offer

Back in February, we were advised that applying for the Co-Operatives Society Standard Mark was advisable for larger share offers, and particularly if we were seeking grant funding.

We had found that the Co-Operatives society had a grant running whereby they would match fund up to 10% of a share offer, which in our case would have been around £50,000, the Standard Mark was a pre-requisite for this.

We were also given the opportunity to apply for a grant to cover the cost of the Standard Mark process and to pay for the marketing of our share offer.

We applied for both grants, and were told after application that there was not an appetite to grant the match funding as the portfolio was reaching capacity.

We had anticipated that the remaining grant process would take a month or two and that we'd be able to proceed when completed. Unfortunately, due to no one major issue, but a catalog of minor ones, this process took much longer than originally allowed for.

We are very pleased to announce that the grant money finally arrived in the bank account in the last two weeks and that we will now be proceeding at pace to finish the revised Business Plan and Share Offer.

Available Grants

We've completed a number of conversations with various grant parties and there are currently limited opportunities available.

The only two which could have been used towards the building purchase are unavailable to us, the Co-Operatives Society grant as detailed above has been dismissed due to the portfolio issues, and we've had a long conversation with the body governing the Sizewell grants and they have advised us that Sweffling is not currently deemed to be significantly impacted by the construction works and therefore is currently ineligible based on geography.

We have been steered towards grants for community groups which can be used for other uses, such as building modernisations, and we believe there are currently opportunities for £20-50k for the right projects. We believe these would be best assessed after purchase.

We are keeping an eye out for other opportunities but it is unlikely they will be launched in time for our target completion date.

Commercial Lending

We have evaluated commercial lending directly through our bank, and through other societies guided by Plunkett.

The majority have discounted us as the organisation hasn't been trading for two years, or that we fail to meet some socio-economic criteria.

We currently have two lenders who may be able to lend smaller amounts unsecured to help with project financing, and they also have potentially up to between £150k and £200k available as secured lending. Interest rates are subject to significant variability at the moment so we need to continually re-assess these but a larger secure sum could be borrowed at 15-20 years and have a similar monthly cost to our current lease arrangement, which based on the current projections would work if we have a funding shortfall. We will therefore attempt to progress these to offer-in-principle alongside the share raise in case they are needed.

Upcoming Share Raise

Based on the trading data we now have and the ability to refine the projections, we're ready to complete the share offer documents, we're just waiting on confirmations of a few costs regarding lending and legal fees.

It is likely that we will target between £500k and £550k for the raise, with a minimum defined by the commercial lending available to us, most likely £375k-£400k.

We will start a new pledging process at the same time as the documents are complete and during the dwell while we await signoff from Co-Operatives UK and potentially HMRC for EIS, if we decide to pursue it.

We would look to close the raise with enough time to complete lending arrangements and to arrange legal proceedings, likely a month or so before the end of the lease.

As per previous commentary, if the raise is not successful we will return funds to shareholders on a proportional basis, minus any incurred fees, and the pub will most likely go for auction.

We anticipate the next few weeks will require a significant amount of input and will pass very quickly, as a team we look forward to getting the final steps underway.

We also have a few creative ideas for engagement once the share offer is up and running, I'm personally particularly looking forward to 'The Great Pump Clip Auction' and the Beer Festival.

Tax Relief

A question was then asked to the room to determine appetite for tax relief for the share offer and after constructive open discussion the general consensus was that a pre-application for EIS and/or SEIS would be preferred and likely to increase opportunities for investors. The Committee have agreed to tailor the offer accordingly and request a pre-application.

8. Thanks to Volunteers (Volunteer Co-ordinator)

Much to echo what Oli said, having ticked over the six-month mark of the venture after a flying start to Christmas Eve, the pub's running well, is open more and I think it's much more of a warm atmosphere.

A lot of people have said and that's all that's all down to all of us helping out. It's a good opportunity now to thank everyone who's taken the time to help us events wise. Trevor, Ingrid, Anna and those in various events like the Open Mic, along with all the musicians that attend the events. The next Open Mic is 21st July.

I'd like to thank Paul and Shelley for hosting the quizzes and all the quiz masters for their excellent support. We have another quiz on the 23rd all right and we need more teams so if anyone's interested we can put their name in the pub this evening.

We'd like to thank Stephen and Cherianne for revitalising the wine list, adding a wine of the month every month as well and the wine and cheese evenings have been very successful.

On to property, Peter and Anna, Richard, Liz, Hannah Pilgrim for property maintenance and managing the flats and cottages. Arthur, Jack and Reuben for running about with wood supplies and managing our crisp supply, well consuming it mostly.

Mark for help decorating the flats. Pat for all his efforts with the electrics (he still has many pints on the door so if anybody sees him remind him he needs to come and drink them.). Rob, Nicky, Paul and Shelley for furnishings.

I'd like to thank Alan for donating hanging baskets at the front that's brightened the building up nicely. Robin and Cath for carpentry help and donations towards the pub.

We've had two working parties so far this year to cross jobs off the list, with thanks to Ian Clements, Mel and Sally, Justin, Joe and Leaf, Sarah Whitehead, Ellie, Tony and Becky, Jill and Dennis, and also Greg Lorne for ordering and filing over 700 pump clips (*at this point Greg pointed out it was closer to 1700*)

Wed like to thank Pete and Caroline for donations towards the pub. Chris and Cath for signage along the front of the pub and donations of wood.

Alan Collard, our Plunkett advisor. Graham and Nicky from the Geldeston Locks for advice and support and Chris Punt from the Westhall Racehorse also for advice and support.

We'd like to thank the teams behind the Sweffling Hut and Rendham Village Hall for their support with meetings.

Thanks also to Mik Bedson for looking after emails. Dave Thompson for updating the website.

Finally, and all of our bar volunteers.....

Shelley, Oli, Cass, Fifi, Cam, Paul, Clive, our DPS, Jen, Stephen, Lou for also taking deliveries etc. Alan and Caroline thank you and for your industry knowledge as well.

We'd like to give a special mention to Green Jack for supporting us with donations of additional beer for our events.

We would also like to continue to ask for more help for the pub including more bar work, car park and beer garden maintenance as that could do with a general tidy up. The cover of the beer garden is getting a bit dingy so we'd like to get that all sprayed off and cleaned up.

We're also lookig for a Marketing Co-ordinator to help coordinate the news that's going out over the next few months and to spread the word further. A Fundraising co-ordinator to help with grant applications and seeking grants that might be available to us over the next few months.

I appreciate some of you might have volunteered at the start and haven't yet been asked to so if that is you or you would like to help come and speak to me afterwards or you can email the volunteers email address.

Thank you all

9. Any other business

What does the Committee see as the biggest risk to the business?

Our single biggest risk is not raising enough money to complete the purchase. In terms of the trading, the trading itself is all healthy unless there unexpected changes to property law or to the projects going on around here or indeed to the pub trade. The trading itself is on projection and certainly improving on what it was this time last year.

When would you like the share launch to happen and when does it have to be?

It's going to depend a little bit on the third parties we're currently engaged with but we're hoping for four to six weeks time. That would be lovely. Hope and reality may diverge slightly but that's definitely the goal and we'd like to run it through till November.

Should we get to the end of the year and the funds aren't raised? What will happen to the pub? You mentioned it may go to auction so there's nothing definitive decided. Should we not raise that?
We are not party to that information. Our remit is until Christmas and then it's up to the owners to do as they see fit. The last indication we had was that it would be straight up for auction and that would be the end of it. Whether that has changed we don't currently know.

It was pointed out that during a presentation the owners had mistakenly been referred to as previous owners instead of owners or previous landlords and this was agreed to be corrected in the minutes.

Are you still working towards the purchase price of £530,000, based on the trading or commercial situation is there any reason for it to be revised?

We don't think there is any room to negotiate on the price. What will be interesting is if we do pursue lending we will be asked to get the property revalued as part of the lending application so it'll be interesting to see if a new valuation gears up or gears down the existing valuation. If the fundraise gets very close to the target then there may be opportunity for a conversation with the owners about alternative constructive options, but no guarantees can be made on behalf of any party as to any outcome of those.

If the fundraise fails and the property is auctioned could the CBS bid at auction?

Yes, this is a potential option if we have suitable funds, however it is a very high-risk situation and would require us to be in-funds and ideally without lending due to timescales attached to auctions of 28 days to pay.

How far off is a forensic business plan that supports the amount of funding required for a purchase at £530k and all the associate costs, and has there been cold, hard thought about about the worst case scenarios and whether the value is there, and what happens if there's another Iran, interest rates go up, or there's another energy or rates squeeze.

That will all form part of the share offer that's coming so that that work is underway as we speak. The key thing that we looked at before setting this CBS up was the alternative values placed on the properties and the yields from them because that was where significant amounts of the long-term value are.

And is it right from the discussions earlier we still don't know what those are?

We've got fairly accurate figures for long-term lets on the flats, and we've now got decent data about what the holiday lets do and don't make. There is still scope for us to try tweaking parameters to see how it affects rentals. We've got a solid three months of that data now, we'll have another month or two of it shortly and as we are now literally walking into the summer period this is our busiest point for bookings so we now have a lot of the information. The only information we don't have is the status of flat two but I think that's going to need planning permission either way to get it converted either to holiday let or residential, it's not stopping us projecting revenue.

(To Chair) What's your gut feeling about that summer money and realistically hand on heart and hope and everything out the window and dreams and aspirations what do you think about it? Do you think (because you're the only guy who's got your finger on all those pulses) do you really think whether 530,000 is a realistic price or not? Do you really think that 530,000 figure is realistically and safely achievable running the pub as it is being run and as you hope to run it?

We still have more work to do both to firm out the numbers and to expand the pubs ability to trade, but as things stand, yes.

Since the valuation was undertaken, the Community have now likely added significant value to the premises, if the fundraise fails or the purchase falls through is there any redress to the community for the extra value added?

At the start of this process a conversation was had about potentially returning this value to the community, the Committee will try and get that agreed in writing.

How would it be returned to the community?

It would be fed back to the CBS and then returned to members and other community projects as per the Society's rules

If we are unsuccessful, has anyone progressed getting it registered as an Asset of Community Value
We have discussed with the Parish Council

A clarification was then asked around the cost of the PRS license and how it works

This was briefly explained with relation to costs and restrictions

Is the Committee aware of any further updates on the campsite?

We do not know if they're trying to sell it separately or not, no-one has seen any listings for it anywhere. I am sure they would love us to make an offer for it but I don't think it's within our financial means at the moment. I think it's unlikely they would want to sell it for development so I don't know what other use they would find for it but we don't know and it's not information that we are currently party to. If it were sold as a campsite then that would potentially have upside for us due to increase in customers.

Do we have any plans to ask to use the campsite for any events?

We're aware that Rendham Mummers have no plan to host their mid-summer performance this year, so at this point no. I think all of us would love to see the King Driscolls pull another amazing outdoor performance out of the hat, but whether that's a reality either for them, or for us securing the garden for such an event we don't know.

It was pointed out just after close (but more clearly noted here) that the Committee does have the option to co-op another member if needed.

Meeting closed at 19:56, with the offer for everyone to return to the pub for a drink for each shareholder/member.