

Redgrave Community Society Limited



“working for the community”

CHAIRMANS REPORT

This report covers performance of the Redgrave Community Society in the financial year up to 31st January 2025, performance and operations in the current year and plans for the future.

The accounts for 2024-25 are included with the AGM papers. The Cross Keys continues to be well supported from both within and beyond the village. The main source of income for RCSL throughout the tenancy is the rental income of £20,000 per year. We are now exactly halfway through the 5-year tenancy. Most of the income has been spent on reducing debt but unfortunately, we have been placed in the unexpected position of having to commit some funds towards paying back a shareholder who has since left the village, this is being done in accordance with the companies share withdrawal policy and after seeking advice from Plunkett. Normally share withdrawals from people that have left the area would be funded by new people moving into the area and buying shares, however as noted in last year’s Chairmans report this has been quite a hard sell given the fact that the pub is busy and doing well. One of the main challenges going forward will be persuading new people to both purchase shares and join the committee as we continue to reduce borrowings.

The committee has worked hard over the past year to try to secure grant funding, most grant funding is match funding where the society contributes half of the cost of a project and the grant covers the other half.

Our tenant has recently requested that the gents and ladies’ toilets are re-furbished and expanded. This would need to be done at the societies expense and although it would undoubtedly enhance the asset for the future the project does come at a significant cost. We would very much like to complete this work within the current tenancy although a fundraising effort will be required.

The Committee continue to carefully manage the financial position of RCSL and have a clear plan over the course of the 5-year tenancy to steadily reduce borrowings whilst maintaining the fabric of the building in accordance with the current lease.

In line with best practice and advice of our accountants you will notice in the accounts that we now report more as an ‘investment company’ who owns a property rather than running a day to day business as we no longer run the pub. This means our assets on the balance sheet drop by £232k but are made up by an increase in our ‘investment properties’ of £350k (our estimate of the current market value)

The operating profit for 2024/25 was £16,092 based on a turnover of £19,000. The profit after tax and interest was £110,863, however this large number is a result of our change in reporting - this profit figure



Registered Address: c/o Newman & Co, 4b Church Street, Diss, IP22 4DD

Redgrave Community Society Limited is a Community Benefit Society registered by the Financial Conduct Authority (Register No. 7589)

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includes £119,998 of property value gain but this will only materialise if the pub was sold so there is no material change to the finances of the business only a change to how we account.

The following table illustrates our focus on reducing debt and demonstrates how much easier and quicker it would be if share sales offset share repayments.

	2023	2024	2025	2026	2027
Income	£30,268	£26,848	£20,269	£20,269	£20,269
Expenditure	£16,371	£10,475	£13,211	£9,410	£9,506
Loan Repayments	£5,904	£37,404	£10,904	£5,904	£5,904
Share Repayments	£6,300	£5,000	£5,000	£5,000	TBA
Outstanding Loans	£100,596	£63,192	£52,288	£46,384	£40,480

Approximately half of the current debt is our bounce back loan with the other half consisting of personal loans from a very small group of individuals most of whom do not take any interest.

Current Membership

Our current membership position is that we have 283 members with 4509 shares totalling £225,450. Since the last AGM a number of members have very kindly donated significant numbers of their shares back to the society without requesting a refund, you can retain a small number of shares in order to maintain a social interest and the donation form is included within this pack.

Unlike during the initial share offering the pub is saved but its long term future depends upon an active evolving shareholding.

Ongoing Maintenance

Further exterior decoration will be done by volunteers this summer including the Eastern gable end and the Western end wall of the main building. Please contact us if you would like to help

Management Committee

In line with the new Plunkett rules Julie and I have now served our maximum term on the management committee and will be stepping down after this years AGM having served since the beginning in 2017, this will leave 5 members, it is therefore important that new members come forward to take the society forward and in turn help to secure the future of the Cross Keys.

Julie and I would both like to extend our sincere thanks to everyone who has supported and encouraged us over the last 8 years. It is very gratifying to know that the pub is under the ownership of the community and that we are steadily reducing our borrowings.

We will soon enter the next chapter in our journey when the current tenancy comes to an end. Everyone's support will be more important than ever as the economic climate for the hospitality industry becomes ever more challenging.

Thank you for your support.