



The Swan Community Project Limited

Chair's Report

To be presented at the Annual General Meeting 10th September 2026

Dear Shareholders,

I am delighted to present my report on the Swan Community Project Limited for the year ended 31st March 2026. As we purchased the Swan on 31st March 2025, this represents our first year of trading under community ownership.

This report gives me a chance to summarise what we have achieved in the year to the end of March 2026, to give you an update on how we have done since then and to give some views on what we hope to achieve in the rest of this financial year.

The Refurbishment of the Swan

Since our first AGM I hope you agree that the pub has been transformed. We have now finished the refurbishment and redecoration of the flat including a new kitchen and bathroom, rewired and replumbed the whole building, extended the restaurant area, repaired the roof, taken out and renovated the sash windows, taken up and replaced old flooring downstairs, rebuilt the bar, sanded down and repainted all the external woodwork, replaced gutters, cleared out drains, put in a new boiler, the list could go on. To see the whole story go to the news page on the community website theswancommunityproject.co.uk/news/

Inevitably we found more work needed doing than we had originally planned and the vacancy of the flat allowed us to do more of the disruptive work than we had expected to do quite so early on, but with the help of an army of volunteers we did it.

We closed for three weeks in January, so that the dustiest and dirtiest work could be done all at once and then as the decorating equipment was being tidied away with minutes to go we re-opened bang on time and celebrated accordingly.

The building of a new kitchen and disabled toilet/baby changing facility is now being carried on at speed, so we hope to be in a position to have a new kitchen operational by October. Things are moving so fast that I expect I will have another update for you at the AGM.

With this phase to be completed very soon we believe we will have done a considerable amount towards future proofing the Swan as a well maintained, vibrant centre of our community.



Chair's Report (cont)

Trading Performance

Turning to the Society's trading performance, turnover for the year ended 31 March 2026 was £482,000, which was close to the budget of £486,000 (also bearing in mind that the Swan was closed for three weeks in January). Gross profit was £272,000, compared with a budget of £297,000, giving a gross profit margin of 56.5% against the budgeted 61%. Wages and subcontractor costs were £214,000, representing 44% of turnover, compared with a budget of £199,000 and 41% of turnover.

The underlying EBITDA loss was £54,000, compared with a budgeted loss of £31,000. The adverse variance arose principally from the lower gross profit margin, higher wage costs following increases in the National Minimum Wage, chef agency fees and subcontractor costs and staff recruitment fees. Despite the underlying EBITDA loss, the Society reported an overall profit of £16,000, compared with a budgeted loss of £25,000. This improvement was due to higher than anticipated donations, interest earned on cash deposits and grant income released to the income and expenditure account. These sources of income are excluded from the underlying EBITDA figure.

Encouragingly, the trading position has improved significantly during the first four months of the current financial year. Turnover for April to July 2026 increased to £236,000, compared with £183,000 for the same period last year—an increase of £53,000, or 29%. Gross profit increased from £105,000 to £130,000. Although the gross profit margin reduced from 57% to 55%, staff scheduling, higher turnover and reduced reliance on agency chefs have produced a marked improvement in labour efficiency. Wages and subcontractor costs represented 33% of turnover, compared with 38% in the corresponding period last year. As a result, underlying EBITDA for the first four months improved from £6,000 to £25,000, while the reported profit increased from £4,000 to £17,000. These results demonstrate that the steps taken to manage staffing costs, alongside continued growth in turnover, are having a positive impact.

While careful control of gross margins and operating expenditure remains essential, the improvement achieved in the current year provides a positive and encouraging basis for the Society's future trading.

These financial results reflect the substantial operational progress which has been made this year, with a real focus on improving the customer experience and strengthening the business. We have extended our trading hours and are now open for longer hours on Tuesdays and all day from Wednesday to Sunday, giving customers more opportunities to visit us throughout the week.



Chair's Report (cont)

Trading Performance (cont)

We have also introduced OpenTable, making it easier and more convenient for customers to book. Our new Tuesday Pie Night has been a great success, creating a popular midweek occasion and bringing in a fantastic atmosphere

We are constantly reviewing and improving what we offer. We have significantly expanded our selection of wines and beers, giving customers greater choice, while our menu is refreshed every 12 weeks to keep things seasonal, interesting and fresh. Overall, these changes are helping us build momentum, attract more customers and give people even more reasons to come back.

Membership and Community Engagement

I can't say enough to thank the volunteers who have helped to make so many improvements to the Swan. We have had people sanding, painting, adding insulation, fitting the new kitchen and bathroom in the flat, hauling out old gear, hauling in new gear and a team who spent many hours planning the internal decoration and the look and feel of the pub for the unveiling in January.

We started the year in style with the re-opening on 23rd January which was extremely well attended, a shareholders' meeting on 2nd March and a party to celebrate one year of community ownership and 500 years of the Swan on 11th April. There was the picnic on the Green on 15th August and at the time of writing we are also looking forward to the hog roast and live music on 31st August.

We sent updates on progress in various emails and social media advertising these events and sent others on 26th June and 29th July, so we hope you have had a reasonable amount of information during the year.

We have 473 shareholders many of whom are regulars at the Swan. Our customer base is growing and we hope that we will persuade more of them to support us by being involved whether by becoming shareholders or volunteering.

Governance

The management committee has changed little over the year and looks to remain largely the same for the coming year as we have had no applications to join the committee and there have therefore been no committee elections to report on.

We are conscious that the current committee members have shouldered a considerable burden in achieving so much in a short space of time and that the workload involved may be off putting to others so we will be giving serious consideration both to reducing the workload on the committee and to succession planning.



Chair's Report (cont)

Governance (cont)

As you know we are looking for a new Treasurer who we hope can take advantage of accounting systems which have all been set up very efficiently by Graham Bonner-Leney, so that the workload of his successor can be eased as much as possible.

I would like to thank those who served on the committee during the year particularly Alan Ritchie who has devoted countless hours to overseeing the day to day operations and who has made such a positive difference to how the business is run.

Looking Ahead

Looking forward to the rest of the year, we will be concentrating on improving the autumn and winter months with more events and promotions.

We hope that the new kitchen will be coming into action soon and that this will allow is to repurpose the old kitchen into a servery behind the bar and at the lower end our aim is to knock through to create a community or club room if our funds allow.

We will of course keep you up to date as we go along, although, as the refurbishment phase comes to a close, we hope we can concentrate more on news about the pub events and the community and less on bricks and mortar.

Thanks and Acknowledgements

Thanks again to you, our shareholders, for making all this possible. We are well and truly launched now and the benefits of the Swan becoming a community owned pub are really noticeable. Buying the pub was one thing, making it work is another and we feel that we have made a good start with potential to do better.

Thanks also to everyone who has volunteered because that not only saved us time and money but it helped to get our project going with a genuine community effort. The Swan is clearly busier, the standard of our offering has gone up, the reviews we are getting are very encouraging so all that hard work is starting to pay off.

I look forward to another exciting and successful year. See you in the Swan!

Best regards,

Ray King

Chair,

The Swan Community Project Ltd

26 August 2026