

**MINUTES OF THE THIRTIETH ANNUAL GENERAL MEETING
OF THE LANGDALE OWNERS' CLUB
Held at THE LANGDALE ESTATE
At 2.00pm on Sunday 18TH November 2012**

Present Chairman of the Committee: Fred Crouch
Members of the Committee: Ian Hamilton Andrew Collier
Joe Longmuir Nick Lancaster
Also Present: 107 owners and their guests

Item A Introduction

The Chairman, Fred Crouch, welcomed everyone to the 30th Annual General Meeting of the Langdale Owners' Club. He introduced the other members of the Committee – Ian Hamilton and Andrew Collier (the members elected by the owners) and Joe Longmuir, Managing Director of Langdale Leisure Ltd, and Nick Lancaster, Director of Resort Operations (the two members appointed by Langdale Owners PLC). He asked for any members of the Press to leave or, if they were owners, to respect the privacy of the meeting. The meeting was being recorded in order to produce accurate minutes.

Apologies for absence had been received from Mr J N Scott, Mrs Jenny Mintoft, John & Patricia Clemence, Alan & Yvonne Bower, Dr & Mrs A Halliwell, Mr J Mayne-Brown & Mrs C Sutcliffe, Audrey Harris, Mr R P Ryall, Barry Natton, Michael & Kathleen Culverwell and Mrs Jean Rawling.

The Chairman pointed out that the leases on the Estate would end on 31st March 2062, so we had just less than 50 years remaining!!

Item B To consider and, if thought fit, to pass the following Ordinary Resolution:

Resolution 1) To approve the Minutes of the last Annual General Meeting

The Chairman went through the minutes of the last AGM page by page for any inaccuracies and none were found. He asked for a proposer and seconder to approve the minutes.

Proposer: John Dearden Lodge 21, Week 35
Seconder: Vivienne Pockering Lodge 76, Week 49

On a show of hands in favour, the Chairman declared the Resolution carried unanimously.

Item C Matters arising from the Minutes of the last Annual General Meeting

There were no matters arising not covered elsewhere in the meeting.

Item D Report of the Committee

Waterways

The weir had survived the stern test of the heavy rainfall over the year. Donations from owners towards its repair had reached £27,000 with some way still to go to repay the total cost of £75,000 loaned to the Owners' Club by the Company; so any further contributions made with management fee payments would be very gratefully received.

Refurbishment

Nick Lancaster gave an update on the refurbishment programme. By the end of the current year's maintenance period (Year 4) 89 master en-suite bathrooms and 70 secondary bathrooms or shower rooms would be completed, plus 46 kitchens and living areas.

In addition, several new boilers and heating systems were being installed, and door key locks replaced by more secure proximity locks, which would save money in the long-term.

A major cause of complaint from owners had been the ongoing problem with the laundry regarding the fitted sheets being too small. It had been agreed at the Committee meeting held the previous day to sign a new contract to replace all the sheets with a much larger size which should be completed by early 2013.

Brimstone, the new 16-bedroom addition to the Langdale family due to open at the end of May 2013, would provide an exciting future for Langdale and ensure we remain one of the top resorts in the UK. Owners were thanked for their tremendous tolerance and support during the building project – particularly those who were on-site from February to April 2012 when the rock was being “pecked” out.

Re-Organisation and Succession of the Committee

Andrew Collier explained that the Committee’s main task was to manage the business and affairs of the Owners’ Club; eg decide on the next round of refurbishment, set the management fees, monitor the performance of the Management Company and agree budgets totalling nearly £3 million a year, and generally to look after the interests of owners.

The Constitution stated that there should be no more than five persons on the Committee; three to be members of the Langdale Owners’ Club (LOC) and therefore timeshare owners themselves, and two to be nominated by the Company, Langdale Owners PLC (LOP). Each of the three members of the Club was elected for a period of three years in rotation and could stand for re-election without any limit.

The matter of succession had been discussed over the previous couple of years to try to find the best way forward in the medium to long term, and consideration was being given to limiting the length of continuous service of the elected members of the Committee in order to create a turnover of members with different skills and experience. It would also build up a greater number of people who had served a term on the Committee and who could be called upon if there should be major issues to be resolved in the future. This could be achieved by a member having to stand down after two three-year terms for at least a year before being eligible for re-election.

The Committee and the Board of LOP had been working with a group of a dozen people who had expressed an interest in becoming members and who had attended meetings throughout the year. Their backgrounds covered a wide range of skills and interests, and the evidence was that there should be little problem in finding appropriate members to serve, should a greater turnover be created in future.

If a six-year term were considered appropriate for “general” members of the Owners’ Committee, what about the Chairman? Once a steady turnover had been initiated it would be unlikely that someone would take up the chairmanship in the early stages of their term of office, so it was felt there should be special provision for the Chairman to be able to serve for a third term.

The Committee was keen to hear owners’ views on this, as it would entail changing the Constitution. Should there be a maximum term of continuous service and, if so, what should it be? Should there be an extension for the Chairman? Comments should be made via owners@langdale.co.uk or by contacting Anne Durnall at the Langdale Estate.

Management Fees

The Chairman said that the Committee was very aware of the need to keep management fees under control, but, almost inevitably, they had risen over recent years to accommodate the major refurbishment programme. Once that had been completed they would have to plan the next round, which would involve Brackens, Elterwater Hall, Beckside and Chapel Stile.

They also needed to source a new supplier of pull-down beds. Other infra-structural matters needed attention, such as water pressure in certain areas, repairing roadways and making energy savings. Given favourable circumstances, the aim was to keep the management fee increases in line with inflation.

The Chairman congratulated Joe and his team for their efforts and forward thinking, and also Andy Dawson and the Grounds team for their hard work keeping the Estate looking as good as possible during the Brimstone building project, and for camouflaging the re-sited gas tanks.

He also expressed his thanks to Adam Sharrock for the great job he did on behalf of owners – acting as an important front-line link between them and the Management Company. He also continued to find interesting venues for owners to visit.

Swaps

About 90% of swaps were now processed via e-mail or the website, which was much more efficient. Owners were encouraged to sign up for access to the Owners' Website.

Digital Communication

Following on from the above, owners were encouraged to sign up to receive correspondence and documents via e-mail where possible, as this was the best way forward for the future to speed up communications and provide substantial cost savings.

TATOC (The Association of Timeshare Owners' Clubs)

This organisation provided timeshare owners with help if they had problems and gave advice on new legislation, such as the new law in Spain on "rotational use of tourist assets" (a euphemism for "timeshare"). A 14-day cooling off period had been implemented and a ban on taking deposits during this time. Rules on resales had been tightened but there were still several scams to be wary of, most of which started with a cold call – owners were urged to be very careful and not to sign up for anything, or to send any money. Calls received by TATOC indicated that people had been duped out of some £1.3 million over the year. If owners need help or information, TATOC's website is timeshareassociation.org.uk.

Accounts

After a successful appeal against Business Rates, the rateable value of the resort had been reduced with the value apportioned over the different sites:- the main Estate, Elterwater Hall and Chapel Stile. It was expected that overall payments would be reduced by about £41,600 over the next two years, which would help to keep management fees under control.

The Company had decided to keep the remaining four unsold stock weeks for rentals. The rental market remained buoyant and the Sales Office continued to make resales.

Owners were reminded that they could pay their management fees by direct debit, either annually or by 10 monthly instalments.

The figure of £5,276 for Funds from Cancelled Members was the balance held from sales made to recoup management fees outstanding for at least two years; it was not paid to the "cancelled" owners as they could not be traced. The Club now took a fee of £250 above the outstanding account to meet administrative costs.

Expenditure for the year was £726,802 against £633,459 the previous year, mainly on the refurbishment programme, but the Club's assets had more or less doubled over the year.

The Chairman asked for any questions relating to the Accounts.

Malcolm Coward – Elterwater Hall 3, Week 26: If management fees are unpaid for two years, is the Club able to rent the property in the second year?

Chairman: Yes, we are legally allowed to rent it out in the second year and subsequent years if necessary.

The Chairman then moved the meeting on to the Resolutions:

Item E To consider and, if thought fit, to pass the following Ordinary Resolutions:

Resolution 2

To receive, approve and adopt the Financial Statements for the year ended 30th April 2012 together with the Reports of the Committee and Auditors thereon.

Proposer: Dale Watler Lodge 24, Week 26

Seconder: Robin Welsby Lodge 47, Week 27

On a show of hands in favour, the Chairman declared the Resolution carried unanimously.

Resolution 3

To re-appoint Scott & Wilkinson LLP as Auditors of the Club and to authorise the Committee to fix their remuneration

Proposer: Boyd Tennent Lodge 48, Week 32

Seconder: Jane Mitchell Lodge 75, Week 7

On a show of hands in favour, the Chairman declared the Resolution carried unanimously.

Resolution 4 To re-elect Ian Hamilton as a Member of the Committee

Proposer: Jean de Kretser Lodge 54, Week 10

Seconder: Keith Learmouth Lodge 35, Week 30

On a show of hands in favour, the Chairman declared the Resolution carried unanimously.

The Chairman confirmed that all the motions carried at the meeting had received over 1,000 proxy votes, which was a good response out of 4,000 owners. He then opened the meeting to questions from the floor.

Bill Mossop – Lodge 23, Week 39: Congratulations to the Committee on the terrific new bathrooms and also for their good work in keeping management fees down. A negative point though is that he feels the standard of housekeeping had deteriorated. Problems were dealt with efficiently on arrival but preventative action did not appear to be taken to stop the same issues occurring year after year.

Nick Lancaster: This is the area that Adam has been working hard on, such as the long-running problem with the sheets for which Housekeeping was getting the blame but which was the fault of the laundry suppliers. Adam liaises with Ruth Hodgkinson, the Lodge Housekeeper, to record any problems and try to prevent them occurring again in the future.

Margaret Taylor – Elterwater Hall 3, Week 48: Generally, the standard of housekeeping is fine but it can be let down by lots of fingerprints on the insides of the windows and doors. Also, there has been a problem with the duvet covers being very scratchy and uncomfortable.

Nick Lancaster: I will pass the comments about the windows and doors to the Housekeeper. There was a problem with the old duvet covers but they have been replaced and are now the same fabric as the sheets.

Kit Bird – Lodge 10, Week 23: Ann Byrne and her colleagues do a great job with rentals but might it be possible for them to notify owners a week or two before the date if the lodge has not been rented, as at that stage the owner might appreciate a discussion on perhaps dropping the price or giving it away to a friend, or something like that?

Dan Visser: Currently we notify owners when it is rented. We can talk about it but we would need to look at it very carefully. My concern is that, if for some reason a notification didn't go out to somebody, we would be disappointing them. So, at the moment our policy is that if you haven't heard from us it has not been rented.

Item F To transact such other business as may be properly transacted at an AGM

The Chairman expressed his thanks to the whole team at Langdale, including those behind the scenes who had worked so hard to organise this weekend – from the kitchen and restaurant staff to the technical people for the presentations, and everyone involved in producing and distributing the documentation. He said that there was a great sense of camaraderie amongst all the staff. He also thanked all his colleagues on the Committee.

Before drawing the meeting to a close, the Chairman said that he had a short announcement to make. In view of the previous discussion on bringing about changes to the Committee, he had agreed, somewhat reluctantly, to stand down as Chairman at the next AGM when he came up for re-election. He said that he would have liked to have seen through the necessary changes to the Constitution that, if passed, would formalise the model which would eventually be proposed, but discussions which were taking place may result in a middle way being found. He did not totally rule out the possibility of standing again for the Committee, at some time in the future, especially if he were to see circumstances which he thought might damage the Langdale that we all knew and loved. Nothing had yet been finalised and precisely what would be presented at the next AGM had not been fixed.

The level of interest from lodge owners wishing to join the Committee had been quite high and several had put their names forward. These had all been invited to submit their CVs and subsequently had attended Committee meetings to familiarise themselves with the proceedings and level of commitment involved.

So, what next? A plan had to be formulated to move forward, needing to balance stability with finding new blood. The Committee had not yet reached a consensus about the best way forward, so if any owners had any views that could be helpful they were urged to get in touch.

The Chairman then closed the meeting by thanking everyone for coming and announcing that the next AGM would be back at Langdale on 1st December 2013, when Brimstone would be up and running – many owners had already booked a room there for the AGM weekend.

The meeting closed at 3.25pm.