

MINUTES OF THE 35TH ANNUAL GENERAL MEETING OF LANGDALE OWNERS' CLUB

Held at North West Auctions, Junction 36, Rural Auction Centre, Crooklands, Milnthorpe,
Cumbria, LA7 7FP at 12 midday on Sunday 26 November 2017

Present:

Chairman: Ian Hamilton

Committee members: Jill Walker
Kit Bird
Nick Lancaster
Ian Murray

Also present: 75 owners and their guests

Introduction from the Chairman, Mr Ian Hamilton

The Chairman welcomed everyone to the 35th Annual General Meeting of the Langdale Owners' Club ("LOC") and apologised to those who had not attended the Langdale Owners PLC ("LOP") meeting, for the slight overrun in time.

Mr Hamilton introduced himself as LOC Chairman and introduced his colleagues on the Committee, Jill Walker, Kit Bird (both elected members of the Committee), Nick Lancaster (Managing Director of LLL) and Ian Murray (Maintenance Manager). He confirmed that the Committee was made up of 3 elected members and 2 appointed members (appointed by Langdale Owners PLC).

The Chairman then covered the formalities for the meeting such as the fire regulations and mobile phones which he asked to be turned to silent. He requested any members of the press present, to respect the privacy of the meeting. He confirmed that the meeting was being recorded to retain an accurate record of proceedings.

Formal apologies had been received and noted from Mr & Mrs A R Nicholson & Messrs T E & W J Nicholson, Mr & Mrs J P Jillings, Mrs Jenny Mintoft, Mr John Mayne-Brown & Mrs Cynthia Sutcliffe, Mr Boyd Tennent & Mrs Sybil Tennent, Mr David Keeble & Mrs Norma Keeble, Mr Roger Price & Mrs Denise Price, Mr Alan Riddle & Mrs Dorothy Riddle, Mrs Georgia Bellamy, Mrs Pat Ransome, Mr R P W Dolman & Mrs B M Dolman, Mrs Helen Trout, Mr John Thom & Mrs Christine Thom. Mr Hamilton then explained that the meeting was the AGM of the Langdale Owners' Club and that at the conclusion of this meeting LOP and LOC would hold a joint Q&A session taking questions from the floor about the operation of the estate and how services are delivered. Mr Hamilton thanked everyone for attending but also thanked all those who made Langdale a special place for owners, the staff at Langdale and those who had helped to organise this event.

The Chairman then moved to take Resolution 1.

Resolution 1

To approve the minutes of the last Annual General Meeting held on held on 27th November 2016

Proposer: Eric Pickering - Lodge 23, Week 27

Seconder: William Cropper - Lodge 82, Week 41

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

Item C

There were no matters arising from the minutes of the last Annual General Meeting

Report of the Committee

The Chairman referred to his formal report which had already been circulated within the AGM pack of papers but stated that he would give a short summary of the financial highlights for LOC.

One of the largest areas of expenditure was the delivery of services to owners, eg laundry and other ancillary services. Mr Hamilton felt that it was interesting that one of the common misunderstandings was expenditure on refurbishment as this wasn't simply internal fittings and fixtures. Refurbishment covered many things, such as utilities that needed to be replaced, for instance. A project was currently underway to replace all the water tanks that supply water services to all lodges. This was a very big project and something that would probably only occur once every 30 or 40 years. Therefore, refurbishment was not just carpets, curtains and kitchens - it covered all aspects that needed to be replaced over time.

The Chairman explained that the management fee figure was the agreed management fee currently fixed with Langdale Owners' plc at £195,000. This was reviewed on a regular basis. The bad news was that LOC was over budget on £2.9m by £8,000 for which Mr Hamilton apologised. He stated that the Committee always tried to match income with expenditure.

The Chairman explained that the Committee had been considering, for some time now, a review and update of the LOC Constitution, because, 35 years into the development and with the passage of time, there had been changes to names of companies and references, such as the original Partnership etc. Therefore, the Committee intended to bring forward a revised LOC Constitution to members at the next AGM. The revision would modernise the Constitution so that the terminology actually made sense for the business that LOC was engaged in. In addition, there could be amendments to accommodate new legislation or wording which would reflect changes over time, in an effort to ensure that the Constitution was able to deal with the future needs of members. He hoped that members would be supportive in helping the Committee to proceed with those changes.

The Chairman wanted to reassure members that the Committee was not intending to change the fundamental objects of the LOC Constitution, their intention was to simply bring it up to date to make it more understandable for new entrants and clear for everybody.

The Chairman reported that the Committee would also be supporting a regionally based programme called the Aspiring Leaders Programme and he asked Nick Lancaster to provide a summary of the programme.

Nick Lancaster

The Aspiring Leaders Programme is sponsored by Brathay Trust and the University of Cumbria who deliver this degree programme. It is borne out of a reaction to these times of austerity. The University of Cumbria have put a programme together to develop internally within Cumbria our own leaders mainly coming from third sector/charitable organisations. All students on the programme have to be sponsored by the charity or third sector organisation in which they work, examples of which are charities working with vulnerable adults, domestic violence, child support. The programme is concerned with growing leadership within the Cumbria community in those charitable organisations and to bridge the gap between a reduction in government funding and a sustainable way of dealing with these on-going issues within Cumbria.

Chairman

Mr Hamilton thanked Nick for his summary and confirmed that LOC's involvement was that the Committee, on the LOC's behalf had agreed to underwrite one student place on the programme and an option was available to owners to donate to the student place on the Aspiring Leaders Programme when paying their management fees. The Committee believed that the Aspiring Leaders Programme was a very worthy cause and was one way in which LOC could play its part in the community in which members' holidays took place and were enjoyed.

The Chairman moved on to talk about the Reserve Fund apportionment and its re-alignment, which he explained was the £800,000 - £900,000 element of the management fee, which is used to replace various items that are either worn out or needed to be updated.

The Chairman explained that over the last 10 years the Committee had been closely monitoring the expenditure made on each lodge type to enable them to attune the Reserve Fund contribution made by members to their particular lodge type. He stated that this approach was more aligned with how expenditure had been over the period of refurbishment. Mr Hamilton described how, back in 1986, some members might remember receiving a piece of paper on the day they bought their timeshare saying that the management fee was £70 and the Reserve Fund contribution, was £5. The Chairman had recently attended a timeshare industry meeting and was interested to learn what other clubs were collecting by way of reserve fund contribution. On average this was 1.5% or 2%. He stated that the Reserve Fund contribution, collected on behalf of members over the years, protected the quality of the units as it (the Reserve Fund) had risen appropriately over the years. The current proposal was to re-align the apportionment of the Reserve Fund over three years so that all members would pay a fair contribution related to the spend on their unit.

The Chairman also explained that the Committee was investigating members' life circumstances, the changes in demographic and the next generation of owners. The timeshare industry had recognised that there was a problem due to the demographic change to the resort ownership. He stated that the industry itself had decided to actively support people who wished to exit their timeshare. Langdale is an Owners Club that no longer has a developer therefore the development company no longer had any rights to the timeshare. The rights to all the timeshares sat with LOC. Therefore, when members gave up their timeshare that timeshare comes back to LOC, not the company. Mr Hamilton explained that it was a little complicated but in the future the Committee felt that LOC should take collective responsibility, for the benefit of all, in order to help members who may want to exit their timeshare in a dignified way. He hoped that everyone would agree with this approach. The Chairman hoped that by next year the Committee would be able to articulate a process by which this could happen. He felt that the most important thing was to adopt the principle of the many supporting the few and he very much felt that this was the right thing to do.

The Chairman then moved to the remaining Resolutions.

Resolution 2

To receive, approve and adopt the Financial Statements for the year ended 30th April 2017 together with the Report of the Committee and Auditors.

Proposer: William Walker - Lodge 75, Week 47

Seconder: Len Davidson - Lodge 75, Week 21

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: Dale Watler - Lodge 24, Week 26

Seconder: Allan Monkhouse - Lodge 64, Week 46

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

Resolution 4

To elect a member to the Committee of the Club from the following candidates who have been nominated in accordance with the Owners' Club Constitution and have agreed to stand: -

- *Kit Bird (having offered himself for re-election to the Committee for a further term)*
- or*
- *John Smart*

The Chairman stated that this Resolution would be conducted as it had previously been conducted, with a vote on a poll. Voting slips would be collected from all those present in the room, entitled to vote. The votes would then be counted, and the result announced.

Anne Durnall, the Company Secretary (of Langdale Owners' PLC) explained how the vote on a poll was to proceed and asked members to indicate their name, lodge and week number on the voting slip so that votes could be reconciled ensuring that every week of ownership was counted and also to ensure that there weren't any duplicated votes.

Voting slips were circulated around the room and then collected for counting together with votes received by post.

Resolution 5

To amend clause 10 (viii) of the Constitution of the Langdale Owners' Club by replacing the words "Retiring members may offer themselves for election once" with the words "Retiring members may offer themselves for election twice", with the express intention of enabling elected members of the Committee to serve up to three terms (of three years each) and for the Chairman to serve up to four terms (of three years each).

The Chairman explained that this Resolution was to amend the tenure cycle of the Committee and that he had been asked to explain the purpose of the change. Mr Hamilton stated that having changed the wording previously to enable new Committee members to join the Committee more regularly, Mr Hamilton felt that this approach might have been a little over zealous in trying to effect a more regular cyclic change. The Committee had realised, bearing in mind Jill Walker and Kit Bird's experience of being new Committee members, that it would be more prudent to enable people to stay on the Committee for perhaps nine years as a standard Committee member and then a further three years as Chairman (if they are Chairman at the time). He felt that as some projects initiated by the Committee lasted longer than the six-year cycle this was a sensible approach. He also felt that it was important for new Committee members to have time to "get their feet under the table", in order to gain a good understanding of how the resort operated and how Committee members were able to contribute. The overall objective of the change was to ensure that new members of the Committee had sufficient time in which to make a useful contribution.

Mr Hamilton commended Resolution 5 on that basis.

Proposer: Christine Grey - Lodge 31, Week 6
Seconder: David Croxton - Lodge 51, Week 47

There was a comment from the floor regarding whether this vote could be taken on a show of hands and the Chairman confirmed the Constitution allowed for a vote to be taken in the room unless there was a call for a vote on a poll.

On a show of hands Mr Hamilton declared that Resolution 5 had been carried.

There was no other business brought before the Committee – the Chairman stated that the result of the vote on the Committee Election poll would be announced prior to the start of joint meeting of LOC and LOP, that afternoon. He invited everyone to take lunch at that point.

The meeting was temporarily reconvened to announce the result of the vote on Resolution 4 which was John Smart 457 votes and Kit Bird 542 votes. The Chairman confirmed that on a poll Kit Bird had been re-elected to the Committee for a further term and as there was no other ordinary business the meeting was declared closed