



**The Langdale Owners' Club**  
**Financial Statements**  
for the year ended  
30th April 2013



The Langdale Owners' Club

## Agenda and Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 31st ANNUAL GENERAL MEETING of the Langdale Owners' Club will be held on Sunday 1st December 2013 at 2.00 pm at the Langdale Hotel, the Langdale Estate, Great Langdale, Ambleside, Cumbria, LA22 9JD.

### Agenda

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**A. Introduction**

**B. To consider and if thought fit, to pass the following ordinary Resolution:-**

- 1.) To approve the minutes of the last Annual General Meeting.

**C. Matters arising from the minutes of the last Annual General Meeting held on 18th November 2012.**

**D. Report of the Committee**

**E. To consider and if thought fit, to pass the following ordinary Resolutions:-**

- 2.) To receive, approve and adopt the Financial Statements for the year ended 30th April 2013, together with the Report of the Committee and Auditors.
- 3.) To re-appoint Scott & Wilkinson LLP as Auditors of the Club and to authorise the Committee to fix their remuneration.

**F. Committee Report on Succession – Paper A. To consider and if thought fit, to pass the following Resolutions:-**

- 4.) To amend the Constitution to limit the length of continuous service of Committee members to six years or in the case of a member who becomes Chairman, nine years, as follows (amendments shown in red) :-

Clause 10 viii At the first Annual General Meeting (after the first General Meeting) of the Club and at each subsequent Annual General Meeting one member of the Committee shall retire and a new member shall be elected. Retiring members may offer themselves for re-election **once and in addition if the nomination of a member is accompanied by a certificate of the Committee that such member will if re-elected be appointed or re-appointed as Chairman of the Committee he may offer himself for re-election for a further period of three years. Any member having previously held a position on the Committee may stand for election after having been out of office for at least one year. "Year" shall mean the period between two successive Annual General Meetings of the Club.**

- 5.) To elect a new 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  
Brenda Dearden  
Alan James  
Jill Walker

A Ballot Paper which contains a brief statement from each candidate is included with the Voting papers – **Paper B** and each member will also make a short presentation in person at the AGM.

- 6.) To confer the title of Honorary Life President of the Langdale Owners' Club on the retiring Chairman Mr Frederick Osborne Crouch.

**G. To transact such other business as may be properly transacted at an Annual General Meeting.**

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On behalf of the Committee



F O Crouch  
Chairman

11th September 2013

## Notes

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1. Each member shall be entitled to one vote for each Holiday Certificate held subject to a maximum of twenty five Holiday Certificates. Where a Holiday Certificate is owned jointly the vote of the first named joint owner of the Holiday Certificate only shall be counted.
2. Members are entitled to appoint a proxy to vote, on a poll, in their stead. A proxy need not be a member of the Club. The instrument appointing the proxy must be signed by the appointor, or his or her attorney duly authorised in writing, or if the appointor is a company, it must be sealed or signed by a duly authorised officer or attorney. The instrument appointing the proxy shall be deposited at the office of the Club not less than 48 hours before the time appointed for holding the meeting and in default the instrument of proxy shall not be treated as valid. A proxy shall be valid for this Annual General Meeting or any adjournment thereof.
3. Address of Club           FAO Anne Durnall  
                                      Langdale Owners' Club  
                                      The Langdale Estate  
                                      Great Langdale  
                                      Nr Ambleside Cumbria LA22 9JD

The Langdale Owners' Club

## Committee Report

The Committee presents its formal report and the audited accounts for the year ended 30th April 2013.

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### Committee

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**Elected Members:** F O Crouch  
W I R Hamilton  
A J Collier

In accordance with the Constitution, Langdale Owners PLC nominated the following Committee members as at 30th April 2013:

J Longmuir  
N Lancaster

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### Statement of Committee Members' Responsibilities

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*The Committee is responsible for the management of the business and affairs of the Club and is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Club and of the results for that period. In preparing those financial statements, the Committee is expected to:*

- *select suitable accounting policies and then apply them consistently;*
- *make judgements and estimates that are reasonable and prudent;*
- *prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Club will continue in business.*

*The Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Club. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Club and to prevent and detect fraud and other irregularities.*

*In so far as the committee members are aware:*

- *there is no relevant audit information of which the Club's auditors are unaware; and*
- *the committee members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.*

*F O Crouch, W I R Hamilton and J Longmuir are Directors of Langdale Owners PLC. The Management Company is a division of Langdale Leisure Ltd which is a wholly owned subsidiary of Langdale Owners PLC.*

*J Longmuir is also a Director of Langdale Leisure Ltd and Nick Lancaster is a Senior Manager of Langdale Leisure Ltd.*

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### Auditors

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**Messrs Scott & Wilkinson act as auditors**

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## INTRODUCTION

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The year on which we are reporting included the Diamond Jubilee of Her Majesty the Queen, the London Olympics, and was the 30th year of the Langdale Estate. And it rained! Owners seemed to enjoy their timeshares as usual and celebrated the special events of the year in their own individual ways. The main new activity on the estate was the construction of Brimstone. Owners are to be thanked for their tolerance while this work was taking place, and the Committee would like to thank Langdale Leisure Limited and the contractors for the considerable efforts that were made to minimise disturbance to timeshare users.

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## FINANCE

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The total income from Management Fees, net of VAT, was £2,762,133, an increase of 6.27% over the previous year. Of this, £914,464 (**Club Funds**) was managed by the Committee, together with the Reserve Fund, and this is the subject of the formal accounts presented with this report.

The Management Company spent £1,663,743 (**Management Company Budget**) on Property Management Costs (that is to say, services to Owners and timeshare units), an increase of 0.9% over the previous year, and £110,389 below budget. The Management Company fee was £183,926 in accordance with the current five-year agreement. The savings of £110,389 have been transferred to the Club's Reserve Fund.

### Club Funds

The Club Fund income totalled £914,464, and the Reserve Fund balance of £51,279, brought forward at 1 May 2012, meant that funds of £965,743 were available for the year.

A total of £770,953 was spent on refurbishment and regular maintenance. Club operating costs brought total expenditure to £804,325, leaving a balance to be carried forward at the year end of £161,668. Club operating costs increased as a result of attendance by Owners interested in serving on the Committee at meetings during the year, in accordance with the succession strategy.

### Management Company Budget

The accounts for the Management Company are recorded in the accounts for Langdale Leisure Limited, but a breakdown of expenditure and income is given for information in Appendix 1 to this report. A copy of a letter from Langdale Leisure Limited's auditors appears at Appendix 3.

### Management Fees

Management fees excluding VAT increased by 6.3% (£163,079), which compares to an increase in the Cost Price Index of 5.2% in Sept 2011 (the reference period for the 2012/13 management fees)

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## REFURBISHMENT AND MAINTENANCE

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During the year the Management Company installed new lounge furniture in 9 lodges, 14 new bathrooms and 17 new kitchens, all in accordance with the development plan. By the end of the 2013-14 maintenance period, all lodge bathrooms will have been renewed, and the plan should be completed in 2014-15, year 6 of the plan, with a final 22 kitchen areas.

As reported above, there was a surplus of £110,389 at the end of the year which has been added to the Reserve Fund. The Committee considered whether to use the funds to accelerate the refurbishment plan, but decided, in the light of feedback from Owners, that the mattresses in the timeshare units should be replaced, which many had argued is long overdue. This will be done in the coming year.

As the end of the lodge refurbishment programme comes in sight, the Committee have been looking at the needs of the other timeshare units, Brackens, Becksides, Chapel Stile, Elterwater Hall, Barn and Cottage. It is expected that refurbishment of these units, according to need, will follow on, and that a plan will be published.

Many lessons are being learned from the current lodge refurbishment programme, first and foremost how to achieve a high quality product at an affordable cost, and with relatively speedy delivery. The Committee have begun to look at options for the next round – when it should be, and how and when it should be funded. Ideas will be brought forward in due

course for consideration by Owners. There is now a wealth of information on costs of refurbishment for different lodge types, and the relative contributions that should be made. The Committee will be reporting in due course.

Maintenance is now very much integrated with the refurbishment programme, with many maintenance problems being dealt with as they arise rather than waiting for a formal annual programme. The Committee would once again like to express thanks to Ian Murray and his team for the essential role they play in both these key services to timeshare owners – and all that alongside the challenge of the Brimstone development as well.

The grounds and waterways are essential to the Langdale ethos, and thanks are due to Andy Dawson and his team for the high standards they continue to achieve.

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## **MANAGEMENT COMPANY SERVICES**

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The Committee continue to monitor services to timeshare owners through the feedback forms, and a regular report from Adam Sharrock on the issues that have been raised with him. Formal complaints to the Committee remain very rare, but we remain concerned, alongside the Management Company, to see that all Owners' concerns are properly dealt with.

Every week some 80 staff come to Langdale from a wide area to clean and prepare the timeshare units for changeover and the new arrivals. As fleeting visitors, and in many ways facing one of the most challenging tasks on the estate, they can sometimes be overlooked. The Committee would like to express appreciation and thanks to these staff whose efforts are essential to Owners' enjoyment of their timeshare weeks. On occasions snow or other bad weather have made it impossible for the regular staff to get to Langdale, and special thanks are due to those staff on site, including the most senior staff, who buckled to and cleaned lodges earlier this year so that, as the saying goes, the show could go on.

Wi-fi internet services in the timeshare units are now being heavily used. In one of the busy Easter weeks some 250 devices were in use, which is not bad for just 100 timeshare units. On-site investment in the optical fibre network came just in time and should meet likely demand for many years to come. We have the best possible BT connection to the site, but it has its limitations and we hope the government's plan to bring fast broadband to rural areas will come to fruition and bring a high speed connection to the Langdale valley, so that the full potential of our system can be achieved. Routers sometimes need to be reset by maintenance but generally the system seems to be coping very well. As the use of video and similar downloads increases, it may be necessary to adopt a "fair use" policy in the short term until we have a high speed connection to the outside world. Thanks to Rob Davies who not only keeps the system going, but contrives ingenious ways to improve it.

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## **COMMITTEE MATTERS**

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The Committee's succession policy is the subject of a separate paper and resolutions with this report. Thanks are due to the many Owners who showed interest in serving on the Committee in the future and who spent considerable time and effort exploring the work of the Committee. It is hoped that all Owners will feel able to support the strategy and accompanying resolutions.

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## **IN CONCLUSION**

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We are continually striving to maintain our position as one of the top timeshare resorts in the UK. To achieve this there has to be considerable commitment at all levels of the organisation, in the Management Company, the Owners' Committee and, in a different way, from you, the Owners in the support that you give.

For many of us who work at, or are involved with, Langdale, it is more than just a 'job' - It is a way of life and that is a great part of its success.

Our thanks must again go to the team at Langdale.



**Fred Crouch**

**Chairman**

The Langdale Owners' Club

## The Independent Auditors Report

to the members of The Langdale Owners' Club

For the year ended 30th April 2013

We have audited the financial statements of The Langdale Owners' Club for the year ended 30 April 2013 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Club's members. Our audit work has been undertaken so that we might state to the Club's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Club and the Club's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective Responsibilities of Committee Members and Auditor

The committee members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Club's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by committee members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Committee Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Club's affairs as at 30 April 2013 and of its surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

### Opinion on Other Matters

In our opinion the information given in the Committee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on Which We are Required to Report by Exception

We have nothing to report in respect of the following matters where we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of committee member's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Dalton House  
9 Dalton Square  
LANCASTER  
LA1 1WD  
27 August 2013



T M Preece FCCA  
(Senior Statutory Auditor)  
For and on behalf of  
Scott & Wilkinson LLP  
Chartered Accountants  
and Statutory Auditor

The Langdale Owners' Club

## Balance Sheet

30th April 2013

	NOTE	2013 £	2012 £
<b>Assets</b>			
Cash deposits		143,799	18,895
Stock	7	15,685	26,968
Due from Langdale Leisure Ltd	9	2,183	5,415
Lodge Assets	8	1	1
		<u>161,668</u>	<u>51,279</u>
<b>Net Assets</b>		<u><b>161,668</b></u>	<u><b>51,279</b></u>
<b>Club Fund</b>			
Balance b/f 1 May 2012		51,279	25,596
Increase in Funds		110,389	25,683
		<u>161,668</u>	<u>51,279</u>

Signed on behalf of the Committee



Fred Crouch - Chairman  
17th August 2013

The Langdale Owners' Club  
**Income and Expenditure Account**  
for the year ended 30th April 2013

<b>INCOME</b>	<b>NOTE</b>	<b>2013</b> £	<b>2012</b> £
Club Fund Contributions	<b>3</b>	<b>914,464</b>	775,838
Funds from Cancelled members		<b>250</b>	5,276
		<u>914,714</u>	<u>781,114</u>
 <b>EXPENDITURE</b>			
Reserve Fund Replacements	<b>5</b>	<b>770,953</b>	726,802
Club Operating costs	<b>6</b>	<b>33,276</b>	28,564
Bank charges		<b>96</b>	65
		<u>804,325</u>	<u>755,431</u>
 <b>Increase in funds</b>		<u><b>110,389</b></u>	<u>25,683</u>

## **1. Accounting Policies**

### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and are in accordance with applicable accounting standards.

### **Turnover**

Turnover represents contributions receivable from owners, based on a fixed weekly amount per lodge.

### **Stock**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

### **Vat**

The Langdale Owners' Club is not registered for Value Added Tax and therefore expenditure is shown inclusive of VAT.

### **Investments**

All investments are stated at Market Value.

## **2. Principal Object of the Club**

In accordance with its Constitution, The Langdale Owners' Club is a non-profit making club whose object is to secure for members joint rights of ownership of the lodges at Langdale (including Elterwater Hall and Chapel Stile Apartments), and exclusive rights of occupation for the periods specified in the Holiday Certificates.

## **3. Club Fund**

The Club Fund is made up of; a Reserve Fund created for the replacement of lodge fittings, equipment, furnishings and utensils (see note 5) and Club Operating Costs necessary for the running of the Club (see note 6).

Contributions to the Club Fund are based on all the weeks available for use and amount to about 33.1% of the total Management Fees.

The Income and Expenditure Account discloses The Club Fund contributions and expenditure as these form the transactions of The Club.

## **4. Operation**

Under a Management Agreement dated 4th January 1982 with the Langdale Management Company ("the Company") (an operating division of Langdale Leisure Limited) the Club members agreed that the Company should on their behalf undertake the whole of the management and administration of the lodges and the Club.

From 1st May 1985 the Company is entitled to recover from the Club the costs it incurs under the Management Agreement plus the additional sum of 15%. A resolution was passed at the 2011 AGM to suspend the provisions contained in Clause 10 of the Management Agreement dated 4th January 1982 for a period of five years from 1st May 2011, on the basis of an agreement dated 4th February 2011 which provides for the Management Company's fee to be agreed annually between the Langdale Owners' Club Committee and the Management Company

Details of the Property Management costs incurred by the Management Company on behalf of the Club are disclosed for information only in Appendix 1.

The Langdale Owners' Club  
**Notes to the Accounts**  
for the year ended 30th April 2013

**5. Amounts replaced from Reserve Fund**

The figure of £770,953 shown on the Income and Expenditure as amounts replaced from Reserve Fund is comprised of the following:

	2013	2012
	£	£
Reserve Fund Expenditure:		
TV & HiFi's and other electrical (irons etc.)	4,687	3,140
Kitchen electrical	5,060	8,205
Kitchen sundries (cutlery, utensils etc.)	26,394	32,593
Crockery	5,144	7,046
Bedroom furniture	451	2,553
Carpets	580	23,151
Living room furniture	53,261	38,025
Soft furnishing (throws, cushions etc.)	5,396	4,326
Bathrooms	111,468	197,390
Linen	2,416	2,746
Building	-	16,713
Infrastructure	67,256	67,256
Others	2,564	2,524
Kitchens	397,076	161,941
Balconies (inc furniture)	4,832	931
Boilers	6,157	52,699
Lodge maintenance	32,281	29,641
Painting	16,915	32,901
Alarms	17,214	35,212
Curtains	518	15,888
	<u>759,670</u>	<u>734,881</u>
Stock at 1st May 2012	26,968	18,889
Less: Stock at 30 April 2013	(15,685)	(26,968)
	<u><u>770,953</u></u>	<u><u>726,802</u></u>

**6. Club Operating Costs**

Specific costs incurred by the Langdale Owners' Club:	2013	2012
	£	£
Trustee payment - Barclays Trust Company	4,200	4,200
Auditors' Remuneration	2,700	2,640
Legal Fees		800
Annual General Meeting Expenses	11,953	7,809
Committee Meeting Expenses	6,752	5,586
Printing	4,092	4,253
Newsletter Costs	1,643	1,504
Insurance	364	780
WFR & Tatoc	956	992
Sundries	616	
	<u>33,276</u>	<u>28,564</u>

Committee members receive a mileage allowance for travel to meetings and are provided with overnight accommodation when necessitated by the timing and duration of meetings. 4 meetings of the Owners' Club Committee were held during the year (2012, 4 meetings)

The Langdale Owners' Club  
**Notes to the Accounts**  
for the year ended 30th April 2013

**7. Stock**

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This represents items purchased, but unused at the Balance Sheet date, valued at cost.

**8. Lodge Assets**

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On completion of each lodge, the fittings, equipment, furnishings and utensils became the property of the Club. As these assets are subject to the rights of occupation until 31st March 2062, a nominal value of £1 is attributed to them.

**9. Langdale Leisure Limited**

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This is an amount due from Langdale Leisure Limited.

	<b>2013</b>	2012
	£	£
Balance at 1st May 2012	<b>5,415</b>	(28,241)
Club Fund Contributions	<b>914,464</b>	775,838
	<b>919,879</b>	747,597
Less: Reserve Fund Expenditure	<b>(759,670)</b>	(734,881)
Owners' Club costs and taxation paid by Langdale Leisure	<b>(33,276)</b>	(28,564)
Transfer Of Funds	<b>(125,000)</b>	16,000
Cancelled member fees	<b>250</b>	5,276
Corporation tax paid	-	(13)
Balance at 30 April 2013	<b>2,183</b>	5,415

The following pages do not form part of the audited accounts

The Langdale Owners' Club

## Appendix 1

For the year ended 30th April 2013

### Property Management Costs

	Note	2013 £	£		2012 £	£	
<b>Personnel Costs</b>							
Housekeeping		443,189			441,524		
Reception and ancillary		59,626			49,647		
Repairs and maintenance		181,468			178,905		
Administration & management		87,120			105,317		
Accounts and finance		54,911			47,766		
Staff transportation		51,431	877,745	31.8%	52,105	875,265	33.7%
<b>Rates</b>							
		229,807	229,807	8.3%	239,278	239,278	9.2%
<b>Maintenance &amp; Grounds</b>							
Repairs and maintenance - buildings		2,844			3,298		
Repairs and maintenance - general costs		85,314			78,853		
Grounds		133,111	221,269	8.0%	111,726	193,877	7.5%
<b>Administration</b>							
Administration and management - general costs		134,774			127,230		
Legal and professional		1,609	136,383	4.9%	1,569	128,799	5.0%
<b>Laundry, Linen &amp; Cleaning Supplies</b>							
Lodge cleaning - supplies and contract cleaning		71,141			74,224		
Laundry		36,665	107,806	3.9%	39,103	113,327	4.4%
<b>Utilities</b>							
Lighting, water and waste disposal		76,537	76,537	2.8%	80,826	80,826	3.1%
<b>Insurance</b>							
		14,196	14,196	0.5%	16,848	16,848	0.6%
<b>Total Property Management Costs</b>	a		1,663,743			1,648,220	
<b>Club Fund Contributions</b>		914,464	914,464	33.1%	775,838	775,838	29.9%
<b>Operating Surplus retained by Management Company</b>		183,926	183,926	6.7%	174,996	174,996	6.7%
<b>Total Management Fees Excluding Vat</b>			2,762,133	100%		2,599,054	100.0%

**a. Property Management Costs**

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This is the total expenditure (excluding VAT) for maintaining the lodges analysed over the principal heads of expenditure. Where costs are shared with other divisions of Langdale Leisure Limited, primarily the Langdale Hotel, only the proportion applicable to lodges is included in the accounts as expenditure.

The recharge of local authority rates, television license fees, cleaning, staff transport and insurance charges are treated as disbursements and are not therefore subject to VAT.

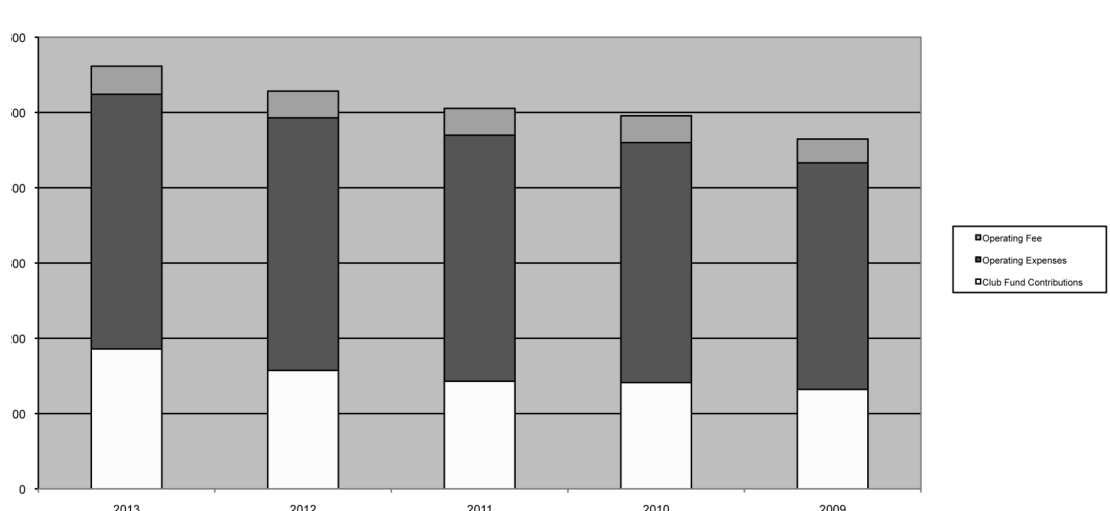
Wherever possible, expenditure is specifically allocated to lodges or other divisions of Langdale Leisure Limited. However, some items, principally elements of personnel costs, are incapable of specific allocation and are therefore apportioned with reference to agreed percentages.

## Appendix 2

### Average Management Fee Historic Comparison

for the year ended 30th April 2013

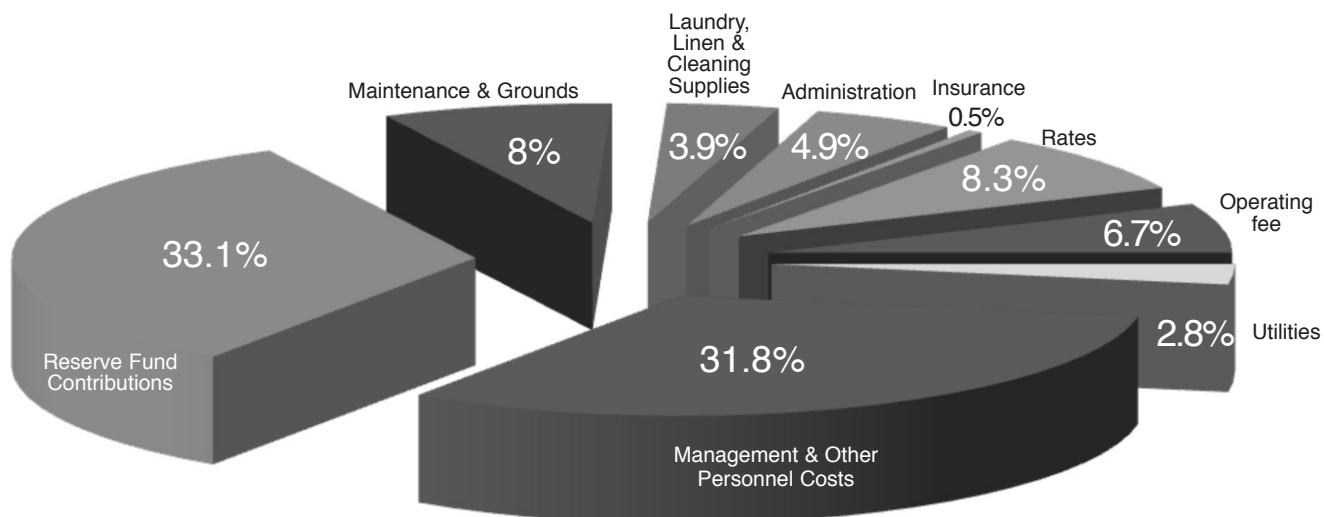
Year	2013	2012	2011	2010	2009
Number of weeks	4919	4919	4919	4919	4919
<b>Property Management Costs</b>					
<b>Personnel Costs</b>	£	£	£	£	£
Housekeeping	90.10	89.43	85.75	74.22	68.16
Reception and ancillary	12.12	10.96	10.88	10.03	9.25
Repairs and maintenance	36.89	35.43	34.62	29.74	27.49
Administration & management	17.71	18.06	17.74	18.39	16.88
Accounts and finance	11.16	9.43	9.93	10.50	8.82
Staff Transportation	10.46	10.16	10.88	12.01	8.15
<b>Rates</b>	46.72	51.18	48.44	50.98	48.94
<b>Maintenance &amp; Grounds</b>					
Repairs and maintenance - buildings	0.58	0.90	1.45	0.82	1.62
Repairs and maintenance - general costs	17.34	17.85	15.42	14.47	12.87
Grounds	27.06	21.28	22.90	24.42	23.09
<b>Administration</b>					
Administration and management - general costs	27.40	25.78	25.53	26.54	24.19
Legal and professional	0.33	0.41	0.30	0.73	0.57
<b>Laundry, Linen &amp; Cleaning Supplies</b>					
Lodge Cleaning - supplies and contract cleaning	14.46	16.07	15.77	17.81	16.14
Laundry	7.45	9.35	8.64	8.31	7.97
Lighting, water and waste disposal	15.56	15.59	15.37	16.59	23.49
<b>Insurance</b>	2.89	3.63	3.34	3.15	3.38
<b>Total Property Management Costs</b>	<u>338.23</u>	<u>335.51</u>	<u>326.96</u>	<u>318.71</u>	<u>301.01</u>
<b>Club Fund Contributions</b>	185.90	157.29	142.89	141.27	132.08
<b>Operating Fee retained by Management Co.</b>	37.39	35.57	35.58	35.58	31.60
	<u>561.52</u>	<u>528.37</u>	<u>505.43</u>	<u>495.55</u>	<u>464.69</u>



## Appendix 2

### A percentage breakdown of the Property Management Costs, Reserve Fund Contributions and the Management Company Fee

For the year ended 30th April 2013	%	£
Utilities	2.8%	76,537
Management & Other Personnel Costs	31.8%	877,745
Reserve Fund Contributions	33.1%	914,464
Maintenance and Grounds	8.0%	221,269
Laundry, Linen and Cleaning Supplies	3.9%	107,806
Administration	4.9%	136,383
Insurance	0.5%	14,196
Rates	8.3%	229,807
Operating Fee	6.7%	183,926
	<u>100.0%</u>	<u>2,762,133</u>



Note: These charts are not part of the accounts, but for illustrative purposes only.

The Langdale Owners' Club  
**Appendix 3**  
for the year ended 30th April 2013



Reply to: James Treadwell  
Our ref: LAN641/JST/AAM  
Your ref:



30 September 2013

Langdale Owners Club  
The Langdale Estate  
Great Langdale  
Cumbria  
LA22 9JD

Dear Sirs

**AUDIT OF MANAGEMENT COMPANY**

We have audited the financial statements of Langdale Leisure Limited which incorporates the "Management Company" as a separate cost centre. The audit report for Langdale Leisure Limited is attached. The audit report is a clean report, showing that the accounts show a true and fair view.

Yours faithfully  
For and on behalf of Moore and Smalley LLP

**James Treadwell**  
**Partner**  
james.treadwell@mooreandsmalley.co.uk

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## Annual General Meeting 2013 Committee Succession Plan

After much deliberation the Committee have reached agreement on a plan for succession. With the affairs of the Club itself generally well settled, and the major timeshare refurbishment plan well under way, the time is right for orderly change. There is clear evidence that there is a significant number of experienced Owners willing and able to serve on the Committee.

1. At the 2012 AGM, the Committee consulted on a change to the Constitution to limit the length of continuous service of Committee members to six years, or, in the case of someone who becomes Chairman, nine years. The proposal received support from Owners, with no-one against. A formal resolution (**Resolution 4**) is now being proposed. The Committee recommend that you vote FOR the resolution. An amendment to the Constitution is involved and the resolution requires not less than a three quarter majority of all votes cast. The new rules will apply to members on first election or re-election to the Committee after the resolution is passed.
2. The three Owners elected to the Committee retire every three years by rotation. Fred Crouch retires in 2013 and will not stand for re-election. Andrew Collier retires in 2014 and also will not stand for re-election. Ian Hamilton retires in 2015 and will be eligible to stand for re-election. Ian Hamilton will be proposed as Chairman of the Committee with effect from the end of the 2013 AGM.
3. In the preceding paragraphs 1 and 2, "year" shall mean the period between two successive Annual General Meetings of the Club.
4. A number of Owners expressed interest in standing for the Committee, and have attended a familiarisation programme. Following an interview process four have been identified as having the skills and experience most closely aligned to the needs of the Owners' Club and following nomination they are standing for election to the vacancy occurring this year. Nominations were invited from Owners generally through Views. No other Owners are standing. A Ballot Paper containing a brief statement from each candidate is included with the voting papers and in addition each member will make a short presentation in person at the AGM. You can vote either by post or at the AGM.
5. By the 2013 AGM Fred Crouch will have completed 30 years' service on the Committee, 25 of them as Chairman. His service has been exceptional and is unlikely to be surpassed in future. His fellow members on the Committee recommend that the Owners' Club confer on him the title of "Honorary Life President of the Langdale Owners' Club". No obligations are envisaged beyond being the guest of the Club at future Annual General Meetings. In the short term for a transitional period of three years to 2016 the President will be invited to attend and speak at Committee meetings, and will continue as the Club's representative on The Association of Timeshare Owners' Committees (TATOC). A resolution (**Resolution 6**) is proposed. The Committee recommend that you vote FOR the resolution.

