



**The Langdale Owners' Club**  
**Financial Statements**  
for the year ended  
30th April 2010

## Agenda and Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 28th ANNUAL GENERAL MEETING of the Langdale Owners' Club will be held on Sunday 21st November 2010 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.
- D. Reports from 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 2010, together with the Reports of the Committee and Auditors thereon.
  - 3.) To re-appoint Scott & Wilkinson LLP as Auditors of the Club and to authorise the Committee to fix their remuneration.
  - 4.) To re-elect Fred Crouch as a member of the Committee of the Club
- F. To transact such other business as may be properly transacted at an Annual General Meeting.
  - i) To receive an update on continuing discussions with the Management Company on proposals for amendments to the Management Agreement.

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On behalf of the Committee



F O Crouch  
Chairman  
7th August 2010

### 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      C/o F O Crouch  
                                    Langdale Owners' Club  
                                    The Langdale Estate  
                                    Great Langdale  
                                    Nr Ambleside  
                                    Cumbria LA22 9JD

The Langdale Owners' Club

## Report from the Committee

The Committee presents its formal report and the audited accounts for the year ended 30th April 2010.

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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 has nominated the following Committee members as at 30th April 2010:

J Longmuir  
N Lancaster

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### Statement of Committee Members' Responsibilities

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 company'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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## **Committee Report**

### **INTRODUCTION**

The year ended 30 April 2010 was marked by the first phase of the five-year plan for the refurbishment of the lodges on the main estate. Spending on lodge refurbishment, and maintenance of all timeshare units topped £1 million for the first time. Consultation on the new designs was largely completed following the AGM in November 2009, and the Committee's task is now to monitor implementation and to support and encourage the management company in delivering the programme. That, of course, is alongside the regular business of looking after Owners' interests, receiving reports on finance, services to timeshare owners, health and safety, and looking ahead to longer term needs.

### **FINANCE**

The total income from Management Fees, net of VAT, was £2,437,620, an increase of 6.2% over the previous year. Of this, £694,893 (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 £1,567,731 (Management Company Budget) on Property Management Costs (that is to say, services to Owners and timeshare units), an increase of 5.9% over the previous year, but £45,177 below budget. As reported last year, the Management Company fee was fixed at £175,000, and the in-year savings of £45,177 were transferred to the Club's Reserve Fund.

#### **Club Funds**

Contributions to the Club Funds collected via the Management Fee were originally budgeted at £649,712, the same as the previous year. No bank interest was received. Funds were enhanced during the year by £45,177 savings in Management Company expenditure as described above. From time to time membership of owners who cannot be traced is cancelled and the Committee has decided that funds owing to such members should be held in the Reserve Fund and a figure of £9,379 has been included in income for the year. Income totalled £704,272, and the Reserve Fund balance of £330,325 brought forward at 1 May 2009 meant that funds of £1,034,597 were available.

Encouraged by the progress in producing the development plan for refurbishment of the lodges, the Committee decided to incur major expenditure in what has become year 1 of the plan. New televisions and associated equipment were installed in all timeshare units, new leather lounge furniture was provided in the highest priority lodges – anticipating subsequent refurbishment of the living areas – and a good start was made on the programme of refurbishing living and kitchen areas, and bathrooms in the lodges. A total of £1,000,790 was spent on refurbishment and regular maintenance. Club operating and other costs brought total expenditure to £1,030,118, leaving a balance in the Reserve Fund at the end of the year of just £4,479. This was as planned!

Years 2 to 5 require spending at a lower level and while there are many uncertainties, not least in continuing to achieve contracts at acceptable cost, the Committee is optimistic that it can be delivered according to plan.

#### **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 and 2 to this report. A copy of a letter from Langdale Leisure Limited's auditors appears at Appendix 2.

#### **Payment of Management Fees**

During the year you should have received information about alternative methods of paying your management fees. The aim is to provide more flexible ways of payment, via direct debit, and to make it possible to spread the payments throughout the year, by 10 equal amounts, or having an annual, one-off, direct debit payment. The 10 equal payments end two months before occupation in order to meet the requirements of the constitution as regards when the payment is due. For more information please go to the Owners' website, see over, or contact the accounts team in Gateway. Over 100 Owners have already taken up one or other of the direct debit options.

## **REFURBISHMENT AND MAINTENANCE**

In December the Committee gave formal approval to the lodge refurbishment plan. Details are available on the website – [www.langdaleownersclub.org.uk](http://www.langdaleownersclub.org.uk). The maintenance programme, covering all timeshare units, was carried out with customary efficiency by Ian Murray and his team.

The Committee has also welcomed the reorganisation of the maintenance team which means that more members of staff are available over the weekend on the arrival days. This helps in relatively small 'faults' being dealt with before they become larger faults, thereby helping to keep down overall costs, and also means that the experience of the new arrival in the lodge is better.

## **INFRASTRUCTURE**

### **Cable infrastructure**

The Committee is pleased to report that the proposed project for cable infrastructure for television, telephone (including broadband) and other interactive services is now being implemented. To enable the Owners' Club to realise this project, Langdale Owners' PLC (LOP) was able to secure a very good financing contract spreading the cost over five years, thus making it possible for the cost to be met at the same time as the refurbishment programme is being carried out. This is a joint project with LOP which has agreed to meet 25% of the cost, reflecting the opportunities that the infrastructure will offer to the company in providing services. The Committee would like to place on record its thanks to LOP for its co-operation in this important project.

### **Waterways and the Weir**

With the first six months of 2010 having the lowest rainfall for 80 years, keeping the Langdale waterways full has been a thankless task! However, work continues to improve both the flow and retention of water on the main estate. Following repairs to the tarns near lodges 26, 58 and 59, and 68-70, a borehole has been sunk and a top up supply of water is now available for that corner of the estate. Rainwater from the roof above the Terrace is channelled into the tarn alongside, and other similar measures are being considered wherever appropriate.

Nick Lancaster has worked assiduously with various statutory and community authorities with the result that we believe that there may now be a practical and achievable scheme for refurbishment of the weir on the Langdale Beck which affects the supply of water to the Estate. We should have further information by the AGM.

## **MANAGEMENT COMPANY SERVICES**

The Committee receive regular reports on the performance of the Management Company Services for timeshare Owners. It has been particularly pleasing to note a marked decline in the number of formal complaints from Owners. This is a reflection of the general approach by Joe Longmuir of giving very high priority to services to Owners, also shown by the success of the appointment of Adam Sharrock as Owner Relations Manager. Adam is available as Owners arrive and leave, and can deal with most problems on the spot. His presentation at the Lodge Owners' Meeting on Monday evenings gives a good range of what is happening in the area and things to do locally.

He is now sending out, by e-mail, a 'Welcome' letter in the week preceding your visit so that you are aware of the events taking place in the area and can include them in your holiday. Also, the Owners' website, see above, now carries a month by month outline of events in case you need to book ahead. If you do not have access to the internet, then please approach Adam on 015394-38016, who will help you as much as possible.

The number of Owners who have registered on the Owners' Website continues to increase. Thank you to those who return the request for any changes in the details of your address, your e-mail address, telephone number(s) etc. which is enabling the Timeshare Office to 'clean' our database. When we have a sufficient volume of e-mail addresses we hope to move to the use of e-mail as the means of communication with Owners for both formal and informal documents. If, or when, this happens, those who do not have e-mail will not be disadvantaged as the option of receiving documents through the post will remain.

## **COMMITTEE MATTERS**

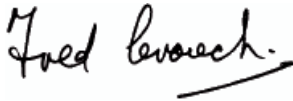
HSBC (formerly Midland Bank), which acted as the independent trustee appointed under the Constitution to hold the leases of the timeshare units, gave notice in December 2009 that they wished to retire from that responsibility. The Committee has appointed Barclays Bank as the new trustee. A copy of the deed of appointment is available on the Owners' Club website, and copies may be obtained from the Langdale Timeshare Office.

The Committee has been looking ahead at the question of succession – who will succeed the present members and when and how. It is hoped to be able to say more about this at the AGM.

Discussions are taking place with the Management Company to consider proposals for amendments to the Management Agreement with the aim of bringing the agreement into line with current practice. Again, it is hoped to be able to report further at the AGM.

## **FINALE**

With the refurbishment programme now well and truly underway, it has been another busy year for the Management Company team at Langdale, particularly as regards getting the refurbishment programme underway. The Committee would like to thank all employees for their continued efforts under the stewardship of Joe Longmuir – under his leadership, we are getting there!

A handwritten signature in black ink that reads "Fred Crouch". The signature is written in a cursive style with a horizontal line underneath the name.

**On behalf of the Committee**  
**F O Crouch**  
**Chairman**

The Langdale Owners' Club

## **The Independent Auditors Report**

to the members of The Langdale Owners' Club

For the year ended 30th April 2010

We have audited the financial statements of The Langdale Owners' Club for the year ended 30 April 2010 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.

### **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 2010 and of its deficit 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  
24 August 2010



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

The Langdale Owners' Club

## Income and Expenditure Account

for the year ended 30th April 2010

<b>INCOME</b>	<b>NOTE</b>	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
Club Fund Contributions	<b>3</b>	<b>694,893</b>	649,712
Interest on cash deposits		-	9,086
Untraced Cancelled members		<b>9,379</b>	
		<u><b>704,272</b></u>	<u>658,798</u>
 <b>EXPENDITURE</b>			
Reserve Fund Replacements	<b>5</b>	<b>1,000,790</b>	609,362
Club Operating costs	<b>6</b>	<b>28,648</b>	34,277
Unrecovered costs on cancelled member		<b>571</b>	
Tax on cash deposits		-	1,818
Bank charges		<b>109</b>	29
		<u><b>1,030,118</b></u>	<u>645,486</u>
Corporation Tax		-	91
<b>Increase/(Decrease) in reserve funds</b>		<u><b>(325,846)</b></u>	<u>13,221</u>

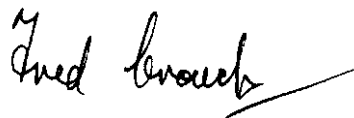
The Langdale Owners' Club

## Balance Sheet

30th April 2010

	NOTE	2010 £	2009 £
<b>Assets</b>			
Cash deposits		<b>58,969</b>	354,078
Stock	7	<b>21,532</b>	16,420
Lodge Assets	8	<b>1</b>	1
		<u><b>80,502</b></u>	<u>370,499</u>
<b>Liabilities</b>			
Amount Held in Trust for Former Members	9	-	9,379
Due (from)/to Langdale Leisure	10	<b>76,023</b>	30,704
Provisions for taxation		-	91
		<u><b>76,023</b></u>	<u>40,174</u>
Net Assets		<u><b>4,479</b></u>	<u>330,325</u>
<b>Club Fund</b>			
Balance b/f 1 May 2009		<b>330,325</b>	317,104
Increase/(Decrease) in funds		<b>(325,846)</b>	13,221
		<u><b>4,479</b></u>	<u>330,325</u>

Signed on behalf of the Committee



Fred Crouch - Chairman  
7th August 2010

The Langdale Owners' Club  
**Notes to the Accounts**  
For the year ended 30th April 2010

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## 1. Accounting Policies

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### **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.

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## 2. Principal Object of the Club

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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.

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## 3. Club Fund

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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 28.5% 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.

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## 4. Operation

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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%. For the year ended 30th April 2010 the Club and The Management Company agreed an informal arrangement for this year only which resulted in the Management Company being paid a fixed fee of £175,000 for all services.

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 2010

**5. Amounts replaced from Club Fund**

	2010	2009
	£	£
Reserve Fund Expenditure:		
TV & HiFi's and other electrical [irons etc.]	79,235	7,802
Kitchen electrical	29,732	15,572
Kitchen sundries [cutlery, utensils etc.]	41,001	22,342
Crockery	9,364	4,552
Bedroom furniture	1,536	2,105
Carpets	3,021	4,537
Living room furniture	177,700	29,415
Soft furnishing [throws, cushions etc.]	20,288	1,238
Bathrooms	310,206	127,492
Linen	466	24,345
Building	70,485	133,814
Design	32,481	12,181
Others	27,950	14,627
Project Management	-	42,974
Kitchens	86,808	-
Balconies (inc furniture)	1,079	1,867
Boilers	12,608	17,237
Lodge maintenance	76,871	101,454
Painting	17,939	31,189
Alarms	2,592	14,219
Curtains	4,540	-
	<u>1,005,902</u>	<u>608,962</u>
Stock at 1st May 2009	16,420	16,820
Less: Stock at 30th April 2010	(21,532)	(16,420)
	<u>1,000,790</u>	<u>609,362</u>

**6. Club Operating Costs**

	2010	2009
	£	£
Specific costs incurred by the Langdale Owners' Club:		
Trustee payment - HSBC Trust Company	3,734	3,815
Auditors' Remuneration	2,507	2,350
Legal Fees	966	1,543
Annual General Meeting Expenses	8,487	5,545
Committee Meeting Expenses	4,727	9,567
Printing	4,629	4,138
Newsletter Costs	1,650	5,223
Insurance	750	780
WFR & Tatoc	265	776
Sundries	933	540
	<u>28,648</u>	<u>34,277</u>

Committee and Sub-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. 6 meetings of the Owners' Club Committee were held during the year (2009 6 meetings)

**7. Stock**

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

The Langdale Owners' Club  
**Notes to the Accounts**  
 For the year ended 30th April 2010

**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. Amount held in trust for former members**

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This is an amount due to former members of the Club following sale of their timeshare weeks in order to clear outstanding management fees. These former members have not informed the Club of a current address. The net proceeds of sale are held in the Club Fund for payment to the former members for 7 years then transferred to the reserve fund.

**10. Langdale Leisure Limited**

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This is an amount due to Langdale Leisure Limited.	<b>2010</b>	2009
	£	£
Balance at 30th April 2009	<b>(30,704)</b>	(15,616)
Club Fund Contributions	<b>694,893</b>	649,712
	<hr/>	<hr/>
	<b>664,189</b>	634,096
Less: Reserve Fund Expenditure	<b>(1,005,902)</b>	(608,962)
Owners' Club costs	<b>(28,648)</b>	(34,277)
Transfer Of Funds	<b>295,000</b>	(20,000)
Unrecovered cancelled member fees	<b>(571)</b>	-
Corporation tax paid	<b>(91)</b>	(1,561)
Balance	<hr/> <b>(76,023)</b> <hr/>	<hr/> (30,704) <hr/>

The following pages do not form part of the audited accounts

The Langdale Owners' Club

## Appendix 1

For the year ended 30th April 2010

### Property Management costs

	Notes	2010 £	£		2009 £	£	
<b>Personnel Costs</b>							
Housekeeping	a	365,074			335,257		
Reception and ancillary		49,374			45,525		
Repairs and maintenance		146,277			135,228		
Administration & management		90,440			83,041		
Accounts and finance		51,641			43,379		
Staff Transportation		59,064	761,870	31.3%	40,080	682,510	29.9%
<b>Rates</b>		<b>250,747</b>	<b>250,747</b>	10.3%	<b>240,742</b>	<b>240,742</b>	10.5%
<b>Maintenance &amp; Grounds</b>							
Repairs and maintenance - buildings		4,041			7,963		
Repairs and maintenance - general costs		71,202			63,285		
Grounds		120,130	195,372	8.0%	113,599	184,847	8.1%
<b>Administration</b>							
Administration and management - general costs		130,550	118,993				
Legal and professional		3,588	134,138	5.5%	2,805	121,798	5.3%
<b>Laundry, Linen &amp; Cleaning Supplies</b>							
Lodge Cleaning - supplies and contract cleaning		87,607			79,369		
Laundry		40,892	128,500	5.3%	39,227	118,596	5.2%
<b>Utilities</b>							
Lighting, water and waste disposal		81,604	81,604	3.3%	115,548	115,548	5.1%
<b>Insurance</b>							
		15,500	15,500	0.6%	16,620	16,620	0.7%
<b>Total Property Management Costs</b>			<b>1,567,731</b>			<b>1,480,661</b>	
<b>Club fund contributions</b>		<b>694,893</b>	<b>694,893</b>	28.5%	<b>649,712</b>	<b>649,712</b>	28.4%
<b>Operating Surplus retained by Management Company</b>		<b>174,996</b>	<b>174,996</b>	7.2%	<b>155,453</b>	<b>155,453</b>	6.8%
<b>Total Management Fees excluding VAT</b>			<b>2,437,620</b>	100.0%		<b>2,285,826</b>	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.

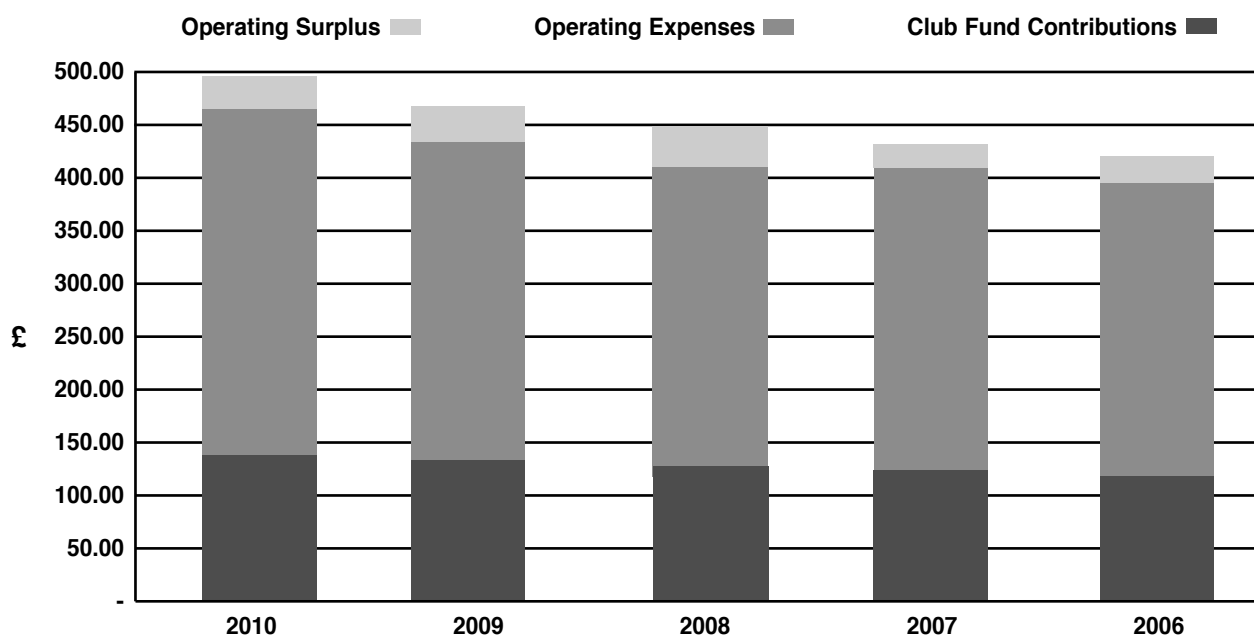
The recharge of local authority rates, television license fees, water rates, cleaning, staff transport and insurance charges are treated as disbursements and are not therefore subject to VAT.

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.

## Average Management Fee Historic Comparison

for the year ended 30th April 2010

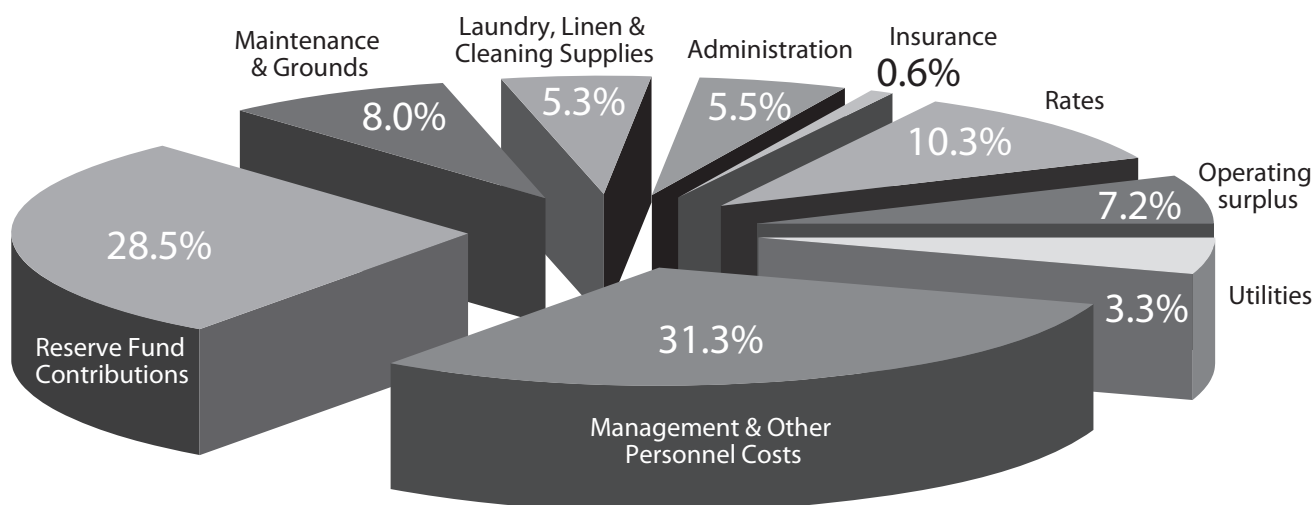
Year	2010	2009	2008	2007	2006
Number of weeks	4919	4919	4919	4919	4919
<b>Property Management Costs</b>					
<b>Personnel Costs</b>	£	£	£	£	£
Housekeeping	74.22	68.16	57.07	61.79	59.41
Reception and ancillary	10.03	9.25	8.80	9.36	8.50
Repairs and maintenance	29.74	27.49	24.54	26.65	23.66
Administration & management	18.39	16.88	17.74	18.48	17.64
Accounts and finance	10.50	8.82	7.62	7.62	9.82
Staff Transportation	12.01	8.15	5.69	5.65	5.74
<b>Rates</b>	<b>50.98</b>	48.94	50.04	53.13	53.87
<b>Maintenance &amp; Grounds</b>					
Repairs and maintenance - buildings	0.82	1.62	1.58	0.70	1.00
Repairs and maintenance - general costs	14.47	12.87	11.67	11.47	10.80
Grounds	24.42	23.09	18.46	16.55	16.30
<b>Administration</b>					
Administration and management - general costs	26.54	24.19	23.61	23.39	22.39
Legal and professional	0.73	0.57	-	-	-
<b>Laundry, Linen &amp; Cleaning Supplies</b>					
Lodge Cleaning - supplies and contract cleaning	17.81	16.14	21.29	17.08	15.95
Laundry	8.31	7.97	10.11	9.72	9.57
Lighting, water and waste disposal	16.59	23.49	22.45	21.41	18.63
<b>Insurance</b>	<b>3.15</b>	3.38	3.20	3.20	3.27
<b>Total Property Management Costs</b>	<b>318.71</b>	301.01	283.87	286.20	276.55
<b>Club Fund Contributions</b>	<b>141.27</b>	132.08	124.54	121.26	117.34
<b>Operating Surplus retained by Management Co.</b>	<b>35.58</b>	31.60	39.18	22.58	23.90
	<b>495.55</b>	464.69	447.58	430.04	417.79



## A percentage breakdown of the Property Management Costs, Club Fund Contributions and the Management Company Surplus

For the year ended 30th April 2010

Utilities	3.3%	81,604
Management & Other Personnel Costs	31.3%	761,870
Reserve Fund Contributions	28.5%	694,893
Maintenance and Grounds	8.0%	195,372
Laundry, Linen and Cleaning Supplies	5.3%	128,500
Administration	5.5%	134,138
Insurance	0.6%	15,500
Rates	10.3%	250,747
Operating Fee	7.2%	174,996
	<u>100.0%</u>	<u>2,437,620</u>



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



Reply to: James Treadwell  
Our ref: JT/HLP/LAN641 - CR  
Your ref:



25 August 2010

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

A handwritten signature in black ink, appearing to read "J. Treadwell".

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

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