



**The Langdale Owners' Club**  
**Financial Statements**  
for the year ended  
30th April 2020

## Agenda and Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 38<sup>th</sup> ANNUAL GENERAL MEETING of the Langdale Owners' Club will be held on Sunday 1<sup>st</sup> November 2020 at 2pm **virtually** due to the continuing COVID-19 pandemic.

### 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 30<sup>th</sup> November 2019.**

**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 30<sup>th</sup> April 2020 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. To consider and if thought fit, to pass the following ordinary Resolution: -**

- 4.) To re-elect Kit Bird as a member of the Committee of the Club who has offered himself for re-election in accordance with the Owners' Club Constitution and has agreed to stand.

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

- 5.) Following the resignation of Elected Committee Member Jill Walker on 21<sup>st</sup> August 2020 the LOC committee filled the vacancy that arose by co-opting Paula Gorst a member of LOC, to serve on the Committee from 28<sup>th</sup> August 2020. Under the terms of Clause 8.11 of the Constitution, the appointment of Paula Gorst to the LOC Committee is required to be confirmed by the Members at this AGM. If approved Paula Gorst would serve on the LOC Committee for the remainder of Jill Walker's original term, which would have ended at the 2022 AGM. In accordance with clause 8.11 of the Constitution the LOC Committee seek to confirm the appointment of Paula Gorst as a member of the Committee by members resolution.

Please see a short biography for Paula Gorst on the final page of this document.

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On behalf of the Committee



W I R Hamilton

Chairman

**5th August 2020**

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### Notes

1. Each member shall be entitled to one vote for each Holiday Certificate held subject to a maximum of 25 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 2020.

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**Elected Members:** W I R Hamilton  
J Walker  
C J E Bird

In accordance with the Constitution, Langdale Owners PLC nominated the following Committee members as at 30th April 2020:

M Coletta  
I Murray

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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 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.*

*W I R Hamilton is a Director of Langdale Owners PLC. The Management Company is a division of Langdale Leisure Ltd which is a wholly owned subsidiary of Langdale Owners PLC.*

*M Coletta is a Director of Langdale Owners PLC. I Murray is a Senior Manager of Langdale Leisure Ltd.*

### **Auditors**

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**Messrs Scott & Wilkinson act as auditors**

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## **INTRODUCTION**

The year on which we are reporting was overshadowed by the arrival in the UK in early 2020 of the Covid-19 (coronavirus) pandemic. Following the introduction of government measures to control the spread of the virus your Committee took the decision to close the timeshare operations at Langdale to new arrivals from 23rd March. This was in co-ordination with the board of Langdale Owners PLC (LOP) who had made a similar decision to close the hotel and leisure facilities on the estate.

There was a substantial amount of work to do in putting the estate into “hibernation” following the closure and we are extremely grateful to Langdale Leisure Ltd (“LLL”) Acting Managing Director Anne Durnall and her team for carrying out this task with great professionalism. The vast majority of staff – at all levels – were placed on furlough once the closure had been completed, with a skeleton staff remaining for maintenance and administration.

The Club has been eligible for government support during the pandemic, including Business Rates Relief and wage support for furloughed staff (the Coronavirus Job Retention Scheme). This resulted in cost savings while the timeshare operation was closed and your Committee decided that some of these savings should be passed on to owners affected by the closure in the form of interim credits against management fees. The credits for the period up to 30th April 2020 are shown in the accounts for the year.

At the time of writing (July 2020) the estate has re-opened but there remains considerable uncertainty as to the future course of the pandemic and what the final financial implications will be for the Club. Your Committee therefore think it prudent not to consider any further credits for savings arising up to 30th April 2020 until there is greater clarity as to how the situation develops. However we will keep the position under constant review and ensure that any actions we take are equitable for the entire Langdale owners community.

Prior to the arrival of Covid-19, the December 2019 General Election resulted in the return of a majority Conservative government, following which the UK formally left the European Union at the end of January 2020. The final Brexit negotiations are ongoing so it remains too early to say exactly what effect it will have on the Lake District in general and Langdale in particular.

At Langdale the year saw the departure of Nick Lancaster as Managing Director of Langdale Leisure Limited and as the management company representative on the Committee; this is covered in more detail elsewhere in this report.

As is to be expected in Cumbria, the weather continued to play a significant role, with a major lightning strike in July and a number of storms of which Ciara (in early February) was the most serious, causing considerable local disruption but thankfully little damage on the estate.

Your Committee’s principal on-site activities this year focused on lodge service delivery, bedroom refurbishment, replacement of balconies and general maintenance (including substantial work on waterways). We have continued our sponsorship of the Aspiring Leaders Programme and the Our Man at the Top project, as described in earlier reports. We thank you for your continuing support of both these causes through your donations.

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## **FINANCE**

The total income from Management Fees, net of VAT, was £3,223,273, an increase of 3.2% over the previous year. Of this, £938,742 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 £2,076,823 on Property Management Costs, which include services to owners and timeshare units, a decrease of 4.9%, due to the Covid-19 closure of the estate. The Management Company fee was £207,708 in accordance with the current agreement.

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### **Club Funds**

The Club Fund income totalled £844,022 and the Club Fund balance of £71,002, brought forward at 1st May 2019, meant that funds of £915,024 were available for the year.

A total of £693,577 was spent on refurbishment, replacement and maintenance. Club operating costs and other charges brought total expenditure to £726,881.

The Covid-19 emergency closure of the Langdale Estate has resulted in a budget underspend leaving a Club Fund balance to be carried forward at the year-end of £188,140.

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### **Management Company Budget**

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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. In addition Appendix 2 shows the average management fee with historic comparison.

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### **Management Fees**

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The total Management Fees budget excluding VAT, for 2019 - 2020 increased by 3.2% over the previous year. Operational costs have increased by an average of nearly 5% over the previous year due to many factors; regulated and statutory fees, as well as general supply costs.

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### **Management Company Fee**

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The Committee have agreed with the Management Company to continue the current Management Company Fee agreement, under the same terms, until 2021.

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## **REFURBISHMENT AND MAINTENANCE**

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As always, it has been a busy year for refurbishment, maintenance and grounds. It never ceases to amaze us how much is achieved by the wonderful maintenance and grounds teams. We receive many comments from Owners regarding how lovely the grounds look year-round, how pleased they are with refurbishments and how quick and efficient the maintenance teams are. We would therefore like to extend thanks from the Committee and from Owners to Ian Murray, Andy Dawson and their teams for the great work they do for us.

The biggest task undertaken this year was on waterways. The Owners staying in the nearby lodges at the time will be very aware of the extent of the undertaking, and we thank them for their patience and understanding when there was noise and disruption. The vast majority of us will have no idea how much has been done, but the significant work has had a positive impact on the environment, the affected tarns and the tributaries, and will ensure the waterways continue to flow and the surrounding land and lodges remain stable for many many years to come.

The second (and third) bedroom refurbishment programme continued, with a further 21 being completed this year. There are now 53 remaining to be refurbished.

We, and many Owners, have been concerned for some time about the degradation to several balconies. Following the installation of six trial balconies last year we replaced 29 balconies this year, and nine balcony decks.

In addition to the above the steps to lodge 31 have been replaced and look beautiful (as well as being functional!), five lodge bathrooms have been refurbished, three bedrooms have been refurbished in Elterwater Cottage and Barn and the snooker room at Chapel Stile is looking great after being redecorated. The snooker room is available for all Owners to use, just ask at reception if you're not sure how to access this.

A lightning strike in July caused a large amount of damage on the estate, affecting areas far beyond the impact site. Once the numerous fire alarm notifications had been investigated (there were no fires) the damage caused to fire alarms, circuit boards, telephones, internet access, dishwashers, TV's and electric showers by the electricity surge had to be addressed. There was also damage to the air conditioning in the Leisure Club. Due to the extent of the damage, and the random nature of it, it was several weeks before all issues were identified and rectified.

There are less projects for the grounds team, their work is very much ongoing. However, this year there have been two projects for them. The first project was significant clearing of Rhododendron on the hill below Founder's Seat. Although beautiful, Rhododendron is an invasive plant. Left uncontrolled, it will (over time) dominate its habitat to the virtual exclusion of all other plant life. Having cleared the Rhododendron the area has been replanted with in excess of 700 trees of native varieties which will enhance the area and the habitat as they grow.

The second project was also planting, this time a native hedgerow along the boundary of our Coniston plot – if you've never been to this piece of land that we own, we recommend you add it to your To Do list as it's beautiful, and private.

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## **MANAGEMENT COMPANY SERVICES**

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The Committee continue to monitor services to timeshare owners through your survey feedback. We are encouraging owners to submit feedback online, though paper forms remain available on request. Formal complaints to the Committee continue to be very rare

but we remain concerned alongside the Management Company to see that all owners' concerns are properly and promptly dealt with.

At the end of February 2020 Nick Lancaster stepped down from his position as Managing Director of Langdale Leisure Limited and as one of the Management Company's nominees on the LOC Committee.

Nick joined Langdale in 2004, becoming Director of Resort Operations and a member of the LOC Committee in 2009. He became Managing Director of Langdale Leisure Limited in 2017. We would like to thank Nick both for his service on the Committee and also for his hard work and dedication to Langdale over the past sixteen years. We wish him all the best for the future.

Nick's replacement on the Committee is Michael Coletta, whom many of you will know as he has been a non-executive director of LOP for over thirteen years. He has also been appointed as Managing Director of Langdale Leisure Limited with effect from 1st August 2020.

Michael joins the operational team at Langdale from Hilton Grand Vacations ("HGV") where he was responsible for all Hilton timeshare resorts in the UK, Europe and Middle East. This included considerable experience as a developer-appointed member of timeshare club committees managed by HGV, which gave him a diverse exposure to the challenges faced by both owners' committees and management companies.

If you experience a problem or have a need to make comment on the delivery of the services from the Management Company, please make your comments during your stay, as early reporting helps the Management Team with problem resolution - Gary Dixon will be pleased to assist you.

We would like to acknowledge the contribution that all Langdale people make to ensuring that the service and standards at Langdale are maintained and improved. The significant commitment shown every day is something that we feel is unique and special to the Langdale Estate, to all our people thank you.

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#### **COMMITTEE MATTERS**

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Committee election and nomination.

Jill Walker was re-elected to the Committee at the 2019 AGM for a further term of 3 years.

Kit Bird's second 3 year term on the Committee ends at the 2020 AGM. Kit has registered his nomination for re-election, for a further 3 year term.

Nick Lancaster stepped down as a Langdale Owners Plc nominee on the Langdale Owners' Club committee, 28th February 2020.

Michael Coletta has been nominated as a Langdale Owners Plc nominee on the Langdale Owners' Club committee and joined the committee on the 7th April 2020.

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#### **IN CONCLUSION**

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The Committee and the team at Langdale continue to be committed to providing a holiday experience you can enjoy and share with family and friends. The operational restrictions created by the Covid-19 emergency and the impact of the restrictions on the whole estate is going to be a significant challenge. The financial and operational pressures created as a result of the Covid-19 emergency will require exceptional action to be taken to comply and respond to Government guidance and instructions. Our aim is to ensure that following the events related to Covid-19 you can continue to visit and enjoy your time at Langdale in the future.

On behalf of the Owners' Club Committee I thank you for your continued support.



Ian Hamilton  
Chairman

The Langdale Owners' Club

## The Independent Auditors Report

to the members of The Langdale Owners' Club

For the year ended 30th April 2020

### Opinion

We have audited the financial statements of The Langdale Owners' Club for the year ended 30 April 2020 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) including the accounting policies set out on page 8.

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.

In our opinion the financial statements:

- give a true and fair view of the state of the Club's affairs as at 30 April 2020 and of its surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Club in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The impact of Covid-19 and related macro-economic uncertainties on our audit:

Due to the Covid-19 regulations in place at the time of the audit, we were unable to physically attend the premises of the Club this year to undertake our audit work. However, through the use of remote access of the Club's accounting software, and the assistance of the Finance Team (in particular Sarah Spencer) with the electronic provision of many documents, we have been able to conclude the audit work to our satisfaction.

### Emphasis of Matter

There are two matters included within the financial statements that we wish to highlight but do not result in a need to issue a modified audit opinion report.

Firstly, due to the Coronavirus pandemic lockdown, a stocktake was unable to take place at the year end of 30 April 2020. As such, it has been decided that the closing stock figure used should be the same as last year, £12,305. We feel that this is a reasonable compromise for several reasons:

- The stock figure at 30 April averaged over the past 5 years is £12,346.
- A stock valuation at 19 June 2020 shows stock at £13,523. From the year end to this date there has been minimal stock movement due to the hibernation of the Club, and therefore stock is potentially undervalued in the accounts rather than overstated.
- The stock figure is well under the materiality threshold of £19,000 relevant to these accounts. Therefore any error in this figure is unlikely to have a material impact on the financial statements presented.

The second matter is in relation to the going concern status. The Club had been affected by Covid-19 in the final few weeks of the year ended 30 April 2020, and into the following year. Due to government assistance, particularly through the Coronavirus Job Retention Scheme, and as the Club has a strong liquidity position, there are no concerns over the ability to trade. We conclude that sufficient audit evidence has been obtained to support the appropriateness of the going concern basis and the Clubs ability to continue.

### Other information

The committee members are responsible for the other information. The other information comprises the information included in the Committee Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

The Langdale Owners' Club

## The Independent Auditors Report

to the members of The Langdale Owners' Club (continued)

For the year ended 30th April 2020

with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinion on Other Matters

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Committee Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Committee Report has been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Committee Report.

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.

### Responsibilities of committee members

The committee members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the committee members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the committee members are responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the committee members either intend to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Dalton House  
9 Dalton Square  
LANCASTER  
LA1 1WD  
6 August 2020



Tim Preece F.C.C.A.  
(Senior Statutory Auditor)  
For and on behalf of  
Scott & Wilkinson LLP  
Chartered Accountants  
and Statutory Auditor

The Langdale Owners' Club

## Balance Sheet

30th April 2020

	NOTE	2020 £	2019 £
<b>Assets</b>			
Cash deposits		73,481	73,498
Stock		12,305	12,305
Lodge Assets		1	1
Due from Langdale Leisure Ltd	9	203,134	
		<u>288,921</u>	<u>85,804</u>
<b>Liabilities</b>			
Due to Langdale Leisure Ltd		–	14,799
Management Fee Credits Week 12-17		100,778	–
Provisions for Taxation		3	3
		<u>100,781</u>	<u>14,802</u>
<b>Net Assets</b>		<b><u>188,140</u></b>	<b><u>71,002</u></b>
<b>Club Fund</b>			
Balance b/f 30 April 2019		71,002	111,618
Increase/(Decrease) in Funds		117,138	(40,616)
		<u>188,140</u>	<u>71,002</u>

Signed on behalf of the Committee



Ian Hamilton - Chairman

23rd July 2020

The Langdale Owners' Club

## Income and Expenditure Account

for the year ended 30th April 2020

<b>INCOME</b>	<b>NOTE</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
Club Fund Contributions		938,742	737,193
Less Credits due Week 12-17		(100,778)	–
Cancelled Member Fees		6,041	1,829
Bank interest		17	14
		<u>844,022</u>	<u>739,036</u>
<b>EXPENDITURE</b>			
Reserve Fund Replacements		693,577	728,935
Club Operating Costs		32,903	41,842
Unrecovered Costs on Cancelled Members		367	8,839
Bank Charges		34	33
		<u>726,881</u>	<u>779,649</u>
Corporation Tax		3	3
<b>Increase/(Decrease) in Reserve Funds</b>		<u>117,138</u>	<u>(40,616)</u>

The Langdale Owners' Club  
**Notes to the Accounts**  
for the year ended 30th April 2020

**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.

**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 29.1% 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, This agreement has been further extended to April 2021.

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 2020

**5. Amounts replaced from Reserve Fund**

The figure of £693,577 shown on the Income and Expenditure as amounts replaced from Reserve Fund is comprised of the following:

	2020	2019
	£	£
Reserve Fund Expenditure:		
TV & HiFi's and other electrical (irons etc.)	10,806	8,065
Kitchen electrical	3,078	9,804
Kitchen & Bathroom sundries (cutlery, utensils etc.)	25,187	27,548
Crockery	6,309	2,661
Bedrooms	195,187	55,249
Carpets	2,486	336
Living room furniture	1,848	1,000
Soft furnishing (throws, cushions etc.)	906	8,445
Bathrooms	1,839	–
Linen	2,570	4,497
Roadways	–	20,791
Others	21,880	8,339
Design Fees	3,355	–
Balconies (inc furniture)	136,314	5,686
Chapel Stile Project	21,784	449,033
Lodge maintenance	151,642	104,132
Painting	5,186	19,694
Alarms	5,223	5,249
Waterways	92,410	–
Fire Regulations/safety work	5,567	236
	<u>693,577</u>	<u>730,765</u>
Stock at 29th April 2019	12,305	10,475
Less: Stock	(12,305)	(12,305)
	<u><u>693,577</u></u>	<u><u>728,935</u></u>

**6. Club Operating Costs**

Specific costs incurred by the Langdale Owners' Club:

	2020	2019
	£	£
Trustee Company Fee	3,500	3,500
Auditors' Remuneration	2,892	2,802
Legal Fees	1,470	11,120
Annual General Meeting Expenses	10,388	11,306
Committee Meeting Expenses	8,788	5,494
Printing	2,138	4,239
Newsletter Costs	890	1,059
Insurance	650	432
Shared cost Review	1,806	–
Sundries	381	1,890
	<u>32,903</u>	<u>41,842</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. 5 meetings of the Owners' Club Committee were held during the year (2019 3 meetings)

The Langdale Owners' Club  
**Notes to the Accounts**  
for the year ended 30th April 2020

**7. Stock**

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

**8. Lodge Assets**

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 30th April 2062, a nominal value of £1 is attributed to them.

**9. Langdale Leisure Limited**

This is an amount due from Langdale Leisure Limited.

	2020	2019
	£	£
Balance at 28th April 2019	(14,799)	(72,375)
Club Fund Contributions	938,742	737,193
	<u>923,943</u>	<u>664,818</u>
Less: Reserve Fund Expenditure	(693,577)	(730,765)
Owners' Club costs and taxation paid by Langdale Leisure	(32,903)	(41,842)
Transfer Of Funds	–	100,000
Cancelled member fees	5,674	(7,010)
Corporation tax paid	(3)	–
	<u>203,134</u>	<u>(14,799)</u>

The following pages do not form part of the audited accounts

The Langdale Owners' Club

## Appendix 1

for the year ended 30th April 2020

	Notes	2020 £		2019 £		
<b>Personnel Costs</b>						
Housekeeping	a	546,070		568,608		
Reception and ancillary		69,021		73,470		
Repairs and maintenance		224,857		232,100		
Administration and management		151,462		146,981		
Accounts and finance		52,765		55,665		
Staff Transportation		92,879	1,137,054 35.3%	102,429	1,179,253	37.8%
		<u>268,667</u>		<u>274,379</u>		
<b>Rates</b>			268,667 8.3%		274,379	8.8%
<b>Maintenance &amp; Grounds</b>						
Repairs and maintenance - buildings		1,349		1,733		
Repairs and maintenance - general costs		99,208		103,279		
Grounds		147,325	247,882 7.7%	156,945	261,957	8.4%
		<u>185,456</u>		<u>179,679</u>		
<b>Administration</b>						
Administration and management - general costs		185,456		179,679		
Legal and professional		2,764	188,220 5.8%	2,879	182,558	5.8%
		<u>185,456</u>		<u>179,679</u>		
<b>Laundry, Linen &amp; Cleaning Supplies</b>						
Lodge Cleaning - supplies and contract cleaning		92,100		82,920		
Laundry		32,155	124,255 3.9%	37,800	120,720	3.9%
		<u>90,385</u>		<u>147,108</u>		
<b>Utilities</b>						
Lighting, water and waste disposal		90,385	90,385 2.8%	147,108	147,108	4.7%
		<u>20,360</u>		<u>16,943</u>		
Insurance		20,360	20,360 0.6%	16,943	16,943	0.5%
		<u>20,360</u>		<u>16,943</u>		
<b>Total Property Management Costs</b>			<u>2,076,823</u>		<u>2,182,918</u>	
<b>Club Fund Contributions</b>		938,742	938,742 29.1%	737,193	737,193	23.6%
<b>Management Company Fee</b>		207,708	207,708 6.5%	203,237	203,237	6.5%
		<u>3,223,273</u>		<u>3,123,348</u>		
<b>Total Management Fees Excluding Vat</b>		<u>3,223,273</u>	<u>3,223,273</u> 100%	<u>3,123,348</u>	<u>3,123,348</u>	100%

**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

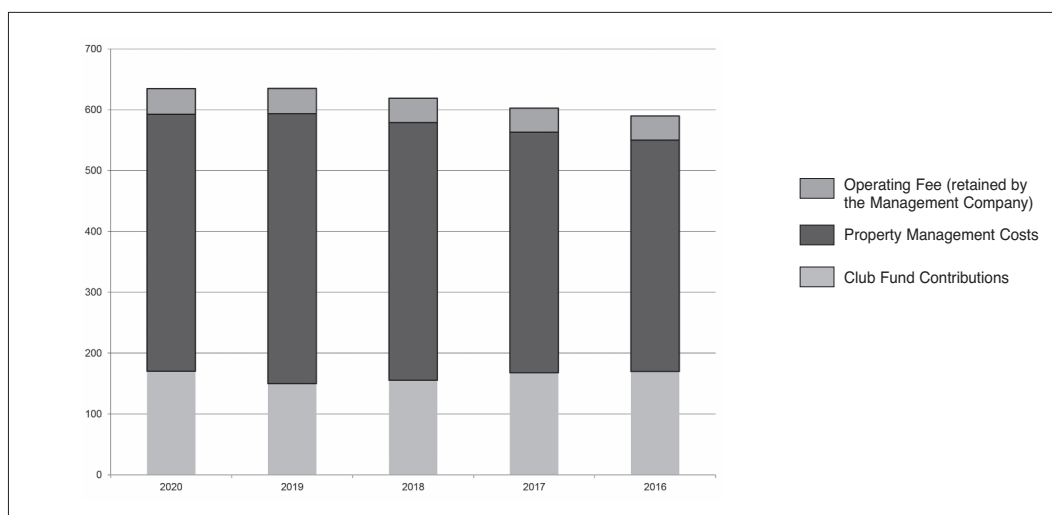
### Average Management Fee Historic Comparison

for the year ended 30th April 2020

Year	2020	2019	2018	2017	2016
Number of weeks	4919	4919	4919	4919	4919

#### Property Management Costs

Personnel Costs	£	£	£	£	£
Housekeeping	111.01	115.59	112.67	106.19	101.25
Reception and ancillary	14.03	14.94	13.71	13.78	13.85
Repairs and maintenance	45.71	47.18	45.81	43.39	42.76
Administration and management	30.79	29.88	26.80	23.15	21.01
Accounts and finance	10.73	11.32	11.28	10.53	10.63
Staff transportation	18.88	20.82	16.48	12.89	14.24
<b>Rates</b>	54.62	55.78	56.59	51.16	49.02
<b>Maintenance &amp; Grounds</b>					
Repairs and maintenance - buildings	0.27	0.35	0.12	0.10	0.70
Repairs and maintenance - general costs	20.17	21.00	21.15	24.23	17.61
Grounds	29.95	31.91	31.25	26.38	28.87
<b>Administration</b>					
Administration and management - general costs	37.70	36.53	38.78	34.29	35.46
Legal and professional	0.57	0.59	0.56	0.57	0.52
<b>Laundry, Linen &amp; Cleaning Supplies</b>					
Lodge cleaning - supplies and contract cleaning	18.72	16.86	17.01	16.06	15.80
Laundry	6.54	7.68	7.41	7.49	7.15
Lighting, water and waste disposal	18.37	29.91	20.72	21.36	17.99
<b>Insurance</b>	4.14	3.44	3.22	3.55	3.41
<b>Property Management Costs</b>	<u>422.20</u>	<u>443.78</u>	<u>423.56</u>	<u>395.12</u>	<u>380.27</u>
<b>Club Fund Contributions</b>	170.35	149.87	155.38	167.92	169.78
<b>Operating Fee (retained by the Management Company)</b>	<u>42.23</u>	<u>41.32</u>	<u>40.11</u>	<u>39.72</u>	<u>39.72</u>
	<u><u>634.78</u></u>	<u><u>634.97</u></u>	<u><u>619.05</u></u>	<u><u>602.76</u></u>	<u><u>589.77</u></u>

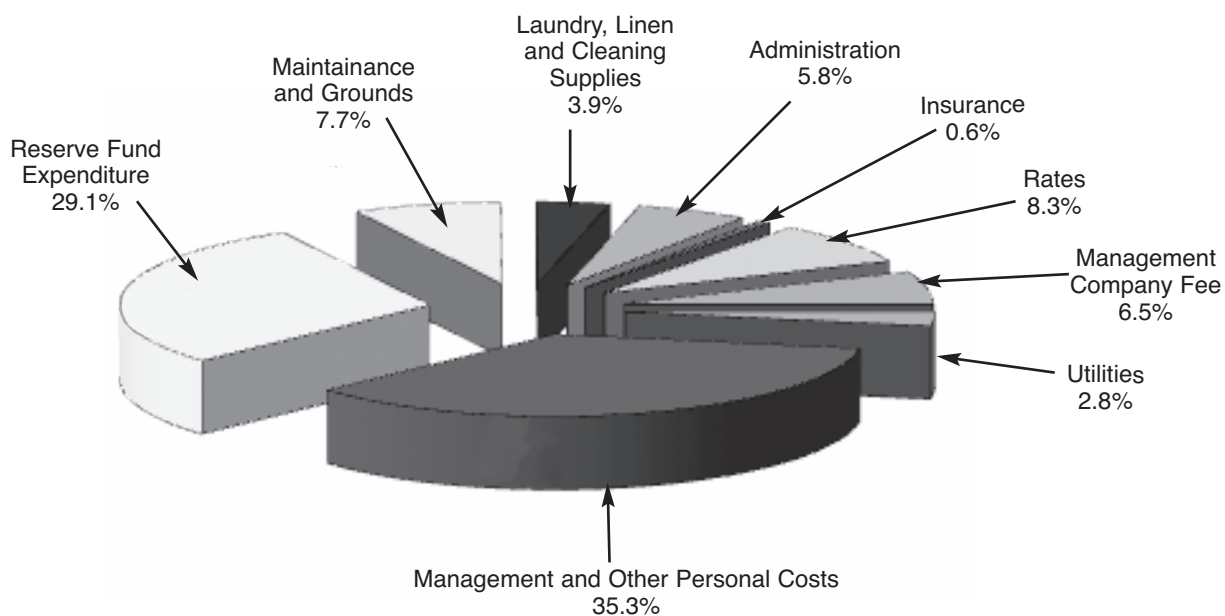


## Appendix 2

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

For the year ended 30th April 2020

	%	£
Utilities	2.8%	90,385
Management and Other Personnel Costs	35.3%	1,137,054
Reserve Fund Expenditure	29.1%	938,742
Maintenance and Grounds	7.7%	247,882
Laundry, Linen and Cleaning Supplies	3.9%	124,255
Administration	5.8%	188,220
Insurance	0.6%	20,360
Rates	8.3%	268,667
Management Company Fee	6.5%	207,708
	100.0%	3,223,273



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 2020

AUDIT • TAX • ADVISORY

Reply to: Jenny McCabe  
Our ref: LAN641/JMC/SJW  
Your ref:



5 August 2020

Langdale Owners Club  
The Langdale Estate  
Great Langdale  
Nr Ambleside  
LA22 9JD

Moore and Smalley LLP

Priory Close  
St Mary's Gate  
Lancaster  
LA1 1XB

T: 01524 62801

mooreandsmalley.co.uk

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

A handwritten signature in black ink, appearing to read 'Jenny McCabe'.

Jenny McCabe  
Partner  
jenny.mccabe@mooreandsmalley.co.uk

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## **Paula Gorst**

Paula trained as a Registered Sick Children's Nurse, worked at Great Ormond Street Hospital and subsequently in a regional general hospital. Paula progressed to general hospital management, becoming the Director of Operations (Deputy Chief Executive) of Peterborough and Stamford Hospitals NHS Foundation Trust. Paula has been an owner at Langdale for 26 years, participated in a future committee member induction day and has provided informal support to the Owners Committee since 2018.