

KILCONQUHAR CASTLE CLUB

ANNUAL GENERAL MEETING

Friday 1st December 2017 at 11.00am

AGENDA

1. Approval of Minutes of Annual General Meeting held on 2nd December 2016.
2. Financial Statements for the 12 months ending 30th June 2017.
3. Election of Committee.
4. Resort Report

11.00am -12.15pm Annual General Meeting to be held in the Lindsay Room.

12.15pm -1.30pm Lunch is available in the White Cockade Bistro at the price of £9.75 per person.

1.30pm - 2.30pm Owners Meeting - an informal meeting at which Owners have the opportunity to discuss any points they wish to raise with the Owners Representatives on the Committee. This will be held in the Bistro after lunch.

Would all members who wish to attend the Annual General Meeting please contact the resort in advance to inform they will be attending to ensure adequate preparations are in place for the number of attendees.

Formal Notice of this meeting was given on 8th May 2017

1st November 2017

Dear Member

I am pleased to attach the annual accounts for Kilconquhar Castle Club, together with the draft minutes of the last Annual General Meeting.

As reported in May the Special Resolution proposed at last year's AGM was passed by a clear majority and I can confirm the legalities to remove Castle Suite 2 from the Club have now been concluded.

Unpaid management fees remain an issue within the industry as a whole, however at the Castle our collection rates continue at a manageable level and compare favourably to similar timeshare clubs. Furthermore, the positive engagement of club members with the Special Resolution has allowed the implementation of plans seeking to provide a stable platform for the Club going forward.

The long-standing Owners amongst you will be aware that there has not been a vote at an AGM for election to the Committee for sixteen years or so. In fact, for many years the Owner representatives on the Committee fell short of the six permitted under the Club Constitution, three full and three alternates.

During the year, I was delighted to be approached by David Thomson, one of our long-standing owners at the estate, asking how he might help the Club via engagement with the Owners' Committee. David was invited to join a meeting of the Owners' Committee to familiarise himself with both the existing members and processes that govern our club. Following from that initial meeting, it was agreed that David would stand for election for a position as an alternate Committee member rather than a full member for the reasons stated.

After serving her full term as permitted in the Club Constitution, Dr Kathleen Robertson has expressed a desire to remain on the Committee as an alternate so, whilst not entirely to the letter of the Constitution, I was going to propose to open the vote to the wider membership.

Unusually, however, two further nominations have been received which will now necessitate two votes at the AGM. The two nominations received are for the same person, Mrs Irene Walker, but are for the possibility of being elected as a full member or, if unsuccessful, as an alternate. As I have done for several years I would normally have simply welcomed, in this instance Professor Robinson, to the full Committee having served his term as an alternate but Irene Walker's nomination now necessitates a vote to take place for the vacant full-member position.

As regards the vote for the alternate member, it is the view of the Committee that this should continue but now with the potential of three Owners on the ballot paper. There is an argument that Dr Robertson should be excluded from this ballot as the Club Constitution states that retiring Committee members shall not be eligible for election at the AGM at which they retire. In the absence of Owners willing to stand in the past, retiring Committee members have customarily been co-opted as alternates, to ensure that Owners continue to be fully represented on the Committee. Following what has become custom and practice over some years, it is the Committee view that the membership should be allowed to approve this variance from the constitution and allow Dr Robertson to be included as a candidate in the election.

I hope this view carries the support of the wider membership. Should the consensus at the meeting be different however, I am sure Dr Robertson will withdraw her nomination this year.

Included in the AGM pack are curriculum vitae for Professor Geoffrey Robinson, Dr Kathleen Robertson, Mr David Thomson and Mrs Irene Walker. Also enclosed, in case you are unable to attend the AGM in person, is a Form of Proxy to give all members the opportunity to vote if they wish.

To ensure a vote can be cast, either you or your appointed proxy must be in attendance at the meeting. To assist, we have included on the Form of Proxy the Chairman of the Club and the elected members of the Owners' Committee as two possible options. You are also able to nominate anybody you wish to cast your vote. Unless specified otherwise on the form, your appointed proxy will be able to cast your vote as they see fit or may abstain from voting. If you are unable to attend the meeting but wish to vote you should complete and return the Form of Proxy to Kilconquhar Castle.

Kilconquhar Castle has again had a successful year, with increased levels of occupancy across the estate. We have seen some new faces on the staff, complementing the team many of you will already know. We have continued to make positive strides with the redecoration of villas, upgrades of the tennis court and Bistro, with planned upgrades to the Wi-Fi system due for the maintenance period.

Finally, I would like to take this opportunity to express my appreciation to the Committee for their unpaid work over the last year and on behalf of the members our thanks to the staff at Kilconquhar Castle.

James Vance
Chairman

KILCONQUHAR CASTLE CLUB

Minutes of the Thirty Seventh Annual General Meeting Held at Kilconquhar Castle Club at 1.30pm on Friday 2nd December 2016

79 Members in attendance

The Chairman, Mr Vance, opened the meeting and thanked those owners present for attending. At the top table were Mr Vance, members of the Owners' Committee Mrs Hunter, Dr Robertson, Ms Mullen, Mr Blaney, Mr Hodkinson and Professor Robinson. Mr Vance also introduced Mr David Neck, the other Founder Member Representative on the Committee and Mr David Stewart from Stewart & Company who is the Club's appointed auditor.

No Apologies had been received prior to the meeting.

1. Approval of Minutes

The minutes of the thirty-sixth annual general meeting held on Friday 4th December 2015 were proposed by Mr Mawford, seconded by Mr Currie and accepted unanimously by the members in attendance.

2. Accounts for the 12 months ended 30th June 2016

Mr Vance invited Mr Stewart to present the financial statements of the Club for the year to 30th June 2016. Mr Stewart advised the accounts had been prepared under the historical cost convention and the figures correctly extracted and reviewed from the accounting records of the Management Company.

The Committee meet at various times of the year and are kept up to date with the finances of the Club, agree the budget for the year and review on-going developments at the Resort.

In general overview, the Club has once again seen an increase in income levels of 4.4% from 2015. A surplus of £17,881 has been made in the year compared to a deficit in 2015 of £71,631. The closing reserve balance at year end to carry forward to future years is a healthy £170,474.

Mr Stewart highlighted the major items of income and expenditure and those with significant variances compared to the prior year, which included wages & staff costs, motor & travel, repairs & routine maintenance, heat light & water, insurance, leasing & equipment, rates, bank charges and depreciation.

Wages & Other Staff Costs, the largest cost to the Club, decreased in the year from £582,348 to £569,613 due in part to retirements which have removed some of the higher salaried staff from the payroll. A 100% audit is performed on wages & staff costs and it was confirmed that the Club is only charged with relevant staff costs and not allocated non-Club costs.

Mr Stewart highlighted other factors within wages & staff costs, notably the introduction of the National Living Wage, scheduled to increase to £7.50 per hour in April 2017, the National Minimum Wage, and inflationary increases.

Motor & Travel decreased by £3,293 in the year and Repairs & Routine Maintenance by £17,621.

Heat, Light & Water shows an increase in the year of £4,666. A new contract was entered into with EDF Energy in December 2015 after the end of a two-year deal with Scottish Power.

Insurance has seen a decrease of £10,732. As reported last year the Management Company agreed a two-year deal with a new supplier, with a 32% reduction from the previous company's charges.

Leasing & Equipment has decreased by £3,258 due to the renewal of contracts on better terms.

Rates continue to be an on-going issue although to the considerable benefit of the Club. Mr Stewart advised the Management Company are unaware when full rates will become payable in the future but stressed that when implemented this will be a large cost increase for the Club.

Bank charges including credit card commission have once again increased due to a higher volume of card payments and the value of the transactions being processed.

The recharge for depreciation is £9,810 in the year, being the wear and tear allowance allocated to the Club. This is an increase from last year due to some items having been purchased including a new Tractor and Gator.

Mr Stewart advised the meeting that, in line with financial reporting standards, a full impairment review of fixed assets had taken place. It was confirmed that the carrying value is a true reflection of the current net realisable value and the allocations to the Club were correctly stated.

Unpaid maintenance fees written off in the year decreased from £30,683 to £28,072.

Mr Stewart explained the fluctuations which take place between the write off in the profit & loss year on year. Several years ago it was decided to provide in full the current debt but continue to pursue recovery. Debts are not therefore written off but each year are forwarded to Network Credit Services for collection as, on occasions, Owners' circumstances may change making the debt collectable. The figure in the 2016 profit & loss represents the current year outstanding management fees of £37,973 less £9,901 collected during the year of previous years' debts already fully provided.

The Balance Sheet shows reserves of £170,476.

Sinking fund expenditure in the year, which Mr Stewart had reviewed in full, amounted to £66,002. The breakdown of this expenditure is included in the audited accounts.

The respective responsibilities within the audited accounts detail the responsibilities of all parties in relation to the affairs of the Club. The opinion on the financial statements prepared by Stewart & Company and included in the audited accounts was read to the AGM.

Mr Stewart thanked Mr Vance, Mr Neck and the accounts staff for the assistance given to his firm during the course of the audit and presented the accounts to the members for approval.

Questions were invited from the members.

Mr Syme asked if pension costs were included in the accounts. Mr Vance confirmed the Workplace Pension costs, which commenced in July 2014, were included under the heading wages and other staff costs. Approximately half of the staff employed contribute to the scheme.

An owner asked what was included within professional fees, which in the year reduced from £4,132 to £2,632. Mr Vance explained the commission costs charged by Network Credit Services were included under this heading but were more than offset by the income generated by owners paying the £30 late payment fee. This is included in other income.

There being no further questions the accounts were proposed by Mr Pringle and seconded by Mrs Silverstone.

3. Election of Committee

Mr Vance explained that the Committee comprises up to five people, three of whom are elected by the owners and two appointed by the Management Company, currently himself and Mr Neck. There are also three alternate members representing the owners, who may attend Committee meetings. In the event of a full member being unable to attend, an alternate member is appointed at the commencement of the meeting to ensure that the owners always have three votes on the Committee if necessary.

As required by the Club's Constitution, Mrs Maureen Hunter was due to retire from the full Committee after serving three years. Mr Vance was pleased to advise that Mrs Hunter had agreed to continue as an alternate member. Mr Vance announced that Mr Hodgkinson would step up to the position of full member.

Mr Vance advised he had received an enquiry from an owner wishing to become a member of the Committee. Under the terms of the Club Constitution nominations are required to be submitted not later than one month before the AGM.

4. Consider and if thought fit pass a Resolution proposed by the Founder Member.

Full Resolution from AGM Agenda:

To consider and if thought fit pass the following Resolution which is proposed by the Founder Member and supported by the elected members of the Committee of the Club: - "It is resolved the Committee of the Club be authorised as they see fit to reduce the size of the Club by removing units to safeguard the future of the Club."

Mr Vance provided an overview of the Resolution and the reasons for the proposal.

Currently there are 59 properties within the Club. Each property has 52 Holiday Certificates, two of which are retained by the Founder Member for maintenance purposes. Ownership is held in Trust with Clydesdale Bank.

In recent years' other timeshare clubs have experienced difficulties due mainly to unpaid management fees which creates debt that must be funded by the remaining members, thereby increasing the fees further and possibly making the club unsustainable.

It was stressed that Kilconquhar Castle Club does not currently fall into this category, with a collection rate of 96.5% that is considered manageable. It was felt prudent however to take steps now and to be in a position to act in the future should the situation change.

The debt position is discussed at every Committee meeting and the proposal to potentially remove a unit from the Club has been fully debated for more than a year. The Trustees have also been contacted who, via both parties' Solicitors, requested additional information so they could be satisfied the proposal was not detrimental to the Club.

Prior to proposing the Resolution, which carries the full support of the elected members of the Committee, it was necessary to seek approval from the owner of every Holiday Certificate as without this the removal of a unit cannot proceed. Whilst the details of the agreement made with owners is and will remain private, Mr Vance confirmed each was concluded individually and many different solutions explored. These include owners transferring to other units within the resort either in the same week or another week, owners upgrading units and in some instances a fee has been agreed with owners allowing them to exit the Club to ensure the removal of the unit can proceed if the Resolution is passed.

Mr Vance stressed that without the agreement of every owner of a unit its removal cannot take place. The owner of a Holiday Certificate cannot be forced to move units or give up their rights. Quite simply if one owner of a unit does not wish to relocate or exit the Club it cannot and will not be removed.

Mr Vance acknowledged the Resolution as drafted was slightly ambiguous as it referred to units in the plural and could be interpreted that the Committee would be able to remove units without the need to refer back to the ownership at a general meeting.

Mr Vance confirmed that should the Resolution be passed only one unit (Castle Suite 2), for which terms have been agreed with every owner, will be removed from the Club and if it became necessary to remove another unit or units in the future a resolution will be put before the membership to vote upon. The agreement currently in place with owners of Castle Suite 2 is dependent on this Resolution being passed.

The Meeting was advised the properties were built at the expense of the Founder Member and ownership was sold to the Club for £1 to be held in Trust. This process would be reversed for properties to be removed from the Club which, the Founder Member would, in all likelihood, convert into additional Club Rooms or something similar. It was highlighted that use was restricted in view of the planning consent in place.

Following the letter forwarded to owners proposing the Resolution and inviting votes by proxy only 20 or so letters or emails had been received requesting additional information.

Some of the questions raised were how many units will be removed from the Club and what is the selection process. Mr Vance advised currently no other units have been identified for removal and the process will only commence if it is considered appropriate. The number of units was estimated to be possibly five or six but this would be over a seven to ten-year period. The selection process will take into account several considerations including review of the database and resale register, to ascertain the existence of debtors, the recent utilisation of ownership by owner occupancy, exchange, rental and non-arrival. Mr Vance advised that negotiations with the Owners of Castle Suite 2 continued for over a year before 100% agreement was reached.

An owner asked what happens to the day to day costs of units removed from the Club currently included in the profit & loss calculations. Mr Vance confirmed all costs associated with a unit removed from the Club will be the responsibility of the Founder member and not the Club. Therefore, there will be little impact, if any, to the Club costs or the management fees charged as a direct result of the Club reducing in size as proposed.

Mr Vance invited Mr Mawford to air the concerns he had with the Resolution as drafted, something that had been raised prior to the meeting.

Mr Mawford thanked Mr Vance for the opportunity to speak. He agreed, however, that most of his concerns had been resolved during the meeting. Mr Mawford was grateful the first unit to be removed had now been divulged and his concerns about the wording of the Resolution had been eased by Mr Vance confirming no other units would be removed from the Club until agreement had been obtained from the ownership at a general meeting.

An owner suggested a show of hands to ascertain the outcome of the Resolution which is permitted within the Constitution even though proxy votes had been invited. This proposal was seconded and Mr Vance asked for a show of hands from those in attendance. The outcome was almost unanimously in favour of the Resolution with only two hands against. The Resolution was therefore declared as being passed.

Although not advised to the meeting the Committee feel it important to inform the ownership the number of proxy votes cast:

	<i>For</i>	<i>Against</i>	<i>Total</i>
<i>Votes Cast by Members who appointed the Chairman as their Proxy</i>	218	1	219
<i>Votes Cast by Members who appointed Owner Representatives of the Kilconquhar Castle Club Committee as their Proxy</i>	71	6	77
<i>Open Proxy who appointed the Chairman of the Club to vote on their behalf as he sees fit</i>			7
<i>Open Proxy who appointed the Owner Representatives of the Kilconquhar Castle Club Committee to vote on their behalf as they see fit</i>			5
<i>Open Proxy appointing a named individual to vote on their behalf as they see fit</i>			
<i>Total Proxy's received</i>			309

In addition, 10 Forms of Proxy were received after the 72-hour deadline as stated in the Constitution. Of these 9 were cast in favour of the Resolution and 1 against but would not have been included in the count.

The Forms of Proxy were counted by David Neck, Accountant Kilconquhar Castle Estate Limited and Founder Member Representative and Alana Sneddon, Accounts Assistant, Kilconquhar Castle Estate Limited. The Votes were verified by David Stewart of Stewart & Co who are the Clubs appointed Auditor.

Mr Vance informed the audience the Management Director of RCI was visiting the Resort next week to present a plaque to the Resort for achieving Gold Crown status for 25 consecutive years, one of only a few to achieve such an accolade.

Mrs Silverstone asked what refurbishment had been completed in the last twelve months and perhaps an Owner newsletter was appropriate to share information. Mr Vance was unable to go into detail about the refurbishment but agreed to consider the possibility of a newsletter to be published on the Company website rather than incur postage costs.

Mr Findlay asked what the occupancy was on the estate, which Mr Vance advised was 78.1% for the previous twelve months.

There being no other questions Mr. Vance closed the meeting at 2.50pm and again thanked everybody for attending.

KILCONQUHAR CASTLE CLUB

**Financial Statements
For the year ended 30 June 2017**

Stewart & Co, Chartered Accountants

KILCONQUHAR CASTLE CLUB

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KILCONQUHAR CASTLE CLUB

Report of the Independent Auditors to the Management Company of Kilconquhar Castle Club

We have audited the Financial Statements of Kilconquhar Castle Club ("The Club") for the year ended 30 June 2017 as set out on pages 3 to 7. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Management Company in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Management Company those matters we are required to state to them in our auditors 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 Management Company for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Management Company and Auditors

Kilconquhar Castle Estate Limited ("the Management Company") is responsible, under the management agreement, for the management and administration of the Club's affairs and is obliged to keep proper books of account of the Club's income and expenditure for the year. The Management Company is also responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those Standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared from the accounting records of the Management Company and the Companies Act 2006. We also report to you if, in our opinion, the Management Company has not kept proper accounting records and if we have not received all the information and explanations we require for our audit.

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 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 the Management Company; 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 30th June 2017 and of its surplus for the year then ended

Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practices

Have been prepared in accordance with the requirements of The Companies Act 2006.

Opinion on other matter prescribed by The Companies Act 2006

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

KILCONQUHAR CASTLE CLUB

Report of the Independent Auditors to the Management Company of Kilconquhar Castle Club (cont)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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 Remuneration specified by Law are not made; or

We have not received all of the information and explanations we require for our auditor

David Armour Stewart (Senior Statutory Auditor)
For on behalf of Stewart & Co
Chartered Accountants and
Registered Auditors
Castlecroft Business Centre
Tom Johnston Road
Broughty Ferry
Dundee
DD52QX

KILCONQUHAR CASTLE CLUB

**Statement of Income & Expenditure
For the year ended 30 June 2017**

	Note	2017 £	2016 £
INCOME			
Management fees from timeshare owners	3	1,003,527	1,018,031
Management fees relating to unsold weeks	3	160,410	148,815
Heat and light		112,723	114,512
Other		13,171	13,237
		1,289,831	1,294,595
EXPENDITURE			
Trustee expenses		1,500	1,500
AGM and committee expenses		507	746
Wages and other staff costs		583,403	569,613
Motor and travel		16,226	17,849
Sinking fund allocation	4	66,000	66,000
Repairs and routine maintenance		107,548	121,088
Heat, light and water		179,384	171,096
Telephone		2,692	2,896
Postage, printing and stationery		3,115	1,789
Insurance		23,287	22,856
Leasing and equipment		38,708	38,650
Rates		67,022	40,039
Refuse collection		15,013	14,925
Cleaning and laundry		29,514	32,858
Net bank interest and charges payable/ (receivable)		18,412	18,770
Licenses		1,724	1,718
Recharge for depreciation	6	11,503	9,810
Professional fees including debt collection costs		8,606	2,632
General		333	2,090
		1,174,497	---
			1,136,925
Management charges	5	111,717	111,717
Unpaid Maintenance Fees written off		36,226	28,072
TOTAL EXPENDITURE		1,322,440	1,276,714
(Shortfall) /Excess of Income over Expenditure		(32,609)	17,881
Excess in Income over Expenditure brought forward		170,474	152,593

Excess in Income over Expenditure carried forward		137,865	170,474

KILCONQUHAR CASTLE CLUB

**Balance Sheet
As at 30 June 2017**

	Note	2017 £	2016 £
ASSETS:			
Club sinking fund bank account		137,918	170,476
Debtors:			
<u>Unpaid Management Fees</u>	7		
Management Fees - Pre 2000/2001		8,221	9,313
Management Fees - 2000/2001		1,457	1,723
Management Fees - 2001/2002		1,944	2,295
Management Fees - 2002/2003		2,514	2,846
Management Fees - 2003/2004		3,733	4,003
Management Fees - 2004/2005		4,214	4,749
Management Fees - 2005/2006		5,426	6,320
Management Fees - 2006/2007		6,507	7,699
Management Fees - 2007/2008		5,713	6,768
Management Fees - 2008/2009		8,506	9,895
Management Fees - 2009/2010		10,254	11,971
Management Fees - 2010-2011		14,991	16,803
Management Fees -2011-2012		18,726	20,289
Management Fees-2012-2013		21,918	23,938
Management Fees-2013-2014		25,537	28,173
Management Fees - 2014-2015		29,815	31,818
Management Fees -2015-2016		32,277	37,973
Management Fees - 2016-2017		42,679	
		244,432	226,576
Less: Bad Debts provision written off prior years	7	<u>244,432</u>	<u>226,576</u>
Balance 30 th June 2017		0	0
		<hr/>	<hr/>
	9	137,918	170,476
		<hr/>	<hr/>
 SINKING FUND RESERVES:			
	9	137,918	170,476
		<hr/>	<hr/>

KILCONQUHAR CASTLE CLUB

Notes to the Financial Statements For the year ended 30 June 2017

1. Principal Object of the Club

The Kilconquhar Castle Club is an unincorporated association whose object is to secure for members joint rights of ownership of the lodges at Kilconquhar, and exclusive rights of occupation for the periods specified in the holiday certificates.

2. Accounting Convention

The financial statements have been prepared under the historical cost convention.

3. Management Fees

These represent the weekly management fees payable by owners and by Kilconquhar Castle Estate Limited.

4. Budgeted Sinking Fund Allocation

The allocation to the Sinking Fund was £66,000 for the year to 30th June 2017 (£66,000 30th June 2016).

5. Management Charge

The Management Charge paid in the year is per the terms of the Management Agreement.

6. Depreciation

Depreciation is re-charged from the Management Company for the proportion relevant for Kilconquhar Castle Club, in order to write off each asset over its estimated useful life.

KILCONQUHAR CASTLE CLUB

Notes to the Financial Statements For the year ended 30 June 2017

7. Unpaid Maintenance Fees

The level of Maintenance Fee Debtors at 30th June 2017 was £Nil (£Nil- 30th June 2016). Credit has been given in the Statement of Income & Expenditure for the full amount of Maintenance fees raised during the year. An amount of £36,226 (2016 - £28,072) has been written off as a Bad Debt in the year to 30th June 2017. These are in respect of owners who have failed to pay Maintenance Fees. The cumulative amount of unpaid Maintenance Fees written-off to date is £244,432. Any balances recovered in future years will be credited back to the Club.

8. Capital Commitments

As at the 30th June 2017 there were no Capital Commitments contracted for.

9. Balance Sheet Movement

	2017 £	2016 £
The Sinking Fund Reserve at 30 th June 2016 includes the following:		
Opening Balance	170,476	152,597
(Deficit) / Surplus for year	(32,609)	17,881
Sinking Fund allocation	66,000	66,000
Sinking Fund Expenditure	(65,949)	(66,002)
	<hr/>	<hr/>
	137,918	170,476
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Further Analysis of Sinking Fund Expenditure

	2017 £	2016 £
Decoration	35,000	43,681
Electrical	24,954	16,721
External works		5,600
Bed linen and towels	5,995	
	<hr/>	<hr/>
Closing balance at 30 th June 2016	65,949	66,002
	<hr/>	<hr/>

KILCONQUHAR CASTLE CLUB

**Notes to the Financial Statements
For the year ended 30 June 2017**

10. Net management costs	2017	2016
	£	£
Total expenditure (page 3)	1,322,440	1,276,714
Less:		
Heat & light	112,723	114,512
Other	13,171	13,237
	1,196,546	---
		1,148,965
Less: Opening excess of income over expenditure	(170,474)	(152,593)
Net management costs	1,026,072	996,372
	-----	-----
11. Statement of Funding of Net Management Costs	2017	2016
	£	£
Management fees from timeshare owners	1,003,527	1,018,031
Management fees relating to unsold weeks	160,410	148,815

Total management fees income	1,163,937	1,166,846
Excess in management fees	(137,865)	(170,474)
Net management costs	1,026,072	996,372

12. Net Average Cost Per Week	2017	2016
	£	£
Net management costs	1,026,072	996,372
Total available weeks	2,950	2,950
Net average cost per week(£)	348	338

Brief CV for Professor Geoffrey (Geoff) Robinson, candidate for election to the Kilconquhar Club Committee:

My wife Margaret and I are original owners who have spent many holidays at Kilconquhar with our children, grandchildren and friends, some of whom also became owners. In 2002 we took up permanent residence in Crail, upon my retirement from senior academic and administrative positions at the University of Leicester. These included the directorship of two national projects with responsibility for a substantial number of academic and technical staff at various locations. I was also Warden of Digby Hall, a residential facility comprising six Edwardian houses and modern purpose-built accommodation. My roles there included attracting and hosting residential conferences, with oversight of activities that had much in common with those at Kilconquhar. Shortly after moving to Crail I was appointed Honorary Professor in the then School of Geography and Geosciences at the University of St Andrews. Continuing as an independent consultant in higher education, my work for the Quality Assurance Agency included membership, with responsibility for reporting on governance, of a small team that scrutinised the work of the federation of colleges and research institutions which, in 2011, became the University of the Highlands and Islands. I have undertaken similar quality-assurance work over recent years at universities in Lithuania.

Other relevant experience has been where, as a Fellow of the Royal Geographical Society, I served terms as member and then Chairman of the Information Resources Committee and member of Council. At Crail Golfing Society I have served two terms on the Committee in recent years. In other current activities, I have been an elder, and hence trustee, of Crail Parish Church of Scotland since 2012 and a member of St Andrews Presbytery since 2014.

I have brought the experience and skills developed in those roles to my participation as an Owners' representative on the Kilconquhar Club Committee. Elected first as an alternate member in 2000 and then as a full member in 2002, I was initially engaged with a small team in drafting a new constitution accepted in 2003 by owners and the Founder Member of the Club (Kilconquhar Castle Estate Limited) as protecting the interests of all parties. Subsequently I have served several terms either as alternate or full member. If elected now, I will continue to work on behalf of all owners to secure the benefits and enjoyment that accrue from Kilconquhar Castle's high standing as currently the most (only?) successful time-share organisation in Scotland.

DR. KATHLEEN ROBERTSON

I have been a full Committee member since 2014 and previously an alternate member since 2011. As required by the Club Constitution I must retire my position having served for three years however would be pleased to continue to serve on the Committee as an alternate. This year however, following the application by a fellow owner, an election is required. I am soliciting your vote so that I may continue to represent you on the Committee.

I first came to Kilconquhar Castle from the United States in 1996, became an owner in 2000, and now own three weeks. During my tenure on the Committee I have fully participated in the meetings and discussions. I can assure you that the Committee Members are fully engaged with the management, and we hope that we have been good representatives for you, the owners.

I own nine other timeshares in London, Mexico and Colorado, my first in 1990, which provides me with perspectives of what others are doing, which I have shared at times. Most of us know that the industry has gone through changes and challenges. The owners at Kilconquhar are fortunate that the property has not been as affected as others. I think this is due to the ongoing commitment that Mr. Vance and his team has for the well being of the property and its owners, combined with the active support and guidance from the Owners' Committee. In contrast to many of the other properties that I own, I think this is unique, and makes the role of Committee members important for the owners.

Professionally, I hold a Juris Doctorate in International Corporate Law, and a PhD in International Economic and National Security. For more than thirty years I have worked with governments and corporations, focusing on organizations, market competitions, management and negotiation strategies.

For the last twenty years I have also organized the Christmas decorations, bringing something different from America every year. A few years ago, I brought the two five feet tall nutcrackers, convincing the airline to check them as baggage. I hope that you have been able to enjoy these decorations either during a December stay or the Owners' Dinner. I am fortunate that the staff helps me when early December comes, as it is a big undertaking, with many of the decorations hand made. There is no instruction book, so there is variety every year. If any of you have suggestions or want to help, please do so.

Nomination for Kilconquhar Castle Club Committee -

I wish to offer my services for the above and consider that my business knowledge and experience will be of value to the Committee. I have been 48 years in the Financial Services Industry with over half of this period working at Managerial level in a Global Institution.

I have been an owner at Kilconquhar since 1997 and presently own 5 weeks throughout the year. My direct family (which is now 11 in number) have enjoyed many happy holidays at Kilconquhar and are always enthusiastic to return at every opportunity. In fact my eldest son proposed to his now wife at Kilconquhar so it is even more special for them. My Sister in Law also is an owner with 2 weeks owned in the year at Kilconquhar having been so since the mid 1990s. My Sister in law's direct family now numbers 14 and similarly cannot wait to return to holiday at Kilconquhar at any opportunity. We have therefore enjoyed the benefits and friendship of Kilconquhar over many years.

My skills to bring to the position are people interaction -listening, working together, persuading others, and realising desires all very useful in a holiday environment striving to make that experience the best the Estate can offer.

I live in Edinburgh and therefore I am within easy distance to be present at Kilconquhar as required. Given the enjoyment experienced by myself and all of my greater family over the years from Kilconquhar, I wish to provide my services, as they can be utilised, to continue to assist the Committee to provide this holiday enjoyment, in as appropriate a manner as possible, in future years. I have not in recent years been as visible at the yearly AGM as I would have liked primarily as a result of work commitments but as I now am nearer to the time when retirement will free up my available time I feel this is the correct time to give back to the Estate. The length of time I have been an owner affords me enough knowledge of Kilconquhar to understand how it works. I have been most impressed in the last few years witnessing on my visits how the Estate continues to meet Gold Crown standard and have watched the dynamic approach on site to evolve and change to meet current needs of this area of the holiday market especially within the very troubled economic time we have all known for the last few years.

I would very much look forward to be in a privileged position to work with and to provide my skills to the committee in future years.

Summary CV: IRENE WALKER

Name:

Irene Euphemia Walker (nee Lindsay)
35 Church Road
Strathkinness
St. Andrews KY16 9XR

Date of Birth: 28. 01.1952

Occupation: Retired

Status: Widowed

Education:

MBA University of Edinburgh
BSc University of St Andrews
Larbert High School

Career:

Local Government, Economic Development and Scottish Enterprise 1975-2007

Senior Positions held:

Chief Executive, Dumfries and Galloway Enterprise 1994-2001
Director of Clusters and Industry, Scottish Enterprise, 2001-2003
Rural Development Director, Scottish Enterprise, 2003-2007

In retirement:

Vice Chair of Elmwood College, Cupar 2009-merger with SAC
Vice Chair of Strathkinness Community Council 2012-2017
Secretary of University Hall Graduates Association, University of St Andrews,
2016-present.
Exam Invigilator at Madras College, St Andrews

Interests and Activities:

Golf, gardening, travel, theatre and food and drink.

Personal Qualities:

Natural leadership skills as well as a keen team player, confident and effective communicator with a natural outgoing personality. Consciousness and energetic in my approach to new challenges.

26 October 2017

Apartment Owned Week Number.....
 Apartment Owned Week Number.....
 Apartment Owned Week Number.....
 Apartment Owned Week Number..... Account Number.....

KILCONQUHAR CASTLE CLUB FORM OF PROXY FOR ANNUAL GENERAL MEETING ON 1st December 2017

*Full Name(s) and address(es) to be inserted in Block Capitals.

I/We *
 of

being (a) Member(s) of Kilconquhar Castle Club HEREBY APPOINT

" Delete either 'the Chairman of the Meeting' or 'The Elected Members of Kilconquhar Castle Club' as required

the Chairman of the Meeting"
 the Elected Members of Kilconquhar Castle Club Committee"

+ **NOTE:** If any other proxy is preferred, strike out 'the Chairman of the Meeting' and 'the Elected Members of Kilconquhar Castle Club' and insert the name and address of the person you wish to appoint as your proxy.

+

as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of Kilconquhar Castle Club to be held on 1st December 2017 and at any adjournment thereof.

Please indicate in the appropriate space below how your proxy should vote for you. If no direction as to voting is given, your proxy will vote as he/she thinks fit, or he/she may abstain from voting.

Name of Candidate	Vote - Full Member
Professor Geoffrey Robinson	
Mrs Irene Walker	

Name of Candidate	Vote -Alternate Member
Dr. Kathleen Robertson	
Mr David Thomson	
Mrs Irene Walker	

NOTES:-

To be valid this Form of Proxy must be returned to Kilconquhar Castle Estate Limited, Kilconquhar Castle Estate, Kilconquhar, Fife, KY9 1EZ or submitted online no later than 72 hours before the commencement of the meeting. Link for voting online <http://www.kilconquharcastle.co.uk/agm2017.html>

- 2 In the case of joint holders, the signature of any one joint holder is sufficient and the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority will be determined by the order in which the names stand on the Holiday Certificate.
- 3 The name(s) of your Unit(s) and week(s) must be inserted in the appropriate spaces at the top of this form. Please also insert your account number if known.

Signature : Date: