



## SCANDINAVIAN VILLAGE ASSOCIATION

Scandinavian Village, Aviemore, Inverness-shire PH22 1PF  
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June 2017

Dear Owner,

As the new Chair of Scandinavian Village Owners Association, it is my pleasure to give you an update on what has been happening at Scandinavian Village since the AGM last November.

**S.V.A. Committee:** There have been changes to the Committee. John McKie has retired, and I would like to take this opportunity to thank John for the valuable contribution he has made during his 16 Years on the Committee and as Facilities Director. Joseph Doyle has now taken over the role of Facilities Director.

Marilyn Harrop and Ross Scott have now joined the committee. Marilyn brings her experience in education and the National Union of Teachers, while Ross brings his experience in finance.

We have also co-opted Michael Daly, with his background in IT, onto the Committee until the AGM in November.

**Improvements:** You will note from the attached Facilities Director's report that the programme of work continues throughout the Village. The recent improvements include the replacement of the villa patio doors and the remaining front doors which have enhanced the look of the village.

Fibre broadband is now available in the village.

**Website:** Our website has been upgraded so that bookings can be made on-line. Members wishing to rent a week should enter the code **OWNER** when making an online booking as this will apply a 10% discount to their total amount payable. Under the resales section, forms can be downloaded to assist with the purchase, sale or private transfer of units.

It is also now possible to pay your fees, set up a direct debit and submit weeks for rental in the members' section.

**Unit Telephones:** The telephone system was replaced in April this year. It was also decided to replace the phones in the villas and apartments.

**Feedback:** The awards and good reviews that have been received from outside agencies such as RCI, Booking.com, Trip-advisor and Green Tourism Scotland, could not be achieved without the hard work, dedication and commitment of the General Manager Miriam Grant and all her staff.

The annual audit of SVL and SVA accounts has been completed. Copies of the audited accounts can be downloaded from the Member's Section of the website.

**Exchange companies:** I would remind Owners who are members of an exchange company that they must pay their management fees in advance, prior to placing their weeks with an outside agency, for whatever year they wish to exchange.

The policy at SVL is to block the use of any unit where the management fee is unpaid. This applies to all units, including those within the RCI Points Scheme. All exchange companies are notified of unpaid fees.

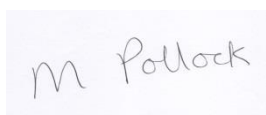
**Week start dates:** Due to the extra week 30A in 2016, the entry dates are now later than last year. Please check your weekly start date on the attached Year Planner or the website, to ensure you arrive on the correct date for your holiday.

**Closing comments:** The Association Committee consists of 6 members, of which, by rotation, 2 stand for re-election at each AGM. I would like to take this opportunity to remind members that if they would like to stand for election as an Association Committee member, they must be the registered first named person on their Licence. Their nomination should be forwarded to the Secretary of SVA with their curriculum vitae to reach the Secretary by no later than 31 August in the relevant year.

Being a member of the Association Committee is both interesting and rewarding, so please give some thought to joining the Committee and if you have any questions please do not hesitate in contacting me at [chairman@scandinavian-village.co.uk](mailto:chairman@scandinavian-village.co.uk)

Members who have an e-mail address and have not yet given it to the office could you please consider doing so, as this will reduce our postage costs and allow us to send documents electronically. Similarly, if members could use the Direct Debit System for their annual management fees and complete and return the enclosed mandate form to the office it would be most appreciated.

Yours sincerely,

A handwritten signature in blue ink that reads "M Pollock". The signature is written in a cursive style with a large 'M' and 'P'.

Moira Pollock, Chair of SVA.

**Documents Enclosed:**

Comparative Statement of Income & Expenditure of SVL for year ended 31 December 2016.

Report by the Finance Director SVL.

Report by the Facilities Director SVL.

SVA – Regulations in regard to the appointment to the Committee.

SVA – AGM 2016 Minutes.

Year Planner.

Direct Debit Form.

**SCANDINAVIAN VILLAGE LIMITED**  
**BUDGET-FORECAST-ACTUAL COMPARISON 2016**

	<b>Budget 2016</b>	<b>Forecast 2016</b>	<b>Actual 2016</b>
<b>Management Account</b>			
<b>Income</b>			
Fees & Levy	700,013	700,013	700,013
Rentals Commission	14,000	16,500	15,921
Resales Commission	3,000	3,000	2,393
Assignment Fees	4,000	4,800	5,640
Net Dividends	13,000	15,000	15,704
Bank etc Interest	9,500	13,500	26,727
Electricity	43,000	44,500	45,138
Cleaning Services	5,000	5,000	5,678
Late Payment Penalty	500	780	821
Rent Inc. Flat 66	20,000	22,000	24,381
PV Generation Income	1,500	1,355	948
Rental Income Week 30A	14,000	15,550	15,550
Profit(Loss) on Sale of Investments	-	-	-121
<b>Total</b>	<b>827,513</b>	<b>841,998</b>	<b>858,791</b>
<b>Expenditure</b>			
Directors' Fees	33,560	33,560	32,453
Management Salaries	103,746	103,746	103,279
Housekeeping Salaries	124,144	136,001	122,969
Maintenance Salaries	49,677	49,677	50,864
Payroll Oncosts/Healthcare	27,328	24,429	22,538
Electricity	69,000	69,000	64,654
Telephone & Broadband	3,853	3,200	2,828
Print Post Stationery	7,400	7,000	6,333
Advertising	3,700	3,700	2,159
Bookings.com Fees	3,600	3,600	4,534
Cost of Meetings	5,050	4,750	6,297
Professional Fees	9,700	13,650	15,633
Bank Charges	7,500	7,400	6,363
Staff Training/Uniforms & PPE	2,000	2,000	2,776
Depreciation	3,627	10,024	10,025
Rates	50,905	53,429	51,207
Ground Rent & Common Charges	76,000	76,000	75,760
Insurance	13,420	13,168	13,490
Contract Maintenance	11,584	15,650	14,349
Inventory Replacement	21,000	21,000	29,739
Property Maintenance	22,750	22,711	32,304
Grounds Maintenance	8,750	8,250	3,154
Welcome Meetings	1,300	1,300	855
Cleaning & Laundry Materials	16,000	16,000	14,656
TV Licences	1,746	1,746	1,746
Miscellaneous	300	300	242
Bad Debts	4,000	4,000	3,095
Invest Mgrs Fees	3,300	4,200	4,047
Refuse Collection	10,000	10,000	11,154
Major Project (see details)	131,900	122,040	133,798
<b>Total Expenditure</b>	<b>826,840</b>	<b>841,530</b>	<b>843,301</b>
<b>Net Surplus/Deficit</b>	<b>673</b>	<b>468</b>	<b>15,491</b>

**Note : The next Week 30A is in 2022**

**SCANDINAVIAN VILLAGE LIMITED**  
**BUDGET-FORECAST-ACTUAL COMPARISON 2016**

	<b>Budget 2016</b>	<b>Forecast 2016</b>	<b>Actual 2016</b>
<b>Major Project Expenditure</b>			
Decoration/Carpets	-	18,000	18,224
Villa Patio Panels & Doors	10,000	46,000	34,556
Front Door Refurb	15,000	27,000	28,368
Roof tiles/Windows/Fascias	-	-	36,505
Upgrade Plumbing	56,000	-	13,299
Washing Machines	-	17,740	-
Housekeeping & Distribution Boards	9,600	-	-
Internal Doors/Skirtings/Floors	10,000	10,000	-
Renewable Projects/Heating	28,000	-	-
<b>Total Internals</b>	<b>128,600</b>	<b>118,740</b>	<b>130,952</b>
<b>Administration</b>			
Other Office Equipment	3,300	3,300	2,845
<b>Total Administration</b>	<b>3,300</b>	<b>3,300</b>	<b>2,845</b>
<b>Total Major Projects</b>	<b>131,900</b>	<b>122,040</b>	<b>133,798</b>

# **SCANDINAVIAN VILLAGE LIMITED**

## **FINANCE DIRECTOR'S REPORT ON THE AUDITED ACCOUNTS OF SCANDINAVIAN VILLAGE LIMITED FOR THE YEAR 2016**

**Introduction.** The purpose of this Report is to provide a comparison between the figures contained within the Audited Accounts for 2016 with those in the Forecast Outturn for that year as supplied to you for the AGM last November. This is in keeping with the policy adopted since 2011 when the date of the AGM was changed from April to November.

**Audited Accounts.** Messrs Johnston Carmichael have again acted as our Auditors for the 2016 accounts, and have been appointed to audit the 2017 accounts in due course. A full copy of the audited accounts is available on the Members' Section of our website. If you do not have access to the website but require sight of the full audited accounts then please request a copy from the office.

**Valuation of Listed Investments & FRS 102.** You may recall that since December 2008 the Board has been obliged to record a change in the value of the Company's listed investments to reflect year-end market values until such time as the losses written off in 2008 have recovered their value. The position has moved on since then. The UK Accountancy bodies have decided to adopt Financial Reporting Standard 102 (FRS 102). In summary this now means that all investments have to be shown at market value rather than the historical book cost. Because these changes are being introduced into our accounts for the year to 31 December 2016 it has necessitated the re-statement of the closing balances at 31 December 2015 to permit a like-for-like comparison between 2015 and 2016.

Members wishing to examine the audited accounts will find more details of the FRS 102 adjustments in the Notes to the Accounts, specifically in Notes 1.4 to 1.7 of Accounting Policies, and also in Note 13. Good luck to you if you intend to read them - they are somewhat heavy and tortuous.

Any gains or losses arising from the revaluation of investments under FRS 102 are purely notional as they only become "real" when the assets are realised. Accordingly they are ignored by HMRC in the calculation of Corporation Tax liability. This tempts me to add that HMRC are more sensible and perhaps pragmatic than the accountancy profession, but as a member of that profession perhaps I should bite my tongue!

**Accounts for the Year ended 31 December 2016.** Included within these papers you will find a spreadsheet giving a comparison of **Budget/Forecast/Actual Income and Expenditure for 2016**. These figures are presented in the format of our monthly management accounts and are in the style in which we present the usual Budget papers to members each year. The total expenditure shown in the spreadsheet is £843,301 whilst the corresponding figure in the final page of the audited accounts is £843,361. The difference of £60 lies in the auditor's calculation of Depreciation (£10085 against £10025) and relates to the sale of the old van a couple of years ago. Otherwise the figures agree in total although some of the individual values differ due to the different method the auditor uses when collating detailed costs. The income figures differ by £123 because the loss on sale of investments (£121 shown in the spreadsheet) is subsumed within the revaluation of assets in the audited accounts.

To complete the comparison between the spreadsheet and the audited accounts you need to look at page 5 of the audited accounts where the Profit is shown as £88,749, but this "profit" includes £73,196 from the revaluation of Investments. Deducting this notional gain leaves a net profit of £15,553, a difference of £62 from the spreadsheet. This takes us back to the £60 difference in Depreciation. The remaining £2 difference is due to roundings.

Many points of detail were covered in the report for the AGM last November, and the rest of this report focuses only on the major variances (in excess of £2,000) between the Forecast made last November and the Actual results for the year.

**Bank Interest Received.** We continued last year's policy of placing temporarily surplus funds with Peer-to-Peer lending institutions and this was much more successful than we had dared to expect.

**Rental Income Flat 66.** This continued to be more successful than we had anticipated.

**Housekeeping Salaries.** Carpet cleaning was planned to be done in-house during the shutdown, but ended up being done by contractors (£3500). The balance was simply due to the Forecast having been over-estimated. The final cost of Housekeeping Salaries was very close to the original budgeted level.

**Electricity Costs.** The use of LED lamps and increased staff awareness of the need to reduce energy waste has started to pay dividends, despite the ever increasing cost of supply.

**Rates.** The overspend is again due to an increase in the number of claims by owners for Small Business Bonus Relief.

**Inventory Replacement.** Replacement bedding, planned for 2017, was brought forward at the end of 2016.

**Property Maintenance.** Carpet cleaning (£3,500) was done by contractors rather than in-house (see above). Additional unbudgeted work was done during the shutdown to eliminate creaking floorboards in villas and unit 66 (£3,200), and costs were incurred to re-locate owners when essential repairs had to be carried out.

**Grounds Maintenance.** Planned work on patios and pathways etc was deferred due to the anticipated overspend on Property Maintenance.

**Major Project costs.** Each year we plan to carry out Major Project works to a value of around £120,000 to £130,000 to ensure that the fabric of the buildings is maintained and/or refurbished to a good standard. Most of the work is done during the shutdown period in November/December, and this is some 15 months after the budget for that work was approved. Because of this, the work-plan is deliberately kept quite dynamic to enable the Board to react to more pressing matters than those originally budgeted. It is often, therefore, extremely difficult to make a meaningful comparison between the work originally budgeted and the work actually undertaken. Nevertheless, please rest assured the Board always works in the best interests of the members. To meet audit requirements the cost of the replacement washing machines in the site laundry was charged to capital.

**Eddie Monks.**

Finance Director

June 2017

## **SCANDINAVIAN VILLAGE LIMITED**

### **FACILITIES DIRECTOR'S INTERIM REPORT JUNE 2017**

As the new Facilities Director the shutdown period in November and December gave me the ideal opportunity to meet with the different contractors and maintenance staff.

During my initial settling in period, I have attended meetings with site agents at all the on-going construction sites and with the Management and Consultants for the A9 Dualling Programme, the following is a brief update of what's happening in and around Aviemore that may have an impact on the Village.

A new shopping complex is under construction, once completed it will consist of, Aldi supermarket, B&M Bargains plus 2 smaller units yet to be announced, the shops are being built on the vacant land previously owned by Tesco, completion date for the work is November 2017 and occupancy by January 2018.

A new BP fuel station is under construction opposite the Cairngorm Hotel which will have M&S food hall attached, completion date June/July 2017.

A9 Dualling Programme, the new slip roads have now been confirmed, they will remain as they are but with an underpass at both north and south entrances to Aviemore, the proposal now being put forward for approval is the widening of the dual carriageway at the east side by 30 meters, this will have an impact on the Village and for that reason I have raised objections on several issues with both Transport Scotland Management and their Design Consultant Team, the next review takes place November 2017.

The annual shutdown is used to carry out essential maintenance work, which is not possible at any other time due to unit occupancy.

Major projects carried out during this period was the final phase for the replacement of all remaining patio screens and fascias, included in this programme of works was the replacement of the frontage and main door to the reception area. New rosewood upvc front doors, fascias and concrete sills have been fitted to all units with the exception of 28, 65 and 66 which are located within the office block, these units will have new doors fitted later in the year.

Due to the ongoing problem with copper pipe corrosion a total of 16 units have now undergone a full re-plumbing. After discussions with experts to ascertain the extent of the problem and what action is required to solve the ongoing leakages, it has been decided to bring forward the programme to replace the plumbing system of all the remaining units.

We continue to carry out maintenance improvements and the following has taken place; all Villa stair landings have been checked for squeaks and repaired as necessary, 10 new shower cubicles have been fitted, 9 new kitchen extractor fans fitted, the storage rooms under the walkway stairwells have been refurbished, all patio benches have been sanded down and refaced, all units have been fitted with new solid oak shelves and hanging hooks.

During the remainder of the year all Villa bedrooms will have new carpets fitted, 10 Units require new flooring in the kitchen bathroom and toilets.

We have initiated pilot schemes in Villa 5 and Apartment 34 to be decorated throughout and replace all internal doors, frames and skirting's.

The following items have been purchased and held in storage until the November 2017 shutdown, 75 upvc windows, 50 velux windows and flashings.

The following inventory items have been purchased, 500 duvet covers, 750 packs of pillow cases, 130 bed spreads and 70 plastic containers for storing spare linen held within each unit, a number of fridges, dishwashers and microwave ovens have been replaced.

Housekeeping staff continue to provide excellent service, ably monitored by our supervisors ensuring that the standards are maintained to the highest level. The grounds remain in tip top condition, which is borne out by the comments from all who stay at the Village.

Joseph Doyle

Facilities Director



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## SCANDINAVIAN VILLAGE ASSOCIATION

### REGULATIONS IN REGARD TO APPOINTMENT TO COMMITTEE

Each Member listed on the Scandinavian Village Association ("the Association") Register at the date upon which Notices are despatched will be entitled to nominate another Member or Members of the Association or him or herself as a Member of the Committee of the Association for any vacancy then occurring. Such nomination should be made to the Secretary of the Association for the time being, by no later than the 31 August in such year. If a nominating Member nominates a third party, then a form of consent shall be signed by the Member who is nominated. With each nomination details of the *curriculum vitae* of the nominated Member shall be provided.

When formal notice of the Annual General Meeting of the Association is given then copies of the details of each candidate shall be supplied to the Membership and a Voting Paper & Form of Proxy will be sent to each Member of the Association to permit the Members who are unable to attend the meeting to vote upon those who have been nominated as prospective Members of the Committee. If the Voting Paper & Form of Proxy has not been returned to the Secretary to arrive by no later than 48 hours before the meeting or such has been incorrectly completed it will be invalid. The determination of the Secretary of the Association for the time being shall be final as to the competence of any such Voting Paper & Form of Proxy returned.

Any candidates nominated for appointment to the Committee will attend the Annual General Meeting and may be asked by the Chairman to address the Members.

No canvassing of Members will be permitted.

Those who fall to be elected shall be those receiving the largest number of votes.

Nominations should be sent to the Registered Office of Scandinavian Village Limited, addressed as follows:

The Secretary  
Scandinavian Village Association  
c/o Scandinavian Village Limited  
Scandinavian Village  
AVIEMORE  
Inverness-shire  
PH22 1PF

# SCANDINAVIAN VILLAGE ASSOCIATION

## MINUTES OF THE THIRTY-SIXTH ANNUAL GENERAL MEETING OF THE SCANDINAVIAN VILLAGE ASSOCIATION

HELD IN AVIEMORE COMMUNITY SCHOOL ON SATURDAY 12 NOVEMBER  
2016

**Present:** Joe Doyle (Chairman), Marilyn Harrop, John McKie, Eddie Monks, Moira Pollock.

The Chairman, Mr. Joe Doyle, opened the meeting by extending a warm welcome to the 68 members present.

**Apologies:** The Chairman advised that he had received 7 apologies. Any member requiring a response would be contacted.

**Chairman's Report:** The Chairman, Joe Doyle, advised the meeting that voting was now closed and that all voting papers should have been handed to a member of staff. He then advised members of the venue's safety procedures.

**Matters arising from the Minutes of the thirty-fifth Annual General Meeting held on Saturday 7 November 2015:** The minutes had been circulated earlier in the year and no questions or comments had been received.

**Matters arising from the Accounts of Scandinavian Village Association for the year ended 31 December 2015:** The audited accounts of the Association had been circulated earlier in the year and there were no questions or comments.

**Matters arising from the Audited Accounts of Scandinavian Village Limited for the year ended 31 December 2015:** The audited accounts of Scandinavian Village Limited had been circulated earlier in the year and there were no questions or comments.

**Facilities' Report:** This was delivered by John McKie. There were no questions or comments.

**Administration Report:** This was delivered by Eddie Monks and Joe Doyle, who were sharing the role. There were questions regarding the Village phone system's fitness for purpose and whether or not it was worth renewing. This was followed by general discussion including the suggestion that some mobile handsets could be provided for residents without such facilities.

**Finance Report including statement of Forecast Accounts for the year ending 31 December 2016:** This was presented by Eddie Monks. There was a question regarding flooding in unit 14, and some concern that in the Budget, plumbing had been deferred in favour of door replacement. This was answered by the Facilities Director to the satisfaction of members.

**Consideration of the Budget for 2017:** The Finance Director referred to his Report and advised that the Licence Fee for 2017 had been increased in line with the movement in the Retail Price Index to August 2016. There were no questions.

**Consideration of the proposed Levy for 2017:** The Finance Director again referred to his Report and advised that the Levy for 2017 had been held at the level for 2016. There were no questions.

At this point in the proceedings, the Chairman handed over control of the meeting to Mr. Eddie Monks, due to procedural matters.

### Announcement of Results of Voting on the AGM Resolutions:

#### Resolution 1: Approval of the Minutes of the AGM held Saturday 7 November 2015 -

FOR	AGAINST	PROXY	ABSTENTIONS
318	0	28	2

**Resolution 2: Approval of the Accounts of Scandinavian Village Association for the year ended 31 December 2015 -**

FOR	AGAINST	PROXY	ABSTENTIONS
318	1	28	1

**Resolution 3: Approval of raising £330,693 by way of a Levy, apportioned to each membership in Accordance with Clause 7 of the Constitution -**

FOR	AGAINST	PROXY	ABSTENTIONS
294	23	29	2

**Resolution 4: Approval of the Committee's proposal that the existing Clause 10 of the Constitution (Termination of Licences) be replaced by a new one which would allow for the small number of Licence holders who are in default by late April to be charged a time-related fee which would partly offset the additional administrative cost of servicing them and hopefully encourage prompt payment. The full text of the proposed replacement Clause 10 is contained within the voting papers -**

FOR	AGAINST	PROXY	ABSTENTIONS
305	7	29	5

**Resolution 5: Election of Committee – Election results were as follows -**

Name	Votes	Tenure	Name	Votes	Tenure
Joe Doyle	309	3 years	Moir Pollock	303	3 years
Marilyn Harrop	301	2 years	Ross Scott	297	2 years

There was still one remaining Committee vacancy. It was agreed that Michael Daly, who had previously expressed an interest in joining the Committee, be co-opted.

**12. Any Other Competent Business:**

**A) Auction of terminated Licences:**

The Chairman proceeded to conduct an auction of the following terminated Licences:-

From 2015 - 35/03, 44/04, 53/08, 41/12, 56/12

From 2016 - 48/03, 37/04, 36/44, 64/44, 30/02

Week 30/02 was the only week purchased.

**B)** There were questions on the subject of "The Timeshare Timebomb", which were dealt with by the Finance Director. He explained that the Constitution does not allow for weeks to be given back. If it did, the additional unpaid levies would have to be shared among residual owners. All owners had the option of selling or renting out their weeks. An internal 'Swap Board' was being developed.

On being questioned on the topic of possible future major cost outlays affecting the budget he added that the rolling Five Year Plan, updated annually, did not currently reveal any potential pitfalls.

There was general approval for the removal of Assignment fees as a concession to private sellers.

**C)** John McKie was retiring from the Committee: he was warmly thanked for his time and contribution to the smooth running of Scandinavian Village.

The meeting closed at 12.16pm.

Mr Joe Doyle,  
Chairman SVA