



***pearly grey ocean club***

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1<sup>st</sup> December 2009

Dear Fellow Owners

This is a brief Newsletter from the Committee to include a report on the AGM. The event itself was, as always, an interesting forum for debate and discussion regarding Club matters.

We would take this opportunity to thank owners who were able to attend and those who sent correspondence and voted by post.

### **The Resort**

Owners who have visited the Resort in recent months will have noticed the continued refurbishment, with the bar, restaurant and reception now all having been modernised to a very high standard. This reflects the ongoing relationship between owners and the Developer and his long term commitment to the Resort. The Head of RCI Europe has recently visited the Resort and expressed how impressed he was with the high level of dedication, commitment and positive attitude of all the staff.

### **AGM 2009**

Detailed minutes are enclosed; however a summary of the meeting is as follows:

Liliane Sulbout was due to retire at the meeting but was not well enough to travel. We all recognise the work she did on behalf of the Club over many years of service and wish her well in the future.

Brian Phillips was elected to the Committee and we look forward to his contribution in the future.

The 2008 Club accounts (approved by an independent examiner) were made available to the meeting. The 2009 financial report was approved including the 2009 financial position to date and the 2010 budget.

The meeting approved the cancellation of Club Membership of those owners in default of 2009 Maintenance payments at the time of the AGM and charged the Committee with the responsibility of selling such weeks en masse to recover the defaulted Maintenance and associated costs.

## **2010 Maintenance payments**

The proposed management charge for 2010 was approved. Once again only a small inflationary increase was applied. The approved annual Maintenance fees per week owned were presented in Euros only (as previously advised). This makes sense given that the Club's costs are all in Euros and the annual Maintenance budget is set in Euros. The unpredictability of the variation in the exchange rate between sterling and the Euro makes it increasingly difficult to provide a sterling equivalent for UK owners. The Committee recommends that UK owners make their payment in Euros by credit card. Their card will then be charged the sterling equivalent at the exchange rate at the time payment is made. However, probably for the last time, for those UK owners who feel the need to pay by cheque, a sterling equivalent has been offered in this pack. It should be noted, however, that this is based on an exchange rate that has some built in protection for the Club (against further falls in the pound against the Euro), and that this sterling amount must be paid by 31<sup>st</sup> January 2010. After this date it will only be possible to pay in Euros.

Continued attention to controlling costs has played a big part in keeping any increases to Maintenance payments to a minimum and, with this in mind, e-mail is being increasingly used by the Resort to communicate with owners. This can produce large savings in postal charges. It is therefore important that owners update the Resort in terms of changes to e-mail addresses, and that more owners provide e-mail addresses to the Resort.

Details of matters raised from the floor and in correspondence may be found in the minutes.

All that remains is to thank those who attended the AGM for their contribution, and all owners for their continued support for the work of the Committee as demonstrated by offers of help and correspondence.

Wishing you all a very happy Christmas and best wishes for the New Year.



Stephen Bainbridge, Chairman  
On behalf of Pearly Grey Owners Committee

## Pearly Grey Ocean Club

### Minutes of the Annual General Meeting held at the Holiday Inn, Leamington Spa on 10<sup>th</sup> October 2009

**Present:** Stephen Bainbridge (Chairman)                      Owners Representative  
Clive Stratford (Secretary)                                      Owners Representative  
James Beckley    Developer  
Ana Alvarez    Resort Manager  
Brian Phillips    Shadow Owner Representative

Apology for absence: Liliane Sulbout      Owner Representative

Plus 42 owners

#### 1. **Chairman's welcome**

The Chairman opened the meeting by welcoming the owners and introducing the Committee. He went on to explain that Liliane was unable to travel due to a serious fall. The meeting voiced their best wishes for a speedy recovery.

Ana was welcomed to the meeting after a long period off work due to illness. She thanked the owners who in various ways had given her great support in very difficult circumstances. She also acknowledged the support and encouragement given by James, her friends and colleagues at work.

At this point Brian Phillips, as a Committee member-elect, was asked to join the Committee members.

#### 2. **Approval of minutes of the AGM held on 11<sup>th</sup> October 2008**

These had been circulated previously, were approved by the meeting and signed by the Chairman.

#### 3. **To receive and approve the Financial Report including the independent review of the 2008 Accounts**

The process by which the report was produced and independently reviewed was briefly explained. No points of issue were raised.

The meeting approved the Financial Report.

#### 4. **Committee Report**

This was contained within the Chairman's letter which highlighted some of the activities of the year.

On the topic of Fire & Safety, it was confirmed the sprinkler system was only required in the block and would be installed between the stairway and the end window.

The meeting approved the Committee report

### 5.1 Cancellation of membership

It was confirmed that, as in previous years, repossessing weeks of those who were in default of maintenance payments was taken very seriously and carried out as a last resort. It was a case-by-case process, and action would only be taken after letters and a final telephone call to attempt to work out a solution. Failure to repossess the weeks would ultimately result in the loss of maintenance income which is the life-blood of the resort. Last year 54 weeks were repossessed but, due to the deferral of the penalty letters in 2009, a figure for this year was not yet available. The final penalty letter was not released until early October, and a late burst of income is expected.

In order to ease the payment issue, suggestions such as monthly direct debit or stage payments were not practical, as the funds are needed at the start of the year. Also, expenditure was not evenly spread throughout the year. The suggestion that the Sinking Fund might be used to cushion the effect was not practical because the Fund had to be used for capital projects in accordance with the Constitution.

Owners had been offered the repossession value of their weeks less what they owed in maintenance fees.

<b>Resolution 1</b>	For	Against
Postal/Proxy	579	4
Developer	451	0
AGM	47	0
Total	1077	4

The resolution was approved.

### 5.2 Admission of new members

The process of formally admitting new members who had joined the Club in the last twelve months was described in the context of the relevant clause in the Constitution.

<b>Resolution 2</b>	For	Against
Postal/Proxy	582	4
Developer	451	0
AGM	47	0
Total	1070	4

The resolution was approved.

## 6. Management Charges for 2010

The subject of applying utility charges to some guests was raised in the interest of increasing income. The Developer pointed out that he thought this was not permissible. Such charges would have to be made for all (including Club members) and, in any event, electricity and water charges were already budgeted for.

The frequency of linen changes was questioned, suggesting that money could perhaps be saved by reducing the number of changes during a stay. The amount of comments on this topic was very low and, taking into account the high RCI scores in this area, it was felt that the present arrangements struck the right balance.

There was some support that the temperature of the water in the apartments was so hot as to be unsafe. The Developer indicated he would look at what could be done but, with the small water tanks, reducing the temperature could make it difficult for all occupants to have sufficient hot water.

Figures proposed for 2010 were:

Studio	304€	1-bedroom	324€
2-bedroom	344€	Special	364€

<b>Resolution 3</b>	For	Against
Postal/Proxy	545	35
Developer	451	0
AGM	47	0
Total	1043	35

The resolution was approved.

## 7. Election of Committee

Liliane Sulbout was retiring from the Committee after many years of valuable service.

Brian Phillips, who had been serving as a Shadow member for a year, had been nominated.

<b>Resolution 4</b>	For	Against
Postal/Proxy	537	43
Developer	451	0
AGM	47	0
Total	1035	43

The resolution was approved and Brian Phillips was duly elected.

## 8. Repossessed weeks

Each year the Club has to consider how to cope with the repossessed weeks, and the Committee recommends what it sees as the only satisfactory solution which is to agree an amount from the Developer to buy them back. This method guarantees the Club income which would be greater than the unpaid maintenance from those weeks.

In response to a question on repossessed weeks in the 'points system', it was confirmed that these were taken out of points and reverted to the 'weeks system'.

<b>Resolution 5</b>	For	Against
Postal/Proxy	572	7
Developer	451	0
AGM	47	0
Total	1070	7

The resolution was approved.

**9. Any other business**

The Committee was currently seeking Shadow Committee candidates.

The cost of rentals was questioned as some owners felt these were marked up too high above the standard fees. The fees were increased by owners' request some years ago and an administration charge was included.

Referring to the question of owners receiving income for weeks placed in the rental system, the Developer assured the meeting that owners received the due rent when their weeks were rented out. There would always be the possibility of an error occurring. However, the resort conducts a nightly audit of occupancy, and this information is recorded so that any errors could be rectified. He pointed out, however, that in some circumstances owners might find their apartment occupied in their absence to make the management of space easier. The resort would sometimes allow guests to stay in the same apartment to avoid moving mid-stay. It was pointed out that it would be helpful to let the resort know if owners were due to arrive.

An owner who rented extra weeks acknowledged that he was normally given a better apartment than the one he owned.

A question was asked about on-site car parking. All owners and visitors may use the parking spaces but priority is given to Pearly Grey cars.

It was confirmed that UK Sterling cheques would be accepted for maintenance payments in 2010, but this would be strictly limited to January only. Also, the timing of penalty letters would revert to the old system which meant the first letter would be mailed on 1<sup>st</sup> March.

It was confirmed that owners may buy or sell weeks privately.

It was pointed out that the split between weeks and points was roughly even.

There were a few general comments concerning experiences with RCI. There were some good and less good examples .

Owners with specific issues were asked to meet with officers after the meeting.

The meeting closed at 16.25 hrs with the Chairman thanking owners for their contribution.

Signed as a true record.

Stephen Bainbridge  
Chairman  
Pearly Grey Ocean Club Owners Committee