

The end of Natural Retreats?

Description



A strange thing happened on the 1st November, Natural Retreats UK changed its name to the UK Great Travel Company Ltd. This took place in the middle of a massive row which has erupted over a [Natural Retreats](#) planning application in the Yorkshire Dales. This post looks at the potential implications of both for Cairngorm.

What could be the implications of Natural Retreats UK changing its name?

Cairngorm Mountain Ltd, which is the company Highlands and Islands Enterprise sold to Natural Assets Investment Ltd and has a 25 year lease for the Cairngorm ski area, operates under the brand name Natural Retreats (see above). Natural Retreats UK was the company which provided services to the companies owned by Natural Assets Investment Ltd, including Cairngorm Mountain. In 2016 Cairngorm Mountain Ltd paid Natural Retreats UK £640,414 in management services and £175,220 for purchase of fixed assets and other services ([see here](#)). Natural Retreats UK also provided part of a joint USA/UK holiday bookings business called Xplore <https://www.naturalretreats.com/about>. This appears to have been facilitated by Natural Retreats UK being owned by Natural Retreats Management LLC, which is registered in Delaware, in the USA.

The relevance of this background information is that I have been informed by someone who contacted the Natural Retreats Head Office that there has been a split between the American and British parts of the Natural Retreats operation. If this is the case (and there is nothing on the Natural Retreats website about this), that would suggest that Natural Retreats UK is no longer owned by Natural Retreats Management LLC. If so, that might explain the name change, particularly if the US based part of the operation had legal rights over the term or brand name "Natural Retreats".

To date no information about changes in ownership has been registered at Companies House. Instead, under Persons with Significant control is the following:

THE UK GREAT TRAVEL COMPANY LIMITED

Company number **07232597**

Overview

Filing history

People

Officers

Persons with significant control

0 active persons with significant control / 1 active statement

Statement **ACTIVE**

The company knows or has reasonable cause to believe that there is a registrable person in relation to the company but it has not identified the registrable person

Notified on
22 April 2017

Screenshot 13th November

Now it stretches credulity to breaking point that the Directors of Natural Retreats UK Ltd, as it then was, did not know if there were persons who had significant control of the parent company, Natural Retreats Management LLC. However, if there has been a change in ownership they should now be able to answer the question of whether anyone has significant control.

This failure to provide information is illustrative of a wider problem. Companies House employs just 4 people to check 4 million entries onto its data base each year ([see here](#)), so there is little incentive for companies to provide information in a timely manner. This system facilitates lack of transparency and consequently makes it hard to ascertain what is going on in companies, just as its very hard to ascertain who owns land. Indeed on the Companies House website there is a similar entry for both Cairngorm Mountain Ltd and Natural Assets Investment Ltd:

NATURAL ASSETS INVESTMENT

Company number **07541643**

Overview

Filing history

People

Charges

Officers

Persons with significant control

0 active persons with significant control / 1 active statement

Statement **ACTIVE**

The company knows or has reasonable cause to believe that there is a registrable person in relation to the company but it has not identified the registrable person

Notified on

24 February 2017

Screenshot 13th November

This appears completely wrong, unless there have been changes since Dec 2016, as the accounts of NAIL clearly stating that the ultimate controlling party is one David Michael Gorton whose occupation is given as Fund Manager. At the same time Delaware is a US state notorious for its lack of transparency (you can purchase for \$20 a list of documents a company has filed but not actual copies of those documents), so its impossible to find out what's happening from that end either, ie whether Natural Retreats Management LLC has sold or transferred ownership of the company. Highlands and Islands Enterprise should be insisting that "Natural Retreats" makes this information public and lodges the proper records at Companies House.

Who owns the UK Great Travel Company Ltd could have implications both for how much CML pays in administrative charges each year but also for the Natural Retreats brand - both good reasons for HIE to take an interest in this (rather than leaving it to the market). One suspects that whatever the explanation for what it going on it won't be in the interests of Cairngorm and instead of these

company shennanigans we would be a lot better off if Cairngorm Mountain was owned by the Aviemore and Glenmore Community Trust.

Developments in Yorkshire

Meantime, the name Natural Retreats has been used to promote a planning application by Yorkshire Dales Ltd, another subsidiary of NAIL, in Richmond, Yorkshire for holiday lettings and houses to sell. HIE should take note of the large number of local criticisms of how Natural Retreats have used the planning process and what is being proposed ([see here](#)) (I have commented on application, drawing Richmond Council's attention to the financial position of NAIL and how these might impact on the proposed development). The failures to engage and work effectively with local communities appear to be not just limited to Cairngorm.

The NAIL accounts to Dec 2016 tell us that the Yorkshire development if it was approved is not to be funded by the David Michael Gorton but by the banks (HSBC already have a standing security lodged over the assets of Yorkshire Dales Ltd for a previous loan).

Future developments

The directors' feel of the company is well placed to acquire new assets Trewhiddle, Yorkshire Dales and the Yorkshire Dales Group to benefit from increase rental yields which will commence in 2018 and it is estimated that the

After the experience of Bank of Scotland (it had to write off large amounts of money it had lent to develop the funicular), it appears unlikely that any bank would risk such investment at Cairngorm which probably explains why HIE is having to pay for all investment there.

While the Yorkshire development may appear safer from a bank lending perspective, the NAIL accounts indicate that the Natural Retreats holiday letting business (including Scottish operations) is not exactly doing well:

Occupancy decreased from 46% to 45% year on year. * While

occupancy levels vary considerably across the sector, top performing areas would expect around 70% for self-catering accommodation and higher levels than that for serviced accommodation.

HIE justified its appointment of "Natural Retreats" to run Cairngorm on the basis it had both international expertise which may have just changed and as an experienced holiday operator. Actually, it was a new company with relatively little experience and what is happening elsewhere in the NAIL group of companies does not inspire confidence in their ability to turn Cairngorm around.

As further confirmation of this, compare how this statement from the NAIL accounts fits with Fergus Ewing's claims ([see here](#)) that HIE are absolutely committed to winter operations at Cairngorm:

**At the balance sheet date a planning application was in progress to
The aim of the projects is to reduce the reliance on the winter season
the top station experience and install an artificial ski slope.**

So, there we have it, HIE committed apparently to winter operations at Cairngorm while its tenant is trying to do the opposite. Why then would HIE be funding these developments at Cairngorm if they will not help the winter experience?

Category

1. Cairngorms

Tags

1. HIE
2. natural retreats

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