

**WORLD MARK SOUTH PACIFIC CLUB
BUDGETED REVENUE AND EXPENDITURE
FOR THE PERIOD ENDING 31 DECEMBER 2009**

Revenue	\$
Owner Levies	23,041,469
Developer Levies	336,889
Bonus Time Income	1,226,688
Food & Beverage Revenue	2,113,041
Housekeeping Fees Income	799,270
Interest Income	782,251
Other Income	5,804,623
Total Revenue	34,104,231
Expenditure	
Resort Operations (Net)	25,982,008
Administration Costs	5,281,128
Management Fees	2,750,000
Income Tax	84,130
Total Expenditure	34,097,266
Net Profit / Loss	\$6,965

The Directors and management have exercised due care in preparing and reviewing the statement of Budgeted Revenue and Expenditure (the Budget) and the assumptions upon which the Budget is based. In the opinion of the Directors and management, the Budget and the underlying assumptions on which it is based are reasonable.

The underlying assumptions are subject to significant uncertainties and contingencies often outside the control of the Club. Accordingly, the Directors are unable to guarantee the Budget will be achieved. Prospective Owners should refer to section 7 of the Product Disclosure Statement for an analysis of risk factors associated with becoming an Owner of the Club.

The material assumptions used to prepare the Budget for the year ending 31 December 2009 are a combination of hypothetical and best-estimate assumptions.

These two types of assumptions are defined as follows:

- **Hypothetical assumptions** relate to prospective financial information ("projections") that have been prepared using a set of assumptions that include assumptions about future events and management's actions that are not necessarily expected to occur or are significantly dependant on factors that management cannot control or substantiate.

The availability of Holiday Credits for sale at any specific time is directly dependent on the timing of the acquisition of resort properties progressively over the budget period. However, if the Club does not acquire resorts at specific locations and at specific times in accordance with its business plan, there will be little or no impact on the budgeted surplus as the Club operates on a breakeven basis and revenue and expenditure are expected to reduce by the same amounts, i.e. levies and expenditure will vary in direct relationship to one another.

Actual results may vary from the Budget and any variation may be materially positive or negative because the underlying assumptions are by their very nature subject to uncertainties and contingencies, many of which are outside the control of the Directors. As a result, events and outcomes may differ in quantum and timing from the assumptions.

▪ **Best-estimate assumptions** relate to prospective financial information (“forecasts”) that have been prepared on the basis of assumptions as to future events which management expects to take place, and the actions management expects to take as of the date the information is prepared. The material assumptions used in preparing the statement of Budgeted Revenue and Expenditure for 2009 are as follows:

1. *Number of Apartments* – The number of apartments in the Club at 1 January 2009 is 719. Over the 2009 year, 115 new apartments will be placed in the Club.

2. *Owners* – The number of Owners at 1 January 2009 is 42,795. There will be 4,000 new owners joining during the 2009 year.

3. *Occupancy* – Nights occupied will be 238,883 based on available nights of 298,196 at an occupancy rate of 80.11%. The number of turns will be 69,383.

4. *Average Weighted Credits* – The number of weighted credits will be 426.7M up by 36.4M.

5. *Cost per turn* – Interior cleaning and maintenance wages cost will be \$28.26 per turn and total interior cleaning and maintenance cost will be \$81.32.

6. *Revenue per Credit* – Total revenue will be \$0.0799 per credit with levies accounting for \$0.058 of this amount.

7. *Bonus Time Revenue* – The bonus time rate will be \$0.07 per credit with a minimum of \$70.

8. *Cost per Credit* – The basis for other costs will be as follows:

- a. Resort Expenses \$0.0614 per credit
- b. Administrative Expenses \$0.013 per credit
- c. Management Fees \$0.0064 per credit

9. *Wage Increase (Resorts)* – The wages increase for resort staff will be 3% to 5% on 2008 rates.

10. *Wage Increase (Administration)* – The wages increase for administration staff will be 3% to 5% on 2008 rates.