

NOTICE OF ANNUAL GENERAL MEETING
PACIFIC VIEW RESORT NO.2 LIMITED
A.C.N. 010 318 297

34 Victoria Terrace, Caloundra, Qld. 4551

Phone: 07 54911200 Fax: 07 54912434

NOTICE IS HEREBY GIVEN that the thirtieth Annual General Meeting of Shareholders of Pacific View Resort No.2 Limited will be held at:

Pacific View Resort
34 Victoria Terrace, Caloundra
12.00 p.m. Saturday 16th April, 2011.

An informal members meeting will commence prior to the AGM at **11.00am** – everyone is welcome.

BUSINESS:

1. Read and accept the Minutes of the Annual General Meeting held 10.04.2010.
2. Chairman's address
3. To receive and adopt the Financial Statements for the twelve-month period ended 31st December 2010 together with the Director's and Auditor's Reports therein. The Financial Statements are available for viewing on the Company's Web Site www.pacificview.com.au in the 'About Timeshare – Members Section'. Financial Statements will be posted to members on request only.
4. To elect an Auditor. Crowe Horwath, Chartered Accountants, retires from office but is eligible for re-election.
5. To declare that Messrs K.B. Durston, J.W. Glover, K.E. Park and B.J. Suhr retire in conformity with Article 68 of the Articles of Association and being eligible, K.B. Durston, J.W. Glover, K.E. Park and B.J. Suhr have offered themselves for re-election. As no other nominations were received, K.B. Durston, J.W. Glover, K.E. Park and B.J. Suhr are automatically re-elected. Therefore no postal voting is required.

By order of the Board



K. W. Martin
Secretary

Caloundra
10th March, 2011

**CHAIRMAN'S REPORT
ANNUAL GENERAL MEETING APRIL 2011**

Ladies and Gentlemen, I am pleased to submit this report on behalf of your Board for the calendar year 2010.

STAFF Fiona Rickards, our manager, continues to manage the resort to the complete satisfaction of the Board. She has now been our manager for 10 years. The office and outdoor staff are all working very well.

FINANCES Shareholders received a copy of the 2011 budget when the levy notices were posted out. This year the levy will be \$570 [2010 \$ 572]. The reduction is attributable to the change in GST arrangements, about which I will speak further, and a small decrease in programmed refurbishment works after three years of major expenditure. This year the Board has provided shareholders with a copy of the internal end of year budget analysis, in addition to the Auditor's Report. This, we believe, is a much simpler and user-friendly presentation of the resort's results for the year. It also allows a direct comparison with the budget. The figures show good correlation between the budget and actual expenditure.

Turning to the audited accounts, the 2010 trading result was a net profit of \$29,486 [2009 \$190,934 loss]. The sale of weeks that have been seized through court proceedings has been progressing well. The income from levies and the burden of bad debts are both being steadily improved. The new owners are very welcome and it is pleasing to see that there are now a few younger owners on the register.

53rd WEEK In 2010 there were 53 time share weeks; the extra week belongs to the resort and it falls in the peak rental period. The 2011 budget will benefit by almost \$25000

GST [GOODS AND SERVICES TAX] In 2010 the Australian Taxation Office (ATO) amended the GST legislation for timeshare. This is an industry-wide current issue and the industry is waiting for the Australian Taxation Office to finalise their requirements. Owners will be individually advised when the ATO has given the guidelines for implementation.

MAJOR WORKS The major activity in 2010 was the refurbishment of C Block. This again was completed on time, under budget and with almost no inconvenience. It is pleasing to see the 23 units in B & C Blocks looking so modern and well furnished. Every week our Manager and staff receive great feedback from owners and guests regarding the improvements to these units.

In 2011 we are planning on upgrading and refreshing the A Block units with new curtains and artwork, internal painting, improvements to the toilets, doors and whitegoods. There will be significant whitegoods replacement throughout the resort where necessary. The garages at the office entrance are being refurbished due to long term corrosion. General repairs and maintenance will also be our priority.

THE BOARD During the year Beverley Marsh resigned. I thank her on behalf of all owners. The Board appointed Jasper Glover as the replacement. Directors Brenda Suhr, Ken Durston and Ken Park retire by rotation and, being eligible, have offered themselves for reappointment. Jasper Glover retires under Article 71 and also seeks reappointment. As no other nominations were received by the Returning Officer Brenda Suhr, Ken Durston, Ken Park and Jasper Glover are re-elected.

During the year no Director has received a material benefit other than the reimbursement of reasonable expenses. Keith Martin has been Company Secretary, Brenda Suhr has been Staff Liaison Director and Greg Suhr has been Finance Director. Meetings during the year have been productive and harmonious and I thank my fellow Directors for their dedication and contributions.

I move that this report be received,
Ken Park, Chairman

March 2011 Resort Update:

- Caloundra is one of the few places in Queensland which has not been directly affected by the recent weather events. Whilst we have had a lot of rain, the area has not suffered any damage or flooding. However, the whole of the Sunshine Coast is suffering from a lack of tourism, it appears that a lot of people are staying away. So please spread the word – The Sunshine Coast is a great place to visit!!
- We have recently purchased a second hand piano for the guest lounge to replace the old piano. This should please all our pianists who were getting frustrated with the out of tune old piano!!
- For those owners who have not yet accessed the secure members section of the Pacific View website, I highly recommend you login and have a look around. To login you need your member number and password. Please contact the resort if you are unsure of this information. We are constantly looking for ways to improve the information on the website and you can currently access the 2010 Company Financial Report on this site. www.pacificview.com.au
- Please remember to complete your occupancy advice and return it to the resort when you are paying the annual levies. If you deposit your weeks with an exchange company please also let the resort know.
- We still have a variety of Timeshare weeks for sale at excellent prices. These weeks are held by the resort as a result of owners in default being taken to court. The weeks are priced at \$1,000 each which includes the conveyancing costs as well as some special offers from DAE. So please, if you or any of your family and friends is interested, contact Fiona at the resort.
- Just a reminder of recent policies at Pacific View:
 1. Check-in time on Fridays is 2pm. We ask that people do not check in prior to this time in order to allow our staff to undertake all cleaning and maintenance work which is required. The office closes at 6pm on Fridays, please contact the resort if you will not be arriving before this time.
 2. A \$200 Credit Card security deposit is required upon check-in for all bookings. The guest checking into a unit (including owners) is required to provide a credit card imprint or a \$200 cash deposit.
 3. The Checking-in guest must be 18 years or older.
 4. Pacific View Resort does not accept 'Schoolies' bookings at any time of the year.These policies have been implemented in order to protect the resort from misuse and costs incurred by damage, theft or negligence.
- Pacific View Resort Board of Directors
 - Mr Ken Park (Chairman)
 - Mr Keith Martin (Secretary)
 - Mr Greg Suhr (Finance)
 - Mr Ken Durston
 - Mr Jasper Glover
 - Mrs Brenda Suhr

We look forward to seeing some of you at the AGM at Pacific View on Saturday 16th April.

Kind regards

Fiona Rickards
Resort Manager

Pacific View Resort No 2 Ltd

34 Victoria Terrace
CALOUNDRA QLD 4551

2010 Budget Analysis

January 2010 through December 2010

	Actual Income & Expenditure	Budgeted
Income		
Maintenance Fees	\$825,518.25	\$825,092.00
Maintenance Levy Penalty	\$3,387.27	\$4,500.00
Interest Received	\$6,312.00	\$5,000.00
Motel Income	\$7,817.57	\$7,000.00
Resort Admin Fee	\$500.00	\$3,000.00
Rental Pool Commission	\$17,044.45	\$15,000.00
Net Telephone Income	\$3,710.77	\$6,000.00
Introduced funds from S/Fund		\$15,230.00
Total Income	\$864,290.31	\$880,822.00
Expenses		
Accountancy and Audit Fees	\$19,020.00	\$20,982.00
Advertising & Promotion	\$445.45	\$891.00
Annual Meeting Expenses	\$0.00	\$440.00
Ambulance Levy	\$3,409.28	\$4,200.00
Bank Fees and Charges	\$1,410.50	\$1,000.00
Computer Expenses	\$6,128.93	\$7,894.00
Cleaning Supplies & Equip	\$5,935.33	\$6,985.00
Conference / Seminar Costs	\$30.00	\$1,650.00
Directors Travelling Expenses	\$2,633.45	\$3,300.00
Gas - Laundry,BBQ	\$3,228.72	\$5,769.00
Insurance	\$8,851.79	\$8,796.00
Land Tax	\$90,781.08	\$93,000.00
Legal Fees	\$12,824.27	\$13,120.00
Light & Power	\$36,511.56	\$37,785.00
Merchant Fees	\$10,830.32	\$10,251.00
Motel Supplies	\$4,286.46	\$5,982.00
Motor Vehicle Expenses	\$4,706.58	\$4,757.00
Permits, Licenses and Fees	\$6,449.50	\$8,965.00
Postage	\$2,356.87	\$4,339.00
Printing and Stationery	\$4,407.97	\$4,370.00
Rates	\$75,116.66	\$71,000.00
Repairs and Maintenance	\$29,584.67	\$43,131.00
Elevator Maintenance	\$5,417.24	\$5,164.00
Ground & Pool Maintenance	\$5,528.77	\$4,258.00
Replacements	\$30,878.76	\$30,378.00
Major Replacements & Maint	\$144,572.26	\$187,673.00
Security Costs	\$3,780.00	\$3,742.00
Superannuation	\$19,461.65	\$24,000.00
Telephone	\$9,176.80	\$9,000.00
Wages & Salaries	\$254,666.12	\$258,000.00
Total Expenses	\$802,430.99	\$880,822.00
Operating Profit	\$61,859.32	\$0.00
Other Expenses		
Net Profit/(Loss)	\$61,859.32	\$0.00