



CONSIDINE & CONSIDINE  
CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors  
Universal Vacation Club, Inc.

### **Independent Auditor's Report**

We have audited the accompanying balance sheets of Universal Vacation Club, Inc. as of December 31, 2009 and 2008, and the related statements of revenue, expenses and fund balances, comprehensive income and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Universal Vacation Club, Inc. as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



CONSIDINE & CONSIDINE  
An Accountancy Corporation

May 7, 2010

**UNIVERSAL VACATION CLUB, INC.**  
**STATEMENTS OF REVENUE, EXPENSES, AND FUND BALANCES**  
**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

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	Operating Fund	Replacement Fund	Capital Fund	2009 Total	2008 Total
<b>REVENUE</b>					
Member Assessments	\$ 33,840,137	\$ 4,069,411	\$ -	\$ 37,909,548	\$ 32,908,091
Club Services Income, Net	4,042,732	-	-	4,042,732	4,366,578
Interest and Dividend Income	111,386	215,456	-	326,842	618,915
Loss on Sale of Investments	14,254	(405,372)	-	(391,118)	(521,638)
	<u>38,008,509</u>	<u>3,879,495</u>	<u>-</u>	<u>41,888,004</u>	<u>37,371,946</u>
<b>EXPENSES</b>					
Audit, Tax and Accounting Fees	82,203	-	-	82,203	68,038
Bad Debts	2,102,376	134,184	-	2,236,560	1,744,558
Depreciation	-	-	69,431	69,431	68,636
General and Administrative	99,577	-	-	99,577	217,553
Income Taxes	87,626	169,488	-	257,114	7,181
Insurance	42,297	-	-	42,297	41,809
Legal and Collection	443,138	-	-	443,138	315,607
Off-site Management and Operations	2,305,199	-	-	2,305,199	2,279,244
On-site Management and Operations	34,981,280	60,889	-	35,042,169	31,899,930
Repairs and Replacements	-	6,718,139	-	6,718,139	789,434
	<u>40,143,696</u>	<u>7,082,700</u>	<u>69,431</u>	<u>47,295,827</u>	<u>37,431,990</u>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	(2,135,187)	(3,203,205)	(69,431)	(5,407,823)	(60,044)
<b>FUND BALANCE - BEGINNING</b>	(5,051,921)	7,849,991	162,800	2,960,870	3,020,914
<b>FUND TRANSFERS</b>	-	-	-	-	-
<b>FUND BALANCE - ENDING</b>	<u>\$ (7,187,108)</u>	<u>\$ 4,646,786</u>	<u>\$ 93,369</u>	<u>\$ (2,446,953)</u>	<u>\$ 2,960,870</u>

See Accompanying Notes to the Financial Statements

**UNIVERSAL VACATION CLUB, INC.**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

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	Operating Fund	Replacement Fund	Capital Asset Fund	2009 Total	2008 Total
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	\$ (2,135,187)	\$ (3,203,205)	\$ (69,431)	\$ (5,407,823)	\$ (60,044)
<b>UNREALIZED GAIN/(LOSS) ON AVAILABLE-FOR-SALE SECURITIES</b>	632,141	1,125,751	-	1,757,892	(1,883,298)
<b>COMPREHENSIVE INCOME</b>	\$ (1,503,046)	\$ (2,077,454)	\$ (69,431)	\$ (3,649,931)	\$ (1,943,342)

See Accompanying Notes to the Financial Statements