



1st October 2025

Dear Member

RE: Mainland Resorts Trust

Please find enclosed herewith: -

1. Annual Accounts for year ended 30/06/2025.
2. Budget for year ended 30/06/2026.

2025 Financial Year

In the 2025 financial year, Mainland Resorts spent \$134,274.00 on Refurbishment/Improvements. Attached is a list which displays how this money was spent.

Listed below are some other variances in income/expenditure for the 2025 financial year compared to budget, that require an explanation.

<i>Category</i>	<i>Actual</i>	<i>Budget</i>	<i>Comments</i>
Laundry	\$39,313	\$36,000	Linen supplier have Increased their prices.
Annual Leave Provision	(\$3,398)	\$1,508	Resort staff have taken more of their annual leave.
Long Service Leave Provision	\$1,533	\$7,902	Resort staff who have not qualified for LSL.
Rates & Taxes	\$69,240	78,000	Whitecliffs asked for a reassessment of their 2025 financial year land tax & it was reduced so less expenditure.
Sundry Expense	\$12,953	\$2,000	\$10,433.50 spent on professional fees for potential subdivision of Whitecliffs restaurant land from resort.

HOLIDAY CONCEPTS GROUP

Holiday Concepts Corp Pty Ltd ABN 84 007 146 367

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2026 Financial Year

The Maintenance Fee for the 2025 calendar year should be struck at \$940.00.

This \$30.00 increase is required to cover the increase in the normal every day running expenses of the Trust.

The Maintenance Fee has increased approximately 3.2%. Please note that for the twelve months to June 2024 quarter, CPI rose 2.1%.

We are expecting large increases in such expenses as laundry, electricity, gas & insurance just to name a few.

We are also again proposing a \$50.00 Maintenance Refurbishment Fee (Special Levy) per week owned, as detailed in my letter to members dated the 1st of July 2014. Like last year, the Maintenance Refurbishment Fee (Special Levy) will be invoiced each year with the Annual Maintenance Fee.

In the 2026 financial year, Mainland Resorts Trust proposes to spend \$127,132.00 on Resort Refurbishment/Improvements to all the units in the Trust.

Of the \$127,132.00, Mainland Resorts Trust will contribute \$37,132.00 to other resorts refurbishment where the Trust own units (Bright, Island Breeze & Tamarind Sands).

The balance of \$90,000.00 will be spent at Whitecliffs Beach Resort on: -

- Whitegoods-Dishwashers, microwaves, washing machines, refrigerators, clothes dryers (if required).
- Appliances-Hot water services, air conditioners, cooktops, televisions (if required).
- Queen size mattresses for 9 units.
- Resurfacing of kitchen doors in unit 14.
- New vanity in units 6 & 14.
- Resurfacing of wardrobe doors in unit 4.
- New shower screen in unit 4.
- New lighting in unit 12.
- Replace rotten timber side windows with aluminium windows in units 5, 6 & 10.
- Upgrade decking around the pool area.
- New spa heater for pool.
- Removal of 2 dangerous palm trees & of some yuccas.
- New signage around resort.
- Upgrade CCTV at pool area.
- New fence between resort & general store.
- New lawnmower.
- Instal screening around outdoor pool equipment.
- Any other resort Refurbishment/Improvements required.

A detailed list will be provided in the 2026 accounts to display how the refurbishment monies were spent.

At the end of the 2026 financial year, I forecast the Mainland Resorts Trust will have a retained profit of \$141,181.00.

Happy holidays in 2026.

Yours faithfully

Holiday Concepts Management Limited

A.C.N. 006 353 180

A handwritten signature in black ink that reads "Derek Reynolds". The signature is written in a cursive, slightly slanted style.

Derek Reynolds
DIRECTOR

Mainland Resorts Trust-Refurbishment/Improvements Budget For Year Ended 30/06/2025

	<u>Actuals</u>
<u>Units</u>	
Replace rear windows in units 14 & 15 with aluminium windows	\$6,248.00
Window replacement in units 8 & 11 with aluminium windows	\$5,922.47
Balcony post replacement, balustrade rewiring & screwing plus repaint to units 11 & 12	\$5,645.00
Single bed base x 2 for unit 10	\$737.00
Replace shower screens in units 6 & 7	\$2,530.00
2 couches & 1 small couch fold out for unit 9	\$3,980.40
Replace toilet in unit 6	\$1,512.50
New sheer curtains in units 13 & 15 & a new curtain track in unit 8	\$5,351.00
Paint ceiling in unit 16 after water leak	\$1,020.00
Resurface kitchen cabinets in unit 1	\$5,060.00
New wardrobe doors in unit 19	\$5,770.00
Retile kitchen floor & tile splashback in unit 1	\$3,839.80
New gutters & down pipes for units 8 & 18 & for adult spa & managers residence	\$4,838.90
<u>Whitegoods & Appliances</u>	
Convection microwave x 3	\$721.03
Television x 1	\$577.15
Dishwasher x 2	\$739.10
Cook top x 1	\$565.00
Air fryer x 2	\$296.00
<u>Pool & Complex</u>	
Replacement spa heater in pool area	\$4,390.73
New pool cleaner & hand held pool & spa vacuum	\$1,806.55
Adult spa regrouting & repair	\$7,489.00
Test kit for pool & test tubes	\$469.70
Air conditioner x 2 in games room & members lounge	\$7,030.00
<u>Grounds</u>	
Additional CCTV camera x 3	\$4,194.69
Sand & timber for playground & new swing & seat	\$622.42
Removal of palms x 2 next to pool area	\$2,046.56
Cut back of 40ft hedge next to playground	\$1,500.00
Bollard lighting upgrade	\$1,947.00
Repairs to deck of pool area. Relay & replace rotten timbers, joists & posts	<u>\$7,000.00</u>
Sub total	\$93,850.00
 Plus share of Refurbishment/Improvements at:-	
Bright	\$6,032.00
Island Breeze	\$7,307.00
Tamarind Sands	<u>\$27,085.00</u>
Total	<u>\$134,274.00</u>

Mainland Resorts Trust
P I N 064 997 182

Budget for the Year Ended 30th June 2026

	6 Months Ended Dec-25	6 Months Ended Jun-26	Total	Actual 2024/2025
Income				
Annual Maintenance Fees	930,020	960,680	1,890,700	1,819,595
Maintenance Refurbishment Fee (Special Levy)	-	102,200	102,200	102,200
Bonus Time	30,000	30,000	60,000	60,000
Interest Received	19,000	19,000	38,000	40,821
Hospitality Income	4,900	4,900	9,800	9,655
Other Income	-	-	-	165
Total Income	983,920	1,116,780	2,100,700	2,032,436
Less: Resort Variable Operating and Direct Costs				
Cleaning Materials	3,500	3,500	7,000	5,839
Cleaning Wages	58,000	58,000	116,000	99,019
Computer Expenses	2,250	2,250	4,500	3,399
Electricity	16,500	16,500	33,000	28,918
Gas	14,000	14,000	28,000	24,307
Ground Upkeep	3,250	3,250	6,500	7,303
Ground Wages	25,277	25,277	50,554	45,897
Hospitality Expenses	5,000	5,000	10,000	8,975
Laundry	20,000	20,000	40,000	39,313
First Aid Allowance	1,000	1,000	2,000	1,561
Laundry Allowance - Staff	2,000	2,000	4,000	3,360
Pool & Complex	7,000	7,000	14,000	12,314
Telephone	2,600	2,600	5,200	5,050
Vehicle Allowance	3,750	3,750	7,500	7,500
Villa Upkeep	8,500	8,500	17,000	14,289
Waste Disposal/Pest Control	11,250	11,250	22,500	21,489
Total Resort Variable Operating & Direct Costs	183,877	183,877	367,754	328,533
Contribution to Fixed and Financial Expenses	800,043	932,903	1,732,946	1,703,903
Less: Fixed and Financial Expenses				
Annual General Meeting	250	250	500	439
Annual Leave Provision	(1,884)	(1,884)	(3,767)	(3,398)
Audit & Accountancy	12,850	12,850	25,700	24,500
Audit of Compliance Plan	1,650	1,650	3,300	330
Bank Fees	7,500	7,500	15,000	14,521
Central Administration	36,198	36,197	72,395	72,395
Depreciation	27	27	53	97
Filing Fees	905	905	1,810	1,492
Group Management Fees	77,992	77,991	155,983	150,117
Insurance	28,000	28,000	56,000	52,782
Leasing Charges	13,964	13,964	27,927	27,272
Long Service Leave Provision	2,179	2,179	4,358	1,533
Management and Office Salaries	78,378	78,378	156,755	146,684
Maintenance Refurbishment Fees	-	10,500	10,500	10,350
Maintenance Fees Paid	96,468	96,468	192,935	185,530
Managers Training	1,500	1,500	3,000	2,015
Member Services	103,860	103,860	207,719	201,668
Memberships	6,000	6,000	12,000	11,078
Off-Site Management Fees	266,228	266,227	532,455	514,265
Printing, Postage & Stationery	500	500	1,000	1,008
Rates & Taxes	37,500	37,500	75,000	69,240
Responsible Entity Fees	30,505	30,505	61,010	58,850
Security Costs	3,250	3,250	6,500	6,123
Sundry Expenses	1,000	1,000	2,000	12,953
Staff Amenities	750	750	1,500	1,139
Superannuation	19,399	19,399	38,797	33,791
Uniforms	500	500	1,000	374
Workcover	4,202	4,202	8,403	7,153
Total Fixed and Financial Expenses	829,671	840,168	1,669,833	1,604,301
	(29,628)	92,735	63,113	99,602
Plus: Other Income				
Capital Gains	-	-	-	-
	-	-	-	-
Less: Other Expenses				
Refurbishment Expenses				
Whitecliffs	45,000	45,000	90,000	93,850
Tamarind Sands	12,500	12,500	25,000	27,085
Island Breeze	3,125	3,125	6,250	7,307
Bright	2,941	2,941	5,882	6,032
Total Other Expenses	63,566	63,566	127,132	134,274
Operating Surplus/(Deficit) Before Tax	(93,194)	29,169	(64,019)	(34,672)
Income Tax Expense	-	-	-	-
Over/Under Provision for Income Tax	-	-	-	-
Operating Surplus/(Deficit) After Tax	(93,194)	29,169	(64,019)	(34,672)
Retained Profit at Beginning of the Year			205,200	239,871
Asset Realisation Reserve				-
Retained Profit at End of the Year			141,181	205,199

Mainland Resorts Trust

ABN: 78 266 266 987

Financial Statements

For the Year Ended 30 June 2025

Mainland Resorts Trust
ABN: 78 266 266 987

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For the Year Ended 30 June 2025

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Mainland Resorts Trust

ABN: 78 266 266 987

Directors' Report of Holiday Concepts Management Limited as Responsible Entity for the Mainland Resorts Trust For the Year Ended 30 June 2025

The directors of the responsible entity, Holiday Concepts Management Limited, present their report on Trust for the financial year ended 30 June 2025.

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Mrs Elizabeth Clegg	Director
Qualifications	F.A.I.C.D (Dip) M.B.A
Experience	Thirty-four years experience in the real estate industry and Thirty-nine years experience in the time share industry involved in the management of several Trusts and acting as Compliance Officer to the License Holder.
Mr Stephen Power	Director
Qualifications	Diploma of Business Studies; Diploma of Financial Services (Financial Planning)
Experience	Forty-four years experience in various management roles with the Tool Properties Group of Companies which has specialised in the developments of rural properties.
Mr Derek Reynolds	Director and company secretary
Qualifications	Diploma of Management; Diploma of Financial Services (Financial Planning)
Experience	Thirty-nine years experience in property development, the real estate, and time share industries including the involvement in primary and secondary time share sales and resort management.
Special responsibilities	Oversees all financial aspects of the club's operations.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Mainland Resorts Trust during the financial year was the provision of holiday resort facilities and services for the benefit of members and their guests, and to promote the common interests and welfare of those members. There were no significant changes in the nature of the company's principal activities during the financial year.

Operating results

The loss of the Trust after providing for income tax amounted to \$(34,669) (2024: \$(35,716)).

Review of operations

A review of the operations of the Trust during the financial year and the results of those operations show a net operating loss of \$34,669 after incurring resort refurbishment of \$134,274.

Directors' Report of Holiday Concepts Management Limited as
Responsible Entity for the Mainland Resorts Trust
For the Year Ended 30 June 2025

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Trust during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in future financial years.

Environmental matters

The Trust's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an officer or auditor of the Trust.

Interests on behalf of the Responsible Entity

Holiday Concepts Management Limited acts as Responsible Entity for the Mainland Resort Trust. The following fees were paid to the Responsible Entity and its associates out of scheme property during the financial year on behalf of both entities:

- Responsible Entity Fees paid directly by the Scheme: \$58,850.

The number of full/alternate weeks in the scheme held by the Responsible Entity and its related parties as at the end of the reporting period, are as follows;

Number of resort weeks units owned by Holispace Pty Ltd, a company with common directors to the Responsible Entity;

	2025	2024
Full Week Units	318	315

At 30 June 2025, Holispace Pty Ltd owed \$120,415 of maintenance fees.

The value of the Scheme's assets as at the end of the financial year is disclosed in the Statement of Financial Position as "Total Assets" and the basis of valuation is provided in Note 1 to the financial statements. There were 2,047 interests in The Mainland Resort Trust as at 30 June 2025 (alternate week shares are measured as a half interest). There were no interests in the scheme issued or withdrawals made from the scheme during the financial year.

Mainland Resorts Trust
ABN: 78 266 266 987

**Directors' Report of Holiday Concepts Management Limited as
Responsible Entity for the Mainland Resorts Trust
For the Year Ended 30 June 2025**

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2025 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:


09/10/2025
Director:
Mr Derek A Reynolds


10/10/2025
Director:
Mr Stephen G Power

Dated 9 October 2025

Mainland Resorts Trust
ABN: 78 266 266 987

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Mainland Resorts Trust

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Ashfords Audit and Assurance

Ashfords Audit and Assurance Pty Ltd
Chartered Accountants



Andrew White - C.A.
Director

Unit 301, 148 Logis Boulevard, Dandenong South, VIC 3175

09 October 2025

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2025

		2025	2024
	Note	\$	\$
Revenue	3	1,981,795	1,899,165
Other income	3	50,641	57,332
Administration expenses		(997,294)	(959,884)
Occupancy expenses		(330,814)	(324,477)
Resort variable expenses		(333,963)	(318,948)
Employee benefits expense		(185,762)	(183,272)
Depreciation expense	4	(97)	(179)
Resort refurbishment expenses		(134,274)	(130,633)
Finance costs	4	(27,272)	(26,325)
Other expenses		(57,629)	(48,495)
Loss before income tax		(34,669)	(35,716)
Income tax expense	5	-	-
Loss for the year		(34,669)	(35,716)
Other comprehensive income, net of income tax		-	-
Total comprehensive income/(deficit) for the year		(34,669)	(35,716)

Statement of Financial Position
As At 30 June 2025

		2025	2024
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,161,336	1,171,227
Trade and other receivables	7	185,459	137,148
Other assets	8	159,697	151,267
TOTAL CURRENT ASSETS		1,506,492	1,459,642
NON-CURRENT ASSETS			
Property, plant and equipment	9	12,576,624	12,576,721
TOTAL NON-CURRENT ASSETS		12,576,624	12,576,721
TOTAL ASSETS		14,083,116	14,036,363
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	323,079	319,624
Employee benefits	11	14,761	18,037
Other liabilities	12	1,164,738	1,101,680
TOTAL CURRENT LIABILITIES		1,502,578	1,439,341
NON-CURRENT LIABILITIES			
Deferred tax liabilities	13	1,657,216	1,657,216
Other liabilities	12	80,872	62,687
TOTAL NON-CURRENT LIABILITIES		1,738,088	1,719,903
TOTAL LIABILITIES		3,240,666	3,159,244
NET ASSETS		10,842,450	10,877,119
EQUITY			
Issued capital		100	100
Unit-Holders' funds		9,147,148	9,147,148
Retained earnings		205,202	239,871
Asset revaluation reserve		1,490,000	1,490,000
TOTAL EQUITY		10,842,450	10,877,119

Statement of Changes in Equity

For the Year Ended 30 June 2025

	Issued Capital	Unit-Holders' Funds	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2024	100	9,147,148	239,871	1,490,000	10,877,119
Loss attributable to members of the entity	-	-	(34,669)	-	(34,669)
Balance at 30 June 2025	100	9,147,148	205,202	1,490,000	10,842,450

	Issued Capital	Unit-Holders' Funds	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2023	100	9,147,148	275,587	1,490,000	10,912,835
Loss attributable to members of the entity	-	-	(35,716)	-	(35,716)
Balance at 30 June 2024	100	9,147,148	239,871	1,490,000	10,877,119

Statement of Cash Flows
For the Year Ended 30 June 2025

	2025	2024
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members	2,205,342	2,127,844
Payments to suppliers and employees	(2,228,947)	(2,176,169)
Interest paid	(27,272)	(26,325)
Other income	40,986	47,862
Net cash used in operating activities	21 (9,891)	(26,788)
Net decrease in cash and cash equivalents held	(9,891)	(26,788)
Cash and cash equivalents at beginning of year	1,171,227	1,198,015
Cash and cash equivalents at end of financial year	6 1,161,336	1,171,227

Mainland Resorts Trust

ABN: 78 266 266 987

Notes to the Financial Statements

For the Year Ended 30 June 2025

The Mainland Resort Trust is a Unit Trust registered under the Corporations Act 2001 and domiciled in Australia. Holiday Concepts Management Limited, which is the Responsible Entity of the Trust, is an unlisted public company limited by shares incorporated under the Corporations Act 2001. The scheme is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The Trust has adopted the amendments to AASB 101 Presentation of Financial Statements which require only the disclosure of material accounting policy information rather than significant accounting policies and therefore policy information which does not satisfy one of the following requirements has been removed from these financial statements:

- Relates to change in accounting policy
- Policy has been developed in the absence of an explicit accounting standard requirement
- Documents an accounting policy choice
- Relates to an area of significant judgement or estimation
- Relates to a complex transaction and is required to explain the treatment to the user.

1 Summary of Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Trust expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Trust have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

All revenue is stated net of the amount of goods and services tax (GST).

Interest revenue

Interest receivable on maintenance fees in arrears is brought to account as and when received, not on an accruals basis.

Interest receivable from banks is brought to account on an accruals basis.

Maintenance Fees and Levies

Members' annual maintenance fees are brought to account in respect of the financial year and are included in the accounts accordingly on an accruals basis.

However, since members are invoiced in respect of the calendar year, maintenance fees received and receivable in respect of the six months ended 31st December 2025 are excluded from current income and are shown in the accounts as part of Other Current Liabilities.

Income from maintenance refurbishment levies is recognised as income when the associated refurbishment expense has been incurred. Until this expenditure has occurred it is shown in the accounts as part of Other Current Liabilities.

(b) Repossessed Weeks

Repossessed Weeks are brought to account at an amount equal to the total outstanding maintenance fees at the time of repossession. As interest and administration fees are only recognised as income when collected, these components are not brought to account as part of repossessed weeks. The Directors of the Responsible Entity assess at the end of each reporting period if there is any indication of impairment.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policy Information

(c) Goods and Services Tax (GST)

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Income Tax

The trust does not qualify for exemption from income tax. However, under the principle of mutuality it is only subject to income tax on income derived from non-members, such as interest from financial institutions, less an appropriate amount of directly and indirectly related expenses.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future tax profits will be available against which the benefits of the deferred tax asset can be utilised.

(e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Trust, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	22.5%
Motor Vehicles	18.75%-25%
Office Equipment	33.33%-50%

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policy Information

(f) Bonus Time Income

Bonus time income was derived from additional weeks' holidays taken by resort owners, owners from sister (Holiday Concepts Group) resorts, affiliated resorts and other time-share owners through the various exchange organisations.

Members are able to book bonus holidays, no longer than nine months in advance, provided they have both paid for and been allocated their ownership week(s). The Manager and Membership Services have advised that in any one year the experience of the time share industry generally and the Holiday Concepts Group (hereinafter referred as "HC Group") is that approximately 10% - 15% of the available space each year is not booked by members, whether financial or otherwise, and accordingly each resort has the ability to offer limited bonus time to financial members.

The trust entered into an Agreement with Resort Systems Pty. Ltd. (H.C. Direct) to promote the availability of bonus time throughout the entire Holiday Concepts Group membership.

Resort Systems Pty. Ltd. allocates 60% of all bonus time income to the Clubs and in turn, the Manager allocates this income between the Clubs on a needs basis.

(g) Financial instruments

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Trust classifies its financial assets into the following categories, those measured at:

- amortised cost

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Trust's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Impairment of financial assets

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses.

Notes to the Financial Statements

For the Year Ended 30 June 2025

1 Summary of Material Accounting Policy Information

(g) Financial instruments

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Trust renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The financial liabilities of the Trust comprise trade payables, bank and other loans and finance lease liabilities.

(h) Unpaid Maintenance Fees

The directors have determined that a provision for unpaid maintenance fees is not necessary, as their experience to date has been that there is sufficient demand from other time-share owners in the HC Group to acquire the re-possessed weeks, at values at least equal to the amounts in arrears. Accordingly, the directors have determined that a provision for unpaid maintenance fees is not necessary.

(i) Leases

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

(j) Employee benefits

Contributions are made by the trust to employee superannuation funds and are charged as expenses when incurred.

Long service leave is brought to account at an amount based on a formula whereby the entitlement is recognised upon a service period of greater than five years across all the Holiday Concept Group of timeshare resorts. The liability is calculated using a pro-rata nominal basis of current remuneration of the employees.

Annual Leave is recognised as at the expected dollar value of the payments to be made for service provided up to balance date for eligible employees. It is measured on a nominal basis.

(k) Adoption of new and revised accounting standards

The Trust has adopted all standards which became effective for the first time at 30 June 2025, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Trust.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment

The Trust assesses impairment at the end of each reporting period by evaluating conditions specific to the Trust that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - fair value of financial instruments

The Trust has certain financial assets and liabilities which are measured at fair value. Where fair value has not able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - receivables

The receivables at the reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Notes to the Financial Statements

For the Year Ended 30 June 2025

3 Revenue and Other Income

	2025	2024
	\$	\$
Operating Activities		
- Maintenance fee income	1,819,595	1,736,965
- Maintenance refurbishment fees	102,200	102,200
- Bonus time	60,000	60,000
	<u>1,981,795</u>	<u>1,899,165</u>
Non-Operating income		
- Interest income	40,821	47,614
- Hospitality income	9,655	9,471
- Sundry income	165	247
	<u>50,641</u>	<u>57,332</u>
Total revenue	<u><u>2,032,436</u></u>	<u><u>1,956,497</u></u>

Disaggregation of revenue from contracts with customers

	2025	2024
	\$	\$
Type of contract		
- Provision of services - maintenance	1,819,595	1,736,965
- Provision of services - refurbishment	102,200	102,200
- Provision of services - bonus time	60,000	60,000
	<u>1,981,795</u>	<u>1,899,165</u>
Revenue from contracts with customers		
Timing of revenue recognition		
- Over time	1,879,595	1,796,965
- At a point in time	102,200	102,200
	<u>1,981,795</u>	<u>1,899,165</u>
Revenue from contracts with customers		
	<u>1,981,795</u>	<u>1,899,165</u>

Unsatisfied performance obligations

The following table shows the aggregate amount of the transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations resulting from operating activities.

	2025	2024
	\$	\$
Annual maintenance fees	1,245,610	1,664,367
	<u>1,245,610</u>	<u>1,664,367</u>

Notes to the Financial Statements

For the Year Ended 30 June 2025

4 Result for the Year

The result for the year was derived after charging the following items:

	2025	2024
	\$	\$
Depreciation		
Depreciation - office equipment	97	179
Rental expense on operating leases		
Minimum Lease expense 1(i)	27,272	26,325

5 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

	2025	2024
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2024: 25%)	(8,667)	(8,929)
Add:		
Tax effect of:		
- Net member income	(20,286)	(19,199)
- Utilised tax loss	28,953	28,128
Income tax expense	-	-

6 Cash and cash equivalents

	2025	2024
	\$	\$
Cash on hand	825	825
Cash at bank	1,160,511	1,170,402
Total cash and cash equivalents	1,161,336	1,171,227

7 Trade and other receivables

	2025	2024
	\$	\$
CURRENT		
Trade receivables	175,553	125,603
Sundry debtors	9,906	11,545
Total current trade and other receivables	185,459	137,148

Notes to the Financial Statements
For the Year Ended 30 June 2025

7 Trade and other receivables

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8 Other assets

	2025	2024
	\$	\$
CURRENT		
Prepayments	150,297	151,267
Reposessed weeks	9,400	-
Total other non-financial assets	159,697	151,267

Notes to the Financial Statements

For the Year Ended 30 June 2025

9 Property, plant and equipment

	2025	2024
	\$	\$
PROPERTY		
Timeshare Weeks in Resorts in the Holiday Concepts Group 5 Shares in lakeside Numurkah Country Club - Acquired 1999	12,500	12,500
153 Shares in various Resorts - Acquired 2013	519,000	519,000
Total Shares	531,500	531,500
	2025	2024
	\$	\$
2511 - 2513 Point Nepean Road, Rye Victoria		
Villa Units and Chattels 1-20 (i)	6,600,000	6,600,000
Wattle Drive, Numurkah Victoria		
Villas 1,2 & 8 (ii)	485,000	485,000
Stackey Gully Road, Bright Victoria		
Villas 33 and 34 (iii)	760,000	760,000
Tamarind Sands Resort, Tamarind Avenue, Cabarita Beach, NSW		
Block 3 - 12 Villas (iv)	4,200,000	4,200,000
Total of Properties	12,045,000	12,045,000
Unit-Holders Equity in Resort Property	12,576,500	12,576,500
PLANT AND EQUIPMENT		
Office equipment		
At cost	11,091	11,091
Accumulated depreciation	(10,967)	(10,870)
Total office equipment	124	221
Total property, plant and equipment	12,576,624	12,576,721

Notes to the Financial Statements

For the Year Ended 30 June 2025

9 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land	Office Equipment	Total
	\$	\$	\$
Year ended 30 June 2025			
Balance at the beginning of the year	12,576,500	221	12,576,721
Depreciation expense	-	(97)	(97)
Balance at the end of the year	12,576,500	124	12,576,624
	Land	Office Equipment	Total
	\$	\$	\$
Year ended 30 June 2024			
Balance at the beginning of the year	12,576,500	400	12,576,900
Depreciation expense	-	(179)	(179)
Balance at the end of the year	12,576,500	221	12,576,721

Asset Revaluations

(i) The revaluation of villas 1 – 20 at 2511 – 2513 Point Nepean Road, Rye, Victoria was based on the assessment of their current market value. The independent revaluation on 15 July 2022 was carried out by Joshua Quirk, Certified Practicing Valuer, AAPI CPV), of Lee Property Valuers & Advisors, Victoria.

The valuations were made in accordance with a regular policy to revalue the properties every five years.

(ii) The revaluation of villas 1,2 and 8 at Wattle Drive, Numurkah, Victoria was based on the assessment of their current market value. The independent revaluation on 30 June 2005 was carried out by Fons Rouw, AAPI, Certified Practicing Valuer, and Graeme Weatherley, AAPI, Certified Practicing Valuer of Suites 8-10, 69 McLennan Street, Mooroopna, Victoria. During the 2013 financial year, H.C. Asia Pacific Pty Ltd has exercised its option to acquire Villas 4, 5 and 6 at Numurkah in exchange for 153 land-based weeks within the Holiday Concepts Group.

No revaluation has been made of these properties since 30 June 2005 as they are subject to the lease of real property and grant of option to purchase agreements as outlined at Note 17 to the accounts.

(iii) The revaluation of villas 33 and 34 at Stackey Gully Road, Bright, Victoria was based on the assessment of their current market value. The independent revaluation on 2 August 2022 was carried out by Alistair Male, FAPI CPV, Certified Practicing Valuer, API No. 62030.

The valuations were made in accordance with a regular policy to revalue the properties every five years.

(iv) On 4 July 2017 John Pernal Pty Ltd and H.C. Asia Pacific Pty Ltd exercised their option to acquire "Club Beaches", Villas 1,2,3,5,6,7 and 10-15 Alexandra Parade, Alexandra Headland, Sunshine Coast, Queensland. At the same time Holiday Concepts Management as Responsible Entity for Mainland Resorts Trust served and exercised there own option by serving notice to John Pernal Pty Ltd and H.C Asia Pacific Pty Ltd to acquire Block 3 (12 units) Tamarind Sands Resort, 49 Tamarind Avenue, Cabarita Beach, NSW.

On 30 June 2023, the independent revaluation of Lot 14, 49 Tamarind Avenue is at \$4,200,000. It is carried by Opteon (North Coast NSW) Pty Ltd. The valuations were made in accordance with a regular policy to revalue the properties every five years.

Notes to the Financial Statements

For the Year Ended 30 June 2025

10 Trade and other payables

	2025	2024
	\$	\$
CURRENT		
Trade payables	316,755	307,774
Sundry payables and accrued expenses	2,918	8,628
PAYG withholding payable	3,406	3,222
Total trade and other payables	323,079	319,624

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

11 Employee Benefits

	2025	2024
	\$	\$
CURRENT		
Long service leave	589	467
Provision for employee benefits	14,172	17,570
Total Employee Benefits	14,761	18,037

12 Other liabilities

	2025	2024
	\$	\$
CURRENT		
Unearned income	930,020	889,575
Maintenance fees in advance	234,718	212,105
	1,164,738	1,101,680
NON-CURRENT		
Maintenance fees in advance	80,872	62,687
	80,872	62,687

13 Tax assets and liabilities

Deferred Tax Liability

	Opening Balance	Charged directly to Equity	Closing Balance
	\$	\$	\$
Deferred tax liability			
Property, plant and equipment revaluation	1,657,216	-	1,657,216
Balance at 30 June 2024	1,657,216	-	1,657,216
Property, plant and equipment revaluation	1,657,216	-	1,657,216
Balance at 30 June 2025	1,657,216	-	1,657,216

Notes to the Financial Statements

For the Year Ended 30 June 2025

14 Financial Risk Management

The Trust financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and accounts payable.

The Trust's overall risk management plan seeks to assist the trust in meeting its financial targets, whilst minimising the potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements. The main purpose of non-derivative financial instruments is to manage cash flow for operations.

Specific information regarding the mitigation of each financial risk to which the Trust is exposed is provided below.

(i) Financial instrument composition and maturity analysis

The Trust's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash and cash equivalents	3.52	4.02	1,160,511	1,170,402	825	825	1,161,336	1,171,227
Receivables	-	-	-	-	185,459	137,148	185,459	137,148
Total Financial Assets			<u>1,160,511</u>	<u>1,170,402</u>	<u>186,284</u>	<u>137,973</u>	<u>1,346,795</u>	<u>1,308,375</u>
Financial Liabilities:								
Trade and sundry payables	-	-	-	-	323,079	319,624	323,079	319,624
Total Financial Liabilities	-	-	<u>-</u>	<u>-</u>	<u>323,079</u>	<u>319,624</u>	<u>323,079</u>	<u>319,624</u>

Liquidity risk

The Trust manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

At the reporting date, these reports indicate that the Trust expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Trust.

Notes to the Financial Statements

For the Year Ended 30 June 2025

14 Financial Risk Management

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets is the carrying amount of those assets. No provision for bad or doubtful debts is raised as in the opinion of the directors, this is immaterial. No security is held over amounts outstanding at the balance date.

The Trust has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as 'trade and other receivables' is considered to be the main source of credit risk related to the Trust.

15 Key Management Personnel Disclosures

No income was received or receivable by directors of the trust whilst acting as directors and no amounts were paid to prescribed superannuation funds for the provision of retirement benefits.

Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 20: Related Party Transactions.

16 Lease of Real Property and Grant of Option to Purchase

(i) As approved at the AGM in 2003, a series of leases and option agreements were entered into to give effect to an exchange of resort facilities between the Trust and H.C. Asia Pacific Pty Ltd, an entity associated with the Developer. Under the terms of the agreements, (to which a sister resort the Resort Vacation Trust was also a party), members of the Mainland Trust and the Resort Vacation Trust were given "rights to use" in relation to the Kerami Garden Resort in Marysville, Victoria whilst H.C. Asia Pacific Pty Ltd was given similar "rights to use" in relation to certain assets of the respective Trusts.

The agreements also allowed each party to take title at some future date, potentially as late as the windingup of the Trusts.

(ii) Kerami Gardens was destroyed by bushfires in February 2009 and the Directors of H.C. Asia Pacific Pty Ltd have substituted the following assets in place of the previous 79% interest in Kerami Gardens.

(iii) The original series of leases and options, within the structure of the Assex Unit Trust, are now null and void as a result of the destruction of Kerami Gardens and the Responsible Entity has entered into new agreements with John Pernal Pty Ltd and H.C. Asia Pacific Pty Ltd whereby it has granted those entities rights to occupy the Trust's properties at Club Beaches and the Lakeside Numurkah Country Club.

(iv) Under the terms of the agreements, the Trust has also granted the above entities call options to purchase the Club Beaches and Numurkah properties and those entities have likewise granted the Trust put options to sell the Club Beaches and Numurkah properties.

(v) On 4 July 2017, John Pernal Pty Ltd and H.C. Asia Pacific Pty Ltd exercised their option to acquire "Club Beaches", Villas 1, 2, 3, 5, 6, 7 and 1015 118120 Alexandra Parade, Alexandra Headland, Sunshine Coast, Queensland. At the same time Holiday Concepts Management as Responsible Entity for Mainland Resorts Trust served an Exercise Notice to John Pernal Pty Ltd and H.C. Asia Pacific Pty Ltd to acquire Block 3 (12 units) Villa's Tamarind Sands Resort, 49 Tamarind Avenue, Cabarita Beach, NSW.

Mainland Resorts Trust

ABN: 78 266 266 987

Notes to the Financial Statements

For the Year Ended 30 June 2025

16 Lease of Real Property and Grant of Option to Purchase

(vi) The disposal of the remaining assets, consequent upon the exercise of the options and assuming no change in taxation legislation, will result in taxable capital gains in the Trust. The likely income tax liability will be as follows:

Indexed cost base of Numurkah villa	\$377,758
Total exercise price options granted	<u>\$700,000</u>
Total "capital gain" on option exercise	\$322,242
Less: 50% Capital Gain Discount	<u>\$161,121</u>
Net Capital Gain	<u>\$161,121</u>
Tax liability @ 27.5%	\$ 44,308
Total estimated Stamp Duty	\$ 28,760

(x) The above liabilities have not been recognised in the accounts of the Trust other than its inclusion as part of the total allowance for the Deferred Tax Liability referred to in Note 13.

17 Interests in Other Entities

As disclosed at note 9 to the accounts, the Mainland Resorts Trust maintains the following interests in other entities:

12 Shares in Lakeside Numurkah Country Club Limited
4 Shares in Riviera Beach resort Limited
8.5 Shares in The Bright Resort Limited
59 Units in the Marine Cove Resort Club Trust
64.5 Units in the Resort Vacation Trust
10 Shares and Units in the Bellbrae Country Club Limited and Bellbrae Resort Trust

These are measured on a cost basis unless there is evidence of impairment, at which stage this is then recognised. The reason for holding these interests in other entities is to allow a sufficient supply of timeshare weeks to be available to members particularly during periods of refurbishment, and to allow them to experience other resorts in the Holiday Concepts Group. Financial information on these resorts can be found on the Holiday Concepts website, and the details of amounts paid to these entities can be found at Note 18 to these accounts.

18 Remuneration of Auditors

	2025	2024
	\$	\$
Remuneration of the auditor of the parent entity, Ashfords Audit and Assurance Pty Ltd, for:		
- Audit or review services	8,575	8,575
- Taxation services	18,895	18,895
Total	<u>27,470</u>	<u>27,470</u>

Mainland Resorts Trust

ABN: 78 266 266 987

Notes to the Financial Statements

For the Year Ended 30 June 2025

19 Contingencies

In the opinion of the Directors, the Trust did not have any contingencies at 30 June 2025 (30 June 2024:None).

20 Related Parties

(a) The Trust's main related parties are as follows:

(i) *Entities associated with the former developer of stage 2 the Mainland Resort trust being, Leisuretime Concepts Pty Ltd, Holiday Concepts Corp Pty Ltd and John Pernal Pty Ltd are also the developers of other time-share schemes, being Riviera Beach Resort Ltd, The Bright Resort Ltd, Lakeside Numurkah Country Club Ltd, Marine Cove Resort Club Trust, Mainland Resorts Trust, Resort Vacation Trust, Island Breeze Club Ltd, Tamarind Sands Trust, the Holiday Rewards Club Trust and the Bellbrae Country Club Ltd.*

(ii) Certain directors of Holiday Concepts Management Ltd (Responsible Entity of the Mainland Resort Trust) are also directors of the limited companies below. They have not received any remuneration for their services and no remuneration is payable to them for their services, other than those provided for or disclosed in the accounts.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

	2025	2024
The Holiday Club Pty Ltd		
Central Administration Fees paid in respect of common Club operational expenses, shared on a per capita (member) basis.	72,395	70,388
Leisuretime Concepts Pty Ltd		
As provided for in Trust's product disclosure statement the Group Manager, Leisuretime Concepts Pty Ltd, an entity of which certain directors of the Responsible Entity are also directors and in which they have a beneficial interest, is entitled to annual remuneration of management services provided to the club and other resorts within the Holiday Concepts group.	-	-
Amounts paid to Leisuretime Concepts Pty Ltd (as Group Management Fees)	150,117	143,300
Resort System Pty Ltd		
During the course of the year payments were made to Resort Systems Pty Ltd, an entity of which certain directors of Mainland Resort Trust are also directors, for membership services fees.	201,668	194,649
Holiday Concepts Management Ltd.		
Certain directors of Holiday Concepts Management Ltd are also directors of the above limited companies. Holiday Concepts Management Ltd is the responsible entity of the Mainland Resorts Trust.	58,850	56,650
Amounts paid to sister resorts in the Holiday Concepts Group		
Maintenance Fees paid to sister resorts within the Holiday Concepts Group as annual maintenance fees in relation to weeks held at the resorts.	185,530	177,222
Off-site Management fees paid to sister resorts in the Holiday Concepts Group	514,265	494,897

Notes to the Financial Statements

For the Year Ended 30 June 2025

21 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2025	2024
	\$	\$
Loss for the year	(34,669)	(35,716)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- depreciation	97	179
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(48,311)	(47,072)
- (increase)/decrease in prepayments	(8,430)	(3,303)
- increase/(decrease) in income in advance	81,243	71,480
- increase/(decrease) in trade and other payables	3,455	(12,219)
- increase/(decrease) in other liabilities	-	3,937
- increase/(decrease) in employee benefits	(3,276)	(4,074)
Cashflow from operations	<u>(9,891)</u>	<u>(26,788)</u>

22 Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Mainland Resorts Trust will continue to operate for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of business.

The Trust is reliant on the continued receipt of income from members to meet their annual maintenance fees, together with the continued financial support of director related parties in respect of maintenance fees, in order to continue as a going concern. During the financial year, the Trust experienced an increase in member repossessions which has impacted forecasted revenue from annual fees and redemption activity. These developments reflect broader economic pressures and shifts in member engagement.

In response, management has initiated a series of mitigation strategies, including:

- Launching a tender campaign to facilitate the sale of repossessed shares, aiming to restore active membership and generate liquidity;
- Enhancing member retention.

Management has prepared detailed cash flow forecasts for a period of at least 12 months from the date of signing the financial statements. These forecasts incorporate conservative assumptions regarding member retention, new enrolments, and the success of the tender campaign. Based on this assessment, the directors are satisfied that the Trust has adequate resources to continue operating and meet its obligations as they fall due.

Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities that might be necessary.

Notes to the Financial Statements

For the Year Ended 30 June 2025

23 Events Occurring After the Reporting Date

The financial report was authorised for issue on 9 October 2025 by the board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in future financial years.

24 Trust Details

The registered office of the trust is:

Mainland Resorts Trust
10 Dover Street
Cremorne VIC 3121

The principal places of business is:

Whitecliffs Beach Resort
8 Elgan Ave
Rye Victoria 3941

Directors' Declaration of Holiday Concepts Management as Responsible Entity for the Mainland Resorts Trust

In accordance with a resolution of the directors, the directors of the Responsible Entity, Holiday Concepts Management Limited declare declare that:

- 1. the financial statements and notes for the year ended 30 June 2025 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the Trust;
- 2. In the directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.


09/10/2025
Director
Mr Derek A Reynolds


10/10/2025
Director
Mr Stephen G Power

Dated 09 October 2025

Mainland Resorts Trust

Independent Audit Report to the members of Mainland Resorts Trust

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mainland Resorts Trust (the Trust), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Trust is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Trust's financial position as at 30 June 2025 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Application of Accounting Standard AASB 116

We draw attention to Note 1(e) to the financial statements which describes the non application of depreciation for buildings and chattels in the financial statements and such is not in compliance with the requirements of Accounting Standard AASB116 "Property, Plant and Equipment."

The Directors of the Responsible Entity are of the opinion, that not applying depreciation on these items does not result in the financial report not giving a true and fair view as required by the *Corporations Act 2001*. We do not disagree with this non-application of accounting standard AASB 116 as the carrying values as disclosed in the accounts will not be materially overstated and are subject to regular revaluation by independent valuers.

Our opinion is not qualified in respect of this matter.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Trust in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Responsible Entity, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors for the Financial Report

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves a fair representation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ashfords Audit and Assurance

Ashfords Audit and Assurance Pty Ltd
Chartered Accountants



Andrew White - C.A.
Director

Unit 301, 148 Logis Boulevard, Dandenong South VIC 3175

9 October 2025

Profit and Loss Statement

Mainland Resorts Trust

For the year ended 30 June 2025

	30 JUNE 2025	30 JUNE 2024
Income		
Annual Maintenance Fees	1,819,595	1,736,965
Bonus Time	60,000	60,000
Interest Received	40,821	47,614
Hospitality Income	9,655	9,471
Maintenance Refurbishment Fee	102,200	102,200
Other Income	165	248
Total Income	2,032,436	1,956,497
Less Cost of Sales		
Variable Operating Expenses		
Cleaning Wages	99,019	87,346
Clean Materials	5,839	6,051
Computer Expenses	3,399	3,336
Electricity	28,918	30,433
Gas	24,307	28,376
Ground Upkeep	7,303	5,121
Ground Wages	45,897	43,729
Hospitality Expenses	8,975	10,275
Laundry	39,313	34,960
Pool & Complex	12,314	12,360
Telephone	5,050	4,383
Vehicle Allowance	7,500	7,500
Villa Upkeep	14,289	12,456
Waste Disposal/Pest Control	21,489	22,073
Total Variable Operating Expenses	323,613	308,398
Gross Profit	1,708,823	1,648,099
Less Operating Expenses		
Fixed and Financial Expenses		
Annual General Meeting	439	284
Annual Leave Provision	(3,398)	(4,136)
Filing Fees	1,492	1,533
Audit & Accountancy	24,500	24,500
Audit of Compliance Plan	330	3,080
Bank Fees	14,521	13,277
Central Administration	72,395	70,388
Depreciation	97	179
Group Management Fees	150,117	143,300
Insurance	52,782	50,192
Leasing Charges	27,272	26,325

	30 JUNE 2025	30 JUNE 2024
Long Service Leave Provision	1,533	7,183
Maint Refurbishment Fee Paid	10,350	10,550
Maintenance Fees Paid	185,530	177,222
Management and Office Salaries	146,684	142,700
First Aid Allowance	1,561	1,526
Laundry Allowance	3,360	3,057
Managers Training	2,015	2,727
Member Services	201,668	194,649
Off-Site Management fees	514,265	494,897
Printing, Postage & Stationery	1,008	315
Rates & Taxes	69,240	74,265
Responsible Entity Fees	58,850	56,650
Security Costs	6,123	5,290
Sundry Expenses	12,953	2,092
Staff Amenities	1,139	1,059
Superannuation	33,791	30,197
Uniforms	374	687
Memberships - Whilecliffs	11,078	11,867
Workcover	7,153	7,328
Total Fixed and Financial Expenses	1,609,220	1,553,181
Operating Profit	99,603	94,918
Other Expenses		
Refurbishment - Bright	6,032	6,519
Refurbishment - Island Breeze	7,307	5,100
Refurbishment - T Sands	27,085	24,890
Refurbishment - Whitecliffs	93,850	94,124
Total Other Expenses	134,274	130,633
Profit / Loss Before Income Tax	(34,671)	(35,715)
Net Profit	(34,671)	(35,715)

Compilation Report

Mainland Resorts Trust For the year ended 30 June 2025

Compilation report to Mainland Resorts Trust.

We have compiled the accompanying special purpose financial statements of Mainland Resorts Trust, which comprise the income statement and balance sheet for the period ended 30 June 2025, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the company that satisfies the needs of the members.

The Responsibility of the Directors

The directors are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since the compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion of these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the members of Mainland Resorts Trust who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.



Marc Di Genova - C.A.

Ashfords Accountants & Advisory Pty Ltd
Chartered Accountants

Unit 301
148 Logis Boulevard
Dandenong South VIC 3175

Dated: 2 October 2025

Liability limited by a scheme approved under Professional Standards Legislation