



Fellow Owners,

I am sure it will not surprise you to know that trading conditions throughout 2021 at Korora Bay Village Resort remained difficult. The ongoing and compounding effects of Covid-19 and its variant proved again to be a hurdle for everyone providing holiday accommodation. The continuing uncertainty and fear amongst the travelling community provided a catalyst for rental cancellations both private and sport related. Through the December quarter, one of the busiest times of the year, cancellations resulted in lost revenue of over \$98,000. The lack of house-keeping staff also reduced our ability to provide accommodation, this being an industry wide problem which still lingers today.

Despite the displacement of guests and employees the resort remained open throughout the year and for the personal safety of visitors and staff check in and out being conducted remotely. Emergency accommodation provided revenue which helped offset reduced rental income. The occupancy rate remained static when compared to 2020 at 82%.

You will be aware that a survey was conducted to gauge the opinion of owners in relation to the future of the resort. The Board has determined that due to the outcome of the survey an Extraordinary General Meeting (EGM) will be held to consider the sale of the resort, this is planned to occur in conjunction with the AGM at the end of May 2022. Your participation, whether online or in person, being vitally important. Meeting information for both the AGM and EGM will be distributed shortly for your consideration and we urge you to make yourself familiar with the contents of both meetings.

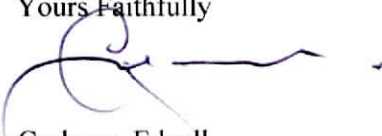
The Board has taken a conservative approach to spending as we work through the period leading up to these meetings. Essential maintenance and capital expenditure has been kept within sensible limits. You will appreciate that the resort must maintain its ratings to compete with other providers in the Coffs area and to satisfy visiting guests and owners. For the reporting period these ratings were:

- Specialty Lodging Coffs Harbour for Trip Advisor #9 out of 49 properties listed.
- Booking.com 8.8 out of 10
- Trivago 8.6 out of 10

Planned resort upgrades included the completion of the Pergola and improvement of the BBQ area, replacement of balustrades on upstairs verandas and necessary maintenance on the Tropic Lodge residence. Expenditure on the tennis court has been deferred, estimated replacement cost may be in excess \$70,000 it has been dismantled for safety. Whilst we are conscious of maintaining owner infrastructure this project is postponed with preference given to renovations of the games room and adult area including the toilets. These are remarkably high traffic areas and vital in providing guest activities and utilities.

Financial information provided for the AGM will show total revenue for the year of \$1,322,432.00 which includes a government subsidy of \$55,918.00. Profit before tax was \$157,902.00.

Yours Faithfully


Grahame Edgell
Chairman
Korora Bay Village Ltd