



The Sovereign Islands Gateway Company Limited ACN 005 013 230

Notice of Annual General Meeting

This is to advise you of the upcoming annual general meeting (AGM) of The Sovereign Islands Gateway Company Limited.

Date: THURSDAY 15 JANUARY 2026

Time: 1:15 pm Registration, 1:30 pm Start (Sharp)

Location: SMALL HALL - Paradise Point Community Centre - Community Lane, Paradise Point
QLD 4216

Agenda items

Ordinary business:

1 Welcome and Introductions

- Address from Shelley Curtis, Councillor - Gold Coast City Council
- Address from Lawrence, Sovereign Islands Security
- Tracey Adam, Auditor, Dickfos Dunn Adam will be in attendance for financial queries.

2 Apologies

3 Managing Director's Report

4 Acceptance of Amended Minutes of Previous Annual General Meeting 8 November 2024

5 Amendment of Constitution of Sovereign Islands Gateway Company Limited

6 Financial Report – by Dickfos Dunn Adam Auditors

7 Meeting Closed



The Sovereign Islands Gateway Company Limited ACN 005 013 230

Motions for Voting:

1. Acceptance of Minutes of Previous Annual General Meeting

That the minutes of the Annual General Meeting on 8 November 2024 be accepted in accordance with the draft amended Minutes attached.

YES NO ABSTAIN

2. Amendment of Constitution of Sovereign Islands Gateway Company Limited A.C.N. 005 013 230

That the Constitution of Sovereign Islands Gateway Company Limited A.C.N. 005 013 230 be amended in accordance with the draft Amended Constitution attached.

YES NO ABSTAIN

3. Financial Report

That the audited financial report of The Sovereign Islands Gateway Company Limited A.C.N. 005 013 230 and the report of the auditors for the year ended 30 June 2025 be received and accepted.

YES NO ABSTAIN

VOTER'S STATEMENT

- I/We require that this voting paper, completed by me/us, be recorded as my/our vote in respect of the motions set out above.

Signature of voter/s _____

Name of voter/s _____

Address of Property owned at Sovereign Island _____

Email _____

Mobile Number _____

Please tick here if you would like to receive all levy notices and correspondence via **email only** and not via Australia Post

Clarification Regarding Attendance at 2025 AGM

References to “owners represented” do not imply that those individuals are Members of the Company within the meaning of clause 12 of the Constitution.

A person is only a Member if their application has been approved by the Board and their name entered into the Register of Members. Ownership of a lot alone does not confer membership or any entitlement to attend, vote, or appoint a proxy at Company meetings.

Attendance by a lot owner who is not a Member does not form part of the quorum and does not confer voting rights.



The Sovereign Islands Gateway Company Limited ACN 005 013 230

This Explanatory Memorandum has been prepared to help members understand the business to be put to members at the forthcoming annual general meeting.

Ordinary business

1 Annual financial report

The *Corporations Act 2001* (Cth) (**Corporations Act**) requires the annual financial report, including the financial statements of the company for the year ended 30 June 2025, to be laid before the annual general meeting. Neither the Corporations Act requires a vote of members on the reports or statements. However, members will be given an opportunity to raise questions or comments on the report.

Note - Notice of a Discussion Point from Shareholders require 7 days prior to the AGM in writing.

2. Amendment of the Constitution of Sovereign Islands Gateway Company Limited

A.C.N. 005 013 230

The Board proposes that the Constitution of Sovereign Islands Gateway Company Limited be amended and replaced with a revised Constitution.

The current Constitution contains legacy drafting which, over time, has given rise to ambiguity by mixing concepts of “shares”, “members”, and “contributions”, and by not clearly separating membership from ownership of a Lot. The proposed revised Constitution is intended to remove those ambiguities and modernise the governance framework of the Company.

In particular, the revised Constitution makes it explicit that:

- the Company is a company limited by guarantee, not by shares;
- membership is personal, discretionary, and non-proprietary;
- ownership of a Lot confers a right to apply for membership, but does not of itself confer membership; and
- membership is not property and does not confer any equitable or beneficial interest in the Company or its assets.

There is currently litigation on foot in the Supreme Court of Queensland (Proceeding No. BS 4645/25). That proceeding concerns the proper construction and application of the existing Constitution and is listed for trial on 31 March and 1 April 2026.

The proposed revised Constitution is **not intended to affect that proceeding**, which will be determined by reference to the Constitution in force at the relevant times. Rather, the proposed amendment is brought to clarify the Company’s governance arrangements going forward, to reduce ambiguity, and to minimise the risk of similar disputes arising in the future.

The Board recommends that members approve the proposed amendment.



The Sovereign Islands Gateway Company Limited ACN 005 013 230

Proxy Form

To: The Company Secretary
The Sovereign Islands Gateway Company Limited
PO Box 416, Paradise Point QLD 4216

*I/We (full name(s)) _____ Owner(s) of Lot(s) _____

Address _____

Being a Member of the Company HEREBY APPOINT (full name) _____

as *my/our proxy to vote on *my/our behalf (including adjournments) at**:- _____

Or (or, in his/her absence, or if no person is named, the Chair of the Meeting).

As my proxy to vote and act on my behalf at the General Meeting of the Company.

1. The general meeting to be held on _____ (date of meeting).
2. All general meetings held before _____ (expiry date).

OR

3. All general meetings held during the rest of the company's financial year unless *I/we serve you with a prior written withdrawal of the appointment.

Signature(s) of Owner(s) (all co-Owners to sign):

_____ Date _____

Owner 1 full name:

Owner 1 signature:

_____ Date _____

Owner 2 full name:

Owner 2 signature:

_____ Date _____

Owner 3 full name:

Owner 3 signature:

Signature of proxy holder

Residential Address of proxy holder _____

NOTES FOR USE

* delete one

** delete those two alternatives which are not applicable



The Sovereign Islands Gateway Company Limited ACN 005 013 230

Company Nominee Form

To: The Company Secretary
The Sovereign Islands Gateway Company Limited
PO Box 416, Paradise Point QLD 4216

The Sovereign Islands Gateway lot number/s _____.

The corporation named below hereby as owner of the above-mentioned lot/s, authorises as its company nominee the individual named below to exercise or perform on its behalf any power, authority, duty or function conferred by or under the Corporations Act 2001 as owner or mortgagee of the lot/s.

Name of corporation: _____ A.C.N _____

The full name of the individual authorised as company nominee of the corporation is:

Address: _____

Phone: _____

Email(s): _____

DATED this _____ day of _____ 2025.

EXECUTED by the corporation whose name and ACN appear above in accordance with Section 127 of the Corporations Act 2001 by:

Director/Secretary
Name:

Director
Name:



The Sovereign Islands Gateway Company Limited ACN 005 013 230

Amended Minutes of the Annual General Meeting held at The Paradise Point Community Hall, Community Lane, Paradise Point QLD 4216 on Friday, 8th November 2024.

Owners represented:

Gateway (Precincts 1 & 2):

Lot 36 By Voting paper
Lot 72 Owner present (non-member) P Lai

Precinct 3:

Lot 172 Present in person by G Vella and Voting Paper
Lot 174 Present in person by D Scott
Lot 218 Present in person by L Snow

Precinct 4:

Lot 245 Present in person by E Greenaway
Lot 250 Present in person by E & L Bate
Lot 252 Present in person by D Scott
Lot 274 Owner present (non-member) W Zhang & A Kwok
Lot 278 Present in person by M Bell & Apology by A Bell
Lot 281 Present in person by B & D White
Lot 423 Present in person by M Devereux
Lot 428 Present in person by S Zeng
Lot 701 Apology and Proxy to A Glenister

Precinct 5:

Lot 339 Present in person by A Tetley
Lot 383 Present in person by B Wicks & M Wang
Lot 387 Present in person by P Hawes

Precinct 6:

Lot 469 Present in person by D & M McColl
Lot 492 Present in person by R McKergow & Proxy to M McKergow
Lot 507 Present in person by A Glenister
Lot 542 Present in person by M Rothwell
Lot 587 Present in person by M Jordan
Lot 589 Present in person by A Glenister
Lot 600 Apology and Proxy to A Glenister
Lot 617 Present in person by K Harrison
Lot 631 Present in person by C Vandegraaf
Lot 657 Apology and proxy to J & E Zorbas
Lot 684 Present in person by J & T Shaw
Lot 699 Present in person by P & M Edmondson

Directors:

A Robilotta-Glenister (*Managing Director and Chairperson of the Meeting*)

J Bate

H M Wang

R McKergow

M McKergow

P Hawes

P Shakespeare (apology)

Also in Attendance:

K Todd – Capitol (Strata Manager)

M Gunnis – Capitol (Strata Assistant)

Lawrence – Security Guard

Apology:

An apology was received from Shelley Curtis, Gold Coast City Council as she was required to attend an urgent Council meeting.

Security Update:

Lawrence, Security Guard, addressed the owners present and advised on the following matters:

Hooning & Roadways:

Lawrence stated hooning on the island is rampant and 50% of the offenders were children of owners that lived on the islands. Security footage of hooning is uploaded to the Police and some owners have been charged by the Police. Cars, motor scooters, and electric bikes are also included in the hooning footage.

It was further stated by Lawrence that a lot of the time the offenders are not wearing helmets or safety gear, and are speeding. The assistance of Residents is required to enforce helmets and safety gear.

The Security guards receive information on stolen vehicles and “vehicles of interest” on a daily basis which is loaded into the security system in the Gatehouse. Police are called when a vehicle on the list is detected and camera footage is provided to Police, when requested. The roadways are under the jurisdiction of the GCCC and the Police. A suggestion was made for speed bumps to be installed, however Lawrence advised this idea was previously passed on to GCCC who declined to proceed. It was suggested that cameras be installed on the main entry bridge, however GCCC have not agreed to install cameras on the bridge.

Security do what they are able to with the resources on hand.

Halloween:

Additional personnel and security vehicles were engaged for Halloween. It was lucky that it rained as the behaviour was not as disruptive as they thought it would be.

Caravans, Boats & Trailers:

There are many caravans, boats and trailers on the streets of the islands. The GCCC permits items that are 7m or less. Items over 7m are not permitted on residential streets. Noted that the GCCC no longer take complaints over the phone, all complaints must be filled out online. There is a noticeable delay for GCCC to act upon complaints filed online.

Lawrence left the meeting at 11.55am.

Managing Director’s Report:

The Managing Director, Ann Glenister, read her report – a copy of which is attached for your reference.

Quorum:

The Chairperson noted that a quorum was represented and declared the meeting open at 12.08pm.

Items of Business:

1. Acceptance of Minutes of Previous Annual General Meeting

Resolved that the minutes of the Annual General Meeting on 27 October 2023 be accepted.

2. Financial Report

Resolved that the audited financial report of The Sovereign Islands Gateway Company Limited ACN 005 013 230 and the report of the auditors for the year ended 30 June 2023 be received and accepted.

Andy Kwok, attending on behalf of Mrs Zhang of Precinct 4, Lot 274, requested to ask 2 questions:
Mr Kwok advised appreciation of the Board of Directors.

Mr Kwok requested assurance from Capitol that owners had received levy notices and the AGM agenda for this meeting, noting the attendance was poor for the amount of properties in the scheme. Capitol advised levy notices and agendas were sent out to email addresses whereby they had been advised by owners for the roll. For owners without an email address on file, the AGM Agenda was express posted to the owners to vote. If a 'bounce back' message is received, Capitol make every effort to look into the owner's details and contact them.

The Owner of Lot 274 provided a motion for Gateway and Precinct 4 to be voted on and the motion will be voted on by the owners at today's meetings.

It was discovered Mrs Zhang was recording the meeting. The owners voted **NO** to being recorded and Mrs Zhang was requested to stop recording.

Board Director, Hui Min Wang, addressed the meeting and advised she had a chat group of approximately 80 owners in the Chinese community on the islands who she contacted regularly. Min had requested on the chat group that owners attend the AGM, or provide a proxy to an attendee, or submit a voting paper to enable their vote to count. Min had sent out notification to the owners of the AGMs being held today.

Mrs Zhang was asked again to stop recording as it was obvious that she had not stopped recording the meeting, against the wishes of the owners present at the meeting.

Mr Kwok appeared to be very vocal, loud, aggressively finger-pointing to the Chairperson, and very difficult to understand. He was very animated at this point and threw the GCCC microphone onto his chair, which then bounced onto the floor.

Mr Kwok and Mrs Zhang then left the meeting at 12.34pm prior to the motion from Mrs Zhang being put to the owners for voting:

3. From Mrs W Zhang – Precinct 4, Lot 274 – Operational Audit

The following motion was put to the owners at the AGM to vote:

That the company:

1. Within 14 days, issue an invitation to all members to submit within 30 days thereafter of any perceived deficiencies in the operation of the functions of the company;
2. Within 2 calendar months and having regard to any submissions made by the members, carry out an operational audit as to their systems and processes in respect of the carrying out of its functions and dealings with other companies within the Sovereign Islands group and lot owners in order to identify and assess any deficiencies in those systems and functions and opportunities for improvement;

3. Within 3 calendar months report to the members:
 - (a) The results of that audit, including as to its current systems and processes;
 - (b) Its assessment of deficiencies and opportunities for improvement;
 - (c) Its recommendations for changes to its systems and processes.

Motion Defeated.

Note:

Subsequent to the 2024 Annual General Meeting, the Board of Directors has undertaken further review and made enquiries regarding attendance at that meeting. It is now formally recognised that certain individuals who were recorded as present or participating at the 2024 AGM were not Members of the Company within the meaning of clause 12 of the Constitution.

Accordingly, the motion submitted by Mrs Zhang at that meeting was impermissible, as only Members are entitled to move motions, participate in discussion, or exercise voting or proxy rights at general meetings.

Meeting Closed:

There being no further business the Chairperson closed the meeting at 12:37pm.

General Business:

After the conclusion of the AGMs for precincts 3, 4, 5 and 6 at 12.44pm, owners were invited to ask questions of the Board. The following matters were addressed:

The Owner of Lot 339, Precinct 5, Amanda Tetley addressed the meeting and thanked the Board for their hard work, noting it was a thankless task and very difficult.

Mrs Tetley requested an update on the redevelopment of the entrance to Sovereign Islands. Board Member, John Bate, advised all formalities had been completed and work was expected to commence in mid-2025. Current occupiers of the commercial area had been given notice to vacate by mid-2025.

The owner of Lot 587, Precinct 6, Muriel Jordan, asked if stop signs could be installed on all roads off The Sovereign Mile, due to drivers not giving way to oncoming traffic on the Sovereign Mile. The Chairperson, Ann Glenister, advised that a Traffic Inspector from the GCCC had been on-site to monitor the traffic and had deliberated that it was not necessary, as there was enough visibility for residents to drive safely without the addition of signage. However, that being said, the Chairperson advised she will take the matter up again with Cr Shelley Curtis, GCCC.

The owner of Lot 631, Precinct 6, Chris Vandegraaf, asked if the GCCC were looking at how they will carry out repairs to the paved roads. John Bate advised the meeting there is an issue with the pavers not being manufactured anymore. Lewis Land gave pallets of spare pavers to the GCCC for future use for Sovereign Islands roadways. The pavers disappeared for some time, however, some were located 12 months ago and have now run out. The GCCC are looking into ways to repair the roads by utilising pavers in the centre of fully paved roads and reallocating them for repairs. Paving will be maintained along edge strips as is used for the existing roads to ensure a full asphalt road is not installed. Board Members Ann Glenister and John Bate are meeting with the GCCC regarding this matter and will ensure as much as possible that the repaired roads are of similar design incorporating the pavers.

It was noted under the lease agreements Gateway has with the GCCC, the companies are responsible for the maintenance of the road through the 2 easements for traffic through the gates.

The owner of Lot 428, Precinct 4, Mrs Liu, asked questions relating to levies for her lot, and Board Member Hui Min Wang assisted with translation. Capitol will send the levy statements to the Board Member to enable Min to assist the lot owner to understand the levies.

The general business discussion ended and with there being no further business, the Chairperson closed the meeting at 1.00pm.

Clarification Regarding Attendance in 2024 AGM Minutes

References in the 2024 AGM Minutes to “owners represented” do not imply that those individuals were Members of the Company within the meaning of clause 12 of the Constitution.

A person is only a Member if their application has been approved by the Board and their name entered into the Register of Members. Ownership of a lot alone does not confer membership or any entitlement to attend, vote, or appoint a proxy at Company meetings.

Attendance by a lot owner who is not a Member does not form part of the quorum and does not confer voting rights.

Constitution of the Sovereign Islands Gateway Company Limited

CONSTITUTION

OF

THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED

A C N 005 013 230

A Company Limited by Guarantee

This Constitution was presented to the Annual General Meeting of The Sovereign Islands Gateway Company held on the 15th of January 2026 and signed by me for the purpose of identification

.....

Ann Robilotta Glenister

Chairwoman

**CONSTITUTION
OF
THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED
A C N 005 013 230**

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I. DEFINITIONS AND INTERPRETATION

1. Definitions

In this Constitution:

- **Act** means the *Corporations Act 2001 (Cth)*.
- **Board** means the Directors acting collectively.
- **Company** means *The Sovereign Islands Gateway Company Limited*.
- **Director** means a person elected or appointed to the Board.
- **Lot** means a residential lot within the Sovereign Islands precinct identified on the relevant survey plan.
- **Member** means a person admitted to membership under Clause XII and recorded in the Register.
- **Non-Member** means a person who is not a Member, including (without limitation) a person who has ceased to be a Member by reason of having disposed of, transferred, assigned, conveyed, or otherwise ceased to hold legal or beneficial ownership of a Lot, whether wholly or partially and whether directly or indirectly.
- **Owner** means the registered proprietor of a Lot.
- **Register** means the register of Members maintained under section 169 of the Act.
- **Secretary** means the person appointed under Clause XXXII.

2. Interpretation

Unless a contrary intention appears:

2.1 the singular includes the plural and vice versa;

2.2 a reference to a person includes a corporation;

2.3 headings are for convenience only and do not affect interpretation; and

2.4 a reference to legislation includes amendments and subordinate legislation.

II. NAME, TYPE, CAPITAL AND LIABILITY

3. Name

3.1 The name of the Company is *The Sovereign Islands Gateway Company Limited*.

4. Type of Company

4.1 The Company is a public company limited by guarantee, governed by this Constitution and the Act.

III. GUARANTEE AND LIMITATION OF LIABILITY

5. Members' Guarantee

5.1 Each Member undertakes to contribute to the property of the Company, in the event of the Company being wound up while the person is a Member or within one (1) year after the person ceases to be a Member, such amount as may be required for payment of the debts and liabilities of the Company, not exceeding **\$100**.

6. Limitation of Liability

6.1 The liability of each Member is limited to the amount of the guarantee set out in Clause 5.1 herein above.

6.2 No Member is liable to contribute any further amount to the debts, liabilities, or costs of winding up the Company.

IV. REGISTERED OFFICE AND RECORDS

7. Registered Office

7.1 The Company must maintain a registered office in accordance with the Act.

8. Register of Members

8.1 The Company must keep and maintain a Register of Members in accordance with section 169 of the Act, containing:

(a) the full name and address of each Member;

(b) the date of admission; and

(c) the date of cessation.

8.2 The Register is conclusive evidence of membership, subject to correction of clerical error.

V. MEMBERSHIP

9. Eligibility for Membership

9.1 A person is eligible to apply for membership only if:

(a) the person is the registered Owner of a Lot; or

(b) where the registered Owner is a corporation, the person is a director, officer, or controller of that corporation.

10. Application for Membership

10.1 An eligible person must lodge a written application for membership:

(a) in the form approved by the Board;

(b) accompanied by documents reasonably required to confirm eligibility; and

(c) accompanied by an application fee of \$100.

11. Board Discretion

11.1 The Board may, in its absolute discretion, admit or refuse to admit an applicant.

11.2 The Board is not required to give reasons and may request further information or defer consideration.

12. Admission

12.1 A person becomes a Member only when:

- (a) the Board resolves to admit the applicant; and
- (b) the applicant's name is entered in the Register.

12.2 Ownership of a Lot does not of itself confer membership.

VI. CESSATION AND NATURE OF MEMBERSHIP

13. Automatic Cessation

13.1 A Member immediately ceases to be a Member if the Member ceases to be the registered Owner of the Lot.

13.2 Cessation occurs automatically by operation of this Constitution without notice.

14. Effect of Cessation

14.1 Upon cessation, the former Member:

- (a) loses all membership rights;
- (b) is not entitled to attend or vote at meetings; and
- (c) remains liable for levies accrued prior to cessation.

15. Personal and Non-Transferable

15.1 Membership is personal and non-transferable and does not constitute property or a proprietary interest.

VII. LEVIES AND CONTRIBUTIONS

16. Levies

16.1 The Board may determine levies, contributions, or charges payable by Lot Owners.

16.2 Levies may be annual, special, maintenance-related, or otherwise reasonably required.

16.3 Liability for levies applies irrespective of membership status.

VIII. OBJECTS OF THE COMPANY

17. Objects

17.1 The objects of the Company are to:

- (a) hold, manage, and administer the Sovereign Islands Gateway land in accordance with the lease with the Council of the City of Gold Coast; (GCCC)
- (b) comply with all obligations of the Company as lessee; and
- (c) undertake activities incidental or conducive to those obligations.

IX. GOLD COAST CITY COUNCIL LEASE COMPLIANCE

18. Lease Compliance

18.1 The Company must comply with the lease dated 31 August 1992 between the Council of the City of Gold Coast and the Company, including all amendments and renewals (GCCC Lease).

18.2 The Board has exclusive authority to manage and enforce the GCCC Lease.

18.3 Membership confers no proprietary, equitable, or beneficial interest in the GCCC Lease or Gateway land.

18.4 No Member has standing to exercise or enforce rights under the GCCC Lease.

DIRECTORS' INDEMNITY AND INSURANCE

19. Indemnity of Directors and Officers

19.1 To the full extent permitted by law, the Company indemnifies each Director, Secretary, and officer of the Company (each an **Indemnified Officer**) against any liability incurred by that person in that capacity, including liability for costs and expenses, arising out of:

- (a) the performance or exercise in good faith of any power, authority, or discretion of the Company; or
- (b) any act or omission done in good faith in the course of carrying out the duties of office.

19.2 The indemnity in clause 19.1 does not apply to:

- (a) a liability owed to the Company or to a person engaged by the Company in a professional or contractual capacity;
- (b) a liability for a pecuniary penalty order or a compensation order;
- (c) a liability that did not arise out of conduct in good faith; or
- (d) a liability arising from wilful misconduct, fraud, or dishonesty.

20. Insurance

20.1 The Company may, to the extent permitted by law, pay or agree to pay a premium for a contract insuring an Indemnified Officer against any liability incurred in that capacity.

21. Survival of Indemnity

21.1 The indemnities in this Part continue to apply after a person ceases to hold office and operate in favour of the legal personal representatives of that person.

X. POWERS AND APPLICATION OF INCOME

22. Powers

22.1 The Company has the powers of a natural person, subject to this Constitution and the Act.

23. Application of Income

23.1 The income and property of the Company must be applied solely towards the promotion of the objects of the Company.

23.2 The Company may apply income for any purpose incidental to or in furtherance of its objects, including the payment of legal, professional, and compliance expenses.

23.3 No portion of the income or property of the Company may be paid or transferred directly or indirectly to a Member by way of dividend, bonus, or distribution.

XII. COSTS INDEMNITY AND VEXATIOUS PROCEEDINGS

24. Costs Indemnity

24.1 To the extent permitted by law, a Member indemnifies the Company, its Directors, officers, and agents against all costs, expenses, and liabilities (including legal costs on a full indemnity basis) incurred by the Company arising out of:

(a) any proceedings commenced or maintained by the Member against the Company, the Board, or any Director; or

(b) any application, claim, or demand made by the Member in connection with the affairs of the Company,

unless the Member obtains a final judgment wholly in the Member's favour.

24.2 This clause applies whether or not the Member ceases to be a Member.

25. Vexatious or Unreasonable Proceedings

25.1 If the Board determines that a Member has commenced or pursued proceedings that are vexatious, frivolous, misconceived, or an abuse of process, the Company may recover its costs from that Member as a debt.

XIII. DISCIPLINARY PROVISIONS

26. Disciplinary Powers

26.1 The Board may suspend or expel a Member if the Board reasonably determines that the Member has:

- (a) breached this Constitution;
- (b) acted contrary to the interests of the Company;
- (c) engaged in conduct detrimental to the operations or reputation of the Sovereign Islands Gateway; or
- (d) failed to comply with any lawful direction, policy, or by-law of the Company.

26.2 Except where urgent action is reasonably required, the Board must give written notice of the proposed disciplinary action and afford the Member a reasonable opportunity to respond.

26.3 The decision of the Board is final and binding and is not subject to internal appeal.

XIV. BOARD POWERS AND DELEGATION

27. Board Powers

27.1 The business of the Company is managed by the Board, which may exercise all powers of the Company not required by law or this Constitution to be exercised by the Members in general meeting.

28. Delegation

28.1 The Board may delegate any of its powers or functions to a committee, Director, officer, or employee on such terms as it determines.

XV. EXECUTION OF DOCUMENTS

29. Execution of Documents

29.1 The Company may execute a document in any manner permitted by the Act, including under section 127.

29.2 The Company may have a common seal, and if so, the use and custody of the seal is determined by the Board.

XVI. GENERAL MEETINGS AND VOTING

30. Convening General Meetings

30.1 General meetings of the Company must be held in accordance with the Act and this Constitution.

30.2 The Board may convene a general meeting whenever it considers appropriate.

30.3 The Board must convene a general meeting if required by Members in accordance with the Act.

31. Notice of General Meetings

31.1 Notice of a general meeting must comply with the Act and this Constitution.

31.2 Accidental non-receipt of notice by a Member does not invalidate the meeting or any resolution passed.

32. Quorum

32.1 The quorum for a general meeting is five (5) Members present in person or by proxy, unless the Board determines a higher number.

32.2 If a quorum is not present within 30 minutes of the scheduled time, the meeting is adjourned in accordance with the Act.

33. Voting

33.1 Each Member has one (1) vote.

33.2 Voting is by show of hands unless a poll is demanded.

33.3 The Chair has a casting vote in the event of an equality of votes.

XVII. DIRECTORS AND BOARD PROCEEDINGS

34. Directors

34.1 The number of Directors must not be less than three (3) nor more than seven (7).

34.2 Directors are appointed or removed by resolution of the Members in general meeting, subject to the Act.

35. Proceedings of Directors

35.1 The Directors may meet together for the dispatch of business and adjourn and otherwise regulate their meetings as they think fit.

35.2 Questions arising at a meeting of Directors are decided by a majority of votes.

35.3 A quorum for a meeting of Directors is a majority of the Directors then holding office.

35.4 The Directors may pass a resolution without a meeting in accordance with the Act.

XVIII. RECORDS, ACCOUNTS AND AUDIT

36. Records and Accounts

36.1 The Company must keep financial records in accordance with the Act.

36.2 The Directors must ensure that financial reports are prepared and audited if required by law.

37. Auditor

37.1 The Company must appoint an auditor if required by the Act, whose duties and remuneration are governed by the Act.

XIX. NOTICES

38. Service of Notices

38.1 A notice may be given by the Company to a Member by any method permitted by the Act.

38.2 A notice is taken to be given at the time determined under the Act.

XX. WINDING UP

39. Distribution on Winding Up

39.1 If upon the winding up of the Company there remains property after the satisfaction of all debts and liabilities, that property must be applied:

- (a) first, in payment of any costs and expenses of winding up; and
- (b) second, in accordance with the Act and the guarantee provisions of this Constitution.

39.2 No surplus property may be distributed to Members except to the extent permitted by the Act.

XXI. APPLICATION OF THE CORPORATIONS ACT AND INTERPRETATION

40. Application of the Corporations Act

40.1 The replaceable rules contained in the Corporations Act 2001 (Cth) do not apply to the Company, except to the extent that they are expressly incorporated by this Constitution or are mandatory by law.

40.2 Unless the contrary intention appears, an expression used in this Constitution, which is defined in, or given a meaning by, the Corporations Act 2001 (Cth) has the same meaning in this Constitution.

40.3 This Constitution is to be read subject to the Corporations Act 2001 (Cth), and nothing in this Constitution is intended to exclude or limit the operation of any provision of the Act which cannot lawfully be excluded or limited.

41. Interpretation Consistent with Law

41.1 In this Constitution, unless the context otherwise requires:

(a) a reference to a statute includes any amendment, re-enactment, or statutory modification of that statute and any subordinate legislation made under it;

(b) references to time are references to Brisbane, Queensland time; and

(c) references to currency are references to Australian currency.

42. Severability

42.1 If any provision of this Constitution is held to be invalid, unlawful, or unenforceable, that provision is to be severed to the extent of the invalidity, unlawfulness, or unenforceability, and the remaining provisions continue in full force and effect.

XXII. BOARD AUTHORITY AND FINALITY OF DECISIONS

43. Absolute Discretion of the Board

Subject to the Corporations Act 2001 (Cth) and any other applicable law, the Board has the **absolute and unfettered discretion** to manage the affairs of the Company and to exercise all powers conferred upon it by this Constitution, including (without limitation) the power to admit, refuse, suspend, or expel Members and to determine all matters relating to membership.

44. No Obligation to Give Reasons

The Board is **not required to give reasons** for any decision made in the exercise of its discretion under this Constitution.

45. Finality of Decisions

Any decision of the Board made in good faith, for a proper purpose, and within the scope of its powers under this Constitution and the law is **final and binding on the Company, the Members, and any applicant for membership.**

46. Limitation on Challenge

No decision of the Board may be challenged, reviewed, or set aside merely because it is alleged to be unreasonable, harsh, or incorrect, and a decision may only be challenged on the grounds that it was **not made in accordance with law**, was made **in bad faith**, or was made **outside the powers conferred on the Board**.

47. No Right or Legitimate Expectation

Nothing in this Constitution creates any right, entitlement, or legitimate expectation that a person will be admitted as a Member, or that any discretion of the Board will be exercised in a particular manner.

XXIII. SHARE CAPITAL AND RELATIONSHIP TO MEMBERSHIP

48. Share Capital

The Company has an authorised share capital of 10,000 ordinary shares.

49. Limited Issue of Shares

The Board may issue up to 100 ordinary shares solely for the purposes of governance, administration, or compliance, as determined by the Board from time to time.

50. Unissued Shares

All remaining authorised shares are unissued and remain under the control of the Board. The Board is under no obligation to issue any further shares.

51. Shares Do Not Confer Membership

The holding of shares in the Company does not of itself confer membership, voting rights, or any proprietary, equitable, or beneficial interest in the Company, its assets, or its undertaking.

52. Membership Without Shares

A person may be admitted as a Member of the Company without holding any shares, and Members are not entitled to be issued shares by reason of membership.

53. No Transfer of Membership by Share Dealing

No share, whether issued or unissued, is capable of transferring, conferring, or evidencing membership of the Company.

END OF THE CONSTITUTION

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Financial Statements

For the Year Ended 30 June 2025

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

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For the Year Ended 30 June 2025

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The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Directors' Report

30 June 2025

The directors present their report on The Sovereign Islands Gateway Company Limited for the financial year ended 30 June 2025.

1. General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
John Bate	Director	
Phyllis Ann Robilotta-Glenister	Chairperson/Secretary	
Philip Shakespeare	Director	Resigned 8th April 2025
Rosabel McKergow	Director	
Hui Min Wang	Director	
Dr Peter Hawes	Director	
Michael McKergow	Director	Resigned 7 October 2025

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

Company secretary

Phyllis Ann Robilotta-Glenister was appointed secretary on 15/09/20 and held the position during the financial year.

Principal activities

The principal activities of The Sovereign Islands Gateway Company Limited during the financial year was the operation and maintenance of the Nightgate, the main entrance to the Sovereign Islands. Also providing security services to the residents of the Sovereign Islands.

No significant changes in the nature of the Company's activities occurred during the financial year.

Short term and long-term objectives

The Company's short and long-term objectives are to provide ongoing operation and maintenance of the Nightgate main entrance and provision of security services to the residents of Sovereign Islands.

Strategy for achieving the objectives

To achieve these objectives, the Company obtains financial contributions from Members of the Precinct and Gateway companies. These contributions are used to pay for the companys engaged contractors who provide the security services and other associated costs incurred by the company.

Performance measures

The Company monitors performance by the provision of security services in terms of agreed times of operation.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Directors' Report

30 June 2025

1. General information

Members' guarantee

The Sovereign Islands Gateway Company Limited is a company limited by guarantee and shares. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 1 for members subject to the provisions of the company's constitution.

Significant changes in state of affairs

No significant changes in the Company's state of affairs occurred during the financial year.

2. Operating results and review of operations for the year

Operating results

The loss of the Company after providing for income tax amounted to \$ (126,181) (2024: \$ (60,912)).

Dividends

The company is a not for profit company therefore no dividends have been paid or declared during the financial year.

3. Other items

Events Subsequent to the End of the Reporting Period

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

Environmental Regulation

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

Information on directors

John Bate	Appointed 09/12/2016
Qualifications	DipCE, MIEAust, CPEng(Ret)
Experience	John is a Retired Civil Engineer with 45+ years experience. He was a founding Director of Consulting Engineering company Burchill Partners Pty Ltd from 1974 to 2006. John was also the Partner responsible for The Sovereign Islands (Stage 2 - Stage 6 inclusive), Sanctuary Cove, Hope Island Resort, Ephraim Island (Civil works inc harbour), Harbour Town Shopping Centre (Civil works), Harbour Quays Canal Development etc. John has been a resident of The Sovereign Islands since January 2008.
Special Responsibilities	Park & Garden and Security Supervisor

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Directors' Report

30 June 2025

Information on directors

Information on directors

Phyllis Ann Robilotta-Glenister	Appointed director on 09/12/2016 and secretary on 15/09/2020
Qualifications	OAM, Dip.Health Ed. JP (Qual) MAICD
Experience	For the last 40 years Ann has gained experience as an Aged Care Government Approved Provider and developer of nursing homes and assisted living complexes currently active on the Gold Coast. Ann's other experience includes being on the steering committee to establish the Paradise Point Bendigo Community Bank and then Chairman for 10 years. Ann currently serves on the Foundation Board of Griffith University, and formerly served on the Griffith University Council and Griffith Gold Coast Advisory Board and was formerly Chairman of Hopewell Hospice (retired) & Paradise Kids. Ann is experienced in governance, business, development and working with Boards.
Special Responsibilities	Chairperson & Secretary
Philip Shakespeare	Appointed 23/05/2022
Qualifications	Philip qualified as a solicitor in 1967. He was admitted to practice as a solicitor in New South Wales and in Queensland. He carried on a practice as a solicitor on the Gold Coast in Surfers Paradise with others in a small legal partnerships. From 2002 he carried on practice as a sole practitioner as a solicitor in Surfers Paradise until he retired in 2017. Philip has had extensive experience in a wide range of legal work in general practice. He has lived on the Sovereign Islands for a number of years after purchasing land in 2012.
Special Responsibilities	No special responsibilities.
Michael McKergow	Appointed 17/11/2022
Qualifications	Michael's early work experience began in sales, selling computers & office printer consumables. His key role was to develop new customers & manage their outgoing requirements. In 1991 he then started his own business in the same industry supplying a complete range of office production including stationery & furniture, the operation was run from multiple locations supplying the South East Queensland region. He sold the business to a competitor in 2014. He has invested in property since 1986 with the formula of buy & hold or buy & improve, this strategy has allowed Michael to develop a multi-million dollar property portfolio including domestic, retail & commercial property holdings. Michael now contracts to a Brisbane company selling office furniture to a select number of key clients in the office fitout industry managing projects both small & large. He is also a committee member of the Pine Rivers Body Corporate which manages a number of commercial properties.
Special Responsibilities	No special responsibilities.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Directors' Report

30 June 2025

Information on directors

Information on directors

Hui Min Wang	Appointed 25/10/2019
Qualifications	University of Chinese Medicine TianJin China Major: Chinese Medicine
Experience	President of Chinese Medicine Association of ACT. Committee member of Chinese Medicine Association of Australia. Trustee of ACT Government Cemetery Trust. Director of Ozasia P/L where she worked with Mr Al Grassby and Ms Junie Morosi. Participated in a Trade Seminar held jointly by the Australian and Chinese Government in 2002 to facilitate trade relations between the two countries. Worked as a hospital nurse for 5 years in China. Worked for 10 years at the China Tianjin Hospital as a doctor. Operated her own Chinese Medicine Clinic in Canberra for over 20 years.
Special Responsibilities	No special responsibilities.
Rosabel McKergow	Appointed 18/10/2023
Experience	Degree in Accounting specialising in computer applications. Director of Office Supplies business for 23 years. Role of Financial Controller, setting up all company policies and procedures. Created own company website for online sales. Currently semi-retired, responsible for property and share portfolio. Has resided on Sovereign Islands for 3 ½ years.
Special Responsibilities	None
Dr Peter Hawes	Appointed 20/9/2023
Qualifications	MBBS (University of Qld 1979), FRACGP
Experience	Peter has worked as a General Practitioner from 1980 to the present. He established and managed 3 large regional medical centres: Hyperdome Medical Centre, Grand Plaza Medical Centre and Centrepoint Medical Centre. Each of these are 7-Day operations employing some 35 doctors with in house Dentistry, Pharmacy, Radiology, Pathology and Medical Specialists. As the director of Kayal Nominees Pty Ltd, he develops land in regional shopping centre precincts and has constructed 6 large buildings for use as 7-Day medical centres. He is a game designer and is the director of Kayal Games which produces board games for the US and European markets. This involves the research and design of games, artwork, manufacturing in Germany and China and then worldwide distribution. He was captain of the Australian Touch Football tour to South Africa and England 2004.
Special Responsibilities	None

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Directors' Report

30 June 2025

Meetings of directors

During the financial year, 9 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
John Bate	9	9
Phyllis Ann Robilotta-Glenister	9	9
Philip Shakespeare	6	5
Rosabel McKergow	9	8
Hui Min Wang	9	9
Dr Peter Hawes	9	6
Michael McKergow	9	8

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year.

Indemnification of Officers

During the financial year, the Company paid a premium in respect of a contract insuring management and Directors and the Company Secretary against a liability incurred as such a director or secretary, to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or an auditor of the Company against a liability incurred as such an officer or auditor.

Proceedings on behalf of company

The company is subject to a legal case with Mrs Zhang/Mr Kwok Lot 274 from Precinct 4 the matter is currently with the Supreme Court. The financial impact or outcome of this case is unknown at the time of reporting. No other person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached to this report.

This directors' report is signed in accordance with a resolution of the Board of Directors.

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

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Directors' Report

30 June 2025

Director: 

Director: 

Dated this 20th day of November 2025



DICKFOS DUNN ADAM

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**THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED
ABN 22 005 013 230**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED**

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2025, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* and in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

DICKFOS DUNN ADAM
Audit & Assurance



.....
T L Adam

DATED 17 November 2025
Southport

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

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

		2025	2024
	Note	\$	\$
Revenue	4	999,578	926,851
Depreciation and amortisation expense		(2,194)	(2,530)
Security expenses		(927,528)	(807,094)
Repairs and maintenance expenses		(31,512)	(95,695)
Rates and utilities expenses		(9,437)	(9,391)
Legal expenses		(4,320)	-
Other expenses	5	(143,928)	(73,053)
Loss before income tax		(119,341)	(60,912)
Income tax expense	2(b)	(6,840)	-
Total comprehensive income for the year		<u>(126,181)</u>	<u>(60,912)</u>

The accompanying notes form part of these financial statements.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Statement of Financial Position

As At 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	172,922	933,065
Trade and other receivables	7	661,107	60,321
Other financial assets	9	560,120	-
Other assets	8	8,961	2,222
TOTAL CURRENT ASSETS		1,403,110	995,608
NON-CURRENT ASSETS			
Property, plant and equipment	10	664	2,858
TOTAL NON-CURRENT ASSETS		664	2,858
TOTAL ASSETS		1,403,774	998,466
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	96,571	85,419
Borrowings	12	150,000	-
Other liabilities	13	596,710	226,373
TOTAL CURRENT LIABILITIES		843,281	311,792
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		843,281	311,792
NET ASSETS		560,493	686,674
EQUITY			
Issued capital		100	100
Retained earnings		560,393	686,574
TOTAL EQUITY		560,493	686,674

The accompanying notes form part of these financial statements.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Statement of Changes in Equity

For the Year Ended 30 June 2025

2025

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2024	100	686,574	686,674
Loas attributable to members of the company	-	(126,181)	(126,181)
Balance at 30 June 2025	100	560,393	560,493

2024

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 July 2023	100	747,486	747,586
Loss attributable to members of the company	-	(60,912)	(60,912)
Balance at 30 June 2024	100	686,574	686,674

The accompanying notes form part of these financial statements.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Statement of Cash Flows For the Year Ended 30 June 2025

	2025	2024
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Owners	764,257	738,582
Payments to suppliers	(1,144,981)	(976,711)
Interest received	30,701	-
Income tax received	-	659
Net cash provided by/(used in) operating activities	<u>(350,023)</u>	<u>(237,470)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	200,000	-
Repayment of borrowings	(50,000)	-
Net cash provided by/(used in) financing activities	<u>150,000</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	(200,023)	(237,470)
Cash and cash equivalents at beginning of year	<u>933,065</u>	<u>1,170,535</u>
Cash and cash equivalents at end of financial year	6 <u><u>733,042</u></u>	<u><u>933,065</u></u>

The accompanying notes form part of these financial statements.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

The financial report covers The Sovereign Islands Gateway Company Limited as an individual entity. The Sovereign Islands Gateway Company Limited is a public Company limited by shares and guarantee and domiciled in Australia.

The functional and presentation currency of The Sovereign Islands Gateway Company Limited is Australian dollars.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*. The company, although the structure is a hybrid structure with the combination of a not for profit company structure (limited by guarantee) with a for profit (limited by shares) structure within the structure of the company. The company constitution does not specify the shareholder structure and available returns. Essentially the company operates as a not-for-profit entity for financial reporting purpose under Australian Accounting Standards.

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise. The financial statements comply with all applicable Australian Accounting Standards, there are no exclusions that require reporting.

The financial statements, except for the cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable.

Owner contributions are measured at the time of billings but recognised as deferred income to represent any billed amounts issued that relate to contributions for the subsequent financial year.

Interest revenue is recognised on proportional basis taking into account the interest rates applicable to the financial assets.

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

(b) Income tax

The company applies the liability method of accounting for taxation. Non-member income of the company is only assessable for tax, as member income is excluded under the principle of mutuality. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, less allowable expenditure.

(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 the amount of GST receivable or payable. 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.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information

(c) **Goods and services tax (GST)**

arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows included in receipts from customers or payments to suppliers.

(d) **Property, plant and equipment**

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

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of the asset.

Depreciation

Property, plant and equipment, is depreciated on a straight-line basis over the asset's useful life to the Company, 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	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(e) **Impairment of assets**

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

(f) **Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, terms deposits and short-term investments which are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information

(f) Cash and cash equivalents

Short term investments deemed assets held equal to or less than 3 months.

(g) Trade and Other Receivables

Trade and other receivables include amounts due from contributors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(h) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured as amortised cost using the effective interest method.

(i) Comparative Data and \$65,425 Prior Year Discounts

Comparative data is consistent with prior year except for the following disclosures.

Depreciation rate on Plant and Equipment has increased from 10% to 20% in line with the Directors assessment of the life of the assets.

Trade Receivables and Levies in Advance have been categorised separately within the Statement of Financial Position. Levies in arrears have been accurately classified as Other Liabilities as opposed to Trade and other payables. The aggregate levies in arrears remains unchanged.

The overall impact of these changes do not impact the net asset position reported of \$686,674 which reconciles to prior year audited financial statements.

\$65,425 Expense - Prior Period Contribution Discounts

The current year audit process identified an error in prior year accounts where levies in arrears were overstated. Due to a historical unidentified error in Stratamax (the financial reporting software) the discount to owners on paid security contributions (relating only to levies paid in advance at financial year end) was not accurately reflected within the profit and loss account at the time the discount was realised. In prior years the discount had inaccurately been recorded within the levies in arrears (asset within the Balance Sheet) instead of discount expense (expense within the Profit and Loss Account).

The \$65,425 expense correlates to discount on contribution levies for owners that had paid their levies in advance of the required due date at financial year end. At the time of writing we are unable to validate which financial years the discount relates therefore it was not possible to amend prior period accounts. As a result the full impact of the recognition of the discount is reflected in the current years profit and loss account. The estimation however that this expense should have been reported over an estimated three year time period (\$22k additional discount should have been expensed in Financial year ending 30 June 2023 and 2024).

The directors are currently working with the software provider to confirm the reason for the error and ensure future financial reports accurately report discounts on contribution levies in the correct financial year.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

The significant estimates and judgements made have been described below.

Key estimates - impairment

The Directors assess impairment at the end of each reporting period by evaluating the conditions and events specific to the company that may be indicative of impairment triggers.

Key estimates - provision for impairment of receivables

Trade receivables at 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.

4 Other Revenue and Income

	2025	2024
	\$	\$
- Contributions Levied	956,985	882,545
- Interest received - overdue levies	9,261	6,724
- Interest received - term deposit	30,701	25,186
- Debt collection fees recovered	2,631	12,396
Total Revenue	999,578	926,851

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

5 Other Expense

	2025	2024
	\$	\$
Audit Fees	3,893	1,592
Bank Charges - No GST	33	-
Bas Preparation Fee	600	930
Cleaning	1,716	1,704
Consultant's Fee	1,066	3,538
Increase in provision for Bad Debt	6,538	-
Income Tax	6,840	-
Insurance	6,013	5,201
Management Fees	11,767	7,773
Pest Control	700	515
Disbursements	7,003	3,363
Sundry Expenses	1,449	2,881
Pond Maintenance	15,615	3,976
Telephone	41	1,213
ASIC Filing Fees	1,788	1,671
Bank Charges (GST Incl)	736	406
Prior Period Contribution		
Discounts (see Note 2 (i))	65,425	-
Debt Collection Fees	3,915	13,072
Income Tax Return	705	290
Insurance-Stamp Duty	555	495
Management Fees Additional	8,239	15,525
Stratamax License Fee	570	1,555
Fixed Disbursements	2,850	3,800
Pond Chemicals	2,713	3,554
Total Other Expense	150,770	73,054

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

6 Cash and Cash Equivalents

	2025	2024
	\$	\$
Cash at bank	172,922	253,643
Sinking Fund	-	679,422
Total cash and cash equivalents	172,922	933,065

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2025	2024
	\$	\$
Cash and cash equivalents	172,922	933,065
Term Deposits Greater Than 3 Month	560,120	-
Balance as per statement of cash flows	733,042	933,065

7 Trade and Other Receivables

	2025	2024
	\$	\$
CURRENT		
Contributions In Arrears	62,676	(153,720)
Contributions Issued but not yet due	659,433	249,010
Provision for impairment of doubtful receivables	(70,000)	(63,462)
Net Contributions	652,109	31,828
GST receivable	1,121	25,480
Other debtors	7,877	3,013
Total current trade and other receivables	661,107	60,321

8 Other Assets

	2025	2024
	\$	\$
CURRENT		
Prepayments	8,961	2,222
Total other assets	8,961	2,222

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

9 Other Financial Assets

	2025	2024
	\$	\$
CURRENT		
Term Deposits Greater Than 3 Month	560,120	-
NON-CURRENT		
Total current other financial assets	560,120	-

10 Property, Plant and Equipment

PLANT AND EQUIPMENT	2025	2024
	\$	\$
Plant and equipment		
At cost	26,599	26,599
Accumulated depreciation	(25,935)	(23,741)
Total plant and equipment	664	2,858
Total property, plant and equipment	664	2,858

(a) Movements in carrying amounts

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

	Plant and Equipment
	\$
Year ended 30 June 2025	
Balance at the beginning of year	2,858
Depreciation expense	(2,194)
Balance at the end of the year	664

11 Trade and Other Payables

	2025	2024
	\$	\$
CURRENT		
Creditors	87,431	82,364
Accruals	9,140	3,057
Total trade and other payables	96,571	85,421

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

12 Borrowings

	2025	2024
	\$	\$
CURRENT		
Related Party Loan - Precinct 6	150,000	-
Total current borrowings	150,000	-

Directors have agreed to repay the loan fully within the next three months.

13 Other Liabilities

	2025	2024
	\$	\$
CURRENT		
Levies Billed but not yet due	595,700	226,373
Levies in Advance	1,010	-
Total other liabilities	596,710	226,373

14 Contracted Commitments

The Company has a contractual agreement in place with 'The Council of the City of Gold Coast' for terms of the lease as per the lease agreement. The lease commenced on 25th of May 1989 and terminates 24th of May 2088. The rental payable is \$1.00 per annum for the entirety of the term.

15 Key Management Personnel Disclosures

There are no wages and salaries to note for the current financial year. Directors receive no remuneration for their duties. In summary remuneration paid to key management personnel of the Company is \$nil (2024: Nil).

16 Contingencies

With reference to the Directors report paragraph Proceedings on behalf of the company. At the time of reporting there is a current legal case between the company and Mrs Zhang/Mr Kwok Lot 274 from Precinct 4. The legal case is unresolved therefore any financial impact to the company can not be confirmed or documented.

In the opinion of the Directors, the Company there are no other contingencies to disclose at 30 June 2025 (30 June 2024:None).

17 Related Parties

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

The related party transactions during the financial year of audit are summarised below (2024:nil).

During the year payments were made to Girraween Holdings Pty Ltd for mowing. Michael McKergow, one of the Directors is owner of this company. Total payments during the year were \$6,072.

Key management personnel - refer to Note 15.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Notes to the Financial Statements

For the Year Ended 30 June 2025

17 Related Parties

(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:

	Balance outstanding	
	Owed to the company	Owed by the company
	\$	\$
The Sovereign Islands (Precinct No 6) Company Limited		
Loan Payable	150,000	-
Sundry Debtor Precinct 4	7,218	-

18 Events Occurring After the Reporting Date

The financial report was authorised for issue on sign off date by the board of directors.

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

19 Statutory Information

The registered office and principal place of business of the company is:

60 Knightsbridge Parade E, Sovereign Islands QLD 4216.

The Sovereign Islands Gateway Company Limited

ABN: 22 005 013 230

Directors' Declaration

In the directors' opinion:

1. the financial statements and notes, as set out on pages 8 to 20, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Company.
2. there are reasonable grounds to believe that the Company 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.

Director 

Director 

Dated *20/11/2025*



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www.dickfosdunnadam.com.au

THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED
ABN 22 005 013 230
INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED

Auditors Opinion

We have audited the special purpose financial report for The Sovereign Islands Gateway Company Limited, which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of The Sovereign Islands Gateway Company Limited is in accordance with *the Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) complying with the Australian Accounting Standards to the extent disclosed in the supporting notes and *Corporations Act 2001*.

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 company 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 Sovereign Islands Gateway Company Limited, 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.

Emphasis of Matter – Comparative Data

We were not the appointed auditor in prior period ended 30 June 2024. Our procedures on opening balances were to obtain sufficient appropriate audit evidence about whether the opening balances contain misstatements that materially affect the current period's financial statements by:

- (a) determining whether the prior period's closing balances have been correctly brought forward to the current period or, when appropriate, have been restated;
- (b) determining whether the opening balance reflect the application of appropriate accounting policies; and
- (c) performing specific audit procedures to obtain evidence regarding the opening balances.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the company to meet the requirements of the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Audit and Assurance

Registered Company Auditors
Tracey Adam, Gavin Dunn.
Liability limited under a scheme
approved under Professional
Standards Legislation.

THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED
ABN 22 005 013 230

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE SOVEREIGN ISLANDS GATEWAY COMPANY LIMITED

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Australian Accounting Standards* to the extent disclosed in the supporting notes 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 ability of the company 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 company or to cease operations, or have no realistic alternative but to do so.

Matters Relating to the Electronic Presentation of the audited financial report

The audit report relates to the financial report of The Sovereign Islands Gateway Company Limited for the year ended 30 June 2025 included, or which will be included, on the company's website. We have not been engaged to report on the integrity of this website. This audit report refers only to the financial report identified above

Auditor's Responsibilities for the Audit of the Financial Report

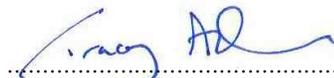
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the 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 this 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 control.
- Obtain an understanding of internal control 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 company'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 company 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 fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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.

DICKFOS DUNN ADAM
Audit & Assurance



T.L. ADAM

Dated 24 November 2025
SOUTHPORT