

The truth about The Sovereign Islands Gateway Company Limited and the

7 Dirty Truths That You Don't Know!

1.) Approximately 20% of your neighbours are NOT paying any levies fees.

While non-paying owners have faced intimidation from the Management Company, it seems that no legal recovery has ever been enforced upon any of the 20% of non-paying owners, and many non-paying owners believe that the Deed that ties them to the levies fees is unenforceable in a Court of Law.

Opinions from non-paying owners vary, however, the main consensus is that they feel that the Management Company is not acting in the best interests of the levies payers and are untrustworthy because of non-transparency of financial information.

This means that as a levies payer, your fees are escalating each year simply because you are paying for your non-paying neighbours to receive the same services for free while you directly pay escalating fees to offset their uncollected fees.

Is any of this speculation? Absolutely not, simply use past financial statements to divide the collected income into the number of Sovereign Island Lots and proportionate the levies payable per precinct and the numbers cannot be hidden. Either the funds have not been collected or they are missing, and the refusal by the Directors to make this information fully transparent is suspiciously concerning.

2.) Approximately 20% of your neighbours are NOT members of the Sovereign Islands Gateway Company and therefore have no interest in the Board of Directors or their activities.

This is mainly because the Board of Directors have excluded them to ensure that they have no voting rights in order to expel them from attending all AGM's to voice their opinions, concerns, and vote for full disclosure of the financial records.

The Directors believe that they have the unchallengeable right under their Constitutional powers to cancel any paying owners. When past paying owners have recently challenged the Directors over financial issues they have been subjected to cancellation, humiliation, and ridiculed as an agitator even when their levies fees are paid up to date and their questions are valid and justified.

It is common knowledge now that this is why some owners are fighting the Directors in the Queensland Supreme Court. This is because the Board of Directors insist that they have the rights to expel any paying owners from the AGM, simply because they have asked to have an independent audit upon the financial records.

3.) The proposed 2025/26 Constitution could seriously damage the value of your home.

All owners should take legal advice before ignoring the changes being quietly pushed through on a new Proposed Constitution or simply vote NOT to approve it.

This Proposed Constitution is written in a format that could deter potential buyers from purchasing owners properties as it enables the Directors Absolute Power to bypass owners approval to enforce unwanted services. This could include “Body Corporate style” changes and charges that align with developments such as Hope Island where fees are approximately \$24,000 per year.

*Let’s be clear here, we are **NOT** a Body Corporate and becoming one through tied service contracts will bring a huge disadvantage to our properties, and therefore owners should reject any attempt to allow the Directors such unprecedented power that could convert us into a Body Corporate style entity at any time in the future.*

This Proposed Constitution also allows the Directors unfettered powers to impose further restrictions and fees upon us without any owners approval or oversight. For example; these unfettered powers could open the doors to allow the Directors to install rules to enrich themselves financially with a nice big Director’s remuneration package for micro-managing our homes and lifestyles. Let’s not believe their answers of “it will never happen” and fully close this door now to prevent them from considering or installing such opportunities in the future.

It is without doubt that the Directors have already installed “mission creep” strategies in the 2023 Constitution changes and again with a massive leap in their unprecedented power grab in the proposed 2025/26 Constitution.

Prevention now will be much easier compared to prolonged and costly litigation for attempted reversal in the future once the real motive for the Constitution changes become more clearer.

Our properties currently enjoy a premium value providing big brother (Body Corp Style Management) is not watching our every move, and charging us heavily for the privilege of restricting our lifestyles. We therefore must remove the Directors attempts to change the Constitution before it legally traps us.

The consensus of the concerned owners is that the Board of Directors needs to immediately change, and while the current Directors feel the owners displeasure with them, they were still trying to enforce the Constitution changes while flatly refusing to either stand down or be transparent over the financials. Therefore, the real question is why are they going to such lengths to legally fight against the wishes of the owners they portray to care about?

4.) The Management Company developed the 2023 Constitution to give themselves unprecedented powers over all owners interests.

As part of what appears to be a mission creep strategy, the first stage of a Directors power grab through a Constitution change was in 2023. If you compare the changes between the proposed Constitution and the 2023 Constitution it is clear to see the level of overreach that is taking place to gain total authority and control over the owners rights. (See Compare Constitution)

5.) Currently, the Directors are actively marketing against concerned owners of Sovereign Island.

Directors or people representing them were busy recently collecting proxy votes from unsuspecting owners by telling blatant lies that they needed their proxy votes to stop the Chinese taking over the Islands. These votes were then used to try to push for their financials to be approved at the recent AGM.

Many owners witnessed the Board of Directors attitude and actions at the AGM when they voted not to approve the financials. The not to approve vote was so convincing that the Board of Directors wouldn't even show respect by counting the numbers. This was clearly to avoid the actual numbers being documented which would have shown all non-attending owners the true level of distrust that the attending and actively concerned owners feel towards the Directors.

Such tactics above are sure to be used again at the next AGM/EGM for similar purposes of manufacturing support for themselves. Their intent is to cling onto power to avoid the Directors past financials being audited. Again, your vote is urgently needed at the next AGM/EGM to help us remove them and gain full transparency.

6.) The Board of Directors are currently fighting against owners in the Queensland Supreme Court whilst running up hundreds of thousands of Dollars in legal fees without the approval of owners.

Why would the Board of Directors use our levies fees to desperately try to avoid a full audit of their financial records, and go to such lengths as to defend their actions through the Supreme Court? If they want to be as transparent as they portray they are, why did they flatly refuse to make them available?

Will giving the Directors unprecedented power make our calls for financial transparency any easier? and why would the Directors wish to stay in office when clearly many people have absolutely no confidence in them?

7. Why owners are refusing to pay their current levies fees.

You have the right to honesty and transparency when paying for services on a pro-rata bases. The Board of Directors are clearly refusing to give owners the truth about many neighbours not paying their fair share, however, if this doesn't concern you then you are free to carry on paying for a large percentage of your neighbours to have free services – thanks to your kindness! but if you don't want to support paying your neighbours levies then write to the Board of Directors giving them the reasons why you are refusing to pay your levies until these issues are fixed.

The fact that the Directors have been extorting higher fees out of you over the years without informing you or addressing this problem should give you enough reason to never allow them to continue in office again, because clearly they have never had your best interests in mind and have continued to abuse your rights by deceiving you into thinking that everyone was paying the same as you. If you wish to clarify this legally then contact your legal adviser.

Since the current gateway levies for the security has increased by approximately 30%, owners are questioning whether their new charges amounting to approximately \$50 a week for a gate drive-by represents value for money considering the amount of properties on Sovereign Islands. Simple requests to gain such information from the Directors is ignored, and fuels further speculation of distrust. Again, the real question is, why is there no transparency in any of this?

We now come to the garden levies for Garden Services, and again, these have exactly the same issues as the Security Service, however, the secrecy and anomalies are even higher, and at this moment this is all we can legally say. Also, the Directors deem this subject unquestionable if an owner attempts to gain transparency about the contract and financials. This is totally unacceptable, but again, the question is why?

Owners now realise that if enough people refuse to pay their levies due to non-confidence in the Board of Directors then the system collapses, and an EGM would be called to approve a new Board of Directors. Only then will the owners command real change, transparency and the end to excessive levies.