



YEARS SHAPING
MAROOCHYDORE CITY CENTRE

Annual Report

2024-25

Acknowledgement

SunCentral acknowledges the Sunshine Coast Country, home of the Kabi Kabi peoples, the Traditional Custodians, whose lands and waters we all now share.

We recognise that these have always been places of cultural, spiritual, social and economic significance.



Contents

Chair's Foreword	05
Director's Report	27
Auditor's Independent Declaration	31
Statement of profit or loss and other comprehensive income	32
Statement of financial position	33
Statement of changes in equity	34
Statement of cash flows	35
Notes to the financial statements	36
Directors' declaration	46
Independent Auditor's Report	47

Chair's Foreword

This year marks a milestone in the ongoing transformation of Maroochydore City Centre and its key role in shaping the Sunshine Coast's future.

As SunCentral celebrates its 10th anniversary, we reflect on how this expansive 53 hectare site is evolving into a vibrant new city heart for the region. Residents are moving in, businesses are establishing themselves, and major projects are progressing steadily.

As I step into the role of Chair, I acknowledge the contributions of former Chair Morgan Parker and Director Alison Quinn, who helped drive Sunshine Coast Council's vision for the project and lay the strong foundations on which we continue to build.

SunCentral is proud to be facilitating delivery of Australia's largest greenfield CBD under the leadership of the Sunshine Coast Council, working with our development partner Walker Corporation to unlock lasting economic, social and community benefits for the region.

There is clear momentum building across the City Centre. Today, Maroochydore City Centre is home to 775 residents, 310 homes, 1,100 workers and more than 40 businesses. Over the coming years, this will scale to support 4,000 apartments, 20,000 workers and a thriving city precinct backed by major investment and smart infrastructure.

This year has brought several key milestones. The 2032 Olympic and Paralympic Games infrastructure announcement firmly establishes Maroochydore City Centre as a precinct of

state significance, with plans for an Olympic and Paralympic Games Athlete's Village and a multi-purpose arena and cultural precinct now confirmed. These legacy assets will accelerate growth and deliver lasting community benefits well beyond the Games.

Transport investment is gaining traction across the region. Maroochydore City Centre will be a key node in the Sunshine Coast's future public transport network, with 'The Wave' set to significantly improve regional connectivity and support long-term growth.

Commercial and residential projects continue to advance, with two major developments on track for completion by the end of the year. The \$100 million Maroochy Private Hospital will deliver state-of-the-art health and research facilities in partnership with Fortius Healthcare, Barwon Investment Partners, UniSC and Sunshine Coast Orthopaedic Group, with plans on track to be operational next year. 50 First Avenue, Walker's first commercial office tower in the City Centre, will shortly achieve practical completion, delivering over 10,000 m² of premium A Grade commercial space, setting a new benchmark for workplaces on the Sunshine Coast.

Housing supply in the City Centre continues to grow, with new developments expanding residential options. We celebrated the opening of The Corso residences while the commencement of SOL by Walker is delivering another 248 apartments and lifestyle amenities.

Maroochydore City Centre is increasingly emerging as a digital and innovation hub. NEXTDC SC2, a second data centre facility, has been announced, while Google, in partnership with Sunshine Coast Council and NEXTDC, will bring the second major international internet connection to the precinct.

Across housing, health, transport and digital infrastructure, major projects are fast taking shape. The masterplan provides a clear framework to guide future growth in the City Centre, support housing, attract commercial investment and improve public spaces.

SunCentral is proud to be supporting the Sunshine Coast Council to shape Maroochydore City Centre into a connected, lively place to live, work, learn and visit, with a strong focus on business, innovation and culture.

SunCentral remains focused on realising the full potential of this city-shaping project, creating long-term economic, social and community value for the region.

While there is still significant work ahead, the strong foundations and growing momentum position Maroochydore City Centre for success. I look forward to being part of this landmark project.



Ken Kanofski

Chair

SunCentral Maroochydore





Maroochydore City Centre

The Maroochydore City Centre is a once-in-a-generation project establishing a vibrant new city heart for the Sunshine Coast.

Purpose-built from the ground up, it's creating a dynamic economic, social and cultural hub that delivers more housing, attracts high-value jobs, and fuels economic growth.

About us

SUNCENTRAL IS FOCUSED ON THE DELIVERY OF MAROOCHYDORE CITY CENTRE AND ON ACHIEVING SUNSHINE COAST COUNCIL'S BOLD VISION FOR THE PROJECT.



Our mission

Operating as a commercial entity owned by the Sunshine Coast Council, SunCentral provides independent commercial and development advice and expertise to deliver exceptional economic, community, and social benefits for the region.



Partnership

SunCentral is supporting Sunshine Coast Council to deliver a bold new vision for the region.

Together with our development partners, including Walker Corporation, we're creating a vibrant, connected Maroochydore City Centre focused on business, innovation, and culture.

Maroochydore City Centre

AT THE HEART OF THE SUNSHINE COAST'S GROWTH STORY

Today

775 residents

310 homes

1,100 workers

By 2028

1,400 residents

560 homes

3,000 workers



The Sunshine Coast

A growing community

With the population forecast to grow by nearly 55% by 2041, the Sunshine Coast has led Australia for nine consecutive quarters (to Dec 2024) in internal net migration to regional areas.



375,000+
current
population



80,000
homes needed
by 2046

A building economy

The Sunshine Coast is set to lead Queensland in employment growth, with unemployment at just 2.7% and GRP forecast to grow by nearly \$1 billion annually.



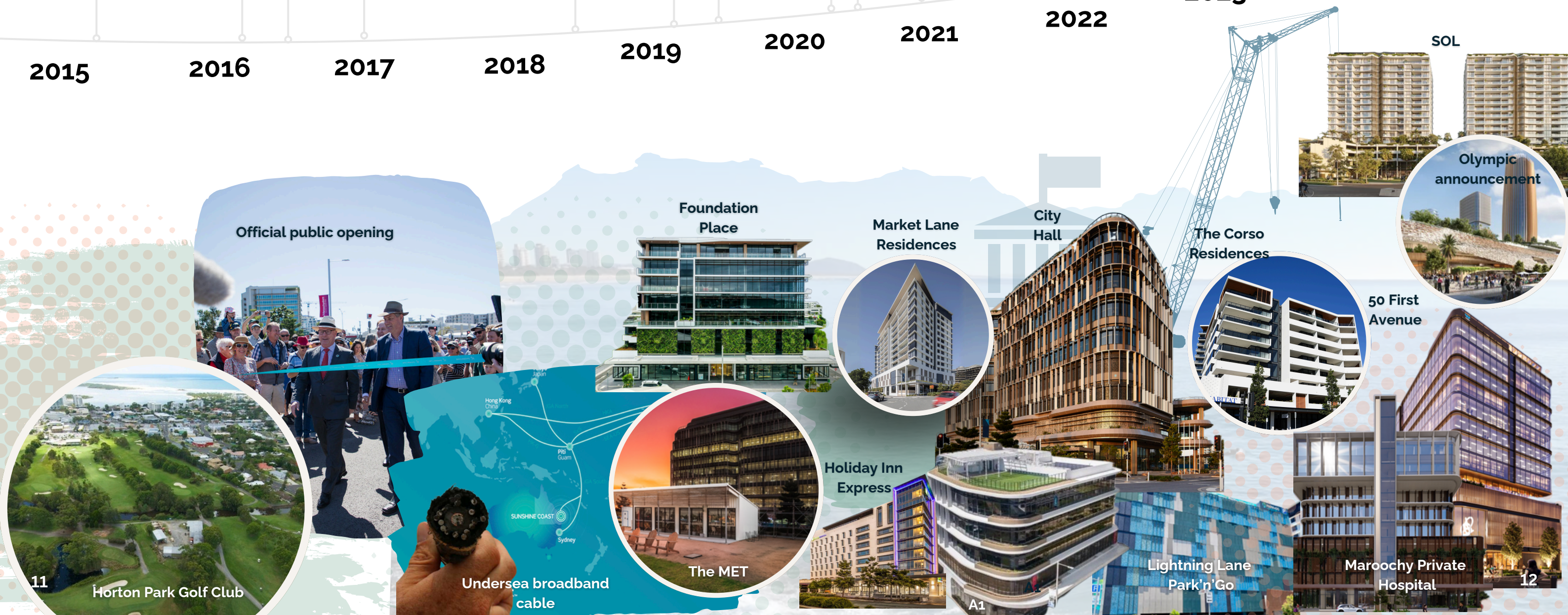
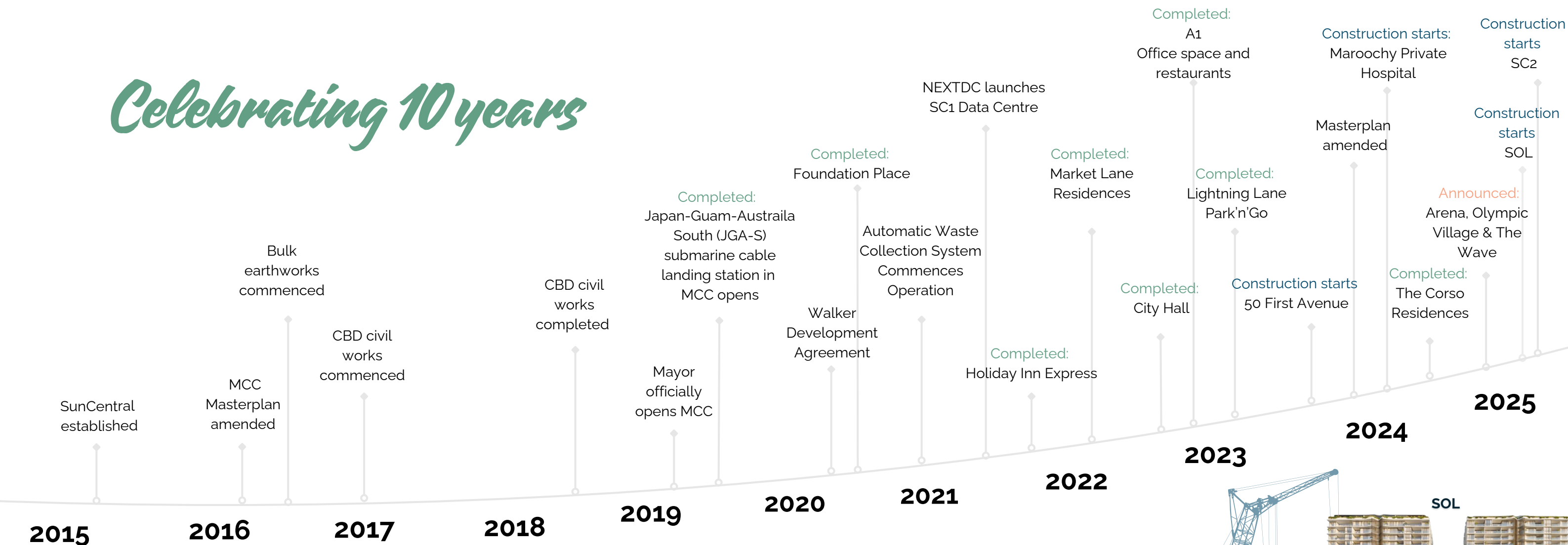
\$26.33B
GRP



181,931
local
jobs

Source: NIEIR-ID model, 2024 (Economy.id, Sunshine Coast Council)

Celebrating 10 years





Milestones

2032 Olympic infrastructure



THE WAVE

Maroochydore City Centre is set to be a key stop on 'The Wave', the Sunshine Coast's new major public transport infrastructure project.

The Wave will connect Beerwah to Sunshine Coast Airport via rail through Caloundra to Birtinya, with metro-style services linking Birtinya to the Airport via Maroochydore City Centre.



ATHLETE VILLAGE, ARENA & CULTURAL PRECINCT

By 2032, Maroochydore City Centre will feature an athlete village, arena and cultural precinct with a premium hotel, creating a vibrant destination that connects community, business and culture.



The Corso Residential Towers

The Corso by Habitat officially opened, welcoming 158 new one, two and three-bedroom apartments across twin towers - doubling the City Centre's residential capacity and delivering much-needed housing supply.



Future-ready by design

Building the future with innovative civil and smart infrastructure — the backbone of Australia's most advanced greenfield City Centre.

From the undersea cable linking directly to NextDC, to roads, utilities, and the Automated Waste Collection System connecting every business, each element in Maroochydore City Centre is designed for smart, sustainable urban living.



"I've worked in waste my whole life. This is a game-changer."

Your City. Your Story

This year, SunCentral launched *Your City. Your Story*, a video series spotlighting the innovators and changemakers shaping Maroochydore City Centre.

From industry leaders to local champions, each story reveals the energy, ambition and community spirit fuelling the rise of Australia's newest City Centre.



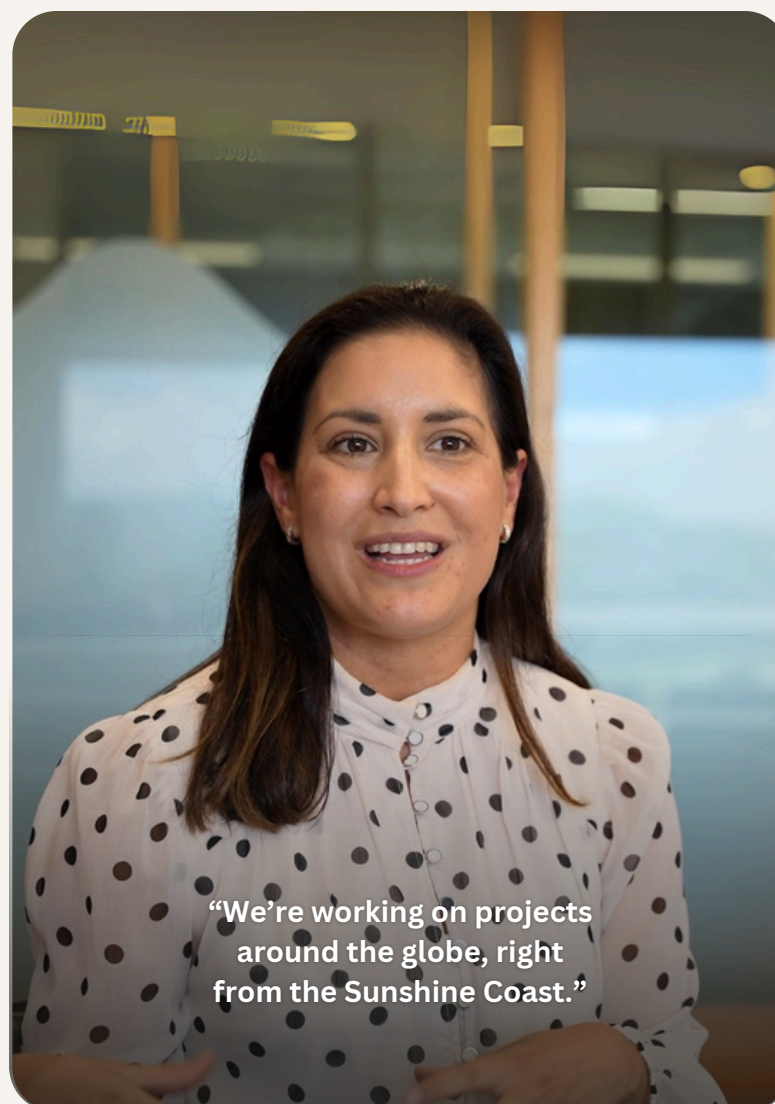
"When land use and transport planning align, great things happen."



"We set out to build a world-class city centre. And we did."



"I think people are looking for more than a meal, they want a connection to place. That's what we're trying to offer."



"We're working on projects around the globe, right from the Sunshine Coast."



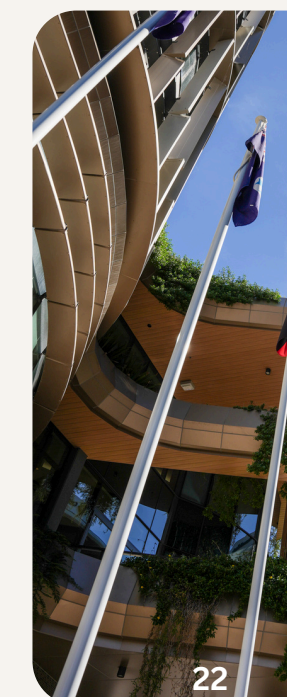
"Together, the arts and our environment create something truly special."



"We're building for the future, and it's important to think about long-term sustainability in every decision we make."



Moments





The next chapter: Delivering the vision

Maroochydore City Centre is delivering more homes, workplaces, and public spaces, building a vibrant urban hub designed to support a growing community and unlock economic and employment opportunities.



10,000
Residents



4,000
New
residential
apartments



>10 ha
Hectares of
open space &
parkland



20,000
Employees



6.5 ha
Centralised
waterway



The Wave
Mass transit
system



Olympic ready
Athlete village,
multi-purpose arena
and cultural precinct

Financial Statements

2024-25

General Purpose Statements for the year ended 30 June 2025

Directors' Report

The Directors present their report, together with the financial report of SunCentral Maroochydore Pty Ltd (the Company) for the year ended 30 June 2025.

Directors

The directors of the Company at any time during, or since the end of, the reporting period are:

Ken Kanofski, BBus MBA FCPA GAICD - Chair

Appointed May 2025

Ken Kanofski is an experienced and successful board director, chair and advisor. In addition to his role as Chair of SunCentral Maroochydore, he is Chair of Sydney Olympic Park, Placemaking NSW and Tellus Holdings, a Director at Jerrara Power and a Commissioner of the NSW Independent Planning Commission. Ken brings a wealth of experience in infrastructure, transport, utilities, property, venue management and environmental services.

Previously, Ken has served as Chief Executive Officer of NSW Roads and Maritime Services (RMS), the NSW Land and Housing Corporation, Government Property NSW and WSN Environmental Solutions. He has served as a board member and chair on national policy bodies, statutory authorities, industry bodies and community organisations and he has contributed significantly to policy at a state, national and international level in transport, infrastructure, waste and energy. Ken also served as Australia's first delegate to the World Road Association.

Mr Paul McLean - Independent Non-Executive Director

Appointed April 2019

Paul has extensive experience in the property and real estate industry through the past 30 years, and formerly, the long-term Chief Executive Officer of Savills Australia. Currently, member of the Strategic Development and Sustainable Infrastructure Committee for Mater Misericordiae, Advisory Board member for CJQ Private, member of the Brisbane Archdiocese Building and Property Committee, and Chair of Youngcare. Appointed Director in April 2019.

Mr Morgan Parker, LLB AO - Chair

Resigned April 2025

Morgan has 30 years experience as a global real estate investor, developer and banker, completing 60 projects in nine countries worth \$20 billion. He is currently a non-executive director of Newcastle Airport, Riyadh School of Tourism & Hospitality, Saudi Entertainment Ventures and Qiddiya Coast. Morgan has served on numerous listed, private and industry boards during his two-decade governance career. A former Chief Executive Officer, he previously worked for Morgan Stanley, Lendlease, Macquarie Group and Dubai Holding. Morgan was awarded an Order of Australia in 2024. Appointed as a Director on the SunCentral Maroochydore Board in March 2015 and appointed as Chair in May 2021.

Ms Alison Quinn, B.Com - Independent Non-Executive Director

Resigned September 2024

Alison has extensive experience as a senior executive in a range of industries across the corporate and public sectors including banking, finance, real estate and infrastructure. Current directorships include Uniting-Care Queensland, BWP Trust (ASX:BWP), Ability First Australia, Oak Tree Group and Economic Development Queensland. Alison is also an Advisory Board member for ADCO Constructions. Previous roles include Chief Executive Officer of Retire Australia and past board roles include the Property Council of Australia, Retirement Living Council and Urban Development Institute of Australia. Appointed Director in April 2019.

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

Chief Executive Officer

Ms Amanda Yeates was appointed Chief Executive Officer on 25 July 2022. Amanda is an experienced executive leader and was previously the Deputy Director-General of the Queensland Government's Department of Transport and Main Roads.

Company Secretary

Mr Tim Dighton was appointed to the position of Company Secretary on 1 July 2024 and removed on 29 April 2025. Ms Jasmine Wegert was appointed to the position of Company Secretary on 29 April 2025.

Directors' Meetings

The number of meetings attended by each of the directors of the Company during the reporting period are:

Director	No. of full meetings of Directors		No. of Committee Meetings	
	A	B*	A	B*
Mr M B Parker #	6	6	3	3
Ms A J Quinn ##	2	2	1	1
Mr P E McLean	6	6	3	3
Mr K J Kanofski ###	0	0	0	0

*Number of meetings held during the time the Director held office.

Mr Parker stepped down as Chair of the SunCentral Board on 30 April 2025.
Ms Quinn stepped down as Director and Chair of the ARRC on 30 September 2024.
Mr Kanofski joined the SunCentral Board as Chair on 26 May 2025, the first meeting Mr Kanofski will be eligible to attend is July 2025.

A = Number of meetings attended
B = Number of meetings eligible to attend

Audit, Risk and Remuneration Committee Meetings

The Audit, Risk & Remuneration Committee comprises Mr McLean (as Chair), and Mr Kanofski. The meeting is attended by the Company's Chief Executive Officer, Company Secretary and Project Director. The purpose of the committee is to provide advice and assistance to the Board in relation to efficient governance and risk management. The committee achieves its objective by reviewing, advising and making recommendations to the Board on:

- a) the integrity of internal financial management, control and reporting systems;
- b) annual operating budget reporting;
- c) annual remuneration of the Chair, Directors and Chief Executive Officer;
- d) compliance with statutory reporting obligations;
- e) the appointment and performance of the external auditor;
- f) the adequacy of internal control systems; and
- g) the quality of internal and external reporting of financial and non-financial information.

Corporate Governance Statement Responsibilities

The Directors are responsible to the Member for the performance of the Company in both the short and the long term and seek to act in the best interests of the Company as a whole. The directors draw on relevant corporate governance best practice principles to assist them to contribute to the performance of the Company.

The functions of the Board include:

- a) To deliver on the aspirations of the Company's sole Member, Sunshine Coast Regional Council (SCRC) in establishing an identifiable city heart for the wider Sunshine Coast – a contemporary central business district characterised as a high density, transit orientated city centre with a high-quality public realm and embedded smart city technology;
- b) Review and approval of corporate strategies, the annual budget and financial plans;
- c) Monitoring organisational performance and the achievement of the Company's strategic goals and objectives, as outlined in the Company's Statement of Corporate Intent;
- d) Monitoring financial performance including approval of the annual financial report and liaison with the Company's auditors;
- e) Appointment, and assessment of the performance, of the Chief Executive Officer;
- f) Ensuring there are effective management processes in place and approving major development initiatives;
- g) Enhancing and protecting the reputation of the Company and the Member (SCRC);
- h) Ensuring the significant risks facing the Company have been identified and appropriate and adequate control, monitoring and reporting mechanisms are in place; and
- i) Reporting to the Member (SCRC).

Board Members

Details of the members of the Board, their qualifications and independent status are set out in the Directors' report under the heading "Directors". The Board operates in accordance with the principles set out in the Company's Constitution, including:

- a) The Board can be a minimum of one (1) and a maximum of ten (10) and for the reporting period comprised of a total of four (4) independent directors.
- b) The Member may elect a Chair and may determine the period for which the Chair will hold office.

Objectives

The Company's objectives are to:

- a) Pursue development momentum;
- b) Facilitate investment and economic outcomes; and
- c) Connect to grow opportunities for MCC.

Review of Operations

During the reporting period the company generated income of \$2,171,150 f which \$2,074,895 was provided by the parent entity, Sunshine Coast Regional Council. Development costs incurred in the pursuit of the company's objectives \$66,895. The Company realised a profit of \$32,431 in the reporting period (2024: \$5,707). The retained profits of the company at 30 June 2025 were \$427,057.

Significant Changes in the State of Affairs

No significant changes in the Company's state of affairs occurred during the reporting period.

Principal activities

The Company is a special purpose entity established by the Sunshine Coast Regional Council (SCRC) to be responsible for facilitating establishment of the Maroochydore City Centre (MCC) Priority Development Area (PDA) as part of a 'beneficial enterprise' as defined under the Local Government Act 2009 (Qld). No significant change to the nature of these activities occurred during the year.

Events After the Reporting Period

On 21 July 2025, the Board made the decision to make the position of Chief Executive Officer (CEO) redundant, effective 23 July 2025. This event occurred after the reporting date and does not affect the financial results for the year ended 30 June 2025. Management has considered the event and determined that no adjustments to the financial statements are required.

Likely developments and expected results of operations

Likely developments in the operations of the Company and the expected results of those operations in future reporting periods have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Dividends

The Company is an Australian Proprietary Company that is limited by shares. No dividends were paid or declared by the Company during the reporting period.

Options

No options over issued shares or interests in the Company were granted during or since the end of the reporting period and there were no options outstanding at the date of this report. No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

Indemnification of Officers

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

Proceedings on behalf of the Company

No 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. The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s307C of the Corporations Act 2001 (Cth) is set out on page 31.

This report is made in accordance with a resolution of Directors:



Mr Ken Kanofski
Chair

Date at Maroochydore this 26 September 2025

AUDITOR'S INDEPENDENCE DECLARATION

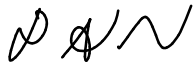
To the Directors of SunCentral Maroochydore Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of SunCentral Maroochydore Pty Ltd for the financial year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



David Adams
as delegate of the Auditor-General

25 September 2025

Queensland Audit Office
Brisbane

Placeholder
Auditor’s Independent Declaration

SunCentral Maroochydore Pty Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Income			
Revenue	4	2,074,895	2,650,711
Investment revenue		96,255	109,215
Total revenue		<u>2,171,150</u>	<u>2,759,926</u>
Expenses			
Development costs	5	(66,895)	(15,649)
Operating expenses	6	(2,012,781)	(2,682,339)
Depreciation and amortisation expense		(59,043)	(56,231)
Total expenses		<u>(2,138,719)</u>	<u>(2,754,219)</u>
Profit for the year attributable to the parent entity of SunCentral Maroochydore Pty Ltd		32,431	5,707
Other comprehensive income for the year		-	-
Total comprehensive income for the year attributable to the parent entity of SunCentral Maroochydore Pty Ltd		<u>32,431</u>	<u>5,707</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	7	1,024,283	1,028,518
Trade and other receivables	8	37,712	32,545
Other assets		54,817	58,780
Total current assets		1,116,812	1,119,843
Non-current assets			
Property, plant and equipment	9	30,267	29,422
Right-of-use assets	10	28,633	76,577
Security deposits		12,466	12,466
Total non-current assets		71,366	118,465
Total assets		1,188,178	1,238,308
Liabilities			
Current liabilities			
Trade and other payables	11	177,571	216,427
Borrowings		3,493	4,897
Lease liabilities	12	30,850	51,254
Employee benefit provisions	13	44,071	35,419
Total current liabilities		255,985	307,997
Non-current liabilities			
Lease liabilities	14	-	30,300
Employee benefits provisions	13	5,136	5,385
Total non-current liabilities		5,136	35,685
Total liabilities		261,121	343,682
Net assets		927,057	894,626
Equity			
Equity attributable to parent entity:			
Share capital	17	500,000	500,000
Retained profits		427,057	394,626
Total equity		927,057	894,626

	Ordinary share capital \$	Retained profits \$	Total equity \$
Balance at 1 July 2023	500,000	388,919	888,919
Profit for the year	-	5,707	5,707
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	5,707	5,707
Transactions with parent entity in their capacity as owners, and other transfers			
Shares issued during the year	-	-	-
Dividends paid or provided for	-	-	-
Balance at 30 June 2024	500,000	394,626	894,626
Balance at 1 July 2024			
Profit for the year	-	32,431	32,431
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	32,431	32,431
Transactions with parent entity in their capacity as owners, and other transfers			
Shares issued during the year	-	-	-
Dividends paid or provided for	-	-	-
Balance at 30 June 2025	500,000	427,057	927,057

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,208,935	3,025,860
Payments to suppliers and employees (inclusive of GST)		<u>(2,245,373)</u>	<u>(3,069,789)</u>
		(36,438)	(43,929)
Interest received		<u>96,255</u>	<u>109,215</u>
Net cash from operating activities	18	<u>59,817</u>	<u>65,286</u>
Cash flows from investing activities			
Payments for property, plant and equipment		<u>(10,803)</u>	<u>(13,280)</u>
Net cash used in investing activities		<u>(10,803)</u>	<u>(13,280)</u>
Cash flows from financing activities			
Repayment of borrowings		(1,404)	1,209
Repayment of lease liabilities		<u>(51,845)</u>	<u>(48,302)</u>
Net cash used in financing activities		<u>(53,249)</u>	<u>(47,093)</u>
Net increase/(decrease) in cash and cash equivalents		(4,235)	4,913
Cash and cash equivalents at the beginning of the financial year		<u>1,028,518</u>	<u>1,023,605</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>1,024,283</u></u>	<u><u>1,028,518</u></u>

Note 1. Reporting entity concept

SunCentral Maroochydore Pty Ltd (the Company) is a private company limited by shares, incorporated and domiciled in Australia. The address of the Company’s registered office and principal place of business is Level 1, 5 Plaza Parade, Maroochydore Queensland 4558. The Company's prime purpose is the promotion and development management of the Maroochydore City Centre project on the Sunshine Coast in Queensland. The Company's parent entity is the Sunshine Coast Regional Council. SunCentral Maroochydore Pty Ltd is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Note 2. New and revised accounting standards effective in the current and future reporting periods

There are no new or revised accounting standards effective in the reporting period ending on 30 June 2025 that have a material effect on the financial statements. The company has not early adopted any changes to the Australian Accounting Standards. The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Note 3. Basis of preparation

a) General Information and statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (AASBs) and Interpretations of the Australian Accounting Standards Board and the Corporations Act 2001. The financial statements were approved by the Board of Directors on the date shown on the Directors' declaration.

b) Reporting period and comparatives

The financial statements as presented are for the reporting period from 1 July 2024 through to 30 June 2025. The comparative period represents the reporting period from 1 July 2023 to 30 June 2024.

c) Basis of measurement

The financial statements have been prepared under the historical cost convention, except where otherwise stated. The amounts presented in the financial statements have been rounded to the nearest dollar.

d) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company’s functional currency.

e) Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

f) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with the banks.

g) Trade and Other Receivables

Trade and other receivables include amounts due from customers for services performed in the ordinary course of business. 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. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components when recognised at fair value. Trade receivables are held to collect the contractual cash flows and subsequently measured at amortised cost using the effective interest method.

Impairment of trade receivables

The simplified approach is used to measure the lifetime expected credit losses for trade receivables. For 1 July 2024 to 30 June 2025, no impairment has been recognised as the expected credit losses are immaterial.

Note 3. Basis of preparation (continued)

h) Trade and Other Payables

Trade payables are amounts due to suppliers for goods purchased or services received in the ordinary course of business. They are generally due for settlement within 30 days from the invoice date and are all classified as current.

(i) Financial instruments

(i) Non-derivative financial assets

The Company initially recognises receivables and deposits on the date that they are originated. The Company ceases to recognise a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company has the following non-derivative financial assets: cash and cash equivalents (refer to note 7) and receivables (refer to note 8).

(ii) Non-derivative financial liabilities

All other financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company ceases to recognise a financial liability when its contractual obligations are discharged, cancelled or expired. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. The Company has the following non-derivative financial liabilities: trade and other payables (refer to note 11). Such financial liabilities are recognised at fair value plus any directly attributable transaction costs.

j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at historic cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised as “other income” in the statement of comprehensive income. Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

(ii) Depreciation

Depreciation is recognised in expenses on a straight-line basis over the estimated useful life of each item of property, plant and equipment. The estimated useful lives for the current and comparative periods are as follows:

Classification of Asset

- Office equipment 2 - 7 years
- Office furniture 10 - 20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

iii) Impairment

The carrying amounts of the Company’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in expenses.

k) Leases

At inception of a contract, the entity assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the entity where the entity is a lessee. However, all contracts that are classified as short-term leases (lease with a remaining lease term of 12 months or less) and leases of low value assets are recognised as an expense on a straight-line basis over the term of the lease. Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the entity uses the incremental borrowing rate.

Note 3. Basis of preparation (continued)

Lease payments included in the measurement of the lease liability are as follows:

- (i) fixed lease payments less any lease incentives;
- (ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- (iii) the amount expected to be payable by the lessee under residual value guarantees
- (iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- (v) lease payments under extension options, if lessee is reasonably certain to exercise the options; and
- (vi) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. The carrying amounts of right-of-use assets and lease liabilities are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

l) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Employee benefits are presented as current liabilities where the entity does not have any unconditional right to defer settlement beyond 12 months, regardless of when the actual settlement is expected to occur.

Long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

m) Revenue recognition

Development Management Fee is income derived from the parent entity, corresponding to the expected costs to be incurred by the company in managing the delivery of the Maroochydore City Centre. This revenue is received annually and recognised on a monthly basis over the period to which the fee relates.

All other revenue is recognised at an amount that reflects the consideration to which the entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

n) Interest Received

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

o) Income tax

The Company is exempt from income tax under section 24AM of the *Income Tax Assessment Act 1936* (ITAA 1936) on the basis that the Company is a State/Territory Body (STB), by virtue of the fact that the Company's sole shareholder is the Sunshine Coast Regional Council.

p) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Note 4. Revenue

	2025 \$	2024 \$
Development revenue	66,895	8,105
Development management fee	2,008,000	2,624,706
	2,074,895	2,632,811
Other Income		
Sundry income	-	17,900
	2,074,895	2,650,711

The majority of revenue is provided by the parent entity as reported at note 19.

Note 5. Development costs

	2025 \$	2024 \$
Site & project expenses	66,895	15,649

Note 6. Operating expenses

	2025 \$	2024 \$
Board governance costs	295,586	354,482
Finance costs	3,679	4,933
General costs	50,719	32,211
Information technology & communication costs	33,065	32,445
Marketing & engagement	51,267	245,302
Premises costs	35,945	34,878
Professional services & advisory	298,936	692,704
Site monitoring & maintenance	117,715	137,895
Staff costs	1,125,869	1,147,489
	2,012,781	2,682,339

Note 7. Current assets - cash and cash equivalents

	2025 \$	2024 \$
Cash at bank - unrestricted	1,024,283	1,028,518

The Company’s exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities is disclosed in note 15. An indemnity amount over cash and cash equivalents has been provided in relation to the Local Government Workcare Bank Guarantee. Refer to note 21 for further details.

Note 8. Current assets - trade and other receivables

	2025 \$	2024 \$
Trade debtors	-	681
Interest receivable	4,156	4,963
FBT receivable	2,134	-
GST receivable	31,422	26,901
	37,712	32,545

The Company’s exposure to credit and currency risk and impairment losses related to trade and other receivables are disclosed in note 15. No collateral is held over trade and other receivables.

Note 9. Non-current assets - property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amount are as follows:

Measurement at cost

	2025 \$	2024 \$
Office furniture	10,035	10,035
Less: Accumulated depreciation on office furniture	(2,371)	(1,480)
	7,664	8,555
Office equipment	43,794	32,991
Less: Accumulated depreciation on office equipment	(21,191)	(12,124)
	22,603	20,867
Total book value	30,267	29,422

Note 10. Non-current assets - right-of-use assets

	2025 \$	2024 \$
Buildings - right-of-use	150,668	149,528
Less: Accumulated depreciation on right-of-use assets	(122,035)	(72,951)
	28,633	76,577

There were no additions to the right-of-use assets during the year.

Adjustments to the right-of-use assets due to re-measurement of the lease liability were \$1,141.

Note 11. Current liabilities - trade and other payables

Unsecured liabilities:

	2025 \$	2024 \$
Trade creditors	85,665	58,815
Deferred revenue	-	66,895
Accrued expenditure	54,642	52,680
Payroll liabilities	37,264	38,037
	177,571	216,427

Financial liabilities at amortised cost classified as trade and other payables:

Trade and other payables:

	2025 \$	2024 \$
Current trade and other payables	177,571	216,427
Financial liabilities as trade and other payables:	<u>177,571</u>	<u>216,427</u>

The average credit period on trade and other payables (excluding GST payable) is 30 days. No interest is payable on outstanding payables during this period. The Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 15.

Note 12. Current liabilities - lease liabilities

	2025 \$	2024 \$
Lease liability	<u>30,850</u>	<u>51,254</u>

Refer to note 15 for further information on financial instruments.

Note 13. Current and Non-current liabilities - Employee benefit provisions

	2025 \$	2024 \$
Provision for annual leave	<u>44,071</u>	<u>35,419</u>

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	2025 \$	2024 \$
Provision for long service leave	<u>5,136</u>	<u>5,385</u>

Note 14. Non-current liabilities - lease liabilities

	2025 \$	2024 \$
Lease liability	<u>-</u>	<u>30,300</u>

Refer to note 15 for further information on financial instruments.

Note 15. Financial instruments

Financial risk management

Overview

The Company has exposure to the following risks from its use of financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk
- (iv) Currency risk

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Note 15. Financial Instruments (continued)

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations and arises principally from the Company's receivables from customers.

Trade and other receivables

At the reporting date, there were no significant concerns of credit risk because the primary trade receivable is with the Sunshine Coast Regional Council. The Company does not require collateral in respect of trade and other receivables.

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure.

	2025 \$	2024 \$
Cash and cash equivalents	1,024,283	1,028,518
Trade and other receivables	<u>37,712</u>	<u>32,545</u>
	<u>1,061,995</u>	<u>1,061,063</u>

The Company's maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

Australia	<u>37,712</u>	<u>32,545</u>
	<u>37,712</u>	<u>32,545</u>

The Company's maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:

Parent entity	-	-
Other	<u>37,712</u>	<u>32,545</u>
	<u>37,712</u>	<u>32,545</u>

Credit risk related to balances with banks and other financial institutions is managed by the Board of Directors. Surplus funds are only invested with counterparties with a Standard and Poor's rating of at least AA-.

Impairment losses

The ageing of the Company's trade receivables at the reporting date was:

	Gross 2025 \$	Impairment 2025 \$	Gross 2024 \$	Impairment 2024 \$
Not past due	37,712	-	32,545	-
Past due 31 days	-	-	-	-

(ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient readily available funds to meet its liabilities when due, under both normal and stressed conditions.

The following table summarises the contractual maturities of financial liabilities, including estimated interest payments.

Trade and other payables

	2025 \$	2024 \$
- less than 12 months	<u>177,571</u>	<u>216,427</u>

Note 15. Financial Instruments (continued)

Lease Liabilities

The table below shows the maturity analysis of the lease liabilities based on contractual cash flows and therefore the amounts will not be the same as the recognised lease liability in the statement of financial position.

	0 - 12 months \$	1-5 years \$	> 5 years \$	Total \$	Total per statement of financial position \$
2025	31,295	-	-	31,295	30,850
2024	53,808	30,737	-	84,545	81,554

Refer to note 12 and note 14 for further information

(iii) Market risk

The entity is not exposed to any significant price, interest rate or foreign currency risk since the entity does not trade in foreign currencies or have any borrowings. Market risk is considered immaterial due to the entities the Company deals with.

(iv) Currency risk

The company has no exposure to foreign currency risk.

Note 16. Fair value measurement

The Company does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis. The fair value of trade and other receivables is assumed to approximate the value of the original transaction, less any allowance for impairment.

Note 17. Equity - share capital

	2025	2024
Ordinary shares in issue at commencement of reporting period	500,000	500,000
On issue at 30 June 2025 - fully paid	500,000	500,000

a) Ordinary shares

The sole holder of these shares is entitled to dividends as declared from time to time and are entitled to one vote at general meetings of the Company.

b) Issue of ordinary shares

In April 2015, the Company approved the issue of 500,000 \$1 ordinary shares to the Sunshine Coast Regional Council.

Note 18. Reconciliation of cash flow from operating activities

Cash flows from operating activities	2025 \$	2024 \$
Profit for the year	32,431	5,707
Adjustments for:		
Depreciation and amortisation - fixed assets	9,958	7,866
Depreciation and amortisation - leases	49,085	48,365
Change in operating assets and liabilities:		
(Increase) / Decrease in trade and other receivables	(5,168)	151,589
(Increase) / Decrease in prepayments	3,964	(44,654)
Increase / (Decrease) in trade and other payables	(38,855)	(127,036)
Increase / (Decrease) in employee provisions	8,402	23,449
Net cash from operating activities	59,817	65,286

Note 19. Key management personnel and Related party transactions

Related Parties

The Company's main related parties are as follows:

a) Parent entity

The Company is 100% owned by the Sunshine Coast Regional Council (Council) which is the ultimate Parent entity. The Council and its controlled entities, including UnityWater, are related parties.

b) Key management personnel

The Directors and Chief Executive Officer are key management personnel and have the authority and responsibility for planning, directing and controlling the activities of the Company. Details of key management personnel for the period have been detailed in the Directors' Report. Key management personnel remuneration includes all non-executive directors and the Chief Executive Officer, as follows:

Key management personnel remuneration

	2025 \$	2024 \$
Short-term employee benefits	604,329	629,533
Post-employment benefits	69,206	68,347
Other long-term employee benefits	-	2,888
	673,535	700,768

Total remuneration for all non-executive directors was agreed by the Company's Member in March 2015. The base fee for the Chair was \$109,589 per annum and increased to \$120,000 per annum effective 26 May 2025. Base fees for other directors are \$63,927 per annum. Directors' base fee cover all Board activities. Directors are entitled to superannuation contributions at the statutory rate.

c) Other related parties

Other related parties include close family members of key management personnel and entities controlled or jointly controlled by those key management personnel, individually or collectively with their close family members. No transactions with other related parties have occurred in the period.

d) 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 \$
Revenue		
Parent entity - Development revenue, management fee and rent	2,008,000	2,700,566
Expenditure		
Ken Kanofski Advisory	7,258	-

At the request of the Shareholder, SunCentral engaged the Chair to provide independent strategic advice with regard to the Maroochydore City Centre development.

Note 20. Auditor remuneration

	2025 \$	2024 \$
Audit of the financial statements by the Auditor-General of Queensland	28,900	25,250

Note 21. Contingent liabilities

Details and estimate of maximum amounts of contingent liabilities are as follows:

	2025	2024
	\$	\$
Indemnity amount provided to the Local Government Workcare Bank Guarantee	21,991	18,689

The Company is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme the Company has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self-insurance licence be cancelled and there were insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise.

Note 22. Economic dependency and going concern

The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The ability of the Company to continue its operations at current levels is dependent upon future receipt of the Development Management Fee paid by the parent entity, the Sunshine Coast Regional Council. Payment of the Development Management Fee for the 2025/26 financial year has been agreed to by the parent entity. No officers or directors of the Company are related entities of the parent entity.

Note 23. Events after the reporting period

On 21 July 2025, the Board resolved to make the Chief Executive Officer (CEO) position redundant, effective 23 July 2025. As this decision occurred after the reporting date, it does not impact the financial results for the year ended 30 June 2025. Management has considered the event and determined that no adjustments to the financial statements are required.

The arrangements under the Maroochydore City Centre Development Agreement between the Sunshine Coast Regional Council, Walker Group Holdings Pty Limited, and the Company is being renegotiated.

In the opinion of the directors of SunCentral Maroochydore Pty Ltd (the Company).

- The financial statements and notes, set out on pages 32 to 46 are in accordance with the *Corporations Act 2001*, including:
 - complying with Australian Accounting Standards, Australian Accounting Interpretations and the *Corporations Regulation 2001*;
 - giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors:

On behalf of the directors



Mr. Ken Kanofski
Chair

Dated at Maroochydore this 26 September 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of SunCentral Maroochydhore Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of SunCentral Maroochydhore Pty Ltd

The financial report 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 to the financial statements including material accounting policy information, and the Directors' declaration.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2025, and its financial performance for the year then ended; and
- b) complies with Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I am also independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) included in SunCentral Maroochydhore Pty Ltd's annual report.

Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the Directors for the financial report

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

The company's directors are also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My 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 my 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.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.



David Adams
as delegate of the Auditor-General

26 September 2025

Queensland Audit Office
Brisbane

