SUNNYKIDS LTD

ABN: 62 774 810 987

Financial Report For The Year Ended 30 June 2025

SunnyKids Ltd

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Financial Report For The Year Ended 30 June 2025

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SUNNYKIDS LTD
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DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 30 June 2025.

Directors

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

John Burnie
Tamara Cross resigned (30/06/2025)
Natasha Hall resigned (30/06/2025)
Justin Vievers resigned (20/11/2024)
Nakita Brown
Stephen Carey appointed (1/03/2025)
Angela McKenzie appointed (20/11/2024)
Michael Molloy appointed (20/11/2024)
Jodi Price appointed (20/11/2024)

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

Principal Activities

The principal activity of the entity during the financial year was:

• to work with children, families and communities to help everyone take responsibility for the future. Activities included accommodation care, family support services and youth support services.

Information on Directors

John Burnie	—	Chairperson
Nakita Brown	—	Director
Stephen Carey	—	Treasurer
Angela McKenzie	—	Director
Michael Molloy	—	Director
Jodi Price	—	Director

Meetings of Directors

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

	Directors' Meetings	
	Number eligible to attend	Number attended
John Burnie	5	5
Tamara Cross	5	4
Natasha Hall	5	4
Justin Vievers	3	3
Nakita Brown	5	4
Stephen Carey	2	2
Angela McKenzie	2	2
Michael Molloy	2	2
Jodi Price	2	2

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of $2.00 each towards meeting any outstanding obligations of the entity. At 30 June 2025, the total amount that members of the entity are liable to contribute if the entity is wound up is $2.00 (2024: $2.00).

SUNNYKIDS LTD
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DIRECTORS' REPORT

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on page 3 of the financial report.

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

Director ______________________

John Burnie

Dated this 23rd day of September 2025

SUNNYKIDS LTD
ABN: 62 774 810 987
AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF SUNNYKIDS LTD

In accordance with Subdivision 60-C of the Australian Charities and Not-for-profits Commission Act 2012, I am pleased to provide the following declaration of independence to the directors of SunnyKids Ltd. As the lead audit partner for the audit of the financial report of SunnyKids Ltd for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, during the year ended 30 June 2025 there have been no contraventions of:

(i) the auditor independence requirements of the Australian Charities and Not for Profits Commission Act 2012 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Name of Firm *sps audit*

Name of Director Stephen J Shirley

Date 23-Sep-25

Address Tower 2, Level 1, Kontiki Building
55 Plaza Parade
Maroochydore Qld 4558

SUNNYKIDS LTD
ABN: 62 774 810 987
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 $	2024 $
Revenue	2	1,526,595	1,033,908
Other income	2	1,072,246	949,861
Employee benefits expense		(1,656,977)	(1,394,256)
Depreciation and amortisation expense	3	(130,018)	(92,131)
Interest expense on lease liabilities	3	(11,009)	(15,540)
Impairment losses on financial assets		(16,000)	-
Audit, legal and compliance costs		(11,704)	(28,736)
Administration expenses		(189,788)	(140,663)
Advertising and marketing expenses		(57,107)	(42,740)
Bank charges		(514)	(1,088)
Facility related expenses		(72,524)	(49,743)
Frontline expenses		(244,517)	(163,854)
Motor vehicle expenses		(17,426)	(13,548)
Other employment expenses		(47,741)	(61,744)
Property and utilities expense		-	(9,941)
Rent and outgoings		(9,243)	(43,427)
Loss on sale of plant and equipment		(482)	(600)
Current year surplus / (deficit) before income tax		133,791	(74,242)
Income tax expense		-	-
Net current year surplus / (deficit)		133,791	(74,242)
Other comprehensive income			
Donation of land and additional funds		3,500,000	-
Total other comprehensive (losses)/income for the year		3,500,000	-
Total comprehensive income for the year		3,633,791	(74,242)
Surplus / (deficit) attributable to members of the entity		133,791	(74,242)
Total comprehensive income attributable to members of the entity		3,633,791	(74,242)

The accompanying notes form part of these financial statements.

SUNNYKIDS LTD
ABN: 62 774 810 987
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2025 $	2024 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	846,455	453,231
Accounts receivable and other debtors	5	40,279	22,685
Inventories	6	4,695	-
Financial assets	8	154,644	263,366
Other current assets	7	64,832	32,118
TOTAL CURRENT ASSETS		1,110,905	771,400
NON-CURRENT ASSETS			
Financial assets	8	1,142,302	1,065,902
Property, plant and equipment	9	3,397,971	183,111
Intangible assets	10	800	1,000
Right-of-use assets	11	99,050	158,480
TOTAL NON-CURRENT ASSETS		4,640,123	1,408,493
TOTAL ASSETS		5,751,028	2,179,893
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	12	247,485	240,688
Lease liabilities		82,807	77,996
Employee provisions	13	111,664	103,121
TOTAL CURRENT LIABILITIES		441,956	421,805
NON-CURRENT LIABILITIES			
Accounts payable and other payables	12	-	-
Lease liabilities		58,023	140,830
Employee provisions	13	-	-
TOTAL NON-CURRENT LIABILITIES		58,023	140,830
TOTAL LIABILITIES		499,979	562,635
NET ASSETS		5,251,049	1,617,258
EQUITY			
Retained surplus		5,251,049	1,617,258
TOTAL EQUITY		5,251,049	1,617,258

The accompanying notes form part of these financial statements.

SUNNYKIDS LTD
ABN: 62 774 810 987
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Retained Surplus $	Revaluation Surplus $	Total $
Balance at 1 July 2023	1,679,560	11,940	1,691,500
Comprehensive Income			
Surplus / (deficit) for the year attributable to owners of the entity	(74,242)		(74,242)
Other comprehensive income for the year	-		-
Total other comprehensive income	(74,242)	-	(74,242)
Transfer reserve to retained earnings	11,940	(11,940)	-
Total comprehensive income attributable to owners of the entity	(62,302)	(11,940)	(74,242)
Balance at 30 June 2024	1,617,258	-	1,617,258
Balance at 1 July 2024	1,617,258	-	1,617,258
Comprehensive Income			
Surplus / (deficit) for the year attributable to owners of the entity	133,791		133,791
Other comprehensive income for the year	3,500,000		3,500,000
Total comprehensive income for the year	3,633,791	-	3,633,791
Balance at 30 June 2025	5,251,049	-	5,251,049

For a description of each reserve, refer to Note 18.

The accompanying notes form part of these financial statements.

SUNNYKIDS LTD
ABN: 62 774 810 987
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 $	2024 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Commonwealth, state and local government grants		1,540,743	1,079,029
Receipts from donations, bequests and raffles		1,897,649	920,254
Payments to suppliers and employees		(2,409,564)	(2,002,963)
Interest received		25,126	44,761
Net cash generated from operating activities	17	1,053,954	41,081
CASH FLOWS FROM INVESTING ACTIVITIES			
Reemption of financial assets		125,000	-
Payment for property, plant and equipment		(785,730)	(35,252)
Payment for financial assets		-	(35,333)
Net cash used in investing activities		(660,730)	(70,585)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	-
Net cash used in financing activities		-	-
Net increase in cash held		393,224	(29,504)
Cash on hand at beginning of the financial year		453,231	482,735
Cash on hand at end of the financial year	4	846,455	453,231

The accompanying notes form part of these financial statements.

SUNNYKIDS LTD
ABN: 62 774 810 987
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

The financial statements cover SunnyKids Ltd as an individual entity, incorporated and domiciled in Australia. SunnyKids Ltd is a company limited by guarantee.

The financial statements were authorised for issue on 23rd September, 2025 by the directors of the company.

Note 1 Summary of Material Accounting Policy Information

The directors have prepared the financial statements on the basis that the Entity is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001.The Entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the material accounting policy information disclosed below, which the directors have determined are appropriate to meet the needs of members.3 Such accounting policies are consistent with those of previous periods unless stated otherwise.

The Entity has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures. Hence, the financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

(a) Revenue and Other Income

The Entity is first required to determine whether amounts received are accounted for as Revenue per AASB 15: Revenue from Contracts with Customers or Income per AASB 1058: Income of Not-for-Profit Entities.

Funding arrangements which are enforceable and contain sufficiently specific performance obligations are recognised as revenue under AASB 15. Otherwise, such arrangements are accounted for under AASB 1058, where upon initial recognition of an asset, the Entity is required to consider whether any other financial statement elements should be recognised (for example, financial liabilities representing repayable amounts), with any difference being recognised immediately in profit or loss as income.

Revenue and Other Income

Operating Grants and Donations

When the Entity receives operating grants or donations, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions; and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Other Income

Contributed assets

The Entity receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116, AASB 1058 and AASB 138).

On initial recognition of an asset, the Entity recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions.

The Entity recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Capital grants

When the Entity receives a capital grant to construct or acquire a non-financial asset which is to be controlled by the entity, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts recognised under other Australian Accounting Standards.

The Entity recognises income in profit or loss when or as the Entity satisfies its obligations under the terms of the grant.

Interest income

Interest income is recognised using the effective interest method.

Dividend income

The Entity recognises dividends in profit or loss only when the Entity's right to receive payment of the dividend is established.

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

(b) Inventories

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

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

Freehold Property

Freehold land and buildings 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 freehold land and buildings is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

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 its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

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.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Leasehold improvements	2.5%
Motor vehicles	12.5%
Office equipment	10.0% - 50.0%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised as income in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

(d) Leases

The Entity as lessee

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 (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised 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.

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

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- 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. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the Entity measures the right of use assets at cost on initial recognition in line with the requirements of AASB 16.

(e) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63.

(f) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued individual asset is identified, this is offset against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(g) Employee Provisions

Short-term employee provisions

A provision is made for the entity's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries, sick leave and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other long-term employee provisions

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee provisions expense.

The entity's obligations for long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the entity does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current employee provisions.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. 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.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(j) 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).

Receivables and payables 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 with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(k) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(l) Intangible Assets

Trade Mark

Trade mark is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. The trade mark is registered for five years. It is assessed annually for impairment.

(m) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(n) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

(o) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements are 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 entity.

(p) Economic Dependence

The Entity is dependent on government funding for a significant portion of its funding used to operate the business. At the date of this report, the Board of Directors has no reason to believe the government funding will not continue to support the Entity.

Note 2 Revenue and Other Income

Government Grants

A significant portion of SunnyKids Ltd's funding is in the form of grants from governmental department bodies. The Entity has assessed that the majority of its grant agreements are enforceable and contain sufficiently specific performance obligations. This determination was made on the basis that the funding agreements require the Entity to achieve various milestones in relation to its work with families and children. The Entity therefore recognises funding received under such agreements as Revenue under AASB 15. Revenue is recognised as the Entity delivers the required services, which is on a straight-line basis over the duration of the underlying program.

The Entity has also received a capital grant of land and additional funding (recognised in other comprehensive income) to construct a facility for transitional housing which is to be used to further its objectives of assisting domestic violence victims and their families. As consistent with Note 1, the grant is recognised as income as the Entity constructs the facility under AASB 1058. Income is recognised based on the cost incurred to date relative to total expected costs to be incurred as this measure is expected to reflect the Entity's progress towards completion.

	2025 $	2024 $
Revenue		
Revenue from grants:		
— Grants and acquittal funds	1,526,595	1,033,908
Total revenue	1,526,595	1,033,908
Other Income		
— Unrealised gain on financial assets at fair value through profit or loss	92,678	39,725
— Fundraising income	247,205	267,374
— Donations, gifts and contributions	694,253	572,169
— Other income	38,110	70,593
Total other income	1,072,246	949,861
Total revenue and other income	2,598,841	1,983,769

Note 3 Surplus for the Year

	2025 $	2024 $
a. Expenses		
Finance costs:		
— interest expense on lease liabilities	11,009	15,540
Total interest expense	11,009	15,540
Employee benefits expense:		
— Salaries and wages	1,492,485	1,262,717
— Superannuation	164,492	131,539
Total employee benefits expense	1,656,977	1,394,256
Audit fees:		
— audit services	5,500	10,123
Total audit remuneration	5,500	10,123

Depreciation and amortisation:		
— Equipment and motor vehicles	70,388	32,501
— Right of use amortisation	59,430	59,430
— Trade mark amortisation	200	200
Total depreciation and amortisation	130,018	92,131

Note 4 Cash and Cash Equivalents

	2025 $	2024 $
CURRENT		
Cash float	100	-
Donations account	792,155	413,508
General account	21,994	17,529
Stripe account	12,984	4,346
Visa account	9,999	9,680
Employee mastercards	9,223	8,168
Total cash and cash equivalents as per the Statement of Financial Position	846,455	453,231
and Statement of Cash Flows	846,455	453,231

Note 5 Accounts Receivable and Other Debtors

	2025 $	2024 $
CURRENT		
Accounts receivable	56,279	22,685
Provision for doubtful debts	(16,000)	-
Total current accounts receivable and other debtors	40,279	22,685

Note 6 Inventories

	2025 $	2024 $
CURRENT		
At cost:		
Inventory	4,695	-
	4,695	-

Note 7 Other Current Assets

	2025 $	2024 $
Prepayments	48,956	16,242
Bond on rental premises	15,876	15,876
	64,832	32,118

Note 8 Financial Assets

	2025 $	2024 $
CURRENT		
J B Were investment - liquidity pool	154,644	263,366
Total current assets	154,644	263,366
NON-CURRENT		
J B Were investment - strategic pool	1,142,302	1,065,902
Total non-current assets	1,142,302	1,065,902

Note 9 Property, Plant and Equipment

	2025 $	2024 $
LAND AND BUILDINGS		
Freehold land:		
— At valuation at time of donation	2,500,000	-
Total land	2,500,000	-
Buildings:		
Transitional housing WIP at cost	612,168	-
Total buildings	612,168	-
Total land and buildings	3,112,168	-
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	750	750
Less accumulated depreciation	(750)	(750)
	-	-
Furniture and Fittings		
At cost	18,020	18,020
Accumulated depreciation	(7,132)	(5,138)
	10,888	12,882
Leasehold Improvements (Najidah and Cooroy)		
At cost	112,166	30,821
Accumulated depreciation	(8,946)	(5,221)
	103,220	25,600
Maud Street Fitout		
At cost	60,863	60,863
Accumulated depreciation	(5,428)	(3,725)
	55,435	57,138
Motor Vehicles		
At cost	154,771	115,615
Accumulated depreciation	(83,544)	(71,384)
	71,227	44,231
Office Equipment		
At cost	97,694	58,658
Accumulated depreciation	(70,622)	(31,891)
	27,072	26,767
Fitout Office and Units (Najidah and Cooroy)		
At cost	26,230	17,762
Accumulated depreciation	(8,269)	(1,269)
	17,961	16,493
Total plant and equipment	285,803	183,111
Total property, plant and equipment	3,397,971	183,111

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:

	Land and Buildings - Owned $	Motor Vehicles $	Plant and Equipment $	Total $
2024				
Balance at the beginning of the year	-	57,072	123,888	180,960
Additions at cost	-	-	35,252	35,252
Disposals	-	-	(600)	(600)
Depreciation expense	-	(12,841)	(19,660)	(32,501)
Carrying amount at the end of the year	-	44,231	138,880	183,111

2025				
Balance at the beginning of the year	-	44,231	138,880	183,111
Additions at cost	612,168	39,156	128,849	780,173
Additions at fair value	2,500,000	-	-	2,500,000
Disposals	-	-	(482)	(482)
Depreciation expense	-	(12,160)	(52,671)	(64,831)
Carrying amount at the end of the year	3,112,168	71,227	214,576	3,397,971

Note 10 Intangible Assets

	2025 $	2024 $
Trade Mark IP - at cost	2,000	2,000
Accumulated amortisation	(1,200)	(1,000)
Net carrying amount	800	1,000

Movements in Carrying Amount	Trade Mark IP $
2024	
Balance at the beginning of the year	1,200
Amortisation charge	(200)
	1,000
2025	
Balance at the beginning of the year	1,000
Amortisation charge	(200)
	800

Note 11 Right-of-use Assets

The Entity has one lease in place, being the lease for the head office at 9 Maud Street, Maroochydore.

i) AASB 16 related amounts recognised in the balance sheet

Right-of-use assets	**2025 $**	**2024 $**
Leased building	297,150	297,150
Accumulated depreciation	(198,100)	(138,670)
Total right-of-use asset	99,050	158,480
Movements in carrying amounts:		
Leased buildings:		
Opening balance	158,480	217,910
Depreciation expense	(59,430)	(59,430)
Net carrying amount	99,050	158,480

ii) AASB 16 related amounts recognised in the statement of profit or loss

	2025 $	**2024 $**
Interest expense on lease liabilities	11,009	15,540
Amortisation of right-of-use assets	59,430	59,430

Note 12 Accounts Payable and Other Payables

	2025 $	2024 $
CURRENT		
Accounts payable	74,265	70,711
Deferred grant income	75,682	61,534
Other current payables	3,576	3,576
Accrued expenses	5,161	-
Prepaid income	70,800	-
SKIs School prepaid revenue	18,001	112,000
Maintenance reserve - client contributions	-	(7,133)
	247,485	240,688
NON-CURRENT		
Accounts payable	-	-
	-	-

Note 13 Employee Provisions

	2025	2024
	$	$
CURRENT		
Provision for employee benefits: annual leave	60,858	52,315
Provision for employee benefits: long service leave	30,806	30,806
Provision for employee benefits: personal leave	20,000	20,000
	111,664	103,121
NON-CURRENT		
Provision for employee benefits: long service leave	-	-
	-	-
	111,664	103,121

Analysis of total provisions:	Employee Benefits	Total
Opening balance at 1 July 2024	103,121	103,121
Additional provisions raised during the year	8,543	8,543
Balance at 30 June 2025	111,664	111,664

Provision for employee benefits
Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the entity does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 14 Contingent Liabilities and Contingent Assets

	2025	2024
	$	$
There were no contingent assets or liabilities identifed by the directors as having to be reported at the date of preparation of this report.	-	-

Note 15 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 16 Related Party Transactions

a. **Key Management Personnel**

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2025	2024
	$	$
KMP compensation:		
— short-term employee benefits	135,002	135,002
— post-employment benefits	14,850	14,850
	149,852	149,852

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

Note 17 Cash Flow Information

	2025 $	2024 $
a. Reconciliation of Cash Flows from Operating Activities with Net Current Year Surplus		
Net current year surplus / (deficit)	3,633,791	(74,242)
Adjustment for:		
Depreciation and amortisation expense	70,388	32,501
Fair value loss / (gain) on investments in financial assets	(92,678)	(39,725)
Land received at valuation	(2,500,000)	-
Loss / (gain) on disposal of property, plant and equipment	482	600
Movement in working capital:		
(Increase)/decrease in accounts receivable and other debtors	(17,594)	(8,721)
Increase/(decrease) in accounts payable and other payables	15,848	(994)
(Increase)/decrease in other current assets	(32,714)	15,860
Increase/(decrease) in employee provisions	8,543	21,516
(Increase)/decrease in intangible assets	200	200
(Increase)/decrease in right-of-use assets	59,430	59,430
Increase/(decrease) in lease liabilities	(77,996)	(73,465)
Increase/(decrease) in income in advance	(9,051)	108,121
(Increase)/decrease in inventories on hand	(4,695)	-
Net cash generated by operating activities	1,053,954	41,081

Note 18 Reserves

a. Revaluation Surplus

The revaluation surplus records revaluations of non-current assets.

	Note	2025 $	2024 $
Opening balance	9	-	11,940
Transfer to retained earnings as plant and equipment now fully depreciated		-	(11,940)
Closing balance		-	-

Note 19 Entity Details

The registered office of the entity is:

SunnyKids Ltd
Level 1B
9 Maud Street
Maroochydore Qld 4558

The principal place of business is:

SunnyKids Ltd
Level 1B
9 Maud Street
Maroochydore Qld 4558

SUNNYKIDS LTD
ABN: 62 774 810 987
DIRECTORS' DECLARATION

SunnyKids Ltd, the directors of the Entity declare that, in the directors' opinion:

1. The financial statements and notes, as set out on pages 4 to 17, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and:
   (a) comply with Australian Accounting Standards applicable to the Registered Entity; and
   (b) give a true and fair view of the financial position of the Registered Entity as at 30 June 2025 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the Entity will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2022.

Director ______________________________
John Burnie

Dated this 23rd day of September 2025

SUNNYKIDS LTD
ABN: 62 774 810 987
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SUNNYKIDS LTD

Opinion

We have audited the financial report of SunnyKids Ltd (the registered entity), 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 and notes to the financial statements, including a summary of material accounting policy information and the directors' declaration.

In our opinion, the accompanying financial report of the entity:

i. presents fairly, in all material respects, the entity's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
ii. complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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 Registered Entity in accordance with the auditor independence requirements of the ACNC Act, 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 for the purpose of fulfilling the Registered Entity's financial reporting responsibilities under the Australian Charities and Not-for-profits Commission Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the ACNC Act 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.

The directors of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Australian Charities and Not-for-profits Commission Act 2012 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a 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 registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the registered entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Registered Entity'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 registered entity'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 registered entity 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.

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.

Auditor's name and signature: Stephen J Shirley

Address: ***sps audit***
Tower 2, Level 1, Kontiki Building
55 Plaza Parade
Maroochydore Qld 4558

Dated this 23rd day of September 2025