



Annual Report

2017 – 2018

Letter from the Chairman

31 August 2018

The Honourable Kate Jones MP
Minister for Innovation and Tourism Industry Development and Minister for the
Commonwealth Games
1 William Street
Brisbane QLD 4000

Dear Minister

I am pleased to submit to the Parliament the Annual Report 2017-18 and financial statements for the period ended 30 June 2018 for the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC).

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual report reporting requirements can be found on page 36 of this annual report.

Yours sincerely

A handwritten signature in grey ink that reads "P. Beattie". The signature is written in a cursive style with a large initial "P" and a long horizontal stroke.

The Hon. Peter Beattie AC
Chairman

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The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report you can contact us on 13 74 68 and we will arrange an interpreter to effectively communicate the report to you.

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Chairman's statement

True to our vision for the Gold Coast 2018 Commonwealth Games we delivered a great Games, in a great city, that will leave great memories and great benefits for all.

For 11 days the Gold Coast and event cities of Brisbane, Townsville and Cairns enjoyed unprecedented promotion with more than 1,340 hours of live television coverage broadcast around the globe showcasing a world-class event and a spectacular destination.

The final Coordination Commission in December 2017 provided GOLDOC and our Games delivery partners an opportunity to lay our cards on the table and demonstrate just how advanced our planning was in readiness for the Games with less than six months to go.

They were, as anticipated, delighted with our progress and comfortable with the many initiatives the collective had worked on to ensure solutions to challenges including transport and security.

As well as delivering a safe and secure Games we saw more than 1 million light rail, 3.9 million local and shuttle bus, and 600,000 heavy rail passengers recorded. This is evidence that the transport operations plan was successful, and the upgrading of infrastructure will augur well to meet the demands of potential city expansion and hosting of major events into the future.

I am extremely proud that GC2018 boasted many 'firsts' and will set a precedent for Games around the world to emulate. From the first multi-discipline event awarding equal medals to men and women, hosting the first ever Women's Rugby Sevens competition, including Beach Volleyball in the sport's program, to providing the platform for five of the Commonwealth nations and territories to win their first ever medals.

My commitment, and that of the GOLDOC Board, throughout my two-year journey with GOLDOC was to ensure we produced a Games on time and on budget. We did just that returning operational funds to government and not accessing the contingency fund. I am truly grateful to the GOLDOC Board Deputy Chair, Sam Coffa AM JP for his wise counsel and the Board's unwavering enthusiasm and support. This gratitude extends also to the contribution of the Finance and Audit Committee, Sport and Technical Committee, Joint Marketing Committee, Contract Approvals Committee, and the Remuneration Committee who brought to the table skill sets that would underpin many important decisions and chart our course to ultimate success.

So too the support from Games delivery partners, the Queensland Government, City of Gold Coast, Commonwealth Games Federation and Commonwealth Games Australia has been unequivocally outstanding. I wish them well as they now leverage every opportunity GC2018 has delivered to realise lasting legacies in sport and community around Australia.

Finally, I would like to acknowledge GOLDOC CEO, Mark Peters and his management team and staff for their passion for the Games, leadership and inspiration has optimised the seamless delivery of such a complex operation. Mark is one of very few CEOs to progress from the bid to organising corporation,

a journey of more than eight years. His contribution has been invaluable, and I am indebted to him for his dedication and support.

The Commonwealth Games was an opportunity for the Gold Coast, Queensland and Australia to feature on the world sporting stage and to show off all we have to offer as a destination for international students, big and small business and of course, tourists from across the globe.

We successfully delivered the biggest event in Australia in more than a decade. The community and our Games Shapers welcomed visitors and the many teams behind the scenes guaranteed the many thousands of hours and years of work would culminate in a truly spectacular celebration of sport.

Thank you for sharing the dream.

A handwritten signature in cursive script that reads "P. Beattie". The signature is written in a light grey or blue ink.

**The Hon. Peter Beattie AC
Chairman**



Chief Executive Officer's statement

The Gold Coast 2018 Commonwealth Games (GC2018) were the most innovative and inspiring in the history of the event.

In terms of athletic achievement, spectator support and the international exposure gained for the city, state and country, our Games well and truly delivered.

With Australia's 198 medal haul and the many world and Commonwealth records struck, the infectious spreading of the Games spirit to the more than 1.2 million spectators, the thousand hours of television coverage and the millions of words generated for print and online, our 11 magical days certainly set the new benchmark.

The 6,600 athletes and team officials from all the Commonwealth's 71 nations and territories, the residents of the Gold Coast and the event cities of Brisbane, Cairns and Townsville, GOLDOC's Board, executive and staff, our Sponsor Family, Games partners, and our 15,000 wonderful *Games Shapers* can all take enormous pride in putting on a sporting event marveled at by a global audience of more than 1.5 billion people.

You will read in this, our post-GC2018 Annual Report, of some quite remarkable achievements that are essentially the culmination of seven years' hard work and a fulfilled promise to deliver our great event responsibly, sustainably and honestly.

The sport was world-class, *Festival 2018* inspired, our venues were superb and we were kept safe and our much debated transport system worked.

Importantly, GC2018 will be remembered as the Gold Coast's graduation from Australia's premier tourist destination into a significant sports and health and knowledge hub for the Pacific. This continued development of the Gold Coast's economic base is no accident as this legacy has been central to all our thinking and event planning with our Games partners for the past seven years.

The Queensland and Federal governments and the City of the Gold Coast have each played key roles in providing the funding and support for the sporting, transport and other infrastructure that allowed us to successfully stage this nation's largest sporting event in a decade.

The decision to build and refit a total of 18 world class facilities well ahead of the 4 April Opening Ceremony ensured the venues could be used and tested well ahead of time.

These Games also marked many firsts, including an equal number of medal events for men and women, the largest ever integrated para-sport program with more athletes and medals than ever before, the longest Queen's Baton Relay and the delivery of a Reconciliation Action Plan (RAP) which meaningfully promoted inclusion and participation of Aboriginal and Torres Strait Islander people across all aspects of the Games.

This has been a journey with many challenges to deliver a world event in a regional city for the first time in Australia. To all those who have shared the journey including my three Chairmen: Mark Stockwell OAM; Nigel Chamier AM; and Peter Beattie AC a big thank you. To Peter Beattie and the GOLDOC Board who have contributed so much to the delivery of a great Games and

supported the very talented management team and staff at GOLDOC – thank you.

To all who played a part in delivering this memorable event; from the GOLDOC team, our Games delivery partners, the raucous spectators who rocked the rafters of every stadium, our ever-smiling Games Shapers, the men and women who kept us safe and the residents of the Gold Coast, thank you for joining us to *Share the Dream* of GC2018.

A handwritten signature in black ink, appearing to read 'Mark Peters', written in a cursive style.

Mark Peters
Chief Executive Officer

GENERAL INFORMATION

Agency role and main functions

On 11 November 2011, Commonwealth Games Australia (CGAus) in partnership with the Queensland Government and the City of Gold Coast (CGC) was granted the right to host the Gold Coast 2018 Commonwealth Games™ (GC2018 or Games).

The GC2018 bid based its claims on a proven history of Australia, Queensland and the Gold Coast successfully staging major international events. The success of these events has been due to excellent infrastructure, strong organisational expertise, the support of government and the private sector and the enthusiasm of the Queensland and Australian public for such events.

The Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) was established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011* (the Act) to undertake and facilitate the organisation, conduct, promotion, commercial and financial management of GC2018.

The Gold Coast hosted GC2018 from 4 to 15 April 2018. The Games were a memorable and exciting celebration of sport and Australian culture and created an atmosphere that inspired achievement, harmony and a sense of unity with the Games vision "to stage a great Games in a great city leaving great memories and great benefits for all". GC2018 provided the opportunity to generate long-term benefits for Australia as a nation, Queensland as a State, the Gold Coast as a city and the Commonwealth.

GOLDOC's vision, mission, objectives and values were as follows:

Vision

To stage a great Games in a great city leaving great memories and great benefits for all.

Mission

To conduct an athlete focused Commonwealth Games with excellent competition in a fun and friendly environment with long lasting benefits for the Gold Coast, Queensland, Australia and the Commonwealth.

Objectives

- To attract the best athletes to compete in a technically excellent, world class, fun and friendly Commonwealth Games.
- To launch the Commonwealth Games into a new decade with an inspiring, memorable and landmark event.
- To help our partners make the most of the opportunities presented by the Commonwealth Games.
- To engage and harness the enthusiasm of our communities.
- To contribute to economic growth by working with our partners to promote Queensland tourism, trade and investment.
- To present the Commonwealth Games in a creative way that will encourage comprehensive and positive exposure and support.

Values

- G** Global – where we think globally for the organisation, GC2018 and beyond.
- R** Respect – where our work and thoughts are respected and valued.
- E** Excellence – where we deliver excellence in everything we do.
- A** Accountable – where we act with the highest integrity and fairness.
- T** Trust – where we are empowered to do our job in a collaborative environment.

Operating environment

Gold Coast 2018 Commonwealth Games

Staged from 4 to 15 April 2018, GC2018 was the largest elite multi-sport event that the Gold Coast has ever hosted and the largest sporting event to take place in Australia this decade. It saw 6,600 athletes and team officials from 71 Commonwealth nations and territories, representing more than 30 per cent of the world's population, compete and train in 23 sporting disciplines at 17 competition venues and 11 stand-alone training venues.

Brisbane hosted the shooting and track cycling events. Queensland's regional cities of Cairns and Townsville hosted the preliminary basketball rounds, allowing for a further geographical spread of benefits to extend beyond the south east Queensland region.

Games Partners

Queensland Government

The Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID) was the Administrative Unit for GC2018 under the Administrative Arrangements Order (No.1) 2017. The role of the Office of the Commonwealth Games (OCG), within DITID, was that of first advisor to the State Government on its investment in the delivery of GC2018 and overall portfolio management.

City of Gold Coast

The CGC was responsible for the majority of activities involving city operations for the Gold Coast, city legacy and is the asset owner of many GC2018 venues. The Queensland Government entered into a Heads of Agreement with the CGC detailing shared commitments, including the CGC's financial contribution, to the delivery of GC2018.

Agreements between the Queensland Government and the respective councils of each GC2018 event city were also implemented.

The Australian Government

The Australian Government provided a range of operational services to support delivery of GC2018. Major Events in the Office for Sport, Population Health and Sport Division, Department of Health coordinated the implementation of operational support across a range of areas including, immigration, customs, bio-security, intellectual property, tourism and communications. National security arrangements are coordinated by the Attorney-General's Department.

Commonwealth Games Australia

CGAus is the national controlling body responsible for all matters relating to the Commonwealth Games including operations, publicity and development. The CGAus entered into an agreement with the state of Queensland for the Gold Coast's candidature to host GC2018 (the Endorsement Agreement). The Commonwealth Games Federation (CGF) entrusted the organisation and staging of GC2018 to the CGAus and the CGAus delegated this to GOLDOC. CGAus was also responsible for the preparation and participation of the Australian team at the Commonwealth Games.

Commonwealth Games movement

The CGF is the organisation that is responsible for the direction and control of the Commonwealth Games.

Each of the 71 Commonwealth Games Associations (CGAs) is either a distinct entity or is part of their nation's National Olympic Committee.

The CGF provided intellectual property in relation to the staging of the event, while the CGAs were directly responsible for both the number and quality of athletes attending the Commonwealth Games.

Risks, opportunities and challenges

GOLDOC committed to the effective implementation and integration of risk management practices to govern and monitor all risks associated with the delivery of GC2018 and subsequent dissolution. GOLDOC implemented a risk policy and guideline which adopted the relevant principles of the *Australia/New Zealand Standard AS/NZS ISO 13000:2009*.

The GOLDOC Board (supported by its Finance and Audit Committee) was responsible for risk oversight and management of risk within the organisation. GOLDOC's Risk Management Policy and supporting guidelines provided the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

The Risk Management Policy and Guidelines ensured consistent risk management principles were embedded in critical business activities.

In support of GOLDOC, the Queensland Government through the OCG, oversaw a range of risks, including those associated with the development of infrastructure for GC2018 and the legacy program. Whilst GOLDOC had dependencies on the management of such risks, they were managed within the realms of the relevant agencies' risk management policies.

NON-FINANCIAL PERFORMANCE

Government's objectives for the community

GC2018 was a transformational event for the Gold Coast, our event cities and communities throughout Queensland. It has created new opportunities, built capacity and shaped an enduring legacy that will last beyond the closing ceremony.

GOLDOC was committed to delivering GC2018 in a way that provided significant benefits for the state of Queensland in line with the Government's objectives for the community.

The Griffith University report *Economic Impacts of the Gold Coast 2018 Commonwealth Games*, published in 2017, forecasted a \$2 billion boost to Queensland's Gross State Product as a result of GC2018. This included a \$1.7 billion economic boost for the Gold Coast. The report also forecasted a lasting tourism legacy, estimating a Queensland tourism boost of more than 1.1 million visitors in the lead-up to, during and after the Games, contributing more than \$870 million in the State economy.

Additionally, around \$2.6 billion of additional Government and private sector investments will ensure that the Gold Coast and Queensland offers a globally competitive tourism experience and business destination beyond the Games.

GOLDOC integrated sustainability into its organisational planning and delivery by implementing international best practice frameworks to guide, identify and address the material, economic, environmental, social and community impacts from GC2018. This aligned with the Queensland Government's objectives for the environment, while building safe, caring and connected communities, and also driving significant economic benefits for Queensland.

The delivery of GC2018 itself saw GOLDOC employ around 1,800 employees at its peak, along with 15,000 volunteers and over 35,000 contractors (including security and public safety organisations).

GC2018 will be remembered for many reasons including the significant number of firsts that set the standard for future Commonwealth Games.

In particular, they will be remembered for fulfilling their promise of inclusion and equality - the Games that delivered equal medals for men and women, the first ever reconciliation action plan for a major event, and the biggest integrated para sport program in Commonwealth Games history - fully and authentically integrated into the Games program and embraced by spectators and the broadcast audience.

The reconciliation action plan was incorporated into all of our work and delivered a genuine recognition of people who are Aboriginal and Torres Strait Islanders, founded on action and results. This work was publicly recognised by the Queensland Government as a joint winner in the 2018 Premier's Reconciliation Award.

Agency objectives and performance indicators

GOLDOC had an extensive suite of compliance obligations to the CGF. These obligations arose from the Host City Contract, the CGF Games manuals and the Gold Coast City Candidature File (the Bid Book).

The CGF monitored GOLDOC's progress along with Games partners' and stakeholders' commitments. GOLDOC provided quarterly status updates to the CGF on planning progress and compliance obligations. In addition to quarterly progress reporting, the CGF's CoCom process conducted six monthly reviews of GOLDOC and Games partners' planning and preparations. The CoCom was supported by a team of expert technical advisors who reviewed key elements of planning.

Set out below are the final updates on GOLDOC's 2017-18 strategic priorities and deliverables, as informed by the GC2018 Roadmap, functional area (FA) program schedules, strategic risk profile and the suite of CGF compliance obligations.

FAs had specific strategic priorities to deliver year on year, which were outlined in the annual Business Plan, providing a defined path for the successful delivery of GC2018.

Venue Operational Planning

Venue Management (VMA) was the lead FA which planned, managed and operated GC2018 competition and selected non-competition venues and delivered successful Games-time sporting events and related activities.

A key 2017-18 deliverable for VMA was the second and final phase of the Venue Operational Planning process, including alignment with testing and readiness activities, validation of policies and procedures and development and finalisation of venue operating plans.

Subsequent to the finalisation of the planning process, VMA focussed on facilitating the handover of venues from venue owners to GOLDOC (as dictated by the various Venue Use Agreements) and subsequent Games time operations.

At the completion of Games operations VMA facilitated the process of handing over the venues from GOLDOC back to the venue owners.

Venue Overlay Design and Delivery

During 2017-18, Venue Development and Overlay (VDO) FA was responsible for ensuring successful and timely delivery of the overlay works on all venues. This required appropriate pre-construction planning with FAs and relevant suppliers, and VDO lead this multi-FA process through an "integrated delivery program" work stream. Mobilisation of overlay delivery teams to venues occurred sequentially on an on-going basis from July 2017, with the peak period of concurrent venue works from January 2018.

VDO was also responsible for the oversight of the delivery of the Parklands project managed by the Department of State Development. They validated that it met the minimum requirements associated with GOLDOC's use of the project as the Commonwealth Games Village. VDO took over responsibility for the Parklands project in early October 2017 in order to deliver the GOLDOC overlay works.

The maintenance role for VDO commenced as the overlay works completed at each venue and continued throughout Games time.

Following the completion of GC2018 events at each venue, the overlay delivery team re-mobilised to de-construct and remove the overlay works, remediate

damage as necessary, and prepare the venues for return to the venue owners in line with the Venue Use Agreements.

Security Planning

For 2017-18, the Security FA delivered the completion of Security Operational Plans for all competition and non-competition venues, along with crisis and emergency response plans.

A seven phase process was implemented for each venue, spanning from commissioning to decommissioning of each venue before and after the competition period.

Recruitment and training of Tier 1 security personnel remained a focus for the period to ensure that appropriately skilled staff were deployed across all competition and key non-competition venues.

The Security FA played a key role in the coordination of security services with both federal and state government partner agencies.

Queen's Baton Relay

The Queen's Baton Relay (QBR) international route commenced from Buckingham Palace, London on 13 March 2017. The Baton continued its journey throughout all other Commonwealth Nations and Territories until late 2017, when it arrived in Australia for the commencement of the domestic route. The domestic route involved travel throughout Australia for 100 days to all states and territories. Over 3,800 Batonbearers carried the Queen's Baton throughout Australia.

The QBR FA's priorities for 2017-18 were to finalise the domestic Batonbearer selection process, support the remainder of the international QBR route and engage with local governments to plan and deliver the domestic sector of the QBR.

Transport Planning

A key focus for the Transport FA during 2017-18 was the implementation of the agreed Transport Operations Plans in conjunction with the Department of Transport and Main Roads (TMR), CGC and the Queensland Police Service (QPS).

The Transport FA also developed Venue Transport Operating Plans for each venue in alignment with the Venue Operational Planning cycle.

Sport, Medical and Doping

In 2017-18, the Sport FA lead the final development of all road event courses, the sport testing program and provided suitable training venues to support athletes.

Moving specifically into 2018, the Sport FA had multiple priorities key to delivering a successful GC2018, including delivery of the:

- Athlete entry system
- Sport publications and information services.
- Coordination of sport requirements for technology to ensure scoring, timing and results services met international federation (IF) requirements.

- Identification, training and welfare of technical officials.
- Recruitment, training and scheduling of sport volunteers and other relevant paid or contract staff.

Other key priorities for 2017-18 included the finalisation of the presentation of sport and engagement with spectators within competition venues. This included competition medal ceremony arrangements.

In 2017-18, Medical FA's key priorities included:

- On boarding and training an appropriately skilled medical and healthcare workforce.
- Finalising supply agreements with designated hospitals across event cities.
- Undertaking a robust testing and readiness program internally and with key health delivery partners including Queensland Health, Gold Coast Hospital and Health Service and Queensland Ambulance Service.
- Delivering the GC2018 Integrated Health Plan and joint operational medical response in collaboration with Queensland Ambulance Service.

An anti-doping agency was appointed to deliver all elements of the Anti-Doping program and Anti-Doping education for GC2018. GOLDOC worked with the agency, in conjunction with the CGF, the World Anti-Doping Agency (WADA) and relevant IFs, to ensure the effective and successful delivery of this athlete-centred program.

Technology

During 2017-18, the Technology FA's focus remained on delivery readiness and the operation of foundational venue, infrastructure and application services that were enablers for GOLDOC's FAs and partners to deliver and operate GC2018.

The foundational technology services supporting the 2017-18 priorities included:

- Timing, scoring and results solutions across each sport and provision of outputs to the official website, mobile application and media agencies.
- Games digital presence.
- Communications technology across all venues and FAs.
- Internet services and Wi-Fi for key constituent groups at venues including athletes, press and broadcast.
- A range of applications for FAs and client groups including volunteer and accreditation registration and management.

In order to ensure digital and technology services were secure, the Technology FA continued to broaden its Cyber Security support network through engagement and collaboration with Games Partners at a state and federal level.

The Technology FA also delivered and operated responsive support services at each competition venue and centrally via the Technology Operations Centre (TOC), monitoring and supporting all GC2018 technology services.

Command, Coordination & Communication and Operational Planning & Readiness Activities

The Command, Coordination and Communication (C3) FA facilitated an organisational framework for integrated operations, decision-making and issue resolution for all internal functional groups, external agencies and stakeholders. Key delivery areas for 2017-18 were:

- Joint partner C3 concept of operation planning finalisation
- Operations escalation plans
- Games time C3 structure
- Integrated exercise management
- C3 operations

The area was also responsible for the design, build and operation of the Games Operations Centre (GOC) utilised during Games-time.

The Testing and Readiness FA was responsible for ensuring operational teams were ready for GC2018. The key outcomes for 2017-18 included the completion of operational trials across events, supported by simulation and desktop exercises. The final readiness and operation trials reports were completed in early 2018 and provided assurance to GOLDOC and its partners.

Ceremonies

The Ceremonies FA delivered the GC2018 opening and closing ceremonies including all of the creative, operational, technical and production elements.

An external production company developed the creative planning process, engaged talent and performers and delivered the opening and closing ceremonies, that served to entertain the Commonwealth community through capturing the Gold Coast's vibrant culture and embracing the protocol and traditions of the Commonwealth Games.

Volunteer Program

The Workforce FA delivered the Volunteer Program, which was launched on 6 February 2017. Following the receipt of more than 47,000 volunteer applications, the focus shifted to the volunteer selection phase, with the initial outcome for 2017-18 being to complete the selection process for over 15,000 roles.

Once volunteers were selected, the Workforce FA on-boarded volunteers, delivered specialised training according to the volunteer's role and venue, distributed rosters, provided accreditation and uniforms, and managed the delivery of services and support to the volunteers throughout GC2018.

Ticketing

During 2017-18, the Ticketing FA worked towards meeting the associated revenue and volume sales targets. Key deliverables included:

- Meeting the budgeted net revenue target
- Meeting the anticipated ticket sales targets to ensure 'full stadia'
- Distributing tickets to all client groups

Fundamental to the successful delivery of the GC2018 Ticketing program was public ticketing. The following statistics highlight the success of the GC2018 ticketing program:

- Over 1.2 million tickets sold and issued
- 98% of available tickets sold and issued
- 274 ticketed sessions
- 215 sold out sessions
- More than 1 million ticket sales in Queensland and New South Wales
- An average of 8 tickets purchased per ticket account holder

Performance statement

Service standards	Notes	2017-18 Target/Est	2017-18 Actual	2018-19 Target/Est
<i>Effectiveness measure</i> Level of CGF's satisfaction with preparedness for the Commonwealth Games	1	Satisfied	Satisfied	Discontinued
Level of target market's engagement in the Commonwealth Games	2	65%	57%	Discontinued
Percentage of total GC2018 commercial revenue target contracted	3	100%	96%	Discontinued

Notes:

GOLDOC will continue to function until 31 December 2018 when it will be dissolved. 2018-19 Target/Estimates have not been determined due to the completion of GC2018 in 2017-18 and subsequent dissolution of GOLDOC.

1. The assessment of satisfaction was undertaken by a comprehensive external assessment of progress against an extensive list of requirements compiled from the experience of previous games and the host city bid proposal and schedules. The assessment was made by the international oversight body, the CGF. This service standard was shared by GOLDOC which was responsible for planning the delivery of the actual event and the DITID which was responsible for coordinating the necessary infrastructure and government services to support GC2018.
2. Given GC2018 has now passed, engagement can now be measured by the number of tickets sold (over 1.2 million, 98 per cent of all tickets), social media engagement (over 1.5 million followers) and spectator satisfaction of their experience with the Games (92 per cent of spectators stated their overall experience was good or very good).
3. The 2017-18 Actual figures are based on actual performance up to 30 June 2018. Final negotiations and reconciliations of key commercial revenue contracts are on-going, although the final position is unlikely to vary significantly with some immaterial revenue to be recognised in 2018-19.

FINANCIAL PERFORMANCE

Summary of financial year performance

The audited financial statements of GOLDOC for the year ended 30 June 2018 are included in this Annual Report. A summary of the operating financial results, assets and liabilities is shown in the following table with a comparison against the year ended 30 June 2017.

	2017-18 \$'000	2016-17 \$'000
Grants and other contributions	535,232	171,793
Commercial revenue	220,695	3,705
Other income	8,892	3,017
Total income	764,819	178,515
Employee expenses	106,441	60,934
Supplies and services	663,612	61,095
Grants and subsidies	13,108	210
Depreciation and amortisation	16,057	8,842
Other expenses	3,501	638
Total expenses	802,719	131,719
Operating result for the year	(37,900)	46,796
Assets	84,051	158,309
Liabilities	46,737	83,095
Total equity	37,314	75,214

GOLDOC's total income for 2017-18 was \$764.8 million, of which \$535.2 million was grant funding from the State Government.

The increase in total expenses reflects GOLDOC's successful delivery of GC2018 in 2017-18.

The operating result for the year, which was a \$37.9 million deficit, reflects GOLDOC's utilisation of its prior year operating surplus of \$46.8 million. The prior year surplus accumulated as grants were required to be recognised when received in prior years, while the expenses associated with these grants occurred across multiple years.

Further detail has been disclosed in the financial statements and the accompanying notes.

Summary of whole of Games performance

A summary reflecting the whole of Games financial performance of GOLDOC from 1 January 2012 to 30 June 2018 is outlined in the following table.

	Whole of Games \$'000
Grants and other contributions	841,283
Commercial revenue	225,467
Other income	15,756
Total revenue	1,082,506
Employee expenses	214,841
Supplies and services	781,606
Grants and subsidies	13,318
Depreciation and amortisation	28,697
Other expenses	6,730
Total expenses	1,045,192
Net position	37,314

The above table demonstrates that GOLDOC's cost of delivering GC2018 was within its whole of Games funding allocation.

Subject to finalisation of outstanding contracts during 2018-19, GOLDOC expects to return in excess of \$35 million to the Queensland Government. This is in addition to GOLDOC not requiring utilisation of the state held contingency fund of approximately \$100 million.

This result was achieved as a result of the strong fiscal management and governance arrangements that were applied to GOLDOC's operations.

Following completion of GC2018, certain items of GOLDOC's plant and equipment were transferred to Queensland Government-controlled entities for nil consideration. This resulted in an estimated foregone revenue of \$3.4 million.

GOVERNANCE – MANAGEMENT AND STRUCTURE

Organisational structure

GOLDOC was established under the *Commonwealth Games Arrangements Act 2011* and is a statutory body.

Under the Act, the Chairman and Board members are appointed by the Governor in Council and the Board is responsible to the Minister for the Commonwealth Games. As at 30 June 2018, GOLDOC had 12 Board members including the Chairman.

GOLDOC was divided into seven divisions: Commercial, Communications and Marketing, Strategic Engagement, Finance and Business Services, Sport and Operations, Venues and Services, and Planning and Readiness.

The number of employees reached its peak during the Games at around 1,800 employees.

At 30 June 2018, GOLDOC had 44 full time equivalent roles and 44 employees. GOLDOC's organisational structure will continue to reduce as planned until its dissolution on 31 December 2018.

GOLDOC divisions

Commercial

The Commercial division was responsible for all of the commercial revenue generation for GC2018. This included sponsorship sales (and the associated servicing), ticketing, broadcast rights, licensing and merchandising programs. To maximise revenues, this division relied on the strength of the brand and ensured that it was complemented by all elements of the GC2018 identity.

Communications and Marketing

The Communications and Marketing division provided services internally and externally to the other FAs, particularly in relation to digital media, publications, collateral, image and look, events and advertising initiatives and press operations at Games-time. This division also managed all GOLDOC related communications – both proactive and reactive.

Strategic Engagement

The Strategic Engagement division led GOLDOC in all strategic and operational engagement and government relations activities. The division had direct responsibility for the delivery of the Queen's Baton Relay, stakeholder liaison, Indigenous programs, Board management, communications and engagement. Additionally, with the Chief Executive Officer, the division led the engagement with government partners to ensure collaboration and strategic direction was set at the highest level.

Finance and Business Services

The Finance and Business Services division provided the majority of the internal services to the rest of GOLDOC. All of the FAs within Finance and Business Services were responsible for the ongoing provision of business as usual services, whilst also planning for and delivering Games-specific requirements.

This division adjusted its services and resource levels in response to change within GOLDOC and its business needs at the time.

Planning and Readiness

The Planning and Readiness division was responsible for providing overarching direction and support to the integrated planning and readiness activities of GOLDOC, in a coordinated and integrated manner to support the delivery of GOLDOC's obligations and commitments. It also provided planning and delivery support to FAs within GOLDOC and more broadly across the GC2018 partners.

Venues and Services

The Venues and Services division was responsible for GOLDOC's coordinated input into the planning, development and delivery of the GC2018 related infrastructure services (both permanent and temporary) including design, engineering and delivery services, and the operational services of accreditation, security, transport and venue management.

Sport and Operations

The Sport and Operations division was responsible for the development and delivery of the GC2018 related sport program and the associated operational services of medical, anti-doping, accommodation, arrivals and departures, logistics, cleaning and waste, catering, spectator services, broadcast and Village operations.

Board and Committees

GOLDOC Board

The Board derives its authority from the enabling legislation.

In accordance with its charter, the Board is to comprise no fewer than eight members at any one time. There must be an equal number of members nominated by the Queensland Government and CGAus. Board members are appointed by the Governor in Council.

A member holds office for the period stated in the member's instrument of appointment. The period of appointment can be a period ending no later than the dissolution day of the organisation.

The objective of the Board is to oversee the organisation in accordance with the requirements of the Act and the CGF. This includes:

- to prepare, promote and host GC2018;
- to promote and enhance the reputation of Queensland, the Gold Coast and Commonwealth Games Australia through the hosting of GC2018;
- to engage in marketing activities to promote and further the above objectives; and
- to perform all acts necessary to achieve the above objectives.

Board meetings were held at least every two months, except during Games-time when the Games-time Board became operational. During 2017-18, the Board met six (6) times.

Close to the Games, the work of the following Board sub-committees concluded, and they were disbanded: Joint Marketing Committee, Sport and Technical Committee, Ceremonies Committee, and Contract Approvals Committee.

During the GC2018 operational period, consistent with practices adopted for previous Commonwealth Games, in order to address the operational and tactical nature of decisions required, the Board delegated decision-making authority to a subcommittee (Games-time Board Committee) of the GOLDOC Board to assume responsibility for immediate decision-making that may arise. The Games-time Board Committee was only required to consider one contract related matter.

The Board continued to be supported by the FAC until its 2017-18 financial reporting responsibilities were closed out.

The names, positions and appointment terms for GOLDOC members are detailed in the table below:

Name	Position	Appointment date	End date
Peter Beattie AC	Chairman	19 May 2016	31 August 2018
Sam Coffa AM	Deputy Chairman	10 May 2012	31 December 2018
Perry Crosswhite AM	Board member	10 May 2012	31 December 2018
Mike Victor OAM	Board member	10 May 2012	31 December 2018
Glynis Nunn-Cearns OAM	Board member	10 May 2012	31 August 2018
Peta Fielding	Board member	18 December 2014	31 August 2018
John Witheriff	Board member	2 April 2015	31 December 2018
Dale Dickson PSM	Board member	2 April 2015	31 December 2018
Bob Gordon	Board member	20 May 2016	31 August 2018
Craig Phillips	Board member	21 July 2016	31 December 2018
Bronwyn Morris	Board member	21 July 2016	31 December 2018
Damien Walker	Board member	25 January 2017	31 December 2018

Having delivered on the Board's objectives, some of the Board members resigned from their positions effective 31 August 2018. The remaining Board members will continue to oversee wind up activities until GOLDOC's dissolution on 31 December 2018.

Finance and Audit Committee

The purpose of the Finance and Audit Committee (FAC) was to assist the Board in discharging its responsibilities under the *Financial Accountability Act 2009*, *Financial and Performance Management Standard 2009*, *Statutory Bodies Financial Arrangements Act 1982* and *Commonwealth Games Arrangements Act 2011* and its obligations to other bodies including the CGF, in relation to financial accounting, reporting and risk management.

The FAC was an advisory committee established by the Board. The Board did not delegate any decision-making authority to the FAC however; it could bring particular matters to the Board's attention and make recommendations for the Board's approval. Subject to approval by the Board, the FAC was able to engage independent external consultants as necessary to meet its obligations.

The primary role of the FAC was to assist the Board in fulfilling its governance and oversight responsibilities in relation to financial management and reporting, internal control, risk management and internal and external audit.

During 2017-18, the FAC met eleven (11) times.

The names, positions and appointment terms for FAC members are detailed in the table below:

Name	Position	Appointment date	End date
Bronwyn Morris	Chair	12 June 2012	28 August 2018
Perry Crosswhite AM	Member	12 June 2012	28 August 2018
Peter Bryant	Member	15 June 2016	28 August 2018
Glenn Poole	Member	15 June 2016	28 August 2018
Ian Rodin	Member	8 September 2016	28 August 2018

Having concluded its support of the Board's financial reporting obligations, the FAC was disbanded upon the Board's adoption of the 2017-18 financial statements on 28 August 2018.

Remuneration Committee

The purpose of the Remuneration Committee was to assist the Board in fulfilling its responsibilities on matters relating to the appointment of senior executives and the remuneration and retention arrangements of the CEO and GOLDOC staff.

The Remuneration Committee was a decision-making committee established by the Board. The Board delegated decision-making authority to the Remuneration Committee in respect of policy matters relating to senior appointments and remuneration. Subject to approval by the Board, the Remuneration Committee was able to engage independent external consultants as necessary to meet its obligations.

During 2017-18, the Remuneration Committee met three (3) times.

The names, positions and appointment terms for Remuneration Committee members are detailed in the table below:

Name	Position	Appointment date	End date
John Witheriff	Chair	30 June 2015	24 May 2018
Sam Coffa AM JP	Member	21 May 2013	24 May 2018
Peter Beattie AC	Member	19 May 2016	24 May 2018

Having completed its responsibilities, the Remuneration Committee was disbanded following its final meeting on 24 May 2018.

Contract Approvals Committee

The Contract Approvals Committee (CAC) was a decision-making and approvals committee established to assist the Board in providing timely approvals for all procurement and sponsorship contracts in excess of management's delegation.

During 2017-18, the CAC met eleven (11) times.

The names, positions and appointment terms for CAC members are detailed in the table below:

Name	Position	Appointment date	End date
Peta Fielding	Chair	24 August 2015	8 March 2018
David Williams	Member	24 August 2015	8 March 2018
John Witheriff	Deputy Chair	27 April 2016	8 March 2018
Peter Beattie AC	Member	19 May 2016	8 March 2018
Victor Hoog Antink	Member	7 July 2016	8 March 2018
Phil Mumford	Member	7 July 2016	8 March 2018
Damien Walker	Member	28 February 2017	8 March 2018

Ceremonies and Arts & Culture Committee

The purpose of the Ceremonies and Arts & Culture Committee (CACC) was to assist the Board by providing information in relation to the Opening and Closing Ceremonies of GC2018 (Ceremonies) and Festival 2018, with specific focus on the Host City component of Festival 2018.

During 2017-18, the CACC met seven (7) times.

The names, positions and appointment terms for CACC members are detailed in the table below:

Name	Position	Appointment date	End date
Peter Beattie AC	Chair	19 May 2016	15 March 2018
Perry Crosswhite AM	Member	24 August 2015	15 March 2018
Criena Gehrke	Member	24 August 2015	15 March 2018
Mark Peters	Member	24 August 2015	15 March 2018
Brian Nourse	Member	24 August 2015	15 March 2018
Damian Walker	Member	28 February 2017	19 October 2017
Kerry Petersen	Member	19 October 2017	15 March 2018

Joint Marketing Committee

The purpose of the Joint Marketing Committee (JMC) was to assist the Board in fulfilling its responsibilities regarding the conduct and implementation of a Joint Marketing Programme (JMP) and Marketing Plan.

During 2017-18, the JMC met three (3) times.

The names, positions and appointment terms for JMC members are detailed in the table below:

Name	Position	Appointment date	End date
Perry Crosswhite AM	Member Chair	12 June 2012 14 May 2016	21 November 2017
Andrew Bell OAM	Member	12 June 2012	21 November 2017

Name	Position	Appointment date	End date
David Williams	Member	12 June 2012	21 November 2017
Peter Doggett	Member	12 June 2012	21 November 2017
Judy Brinsmead	Member	12 June 2012	21 November 2017
Bob Gordon	Member	19 May 2016	21 November 2017
Craig Phillips	Member	5 July 2016	21 November 2017

Sport and Technical Committee

The purpose of the Sport and Technical Committee (STC) was to assist the Board on policy pertaining to sport and technical matters in the planning, coordination and delivery of GC2018.

During 2017-18, the STC met five (5) times.

The names, positions and appointment terms for STC members are detailed in the table below:

Name	Position	Appointment date	End date
Sam Coffa AM, JP	Chair	7 August 2012	27 February 2018
Andrew Baildon	Member	7 August 2012	27 February 2018
Sara Carrigan OAM	Member	7 August 2012	27 February 2018
Perry Crosswhite AM	Member	7 August 2012	27 February 2018
Kurt Fearnley OAM	Member	25 November 2013	27 February 2018
Dr Peter Harcourt OAM	Member	9 August 2012	27 February 2018
Cameron Hart	Member	8 August 2012	27 February 2018
Glynis Nunn-Cearns OAM	Member	7 August 2012	27 February 2018
Andrew Minogue	Member	7 August 2012	27 February 2018
Mike Victor OAM	Member	7 August 2012	27 February 2018
Craig Phillips	Member	24 August 2015	27 February 2018

Executive Management

Mark Peters, Chief Executive Officer

Mark Peters was GOLDOC's Chief Executive Officer, a position he accepted after heading the Gold Coast 2018 Commonwealth Games Bid Company.

His senior sporting administration roles include almost ten years as Chief Executive Officer of the Australian Sports Commission, President of the Australian Baseball Federation, and Executive Member of the International Baseball Federation.

Mark has long advocated for increased sport and physical fitness programs in schools and championed Australia's profile on the international sporting stage, as a competitive nation and host destination for major sporting events. His extensive portfolio of leadership and management experience covers tourism, events and sports organisational governance and structure.

Mark completed his contract with GOLDOC on 31 August 2018.

Gold Coast 2018 Commonwealth Games Corporation, Annual Report 2017-18

Brian Nourse, Deputy Chief Executive Officer

Brian Nourse was appointed as Deputy Chief Executive Officer in early 2017, having initially joined GOLDOC as General Manager Planning and Readiness.

Brian has more than 20 years' experience in the delivery and management of international events. He was involved in three prior Commonwealth Games: as Chief Information Officer for the Glasgow 2014 Commonwealth Games, and previously as Group Technology Manager for the Melbourne 2006 Commonwealth Games, and technology consultant and advisor for the Delhi 2010 Commonwealth Games.

With the Glasgow 2014 Commonwealth Games Organising Committee, Brian was responsible for the Games' technology services and infrastructure and broadcast operations. He oversaw international broadcast right sales and operational support to appointed rights-holding broadcasters.

Brian has also worked for the Australian Grand Prix Corporation in the role of Engineering and IT Manager where he was responsible for the management and establishment of venue infrastructure, facilities and services for the staging of numerous Australian Formula One Grand Prix and Australian Motorcycle Grand Prix events.

Brian completed his contract with GOLDOC on 31 August 2018.

Ian Whitehead, General Manager – Venues and Services

Ian Whitehead's experience spans over 25 years and includes senior executive positions within Government and semi-Government positions.

Prior to his GOLDOC appointment, Ian was General Manager – Operations, for Stadiums Queensland, where he was responsible for the operational performance of Queensland's major sporting and recreational infrastructure.

Ian has also held several executive positions with the Queensland Government's Sport and Recreation Services Department and was Managing Director of the Gold Coast Motor Racing Events Company for ten years. Ian played a key role in the planning of infrastructure and the development of the successful Gold Coast 2018 Commonwealth Games bid.

Ian completed his contract with GOLDOC on 31 August 2018.

Helen Moore, General Manager - Finance and Business Services

Helen Moore's capacity to deliver corporate services to GOLDOC has been demonstrated during more than 20 years of senior leadership within the semi-Government sector.

A fellow of CPA Australia, Helen has served as Director of Organisational Services for CGC and Executive Director of Corporate Services for Tourism Queensland and held senior roles with Seqwater and the Port of Brisbane Corporation.

Helen will continue in her capacity until the completion of her contract to oversee the finalisation of GOLDOC's dissolution activities.

Cameron Murray, General Manager – Commercial

Cameron Murray has more than two decades of senior management experience in media, sales, sports and entertainment having worked for a long list of leading Australian brands since 1988.

Cameron's career commenced with the Nine Network in Australia. He was appointed Chief Executive Officer of Nine/Prime Television New Zealand and later appointed Managing Director for the Nine Network in Queensland.

As Head of Commercial Operations for the Gold Coast Titans, Cameron was responsible for the successful launch of the Gold Coast Titans brand and the Gold Coast's only National Rugby League franchise.

Most recently, Cameron was Chief Executive Officer for Boost Media International before accepting the role of General Manager of Sales and Marketing for James Frizelle's Automotive Group.

Cameron completed his contract with GOLDOC on 30 June 2018.

Pat Vidgen, General Manager – Strategic Engagement

Pat Vidgen has held numerous senior executive positions in state government agencies in a career spanning over 25 years. He has a wealth of experience in negotiating key outcomes for Queensland, and is a respected advisor to the most senior levels of government including successive Premiers, Ministers, Governors, and chief executives in government and non-government agencies.

Most recently, Pat held the positions of Chief Operating Officer, Department of the Premier and Cabinet and Deputy Chief Executive Officer, Public Safety Business Agency.

Pat has represented Queensland on a range of Commonwealth and state government boards and committees and has successfully managed projects across a diverse range of areas, including major event facilitation (CHOGM, APEC, Queensland 150 celebrations), and major disaster recovery (Cyclone Larry and Queensland Floods).

Prior to commencing in the role of General Manager, Strategic Engagement at GOLDOC, Pat was significantly involved in the Gold Coast 2018 bid process and devising a governance model to support the delivery of services by public safety personnel for GC2018.

Pat resigned from GOLDOC effective 17 May 2018.

Lara McKay, General Manager - Communications and Marketing

Lara McKay has over 20 years of experience as a Marketing and Communications specialist. As a genuine marketing/communications hybrid, Lara has developed multi-million dollar brand campaigns as well as managed significant crises and reputational risk for organisations in the government, health and higher education sectors.

Before joining GOLDOC, Lara held the position of Executive Director, Marketing and Communications at the University of Melbourne, where these functions were brought together under her leadership to ensure effective marketing and brand strategies were communicated to audiences locally, nationally and globally.

Lara has also held senior roles in the Queensland Government, most recently as the Executive Director, State Services at the Department of Premier and Cabinet. In this role Lara was responsible for the development of large-scale multi-channel marketing and communications initiatives aligned to key Government priorities, as well as overseeing a program of major public events such as Australia Day and Queensland Week celebrations and Royal Visits. Lara also assisted the bids for the Gold Coast 2018 Commonwealth Games and the 2014 G20 Leaders' Summit in Brisbane.

Lara completed her contract with GOLDOC on 30 June 2018.

Nancy Romano, General Manager – Sport and Operations

Nancy Romano brings 15 years of senior executive experience having held both Chief Executive Officer and Chief Operating Officer roles in international companies.

Nancy joined Fox Studios Australia in Sydney where she worked her way from Finance Manager to Chief Executive Officer within six years and held the CEO post for the next seven years. Nancy was responsible for attracting hundreds of millions of dollars of international production per annum as well as running the day-to-day operations of an international film studio.

Nancy more recently spent fourteen months in Beijing, China as Chief Executive Officer and Chief Operating Officer working for the Wanda Group charged with the planning and construction of the world's largest film and television studio which recently started operating.

Nancy completed her contract with GOLDOC on 29 June 2018.

GOVERNANCE – RISK MANAGEMENT AND ACCOUNTABILITY

Risk management

GOLDOC recognised that it had a responsibility to manage risks, protect its people, reputation, communities and the interests of its stakeholders and partners. Risk recognition and management were viewed by GOLDOC as integral to the successful execution of its strategy.

GOLDOC's risk management framework adopted the relevant principles of the *Australian/New Zealand Standard AS/NZS ISO 31000:2009*.

Through the risk management framework, consistent risk management principles were embedded in all critical business activities and FAs. Risk controls were designed and implemented to mitigate the impact of risks to GOLDOC's objectives. The effectiveness of these controls was systematically reviewed at the Board, Committee, executive, divisional and FA levels, and where necessary, improved. GOLDOC was committed to the effective implementation and integration of risk management practices. It adopted best practices where appropriate in the identification, evaluation and cost effective control of risks to ensure that they were eliminated or reduced to an acceptable level.

A key consideration in developing the risk management framework was its application across the whole of Games and integration with key delivery partners. The framework established a process by which this could be monitored, reported and integrated so that a whole of Games approach was taken.

GOLDOC abided by the following guiding principles for managing risk:

- Ensuring GOLDOC had a robust internal culture and process that was capable of identifying and managing its risks,
- Promoting a culture where risk management was understood to be everyone's responsibility,
- Managing risks in accordance with best practice,
- Establishing clear roles, responsibilities and reporting lines for risk management, and
- Maintaining effective communication about risk and GOLDOC's approach to risk taking.

External audit

Each year, an external audit is conducted on GOLDOC's financial statements by the Queensland Audit Office (QAO). QAO issued an unqualified audit report for the 2017-18 financial statements on 30 August 2018.

Internal audit

The internal audit function for GOLDOC was established in 2015-16 and was delivered through its partnership with KPMG. Internal audit supported GOLDOC's corporate governance framework by providing the Board, the FAC and management with:

- Assurance that GOLDOC had effective and adequate internal controls in place to support the achievement of its objectives, including the management of risk, and
- Advice with respect to GOLDOC's internal controls and business processes.

This assurance and advice were review activities which continuously reinforced management's responsibility for effective internal controls.

The internal audit function was responsible for:

- Providing professional, independent and objective assurance to the Finance and Audit Committee and the Board of Directors designed to add value and improve GOLDOC's operations
- Assisting management in evaluating their processes for identifying, assessing, managing and reporting risks
- Assisting management in evaluating the effectiveness of internal control systems, including compliance with internal policies
- Assisting management in employing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes
- Promoting a culture which fostered awareness of risk and control
- Being responsive to GOLDOC's changing needs, striving for continuous improvement and monitoring integrity in the performance of its activities.

During the year:

- Internal audit operated under its approved charter that was consistent with relevant audit and ethical standards
- Internal audit worked in accordance with the strategic goals, objectives and key risks
- Systems were in place to ensure the effective, efficient and economical operation of the function
- The internal audit function was independent of management and the external auditors
- Internal audits were conducted in the areas of: accreditation, ticketing, Queen's Baton Relay, contract management, readiness, technology security, payroll, accounts payable and key financial controls monitoring.

The Finance and Audit Committee had due regard to Queensland Treasury's *Audit Committee Guidelines* when it established the internal audit function, including its charter. The way the committee over saw and managed internal audit was aligned with the guidelines.

Upon the disbanding of the FAC, the internal audit function was also concluded.

INFORMATION SYSTEMS AND RECORDKEEPING

GOLDOC ensures ongoing compliance with the *Public Records Act 2002*, *Information standard 40 – recordkeeping* and *Information standard 31 – retention and disposal* of public records through the operation of its recordkeeping strategy. Policies are in place for recordkeeping, information management, retention and disposal of records, information security and right to information.

GOLDOC has a corporate electronic document and records management system and staff are encouraged to maximise the use of digital records in business processes.

An approved retention and disposal schedule and documented processes for records disposal are in place at GOLDOC.

Information management activities continued throughout 2017-18 and GOLDOC has completed a comprehensive “Transfer of Knowledge” program to the CGF.

GOVERNANCE – HUMAN RESOURCES

Workforce planning

In 2017-18, GOLDOC's staff headcount peaked at around 1,800 employees. Approximately 500 of these employees were engaged in short term, operational roles in the final three months leading into GC2018.

Workforce dissolution

Following the successful delivery of GC2018, staffing levels reduced by approximately 900 staff on 15 April 2018. Since 15 April 2018, GOLDOC has continued to wind down the staffing levels reducing each week. By 30 June 2018, staff levels reduced to 44 staff. From October 2018, GOLDOC's operation will be managed by one employee with OCG overseeing GOLDOC's dissolution.

SPONSORS



GC2018 OFFICIAL PARTNERS



GC2018 OFFICIAL SUPPORTERS



GC2018 OFFICIAL SUPPLIERS

Centium Software Y&R MediaCom GL events ExpoNet Tourism Australia Diadora
 Isentia Thrifty Cockram Construction Winc Technogym Speedo
 Sold Out Events Sting DB Schenker Motorola Solutions Spieth Gymnastics
 Gold Coast Airport Aura Sports Incognitus Queensland X-Ray Eleiko CSG
 Brisbane Airport TFH Hire Services Hamilton Harvey Norman Commercial QLD
 Coates Hire First Aid Accident & Emergency Kelly Services SportsTech Australia
 Norwest Productions Ottobock RM Williams Benchmark Scaffolding Coca-Cola Amatil
 Zen Catering Leonardo Seven Network FLIR Peters Ice Cream Symantec

GC2018.COM

OPEN DATA

In accordance with the *Right to Information Act 2009*, the 2017-18 GOLDOC's consultancies, Board remuneration and overseas travel will be published through the Queensland Government's [Open Data website](#)¹ instead of in the Annual Report.

Online publication

GOLDOC will publish its Annual Report 2017-18 online at the [Gold Coast Commonwealth Games Corporation website](#).²

CONTACTS AND LOCATION

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¹ <http://www.data.qld.gov.au>

² <http://www.gc2018.com/>

GLOSSARY

Acronym	Definition
ARR	Annual Report Requirement
Bid Book	Gold Coast City Candidature File
CAC	Contract Approvals Committee
CACC	Ceremonies and Arts & Culture Committee
CGA	Commonwealth Games Association
CGAus	Commonwealth Games Australia
CGC	City of Gold Coast
CGF	Commonwealth Games Federation
CGV	Commonwealth Games Village
CoCom	Coordination Commission
DITID	Department of Innovation, Tourism Industry Development and the Commonwealth Games
FA	Functional Area
FAC	Finance and Audit Committee
Games	Gold Coast 2018 Commonwealth Games™
GC2018	Gold Coast 2018 Commonwealth Games™
GOLDOC	Gold Coast 2018 Commonwealth Games Corporation
IF	International (sports) Federation
JMC	Joint Marketing Committee
JMP	Joint Marketing Program
NSO	National Sporting Organisation
OCG	Office of the Commonwealth Games
QAO	Queensland Audit Office
QBR	Queen's Baton Relay
RAP	Reconciliation Action Plan
RHB	Rights Holding Broadcaster
STC	Sport and Technical Committee
TOP	Transport Operations Plan
VOP	Venue Operational Planning

COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report page #
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister 	ARRs – section 7	1
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	3 35
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	2
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	2
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4	2
	<ul style="list-style-type: none"> Information licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
General information	<ul style="list-style-type: none"> Introductory information 	ARRs – section 10.1	9
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 10.2	9
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 10.3	10
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community 	ARRs – section 11.1	12
	<ul style="list-style-type: none"> Other whole of government plans/ specific initiatives 	ARRs – section 11.2	N/A
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.3	12
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.4	17
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	18
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	20
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	25
	<ul style="list-style-type: none"> Government bodies (Statutory Bodies and other entities) 	ARRs – section 13.3	N/A
	<ul style="list-style-type: none"> <i>Public Sector Ethics Act 1994</i> 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	32

Summary of requirement		Basis for requirement	Annual report page #
	<ul style="list-style-type: none"> Queensland Public Service Values 	ARRs – section 13.5	N/A
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1	29
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2	22
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3	29
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 14.4	29
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 14.5	31
Governance – human resources	<ul style="list-style-type: none"> Workforce planning and performance 	ARRs – section 15.1	32
	<ul style="list-style-type: none"> Early retirement, redundancy and retrenchment 	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> Directive No. 16/16 <i>Early Retirement, Redundancy and Retrenchment</i> (From 20 May 2016) ARRs – section 15.2	N/A
Open Data	<ul style="list-style-type: none"> Consultancies 	ARRs – section 33.1	34
	<ul style="list-style-type: none"> Overseas Travel 	ARRs – section 33.2	34
	<ul style="list-style-type: none"> Queensland Language Services Policy 	ARRs – section 33.3	N/A
Financial statements	<ul style="list-style-type: none"> Certification of financial statements 	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	See Financial Statements
	<ul style="list-style-type: none"> Independent Auditor's Report 	FAA – section 62 FPMS – section 50 ARRs – section 17.2	See Financial Statements



Financial Statements

2017 – 2018



These financial statements cover the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC).

A description of the nature of GOLDOC's objectives and its principal activities is included in the notes to the financial statements.

For information in relation to GOLDOC's financial statements please call (07) 3333 5231, email corporate@ditid.qld.gov.au or visit the internet site www.gc2018.com.

Amounts shown in these financial statements may not add to the correct sub-totals or totals due to rounding.

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GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$'000	2017 \$'000
Income from continuing operations			
Grants and other contributions	4.1	535,232	171,793
Commercial revenue	4.2	220,695	3,705
Other income	4.3	8,892	3,017
Total income from continuing operations		764,819	178,515
Expenses from continuing operations			
Employee expenses	4.4	106,441	60,934
Supplies and services	4.5	663,612	61,095
Grants and subsidies	4.6	13,108	210
Depreciation and amortisation	5.4 & 5.5	16,057	8,842
Other expenses	4.7	3,501	638
Total expenses from continuing operations		802,719	131,719
Operating result for the year		(37,900)	46,796

The accompanying notes form part of these statements.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Notes	2018 \$'000	2017 \$'000
Current assets			
Cash and cash equivalents	5.1	69,391	142,056
Receivables	5.2	14,432	2,195
Other assets	5.3	167	1,473
Total current assets		83,990	145,724
Non-current assets			
Plant and equipment	5.4	-	7,328
Intangible assets	5.5	61	4,724
Other assets	5.3	-	533
Total non-current assets		61	12,585
Total assets		84,051	158,309
Current liabilities			
Payables	5.6	43,394	6,790
Accrued employee benefits	5.7	3,343	5,607
Other liabilities	5.8	-	70,186
Total current liabilities		46,737	82,583
Non-current liabilities			
Accrued employee benefits	5.7	-	512
Total non-current liabilities		-	512
Total liabilities		46,737	83,095
Net assets		37,314	75,214
Equity			
Accumulated surplus		37,314	75,214
Total equity		37,314	75,214

The accompanying notes form part of these statements.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

	Accumulated surplus \$'000
Balance as at 1 July 2016	28,418
Total operating result for the year	46,796
Balance as at 30 June 2017	<u><u>75,214</u></u>
Balance as at 1 July 2017	75,214
Total operating result for the year	(37,900)
Balance as at 30 June 2018	<u><u>37,314</u></u>

The accompanying notes form part of these statements.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$'000	2017 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
Grants and other contributions		531,145	171,793
Interest received		5,726	2,471
Receipts from operations		153,792	30,632
GST input tax credits from ATO		53,825	5,875
GST collected from customers		12,148	2,041
<i>Outflows:</i>			
Employee expenses		(110,226)	(56,451)
Supplies and services		(629,455)	(58,978)
Grants and subsidies		(13,108)	(210)
GST paid to suppliers		(60,992)	(6,748)
GST remitted to ATO		(11,472)	(2,014)
Net cash provided by (used in) operating activities		(68,617)	88,411
Cash flows from investing activities			
<i>Outflows:</i>			
Payments for plant, equipment and intangible assets		(4,048)	(10,836)
Net cash used in investing activities		(4,048)	(10,836)
Net increase/(decrease) in cash and cash equivalents		(72,665)	77,575
Cash and cash equivalents at beginning of financial year		142,056	64,481
Cash and cash equivalents at end of financial year	5.1	69,391	142,056
Reconciliation of operating surplus to net cash from operating activities			
Operating surplus/(deficit)		(37,900)	46,796
Depreciation expense		8,664	7,076
Amortisation expense		7,393	1,766
Unrealised foreign exchange (gain)/loss		(24)	122
<i>Changes in assets and liabilities:</i>			
(Increase)/decrease in receivables		(12,237)	(1,039)
(Increase)/decrease in other assets		1,839	(1,131)
Increase/(decrease) in payables		36,586	4,341
Increase/(decrease) in accrued employee benefits		(2,776)	3,905
Increase/(decrease) in other liabilities		(70,162)	26,575
Net cash provided by (used in) operating activities		(68,617)	88,411

The accompanying notes form part of these statements.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1 Corporation

1.1 General information

The Gold Coast Commonwealth Games Corporation (GOLDOC), constituted under the *Commonwealth Games Arrangements Act 2011*, is a statutory body within the meaning given in the *Financial Accountability Act 2009* and is controlled by the State of Queensland which is the ultimate parent.

The Games headquarters and principal place of business of GOLDOC is Corner Heeb Street and Benowa Road, ASHMORE QLD 4214

1.2 Objectives and principal activities of GOLDOC

GOLDOC's functions were to undertake and facilitate the organisation, conduct, promotion, commercial and financial management of the XXI Commonwealth Games (Games) in 2018 in conjunction with Commonwealth Games Australia (CGA) and the Commonwealth Games Federation (CGF).

1.3 Responsibilities of other Queensland Government agencies

There were government services outside of GOLDOC required to deliver the Games and these were coordinated through the Office of Commonwealth Games (OCG) within the Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID). The OCG also managed the capital budget for the Games venues (excluding the Commonwealth Games Village (CGV)). The Department of State Development, Manufacturing, Infrastructure and Planning (DSD) coordinated the planning, design and project management of capital works to deliver the Games venue infrastructure, including the CGV. Economic Development Queensland (EDQ) within DSD was responsible for the planning and delivery of the Parklands capital development which incorporated the requirements of the CGV.

As the capital infrastructure programs for the CGV and venues were not managed by or funded through GOLDOC, they are not included in GOLDOC's financial statements.

1.4 Dissolution of GOLDOC

Under the *Commonwealth Games Arrangements (GOLDOC Dissolution Day) Amendment Regulation 2018*, GOLDOC's dissolution date is 31 December 2018. GOLDOC will continue to operate while it settles liabilities and disposes of assets up to the date of dissolution, at which point any remaining assets or liabilities will be transferred to the Queensland Government.

The funding available to GOLDOC will be sufficient to meet all anticipated liabilities, which will allow for an orderly wind down of GOLDOC's operations.

As a result, GOLDOC is no longer considered a going concern. While it is not a going concern, these financial statements have been prepared consistent with the going concern basis, due to the transfer of functions to the Queensland Government on dissolution.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

2 Basis of financial statement preparation

2.1 Compliance with prescribed requirements

GOLDOC has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2017.

GOLDOC is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) and going concern basis of accounting in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

2.2 Presentation

2.2.1 Currency and rounding

Amounts included in the financial statements are in Australian dollars and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

2.2.2 Comparatives

Comparative information reflects the audited 2016-17 financial statements except where restated to conform with changes in presentation for the current reporting period.

2.2.3 Current/Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or GOLDOC does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

2.3 Authorisation of financial statements for issue

The financial statements are authorised for issue by the Chairman, Chief Executive Officer and General Manager Finance and Business Services at the date of signing the Management Certificate.

2.4 Basis of measurement

Historical cost is used as the measurement basis in this financial report except where fair value is stated as the measurement basis.

2.5 The reporting entity

The financial statements include all income, expenses, assets, liabilities and equity of GOLDOC only.

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

3 First year application of new accounting standards or change in policy

3.1 Changes in accounting policy

GOLDOC has maintained all the accounting policies adopted in the 2016-17 financial statements.

3.2 Accounting standards applied for the first time

No Australian Accounting Standards were applied for the first time in 2017-18 as they were either not applicable or had no material impact.

3.3 Accounting standards early adopted

No Australian Accounting Standards have been early adopted for 2017-18.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

4 Notes about our financial performance

4.1 Grants and other contributions

	2018	2017
	\$'000	\$'000
Grants	529,476	171,793
Other contributions	5,756	-
Total	535,232	171,793

4.2 Commercial revenue

	2018	2017
	\$'000	\$'000
Sponsorship	79,191	3,692
Ticketing	65,948	-
Broadcast	65,399	-
Licensing	2,760	13
Other	7,397	-
Total	220,695	3,705

4.3 Other income

	2018	2017
	\$'000	\$'000
Interest from QTC	5,160	2,667
Interest	512	83
Sale of assets	626	-
Unrealised foreign exchange gain	24	-
Other	2,570	267
Total	8,892	3,017

Accounting policies

Grants

Grants received are government grants that are non-reciprocal in nature so do not require any goods or services to be provided in return. The revenue is recognised in the financial year in which GOLDOC obtains control over the grant (control is obtained at the time of receipt) and is aligned to the annual funding agreement.

Commercial revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to GOLDOC and the revenue can be reliably measured. If performance obligations are attached to contracts, revenue is recognised when GOLDOC has fulfilled these obligations.

Key estimate

Sponsorship recognition

The majority of GOLDOC's performance obligations under sponsorship contracts were satisfied during Games time. Therefore, the majority of sponsorship revenue was recognised in the 2017-18 income year.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

4.4 Employee expenses

4.4.1 Employee benefits

	2018	2017
	\$'000	\$'000
Wages and salaries	85,272	49,530
Board fees	230	228
Employer superannuation contributions	8,727	4,585
Annual leave expenses	6,226	3,582
Long service leave expense	15	15
Total	100,470	57,940

Accounting policies

Superannuation

Employer superannuation contributions are paid to superannuation funds as nominated by GOLDOC employees. Contributions meet or exceed the requirements of the *Superannuation Guarantee (Administration) Act 1992* and are expensed in the period in which they are paid or payable. GOLDOC's obligation is limited to its contribution to the superannuation funds.

QSuper (the superannuation scheme for Queensland Government employees) has defined benefit and defined contribution categories. The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Disclosures

Key Management Personnel

Key management personnel and remuneration disclosures are detailed in Note 11.

Volunteers

Delivery of the Games was enhanced by the contribution of volunteers' services. Approximately 15,000 volunteers committed to provide a wide variety of services. Some of the key services included Sports Operations, Medical and Anti-Doping, Spectator Services and Transport.

Contributions of services are recognised only if the services would have been purchased if they had not been donated, and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

Management has assessed the value of volunteer services that would have been purchased if they had not been donated, giving consideration to the roles performed by volunteers, the proportion of volunteers to employees and contractors during games time, and relevant rates of pay. The value of the volunteer services, that would have been purchased, was assessed as not material for 2017-18 and was not recognised in these financial statements.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

4.4 Employee expenses (continued)

4.4.2 Employee related expenses

	2018	2017
	\$'000	\$'000
Payroll tax	4,854	2,491
Workers' compensation premium	290	212
Other	827	291
Total	5,971	2,994
<hr/>		
Full-time equivalent employees (MOHRI)	44	645
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Full-time equivalent employees (averaged)	865	450
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Disclosures

Full-time equivalent employees

The number of employees at 30 June, including both full-time employees and part-time employees is measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)).

As GOLDOC is a limited life statutory body with short term employees recruited progressively, the number of full-time equivalent employees has also been reflected as an average over the reporting period.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

4.5 Supplies and services

	2018	2017
	\$'000	\$'000
Operating lease rentals	28,799	1,096
Building services	2,351	237
CGF host fees	2,697	2,619
Contractors and consultants	518,029	43,924
Entertainment and hospitality	651	100
Information technology services	19,903	3,301
Legal fees	2,551	2,056
Minor equipment purchases	35,276	2,820
Repairs and maintenance	4,497	106
Travel and accommodation expenses	25,993	1,379
Other	22,865	3,457
Total	<u>663,612</u>	<u>61,095</u>

Accounting policy

Operating lease rentals

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

GOLDOC does not have any finance leases.

Disclosure

Operating leases

Operating leases are entered into as a means of acquiring access to office accommodation. GOLDOC has no option to purchase the leased office accommodation at the conclusion of the leases and the leases do not provide for a right of renewal.

Lease payments are generally fixed, but with annual inflation escalation clauses.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

4.6 Grants and subsidies

	2018	2017
	\$'000	\$'000
Grants	13,108	210
Total	13,108	210

4.7 Other expenses

	2018	2017
	\$'000	\$'000
Unrealised foreign exchange loss	-	122
Insurance premiums	3,291	343
External audit fees	210	173
Total	3,501	638

Disclosures

Grants

GOLDOC had compliance obligations to provide grants to Commonwealth Games Associations to enable them to participate in the Games.

External audit fees

External audit fees payable to the Queensland Audit Office relating to the 2017-18 financial year are quoted to be \$210,000 (2016-17: \$172,500) and have been accrued. There are no non-audit services included in this amount.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

5 Notes about our financial position

5.1 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Cash at bank	18,372	13,415
Cash at QTC	51,018	128,640
Cash on hand	1	1
Total	69,391	142,056

5.2 Receivables

	2018	2017
	\$'000	\$'000
Current		
Interest receivable	230	7
Trade debtors	6,485	962
GST input tax credits receivable	8,447	1,280
GST payable	(730)	(54)
	<u>7,717</u>	<u>1,226</u>
Total	14,432	2,195

5.3 Other assets

	2018	2017
	\$'000	\$'000
Current		
Prepayments	-	1,473
Deposits	167	-
Total	167	1,473
Non-current		
Deposits	-	533
Total	-	533

Accounting policies

Cash and cash equivalents

For the purpose of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June.

Receivables

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade debtors are recognised at the amounts due at the time of sale or service delivery for the agreed sale or contract price. Settlement of receivables is in accordance with the contract terms of trade agreed or otherwise within 30 days from the invoice date.

Key judgement

Impairment of receivables

No indicators of possible impairment exist for receivables at 30 June 2018.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

5.4 Plant and equipment and depreciation expense

5.4.1 Closing balances

	2018	2017
	\$,000	\$'000
Plant and equipment:		
At cost	103	16,233
Less: Accumulated depreciation	(103)	(8,959)
	<u>-</u>	<u>7,274</u>
Work-in-progress:		
At cost	-	54
Total	<u>-</u>	<u>7,328</u>

5.4.2 Reconciliation of carrying amount

	Plant & equipment	Work in progress	Total
	2018	2018	2018
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2017	7,274	54	7,328
Acquisitions	-	1,362	1,362
Transfers	1,416	(1,416)	-
Disposals	(26)	-	(26)
Depreciation expense	(8,664)	-	(8,664)
Carrying amount at 30 June 2018	<u>-</u>	<u>-</u>	<u>-</u>

	Plant & equipment	Work in progress	Total
	2017	2017	2017
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2016	3,677	4,424	8,101
Acquisitions	-	6,303	6,303
Transfers	10,673	(10,673)	-
Depreciation expense	(7,076)	-	(7,076)
Carrying amount at 30 June 2017	<u>7,274</u>	<u>54</u>	<u>7,328</u>

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

5.4 Plant and equipment and depreciation expense (continued)

Accounting policies

Measurement using historical cost

Plant and equipment is measured at historical cost in accordance with the Non-Current Asset Policies for the Queensland Public Sector. The carrying amounts for plant and equipment are not materially different from their fair value.

Cost of acquisition

Historical cost is used for the initial recording of all plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition, plus all other costs incurred in getting the assets ready for use.

Recognition

Items of plant and equipment with an historical cost or other value equal to or in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition.

Items with a lesser value are expensed in the year of acquisition.

Expenditure on plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for GOLDOC. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential of the existing asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when work is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then transferred to plant and equipment.

Depreciation

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost of each asset, progressively over its estimated useful life to GOLDOC.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to GOLDOC.

Estimated useful lives are reviewed on an annual basis. Plant and equipment in GOLDOC's offices was fully depreciated by the expiration of the leases on 30 June 2018.

The residual value of all GOLDOC's plant and equipment was assumed to be zero at the end of its useful life for the purposes of calculating depreciation.

Disclosure

Transfers out to other Queensland Government entities

Following the completion of the Games, certain items of GOLDOC's plant and equipment were transferred to Queensland Government-controlled entities for nil consideration.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

5.5 Intangible assets and amortisation expense

5.5.1 Closing balances

	2018	2017
	\$,000	\$'000
Software purchased:		
At cost	2,105	5,267
Less: Accumulated amortisation	(2,044)	(2,739)
	<u>61</u>	<u>2,528</u>
Work-in-progress:		
At cost	-	2,196
Total	<u>61</u>	<u>4,724</u>

5.5.2 Reconciliation of carrying amount

	Software purchased	Work in progress	Total
	2018	2018	2018
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2017	2,528	2,196	4,724
Acquisitions	-	2,730	2,730
Transfers	4,926	(4,926)	-
Amortisation expense	(7,393)	-	(7,393)
Carrying amount at 30 June 2018	<u>61</u>	<u>-</u>	<u>61</u>

	Software purchased	Work in progress	Total
	2017	2017	2017
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2016	1,206	752	1,958
Acquisitions	-	4,532	4,532
Transfers	3,088	(3,088)	-
Amortisation expense	(1,766)	-	(1,766)
Carrying amount at 30 June 2017	<u>2,528</u>	<u>2,196</u>	<u>4,724</u>

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

5.5 Intangible assets and amortisation expense (continued)

Accounting policies

Intangible assets

Intangible assets with an historical cost or other value equal to or greater than \$100,000 are recognised for financial reporting purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition. There is no active market for any of GOLDOC's intangible assets. As such, the assets are recognised and carried at historical cost less accumulated amortisation.

Intangible assets under development (work-in-progress) are not amortised until they reach service delivery capacity. Service delivery capacity relates to when work is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then transferred to intangible assets.

Amortisation

All intangible assets of GOLDOC have finite useful lives and are amortised on a straight-line basis over their estimated useful life to GOLDOC. Straight-line amortisation is used, reflecting the expected consumption of economic benefits on a progressive basis over the intangible asset's useful life.

Estimated useful lives are reviewed on an annual basis. Intangible assets will be fully depreciated by 31 December 2018.

The residual value of all GOLDOC's intangible assets is determined to be zero.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

5.6 Payables

	2018	2017
	\$'000	\$'000
Trade creditors	2,806	804
Accrued expenses	40,250	5,047
Other payables	338	939
Total	<u>43,394</u>	<u>6,790</u>

5.7 Accrued employee benefits

	2018	2017
	\$'000	\$'000
Current		
Retention	2,660	4,049
Annual leave	587	1,332
Long service leave	96	226
Total	<u>3,343</u>	<u>5,607</u>
Non-current		
Retention	-	512
Total	<u>-</u>	<u>512</u>

Accounting policies

Payables

Trade creditors are recognised upon receipt of an invoice for goods or services ordered and are measured at the agreed purchase or contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

Retention

Retention payments accrued at the reporting date are recognised in the Statement of Financial Position in accordance with pay rates as at 30 June 2018. Eligibility for retention payments is in accordance with terms of GOLDOC's attraction and retention program. Retention payments expected to be paid within 12 months are classified as current and beyond 12 months are classified as non-current.

Sick leave

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Annual leave

Annual leave entitlements are expected to be paid within 12 months and are classified as current liabilities and recognised at their present value in accordance with pay rates as at 30 June 2018.

Long service leave

Long service leave entitlements are expected to be paid within 12 months and are classified as current liabilities and recognised at their present value in accordance with pay rates as at 30 June 2018. Long service leave is only provided for those staff who will become entitled to an unconditional benefit within the life of GOLDOC.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

5.8 Other liabilities

	2018	2017
	\$'000	\$'000
Current		
Deposits	-	2,486
Derivative liabilities	-	24
Unearned revenue	-	67,676
Total	-	70,186

Accounting policies

Unearned revenue

Unearned revenue derived under commercial contract arrangements for broadcast rights, sponsorship, ticketing, corporate hospitality and licensing was recognised when GOLDOC had fulfilled its performance obligations under these contracts and the economic benefits had flowed to GOLDOC.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

6 Financial risk disclosures

6.1 Financial instruments categories

Financial assets and financial liabilities are recognised in the Statement of Financial Position when GOLDOC becomes party to the contractual provisions of the financial instrument. GOLDOC has the following categories of financial assets and financial liabilities:

Category	Notes	2018 \$'000	2017 \$'000
Financial assets			
Cash and cash equivalents	5.1	69,391	142,056
Receivables	5.2	14,432	2,195
Total		83,823	144,251
Financial liabilities			
Payables	5.6	43,394	6,790
Derivative liabilities	5.8	-	24
Total		43,394	6,814

Financial instruments are classified and measured as follows:

- Cash and cash equivalents - held at fair value through the operating result
- Receivables - held at amortised cost
- Derivative assets and liabilities – held at fair value through the operating result
- Payables - held at amortised cost

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

6.2 Financial risk management

6.2.1 Risk exposure

Financial risk management is implemented pursuant to policies of the Government and GOLDOC. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of GOLDOC.

GOLDOC's activities expose it to a variety of financial risks, including credit risk, liquidity risk and market risk.

Risk exposure	Definition	Exposure
Credit risk	Credit risk refers to the situation where GOLDOC may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	GOLDOC is exposed to credit risk in respect of its receivables (Note 5.2).
Liquidity risk	Liquidity risk refers to the situation where GOLDOC may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	GOLDOC is exposed to liquidity risk in respect of its payables (Note 5.6).
Market risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. <i>Interest rate risk</i> is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.	GOLDOC is exposed to interest rate risk through its cash deposited in interest bearing accounts (Note 5.1). GOLDOC is not materially exposed to other price risk.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

6.3 Risk measurement and management strategies

GOLDOC measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement method	Risk management strategies
Credit risk	Ageing analysis	GOLDOC reduces its exposure to credit risk by monitoring all funds owed on a timely basis.
Liquidity risk	Cash flow analysis	<p>GOLDOC reduces its exposure to liquidity risk by ensuring it has sufficient funds available to meet employee and creditor obligations as they fall due.</p> <p>This is achieved by ensuring that minimum levels of cash are held by forecasting monthly cash requirements.</p> <p>An overdraft facility of \$500,000 was approved by the Treasurer on 21 December 2012 in accordance with section 31(2) of the <i>Statutory Bodies Financial Arrangements Act 1982</i> (SBFA). This overdraft was not utilised by GOLDOC during the financial year ended 30 June 2018.</p>
Market risk	Sensitivity analysis	<p>GOLDOC reduces its exposure to interest rate risk by dealing with recognised and approved financial institutions with acceptable credit ratings.</p> <p>GOLDOC holds sufficient cash at bank to meet employee and creditor obligations as they fall due. The remaining cash is deposited with the Queensland Treasury Corporation (QTC).</p> <p>Forward foreign exchange contracts are not held for speculative purposes.</p>

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018**

6.4 Maximum financial risk exposure

6.4.1 Credit risk

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets.

All receivables are expected to be fully collectible as at 30 June 2018. No allowance for impairment has been made for the current year regarding GOLDOC's receivables.

No collateral is held as security and no credit enhancements relate to receivables held by GOLDOC.

6.4.2 Market risk - interest rate risk

If interest rates change by +/- 1% from the year end rates applicable to GOLDOC's financial assets, with all other variables held constant, GOLDOC would have an operating result or equity increase or decrease of \$694,000 (2016-17: \$1,421,000).

6.4.3 Market risk – currency risk

GOLDOC is no longer exposed to currency risk as all forward foreign exchange contracts with QTC settled prior to 30 June 2018.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

7 Commitments

7.1 Non-cancellable operating leases

Commitments under operating leases at reporting date (inclusive of non-recoverable GST input tax credits) that are payable:

	2018	2017
	\$'000	\$'000
Not later than 1 year	-	3,567
Total	<u>-</u>	<u>3,567</u>

7.2 Capital expenditure commitments

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) that are payable:

	2018	2017
	\$'000	\$'000
Not later than 1 year	-	5,871
Total	<u>-</u>	<u>5,871</u>

7.3 Other expenditure commitments

Other expenditure commitments (inclusive of non-recoverable GST input tax credits) that are payable:

	2018	2017
	\$'000	\$'000
Not later than 1 year	788	320,816
Later than 1 year but not later than 5 years	-	1,337
Total	<u>788</u>	<u>322,153</u>

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

8 Taxation

GOLDOC is a state body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by GOLDOC. GST credits receivable from, and GST payable to the Australian Taxation Office (ATO), are recognised in the Statement of Financial Position (Note 5.2).

9 Future impact of accounting standards not yet effective

At the date of authorisation of the financial report, all Australian Accounting Standards and Interpretations with future commencement dates are either not applicable to GOLDOC's activities, or have no material impact on GOLDOC.

10 Events after balance date

There were no events that occurred after balance date which would materially affect the financial statements or disclosures.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

11 Key management personnel (KMP) disclosures

11.1 Details of KMP

As from 2017-18, GOLDOC's responsible Minister is identified as part of GOLDOC's KMP, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Minister for Innovation and Tourism Industry Development and Minister for the Commonwealth Games.

The following details for non-Ministerial key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of GOLDOC during 2017-18 and 2016-17. Further information on these positions can be found in the body of the Annual Report under the section relating to Governance – management and structure.

Position	Position Responsibility
Chairman	Responsible for the management and leadership of the Board. The Board ensures that GOLDOC performs its functions and exercises its powers in an appropriate, effective and efficient way.
Deputy Chairman	Responsible for the management and leadership of the Board when the Chairman is absent. The Board ensures that GOLDOC performs its functions and exercises its powers in an appropriate, effective and efficient way.
Board members	The Board ensures that GOLDOC performs its functions and exercises its powers in an appropriate, effective and efficient way.
Chief Executive Officer	Responsible for the management of GOLDOC in accordance with the priorities of the Board. This includes providing strategic leadership and direction for key stakeholders including staff, industry and government agencies for the efficient and effective management of GOLDOC's administration and operation.
Deputy Chief Executive Officer (General Manager, Planning and Readiness)	Works in close partnership with the Chief Executive Officer on cross-organisational matters and acts on behalf of the Chief Executive Officer as required. Responsible for the strategic direction and leadership of GOLDOC's integrated planning and readiness activities, as well as a number of delivery and support areas such as ceremonies, arts and culture, city integration, health and safety and program and risk management.
General Manager, Finance and Business Services	Responsible for strategic direction and leadership over financial management, business solutions, technology, information management, procurement, legal and workforce for the efficient and effective management of GOLDOC.
General Manager, Venues and Services	Responsible for GOLDOC's coordinated input into the planning, development and delivery of the Games infrastructure services (permanent and temporary) including design, engineering and delivery services, and the operational services of accreditation, transport, security and venue management.
General Manager, Commercial	Responsible for the strategic direction and leadership over the management for commercial revenue operations, ensuring efficient and effective outcomes for GOLDOC.
General Manager, Strategic Engagement	Responsible for the strategic direction and leadership over GOLDOC's government coordination and relations, engagement, sustainability, legacy and Reconciliation Action Plan programs, as well as the delivery of the Queen's Baton Relay.
General Manager, Sport and Operations	Responsible for GOLDOC's coordinated input into the planning, development and delivery of the Games related sport program and services, and the operational services of accommodation, arrivals and departures, games family services, logistics, cleaning and waste, catering, spectator services, press operations, broadcast and village operations.
General Manager, Communications and Marketing	Responsible for the strategic direction and leadership over GOLDOC's communications and marketing objectives, ensuring efficient and effective outcomes for GOLDOC.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

11.2 KMP remuneration policies

11.2.1 Minister

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. GOLDOC does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of the Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregated remuneration expenses for all Ministers are disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements as from 2017-18, which are published as part of Queensland Treasury's Report on State Finances.

11.2.2 Board

All Board members receive a fee set by the Governor of Queensland. Fees were published in the Queensland Government Gazette on 18 December 2014. In addition, all Board members are eligible to be reimbursed for necessary and reasonable expenses incurred while travelling on business and attending meetings in connection with the functions of the Board. Reimbursements are excluded from the tables below. The Board members are not eligible for any long-term employment expenses or termination benefits.

No non-monetary benefits were paid or payable to the Board members for the year ended 30 June 2018.

11.2.3 Executive management

Remuneration and other terms of employment for GOLDOC's Chief Executive Officer are set by the Governor in Council in line with the Queensland Government CEO remuneration frameworks administered by the Public Service Commission.

Remuneration policy for GOLDOC's other executives is set by the Board via its Remuneration Committee. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts.

The following disclosures focus on the expenses incurred by GOLDOC during the respective reporting periods that are attributable to key management positions. Therefore, the amounts disclosed reflect expenses recognised in the Statement of Comprehensive Income.

Remuneration expenses for key executive management personnel comprise the following components:

- Short term employee expenses include
 - salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee was a key management person
 - retention payments recognised as an expense during the year as outlined in Note 11.4, that are expected to be settled within 12 months after the reporting date; and
 - non-monetary benefits consisting of fringe benefits tax applicable to benefits provided.
- Long term employee expenses include
 - amounts expensed in respect of long service leave entitlements earned; and
 - retention payments recognised as an expense during the year as outlined in Note 11.4, that are expected to be settled more than 12 months after the reporting date.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

11.3 KMP remuneration expenses

The following disclosures focus on expenses incurred by GOLDOC attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

Year ended 30 June 2018

Position	Short term expenses		Long term expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses	Non-monetary benefits				
	\$'000	\$'000				
Chairman Peter Beattie AC	46	-	-	4	-	50
Deputy Chairman Sam Coffa AM	18	-	-	2	-	20
Board member Perry Crosswhite AM	18	-	-	2	-	20
Board member Mike Victor OAM	18	-	-	2	-	20
Board member Glynis Nunn-Cearns OAM	18	-	-	2	-	20
Board member Peta Fielding	18	-	-	2	-	20
Board member John Witheriff	18	-	-	2	-	20
Board member Bob Gordon	18	-	-	2	-	20
Board member Craig Phillips	20	-	-	-	-	20
Board member Bronwyn Morris	18	-	-	2	-	20
Chief Executive Officer	490	-	-	60	-	550
Deputy Chief Executive Officer (General Manager, Planning and Readiness)	365	-	-	35	-	400
General Manager, Finance and Business Services	309	-	-	29	-	338
General Manager, Venues and Services	285	-	-	45	-	330
General Manager, Commercial (to 30/06/18)	303	-	-	29	-	332
General Manager, Strategic Engagement (to 17/05/18)	273	-	-	43	-	316
General Manager, Sport and Operations (to 29/06/18)	307	-	-	29	-	336
General Manager, Communications and Marketing (to 29/06/18)	311	-	-	29	-	340

As part of Craig Phillips' role as Chief Executive Officer of CGA, he is required to serve as a Board member on the Organising Committee and as such any Board fees are paid to CGA.

The terms of appointment for Dale Dickson and Damien Walker, exclude the payment of Board fees.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

11.3 KMP remuneration expenses (continued)

Year ended 30 June 2017

Position	Short term expenses		Long term expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non-monetary benefits \$'000				
Chairman Peter Beattie AC	46	-	-	4	-	50
Deputy Chairman Sam Coffa AM	18	-	-	2	-	20
Board member Perry Crosswhite AM	19	-	-	1	-	20
Board member Mike Victor OAM	18	-	-	2	-	20
Board member Glynis Nunn-Cearns OAM	18	-	-	2	-	20
Board member Peta Fielding	18	-	-	2	-	20
Board member John Witheriff	18	-	-	2	-	20
Board member Bob Gordon	18	-	-	2	-	20
Board member (from 21/07/16) Craig Phillips	19	-	-	-	-	19
Board member (from 21/07/16) Bronwyn Morris	17	-	-	2	-	19
Chief Executive Officer	440	-	48	59	-	547
Deputy Chief Executive Officer (General Manager, Planning and Readiness)	301	-	41	32	-	374
General Manager, Finance and Business Services	267	-	30	28	-	325
General Manager, Venues and Services	285	-	-	42	-	327
General Manager, Commercial	294	-	-	28	-	322
General Manager, Strategic Engagement	284	-	-	46	-	330
General Manager, Sport and Operations (from 16/01/17)	147	-	-	13	-	160
General Manager, Communications and Marketing (from 20/03/17)	93	-	-	8	-	101

Megan Houghton served as a Board member from 21 July 2016 to 28 October 2016, and the terms of appointment excluded the payment of Board fees.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
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11.4 KMP retention payments

The remuneration package for five executive positions includes a retention payment of 10% of the respective executive's total fixed remuneration at the end of the Games for each year of service. This came into effect in the 2013-14 financial year as part of the remuneration strategy approved by the GOLDOC Board. Eligibility for such a retention payment is conditional on the achievement of all key performance indicators and satisfactory performance throughout the term of the employment contract.

The calculation of the Chief Executive Officer's retention payment was confirmed in 2015-16 by the Board via its Remuneration Committee with the accrual for past years all reflected in that year.

The actual value of the retention payment expense is accrued and is calculated from the date initially appointed to the position to 30 June 2018. The table below reflects the accruals recognised during the period for retention payments in respect of the five executive positions. Retention payment accruals are reflected in short term monetary expenses, long term and post-employment expenses outlined in Note 11.3.

	2018	2017
	\$'000	\$'000
Chief Executive Officer	49	54
Deputy Chief Executive Officer (General Manager, Planning and Readiness)	38	45
General Manager, Finance and Business Services	34	33
General Manager, Commercial	33	31
General Manager, Sports and Operations	31	14
Total	185	177

As at the date of management certification of these financial statements, the above executives are eligible for the retention payments that will be paid on their respective termination date.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

12 Related Party Transactions

12.1 Transactions with KMP

No related party transactions with KMP have been identified.

12.2 Transactions with people/entities related to KMP

No related party transactions with people/entities related to KMP have been identified.

12.3 Transactions with other Queensland Government-controlled entities

GOLDOC's grant funding (Note 4.1) from Government is provided by the Department of Innovation, Tourism Industry Development and the Commonwealth Games in cash via Queensland Treasury.

GOLDOC received other contributions (Note 4.1) from the following Queensland Government-controlled entities:

- Department of Innovation, Tourism Industry Development and the Commonwealth Games
- Department of Transport and Main Roads
- Tourism and Events Queensland

The building lease for the Games headquarters (Note 4.5) is provided by the Department of Employment, Small Business and Training.

The event transport management services (Note 4.5) were provided by the Department of Transport and Main Roads.

GOLDOC had cash deposited in a Cash Fund (Note 5.1) held with the Queensland Treasury Corporation (QTC) and received interest on the cash deposited (Note 4.3).

GOLDOC secured accommodation at arm's length commercial terms on behalf of the following Queensland Government-controlled entities:

- Department of Innovation, Tourism Industry Development and the Commonwealth Games
- Department of Transport and Main Roads
- Queensland Ambulance Service
- Queensland Fire and Emergency Services
- Queensland Police Service
- TAFE Queensland
- Tourism and Events Queensland

GOLDOC transferred items of plant and equipment (Note 5.4) and other low value assets (Note 4.5) for nil consideration to the following Queensland Government-controlled entities:

- Department of Communities, Disability Services and Seniors
- Department of Education
- Department of Employment, Small Business and Training
- Department of Innovation, Tourism Industry Development and the Commonwealth Games
- Department of Transport and Main Roads
- Public Safety Business Agency
- Queensland Ambulance Services
- Queensland Health
- Queensland Police Service
- TAFE Queensland

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

13 Budgetary reporting disclosures

13.1 Statement of Comprehensive Income

	Original budget	Actual	Variance	Variance
Variance notes	2018 \$'000	2018 \$'000	\$'000	% of budget
Income from continuing operations				
Grants and other contributions	524,973	535,232	10,259	2%
Commercial revenue	221,304	220,695	(609)	-
Other income	1,903	8,892	6,989	367%
Total income from continuing operations	748,180	764,819	16,639	2%
Expenses from continuing operations				
Employee expenses	1	100,423	106,441	6%
Supplies and services		637,175	663,612	4%
Grants and subsidies		13,342	13,108	(2%)
Depreciation and amortisation		11,938	16,057	35%
Other expenses		1,995	3,501	75%
Total expenses from continuing operations		764,873	802,719	5%
Operating result for the year		(16,693)	(37,900)	127%

Disclosure

Operating result for the year

An operating deficit was budgeted for 2017-18 as grants were required to be recognised when received in prior years, while the expenditure of these funds occurred across multiple years. The actual operating deficit of \$37,900,000 reflects the increase in expenditure associated with GOLDOC's utilisation of its prior year operating surplus of \$46,796,000.

The whole of Games budget was based on GOLDOC having a zero-equity position at 31 December 2018. GOLDOC's actual cost for delivering the Games was within its whole of Games funding allocation.

13.1.1 Explanations of major variances

1. The increase in employee expenses reflects increased staffing required due to changes in delivery models.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

13.2 Statement of Financial Position

	Variance notes	Original budget 2018 \$'000	Actual 2018 \$'000	Variance \$'000	Variance % of budget
Current assets					
Cash and cash equivalents	2	3,183	69,391	66,208	2,080%
Receivables	3	1,282	14,432	13,150	1,026%
Other assets		531	167	(364)	(69%)
Total current assets		4,996	83,990	78,994	1,581%
Non-current assets					
Intangible assets		-	61	61	-
Total non-current assets		-	61	61	-
Total assets		4,996	84,051	79,055	1,582%
Current liabilities					
Payables	4	59	43,394	43,335	73,449%
Accrued employee benefits		-	3,343	3,343	-
Total current liabilities		59	46,737	46,678	79,115%
Total liabilities		59	46,737	46,678	79,115%
Net assets		4,937	37,314	32,377	656%
Equity					
Accumulated surplus		4,937	37,314	32,377	656%
Total equity		4,937	37,314	32,377	656%

13.2.1 Explanations of major variances

- The increase in cash and cash equivalents reflects changes in the anticipated timing of receivables and payables for 2017-18.
- The increase in receivables reflects changes in the anticipated timing of receipts from operations and Goods and Services Tax (GST) collectible from the Australian Taxation Office (ATO) now receivable in 2018-19.
- The increase in payables reflects changes in the anticipated timing of supplier payments planned for 2017-18 now payable in 2018-19 as contracts are closed out.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2018

13.3 Statement of Cash Flows

	Original budget	Actual	Variance	Variance
Variance notes	2018 \$'000	2018 \$'000	\$'000	% of budget
Cash flows from operating activities				
<i>Inflows:</i>				
Grants and other contributions	524,973	531,145	6,172	1%
Interest received	1,746	5,726	3,980	228%
Receipts from operations	147,424	153,792	6,368	4%
GST input tax credits from ATO	60,545	53,825	(6,720)	(11%)
GST collected from customers	8,146	12,148	4,002	49%
<i>Outflows:</i>				
Employee expenses	(103,557)	(110,226)	(6,669)	6%
Supplies and services	(641,812)	(629,455)	12,357	(2%)
Grants and subsidies	(13,342)	(13,108)	234	(2%)
GST paid to suppliers	(59,731)	(60,992)	(1,261)	2%
GST remitted to ATO	(8,545)	(11,472)	(2,927)	34%
Net cash provided by operating activities	(84,153)	(68,617)	15,536	(18%)
Cash flows from investing activities				
<i>Outflows:</i>				
Payments for plant, equipment and intangible assets	5 (1,853)	(4,048)	(2,195)	118%
Net cash used in investing activities	(1,853)	(4,048)	(2,195)	118%
Net increase in cash and cash equivalents	(86,006)	(72,665)	13,341	(16%)
Cash and cash equivalents at beginning of financial year	89,189	142,056	52,867	59%
Cash and cash equivalents at end of financial year	3,183	69,391	66,208	2,080%

13.3.1 Explanations of major variances

5. The increase in payments for plant, equipment and intangibles assets reflects the reclassification of plant and equipment and intangibles asset costs as capital expenditure.

GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION MANAGEMENT CERTIFICATE

Certification of the Gold Coast 2018 Commonwealth Games Corporation

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 43 of the *Financial and Performance Management Standard 2009* and other prescribed requirements.

In accordance with section 62(1)(b) of the Act, we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of GOLDOC for the financial year ended 30 June 2018 and of the financial position at GOLDOC at the end of that year; and
- c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.



Peter Beattie AC
Chairman

Date

28/08/18



Mark Peters
Chief Executive Officer

Date

28/08/18



Helen Moore FCPA
General Manager Finance and Business
Services

Date

28/8/2018

INDEPENDENT AUDITOR'S REPORT

To the Board of Gold Coast 2018 Commonwealth Games Corporation

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Gold Coast 2018 Commonwealth Games Corporation.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2018, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland 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* (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 of Queensland Auditing Standards*.

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

Emphasis of matter – Dissolution of Gold Coast 2018 Commonwealth Games Corporation

I draw attention to Note 1.4 of the financial report, which discloses that under the *Commonwealth Games Arrangements (GOLDOC Dissolution Day) Amendment Regulation 2018*, the entity's dissolution date is 31 December 2018. Ongoing responsibility for its functions, and its assets and liabilities, will transfer to the Queensland Government on dissolution. As a result, the financial report was prepared on a basis consistent with the going concern basis. My opinion is not modified in respect of this matter.

Other information

Other information comprises the information included in the entity's annual report for the year ended 30 June 2018, but does not include the financial report and my auditor's report thereon.

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 entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity'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 it is intended to abolish the entity or to otherwise cease operations.

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 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.

- Conclude on the appropriateness of the entity's 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 entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report.
- 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.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2018:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.



Brendan Worrall
Auditor-General

30 August 2018

Queensland Audit Office
Brisbane

