



Final Report for  
**Gold Coast 2018 Commonwealth Games Corporation**  
(GOLDOC) for the period  
1 July - 31 December 2018



## Letter from the Chairman

31 August 2019

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

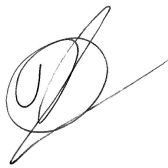
I am pleased to submit to the Parliament the Final Report and financial statements for the period ended 31 December 2018 for the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC).

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 pages 16 and 17 of this final report.

Yours sincerely

A handwritten signature in black ink, appearing to be 'D Walker', written over a circular scribble.

**Damien Walker**  
Chairman

ISSN: 2201-0017

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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Public Availability Statement: Department of Innovation, Tourism Industry Development and the Commonwealth Games  
PO Box 15168  
City East QLD 4002



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## **Chairman's statement**

With the passing of time, we have an opportunity to reflect on the Gold Coast 2018 Commonwealth Games (GC2018) and celebrate the world-class event that shone a spotlight on Queensland and left an indelible legacy.

For the athletes, spectators, volunteers and those involved in organising the mammoth event, it has left fond memories that will last a lifetime.

And for the Gold Coast and Queensland, GC2018 has enabled the delivery of new sporting infrastructure, light rail extensions, major road upgrades, rail line duplication and a former Athletes Village and Parklands which is now a thriving mixed use zone incorporating the Gold Coast Health and Knowledge Precinct. It also delivered public domain infrastructure including new public basketball and volleyball facilities on the Cairns Esplanade and upgraded heritage trails in Townsville.

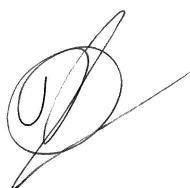
GC2018 was delivered on time and on budget and has delivered benefits for all Queenslanders.

For the Gold Coast, event cities of Brisbane, Townsville and Cairns and communities throughout Queensland, GC2018 provided an opportunity to boost tourism, drive trade and investment, deliver new and improved infrastructure and extend Queensland's global status as a world-class event and tourism destination.

In 2018-19, the GOLDOC Board oversaw the dissolution of the organisation including closing out its obligations to the Commonwealth Games Federation and transferring any remaining assets or liabilities to the Queensland Government. GOLDOC dissolution took effect on 31 December 2018.

To the GOLDOC Board members, committee members and employees, I extend my appreciation for your professionalism and commitment.

To the Games delivery partners, the Queensland Government, City of Gold Coast, Commonwealth Games Federation and Commonwealth Games Australia, it has been an honour to have worked alongside you to deliver this global event that sets a new standard for future Commonwealth Games.

A handwritten signature in black ink, appearing to be 'D Walker', written in a cursive style.

**Damien Walker**  
**Chairman**

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

The Gold Coast hosted the Commonwealth Games 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.

## Operating environment

### Gold Coast 2018 Commonwealth Games

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 and Tourism Industry Development (DITID) was the Administrative Unit for the Commonwealth Games 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 City of Gold Coast (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 separately implemented by OCG.

### *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 were coordinated by the Attorney-General's Department.

### *Commonwealth Games Australia*

Communication 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 CGAus (via the Host City Contract) 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.

The CGF provided intellectual property in relation to the staging of GC2018, while CGAs were directly responsible for both the number and quality of athletes attending the Commonwealth Games within the framework established by the CGF.

## **Risks, opportunities and challenges**

GOLDOC implemented effective 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 whole-of-Games 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

## Agency objectives and performance indicators

GOLDOC's priorities during 2018-19 were to finalise the dissolution of the organisation.

During this period, GOLDOC closed out remaining contracts, prepared and finalised its 2017-18 Annual Report and other statutory obligations and transitioned remaining operations to the State.

GOLDOC was fully dissolved by 31 December 2018 at which point remaining activities and obligations transferred to the Department of Innovation, Tourism Industry Development and the Commonwealth Games.

GOLDOC's key success factors and performance indicators were only relevant until the delivery of GC2018 in 2017-18. There were no targets for 2018-19 as relevant to State government reporting. In this dissolution phase, performance was assessed against delivery within budget and the required timeframe.

## Finance and Business Services

During the six months of operations in 2018-19, the Finance and Business Services division provided the majority of the internal services to the rest of GOLDOC. All of the functional areas (FAs) within the division were responsible for the provision of business as usual services which were scaled down during dissolution.

## Venues and Services

For 2018-19, the Venues and Services division was responsible for GOLDOC's decommissioning of infrastructure services, both permanent and temporary. This also included closing out any final venue use arrangements between GOLDOC and venue operators.

## Planning and Readiness

The Planning and Readiness division was responsible for providing overarching direction and support to the dissolution activities of GOLDOC, in a coordinated and integrated manner. This also included ensuring that GOLDOC met its post-GC2018 contract and reporting obligations to the CGF.

# FINANCIAL PERFORMANCE

## Summary of financial performance

The audited financial statements of GOLDOC for the six months ended 31 December 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 2018.

<b>Gold Coast 2018 Commonwealth Games Corporation</b>	<b>2018-19 \$'000</b>	<b>2017-18 \$'000</b>
<b>Income</b>		
State Government grants	-	535,232
Commercial revenue	1,888	220,695
Other income	7,723	8,892
<b>Total income</b>	<b>9,611</b>	<b>764,819</b>
Employee expenses	1,198	106,441
Supplies and services	(949)	663,612
Grants and subsidies	150	13,108
Depreciation and amortisation	61	16,057
Other expenses	180	3,501
<b>Total expenses</b>	<b>641</b>	<b>802,719</b>
<b>Operating result for the year</b>	<b>8,970</b>	<b>(37,900)</b>
Assets	55,294	84,051
Liabilities	9,008	46,737
<b>Total equity</b>	<b>46,285</b>	<b>37,314</b>

The significant decrease from 2017-18 to 2018-19 in all categories of revenue and expenditure reflects the wind-down and closure of GOLDOC after the completion of the Games.

During the 2018-19 financial year GOLDOC did not require grant funding from the Queensland Government. Commitments were met from cash balances. Commercial revenue of \$1,888,000 relates to the finalisation of agreements, primarily sponsorship arrangements.

Other income primarily relates to the sale of assets and cost recoveries.

Employee expenses reflects the finalisation of GOLDOC staff in accordance with contractual arrangements and decommission planning.

The negative balance for supplies and services reflects that at 30 June 2018, GOLDOC recognised payables of \$40.25 million based on estimated obligations. As contracts were finalised, actual expenses were less than estimated.

GOLDOC ceased operations on 31 December 2018 and final balances of assets and liabilities were transferred to DITID in January 2019.

Asset balances at 31 December 2018 reflect cash at bank and interest receivable.

Liabilities at 31 December 2018 reflect payables to DITID which incurred expenditure on behalf of GOLDOC during 2018-19 as well as provisions for future GOLDOC costs which will need to be met by DITID.

The equity balance at 31 December 2018 was transferred to government via DITID and reflects a saving to government on the anticipated project cost of the organising committee for the Commonwealth Games.

# GOVERNANCE – MANAGEMENT AND STRUCTURE

## Organisational structure

GOLDOC was established under the CGA Act and was a statutory body.

Under the CGA Act, the Chairman and Board members were appointed by the Governor in Council and the Board was responsible to the Minister for the Commonwealth Games. As at 31 August 2018, following the resignation of some Board members, the Board composition reduced to eight with Mr Damien Walker being appointed as Chair for the remaining period of the dissolution phase.

During 2018-19 GOLDOC was divided into three divisions: Finance and Business Services, Venues and Services, and Planning and Readiness.

GOLDOC was officially dissolved on 31 December 2018, and at that date, GOLDOC had no employees.

## Board and Committees

### *GOLDOC Board*

The Board derived its authority from the enabling legislation.

In accordance with the CGA Act, the Board comprised no fewer than eight members at any one time. There was an equal number of members nominated by the Queensland Government and CGAus.

The objective of the Board in 2018-19 was to oversee the dissolution of the organisation in accordance with the requirements of the Act and the CGF. This included:

- completing and closing out all obligations to the CGF;
- transferring any remaining assets or liabilities to the State government;
- dissolving GOLDOC;
- and performing all acts necessary to achieve the above objectives.

Board meetings were held as required until GOLDOC was dissolved. During 2018-19, the Board met on three occasions.

The Board continued to be supported by the Finance and Audit Committee (FAC) until its 2017-18 financial reporting responsibilities were closed out.

<b>Name</b>	<b>Position</b>	<b>Appointment date</b>	<b>End date</b>
Peter Beattie AC	Chairman	19 May 2016	31 August 2018
Damien Walker	Chairman Board member	1 September 2018 25 January 2017	31 December 2018 31 August 2018
Sam Coffa AM	Board member	10 May 2012	31 December 2018
Perry Crosswhite AM	Board member	10 May 2012	31 December 2018



<b>Name</b>	<b>Position</b>	<b>Appointment date</b>	<b>End date</b>
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

Having delivered on the Board's objectives, some of the Board members resigned from their positions effective 31 August 2018. The balance of the Board, with equal representation from CGAus, oversaw wind up activities until GOLDOC's dissolution on 31 December 2018.

#### *Finance and Audit Committee*

The purpose of the FAC was to assist the Board in discharging its responsibilities under the *Financial Accountability Act 2009*, *Financial and Performance Management Standard 2019*, *Statutory Bodies Financial Arrangements Act 1982* and the CGA Act, 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 names, positions and appointment terms for FAC members are detailed in the table below:

<b>Name</b>	<b>Position</b>	<b>Appointment date</b>	<b>End date</b>
Bronwyn Morris	Chair	12 June 2012	16 August 2018
Perry Crosswhite AM	Member	12 June 2012	16 August 2018
Peter Bryant	Member	15 June 2016	16 August 2018
Glenn Poole	Member	15 June 2016	16 August 2018
Ian Rodin	Member	8 September 2016	16 August 2018

Having concluded its support of the Board's financial reporting obligations, the FAC was disbanded following its final meeting on 16 August 2018.

## **Executive Management**

### *Mark Peters, Chief Executive Officer*

Mark Peters was GOLDOC's Chief Executive Officer, a position he accepted after leading the Gold Coast 2018 Commonwealth Games Bid Company. He completed his contract with GOLDOC on 31 August 2018.

### *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 in late 2014. He completed his contract with GOLDOC on 31 August 2018.

### *Ian Whitehead, General Manager – Venues and Services*

Ian Whitehead was General Manager Venues and Services after having played a key role in the planning of infrastructure and the development of the successful GC2018 bid. Ian completed his contract with GOLDOC on 31 August 2018.

### *Helen Moore, General Manager - Finance and Business Services*

Helen Moore was appointed as General Manager Finance and Business Services in April 2012. Helen oversaw the finalisation of GOLDOC's dissolution activities until the completion of her contract on 30 December 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 and divisional 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 was conducted on GOLDOC's financial statements by the Queensland Audit Office (QAO). QAO issued an unqualified audit report for the 2018-19 financial statements on 30 July 2019.

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

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

## **GOVERNANCE – HUMAN RESOURCES**

### **Workforce**

At the commencement of 2018-19, GOLDOC's staffing was at 44 employees.

As dissolution of GOLDOC progressed, staffing levels reduced. From October 2018, GOLDOC's operations were managed by one (1) employee with OCG support and oversight of GOLDOC's dissolution.

# INFORMATION SYSTEMS AND RECORDKEEPING

GOLDOC ensured 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 were in place for recordkeeping, information management, retention and disposal of records, information security and right to information.

GOLDOC ensured that relevant documents, records and files were transferred to the State as part of its dissolution.

## OPEN DATA

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

### Online publication

GOLDOC will publish its Final Annual Report 2018-19 online at the DITID website.

## CONTACTS AND LOCATION

### Department of Innovation and Tourism Industry Development and the Commonwealth Games

1 William Street  
Brisbane QLD 4000

### Post

PO Box 15168  
City East QLD 4002

### Phone

Within Australia: 13 QGOV (13 74 68)  
Outside Australia: +61 7 3405 0970

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<sup>1</sup> <http://www.data.qld.gov.au>

## GLOSSARY

<b>Acronym</b>	<b>Definition</b>
ARR	Annual report requirement
Bid Book	Gold Coast City Candidature File
CGA	Commonwealth Games Association
CGAus	Commonwealth Games Australia
CGC	City of Gold Coast
CGF	Commonwealth Games Federation
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
OCG	Office of the Commonwealth Games
QAO	Queensland Audit Office



# COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report page #
Letter of compliance	<ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister</li> </ul>	ARRs – section 7	1
Accessibility	<ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>	ARRs – section 9.1	3 15
	<ul style="list-style-type: none"> <li>Public availability</li> </ul>	ARRs – section 9.2	2
	<ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	2
	<ul style="list-style-type: none"> <li>Copyright notice</li> </ul>	<i>Copyright Act 1968</i> ARRs – section 9.4	2
	<ul style="list-style-type: none"> <li>Information licensing</li> </ul>	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
	General information	<ul style="list-style-type: none"> <li>Introductory information</li> <li>Agency role and main functions</li> <li>Operating environment</li> </ul>	ARRs – section 10.1 ARRs – section 10.2 ARRs – section 10.3
Non-financial performance	<ul style="list-style-type: none"> <li>Government’s objectives for the community</li> </ul>	ARRs – section 11.1	7
	<ul style="list-style-type: none"> <li>Other whole of government plans/ specific initiatives</li> </ul>	ARRs – section 11.2	N/A
	<ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>	ARRs – section 11.3	7
	<ul style="list-style-type: none"> <li>Agency service areas and service standards</li> </ul>	ARRs – section 11.4	7
Financial performance	<ul style="list-style-type: none"> <li>Summary of financial performance</li> </ul>	ARRs – section 12.1	8
	<ul style="list-style-type: none"> <li>Organisational structure</li> </ul>	ARRs – section 13.1	9
	<ul style="list-style-type: none"> <li>Executive management</li> </ul>	ARRs – section 13.2	11

Summary of requirement		Basis for requirement	Annual report page #
Governance – management and structure	<ul style="list-style-type: none"> <li>Government bodies (Statutory Bodies and other entities)</li> </ul>	ARRs – section 13.3	N/A
	<ul style="list-style-type: none"> <li><i>Public Sector Ethics Act 1994</i></li> </ul>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	N/A
	<ul style="list-style-type: none"> <li>Queensland Public Service Values</li> </ul>	ARRs – section 13.5	N/A
Governance – risk management and accountability	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	ARRs – section 14.1	12
	<ul style="list-style-type: none"> <li>Audit committee</li> </ul>	ARRs – section 14.2	10
	<ul style="list-style-type: none"> <li>Internal audit</li> </ul>	ARRs – section 14.3	12
	<ul style="list-style-type: none"> <li>External scrutiny</li> </ul>	ARRs – section 14.4	12
	<ul style="list-style-type: none"> <li>Information systems and recordkeeping</li> </ul>	ARRs – section 14.5	14
Governance – human resources	<ul style="list-style-type: none"> <li>Workforce planning and performance</li> </ul>	ARRs – section 15.1	13
	<ul style="list-style-type: none"> <li>Early retirement, redundancy and retrenchment</li> </ul>	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"> <li>Consultancies</li> </ul>	ARRs – section 33.1	14
	<ul style="list-style-type: none"> <li>Overseas Travel</li> </ul>	ARRs – section 33.2	14
	<ul style="list-style-type: none"> <li>Queensland Language Services Policy</li> </ul>	ARRs – section 33.3	N/A
Financial statements	<ul style="list-style-type: none"> <li>Certification of financial statements</li> </ul>	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	See Financial Statements
	<ul style="list-style-type: none"> <li>Independent Auditor’s Report</li> </ul>	FAA – section 62 FPMS – section 50 ARRs – section 17.2	See Financial Statements



# Financial Statements

2018 – 2019



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 contact: please call (07) 3333 5231, email [corporate@ditid.qld.gov.au](mailto:corporate@ditid.qld.gov.au) or visit the internet site [www.ditid.qld.gov.au](http://www.ditid.qld.gov.au).

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 PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

	Notes	31/12/18 \$'000	2017-18 \$'000
<b>Income from continuing operations</b>			
Grants and other contributions	5.1	-	535,232
Commercial revenue	5.2	1,888	220,695
Other income	5.3	7,723	8,892
<b>Total income from continuing operations</b>		<b>9,611</b>	<b>764,819</b>
<b>Expenses from continuing operations</b>			
Employee expenses	5.4	1,198	106,441
Supplies and services	5.5	(949)	663,612
Grants and subsidies	5.6	150	13,108
Depreciation and amortisation	6.4 & 6.5	61	16,057
Other expenses	5.7	180	3,501
<b>Total expenses from continuing operations</b>		<b>641</b>	<b>802,719</b>
<b>Operating result for the reporting period</b>		<b>8,970</b>	<b>(37,900)</b>

*The accompanying notes form part of these statements.*

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2018**

	Notes	31/12/18 \$'000	2017-18 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.1	55,221	69,391
Receivables	6.2	73	14,432
Other assets	6.3	-	167
<b>Total current assets</b>		<b>55,294</b>	<b>83,990</b>
<b>Non-current assets</b>			
Plant and equipment	6.4	-	-
Intangible assets	6.5	-	61
<b>Total non-current assets</b>		<b>-</b>	<b>61</b>
<b>Total assets</b>		<b>55,294</b>	<b>84,051</b>
<b>Current liabilities</b>			
Payables	6.6	7,713	43,394
Provisions	6.7	660	-
Accrued employee benefits	6.8	-	3,343
<b>Total current liabilities</b>		<b>8,373</b>	<b>46,737</b>
<b>Non-Current liabilities</b>			
Provisions	6.6	635	-
<b>Total non-current liabilities</b>		<b>635</b>	<b>-</b>
<b>Total liabilities</b>		<b>9,008</b>	<b>46,737</b>
<b>Net assets</b>		<b>46,285</b>	<b>37,314</b>
<b>Equity</b>			
Accumulated surplus		46,285	37,314
<b>Total equity</b>		<b>46,285</b>	<b>37,314</b>

*The accompanying notes form part of these statements.*

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

	<b>Accumulated surplus \$'000</b>
<b>Balance as at 1 July 2017</b>	75,214
Total operating result for the year	<u>(37,900)</u>
<b>Balance as at 30 June 2018</b>	<u><b>37,314</b></u>
<b>Balance as at 1 July 2018</b>	37,314
Total operating result for the reporting period	<u>8,970</u>
<b>Balance as at 31 December 2018</b>	<u><b>46,285</b></u>

*The accompanying notes form part of these statements.*

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

	Notes	31/12/18 \$'000	2017-18 \$'000
<b>Cash flows from operating activities</b>			
<i>Inflows:</i>			
Grants and other contributions		-	531,145
Interest received		737	5,726
Receipts from operations		3,047	153,792
GST input tax credits from ATO		10,773	53,825
GST collected from customers		749	12,148
<i>Outflows:</i>			
Employee expenses		(4,766)	(110,226)
Supplies and services		(19,422)	(629,455)
Grants and subsidies		(5,974)	(13,108)
Other expenses		-	-
GST paid to suppliers		(2,332)	(60,992)
GST remitted to ATO		(1,473)	(11,472)
<b>Net cash provided by (used in) operating activities</b>		<b>(18,660)</b>	<b>(68,617)</b>
<b>Cash flows from investing activities</b>			
<i>Inflows:</i>			
Sale of non-financial assets		4,490	-
<i>Outflows:</i>			
Payments for plant, equipment and intangible assets		-	(4,048)
<b>Net cash provided by (used in) investing activities</b>		<b>4,490</b>	<b>(4,048)</b>
Net increase/(decrease) in cash and cash equivalents		(14,170)	(72,665)
Cash and cash equivalents at beginning of the reporting period		69,391	142,056
<b>Cash and cash equivalents at end of the reporting period</b>	6.1	<b>55,221</b>	<b>69,391</b>

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

**Reconciliation of operating surplus to net cash  
from operating activities**

	Notes	31/12/18 \$'000	2017-18 \$'000
Operating surplus/(deficit)		8,970	(37,900)
Depreciation expense		-	8,664
Amortisation expense		61	7,393
Unrealised foreign exchange (gain)/loss		-	(24)
<i>Changes in assets and liabilities:</i>			
(Increase)/decrease in receivables		14,359	(12,237)
(Increase)/decrease in other assets		167	1,839
Sale of non-financial assets		4 490	
Increase/(decrease) in payables		(35,679)	36,586
Increase/(decrease) in provisions		1,295	-
Increase/(decrease) in accrued employee benefits		(3,343)	(2,776)
Increase/(decrease) in other liabilities		-	(70,162)
<b>Net cash provided by (used in) operating activities</b>		<b>(18,660)</b>	<b>(68,617)</b>

*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 PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

#### **1 Corporation**

##### **1.1 General information**

These are the final financial statements for the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC).

GOLDOC was constituted under the *Commonwealth Games Arrangements Act 2011*. GOLDOC was a statutory body within the meaning given in the *Financial Accountability Act 2009* and was controlled by the State of Queensland which was the ultimate parent.

The Games headquarters and principal place of business of GOLDOC was 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, excluding 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.

#### **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 was 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.

GOLDOC was dissolved on 31 December 2018 under the *Commonwealth Games Arrangements (GOLDOC Dissolution Day) Amendment Regulation 2018* and all assets and liabilities were transferred to DITID.

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 PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

#### **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 2017-18 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 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.

### **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 2017-18 financial statements.

#### **3.2 Accounting standards applied for the first time**

No Australian Accounting Standards were applied for the first time in the reporting period 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 the reporting period.

### **4 Taxation**

GOLDOC was a state body as defined under the *Income Tax Assessment Act 1936* and was exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST were 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 6.2).

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

**5 Notes about our financial performance**

**5.1 Grants and other contributions**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Grants	-	529,476
Other contributions	-	5,756
<b>Total</b>	<b>-</b>	<b>535,232</b>

**Accounting policies**

*Grants*

Grants received were government grants that were non-reciprocal in nature so did not require any goods or services to be provided in return. The revenue was recognised in the reporting period in which GOLDOC obtained control over the grant (control was obtained at the time of receipt) and was aligned to the annual funding agreement.

**5.2 Commercial revenue**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Sponsorship	1,768	79,191
Ticketing	(16)	65,948
Broadcast	117	65,399
Licensing	20	2,760
Other	-	7,397
<b>Total</b>	<b>1,888</b>	<b>220,695</b>

Although the approved 2018-19 budget included government grant funding of \$1m, this was not drawn down by GOLDOC.

*Commercial revenue*

Revenue was recognised to the extent that it was probable that the economic benefits would flow to GOLDOC and the revenue could be reliably measured. If performance obligations were attached to contracts, revenue was recognised when GOLDOC had fulfilled these obligations.

*Services received below fair value*

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. For the period 1 September 2018 to 31 December 2018, GOLDOC received corporate services delivered by DITID. The revenue and expense related to these contributions of services have not been recognised in the financial statements as these values are considered to be immaterial and cannot be measured reliably.

**5.3 Other income**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest from QTC	563	5,160
Interest	16	512
Sale of assets	4,490	626
Unrealised foreign exchange gain	-	24
Other	2,654	2,570
<b>Total</b>	<b>7,723</b>	<b>8,892</b>

**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 PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

**5.4 Employee expenses**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Wages and salaries	976	85,272
Board fees	79	230
Employer superannuation contributions	31	8,727
Annual leave expenses	77	6,226
Long service leave expense	1	15
Employee related expenses	33	5,971
<b>Total</b>	<b>1,198</b>	<b>106,441</b>

Full-time equivalent employees (MOHRI) - 44

Full-time equivalent employees (averaged) 10 865

**Accounting policies**

*Superannuation*

Employer superannuation contributions were paid to superannuation funds as nominated by GOLDOC employees. Contributions met or exceeded the requirements of the *Superannuation Guarantee (Administration) Act 1992* and were expensed in the period in which they were paid or payable. GOLDOC's obligation was 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 9.

*Full-time equivalent employees*

The number of employees at the reporting date, 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 was 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 PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

**5.5 Supplies and services**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Operating lease rentals	66	28,080
Building services	592	2,351
CGF host fees	(145)	2,697
Contractors and consultants	(4,764)	518,029
Entertainment and hospitality	3	651
Information technology services	1,123	19,903
Legal fees	862	2,551
Minor equipment purchases	(79)	35,276
Repairs and maintenance	274	5,216
Travel and accommodation expenses	94	25,993
Other	1,024	22,865
<b>Total</b>	<b>(949)</b>	<b>663,612</b>

**5.6 Grants**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Grants	150	13,108
<b>Total</b>	<b>150</b>	<b>13,108</b>

**5.7 Other expenses**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Insurance premiums	107	3,291
External audit fees	74	210
<b>Total</b>	<b>181</b>	<b>3,501</b>

**Accounting policy**

*Operating lease rentals*

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

GOLDOC did not have any finance leases.

**Disclosures**

*Payables*

At 30 June 2018, GOLDOC recognised payables of \$40.25m based on estimated obligations. As contracts were finalized, actual expenses were less than estimated.

*Operating leases*

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

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

*External audit fees*

External audit fees payable to the Queensland Audit Office relating to the reporting period were quoted to be \$54,500 (2017-18: \$210,000). There were 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 PERIOD 1 JULY 2018 TO 31 DECEMBER 2018

#### 6 Notes about our financial position

##### 6.1 Cash and cash equivalents

	31/12/18	2017-18
	\$'000	\$'000
Cash at bank	55,221	18,372
Cash at QTC	-	51,018
Cash on hand	-	1
<b>Total</b>	<b>55,221</b>	<b>69,391</b>

##### 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 31 December 2018.

###### *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 was 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 31 December 2018.

##### 6.2 Receivables

	31/12/18	2017-18
	\$'000	\$'000
<b>Current</b>		
Interest receivable	73	230
Trade debtors	-	6,485
GST input tax credits receivable	-	8,447
GST payable	-	(730)
<b>Total</b>	<b>-</b>	<b>7,717</b>
	<b>73</b>	<b>14,432</b>

##### 6.3 Other assets

	31/12/18	2017-18
	\$'000	\$'000
<b>Current</b>		
Deposits	-	167
<b>Total</b>	<b>-</b>	<b>167</b>

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

**6.4 Plant and equipment and depreciation expense**

**6.4.1 Closing balances**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$,000</b>	<b>\$'000</b>
Plant and equipment:		
At cost	-	103
Less: Accumulated depreciation	-	(103)
<b>Total</b>	<u>-</u>	<u>-</u>

**6.4.2 Reconciliation of carrying amount**

	<b>Plant &amp; equipment</b>	<b>Work in progress</b>	<b>Total</b>
	<b>2018-19</b>	<b>2018-19</b>	<b>2018-19</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at 1 July 2018	-	-	-
Acquisitions	-	-	-
Carrying amount at 31 December 2018	<u>-</u>	<u>-</u>	<u>-</u>

	<b>Plant &amp; equipment</b>	<b>Work in progress</b>	<b>Total</b>
	<b>2017-18</b>	<b>2017-18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at 1 July 2017	7,274	54	7,328
Acquisitions	-	1,362	1,362
Transfers	1,416	(1,416)	-
Disposals	(26)		(26)
Amortisation expense	(8,664)	-	(8,664)
Carrying amount at 30 June 2018	<u>-</u>	<u>-</u>	<u>-</u>



**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

**6.4 Plant and equipment and depreciation expense (continued)**

**Accounting policies**

*Measurement using historical cost*

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

*Cost of acquisition*

Historical cost was used for the initial recording of all plant and equipment acquisitions. Historical cost was 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 were recognised for financial reporting purposes in the year of acquisition.

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

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

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

*Depreciation*

Plant and equipment was 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 increased the originally assessed capacity or service potential of an asset was capitalised and the new depreciable amount was depreciated over the remaining useful life of the asset to GOLDOC.

Estimated useful lives were reviewed on an annual basis. Plant and equipment was fully depreciated by 31 December 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 PERIOD 1 JULY 2018 TO 31 DECEMBER 2018**

**6.5 Intangible assets and amortisation expense**

**6.5.1 Closing balances**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$,000</b>	<b>\$'000</b>
Software purchased:		
At cost	-	2,105
Less: Accumulated amortisation	-	(2,044)
<b>Total</b>	<b>-</b>	<b>61</b>

**6.5.2 Reconciliation of carrying amount**

	<b>Software purchased</b>	<b>Work in progress</b>	<b>Total</b>
	<b>31/12/18</b>	<b>31/12/18</b>	<b>31/12/18</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at 1 July 2018	61	-	61
Amortisation expense	(61)	-	(61)
Carrying amount at 31 December 2018	-	-	-

	<b>Software purchased</b>	<b>Work in progress</b>	<b>Total</b>
	<b>2017-18</b>	<b>2017-18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
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	<b>61</b>	<b>-</b>	<b>61</b>

**GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION**  
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**6.5 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 were recognised for financial reporting purposes in the year of acquisition. Items with a lesser value were expensed in the year of acquisition. There was no active market for any of GOLDOC's intangible assets. As such, the assets were recognised and carried at historical cost less accumulated amortisation.

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

*Amortisation*

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

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

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

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**6.6 Payables**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Trade creditors	7,713	2,806
Accrued expenses	-	40,250
Other payables	-	338
<b>Total</b>	<b><u>7,713</u></b>	<b><u>43,394</u></b>

**6.7 Provisions**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Provisions	660	-
<b>Non-Current</b>		
Provisions	635	-
<b>Total</b>	<b><u>1,295</u></b>	<b><u>-</u></b>

**6.8 Accrued employee benefits**

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Retention	-	2,660
Annual leave	-	587
Long service leave	-	96
<b>Total</b>	<b><u>-</u></b>	<b><u>3,343</u></b>

**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.

*Provisions*

Provisions are recorded when GOLDOC has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period. The amounts recognised as provisions are future expenditure likely to be incurred on behalf of GOLDOC after its dissolution.

*Retention*

Retention payments accrued in accordance with pay rates at the reporting date were recognised in the Statement of Financial Position. Eligibility for retention payments was in accordance with terms of GOLDOC's attraction and retention program.

*Sick leave*

Prior history indicates that on average, sick leave taken each reporting period was less than the entitlement accrued. Accordingly, it was unlikely that existing accumulated entitlements would be used by employees and no liability for unused sick leave entitlements was recognised. As sick leave was non-vesting, an expense was recognised for this leave when it was taken.

*Annual leave*

Annual leave entitlements were expected to be paid within 12 months and were classified as current liabilities and recognised at their present value in accordance with pay rates as the reporting date.

*Long service leave*

Long service leave entitlements were expected to be paid within 12 months and were classified as current liabilities and recognised at their present value in accordance with pay rates as at the reporting date. Long service leave was only provided for those staff who would become entitled to an unconditional benefit within the life of GOLDOC.

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**7 Financial risk disclosures**

**7.1 Financial instruments categories**

Financial assets and financial liabilities were recognised in the Statement of Financial Position when GOLDOC became party to the contractual provisions of the financial instrument. GOLDOC had the following categories of financial assets and financial liabilities:

Category	Notes	31/12/18 \$'000	2017-18 \$'000
<b>Financial assets</b>			
Cash and cash equivalents	6.1	55,221	69,391
Receivables	6.2	73	14,432
<b>Total</b>		<b>55,294</b>	<b>83,823</b>
<b>Financial liabilities</b>			
Payables	6.6	7,713	43,394
Provisions	6.7	1,295	-
<b>Total</b>		<b>9,008</b>	<b>43,394</b>

Financial instruments were 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
- Provisions - held at amortised cost

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



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**7.2 Financial risk management**

**7.2.1 Risk exposure**

Financial risk management was implemented pursuant to policies of the Government and GOLDOC. These policies focused on the unpredictability of financial markets and sought to minimise potential adverse effects on the financial performance of GOLDOC.

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

<b>Risk exposure</b>	<b>Definition</b>	<b>Exposure</b>
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 was exposed to credit risk in respect of its receivables (Note 6.2).
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 was exposed to liquidity risk in respect of its payables (Note 6.6).
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 was exposed to interest rate risk through its cash deposited in interest bearing accounts (Note 6.1).  GOLDOC was not materially exposed to other price risk.

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**7.3 Risk measurement and management strategies**

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

<b>Risk exposure</b>	<b>Measurement method</b>	<b>Risk management strategies</b>
Credit risk	Ageing analysis	GOLDOC reduced its exposure to credit risk by monitoring all funds owed on a timely basis.
Liquidity risk	Cash flow analysis	GOLDOC reduced its exposure to liquidity risk by ensuring it had sufficient funds available to meet employee and creditor obligations as they fell due.  This was achieved by ensuring that minimum levels of cash were held by forecasting monthly cash requirements.  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 reporting period.
Market risk	Sensitivity analysis	GOLDOC reduced its exposure to interest rate risk by dealing with recognised and approved financial institutions with acceptable credit ratings.  GOLDOC held sufficient cash at bank to meet employee and creditor obligations as they fell due. The remaining cash was deposited with the Queensland Treasury Corporation (QTC).

**7.4 Maximum financial risk exposure**

**7.4.1 Credit risk**

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

All receivables are expected to be fully collectible as at 31 December 2018. No allowance for impairment has been made for the reporting period regarding GOLDOC's receivables.

No collateral was held as security and no credit enhancements related to receivables held by GOLDOC.

**7.4.2 Market risk - interest rate risk**

If interest rates changed 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 \$552,000 (2017-18: \$694,000).

**8 Commitments**

**8.1 Other expenditure commitments**

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

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Not later than 1 year	-	788
<b>Total</b>	<u>-</u>	<u>788</u>



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**9 Key management personnel (KMP) disclosures**

**9.1 Details of KMP**

GOLDOC's responsible Minister was 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 the reporting period. The focus of the board and management changed during the reporting period from Games organisation to structured wind-down and dissolution of the corporation and transfer of residual net assets to Government. Further information on these positions can be found in the body of the Annual Report under the section relating to Governance – management and structure.

<b>Position</b>	<b>Position Responsibility</b>
Chairman	Responsible for the management and leadership of the Board. The Board ensured that GOLDOC performed its functions and exercised 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 ensured that GOLDOC performed its functions and exercised its powers in an appropriate, effective and efficient way.
Board members	The Board ensured that GOLDOC performed its functions and exercised 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 included 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)	Worked in close partnership with the Chief Executive Officer on cross-organisational matters and acted 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**

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#### **9.2 KMP remuneration policies**

##### **9.2.1 Minister**

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Members' Remuneration Handbook. GOLDOC did 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 2018-19, which are published as part of Queensland Treasury's Report on State Finances.

##### **9.2.2 Board**

All Board members received 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 were 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 were 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 reporting period ended 31 December 2018.

##### **9.2.3 Executive management**

Remuneration and other terms of employment for GOLDOC's Chief Executive Officer were 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 was set by the Board via its Remuneration Committee. The remuneration and other terms of employment for the key executive management personnel were specified in employment contracts.

The following disclosures focus on the expenses incurred by GOLDOC during the respective reporting periods that were 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 9.4, that were 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
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits were not provided for within individual contracts of employment. Contracts of employment provided only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

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**9.3 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.

*Period ended 31 December 2018*

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 (to 31/08/18)	7	-	-	1	-	8
Deputy Chairman Sam Coffa AM (to 31/12/18)	9	-	-	1	-	10
Board member Perry Crosswhite AM (to 31/12/18)	9	-	-	1	-	10
Board member Mike Victor OAM (to 31/12/18)	9	-	-	1	-	10
Board member Glynis Nunn-Cearns OAM (to 31/08/18)	3	-	-	1	-	4
Board member Peta Fielding (to 31/08/18)	3	-	-	1	-	4
Board member John Witherliff (to 31/12/18)	9	-	-	1	-	10
Board member Bob Gordon (to 31/08/18)	3	-	-	1	-	4
Board member Craig Phillips (to 31/12/18)	10	-	-	0	-	10
Board member Bronwyn Morris (to 31/12/18)	9	-	-	1	-	10
Chief Executive Officer (to 31/08/18)	84	-	-	10	-	94
Deputy Chief Executive Officer (General Manager, Planning and Readiness) (to 31/08/18)	63	-	-	6	-	69
General Manager, Finance and Business Services (to 30/12/18)	163	-	-	13	-	176
General Manager, Venues and Services (to 31/08/18)	44	-	-	7	-	51

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

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



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**9.3 KMP remuneration expenses (continued)**

*Financial 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

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**9.4 KMP retention payments**

The remuneration package for five executive positions included a retention payment of 10% of the respective executive's total fixed remuneration at the end of the Games for each year of service. Eligibility for such a retention payment was conditional on the achievement of all key performance indicators and satisfactory performance throughout the term of the employment contract.

The actual value of the retention payment expense was calculated from the date initially appointed to the position to the end of the term of the employment contract. The table below reflects the accruals recognised during the reporting 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 9.3.

	<b>31/12/18</b>	<b>2017-18</b>
	<b>\$'000</b>	<b>\$'000</b>
Chief Executive Officer	8	49
Deputy Chief Executive Officer (General Manager, Planning and Readiness)	6	38
General Manager, Finance and Business Services	15	34
General Manager, Commercial	-	33
General Manager, Sports and Operations	-	31
<b>Total</b>	<b>29</b>	<b>185</b>

As at the date of management certification of these financial statements, the above executives were eligible for and paid the retention payments on their respective termination dates.

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**10 Related Party Transactions**

**10.1 Transactions with KMP**

No related party transactions with KMP have been identified.

**10.2 Transactions with people/entities related to KMP**

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

**10.3 Transactions with other Queensland Government-controlled entities**

GOLDOC's grant funding (Note 5.1) from Government was provided by the Department of Innovation, Tourism Industry Development and the Commonwealth Games in cash via Queensland Treasury.

GOLDOC received other contributions (Note 5.1) from the Department of Innovation, Tourism Industry Development and the Commonwealth Games.

GOLDOC had cash deposited in a Cash Fund (Note 6.1) held with the Queensland Treasury Corporation (QTC) and received interest on the cash deposited (Note 5.3).

GOLDOC transferred items of plant and equipment and other low value assets (Note 5.5) for nil consideration to the following Queensland Government-controlled entities:

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

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**11 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 were either not applicable to GOLDOC's activities, or had no material impact on GOLDOC.

**12 Events occurring after the reporting period**

GOLDOC was dissolved on 31 December 2018 under the *Commonwealth Games Arrangements (GOLDOC Dissolution Day) Amendment Regulation 2018*. All assets and liabilities were transferred to DITID on the next working day.

**13 Amounts transferred to the Department of Innovation, Tourism Industry Development and the Commonwealth Games on 2 January 2019**

The following amounts were transferred from GOLDOC to the Department of Innovation, Tourism Industry Development and the Commonwealth Games on 2 January 2019.

	<b>\$'000</b>
<b>Current assets</b>	
Cash and cash equivalents	55,221
Receivables	73
<b>Total current assets</b>	<b>55,294</b>
<b>Total assets</b>	<b>55,294</b>
<b>Current liabilities</b>	
Payables	7,713
Provisions	660
<b>Total current liabilities</b>	<b>8,373</b>
<b>Non-current liabilities</b>	
Provisions	635
<b>Total non-current liabilities</b>	<b>635</b>
<b>Total liabilities</b>	<b>9,008</b>
<b>Net assets</b>	<b>46,285</b>



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**14 Budgetary reporting disclosures**

**14.1 Statement of Comprehensive Income**

	Variance notes	Original budget 31/12/18 \$'000	Actual 31/12/18 \$'000	Variance \$'000	Variance % of budget
<b>Income from continuing operations</b>					
Grants and other contributions	1	1,000	-	(1,000)	(100%)
Commercial revenue	2	323	1,888	1,565	485%
Other income	3	3,001	7,723	4,722	157%
<b>Total income from continuing operations</b>		<b>4,324</b>	<b>9,611</b>	<b>5,287</b>	<b>122%</b>
<b>Expenses from continuing operations</b>					
Employee expenses	4	1,164	1,198	34	3%
Supplies and services	5	3,664	(949)	(4,613)	(126%)
Grants and subsidies		-	150	150	-
Depreciation and amortisation		-	61	61	-
Other expenses		77	181	104	135%
<b>Total expenses from continuing operations</b>		<b>4,905</b>	<b>641</b>	<b>(4,264)</b>	<b>(87%)</b>
<b>Operating result for the reporting period</b>		<b>(581)</b>	<b>8,970</b>	<b>9,551</b>	<b>(1,644%)</b>

**14.1.1 Explanations of major variances**

1. The decrease in grants and other contributions reflects GOLDOC not requiring to draw down on the final grant payment due to whole of Games budget savings.
2. The increase in commercial revenue reflects changes in the anticipated timing of sponsorship revenue recognition from 2017-18 to 2018-19.
3. The increase in other income is mainly due to unbudgeted sale of assets, which were not known at the time of budget preparation.
4. The increase in employee expenses is mainly due to unbudgeted annual leave entitlements incurred in 2018-19.
5. The decrease in supplies and services reflects cost savings resulting from contract negotiations.

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**14.2 Statement of Financial Position**

	Variance notes	Original budget 31/12/18 \$'000	Actual 31/12/18 \$'000	Variance \$'000	Variance % of budget
<b>Current assets</b>					
Cash and cash equivalents	6	-	55,221	55,221	-
Receivables		-	73	73	-
<b>Total current assets</b>		-	<b>55,294</b>	<b>55,294</b>	-
<b>Total assets</b>		-	<b>55,294</b>	<b>55,294</b>	-
<b>Current liabilities</b>					
Payables	7	-	7,713	8,373	-
Provisions	7	-	660		-
<b>Total current liabilities</b>		-	<b>8,373</b>	<b>8,373</b>	-
<b>Non-current liabilities</b>					
Provisions	7	-	635	635	-
<b>Total non-current liabilities</b>		-	<b>635</b>	<b>635</b>	-
<b>Total liabilities</b>		-	<b>9,008</b>	<b>9,008</b>	-
<b>Net assets</b>		-	<b>46,285</b>	<b>46,286</b>	-
<b>Equity</b>					
Accumulated surplus		-	46,285	46,286	-
<b>Total equity</b>	8	-	<b>46,285</b>	<b>46,286</b>	-

**14.2.1 Explanations of major variances**

- The increase in cash and cash equivalents reflects whole of Games budget savings of \$46 million after payables of \$9 million which were transferred to the Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID).
- The increase in payables and provisions reflects changes in anticipated timing of supplier payments planned to be paid by GOLDOC but these amounts were transferred to DITID.
- 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.

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**14.3 Statement of Cash Flows**

	Variance notes	Original budget 31/12/18 \$'000	Actual 31/12/18 \$'000	Variance \$'000	Variance % of budget
<b>Cash flows from operating activities</b>					
<i>Inflows:</i>					
Grants and other contributions	9	1,000	-	(1,000)	(100%)
Interest received		-	737	737	-
Receipts from operations		3,323	3,048	(275)	(8%)
GST input tax credits from ATO	10	300	10,773	10,473	3,491%
GST collected from customers		32	749	717	2,241%
<i>Outflows:</i>					
Employee expenses	11	(3,426)	(4,766)	(1,340)	39%
Supplies and services	12	(5,860)	(19,422)	(13,562)	231%
Grants and subsidies	13	-	(5,974)	(5,974)	-
GST paid to suppliers		(300)	(2,332)	(2,032)	667%
GST remitted to ATO		(32)	(1,473)	(1,441)	4,503%
<b>Net cash provided by operating activities</b>		<b>(4,963)</b>	<b>(18,660)</b>	<b>(13,697)</b>	<b>276%</b>
<b>Cash flows from investing activities</b>					
Sale of non-financial assets	14	-	4,490	4,490	-
<b>Net cash used in investing activities</b>		<b>-</b>	<b>4,490</b>	<b>4,490</b>	<b>-</b>
Net increase in cash and cash equivalents		(4,963)	(14,170)	(9,207)	186%
Cash and cash equivalents at beginning of the reporting period		4,963	69,391	64,428	1,298%
<b>Cash and cash equivalents at end of the reporting period</b>		<b>-</b>	<b>55,221</b>	<b>55,221</b>	<b>-</b>

**14.3.1 Explanations of major variances**

9. The decrease in grants and other contributions reflects GOLDOC not requiring to draw down on the final grant payment due to whole of Games budget savings.
10. The increase in GST input tax credits from ATO mainly reflects the change in anticipated timing of \$8 million in GST input tax credits from 2017-18 being collected from the Australian Taxation Office (ATO) in 2018-19.
11. The increase in employee expenses reflects changes in the anticipated timing of the wind down and dissolution of GOLDOC.
12. The increase in supplies and services mainly reflects changes in the anticipated timing of contract close outs.
13. The increase in grants and subsidies is due to GOLDOC returning \$6 million in grant funding that was not required as Games time contingency. This whole of Games budget saving was returned in advance of the final transfer to DITID on dissolution.
14. The increase in sale of non-financial assets is mainly due to unbudgeted sale of assets, which were not known at the time of budget preparation.

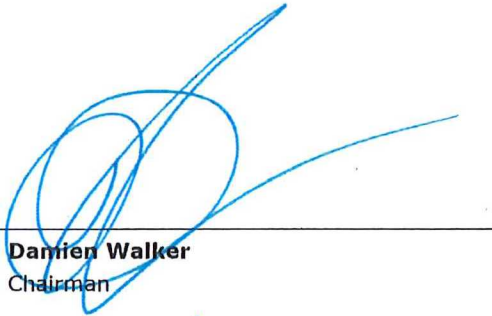
## **GOLD COAST 2018 COMMONWEALTH GAMES CORPORATION MANAGEMENT CERTIFICATE**

### **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:

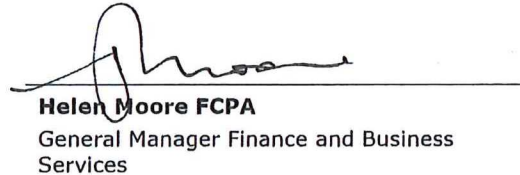
- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of GOLDOC for the reporting period 1 July 2018 to 31 December 2018 and of the financial position at GOLDOC at the end of that reporting period; 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.



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**Damien Walker**  
Chairman

Date 19/7/2019



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**Helen Moore FCPA**  
General Manager Finance and Business  
Services

Date 24/6/2019



## INDEPENDENT AUDITOR'S REPORT

To the former Minister of Gold Coast 2018 Commonwealth Games Corporation

### Report on the audit of the financial report

#### Opinion

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

In my opinion, the final financial report:

- a) gives a true and fair view of the entity's financial position as at 31 December 2018, and its financial performance and cash flows for the period then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards.

The final financial report comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 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 2.1 of the financial report, which discloses that under the *Commonwealth Games Arrangements (GOLDOC Dissolution Day) Amendment Regulation 2018*, the entity was dissolved on 31 December 2018. Ongoing responsibility for its functions, and its assets and liabilities, transferred to the Department of Innovation, Tourism Industry Development and the Commonwealth Games 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.



### **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.

### **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 period ended 31 December 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.



30 July 2019

Michelle Reardon  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane

