



Annual Report

2014-15



Letter from the Chairman

16 September 2015

The Honourable Kate Jones MP
Minister for Education and Minister for Tourism, Major Events, Small Business
and the Commonwealth Games
Level 22
Education House
30 Mary Street
Brisbane Qld 4000

Dear Minister

I am pleased to present the Annual Report 2014-15 and financial statements for the period ended 30 June 2015 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 68 of this annual report or accessed at www.gc2018.com

Yours sincerely



Nigel Chamier OAM
Chairman
Gold Coast 2018 Commonwealth Games Corporation

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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 (07) 5618 2018 and we will arrange an interpreter to effectively communicate the report to you.

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Chairman's statement

The past year has seen a sizeable shift in our Gold Coast 2018 Commonwealth Games™ (GC2018) preparations as we embrace the operational phase and the complexities of delivery.

Venues for GC2018 are set to be delivered well ahead of schedule, with our progress being given an enthusiastic tick by the Commonwealth Games Federation Coordination Commission in June this year.

The Commission's feedback recognised our progress on the \$320 million Games infrastructure program, transport planning, sustainability, the Health and Knowledge Precinct and the tremendous legacy opportunities the Games will bring to Queensland.

It also acknowledged the hard work of GOLDOC, the Australian Commonwealth Games Association (ACGA), Queensland Government agencies led by the Office of Commonwealth Games Delivery (OCGD), the City of Gold Coast (CGC) and the Australian Government.

We are grateful for the support of these and all of our stakeholders, along with the passion demonstrated by our Minister for the Commonwealth Games, the Honourable Kate Jones, who has brought so much energy and time investment to the portfolio.

The past year has been a very exciting year for Games related construction with the continued redevelopment of Parklands, the home of the Commonwealth Games Village (CGV).

This project, coordinated by the Commonwealth Games Infrastructure Authority (CGIA), will bring together residential, educational, retail, health, recreation and business opportunities to create a vibrant community and home to new residents and industries as part of the Gold Coast Health and Knowledge Precinct.

Construction of both the Carrara Sports Precinct and the Coomera Indoor Sports Centre are also underway, while the development of Queensland's first indoor velodrome at Chandler and planning for the upgrade of the Belmont Shooting Centre are well advanced.

The velodrome is an extremely impressive piece of architecture and it is pre-ordained to become the epicentre of track cycling in this State, if not the country.

The new facilities are well and truly on track to be completed more than 12 months before GC2018, providing great opportunity for the community to utilise them ahead of the Opening Ceremony.

This development is already having a significant impact on interest in the Gold Coast particularly with events such as the 2017 Sudirman World Badminton Cup, 2018 ITU World Triathlon Championships and the 2020 World Bowls Championships set to boost the city's already impressive major event credentials.

As Brisbane discovered in 1982, the impacts from the focus of the city on the world stage through a Commonwealth Games cannot be bought.

The benefits of hosting this event go way beyond the staging of the Games with the creation of thousands of jobs across diverse industries in hospitality, event management and construction.

We have seen much evidence of that over the past year.

And it is important to recognise that the other event cities of Townsville and Cairns will also 'Share the Dream' when they host preliminary matches of the basketball competition.

The GOLDOC team has also grown extensively in the past 12 months with our 100th employee joining us in May.

The team now resides at new headquarters in Ashmore where there is plenty of space for expansion. We are on a rapid trajectory to more than 1,000 staff by 2018 and more than double our current number set to come on board over the coming financial year.



The recruitment phase over the past year has seen specialists engaged to drive detailed planning across the organisation. This enables further development in our quest to engage community, have them embrace the Games and generate a level of civic pride that will underpin the welcome to many thousands of athletes and spectators from all over the world in 2018.

We are also keen not only to draw on people with Games or other major event experience, and people from specialist areas of management, but be an organisation that unearths and develops young talent.

We are constantly buoyed by the level of broad community enthusiasm for GC2018 indicated by strong participation at our *Commonwealth Day* and *Three Years to Go* milestone events.

They proved to us that GC2018 will be an event that the whole of Queensland can be proud of - an opportunity for us to again feature on the world sporting stage and reinforce the Games mantle of 'The Friendly Games' with our own spirit, pride and an irrepressible determination to succeed.

Nigel Chamier OAM
Chairman

Chief Executive Officer's statement

The GOLDOC team has now moved into the operational planning phase for GC2018 and I am proud to acknowledge that our productivity over the last 12 months sees the organisation in a great position to tackle the next phase of the journey towards 2018.

It is exciting to lead such a dynamic group of individuals who are each passionate about sharing the GC2018 dream and delivering a great event, on time and within budget. Planning is progressing well across all functional areas within GOLDOC. With more than 104 in the GOLDOC team, the workforce continues to meet the demands of delivering an event of this nature.



The Flag Handover Ceremony (FHC) at the Glasgow 2014 Commonwealth Games (G2014) heralded a new era in awareness around our status as host city. We have seen the impacts of G2014 through our consumer sentiment research over the past year resulting in a much greater interest in the Games and its ultimate legacy. The year has seen many great achievements and reasons to celebrate as we embrace the community and bring them along on the Games journey.

The new Queensland Government has made very clear their commitment and enthusiasm to ensure this event is one the entire country can be proud of. We are constantly buoyed by the energy and passion of the Minister for the Commonwealth Games, the Honourable Kate Jones and together with the GOLDOC team we look forward to working with her into the future.

The October 2014 and June 2015 Commonwealth Games Federation (CGF) Coordination Commission visits have both been very positive with acknowledgement of our progress noting development of the first ever major event 'Reconciliation Action Plan' for GC2018. This initiative will ensure we maximise the opportunity GC2018 presents to celebrate the extensive Indigenous heritage and culture of the Gold Coast and Queensland and, with the approval of local Traditional Owners, leverage economic and social benefits for Aboriginal and Torres Strait Islander people.

The celebration of Commonwealth Day in March with the Queensland Governor, Paul de Jersey AC QC at Government House was truly memorable and our first opportunity to share a milestone with the new Minister, the Hon. Kate Jones. Joined by emerging elite athletes from each of our 17 sports the Governor spent time speaking to each athlete before delivering the annual Queen's 'Message to the Commonwealth'.

The 'Three Years to Go' milestone saw the first of what will be many community events as we journey towards 2018. The celebration took place in Broadbeach with athletes joining GOLDOC at a community fun day with games and sport demonstrations for all to join in. It was colourful, fun, energetic and vibrant - all integral elements of our GC2018 brand. I was delighted to see such an enthusiastic crowd of people enjoying the event and thrilled by the calibre of elite athletes who took time out of their busy training schedules to spend time with us, share their stories with the crowd and support GC2018.

The launch of the GC2018 Gold Coast Schools Connect program in June this year sees the re-emergence of the Adopt a Commonwealth Country program and the start of schools and school communities across the city engaging with GC2018. This initiative will enable Commonwealth Games Associations (CGA) contact with Gold Coast schools and facilitate a connection with a school in their country and an opportunity to share history, culture and customs in a warm and engaging forum supporting the 'Friendly Games' reputation of this event.

The success of the nation-wide 'Design a Mascot' competition launch and a major national and international focus on GC2018 and its potential mascot, ended a financial year that sees GOLDOC and GC2018 in a great place.

I would like to acknowledge the work of the technical committees and working groups who continue planning to ensure all requirements and milestones are met on time. I commend also the

commitment and enthusiasm of the Games Delivery partners, the rapidly growing GOLDOC team and the ongoing support of the GOLDOC Board and Chairman, Nigel Chamier OAM.

We are exactly where we need to be in terms of planning and building the team to 'share the dream' and deliver a great Games in 2018.

Mark Peters

Chief Executive Officer

GENERAL INFORMATION

Agency role and main functions

On 11 November 2011, the Australian Commonwealth Games Association (ACGA) in partnership with the Queensland Government and the City of Gold Coast (CGC) was granted the right to host the 2018 Commonwealth Games.

The City of Gold Coast 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.

GOLDOC was established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011*. The functions of the Corporation are to undertake and facilitate the organisation, conduct, promotion and commercial and financial management of the Commonwealth Games.

The Gold Coast will host the Commonwealth Games from 4 to 15 April 2018 and the event will be a memorable and exciting celebration of sport and Australian culture. The event will create an atmosphere that inspires achievement, harmony and a sense of unity. The Games provide 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 are 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, the Games 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™

GC2018 will be the largest world multi-sport event that the Gold Coast has ever hosted. It will see 6,500 athletes and officials from 71 nations, representing 30 per cent of the world's population; compete in 27 sporting disciplines at over 30 competition and training venues from 4 to 15 April 2018. This 11 day sports competition period will take place between the Opening and Closing Ceremonies which will be watched by up to 40,000 spectators at the upgraded Carrara Stadium and broadcast to a cumulative global audience of 1.5 billion people.

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

GOLDOC partners

Office of Commonwealth Games Delivery

The OCGD, within the Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESB) leads a coordinated approach to the Queensland Government's delivery of GC2018. OCGD leads the Queensland Government state-wide program, Embracing 2018, to maximise the legacy benefits from hosting the Commonwealth Games as well as the development of a state-wide arts and cultural program. The OCGD also manages the capital budget for GC2018 venues.

The Department of State Development

The Department of State Development (DSD) is responsible for the delivery of the Games venue and village infrastructure program (capital development of competition, training and key non-competition venues, including the CGV) and the project and contract management of individual projects. The infrastructure program is overseen by the CGIA and the Economic Development Board (EDB).

Economic Development Queensland (EDQ), within DSD, is responsible for the planning and delivery of the Parklands capital development which incorporates the requirements of the CGV. Government's capital contribution to the development of the Parklands capital development is also managed through EDQ.

City of Gold Coast

CGC has established a Commonwealth Games unit which is responsible for delivering city operations, city legacy and arts and cultural program initiatives and is the asset owner of many of the venues.

The Australian Government

The Population Health and Sport Division, Department of Health within the Australian Government, implements operational support for security, immigration, customs, intellectual property, tourism, communications and federal legislative matters.

The Australian Government is also working with Queensland Government departments and CGC on coordinated security strategies.

Australian Commonwealth Games Association

ACGA is the national body responsible for organising the Australian Commonwealth Games team which amongst many responsibilities, provides and organises funding, clothing, travel, accommodation and accreditation of athletes and officials to each Commonwealth Games.

The ACGA has delegated authority to the State to organise the 2018 Commonwealth Games and is an integral Games partner with representation on the GC2018 Board and Committees.

Commonwealth Games movement

The peak body of the Commonwealth Games movement is the CGF. An honorary Executive Board currently governs the CGF with financial, legal and marketing services provided to it. The CGF has a Chief Executive Officer and small secretariat based in London.

Each of the 71 CGAs is either a distinct entity or part of its National Olympic Committee.

The strength of individual CGAs varies greatly around the world depending upon access to financial and skilled human resources, athlete development programs and pathways for grassroots to professional athletes, the level of importance their Government places on sport and sport development and their overall importance on the Commonwealth Games. The ACGA is the strongest in terms of domestic market strength.

In order to deliver a great Commonwealth Games, GOLDOC will need strong relationships with both the CGF and CGAs. The CGF can provide significant intellectual property in relation to the successful staging of the event, while CGAs are directly responsible for the number and quality of athletes that attend the Commonwealth Games.

Risks, opportunities and challenges

GOLDOC is committed to the effective implementation and integration of risk management practices. GOLDOC seeks to adopt best practices where appropriate in the identification, evaluation and cost effective control of risks to ensure that they are eliminated or reduced to an acceptable level. GOLDOC aligns itself with the best practice requirements of *AS/NZS ISO31000: 2009 – Risk Management Principles and Guidelines* to identify and manage risks.

The GOLDOC Board (supported by its Finance and Audit Committee (FAC)) is responsible for risk oversight and management of risk within the organisation. GOLDOC has implemented a Risk Management Policy and a supporting framework which provide the foundations and organisational

arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

GOLDOC governs and monitors all risks associated with the delivery of GC2018. In support of GOLDOC in the delivery of GC2018, the Queensland Government through the OCGD will oversee a range of significant risks, including those associated with the development of infrastructure for GC2018. Whilst GOLDOC has dependencies on the management of such risks, they are managed within the realms of the relevant agencies' risk management policies. A cross partner Strategic Risk Framework is being developed by the OCGD to facilitate this oversight and will be governed by the Partners Forum. The framework will provide the GOLDOC Board and Minister for Education and Minister for Tourism, Major Events, Small Business and the Commonwealth Games with an assessment of those strategic risks considered to potentially have the greatest impact on meeting GC2018 objectives as considered by Government departments and Games partners.

Functional Area planning

FA planning outlines the strategic direction, concept of operations and operational deliverables for a FA. Defining these activities supports the development of detailed, venue specific operating plans that will guide the Games-time service provision and provide the framework within which FA service delivery can be developed.

FA plans serve as a core communication tool, allowing each FA to communicate its plans with other FAs and external partners and educate the FA's own staff (as teams grow) in preparation for GC2018. Cross functional reviews occur at various check points throughout the planning lifecycle to validate and inform further refinement of content and reflect any increasing levels of understanding and knowledge regarding the requirements and expectations of other FAs, GOLDOC clients and external partners.

During 2014-15, the FA planning process was streamlined further with the completion of all FA strategic plans and the commencement of GOLDOC's concept of operations planning for key FAs.

Roles and responsibilities

GOLDOC recognises that it operates within a complex environment in which program management is key to successful Games delivery. Clarity and understanding of roles and responsibilities within GOLDOC and across its partners is crucial to the planning process to ensure cross functional dependencies are identified and impacts and risks are mitigated.

During 2014-15 a collaborative exercise was undertaken between GOLDOC, Queensland Government departments, CGC and the Australian Government in understanding and clarifying FA roles and responsibilities. This provided a common understanding of the FAs and assigned responsibility for lead and support roles across all partners.

A consultative group (Partners Forum) involving senior partner representatives was established to endorse the outcomes of this exercise and this forum now facilitates regular cross functional discussions across all partners, enabling the identification of key risks and emerging opportunities for the benefit of Games delivery.

NON-FINANCIAL PERFORMANCE

Government's objectives for the community

Please see Appendix A.

Agency objectives and performance indicators

GOLDOC has an extensive suite of compliance obligations to the CGF as part of Games delivery. These obligations are sourced from the Host City Contract, the CGF Games manuals and the Gold Coast City Candidature File (the Bid Book).

During 2014-15 GOLDOC implemented an enterprise program management solution to capture and monitor project information across all FAs within GOLDOC, including project schedules, issues, risks, assumptions and CGF compliance obligations.

Through its Coordination Commission, the CGF tracks GOLDOC's progress along with Games partners and stakeholder's commitments. GOLDOC is required to provide quarterly status updates to the CGF on Games planning progress and compliance obligations. In addition to quarterly progress reporting, GOLDOC is also required to undertake a six monthly review by the CGF Coordination Commission. The Coordination Commission is supported by a team of expert technical advisors who review key elements of planning with GOLDOC and Games Partners.

Following are progress updates on GOLDOC's 2014-15 strategic priorities, as informed by the Games Roadmap, the program management solution, strategic risk profile and the suite of CGF compliance obligations:

Commonwealth Games Village master planning and project management

The CGV will be home for up to 6,500 athletes and team officials from 71 Commonwealth nations attending GC2018. The CGV will provide a secure, comfortable, friendly, inclusive and performance orientated environment for athletes and officials.

During the initial CGV design and detailed planning phases, it was critical that the CGV developer (Grocon) be provided with the appropriate level of technical detail and specifications to meet the functional requirements of the CGF and the long term objectives for the development of a Gold Coast Health and Knowledge Precinct, post-Games. Therefore, as a 2014-15 priority, GOLDOC worked closely with DSD and Grocon to provide input into the design of the CGV's permanent and temporary infrastructure as this will ensure the facility is delivered to the appropriate standard for the conduct of GC2018.

Venue and Overlay planning and project management

Input into the planning, development and delivery of both competition and non-competition venues for the conduct of GC2018 continued to be a priority during 2014-15.

GOLDOC, in conjunction with State and local Government partners, continued to progress the design of GC2018 permanent and temporary venues with the aim of providing lasting legacies for the Queensland community post-Games. GOLDOC representatives are consistently involved in all venue planning activities to ensure GC2018 technical design requirements and event operational management elements are incorporated into the detailed design of the new-build or redeveloped venues.

Venue master delivery programs (both capital and overlay) continued to evolve and be refined in 2014-15 which identify the macro and micro timeframes for the design and construction of

permanent and temporary infrastructure required for the conduct of GC2018. This information is of key importance to other interdependent operational FAs (e.g. Transport, Security, City Operations and Sport) to assist with their individual detailed operational planning.

As a consequence of DSD bringing forward the planning, design and delivery of a number of key competition venues, GOLDOC has brought forward its planning for temporary overlay design and services to ensure maximum benefits are attained in the planning of early works and provision of utility connections for temporary infrastructure (i.e. water, power, communications, sewage).

Glasgow 2014 Commonwealth Games

The Glasgow 2014 Commonwealth Games (G2014) were held from 23 July to 3 August 2014.

A key component of this program was GOLDOC's participation in the official G2014 Observer Program (OBS). Host cities are required to have an OBS in place for future and potential candidate host cities. The CGF designed a comprehensive OBS for G2014 which offered participants a unique opportunity to gain valuable intelligence to understand major multi-sport events and for GOLDOC to observe and test strategic, operational and functional concepts in a real live Games context.

The program included:

- High quality operational placements, observations and briefings by G2014 staff as well as other major event specialists.
- All aspects of Games planning and staging including the high level post-Games related issues such as legacy, venue viability and leveraging.
- An opportunity to meet with companies that have played key supplier roles to G2014.

Flag Handover Ceremony

The Closing Ceremony is the celebration that concludes the Commonwealth Games and has a festive atmosphere. It is where the host city has the opportunity to leave a lasting impression and promote the next Games through the traditional Flag Handover Ceremony (FHC) while being an opportunity for athletes, volunteers, organisers and audiences to celebrate the success of the event, uniting for one last time.

The FHC consists of two formal ceremonial components. The first formal component allows for the Head of the Commonwealth or his/her representative to officially declare the Games closed. The CGF flag is then lowered and passed from one host city to the next. This is accompanied by the recital of the Host City Oath, followed by a short formal acceptance speech and music in accordance with protocol.

The second component is an approximate ten minute creative program that may include music, dance, props, lighting and imagery to celebrate the honour of hosting the next Commonwealth Games. GOLDOC was responsible for delivery of the FHC at G2014.

David Atkins Enterprises was appointed to plan and deliver the Gold Coast component of the Closing Ceremony.

The presentation by GC2018 integrated local headline talent (three times World Champion surfer, Mick Fanning, award winning singer and actress, Jessica Mauboy, World Champion hurdler, Sally Pearson, local 'Gold Coast Kid' Gabriel Pither and Currumbin Wildlife Sanctuary presenter, Tenielle Matheson), and included artwork developed in accordance with one of eight key categories for the FHC: globe, surf, beach, hinterland, culture, sport, skyline and fun by local Gold Coast school children.

Ticketing policy and pricing strategy

A key priority during 2014-15 was to commence the development of the Ticketing FA plan. This will inform the timings and process for ticket sales to the public, including the launch and sales up to and during the Games. A ticketing policy and pricing strategy will be developed in alignment with the Ticketing FA plan which will consider a range of objectives for GC2018.

Commence the implementation of the sponsorship and marketing plan

2014-15 saw the establishment of GOLDOC's Commercial Division and the activation of the Sponsorship FA. The commercial rights to GC2018 were officially handed to GOLDOC by the CGF once they had expired from Glasgow on 1 January 2015. As such, GOLDOC's appointed corporate sales and servicing agency, Sports Marketing and Management (SMAM), have actively commenced sponsorship discussions within the market in line with the CGF approved Sponsorship Marketing Plan. Additionally, a sponsor servicing plan and Games-time hospitality strategy are both currently in development by SMAM.

GOLDOC continues to work closely with SMAM to optimise potential sponsorship revenue both within Australia and overseas.

Implementation of the suite of corporate applications

During 2014-15, the Technology FA focussed on finalising the implementation of the core suite of corporate applications including finance, procurement, contract management and program management. Research into potential Games Management System solutions continued, as have an assessment of current venue technologies. Games technology specific expertise was also recruited.

Commence the implementation of the long term office accommodation strategy

Detailed consideration has been given to the Games Headquarters (GHQ) office accommodation requirements leading up to and beyond GC2018. During 2013-14, the GOLDOC Board approved the recommended office accommodation strategy that provided the best logistical and value for money option to accommodate GOLDOC's progressive space requirements. During 2014-15, the Office Management FA delivered the first two phases of the expansion of the GHQ. This included the finalisation of lease negotiations and the design and project planning for the various stages of GOLDOC's transition and growth. The design and fit out reflected the requirements of the various FAs (including technology), whilst remaining sufficiently flexible and generic for future re-uses.

Stage one of the fit out of the new premises was completed and all GOLDOC staff relocated, in June 2015.

Workforce planning

The Head of Workforce was appointed in January 2015 and work immediately began to develop detailed workforce plans for each FA. The scope of the workforce plans includes workforce requirements in the pre Games planning and the Games time operational periods.

A full review of the organisational structure was undertaken in the second half of 2014-15 and the output communicated to the wider organisation.

The organisation was engaged at the end of 2014-15 to undertake the detailed development of their workforce plans in consideration of the revised structure and:

- G2014 transfer of knowledge and actual workforce data shared by CGF
- Updated GOLDOC milestones and critical path

- Updated delivery model and partner roles and responsibilities working assumptions

These revised workforce plans will provide the baseline from which further workforce planning activities will be based in the future years.

Agency service areas and service standards

GOLDOC's key success factors for 2014-15 were to deliver on the organisation's strategic priorities and to meet the extensive range of compliance obligations it has to the CGF.

As part of its performance reporting obligations to the Queensland Government, GOLDOC has developed two service standards which are tracked annually. The first measure reflects the CGF's level of satisfaction with GOLDOC's preparations for GC2018. A level of "satisfied" indicates that the anticipated milestones and compliance obligations, as established by the CGF, are being met. The second measure tracks how engaged the target market is with the Games and therefore its likelihood to attend, volunteer, or in some way, be involved.

Performance statement

Service standards	Notes	2014-15 Target/Est	2014-15 Estimated actual	2014-15 Actual
<i>Effectiveness measure</i> Level of CGF's satisfaction with preparedness for the Commonwealth Games	1	Satisfied	Satisfied	Satisfied
Level of target market's engagement in the Commonwealth Games	2	50%	50%	56%

Notes:

1. The assessment of satisfaction is 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 is made by the international oversight body, the CGF. This service standard is shared by GOLDOC which is responsible for planning the delivery of the actual event and the DTESB which is responsible for coordinating the necessary infrastructure and government services to support the Commonwealth Games.
2. The target market is defined as all people over 18 years of age living on the Gold Coast, in Brisbane, within a four hour drive of the Gold Coast (excluding Brisbane and the Gold Coast), Sydney and Melbourne. Surveys are undertaken twice per year and conducted by an independent market research agency.

FINANCIAL PERFORMANCE

Summary of financial performance

The audited financial statements of GOLDOC for the year ended 30 June 2015 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 2014.

Gold Coast 2018 Commonwealth Games Corporation	2014-15 \$'000	2013-14 \$'000
Income		
State Government grants	31,428	17,070
Other income	1,749	669
Total income	33,177	17,739
Employee expenses	11,180	5,393
Supplies and services	10,775	8,213
Depreciation and amortisation	850	451
Other expenses	93	73
Total expenses	22,898	14,130
Operating result for the year	10,279	3,609
Assets	39,650	7,681
Liabilities	23,648	1,958
Total equity	16,002	5,723

An increase in the income earned from the 2013-14 financial year to 2014-15 is commensurate with grant funding required to meet an increase in the expenditure obligations of GOLDOC between these years.

Other income of \$1,749,000 is predominately a non-cash item relating to an unrealised foreign exchange gain booked in the 2014-15 financial year. This item has no bearing on the project financial performance of GOLDOC and will be reversed in subsequent financial years in accordance with accounting standards.

An increase in total expenses is aligned to an increase in project activity and related workforce requirements from 41 to 104 staff. Included in the total expenses for 2014-15 is an increase in depreciation and amortisation expenditure relating to the commissioning of the Games headquarters office accommodation and implementation of corporate applications respectively.

Total equity has increased from the 2013-14 financial year mainly due to the timing of revenue received, related expenditure patterns associated with GOLDOC's life cycle budget approach and accounting treatment of capital expenditure programs of work.

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 Tourism, Major Events, Small Business and the Commonwealth Games. As at 30 June 2015, GOLDOC had nine Board members including the Chairman.

The general staffing strategy involves a core team of full-time staff directing specialist contractors and support volunteers. Workforce planning forecasts that by Games-time, staff numbers will reach in excess of 1,000 full time equivalents (FTEs), approximately 30,000 contractors (e.g. security, logistics and catering) and up to 15,000 volunteers.

GOLDOC is currently divided into five divisions: Commercial, Communications and Marketing, Executive Office, Finance and Business Services, Planning and Readiness, and Venues, Operations and Sport.

As at 30 June 2015, GOLDOC had 104 FTEs.

GOLDOC's organisational structure will continue to evolve and expand during 2015-16.

GOLDOC divisions

Commercial, Communications and Marketing

The Commercial, Communications and Marketing division is responsible for all of the commercial revenue generation for GC2018. This includes sponsorship sales (and the associated servicing), ticketing, broadcast rights, licensing and merchandising programs. To maximise revenues, this division will build the strength of the brand and ensure that it is complemented by all elements of the GC2018 identity. This division provides services internally to the other FAs, particularly in relation to digital media, publications, collateral, image and look, events and advertising initiatives.

FAs within the Commercial, Communications and Marketing division include Sponsorship, Licensing and Merchandising, Ticketing and Marketing.

Executive Office

Executive Office is responsible for complying with Board policy and direction in planning and staging GC2018. Areas of responsibility include government partners relations and ultimately, meeting GOLDOC's objectives.

The division is also responsible for CGF relations by providing the key interface with the CGF and is the primary channel of communication to and from the CGF. The division is also responsible for interfacing with the key operational areas that are responsible for delivery of services to CGAs, athletes and team officials and for delivering on compliance obligations to the CGF.

Finance and Business Services

This division provides the majority of the internal services to GOLDOC. All FAs within Finance and Business Services are responsible for the ongoing provision of business as usual services, whilst also planning for the Games-specific requirements. This division will adjust its services and resource levels in response to growth within GOLDOC and its business needs at the time.

FAs within the Finance and Business Services division include Finance, Office Facilities, Legal, Procurement, Technology and Workforce.

Planning and Readiness

The Planning and Readiness division is responsible for providing overarching direction and support to the integrated planning and readiness activities of GOLDOC, in a coordinated and integrated manner.

Additionally, the functional areas within the division comprise of a mix of service and support delivery:

- essential service delivery to a number of key clients of GOLDOC, and
- planning and delivery support to internal functional areas within GOLDOC and GC2018

The division is also responsible for integrating with all functional areas of GOLDOC to support the delivery of GOLDOC's obligations and commitments.

Functional areas within the Planning and Readiness division include Ceremonies, City Operations, Command, Coordination and Communication, Games Family Services, Health and Safety, Program and Risk Management, Sustainability and Legacy and Testing and Readiness.

Venues, Operations and Sport

The Venues, Operations and Sport division is responsible for GOLDOC's coordinated input into the planning, development and delivery of the GC2018 sport program, related infrastructure and operational services required for the conduct of GC2018.

Key priorities for the division included:

- The design and construction of the GC2018 competition and key non-competition venues, including the CGV. GOLDOC's venue representatives, in conjunction with State and local Government partners, continue to progress the design of GC2018 permanent and temporary venues with the aim of providing lasting legacies for the Queensland community, post-Games. GOLDOC representatives are involved in all venue planning activities to ensure GC2018 technical design requirements and event operational management elements are incorporated into the detailed design of the new-build or redeveloped venues.
- Developing and refining an athlete focused GC2018 sports program and competition schedule, which ensures alignment with the rules and requirements of the International Federations and the CGF and provides the best possible environment for athletes to perform at their best.
- Planning for the coordinated delivery of operational activities in support of Games delivery including (however not limited to) accommodation, accreditation, broadcast, catering, city operations, cleaning and waste management, doping, Games Family support, medical, press operations, security, transport and logistics and venue/village operations.

The division takes the lead role in working with both external and internal stakeholders to ensure GC2018 is delivered in a sustainable manner and legacy opportunities for the Gold Coast and Queensland are maximised.

Board and Committees

Board

The Board derives its authority from the enabling legislation. In accordance with its charter, the Board is to comprise of no fewer than eight members at any one time. There must be an equal number of members nominated by the Queensland Government and ACGA. 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 the ACGA through the hosting of GC2018
- to engage in marketing activities to promote and further the above objectives
- to perform all acts necessary to achieve the above objectives.

GOLDOC Board meetings are held every two months. During 2014-15 the Board met six times.

The names, positions and appointment terms for GOLDOC Board members are detailed in the Financial Statements 2014-15, section 6 (a).

Joint Marketing Committee

Under the terms of the Host City Contract, GOLDOC is responsible for preparing and developing the Marketing Plan (MP). The Joint Marketing Committee (JMC) is responsible for approving the MP no later than five years before the Opening Ceremony. The JMC will use its best endeavours to maximise the revenue of the Joint Marketing Program (JMP) whilst taking account of the development and conduct of the JMP and the MP in a manner which:

- protects and preserves the integrity of the Games
- enhances the goodwill, good name and reputation of the CGF, the ACGA and the organisers of future Games in respect to marketing opportunities
- strives to enhance the value and promote the understanding of the Games brand in relation to all marketing initiatives in the full spirit of the vision of the CGF (to promote a unique, friendly, world class Commonwealth Games and to develop sport for the benefit of the people, the nations and the territories of the Commonwealth, and thereby strengthen the Commonwealth).

The JMC, via the GOLDOC Board, provides a detailed report to the CGF Executive Board on the JMP on a six monthly basis.

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

Name	Position	Appointment date	End date
Dennis Chant	Chair	12 June 2012	Ongoing
Perry Crosswhite AM	Member	12 June 2012	Ongoing
Andrew Bell	Member	12 June 2012	Ongoing
David Williams	Member	12 June 2012	Ongoing
Peter Doggett	Member	12 June 2012	Ongoing
Judy Brinsmead	Member	12 June 2012	Ongoing

Finance and Audit Committee

The purpose of the FAC is 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 is an advisory committee established by GOLDOC's Board. The Board has not delegated any decision-making authority to the FAC however; it may bring particular matters to the Board's attention and make recommendations for the Board's approval. Subject to approval by the Board, the FAC is able to engage independent external consultants as necessary to meet its obligations.

The primary role of the FAC is 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.

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	Ongoing
Catherine Tanna	Member	12 June 2012	16 May 2014
Perry Crosswhite AM	Member	12 June 2012	Ongoing
Annabelle Chaplain	Member	12 June 2012	Ongoing
John Le Lievre	Member	12 June 2012	Ongoing

Sport and Technical Committee

The functions of the Sport and Technical Committee (STC) are to review and make recommendations to the GOLDOC Board on policy pertaining to sport and technical matters in the planning, coordination and delivery of GC2018.

More specifically these functions include the areas of:

- Overlay and venue development (including field of play)

- Sports program review and finalisation
- Sport competition (e.g. management, volunteers and test events)
- Sport policy and operations (including equipment, publications, operations, technical officials and Games training)
- Sport services (e.g. sport results, sport entries and competition schedule)
- Sport presentation (covering ceremonies, operations and technical)
- Information technology related to sport
- Special projects associated with sport
- Liaison with international sport federations and subsequent rulings
- Athlete accommodation
- Technical officials accommodation
- Athlete services at the CGV
- Media protocols for contact with athletes
- Athlete and officials security
- Athlete, team officials and technical officials transport
- Medical services (including sports medicine and doping control)
- Sport development prior to and post GC2018.

The STC is an advisory committee to the GOLDOC Board. It is supported by a number of sport, venue and operational working groups incorporating representatives of key sporting and government agencies, with the aim being to ensure integration and collaboration in planning across partners.

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	Ongoing
Andrew Baildon	Member	7 August 2012	Ongoing
Sara Carrigan OAM	Member	7 August 2012	Ongoing
Perry Crosswhite AM	Member	7 August 2012	Ongoing
Kurt Fearnley OAM	Member	25 November 2013	Ongoing
Dr Peter Harcourt OAM	Member	9 August 2012	Ongoing
Cameron Hart	Member	8 August 2012	Ongoing
Glynis Nunn-Cearns OAM	Member	7 August 2012	Ongoing
Andrew Minogue	Member	7 August 2012	Ongoing

Name	Position	Appointment date	End date
Mike Victor OAM	Member	7 August 2012	Ongoing

Remuneration Committee

The purpose of the Remuneration Committee is 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 is a decision-making committee established by the GOLDOC Board. The Board has delegated decision-making authority to the Committee in respect of policy matters relating to senior appointments and remuneration. The Committee may also bring particular matters to the Board's attention and make recommendations for approval. Subject to approval by the Board, the Committee is able to engage independent external consultants as necessary to meet its obligations.

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

Name	Position	Appointment date	End date
Stephen Conry	Chair	21 May 2013	Resigned 02 March 2015
John Witheriff	Chair	30 June 2015	Ongoing
Nigel Chamier OAM	Member	21 May 2013	Ongoing
Sam Coffa AM JP	Member	21 May 2013	Ongoing

Executive management

Mark Peters, Chief Executive Officer

Mark Peters is 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 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.

Ian Whitehead, General Manager – Venues, Operations and Sport

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 - a portfolio of nine venues valued at more than \$1.2 billion.

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.

Helen Moore, General Manager - Finance and Business Services

Helen Moore's capacity to deliver corporate services to GOLDOC has been demonstrated during more than 15 years of senior leadership within the semi-Government sector.

A fully qualified accountant, 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.

Cameron Murray, General Manager – Commercial, Communications and Marketing

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.

Brian Nourse, General Manager – Planning and Readiness

Brian Nourse has more than 20 years' experience in the delivery and management of international events.

Brian was involved in the last three Commonwealth Games: as Group Technology Manager for the Melbourne 2006 Commonwealth Games, as technology consultant and advisor for the Delhi 2010 Commonwealth Games and as Chief Information Officer for the Glasgow 2014 Commonwealth Games.

In his most recent role 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.

Public Sector Ethics Act 1994

The GOLDOC Code of Conduct (the Code) is based on the four guiding principles outlined in the *Public Sector Ethics Act 1994*. The Code provides GOLDOC employees with a framework that details the expectations of staff in upholding GOLDOC's values and in behaving in the manner required in daily business activities. The Code provides guidance to ensure employee decisions and behaviours are aligned with these principles and values so that all employees maintain a high standard of integrity, professionalism and accountability.

Adherence to the Code is fundamental to building a partnership of trust between GOLDOC's stakeholders and the community. All GOLDOC employees are provided with a copy of the Code upon appointment and it is published on the corporate intranet for ongoing employee reference.

GOVERNANCE – RISK MANAGEMENT AND ACCOUNTABILITY

Risk management

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

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

Through the risk management framework, consistent risk management principles have been embedded in all critical business activities and FAs. Risk controls have been designed and implemented to mitigate the impact of risks to GOLDOC's objectives. The effectiveness of these controls is systematically reviewed at the Board, Committee, executive, divisional and FA levels, and where necessary, improved. GOLDOC is committed to the effective implementation and integration of risk management practices. It seeks to adopt best practices where appropriate in the identification, evaluation and cost effective control of risks to ensure that they are 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 establishes a process by which this can be monitored, reported and integrated so that a whole of Games approach can be taken.

GOLDOC abides by the following guiding principles for managing risk:

- Ensure GOLDOC has a robust internal culture and process that is capable of identifying and managing its risks
- Promote a culture where risk management is understood to be everyone's responsibility
- Manage risks in accordance with best practice
- Establish clear roles, responsibilities and reporting lines for risk management
- Maintain effective communication about risk and GOLDOC's approach to risk taking.

External scrutiny

The external audit plan for 2014-15 with Queensland Audit Office (QAO) was approved by the GOLDOC Finance and Audit Committee in April 2015. The external audit of GOLDOC's financial statements took place in July 2015 followed by certification by QAO in August 2015. Much work has taken place over the twelve months ending June 2015 towards this activity, including the development and implementation of specific policies, implementation of financial management processes and controls across day to day finance activities including transactions, taxation and working capital management and development of processes to facilitate State Government financial reporting requirements.

Internal audit

An internal audit function is yet to be established for GOLDOC. Once operational, it will provide assurances to management and the FAC on internal controls and the management of business risk.

Information systems and recordkeeping

GOLDOC has continued to innovate its information management solutions, including the adoption of additional solution modules to manage Human Resource information and process management.

Queensland State Archives approved the Gold Coast 2018 Commonwealth Games Retention and Disposal Schedule in November 2014; this schedule is being implemented into GOLDOC systems to ensure compliant information management and also to ensure that the legacy of GC2018 is available for future generations.

The GOLDOC information management team has also been working on a number of initiatives such as the implementation of a new website in addition to other games specific information solutions.

GOVERNANCE – HUMAN RESOURCES

Workforce planning, attraction and retention, and performance

GOLDOC is committed to attracting and retaining a highly skilled workforce to achieve its objectives. At 30 June 2015 GOLDOC had 104 FTEs.

During 2014-15 the following activities were undertaken to ensure ideal attraction, retention, and performance through the delivery of fair, equitable and appropriate workforce practices:

Workforce planning

Following the revision of the GOLDOC organisational structure, workforce planning activities continued with the organisation engaged to develop its detailed workforce requirements for the pre Games planning and Games time operational periods.

Attraction and retention

Utilising its reward strategy and framework, GOLDOC continued to attract high calibre industry and Games experienced candidates despite constrained budgets. Recruitment and selection activities were undertaken by the internal recruitment team with support from agencies where required. Toward the end of 2014-15, the tender process was opened to receive Expressions of Interest from recruitment service providers who could partner with GOLDOC in the delivery of the large volume of paid staff required to stage the Games.

Performance

During 2014-15 an employee performance management framework was implemented across the organisation. All new employees are required to attend an induction session conducted by Human Resources and performance reviews are conducted annually. Individuals are required to set goals and behaviours that link to the corporate operational plans and GOLDOC objectives.

OPEN DATA

For 2014-15, GOLDOC's consultancies, Board remuneration and overseas travel will be published through the Queensland Government's Open Data website (www.data.qld.gov.au) instead of in the Annual Report.

Online publication

GOLDOC will publish its Annual Report 2014-15 online at www.gc2018.com



Financial Statements

2014 -15



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

GOLDOC is a statutory authority established under the *Commonwealth Games Arrangements Act 2011*.

The GOLDOC portfolio is part of the Department of Tourism, Major Events, Small Business and the Commonwealth Games.

The Games headquarters and principal place of business of GOLDOC is:
Cnr Heeb Street and Benowa Road
Building Block A
ASHMORE QLD 4214

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

For information in relation to the GOLDOC's financial statement please call (07) 5618 2018, email info@goldoc.com 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.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$'000	2014 \$'000
Income from continuing operations			
Grants	2	31,428	17,070
Interest	3	387	160
Other income	4	1,362	509
Total income from continuing operations		33,177	17,739
Expenses from continuing operations			
Employee expenses	5	11,180	5,393
Supplies and services	7	10,775	8,213
Depreciation and amortisation	8	850	451
Other expenses	9	93	73
Total expenses from continuing operations		22,898	14,130
Operating result for the year		10,279	3,609

The accompanying notes form part of these statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Notes	2015 \$'000	2014 \$'000
Current assets			
Cash and cash equivalents	10	31,433	4,727
Trade and other receivables	11	465	375
Other assets	12	1,524	824
Total current assets		33,422	5,926
Non-current assets			
Plant and equipment	13	3,403	474
Intangible assets	14	1,562	657
Other assets	12	1,263	624
Total non-current assets		6,228	1,755
Total assets		39,650	7,681
Current liabilities			
Trade and other payables	15	1,077	1,490
Accrued employee benefits	16	1,192	411
Total current liabilities		2,269	1,901
Non-current liabilities			
Accrued employee benefits	16	63	57
Other liabilities	17	21,316	-
Total non-current liabilities		21,379	57
Total liabilities		23,648	1,958
Net assets		16,002	5,723
Equity			
Accumulated surplus		16,002	5,723
Total equity		16,002	5,723

The accompanying notes form part of these statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

	Accumulated surplus \$'000	Total \$'000
Balance as at 1 July 2013	2,114	2,114
Total operating result for the year	<u>3,609</u>	<u>3,609</u>
Balance as at 30 June 2014	<u>5,723</u>	<u>5,723</u>
Balance as at 1 July 2014	5,723	5,723
Total operating result for the year	<u>10,279</u>	<u>10,279</u>
Balance as at 30 June 2015	<u>16,002</u>	<u>16,002</u>

The accompanying notes form part of these statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	2015 \$'000	2014 \$'000
Cash flows from operating activities			
Grants received		31,428	17,070
Interest received		385	164
Receipts from operations		26,220	7
Employee expenses		(9,851)	(4,949)
Supplies and services		(13,360)	(8,946)
GST received from ATO		1,310	552
GST paid to ATO		(4,613)	(7)
Net cash provided by operating activities	18	<u>31,519</u>	<u>3,891</u>
Cash flows from investing activities			
Payments for property, plant and equipment		<u>(4,813)</u>	<u>(474)</u>
Net cash used in investing activities		<u>(4,813)</u>	<u>(474)</u>
Net increase in cash and cash equivalents		26,706	3,417
Cash and cash equivalents at beginning of financial year		4,727	1,310
Cash and cash equivalents at end of financial year	10	<u><u>31,433</u></u>	<u><u>4,727</u></u>

The accompanying notes form part of these statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

Objectives and principal activities of GOLDOC

The Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) is a statutory authority established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011*. GOLDOC's functions are to undertake and facilitate the organisation, conduct, promotion, commercial and financial management of the XXI Commonwealth Games (Games) in 2018 in conjunction with the Australian Commonwealth Games Association (ACGA) and the Commonwealth Games Federation (CGF). GOLDOC is a statutory body for the purposes of the *Financial Accountability Act 2009* and the *Statutory Bodies Financial Arrangements Act 1982* (SBFA). Under section 46 of the *Commonwealth Games Arrangements Act 2011*, GOLDOC is to be dissolved no later than 18 months after the end of the closing ceremony of the Games.

Responsibilities of Games partners

There are government services outside of GOLDOC required to deliver the Games and these are coordinated through the Office of Commonwealth Games Delivery (OCGD) within the Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESB). The OCGD also manages the capital budget for the Games venues (excluding the Commonwealth Games Village (CGV)). The Department of State Development (DSD) coordinates the planning, design and project management of capital works to deliver the Games venue infrastructure, including the CGV. Within the Department of Infrastructure, Local Government and Planning (DILGP), Economic Development Queensland (EDQ) is responsible for the planning and delivery of the Parklands capital development which incorporates the requirements of the CGV.

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

1. Statement of significant accounting policies

(a) Statement of compliance

GOLDOC has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements and have been prepared on an accrual basis in accordance with Standards and Interpretations of the Australian Accounting Standards Board (AASB). In addition, the financial statements comply with Queensland Treasury Minimum Reporting Requirements for the year ended 30 June 2015 and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, GOLDOC has adopted those requirements applicable to not-for-profit entities, as GOLDOC is a not-for-profit statutory authority. Except where stated, the historical cost convention is used.

(b) The reporting entity

The financial statements include the value of all income, expenses, assets, liabilities and equity.

(c) Revenue and other income

Grant revenue

Grants received are government grants that are non-reciprocal in nature and are recognised as revenue in the financial year in which GOLDOC obtains control over them.

Interest revenue

Interest revenue is recognised as it is accrued, using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(c) Revenue and other income (continued)

Unrealised foreign exchange gain

Unrealised foreign exchange gains are recorded as revenue in the Statement of Comprehensive Income at initial recognition of GOLDOC's derivative asset contracts. The amounts are adjusted through the operating result when the derivative contracts are re-valued in line with market fluctuations at the reporting date.

Broadcast rights revenue

Broadcast rights revenue is derived under commercial contract arrangements. Revenue will be recognised when GOLDOC has fulfilled its obligations under these contracts by the transferring of rights to the Broadcast Rights holders. GOLDOC has negotiated a number of contracts and all cash received and receivable at the reporting date is treated as unearned revenue in the Statement of Financial Position, as a non-current liability (refer note 17) and as receipts from operations in the Statement of Cash Flows.

Other revenue

Other revenue derived under commercial contract arrangements, including sponsorship, is treated similarly to broadcast rights revenue.

(d) 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 receipted but not banked at 30 June 2015.

(e) Trade and other receivables

Receivables are recognised at the amounts due at the time of sale or service delivery for the agreed purchase 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.

(f) Acquisitions of assets

Actual cost is used for the initial recording of all non-current physical asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the asset ready for use.

(g) Plant and equipment

Items of plant and equipment with a 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.

Assets under construction are classified as work-in-progress in the Statement of Financial Position and 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 the relevant plant and equipment asset class.

(h) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or established using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets and liabilities being valued. An observable input used by GOLDOC is the published market quoted exchange rates for its derivative assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(h) Fair Value Measurement (continued)

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets and liabilities being valued. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets and liabilities. No significant unobservable inputs are used by GOLDOC in the valuation of its assets and liabilities.

All assets and liabilities of GOLDOC, for which fair value is measured or disclosed in the financial statements, are categorised as level 2 measurements under the fair value hierarchy. Level 2 represents fair value measurements that are substantially derived from inputs that are observable, either directly or indirectly.

(i) Intangible assets

Intangible assets with a cost or other value equal to or greater than \$5,000 are recognised in the financial statements. Items with a lesser value are expensed. Each intangible asset is amortised over its estimated useful life to GOLDOC. The residual value is zero for all of GOLDOC's intangible assets.

It has been determined that there is not an active market for any of GOLDOC's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation.

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

Purchased Software

The purchase cost of this software has been capitalised and is being amortised on a straight-line basis over the period of the expected benefit to GOLDOC.

(j) Depreciation and amortisation of plant and equipment and intangibles

GOLDOC has adopted the straight line depreciation method for all fixed assets placed in service for the 2014-15 financial year with depreciation calculated on the useful life of the asset. Useful lives are reviewed on an annual basis. Plant and equipment classifications are depreciated as follows:

- Games headquarters fit out assets fully depreciated by the expiration of GOLDOC's lease on 30 June 2018
- Bundall office fit out assets fully depreciated by the expiration of GOLDOC's lease on 30 June 2015
- Technology assets depreciated over three to four years in line with standard industry practice

All intangible assets of GOLDOC have finite useful lives and are amortised on a straight line basis.

(k) Leases

A distinction is made in the financial statements between finance leases that effectively transfer from the lessor to the lessee substantially all risks and benefits incidental to ownership, and operating leases, under which the lessor retains substantially all risks and benefits.

Where a non-current physical asset is acquired by means of a finance lease, the asset is recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount.

Lease payments are allocated between the principal component of the lease liability and the interest expense. GOLDOC does not have any finance leases.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(l) Trade and other payables

Trade creditors are recognised upon receipt of the goods or services 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.

(m) Financial instruments

Recognition

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.

Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents - held at fair value through the operating result
- Trade and other receivables - held at original transaction value
- Derivative assets – held at fair value through the operating result
- Trade and other payables - held at original transaction value

Derivative assets

GOLDOC uses derivative financial instruments to hedge its risk associated with foreign currency fluctuations for commitments. Derivative financial instruments are not held for speculative purposes.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into. Subsequent to initial recognition through the operating result, derivatives are re-valued at the reporting date in line with market fluctuations.

GOLDOC's derivative financial instruments do not qualify for hedge accounting. Any gains or losses arising from changes in fair value are taken directly to the Statement of Comprehensive Income through the operating result for the year.

All other disclosures relating to the measurement and financial risk management of financial instruments held by GOLDOC are included in note 20.

(n) Employee benefits

Employer superannuation contributions, annual leave and long service leave expenses are regarded as employee benefits.

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages, salaries, sick leave and annual leave

Wages and salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates. For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values.

Recent trends in the Queensland public sector indicate that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, management believe 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 2015.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(n) Employee benefits (continued)

Long service leave

Long service leave entitlements not expected to be paid within 12 months are classified as non-current liabilities and recognised at their present value in accordance with pay rates as at 30 June 2015. Long service leave is only provided for those staff that will become entitled to an unconditional benefit within the life of GOLDOC.

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*.

Key management personnel remuneration

Key executive management personnel and remuneration disclosures are made in accordance with section 5 of the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury. Refer to note 6 of the Financial Statements for the disclosures on executive management personnel remuneration.

(o) Insurance

GOLDOC's non-current physical assets and other key risks are insured. In addition, GOLDOC pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(p) Taxation

GOLDOC is exempt from income tax under section 24AQ of 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). GST credits receivable from and GST payable to the Australian Taxation Office, are recognised in the Statement of Financial Position (refer to notes 11 and 15).

(q) Issuance of financial statements

The financial statements are authorised for issue by the Chairman, Chief Executive Officer and Chief Financial Officer at the date of signing the Management Certificate.

(r) Accounting estimates and judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

(s) Rounding and comparatives

Amounts included in the financial statements are in Australian dollars and have been 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.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(t) New and revised accounting standards

GOLDOC has maintained the accounting policies adopted in the 2013-14 financial statements. The Australian Accounting Standard applicable for the first time as of 2014-15 that had the most significant impact on GOLDOC's financial statements is AASB 1055 *Budgetary Reporting*.

AASB 1055 became effective from reporting periods beginning on or after 1 July 2014. In response to this new standard, GOLDOC has included in these financial statements a comprehensive new note 'Budget versus Actual Comparison' (note 23). This note discloses GOLDOC's original published budgeted figures for 2014-15 compared to actual results, with explanations of major variances, in respect of GOLDOC's Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows.

GOLDOC is not permitted to early adopt a new or amended accounting standard ahead of the specified commencement date unless approval is obtained from Queensland Treasury (QT), in accordance with AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. Consequently, GOLDOC has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective. GOLDOC applies standards and interpretations in accordance with their respective commencement dates.

At the date of authorisation of the financial report, the expected impacts of new or amended Australian Accounting Standards with future commencement dates are set out below.

From reporting periods beginning on or after 1 July 2016, GOLDOC will need to comply with the requirements of AASB 124 *Related Party Disclosures*. That accounting standard requires a range of disclosures about the remuneration of key management personnel, transactions with related parties/entities and relationships between parent and controlled entities. GOLDOC already discloses information about the remuneration expenses for key management personnel (refer to note 6) in compliance with requirements from QT. Therefore, the most significant implications of AASB 124 for GOLDOC's financial statements will be the disclosures to be made about transactions with related parties, including transactions with key management personnel and/or close members of their families.

AASB 15 *Revenue from Contracts with Customers* will become effective from reporting periods beginning on or after 1 January 2017. This standard contains much more detailed requirements for the accounting for certain types of revenue from customers. Depending on the specific contractual terms, the new requirements may potentially result in a change to the timing of revenue from sales of GOLDOC's goods and services, such that some revenue may need to be deferred to a later reporting period to the extent that GOLDOC has received cash but has not met its associated obligations (such amounts would be reported as a liability (unearned revenue) in the meantime). GOLDOC is yet to complete its analysis of current arrangements for sale of its goods and services (commercial revenue).

All other Australian Accounting Standards and Interpretations with future commencement dates are either not applicable to GOLDOC's activities, or have no material impact on GOLDOC.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$'000	2014 \$'000
2. Grants		
Queensland Government grants	31,428	17,070
Total	<u>31,428</u>	<u>17,070</u>
3. Interest		
Interest from bank	21	23
Interest from QTC Cash Fund	366	137
Total	<u>387</u>	<u>160</u>
4. Other income		
Unrealised foreign exchange gain	1,362	509
Total	<u>1,362</u>	<u>509</u>
5. Employee expenses		
Employee benefits		
Wages and salaries	8,734	4,155
Board fees	180	188
Employer superannuation contributions	843	388
Annual leave expense	278	99
Long service leave expense	7	12
Employee related expenses		
Workers' compensation premium	41	26
Payroll tax	431	201
Recruitment expenses	487	238
Other	179	86
Total	<u>11,180</u>	<u>5,393</u>

The number of employees as at 30 June, including both full-time employees and part-time employees, measured on a full-time equivalent basis is:

Number of employees	<u>104</u>	<u>41</u>
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The increase in staffing is to ensure the delivery of all planned milestones in accordance with GOLDOC's business plan and compliance requirements set by the Commonwealth Games Federation. Major items for 2014-15 included finalising elements of the strategic and operational planning phases.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

6. Key management personnel and remuneration expenses

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of GOLDOC during the 2014-15 financial year. Further information on these positions can be found in the body of the Annual Report under the section relating to Governance – management and structure.

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

- Short term benefits which consist of base salary, retention payments, allowances and leave entitlements paid and provided for the entire year, or for that part of the year during which the employee occupied the specific position; and non-monetary benefits consisting of fringe benefits tax applicable to entertainment benefits provided.
- Post-employment benefits consist of superannuation contributions.
- Long term benefits include long service leave accrued.
- Retention payments are accrued and are paid at end of Games contingent on performance.
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu on termination.

(a) Key management personnel - Board

The Board is responsible for the way GOLDOC performs its functions and exercises its powers. It is the role of the Board to ensure that GOLDOC performs its functions in an appropriate, effective and efficient way. All current Board members are included in the tables below.

Name	Position	Current incumbents	
		Contract classification and appointment authority	Date initially appointed to position (date resigned from position)
Nigel Chamier OAM	Chairman	Governor in Council	10 May 2012
Sam Coffa AM	Deputy Chairman	Governor in Council	10 May 2012
Stephen Conry	Board member	Governor in Council	10 May 2012 (23 February 2015)
Perry Crosswhite AM	Board member	Governor in Council	10 May 2012
Mike Victor OAM	Board member	Governor in Council	10 May 2012
Glynis Nunn-Cearns OAM	Board member	Governor in Council	10 May 2012
Dennis Chant	Board member	Governor in Council	10 May 2012
Peta Fielding	Board member	Governor in Council	18 December 2014
John Witheriff	Board member	Governor in Council	2 April 2015
Dale Dickson PSM	Board member	Governor in Council	2 April 2015

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(b) Remuneration expenses - 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.

Year ended 30 June 2015

Board member (date resigned from position)	Short term expenses		Long term expenses \$'000	Post- employment expenses \$'000	Termination expenses \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non- monetary benefits \$'000				
	Nigel Chamier OAM	50				
Sam Coffa AM	18	-	-	2	-	20
Stephen Conry (23 February 2015)	12	-	-	1	-	13
Perry Crosswhite AM	20	-	-	-	-	20
Mike Victor OAM	-	-	-	20	-	20
Glynis Nunn-Cearns OAM	18	-	-	2	-	20
Dennis Chant	18	-	-	2	-	20
Peta Fielding	10	-	-	1	-	11
John Witheriff	5	-	-	-	-	5
Dale Dickson PSM	-	-	-	-	-	-

As part of Mr Crosswhite's duties as Chief Executive Officer of the ACGA, he is required to serve as a Board member on Bid and Organising Committees and as such any Board fees are paid to the ACGA. For the year ended 30 June 2015, GOLDOC paid \$20,050 to the ACGA in relation to Board fees.

Mr Dickson's terms of appointment exclude the payment of Board fees.

Non-monetary benefits, long term employment benefits or termination benefits were not paid or payable to Board members for the year ended 30 June 2015.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(b) Remuneration expenses – Board (continued)

Year ended 30 June 2014

Board member (date resigned from position)	Short term expenses		Long term expenses \$'000	Post- employment expenses \$'000	Termination expenses \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non- monetary benefits \$'000				
	Nigel Chamier OAM	50				
Sam Coffa AM	18	-	-	2	-	20
Catherine Tanna (16 May 2014)	16	-	-	2	-	18
Stephen Conry (23 February 2015)	18	-	-	2	-	20
Perry Crosswhite AM	20	-	-	-	-	20
Mike Victor OAM	-	-	-	20	-	20
Glynis Nunn-Cearns OAM	18	-	-	2	-	20
Dennis Chant	18	-	-	2	-	20

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(c) Key management personnel – Executives

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of GOLDOC during 2014-15. Further information on these positions can be found in the body of the Annual Report under the section in relation to Executive Management.

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date initially appointed to position
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.	Governor in Council	16 February 2012 (role initially held in an acting capacity from 1 January 2012)
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.	Chief Executive Officer	10 April 2012
General Manager, Venues, Operations and Sport	Responsible for GOLDOC's coordinated input into the planning, development and delivery of the GC2018 related sport program and services, infrastructure services (permanent and temporary) including design, engineering and delivery services, and the operational services of accommodation, accreditation, arrivals and departures, logistics, cleaning and waste, catering, transport, security, venue management, spectator services, press operations, broadcast, village operations and the Queen's Baton Relay.	Chief Executive Officer	17 May 2012
General Manager, Commercial, Communications and Marketing	Responsible for the strategic direction and leadership over the management for commercial revenue operations, GOLDOC's communications, public relations and engagement programs and marketing objectives, ensuring efficient and effective outcomes for GOLDOC.	Chief Executive Officer	19 July 2014
General Manager, Planning and Readiness	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, city operations, health and safety, program and risk management, and sustainability and legacy.	Chief Executive Officer	3 November 2014

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(d) Remuneration expenses - Executives

Year ended 30 June 2015

Position	Short term employee expenses		Long term employee expenses \$'000	Post-employment expenses \$'000	Termination expenses \$'000	Total expenses \$'000
	Monetary expenses	Non-monetary benefits				
	\$'000	\$'000				
Chief Executive Officer	429	1	-	53	-	483
General Manager, Finance and Business Services	289	-	-	27	-	316
General Manager, Venues, Operations and Sport	275	-	-	35	-	310
General Manager, Commercial, Communications and Marketing	261	1	-	25	-	287
General Manager, Planning and Readiness	178	-	-	17	-	195

Year ended 30 June 2014

Position (date of restructure)	Short term employee expenses		Long term employee expenses \$'000	Post-employment expenses \$'000	Termination expenses \$'000	Total expenses \$'000
	Monetary expenses	Non-monetary benefits				
	\$'000	\$'000				
Chief Executive Officer	405	1	-	48	-	454
General Manager, Finance and Business Services	294	-	-	27	-	321
General Manager, Venues, Operations and Sport	264	-	-	34	-	298
General Manager, Marketing and Communication (22 November 2013)	90	1	-	7	-	98

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(e) Retention payments – Executives

The remuneration package for four 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. As part of GOLDOC's Board approved remuneration strategy this came into effect in the 2013-14 financial year and is reflected in short term monetary expenses for 30 June 2015. 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 Chief Executive Officer's contract of employment includes a provision for a retention payment. Its calculation is pending confirmation by the Board via its Remuneration Committee and is not reflected in these notes.

The actual value of the retention payment expense of three positions in 2014-15 is accrued only and is calculated from the executive's commencement date to 30 June 2015. This retention amount is included in the 2015 table reflecting the total accrual recognised in the June 2015 financial year. The retention payments expensed in respect of all key management personnel are as follows:

	2015 \$'000	2014 \$'000
General Manager, Finance and Business Services	34	57
General Manager, Commercial, Communications and Marketing	27	-
General Manager, Planning and Readiness	18	-
Total	79	57

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$'000	2014 \$'000
7. Supplies and services		
Advertising and promotion	179	70
Building lease expense	701	276
Building services	107	135
CGF host fees	2,475	2,404
Contractors and consultants fees	2,777	3,093
Entertainment and hospitality	32	36
IT services	1,500	930
Low value assets expensed	193	58
Media expenses	67	54
Motor vehicle and car parking expenses	28	22
Postage and freight	52	6
Printing and stationery	70	34
Professional services	1,678	734
Telephone	46	50
Travel and accommodation expenses	513	235
Other	357	76
Total	10,775	8,213

8. Depreciation and amortisation

Depreciation and amortisation was incurred in respect of:

Plant and equipment	519	365
Software purchased	331	86
Total	850	451

9. Other expenses

Insurance premiums	55	46
External audit fees	38	27
Total	93	73

Total external audit fees relating to the 2014-15 financial year are estimated to be \$33,000 and have been accrued. An additional \$4,500 relates to an under accrual in the 2013-14 financial year. There are no non-audit services included in this amount.

10. Cash and cash equivalents

Cash at bank	512	95
Cash at QTC Cash Fund	30,920	4,631
Cash on hand	1	1
Total	31,433	4,727

The 2014-15 cash and cash equivalents include receipt of broadcast rights holder and sponsorship revenue cash instalments.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$'000	2014 \$'000
11. Trade and other receivables		
Current		
Interest receivable	2	-
Trade receivables	463	-
Other receivables	-	250
GST input tax credits receivable	-	126
GST payable	-	(1)
	<u>-</u>	<u>125</u>
Total	<u>465</u>	<u>375</u>
12. Other assets		
Current		
Prepayments	126	515
Derivative assets	1,398	309
Total	<u>1,524</u>	<u>824</u>
Non-current		
Prepayments	366	-
Derivative assets	897	624
Total	<u>1,263</u>	<u>624</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$'000	2014 \$'000
13. Plant and equipment		
Plant and equipment:		
At cost	3,639	1,129
Less: Accumulated depreciation	<u>(252)</u>	<u>(676)</u>
	3,387	453
Work-in-progress:		
At cost	<u>16</u>	<u>21</u>
Total	<u>3,403</u>	<u>474</u>

During 2014-15, GOLDOC commissioned its Games headquarters office accommodation assets from work-in-progress. This included fit-out costs which account for the increase in total plant and equipment costs from the comparative year.

The Bundall office accommodation assets of \$942,000 were fully depreciated and offset against their cost at the expiration of GOLDOC's lease on 30 June 2015.

	Plant & equipment	Work in progress	Total
	2015 \$'000	2015 \$'000	2015 \$'000
Plant and equipment reconciliation			
Carrying amount at 1 July 2014	453	21	474
Acquisitions	9	3,439	3,448
Transfers	3,444	(3,444)	-
Depreciation	(519)	-	(519)
Carrying amount at 30 June 2015	<u>3,387</u>	<u>16</u>	<u>3,403</u>

	Plant & equipment	Work in progress	Total
	2014 \$'000	2014 \$'000	2014 \$'000
Plant and equipment reconciliation			
Carrying amount at 1 July 2013	744	30	774
Acquisitions	10	55	65
Transfers	64	(64)	-
Depreciation	(365)	-	(365)
Carrying amount at 30 June 2014	<u>453</u>	<u>21</u>	<u>474</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$'000	2014 \$'000
14. Intangible assets		
Software purchased:		
At cost	1,980	461
Less: Accumulated amortisation	<u>(418)</u>	<u>(86)</u>
	1,562	375
Work-in-progress:		
At cost	<u>-</u>	<u>282</u>
Total	<u>1,562</u>	<u>657</u>

	Software purchased	Work in progress	Total
	2015 \$'000	2015 \$'000	2015 \$'000
Intangibles reconciliation			
Carrying amount at 1 July 2014	375	282	657
Acquisitions	-	1,236	1,236
Transfers	1,518	(1,518)	-
Amortisation	(331)	-	(331)
Carrying amount at 30 June 2015	<u>1,562</u>	<u>-</u>	<u>1,562</u>

	Software purchased	Work in progress	Total
	2014 \$'000	2014 \$'000	2014 \$'000
Intangibles reconciliation			
Carrying amount at 1 July 2013	-	351	351
Acquisitions	30	362	392
Transfers	431	(431)	-
Amortisation	(86)	-	(86)
Carrying amount at 30 June 2014	<u>375</u>	<u>282</u>	<u>657</u>

During 2014-15 GOLDOC reviewed the classification of intangible assets previously reported as plant and equipment due to material intangible asset additions in the 2014-15 financial year. Comparative figures for Plant and Equipment have been restated accordingly. As a consequence, \$657,000 of assets for 2013-14 are reclassified to intangible assets from plant and equipment.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

	2015 \$'000	2014 \$'000
15. Trade and other payables		
Trade payables	51	911
Accrued expenses	316	435
Other payables	366	144
GST input tax credits receivable	(162)	-
GST payable	506	-
	<u>344</u>	<u>-</u>
Total	<u>1,077</u>	<u>1,490</u>
16. Accrued employee benefits		
Current		
Wages and salaries	681	178
Annual leave	511	233
Total	<u>1,192</u>	<u>411</u>
Non-current		
Long service leave	63	57
Total	<u>63</u>	<u>57</u>
17. Other liabilities		
Non-current		
Unearned revenue	21,316	-
Total	<u>21,316</u>	<u>-</u>
Unearned revenue reflects the broadcast rights holder and sponsorship cash received and receivable (refer to note 1(c)).		
18. Reconciliation of operating surplus to net cash from operating activities		
Operating surplus/(deficit)	10,279	3,609
Depreciation expense	519	365
Amortisation expense	331	86
Unrealised foreign exchange gain	(1,362)	(509)
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(90)	(317)
(Increase)/decrease in other assets	23	(398)
Increase/(decrease) in trade and other payables	(284)	819
Increase/(decrease) in accrued employee benefits	787	236
Increase/(decrease) in other liabilities	21,316	-
Net cash provided by operating activities	<u>31,519</u>	<u>3,891</u>

Net cash provided by operating activities includes payments received from broadcast rights holders and sponsors.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

2015
\$'000

2014
\$'000

19. Commitments

(a) Non-cancellable operating lease

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

Not later than one year	758	437
Later than one year and not later than five years	1,572	-
Later than five years	-	-
Total	<u>2,330</u>	<u>437</u>

Operating leases are entered into as a means of acquiring access to office accommodation. Lease payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.

(b) Capital expenditure commitments

Material classes of capital expenditure commitments inclusive of anticipated GST, contracted for at reporting date but not recognised in the accounts are payable as follows:

Not later than one year	918	1,582
Later than one year and not later than five years	-	3,959
Later than five years	-	-
Total	<u>918</u>	<u>5,541</u>

(c) Other expenditure commitments

Material classes of other expenditure commitments inclusive of anticipated GST, contracted for at reporting date but not recognised in the accounts are payable as follows:

Not later than one year	16,492	5,954
Later than one year and not later than five years	11,586	10,696
Later than five years	-	-
Total	<u>28,078</u>	<u>16,650</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

20. Financial instruments

(a) Categorisation of financial instruments

GOLDOC has the following categories of financial assets and financial liabilities:

Category	Notes	2015 \$'000	2014 \$'000
Financial assets			
Cash and cash equivalents	10	31,433	4,727
Trade and other receivables	11	465	375
Derivative assets	12	2,295	933
Total		34,193	6,035
Financial liabilities			
Trade and other payables	15	1,077	1,490
Total		1,077	1,490

(b) Financial risk management

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

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.

All financial risk is managed under policies that are approved by GOLDOC's Board.

(c) Credit risk

Credit risk is the risk of financial loss to GOLDOC from the failure of a counterparty to settle its financial or contractual obligations as and when they fall due.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets. The following table represents GOLDOC's maximum exposure to credit risk based on contractual amounts:

Category	Notes	2015 \$'000	2014 \$'000
Financial assets			
Cash and cash equivalents	10	31,433	4,727
Trade and other receivables	11	465	375
Total		31,898	5,102

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

In accordance with GOLDOC's Treasury policy, credit risk on financial assets is minimised by dealing with recognised financial institutions and counterparties with acceptable credit ratings. GOLDOC is exposed to credit risk on foreign exchange forward contracts placed with Queensland Treasury Corporation (QTC) and cash at bank deposited with the Commonwealth Bank of Australia. Counterparties hold a minimum Standard and Poor's rating of AA-.

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

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

No receivables were past due or impaired as at 30 June 2015.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(d) Liquidity risk

Liquidity risk is the risk that GOLDOC may encounter difficulty in meeting financial obligations associated with financial liabilities as they fall due.

GOLDOC manages liquidity risk by ensuring it has sufficient funds available to meet all financial obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held by forecasting monthly cash requirements.

For this financial year, GOLDOC received its Government grant funding in quarterly instalments paid in advance, which ensured GOLDOC had sufficient cash on demand to meet operational expenses for the quarter. An overdraft facility of \$500,000 was approved by the Treasurer on 21 December 2012 in accordance with section 31(2) of the SBFA. This overdraft was not utilised by GOLDOC during the financial year ended 30 June 2015.

GOLDOC has no borrowings. The total financial liabilities are current in nature and consist of trade and other payables shown in note 15. All trade and other payables are generally settled within two months or less.

(e) Market risk

GOLDOC is listed in Schedule 8 of the *Statutory Bodies Financial Arrangements Regulation 2007* as a statutory body that may enter into derivative transactions. As approved by the Treasurer under section 61A of the SBFA, GOLDOC has placed a hedging program with QTC to manage foreign currency risks relevant to payments to be made annually to the CGF. A summary of quantitative data about the exposure to currency risk and the financial instrument contractual maturities placed with QTC is as follows.

GOLDOC is required to make licence fee payments each year and a Sport Development fund payment in pounds sterling to the CGF in the 2015-16 year in accordance with obligations under the Host City Contract and this exposes it to foreign exchange risk.

Maturity dates	Face value '000 AUD	Face value '000 GBP	Contract exchange rate	30 June exchange rate
01/07/2015	9,359	5,000	0.5342	0.4891
30/12/2015	2,539	1,520	0.5986	0.4891
29/12/2016	2,619	1,520	0.5804	0.4891
28/12/2017	2,697	1,520	0.5635	0.4891
	17,214	9,560		

GOLDOC will receive broadcast revenue payments in accordance with the executed broadcast rights holder contracts.

Maturity dates	Face value '000 AUD	Face value '000 USD	Contract exchange rate	30 June exchange rate
01/03/2016	286	225	0.7873	0.7678
15/04/2016	1,145	900	0.7858	0.7678
01/03/2017	290	225	0.7771	0.7678
16/10/2017	1,166	900	0.7721	0.7678
01/03/2018	292	225	0.7694	0.7678
05/03/2018	1,170	900	0.7693	0.7678
	4,349	3,375		

The movement of the Australian dollar against the pound sterling and the United States dollar at 30 June 2015 would have affected the measurement of financial instruments denominated in a foreign currency. The potential impact to equity and operating result is shown below. This analysis is based on foreign currency exchange rate movements considered by GOLDOC to be reasonably possible at the end of the reporting period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

(e) Market risk (continued)

The following analysis assumes that if all other variables, in particular interest rates remain constant, GOLDOC would have a surplus or equity increase or decrease of \$229,000.

Financial instruments	Carrying amount \$'000	2015 Exchange rate movement			
		-10%		+10%	
		Surplus	Equity	Surplus	Equity
Derivative assets	2,295	(229)	(229)	229	229
Potential impact		(229)	(229)	229	229

Financial instruments	Carrying amount \$'000	2014 Exchange rate movement			
		-10%		+10%	
		Surplus	Equity	Surplus	Equity
Derivative assets	933	(93)	(93)	93	93
Potential impact		(93)	(93)	93	93

(f) Interest rate sensitivity analysis

In managing interest rate risk, GOLDOC aims to reduce the impact of short-term fluctuations on GOLDOC's earnings. Over the longer term, however, permanent changes in interest rates would have an impact on GOLDOC's earnings.

The following analysis depicts the outcome 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 a surplus or equity increase or decrease of \$314,000.

Financial instruments	Carrying amount \$'000	2015 Interest rate risk			
		-1%		+1%	
		Surplus	Equity	Surplus	Equity
Cash and cash equivalents	31,433	(314)	(314)	314	314
Potential impact		(314)	(314)	314	314

Financial instruments	Carrying amount \$'000	2014 Interest rate risk			
		-1%		+1%	
		Surplus	Equity	Surplus	Equity
Cash and cash equivalents	4,727	(47)	(47)	47	47
Potential impact		(47)	(47)	47	47

(g) Fair values

GOLDOC recognises its foreign currency hedge contracts (derivative assets) at fair value through the operating result in accordance with AASB 139 *Financial Instruments: Recognition and Measurement*. The value of the original transactions for all other financial assets and liabilities is assumed to approximate their fair value.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

21. Marketing rights

GOLDOC is a party to an agreement with the ACGA. This agreement provides for the future economic benefits from the marketing rights for the 2018 Commonwealth Games to flow to GOLDOC from 1 January 2015 to 31 December 2018.

AASB 138 *Intangible Assets* requires an intangible asset that is received by a not-for-profit entity at no cost is to be recognised at its fair value in the annual financial statements. An intangible asset for the marketing rights has not been recognised within these financial statements due to the uncertainty of the future economic benefits that will flow to GOLDOC.

22. Events occurring after balance date

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

23. Budget versus Actual Comparison

Statement of Comprehensive Income

	Variance notes	Original budget 2015 \$'000	Actual 2015 \$'000	Variance \$'000	Variance % of budget
Income from continuing operations					
Grants		31,428	31,428	-	-
Interest		135	387	252	187%
Other income	1	-	1,362	1,362	-
Total income from continuing operations		31,563	33,177	1,614	5%
Expenses from continuing operations					
Employee expenses		11,236	11,180	(56)	-
Supplies and services	2	16,928	10,775	(6,153)	(36%)
Depreciation and amortisation		959	850	(109)	(11%)
Other expenses		31	93	62	200%
Total expenses from continuing operations		29,154	22,898	(6,256)	(21%)
Operating result for the year	3	2,409	10,279	7,870	327%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

23. Budget versus Actual Comparison (continued)

Statement of Financial Position

	Variance notes	Original budget 2015 \$'000	Actual 2015 \$'000	Variance \$'000	Variance % of budget
Current assets					
Cash and cash equivalents	4	1,498	31,433	29,935	1,998%
Trade and other receivables	5	94	465	371	395%
Other assets	6	477	1,524	1,047	219%
Total current assets		2,069	33,422	31,353	1,515%
Non-current assets					
Plant and equipment	7	4,116	3,403	(713)	(17%)
Intangibles	8	-	1,562	1,562	-
Other assets	9	948	1,263	315	33%
Total non-current assets		5,064	6,228	1,164	23%
Total assets		7,133	39,650	32,517	456%
Current liabilities					
Trade and other payables	10	1,292	1,077	(215)	(17%)
Accrued employee benefits	11	134	1,192	1,058	790%
Total current liabilities		1,426	2,269	843	59%
Non-current liabilities					
Accrued employee benefits		53	63	10	19%
Other liabilities	12	-	21,316	21,316	-
Total non-current liabilities		53	21,379	21,326	40,238%
Total liabilities		1,479	23,648	22,169	1,499%
Net assets		5,654	16,002	10,348	183%
Equity					
Accumulated surplus		5,654	16,002	10,348	183%
Total equity	13	5,654	16,002	10,348	183%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

23. Budget versus Actual Comparison (continued)

Statement of Cash Flows

	Variance notes	Original budget 2015 \$'000	Actual 2015 \$'000	Variance \$'000	Variance % of budget
Cash flows from operating activities					
Grants received		31,428	31,428	-	-
Interest received		135	385	250	185%
Receipts from operations	14	-	26,220	26,220	-
Employee expenses	15	(11,533)	(9,851)	1,682	(15%)
Supplies and services	16	(19,542)	(13,360)	6,182	(32%)
GST received from ATO	17	324	1,310	986	304%
GST paid to ATO	18	-	(4,613)	(4,613)	-
Net cash provided by operating activities		812	31,519	30,707	3,782%
Cash flows from investing activities					
Payments for property, plant and equipment	19	(3,232)	(4,813)	(1,581)	49%
Net cash used in investing activities		(3,232)	(4,813)	(1,581)	49%
Net increase in cash and cash equivalents		(2,420)	26,706	29,126	(1,204%)
Cash and cash equivalents at beginning of financial year		3,918	4,727	809	21%
Cash and cash equivalents at end of financial year		1,498	31,433	29,935	1,998%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

23. Budget versus Actual Comparison (continued)

Explanations of Major Variances

Statement of Comprehensive Income

1. The variance in other income is due to an unrealised gain arising from the revaluation of derivative contracts used for hedging foreign exchange risk.
2. The variance in supplies and services is due to the expenditure patterns associated with GOLDOC's life cycle budget approach and accounting treatment of capital expenditure programs of work.
3. The operating surplus reported in the Statement of Comprehensive Income for the current financial year arises mainly due to the component of unspent grant funding that is to be carried over into a future financial year, to meet remaining project expenditure commitments.

Statement of Financial Position

4. The variance in cash and cash equivalents is due to broadcast rights payments from rights holders received earlier than planned.
5. The variance in current trade and other receivables is due to a broadcast rights payment receivable in 2015-16.
6. The variance in current other assets is due to the revaluation of existing derivative contracts and recognition of new derivative contracts used for hedging foreign exchange risk.
7. The variance in plant and equipment is due to the reclassification of software purchases to intangibles.
8. The variance in intangibles is due to the reclassification of software purchases from plant and equipment.
9. The variance in non-current other assets is due to the revaluation of derivative contracts used for hedging foreign exchange risk.
10. The variance in trade and other payables is due to the timing of supplier payments planned for 2014-15 being paid in 2015-16.
11. The variance in accrued employee benefits is due to accrued annual leave commensurate with additional budgeted staff numbers and accrued salaries and wages as at 30 June 2015.
12. The variance in non-current other liabilities is due to broadcast rights payments being received in advance (treated as unearned revenue).
13. The variance in total equity is due to the timing of revenue received, related expenditure patterns associated with GOLDOC's life cycle budget approach and accounting treatment of capital expenditure programs of work.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

23. Budget versus Actual Comparison (continued)

Statement of Cash Flows

14. The variance in receipts from operations is due to broadcast rights payments being received in advance.
15. The variance in outflows for employee expenses is due to the timing of employee payments planned for 2014-15 being paid in 2015-16.
16. The variance in outflows for supplies and services is due to the timing of supplier payments planned for 2014-15 being paid in 2015-16.
17. The variance in GST received from ATO is due to the GST inflows netted with outflows in the 2014-15 budget.
18. The variance in GST paid to ATO is due to GST being paid on broadcast rights holder revenue instalments in 2014-15.
19. The variance in outflows for payments for non-financial assets is due to the first two phases of the GHQ office accommodation project which were completed prior to year end.

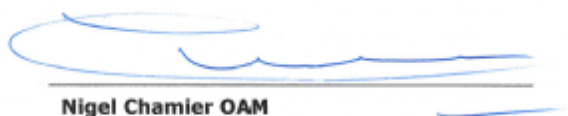
MANAGEMENT CERTIFICATE

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.

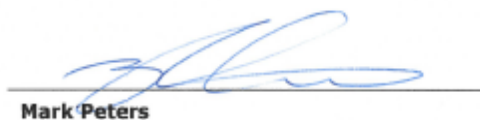
In accordance with section 62(1)(b) of the Act, we certify that in our opinion:

- 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 2015 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.



Nigel Chamier OAM
Chairman

Date 24/08/2015



Mark Peters
Chief Executive Officer

Date 24/08/2015



Helen Moore FCPA
General Manager Finance and Business
Services

Date 24/8/2015

INDEPENDENT AUDITORS REPORT

To the Board of the Gold Coast 2018 Commonwealth Games Corporation

Report on the Financial Report

I have audited the accompanying financial report of the Gold Coast 2018 Commonwealth Games Corporation, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chairman, the Chief Executive Officer and the General Manager Finance and Business Services.

The Board's Responsibility 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 prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

I accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) In my opinion –

- (i) The prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) The financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of Gold Coast 2018 Commonwealth Games Corporation for the financial year 1 July 2014 to 30 June 2015 and of the financial position as at the end of that year.

Other Matters – Electronic presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



R W Hodson CPA
as Delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane



CONTACTS AND LOCATION

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Gold Coast 2018 Commonwealth Games Corporation
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Feedback

GOLDOC is interested in hearing your feedback on its Annual Report 2014-15. Please help us by taking a few minutes to complete the survey on www.qld.gov.au/annualreportfeedback so that we can continue to improve the quality of our Annual Report.

If you have trouble viewing or printing this document, contact Olivia Phillips Tel: +61 7 5618 2097 for an alternative format such as hard copy or CD-Rom.

GLOSSARY

Acronym	Definition
ACGA	Australian Commonwealth Games Association
CGA	Commonwealth Games Association
CGC	City of Gold Coast
CGF	Commonwealth Games Federation
CGIA	Commonwealth Games Infrastructure Authority
CGV	Commonwealth Games Village
DSD	Department of State Development
DTESB	Department of Tourism, Major Events, Small Business and the Commonwealth Games
EDQ	Economic Development Queensland
FA	Functional Area
FAC	Finance and Audit Committee
FHC	Flag Handover Ceremony
FTE	Full time equivalent
G2014	Glasgow 2014 Commonwealth Games
GC2018	Gold Coast 2018 Commonwealth Games™
GEM	GOLDOC's project management solution
GHQ	Games Headquarters
GOLDOC	Gold Coast 2018 Commonwealth Games Corporation
JMC	Joint Marketing Committee
JMP	Joint Marketing Plan
MP	Marketing plan
OBS	Glasgow 2014 Commonwealth Games Observer Program
OCGD	Office of Commonwealth Games Delivery
QAO	Queensland Audit Office
SMAM	Sports Management and Marketing
STC	Sport and Technical Committee

COMPLIANCE CHECKLIST

Compliance checklist			
Summary of requirements		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 8	2
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 10.1	4, 5, 30
	<ul style="list-style-type: none"> Public availability 	ARRs – section 10.2	3
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 10.3	3
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 10.4	3
	<ul style="list-style-type: none"> Information licensing 	<i>QGEA – Information Licensing</i> ARRs – section 10.5	N/A
General information	<ul style="list-style-type: none"> Introductory information 	ARRs – section 11.1	6, 8
	<ul style="list-style-type: none"> Agency role and main functions 	ARRs – section 11.2	10
	<ul style="list-style-type: none"> Operating environment 	ARRs – section 11.3	11
	<ul style="list-style-type: none"> Machinery of government changes 	ARRs – section 11.4	N/A
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community (Appendix A) 	ARRs – section 12.1	33
	<ul style="list-style-type: none"> Other whole of government plans/ specific initiatives 	ARRs – section 12.2	N/A
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 12.3	14
	<ul style="list-style-type: none"> Agency service areas, and service standards 	ARRs – section 12.4	17
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 13.1	18
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 14.1	19
	<ul style="list-style-type: none"> Executive management 	ARRs – section 14.2	24
	<ul style="list-style-type: none"> Related entities 	ARRs – section 14.3	N/A
	<ul style="list-style-type: none"> Government bodies 	ARRs – section 14.4	N/A

Compliance checklist

	<ul style="list-style-type: none"> • <i>Public Sector Ethics Act 1994</i> 	<i>Public Sector Ethics Act 1994</i> ARRs – section 14.5	26
Governance – risk management and accountability	<ul style="list-style-type: none"> • Risk management 	ARRs – section 15.1	26
	<ul style="list-style-type: none"> • External scrutiny 	ARRs – section 15.2	27
	<ul style="list-style-type: none"> • Audit committee 	ARRs – section 15.3	22
	<ul style="list-style-type: none"> • Internal audit 	ARRs – section 15.4	27
	<ul style="list-style-type: none"> • Information systems and recordkeeping 	ARRs – section 15.5	27
Governance – human resources	<ul style="list-style-type: none"> • Workforce planning, attraction and retention, and performance 	ARRs – section 16.1	27
	<ul style="list-style-type: none"> • Early retirement, redundancy and retrenchment 	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 16.2	27
Open Data	<ul style="list-style-type: none"> • Open Data 	ARRs – section 17	28
Financial statements	<ul style="list-style-type: none"> • Certification of financial statements 	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	See Financial Statements
	<ul style="list-style-type: none"> • Independent Auditors Report 	FAA – section 62 FPMS – section 50 ARRs – section 18.2	See Financial Statements
	<ul style="list-style-type: none"> • Remuneration disclosures 	<i>Financial Reporting Requirements for Queensland Government Agencies</i> ARRs – section 18.3	See Financial Statements (note 6)

APPENDIX A

The Queensland Government's objectives for the community

The Queensland Government is humbled by the opportunity the community provided to deliver a better way for their state.

The Government will work closely with all Queenslanders to create jobs and a diverse economy, deliver quality frontline services, protect the environment and build safe, caring and connected communities.

Integrity, accountability and consultation underpin everything the Queensland Government does. The Government will regularly report the outcomes achieved against these objectives for the community.



Anastacia Palaszczuk MP
Premier of Queensland
Minister for the Arts

