

Gold Coast 2018  
Commonwealth Games  
Corporation

Annual Report 2011-12

## **A Letter from the Chairman**

**12 October 2012**

**The Honourable Jann Stuckey MP**  
**Minister for Tourism, Major Events, Small Business and the Commonwealth Games**  
**Level 26**  
**111 George Street**  
**Brisbane Qld 4000**

Dear Minister

I am pleased to present the Annual Report 2011-12 and financial statements for the period ended 30 June 2012 for the Gold Coast 2018 Commonwealth Games Corporation.

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 at page 37 of this annual report or accessed at [www.goldoc.com](http://www.goldoc.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 linguistically diverse backgrounds. If you have difficulty in understanding the annual report you can contact us on (07) 5583 5800 and we will arrange an interpreter to effectively communicate the report to you.

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## Table of Contents

|   |           |
|---|-----------|
| <b>Chairman's statement</b>   | <b>3</b>  |
| <b>CEO's statement</b>  | <b>4</b>  |
| <b>General information</b>  | <b>5</b>  |
| <ul style="list-style-type: none"><li>• Corporation role and main functions</li><li>• Operating environment</li><li>• Proposed forward operations</li></ul>   |           |
| <b>Non-financial performance</b>  | <b>7</b>  |
| <b>Financial performance</b>  | <b>7</b>  |
| <ul style="list-style-type: none"><li>• Corporation summary of financial performance</li></ul>  |           |
| <b>Governance – management and structure</b>  | <b>7</b>  |
| <ul style="list-style-type: none"><li>• Organisational structure</li><li>• Executive management</li><li>• Public Sector Ethics Act</li><li>• Code of conduct</li><li>• Public Interest Disclosure Act</li></ul> |           |
| <b>Governance – risk management and accountability</b>  | <b>11</b> |
| <ul style="list-style-type: none"><li>• Risk management</li><li>• Finance and audit committee</li><li>• Internal audit</li></ul>  |           |
| <b>Governance – human resources</b>   | <b>12</b> |
| <ul style="list-style-type: none"><li>• Statement</li></ul>   |           |
| <b>Financial statements</b>   | <b>13</b> |
| <ul style="list-style-type: none"><li>• Certification of financial statements</li><li>• Independent auditors report</li><li>• Remuneration disclosures</li></ul>  |           |
| <b>Compliance checklist</b>   | <b>36</b> |
| <b>Feedback survey</b>  | <b>39</b> |

## **Chairman's statement**

It was one of the greatest honours of my life to be asked to chair the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC). I recall watching with interest and excitement the announcement of the host city in November 2011 and thinking at that time what a wonderful opportunity this will be for the Gold Coast.

Since then much has happened as we move forward with the planning of the biggest event this country will see for the next ten years at the very least. I take this opportunity to acknowledge and thank the Newman Government for its strong commitment to the Games. I would particularly like to thank the Minister for Tourism, Major Events, Small Business and the Commonwealth Games, The Hon. Jann Stuckey for her leadership and enthusiastic support for the planning and delivery of what will be a great Games on the Gold Coast.

Staging a major world event is a complex task and whilst Queensland is renowned for the delivery of excellent international events, the Commonwealth Games is much larger than anything we have delivered before and has grown considerably since it was staged in Brisbane in 1982.

What we have been doing since the establishment of the Corporation has been largely behind the scenes - consulting and planning and laying the foundations. We have however achieved some key milestones in a short space of time including legislation to establish the Games Corporation. This was followed by my appointment and that of the Board. The Chief Executive Officer, Mark Peters and his initial executive team and staff are up and running. First on the Board's agenda was determining the most suitable location for the biggest expenditure item of the Games related to the development of Athlete Village accommodation within the Health and Knowledge Precinct, which will have the 2018 Games as one of its first tenants. It was prudent that we undertook a review of previous policy and were promptly able to reaffirm to Government that the Parklands location in Southport was indeed the most suitable site.

The signing of a lease for the new Corporation offices in May was a significant step forward with space to accommodate a steadily growing team who will continue the rigorous process of planning for the Games in April 2018. We will, in the next 12 months fine tune existing plans for the sports programme, venues, transport, the Games Village, marketing and the work force structure.

This is a very exciting time for the Gold Coast, Queensland and Australia. It is the first time in this country that a Commonwealth Games will be staged outside a capital city. The city will join the Australian sporting roll of honour in 2018 and showcase what we have to offer to a huge audience.

In the meantime it is about planning, organisation and then delivery so we can stage a Games where the athletes will compete at their best, where the thousands of visitors, local residents and Games workforce have a great experience. Everyone will take away great memories while the Gold Coast and wider community is left with a legacy of long term benefits.

**Nigel Chamier OAM**  
**Chairman**

## **Chief Executive Officer's statement**

It has been a busy and productive year thus far for the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC). Following my appointment as CEO I was able to transfer seven staff from the bid company to the Games Corporation to immediately start work on the immense task ahead. This was a strategic move based on feedback from the Commonwealth Games Federation (CGF) and many Commonwealth Games Associations (CGA) who suggested the relationships developed during the bid process and the transfer of knowledge were important in ongoing communications as the Games plans progressed.

We have since recruited three senior executives to lead the key functional areas of venues and operations, finance and business services and marketing and communication.

As part of this important planning phase of the Games extensive work has gone into developing the vision, mission, objectives and values of the organisation. It has also been a period for establishing relations within Government, business and the wider community and developing processes to undertake master planning.

In May 2012 we travelled to Glasgow where the new executive team and representatives from the Gold Coast City Council (GCCC) and Office of Commonwealth Games Coordination (OCGC) took part in a series of workshops with the Glasgow 2014 Commonwealth Games team and various advisors from the CGF. This was an important fact finding mission and introduction for the executives as they were exposed to the intricacies of planning for the Games and the level of detail required. We were also able to establish relationships with counterparts in the Glasgow Organising Committee auguring well for ongoing sharing of information and communication.

In early June we welcomed the CGF President, HRH Prince Imran, the CGF CEO Mike Hooper and several officials from the CGF to the Gold Coast. It was Prince Imran's first journey to the city in his capacity as President of the CGF. He met with the Queensland Premier, Commonwealth Games Minister, Gold Coast City Mayor, Chairman, Board and management. As with all host cities, representatives of the CGF will visit the Gold Coast on a routine basis over the next five years to review arrangements for staging the Games in 2018. HRH Prince Imran reported that he was very satisfied with the transition of the bid to the Organising Corporation and our planning thus far.

The next twelve months is crucial in laying the foundations to deliver an outstanding international event. To that end we will recruit for additional key roles within the corporation and work diligently to prepare plans. These will include a Games-wide road map, first version of the Games Master Schedule, and clarification of all partner roles, confirmation of capital works schedules, budgets and sources of funding and confirmation of all Games Village plans including the athlete accommodation.

The Games Corporation Board under the leadership of Chairman, Nigel Chamier OAM has shown an enthusiastic involvement and expertise so essential in supporting the management in its delivery of a great Games.

The CGF will return to the Gold Coast in December 2012 to review the project and plans. I am confident we will not only meet but exceed their expectations with the volume and quality of work we have completed thus far.

**Mark Peters**  
**CEO**

## General information

### Corporation role and main functions

The Gold Coast 2018 Commonwealth Games Corporation was established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011*. Its purpose is to plan, organise and deliver the Commonwealth Games, in conjunction with the Australian Commonwealth Games Association (ACGA), and the CGF.

The vision, mission and objectives of the Corporation serve as the foundations on which the structures of the business are laid.

### Vision

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

### Mission

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

### Corporation's 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 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 Games in a creative way that will encourage comprehensive and positive exposure and support.

### Corporation's values include:

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

The government services required to deliver the Games will be managed by the OCGC within the Department of Tourism, Major Events, Small Business and the Commonwealth Games.

GCCC has established a Commonwealth Games office and will be responsible for the majority of activities around city operations and city legacy.

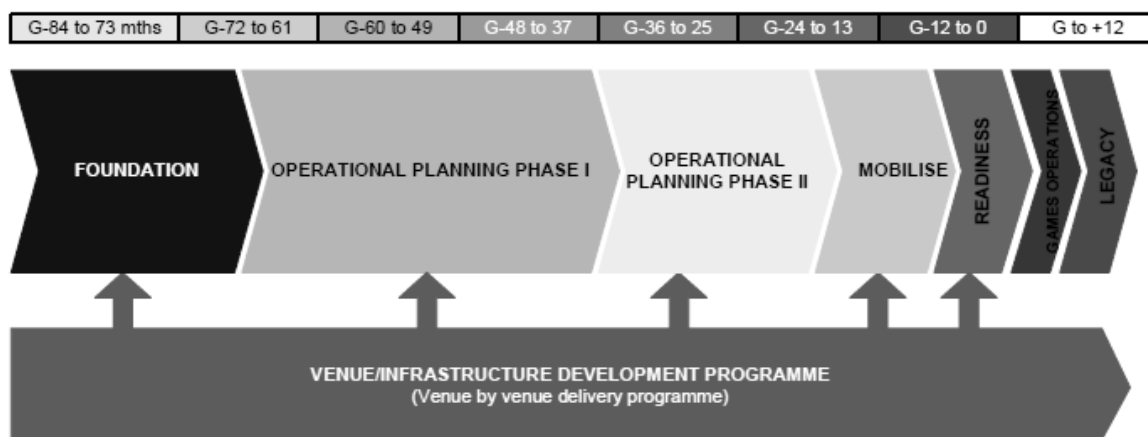
In support of its vision, mission and objectives the Corporation has created a 'roadmap' setting out key strategic objectives through to 2018 and actions required to achieve them.

The planning and delivery process will utilise this tool to provide a shared insight and overview of the program. The roadmap provides common language for the program and builds relationships between GOLDOC, Games partners, key stakeholders, major suppliers and clients. The roadmap provides clarification of what needs to be done and when.

### Proposed forward operations

The diagram below provides a general overview of the phases the Corporation will develop from its early establishment until the post Games activities:

COMMONWEALTH GAMES GENERIC PLANNING PROCESS SUMMARY



Note: The timeline represents the number of months from the Games “G”.

The Games planning is guided by the CGF’s generic Games planning process. The development of a Games Organisational Plan (GOP) that outlines a broad strategic plan for the Corporation and delivery partners is currently being undertaken. The GOP is developed during the initial phase and covers the total period of the Game’s planning, conduct and decommissioning.

As part of the foundation planning the Corporation is also developing a ‘Roadmap’ to guide and monitor key milestones. A Roadmap supporting document, the Games Master Schedule, will define more detailed tasks and deliverables.

## Non-financial performance

Given the infancy of planning for the Games, legacy objectives are currently in the developmental stage and will be applied accordingly and detailed in subsequent annual reports. Likewise, the organisation's performance indicators and service and standard expectations are also in the developmental stage and will be applied accordingly and detailed in subsequent annual reports.

## Financial performance

The Corporation is a not-for-profit body corporate established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011*. The Corporation was formed for the purpose of planning, organising and delivering the Commonwealth Games in 2018. The financial results reflect the first six months of the Corporation's operations for the period ending 30 June 2012.

| <b>Gold Coast 2018 Commonwealth Games Corporation</b> | <b>2011-12<br/>\$'000</b> |
|---|---------------------------|
| <b>Total income</b>                                   | <b>4,917</b>              |
| <b>Employee expenses</b>                              | 859                       |
| <b>Supplies and services</b>                          | 2,711                     |
| <b>Other expenses</b>                                 | 13                        |
| <b>Total expenses</b>                                 | <b>3,583</b>              |
| <b>Operating surplus</b>                              | <b>1,334</b>              |

At 30 June 2012, total assets were \$1.836 million, total liabilities were \$502,000 with equity of \$1.334 million.

## Governance – management and structure

### Organisational structure

The Corporation 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 2012, the Corporation had eight Board members including the Chairman.

The organisational structure will grow and evolve. It is a small team at present with 11 full time staff members, including three senior executives who have recently joined the organisation.

The general staffing strategy involves a core team of full-time staff directing specialist contractors and support volunteers. It is planned that staff will reach a total of around 1000. In addition several thousand contractors (e.g. security, transport and catering) and up to 15,000 volunteers will be called upon.



## The Board

The Board derives its authority from the enabling legislation. The Board has direct authority over the CEO and the Corporation. 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 State Government and the Australian Commonwealth Games Association (ACGA).

**Nigel Chamier OAM** - Chairman, Gold Coast 2018 Commonwealth Games Corporation  
Executive Chairman of NAC Investments Pty Ltd.

Nigel Chamier is Executive Chairman of NAC Investments Pty Ltd. He has extensive experience in the financial, property and development sectors. Over the past 40 years Mr Chamier has helped to shape some of Queensland's biggest projects including the \$215 million dollar restoration of City Hall, the Central Plaza project, the Riverside Centre, South Bank and the redevelopment of the Ipswich Central Business District. Mr Chamier is also the Honorary Consul for Sweden and was awarded the Royal Order of the Polar Star in 2008.

**Sam Coffa AM JP** - Deputy Chairman, Gold Coast 2018 Commonwealth Games  
Corporation President, ACGA

Sam Coffa, has been both an outstanding athlete and sports administrator. Sam represented Australia at the World Championships (1964), Commonwealth Games (1962) and the Olympic Games (1964). He was also Victorian Champion from 1959-1969 and Australian Champion six times. Sam has held top leadership and administrative positions in weightlifting and also with the ACGA. He was Deputy Chairman of the 2006 Melbourne Commonwealth Games Bid Committee and Deputy Chairman of the 2006 Melbourne Commonwealth Games Organising Committee.

**Stephen Conry** – Board Member  
CEO and International Director, Jones Lang LaSalle

Stephen Conry is the Australian CEO and International Director of Jones Lang LaSalle, the largest commercial property services firm in the nation. Over the past 30 years Mr Conry has specialised in development feasibility, marketing, valuation and investment consultancy. He is also the Vice President of the Brisbane Club and a Director of the Gregory Terrace Foundation.

**Catherine Tanna** – Board Member  
Chair, BG Australia

Catherine Tanna is the Chair of BG Australia, the company responsible for Australia's biggest coal-seam gas project. Ms Tanna brings a strong business sense to the table, having spent years working out of The Hague while managing the gas interests of energy giant Shell. Ms Tanna is also a Director of the Reserve Bank of Australia.

**Perry Crosswhite AM** – Board Member  
Chief Executive, ACGA

Perry Crosswhite is head of the ACGA and is one of Australia's most senior and experienced sports administrators. He has held senior sports positions with the Australian Olympic Committee, the 2000 Sydney Olympics and 2006 Melbourne Commonwealth Games, State and Federal governments, the Australian Sports Commission and the Australian Institute of Sport. Perry was a member of four Australian Olympic Teams representing Australia in

basketball in 1972 in Munich, 1976 in Montreal and 1980 in Moscow. He was captain in 1976 and 1980 and played over 300 games for Australia from 1970 to 1980.

**Mike Victor OAM** – Board Member  
President, ACGA (Queensland Division)

Mike Victor has extensive knowledge and experience in the sporting arena and has officiated at two Olympic Games, seven Commonwealth Games, seven World Championships and numerous Union Cycliste Internationale events in Australia, New Zealand and Japan. Mike was President of Cycling Australia from 2000-2009 and Cycling Competition Manager for the Melbourne Commonwealth Games in 2006. He is currently President of the Australian Commonwealth Games Association (QLD), Board Member / Director of the Australian Commonwealth Games Association and Vice President (Development) Oceania Cycling Confederation.

**Glynis Nunn-Cearns OAM** – Board Member  
Executive Director, Australian Track and Field Coaches Association

Glynis Nunn-Cearns has a long and distinguished career in sport as both an athlete and administrator. Best known for her gold medals in the Commonwealth and Olympic Games, she is a qualified senior teacher, coach and mother. She has coached athletes for the World Youth, Junior, Commonwealth, World Championships and Olympic Games. Glynis commits her time to coaching and her role as Executive Director of the Australian Track and Field Coaches Association and is a board member of the Gold Coast Academy of Sport.

**Dennis Chant** – Board Member  
Managing Director, Queensland Airports Ltd

Dennis Chant has been the Managing Director of Queensland Airports Pty Ltd for 11 years. He is a member of GCCC's Business Gold Coast Advisory Board and a Board member of Queensland Events Gold Coast. Dennis is a member of the Australian Institute of Company Directors, the Institution of Engineers Australia and a Registered Professional Engineer.

The first official Gold Coast 2018 Commonwealth Games Board meeting was held on 12 June 2012 and attended by all Board members.

**The following committees of the Board are currently being established:**

- Joint Marketing Committee (JMC)
- Finance and Audit Committee
- Sport and Technical Committee

It is envisaged that within the next 18 months the Finance and Audit Committee will be divided into a Finance Committee and a separate Audit and Risk Management Committee.

**Management team**

The management team led by CEO Mark Peters, has expanded with the appointment of three general managers to head up key divisions.



**Mark Peters**  
**Chief Executive Officer**

Mark Peters has played a significant role in sport development in Australia over the last decade. Whether it has been through his term as CEO of the Australian Sports Commission or service as President of the Australian Baseball Federation he has championed increased sport and physical fitness programs in schools and carried the torch for the Green and Gold on the international stage, seeking to bring landmark global sporting events to Australia and challenging Australia's sport system to sustain our performance on the international stage.

With an extensive portfolio of leadership and management experience in tourism, events, sports systems and organisation governance and structure, Mark was most recently CEO of the bid company which was successful in bringing the 2018 Commonwealth Games to the Gold Coast. Mark has a Business Degree, Graduate Diploma in Recreation Planning, is a graduate of Harvard University's Advanced Management Program and a member of the Australian Institute of Company Directors.

**Ian Whitehead**  
**General Manager Venues and Operations**

Ian comes to us from the position of General Manager, Operations for Stadiums Queensland. Ian brings over 20 years of executive level experience in the planning, construction and management of key sporting infrastructure, including commercial operations. He contributes an outstanding expertise in a vital area of the Commonwealth Games operations and its ultimate success. Ian was also a major contributor to the development of the Gold Coast 2018 Commonwealth Games Candidature City File.

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

Helen Moore is General Manager, Finance and Business Services. A fully qualified accountant, Helen has over 20 years senior leadership experience in the semi-government sector. Having worked with Gold Coast City Council as Director Organisational Services, she is well versed on the issues facing the city. Her experience as Tourism Queensland's Executive Director Corporate Services is directly relevant to her areas of responsibility which include: finance, information management, human resources, procurement, legal and risk management. Helen has also held senior roles with Seqwater and Port of Brisbane Corporation. Her qualifications include a Bachelor of Business (Accounting major with

distinction) fellowship of CPA Australia and she is a graduate of the Australian Institute of Company Directors.

**Andrew Woodward**  
**General Manager, Marketing and Communication**

Andrew started in global major events in the early 1990's as Public Relations Manager for Sydney's successful bid to host the 2000 Olympic Games. Since then, Andrew has worked in a variety of senior roles in global major events, sport, tourism and financial services. He has worked internationally and domestically on Commonwealth and Olympic Games; FIFA and Rugby World Cups and, the National Football League in the USA. His work experience spans sponsorship, government, organising committee, sport's governing body and Australia's international tourism marketing sectors. Andrew came to Gold Coast from San Francisco where he was VISA Inc's head of global and USA, marketing and sponsorship communication.

## **Governance – risk management and accountability**

- Risk management

The planning and delivery processes for the 2018 Games will be fully integrated with organisation-wide risk management policy and processes, including its risk register. This framework will be overseen by the Finance and Audit Committee to ensure its relevance, completeness and that mitigation strategies and processes are adequate and appropriate.

- Finance and audit committee

Due to the Board's appointment on 10 May 2012, the establishment of its various committees was still in progress as at 30 June 2012. It is proposed to establish a combined Finance and Audit Committee comprising of both Board members and independent professional representatives. External audit will attend the meetings as observers. The committee will be responsible for oversight of the Corporation's financial affairs, financial planning, internal controls, and compliance risk management systems and financial reporting.

- Internal audit

An internal audit function is yet to be established for the Corporation. Once operational, it will provide guidance to management and the Finance and Audit Committee on internal controls and the management of business risk.

*Public Sector Ethics Act 1994* pertains to details of an agency's action and compliance with various requirements regarding its code of conduct. Given the infancy of the Corporation a code of conduct is in a developmental stage and will be applied accordingly and detailed in subsequent annual reports. The code will outline the expectations of staff particularly in upholding the Corporation's values and in behaving in the manner required in daily business activities. The code of conduct will be provided to all employees with electronic copies available for ongoing reference.

Under the *Public Interest Disclosure Act 2010* the Corporation is required to report on public interest disclosures. There were no matters required to be disclosed for public interest over the reporting period.

## **Governance – human resources**

- The Corporation is committed to attracting and retaining a highly-skilled workforce to deliver on its objectives. As a newly formed organisation, with only 11 staff as at 30 June 2012, more formal activities and programs are yet to be developed.
- Roles are extensively advertised on the Games website and in the media. The majority of employment opportunities will start from 2015 onwards.

**Financial statements**  
**Statement of Comprehensive Income**  
**For the period ended 30 June 2012**

*The Statement of Comprehensive Income is to be read in conjunction with the accompanying notes.*

## **Statement of Financial Position**

### **As at 30 June 2012**

*The Statement of Financial Position is to be read in conjunction with the accompanying notes.*

## **Statement of Changes in Equity** **For the period ended 30 June 2012**

*The Statement of Changes in Equity is to be read in conjunction with the accompanying notes.*



## **Statement of Cash Flows**

### **For the period ended 30 June 2012**

*The Statement of Cash Flows is to be read in conjunction with the accompanying notes.*

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

#### **1. The reporting entity**

The Gold Coast 2018 Commonwealth Games Corporation is a not-for-profit body corporate established on 1 January 2012 under the *Commonwealth Games Arrangements Act 2011*. The Corporation was formed for the purpose of planning, organising and delivering the Commonwealth Games in 2018 in conjunction with the Australian Commonwealth Games Association (ACGA) and the Commonwealth Games Federation (CGF). The Corporation is a statutory body for the purposes of the *Financial Accountability Act 2009* and the *Statutory Bodies Financial Arrangements Act 1982*.

This report reflects the Corporation's financial activities during the first accounting period from 1 January to 30 June 2012.

#### **2. Statement of significant accounting policies**

##### **(a) Statement of compliance**

The Corporation 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 Australian Accounting Standards and Interpretations. In addition the financial statements comply with Treasury's Minimum Reporting Requirements for the year ended 30 June 2012 and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, the Corporation has applied those requirements applicable to not-for-profit entities, as the Corporation is a not-for-profit statutory authority.

##### **(b) Basis of preparation**

The Gold Coast 2018 Commonwealth Games Corporation is a limited life entity established for the sole purpose of successfully organising and delivering the event in 2018. Under section 46 of the *Commonwealth Games Arrangements Act 2011*, the Corporation is to be dissolved not later than 18 months after the end of the closing ceremony of the Commonwealth Games.

##### **(c) Basis of measurement**

Except where stated, the financial statements have been prepared in accordance with the historical cost convention.

##### **(d) Functional and presentation of currency**

The financial statements are presented in Australian dollars, which is the Corporation's functional currency.

##### **(e) Revenue and other income**

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

#### *Grant revenue*

Grants received are government grants that are non-reciprocal in nature and are recognised as revenue in the financial year in which the Corporation 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.

#### **(f) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and are carried at fair value of the amounts deposited.

#### **(g) Trade and other receivables**

Receivables are recognised at the amounts due at the time of sale or service delivery (i.e. the agreed purchase or contract price). The collectability of these amounts is assessed periodically with provision being made for impairment. No bad debts existed nor were written off as at 30 June 2012.

#### **(h) Property, plant and equipment**

Items of property, 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 (work-in-progress) are not depreciated until they reach service delivery capacity. This relates to when construction is complete and the asset is first put to use or installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes of property, plant and equipment.

#### **(i) 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.

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.

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

#### **(j) 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.

#### **(k) Financial instruments**

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Corporation becomes party to the contractual provisions of the financial instrument.

Financial instruments are classified and measured as follows:

- Cash and cash equivalents - held at fair value through profit and loss
- Trade and other receivables - held at amortised cost
- Trade and other payables - held at amortised cost

The Corporation does not enter into transactions for speculative purposes. Apart from cash and cash equivalents, the Corporation holds no financial assets classified at fair value through profit or loss.

All other disclosures relating to the measurement and financial risk management of financial instruments held by the Corporation are included in note 17.

#### **(l) Employee benefits**

Employer superannuation contributions, annual leave expenses 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 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.

##### *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

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

at 30 June 2012. Long service leave is only provided for those staff that will become entitled within the life of the Corporation.

#### *Superannuation*

Employer superannuation contributions are paid to QSuper (the superannuation plan for Queensland Government employees) or another superannuation fund as nominated by the employee. The rates of contributions to QSuper are determined by the Treasurer on the advice of the State Actuary; for other funds this is based on the legislated superannuation contribution percentage. Contributions are expensed in the period in which they are paid or payable. The Corporation's obligation is limited to its contribution to the superannuation funds.

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 5 for the disclosures on key executive management personnel and remuneration.

#### **(m) Insurance**

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

#### **(n) Taxation**

The Corporation 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 ATO, are recognised in the Statement of Financial Position (refer to notes 9 and 12).

#### **(o) 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.

#### **(p) Use of 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.

#### **(q) Rounding and comparatives**

Amounts included in the financial statements 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.

## Notes to the Financial Statements

### For the period ended 30 June 2012

As this is the first year of operation of the Corporation, there is no comparative information.

#### **(r) New and revised accounting standards**

As this is the first year of financial reporting for the Corporation, there are no changes of accounting policy to reflect in these financial statements. Australian accounting standard changes, applicable for the first time in 2011-12, have been adopted as relevant.

The Corporation is not permitted to early adopt a new or amended accounting standard ahead of the specified commencement date unless approval is obtained from the Treasury Department. Consequently, the Corporation has not applied any Australian accounting standards and interpretations that have been issued but are not yet effective. The Corporation applies standards and interpretations in accordance with their respective commencement dates.

A revised version of AASB 119 *Employee Benefits* applies from reporting periods beginning on or after 1 January 2013. The revised AASB 119 is generally to be applied retrospectively. Given the Corporation's circumstances, the only implications relate to the amended definition of "short-term employee benefits". Benefits that are not expected to be wholly settled before 12 months after the end of the reporting period in which the employees provide the associated service will need to be categorised and accounted for as "other long-term employee benefits". The revised AASB 119 also changes the requirements for the measurement and presentation of employer liabilities and assets arising from defined benefit plans. The only defined benefit plan the Corporation contributes to is the QSuper defined benefit plan and the corresponding QSuper employer benefit obligation is held by the State. Therefore, these changes to AASB 119 will have no impact on the Corporation.

AASB 1053 *Application of Tiers of Australian Accounting Standards* applies as from reporting periods beginning on or after 1 July 2013. AASB 1053 established a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements. Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1. Treasury Department has advised that its policy decision is to require adoption of tier 1 reporting by all Queensland Government departments and statutory bodies that are consolidated into the whole-of-government financial statements. Therefore Tier 1 reporting requirements will apply to the Corporation and the release of AASB 1053 has no impact on the Corporation.

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

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

The number of employees including both full-time and part-time employees measured on a full-time equivalent basis is 11 as at 30 June 2012.

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

#### **Key management remuneration**

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Corporation for the period ended 30 June 2012. Remuneration packages for key executive management personnel comprise the following components:

- Short term benefits which consist of base salary, 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 provision of vehicle with fringe benefits tax applicable to the benefit.
- Post-employment benefits consist of superannuation contributions.
- Long term benefits include long service leave accrued.
- Performance bonuses are not paid under the contracts in place.
- 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.

#### **(i) Board**

The Board is responsible for the way the Corporation performs its functions and exercises its powers. It is the role of the Board to ensure that the Corporation performs its functions in an appropriate, effective and efficient way.



## Notes to the Financial Statements

### For the period ended 30 June 2012

#### (i) Board (continued)

| Position           | Short term benefits |                                    | Long term benefits | Post employment benefits | Termination benefits | Total remuneration |
|--------------------|---------------------|------------------------------------|--------------------|--------------------------|----------------------|--------------------|
|                    | Base<br>\$'000      | Non-monetary<br>benefits<br>\$'000 | \$'000             | \$'000                   | \$'000               | \$'000             |
| Mark Stockwell     | 18                  | -                                  | -                  | -                        | -                    | 18                 |
| Nigel Chamier      | 7                   | -                                  | -                  | -                        | -                    | 7                  |
| Sam Coffa          | 3                   | -                                  | -                  | -                        | -                    | 3                  |
| Catherine Tanna    | 3                   | -                                  | -                  | -                        | -                    | 3                  |
| Stephen Conry      | 3                   | -                                  | -                  | -                        | -                    | 3                  |
| Perry Crosswhite   | 3                   | -                                  | -                  | -                        | -                    | 3                  |
| Mike Victor        | -                   | -                                  | -                  | 3                        | -                    | 3                  |
| Glynis Nunn-Cearns | 3                   | -                                  | -                  | -                        | -                    | 3                  |
| Dennis Chant       | 3                   | -                                  | -                  | -                        | -                    | 3                  |

Mr Stockwell directed the Corporation to donate his director's fees to a charitable organisation. For the year ended 30 June 2012, a donation of \$17,896 was made.

As part of Mr Crosswhite's duties as CEO of the ACGA, he is required to serve as a director on Bid and Organising Committees and as such any directors fees are paid to the ACGA. For the year ended 30 June 2012, the Corporation paid the ACGA \$2,795.

Non-monetary benefits, long term employment benefits or termination benefits were not paid or payable to Board members for the period ending 30 June 2012.

## Notes to the Financial Statements

### For the period ended 30 June 2012

#### (ii) Executives

| Position                                      | Responsibilities  | Current Incumbents      |  |
|---|---|-------------------------|--|
|   |   | Appointment authority   | Date appointed   |
| Chief Executive Officer                       | Responsible for the management of the Corporation 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 the Corporation's administration and operation. | Governor in Council     | 16 February 2012, with 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 and human resources for the efficient and effective management of the Corporation.  | Chief Executive Officer | 10 April 2012  |
| General Manager Venues and Operations         | Responsible for strategic direction and leadership over the planning, construction and management of sporting infrastructure and facility operations for the efficient and effective management of the Corporation.   | Chief Executive Officer | 17 May 2012  |
| General Manager Marketing and Communications  | Responsible for strategic direction and leadership of marketing, communications and sponsorship areas and management of planning, development and implementation of related strategies for the effective and efficient positioning and promotion of the Corporation.  | Chief Executive Officer | 23 April 2012  |

Fixed term employment contracts are in place for all staff employed by the Corporation as at 30 June 2012. All employment contracts (including Executive contracts) are approved by the Chief Executive Officer.

## Notes to the Financial Statements

### For the period ended 30 June 2012

#### (ii) Executives (continued)

| Position                                      | Short term benefits |                                    | Long term benefits | Post employment benefits | Termination benefits | Total remuneration |
|---|---------------------|------------------------------------|--------------------|--------------------------|----------------------|--------------------|
|   | Base<br>\$'000      | Non-monetary<br>benefits<br>\$'000 | \$'000             | \$'000                   | \$'000               | \$'000             |
| Chief Executive Officer                       | 167                 | -                                  | -                  | 20                       | -                    | 187                |
| General Manager Finance and Business Services | 48                  | -                                  | -                  | 4                        | -                    | 52                 |
| General Manager Venues and Operations         | 27                  | -                                  | -                  | 3                        | -                    | 30                 |
| General Manager Marketing and Communications  | 37                  | -                                  | -                  | 3                        | -                    | 40                 |

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**



## **Notes to the Financial Statements**

### **For the period ended 30 June 2012**

### **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), relevant sections 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 statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Corporation for the period from 1 January to 30 June 2012 and of the financial position at the end of that year.



Nigel Chamier OAM  
Chairman

Date 29/8/2012



Mark Peters  
Chief Executive Officer

Date 29/8/2012



Helen Moore FCPA  
General Manager Finance and Business  
Services

Date 29/8/2012

## INDEPENDENT AUDITOR'S REPORT

To the Board of Gold Coast 2018 Commonwealth Games Corporation

### Report on the Financial Report

I have audited the accompanying financial report of Gold Coast 2018 Commonwealth Games Corporation, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chairman, Chief Executive Officer, and 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*

In accordance with s.40 of the *Auditor-General Act 2009*:

- (a) I have received all the information and explanations which I have required
- (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
  - (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 period 1 January 2012 to 30 June 2012 and of the financial position as at the end of that period.

### **Other Matters - Electronic Presentation of the Audited Financial Report**

This auditor's report relates to the financial report of Gold Coast 2018 Commonwealth Games Corporation for the year ended 30 June 2012. Where the financial report is included on Gold Coast 2018 Commonwealth Games Corporation's website the Board is responsible for the integrity of Gold Coast 2018 Commonwealth Games Corporation's website and I have not been engaged to report on the integrity of Gold Coast 2018 Commonwealth Games Corporation's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.



D J Olive CPA  
as Delegate of the Auditor-General of Queensland



Queensland Audit Office  
Brisbane

## Compliance Checklist

| Summary of requirement    |   | Basis for requirement  | Annual report reference |
|---------------------------|---|--|-------------------------|
| Accessibility             | <ul style="list-style-type: none"> <li>Table of contents</li> <li>Glossary</li> </ul>   | ARRs – section 8.1   | 2<br>N/A*               |
|                           | <ul style="list-style-type: none"> <li>Public availability</li> </ul>   | ARRs – section 8.2   | 1                       |
|                           | <ul style="list-style-type: none"> <li>Interpreter service statement</li> </ul>   | <i>Queensland Government Language Services Policy</i><br>ARRs – section 8.3                | 1                       |
|                           | <ul style="list-style-type: none"> <li>Copyright notice</li> </ul>  | <i>Copyright Act 1968</i><br>ARRs – section 8.4  | 1                       |
|                           | <ul style="list-style-type: none"> <li>Government Information Licensing Framework (GILF) Licence</li> </ul>   | <i>Government Information Licensing Framework (GILF) QGEA Policy</i><br>ARRs – section 8.5 | N/A                     |
| Letter of compliance      | <ul style="list-style-type: none"> <li>A letter of compliance from the accountable officer or statutory body to the relevant Minister(s)</li> </ul> | ARRs – section   | 1                       |
| General information       | <ul style="list-style-type: none"> <li>Introductory Information</li> </ul>  | ARRs – section 10.1  | 5                       |
|                           | <ul style="list-style-type: none"> <li>Agency role and main functions</li> </ul>  | ARRs – section 10.2  | 5                       |
|                           | <ul style="list-style-type: none"> <li>Operating environment</li> </ul>   | ARRs – section 10.3  | 5                       |
|                           | <ul style="list-style-type: none"> <li>External scrutiny</li> </ul>   | ARRs – section 10.4  | N/A                     |
|                           | <ul style="list-style-type: none"> <li>Machinery of government changes</li> </ul>   | ARRs – section 10.5  | N/A                     |
|                           | <ul style="list-style-type: none"> <li>Review of proposed forward operations</li> </ul>   | ARRs – section 10.6  | 6                       |
| Non-financial performance | <ul style="list-style-type: none"> <li>Government objectives for the community</li> </ul>   | ARRs – section 11.1  | 7                       |
|                           | <ul style="list-style-type: none"> <li>Other whole-of-government plans / specific initiatives</li> </ul>  | ARRs – section 11.2  | N/A                     |
|                           | <ul style="list-style-type: none"> <li>Council of Australian Government (COAG) initiatives</li> </ul>   | ARRs – section 11.3  | N/A                     |
|                           | <ul style="list-style-type: none"> <li>Agency objectives and performance indicators</li> </ul>  | ARRs – section 11.4  | 7                       |
|                           | <ul style="list-style-type: none"> <li>Agency service areas, service standards and other measures</li> </ul>  | ARRs – section 11.5  | N/A                     |



| Summary of requirement                          |  | Basis for requirement  | Annual report reference |
|---|--|--|-------------------------|
| Financial performance                           | • Summary of financial performance                       | ARRs – section 12.1  | 7                       |
|   | • Chief Finance Officer (CFO) statement                  | ARRs – section 12.2  | 33                      |
| Governance – management and structure           | • Organisational structure                               | ARRs – section 13.1  | 7                       |
|   | • Executive management                                   | ARRs – section 13.2  | 9                       |
|   | • Related entities                                       | ARRs – section 13.3  | N/A                     |
|   | • Schedule of statutory authorities or instrumentalities | ARRs – section 13.4  | N/A                     |
|   | • Boards and committees                                  | ARRs – section 13.5  | 8                       |
|   | • <i>Public Sector Ethics Act 1994</i>                   | <i>Public Sector Ethics Act 1994</i><br>(section 23 and Schedule)<br>ARRs – section 13.6       | 11                      |
| Governance – risk management and accountability | • Risk management  | ARRs – section 14.1  | 11                      |
|   | • Audit committee  | ARRs – section 14.2  | 11                      |
|   | • Internal Audit   | ARRs – section 14.3  | 11                      |
| Governance – human resources                    | • Workforce planning, attraction and retention           | ARRs – section 15.1  | 12                      |
|   | • Early retirement, redundancy and retrenchment          | Directive No.17/09 <i>Early Retirement, Redundancy and Retrenchment</i><br>ARRs – section 15.2 | N/A                     |
|   | • Voluntary Separation Program                           | ARRs – section 15.3  | N/A                     |
| Financial statements                            | • Certification of financial statements                  | FAA – section 62<br>FPMS – sections 42, 43 and 50<br>ARRs – section 16.1                       | 33                      |
|   | • Independent Auditors Report                            | FAA – section 62<br>FPMS – section 50<br>ARRs – section 16.2                                   | 34                      |

| Summary of requirement                      |   | Basis for requirement   | Annual report reference |
|---|---|---|-------------------------|
|   | <ul style="list-style-type: none"> <li>• <b>Remuneration disclosures</b></li> </ul>                     | <i>Financial Reporting Requirements for Queensland Government Agencies</i><br>ARRs – section 16.3 | 24                      |
| <b>Disclosure of additional information</b> | <ul style="list-style-type: none"> <li>• <b>Additional information to be reported online</b></li> </ul> | ARRs – section 17   | **                      |

\*The Corporation has not included a glossary as part of this annual report as it believes all industry-specific terms and acronyms are adequately outlined within the body of this document.

\*\* Additional information reported online includes Governance operations: Overseas travel, Information systems and record keeping and Consultancies.

**The Gold Coast 2018 Commonwealth Games Corporation office is located at:**

Level 5, Corporate Centre One  
2 Corporate Court  
Bundall 4215  
Queensland

## Feedback survey

The Corporation is interested in hearing your feedback on its annual report. Please assist us by taking a couple of minutes to complete this survey so we can continue to improve and provide a quality annual report.

### Please select the appropriate response:

1. The level of detail in the annual report was adequate given GOLDOC's infancy:

☐ Too little                      ☐ Just right                      ☐ Too much

2. The writing style in the annual report was:

☐ Far too simple                      ☐ Just right                      ☐ Too complex

3. The presentation of the annual report was:

☐ Unappealing                      ☐ Acceptable                      ☐ Very appealing

4. I found the information in the annual report was:

☐ Not valuable                      ☐ Just enough                      ☐ Very valuable

5. It was easy to navigate my way around the annual report:

☐ Easy                      ☐ Just right                      ☐ Too complex

6. Overall the quality of the annual report was:

☐ Low quality                      ☐ Average quality                      ☐ High quality