



Annual Report

2015 -16

#GC2018

4-15 APRIL



Letter from the Chairman

23 August 2016

The Honourable Stirling Hinchliffe MP
Minister for Transport and the Commonwealth Games
Level 13, Mineral House,

41 George Street
Brisbane QLD 4000

Dear Minister

I am pleased to submit to the Parliament the Annual Report 2015-16 and financial statements for the period ended 30 June 2016 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 42 of this annual report.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P Beattie', with a long horizontal flourish extending to the right.

The Hon. Peter Beattie AC
Chairman

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The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report you can contact us on (07) 5618 2018 and we will arrange an interpreter to effectively communicate the report to you.

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Chairman's statement

It was an honour to be asked by the Queensland Premier Anastacia Palaszczuk to Chair the Gold Coast 2018 Commonwealth Games Corporation Board (GOLDOC) in May this year.

It has been an incredible learning curve over the last few months immersing myself at GOLDOC and understanding the intricacies and complexities that drive planning and implementation of this world-class event. I am grateful to the CEO, Mark Peters who has led the team from the Bid days and continues to be a source of inspiration and passion to ensure we deliver a great Games and an even greater legacy.

I also acknowledge the outstanding work of the previous Chair, Nigel Chamier AM and thank him for ensuring the event is well positioned to take on the next phase of the Gold Coast 2018 Commonwealth Games™ (GC2018) journey.

I have met with many GC2018 stakeholders and had the privilege of spending time with the Commonwealth Games Federation (CGF) Coordination Commission (CoCom) almost immediately following my appointment. The CGF CEO, David Grevemberg and CoCom Chair, Bruce Robinson provided a wealth of information and were both constructive and enthusiastic with their feedback, leaving me with no doubt that we are well and truly on track to meet all their obligations and expectations from this event.

CoCom made particular mention of the exceptional progress on the venues with evidence on the horizon for completion of the Carrara Sport and Leisure Centre, the Coomera Indoor Sports Centre and the Queensland State Velodrome, ahead of the one year to go milestone.

I was delighted as one of my first tasks as Chairman to attend the opening of the Sound Stage 9 at Oxenford Studios. The concept of utilising the facility that is currently hosting the production and filming of the next Thor movie is indeed a unique use of a venue and one I believe will help other Games consider their options to ensure sustainable use of venues in the future.

I am extremely proud that GC2018 is setting the benchmark very high with the delivery of initiatives in the areas of sustainability, accessibility and legacy. GOLDOC's recent achievement of second party conformity towards the new international standard in event management: ISO 20121, is a demonstration of the organisation's commitment to sustainability through all areas of event planning.

These Games are so much more than just 11 days of spectacular sporting competition, with the benefits of hosting this international event leaving a legacy that will be a positive and significant reminder of GC2018 for many years to come.

It is heartening to know that already we have great interest in our world class venues for impending international events and even more so to know that the youth of this city will have access to great sporting venues in the future. We are witnessing a commitment to greater levels of service across our tourism and retail sectors to ensure our visitor's experience is the best it can be.

And many businesses across Queensland are experiencing growth and building capacity and capability to take on Games related projects.

This all equates to significant economic growth and creation of jobs with GC2018 a continuing catalyst for transformation ahead of our world stage performance in April 2018.

The Queensland Government and indeed Minister for the Commonwealth Games, Stirling Hinchliffe continually reinforce their enthusiasm for GC2018 and obligation to host the best Commonwealth Games on record. I am also grateful for the experience and depth of knowledge the Board Deputy Chair and Australian Commonwealth Games Association (ACGA) President, Sam Coffa AM JP has so willingly shared since my appointment. It is the relationships with Games Delivery Partners, the City of Gold Coast, the Australian Government, CGF and the ACGA that underpins the key to a successful Games and I look forward to sharing the exciting GC2018 journey with them all.

I acknowledge the commitment of the businesses who have joined the GC2018 sponsorship family over the last 12 months and thank them for their investment and confidence in the opportunities an association with GC2018 will provide for many years to come.

I appreciate the eagerness of our communities, including those in the event cities of Brisbane, Townsville and Cairns who will enjoy a great involvement in GC2018.

This event is an opportunity for Queensland to feature on the world sporting stage and to show off the destination with promotion and exposure that is beyond any we would have experienced otherwise.

I am inspired by the team at GOLDOC and by our partners. I know we are exactly where we should be in terms of planning and implementation and I look forward to every opportunity where the GOLDOC Board and I can 'Share the Dream' and drive the delivery of a great Games in 2018.

**The Hon. Peter Beattie AC
Chairman**



Chief Executive Officer's statement

We have entered a very exciting period in the rapid journey towards 2018 with many key milestones marking our imminent transition to the mobilise phase of the Gold Coast 2018 Commonwealth Games™ (GC2018) roadmap. I am consistently buoyed by the spirit and energy of the ever expanding team at the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) and I am proud of our progress over the last 12 months. At the end of 2015-16 we had a near 300 strong team who bring to GC2018 a wealth of knowledge and experience that will only augur well for the transfer of skills and critically, the delivery of a world-class event in 2018.

In August 2015, I was delighted to welcome our first tier one sponsor with Jupiters Gold Coast coming on board as the inaugural member of the GC2018 Sponsor Family. The confidence they demonstrated in the opportunities and investment GC2018 presents was closely followed by Griffith University coming aboard as the Official University Partner and TAFE Queensland as the Official Volunteer Training Partner. The commercial program continues to attract great interest around Australia with a number of supporters and suppliers also joining the GC2018 Sponsor Family.

Transport, accessibility, emergency response planning, security, levels of service for athletes and team officials, the competition and spectator experience, were just a few of the areas painstakingly workshopped when the first Model Venue Exercise (MVE) was conducted at the Gold Coast Aquatics Centre in September. The MVE simulations drive the integrated operational planning across agencies and highlight the transition from a corporate focussed entity to an events delivery team. The principles and learnings of the exercise will be applied to all GC2018 venues in similar simulations in the lead up to the April 2018.

It was an occasion celebrated by the entire team at GOLDOC and many of our stakeholders when the GOLDOC offices at Ashmore was officially opened by the former Minister for the Commonwealth Games, the Honourable Kate Jones. An absolute highlight of the occasion was the presentation of a magnificent painting by Indigenous artist Chern'ee Sutton with the artwork taking pride of place in GOLDOC's reception to be admired by all who visit.

The Commonwealth Games Federation (CGF) Coordination Commission (CoCom) conducted their bi-annual reviews in November 2015 and May 2016 and again expressed their confidence in our planning and progress. Of particular note was their focus on integrated planning and areas critical to GC2018 success including transport, security and legacy. They commended GOLDOC and our Games Delivery Partners on the strength of our collaboration as a continuing key to the ultimate success of GC2018.

CoCom were also instant fans of our loveable mascot Borobi, who introduced himself to the world in grand Gold Coast style on the two years to go anniversary on 4 April. Since his dramatic helicopter entrance on to the beach at Burleigh Heads on Queensland's Gold Coast he has amassed an incredible following of children and adults from across the Commonwealth with requests for appearances received from all corners of the globe.

We are all quite taken with our affable blue, surfing koala and feel confident his presence and quirky personality will deliver powerful and important messages promoting Australia and the Commonwealth Games to the world.

The message about our Games being the most accessible in history, has resonated globally with the announcement that our para-sport program will be the biggest ever in a Commonwealth Games. GC2018 will feature 38 para-sport events, an increase of 16 events on the program delivered in Glasgow 2014.

I am extremely proud of the work we are doing to make this an accessible Games and very importantly an inclusive Games. Our work with Indigenous communities continues as we near the completion of the first ever major event Reconciliation Action Plan with initiatives to celebrate the Aboriginal and Torres Strait Island culture featuring strongly in GOLDOC activities.

The March announcement that Beach Volleyball will be included in the GC2018 was yet another first for the Commonwealth Games with the event pushing our sport program from 17 to 18 sports. The vision and images from the Beach Volleyball venue located on the shores of beautiful Coolangatta beach will certainly give audiences all over the world a great view of our spectacular city and our glorious beaches.

The Gold Coast Schools Connect program is rapidly gaining momentum with many schools on the Gold Coast connecting with a school in their adopted country, sharing traditions, history and significantly their connection to the Commonwealth Games. The Schools Connect program is a powerful example of how GC2018 can unite and inspire communities and will bear a long lasting legacy in the memories of many children around the world.

The ongoing work and support of the GOLDOC Board, technical committees and working groups continues to underpin the success and timeliness of our programs and milestones and I acknowledge their valuable contribution.

I also acknowledge the important contribution of former GOLDOC Chairman, Nigel Chamier AM whose enthusiasm, knowledge and unwavering support made an indelible mark on GC2018 with particular focus on the timely delivery of the infrastructure and venue development programs. It has been rewarding to see the passion and enthusiasm for GC2018 exhibited by the incoming Chair the Hon. Peter Beattie AC. As we enter the next stage of our national and global presence, his vast expertise and status will be invaluable.

GC2018 is increasingly becoming a feature in the media and in the hearts and minds of Queensland communities. With the 2016 Olympics soon to be a distant memory, our chance to 'Share the Dream' and our Games will be centre stage and I am confident that our current progress sees us in a prime position to deliver a great 'Jimbelong (Friendly) Games' that all Australians will be proud of.

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 Gold Coast 2018 Commonwealth Games™ (GC2018).

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.

Gold Coast 2018 Commonwealth Games Corporation (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. GC2018 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, GC2018 and beyond

R Respect – where our work and thoughts are respected and valued

E Excellence – where we deliver excellence in everything we do

A Accountable – where we act with the highest integrity and fairness

T Trust – where we are empowered to do our job in a collaborative environment.

Operating environment

Gold Coast 2018 Commonwealth Games

GC2018 will be the largest world multi-sport event that the Gold Coast has ever hosted and the largest sporting event to take place in Australia this decade. It will see 6,600 athletes and team officials from 71 Commonwealth nations and territories, representing more than 30 per cent of the world's population, compete and train in 23 sporting disciplines at 21 competition venues and 13 stand-alone training venues.

Staged 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 over 35,000 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 the Commonwealth Games

The Office of the Commonwealth Games (OCG), 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. The office provides portfolio management and reporting for GC2018. It leads the Queensland Government's statewide program, Embracing 2018, to maximise the legacy benefits from hosting GC2018.

The OCG works with Queensland Government agencies, the Australian government and local authorities (including the City of Gold Coast) to deliver capital infrastructure, transport and security arrangements.

The office also coordinates cross-jurisdictional delivery and leveraging of the investment in other major events.

City of Gold Coast

As the host city for the GC2018, the CGC will play an important role in supporting and delivering a range of key areas, such as city operations and services, transport, city legacy and arts and cultural program initiatives. CGC is also the asset owner of many of the venues. CGC has established a Commonwealth Games unit which is responsible for overseeing CGC's role in supporting GC2018.

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.

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.

As the host Commonwealth Games Association, ACGA is an integral GC2018 partner with representation on the GC2018 Board and Committees.

Commonwealth Games movement

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

Each of the 71 Commonwealth Games Associations (CGAs) is either a distinct entity or part of its National Olympic Committee, all working together to deliver on their joint vision outlined in Transformation 2022 or the CGF's strategic plan - building peaceful, sustainable and prosperous communities globally by inspiring Commonwealth Athletes to drive the impact and ambition of all Commonwealth Citizens through Sport.

In order to deliver a great Commonwealth Games, GOLDOC will continue to build strong relationships with both the CGF and all 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 GC2018.

Risks, opportunities and challenges

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

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

The GOLDOC Board (supported by its Finance and Audit Committee) is responsible for risk oversight and management of risk within the organisation. GOLDOC has implemented a Risk Management Policy and a supporting guideline which provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation.

In support of GOLDOC in the delivery of GC2018, the Queensland Government through the OCG oversees 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.

NON-FINANCIAL PERFORMANCE

Government's objectives for the community

GC2018 will be a transformational event. It will demonstrate sustainability in action, raise awareness and drive behavior change.

GOLDOC is committed to delivering GC2018 in a way that provides significant benefits for the state of Queensland in line with the Government's objectives for the community (Appendix A).

GOLDOC has integrated sustainability into its planning framework by implementing two international best practice frameworks to guide, identify and address the material, economic, environmental, social and community impacts from GC2018. GOLDOC is the first event organisation in Australia to use these international sustainability frameworks, which align with the Queensland Government's objectives to the environment, while building safe, caring and connected communities, and also driving significant economic benefits for Queensland.

The delivery of GC2018 will see GOLDOC employ an expected 1,400 employees at its peak, while GC2018 as a whole is expected to generate up to 30,000 full-time equivalent jobs and in excess of \$2 billion in economic benefit, ensuring the creation of jobs and a diverse economy.

GOLDOC is working to ensure CG2018 is known as the 'inclusive Commonwealth Games' through the delivery of the largest integrated para-sports program in history, and a series of Connect community programs which seek to engage community groups from across the state, involving them in the delivery and enjoyment of GC2018, while connecting them at the same time.

Furthermore, GC2018 will be delivered in one of Australia's most celebrated cities, the Gold Coast, highlighting one of the world's most pristine coastal environments for all to enjoy. Consequently, great respect is being paid to the preservation of the surrounding natural environment in all aspects to GOLDOC's delivery of GC2018.

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).

Through its Coordination Commission (CoCom), 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, CoCom conducts a six monthly review of GOLDOC. The CoCom is supported by a team of expert technical advisors who review key elements of planning with GOLDOC and Games Partners.

Below are progress updates on GOLDOC's 2015-16 strategic priorities, as informed by the GC2018 Roadmap, FA program schedules, strategic risk profile and the suite of CGF compliance obligations.

Functional areas (FAs) have specific strategic priorities to deliver year on year, which are outlined in the annual Business Plan, providing a defined path for the successful delivery of GC2018. Listed below are GOLDOC's strategic priorities which were in place for 2015-16:

1. Accommodation Providers

The Accommodation FA (ACM) delivery model is to provide an in-house reservations model with contracting underway with constituents. This delivery model will provide a high level of service for both internal and external stakeholders.

ACM will continue to engage with accommodation operators in the Gold Coast and event cities Brisbane, Cairns and Townsville, regarding the securing of various accommodation opportunities for GC2018.

All contracted accommodation has been inspected to understand the accommodation offering and suitability to GC2018 constituents including accessibility requirements. A draft allocation plan has been finalised, taking into consideration current contracted room inventory, constituent needs and importantly transport requirements. An accommodation reservation system has been procured and will be available to clients in October 2016.

2. Host Broadcaster

NEP Australia Pty Ltd was appointed in early 2016 as the Host Broadcaster for GC2018, following an open tender process.

As the Host Broadcaster, NEP Australia will be responsible for the production and distribution of the international signal 'basic feed' which will provide unbiased international radio and television signals of the events of GC2018.

NEP Australia was originally founded in Sydney in 1988 and over the years has become the largest television broadcast solutions company in Australia. NEP Australia is now part of a worldwide network of NEP offices and TV studio sites in the USA, UK, Europe, Middle East and Australia offering cutting-television solutions and services to all broadcasters.

3. Ceremonies delivery

GOLDOC appointed Jack Morton Worldwide (JMW) through its Sydney office to perform the role of the Ceremonies Production Company, delivering both the opening and closing ceremonies on a turn-key basis, following a public expression of interest process which commenced in June 2015. JMW has significant previous experience having produced the ceremonies for three of the past four Commonwealth Games, including Melbourne 2006 and most recently Glasgow 2014.

Since the commencement of the project, the Ceremonies Production Company has undertaken extensive consultation and engagement with local creative practitioners, regional and Gold Coast indigenous groups and stakeholders.

4. Sponsors

GOLDOC's sponsorship sales and servicing activities continue to be led by Lagardère Sports (formerly Sports Marketing and Management) through a combination of staff embedded in GOLDOC and executives located in Lagardère's offices in Sydney, Melbourne, London, Singapore and other markets. The resource commitment to the GOLDOC sponsorship program continues to grow in line with contracted commitments, market demand and the appointment of sponsors.

The results achieved to date for the GC2018 sponsorship program have exceeded any previous Commonwealth Games at the same point in the program with 10 sponsors already contracted representing around one third of the sponsorship revenue target.

An important component of the sponsorship sales program is the work undertaken with FAs to ensure sponsorship opportunities related to GOLDOC's requirement for products and services are maximised. Budget relieving 'value-in-kind' is forecast to account for 50 to 65 per cent of total sponsorship revenue so this aspect of the sponsorship program is critical to the program achieving its revenue target.

The Sponsorship FA is also working to ensure CGF and GOLDOC compliance requirements continue to be met during 2016-17. Compliance with CGF requirements is achieved through the provision of an update to the CGF approved Marketing Plan to reflect any changes in the sponsorship sales plan including changes in priority business categories, price/revenue matrix, non-sponsorship revenue streams and the sponsorship sales team's overall approach to market. GOLDOC also undertakes quarterly reviews of Lagardère's delivery of the sponsorship program against contracted obligations.

5. Broadcast rights contracts

The CGF has now confirmed the sale of broadcast rights in the territories of Australia, India and the Indian subcontinent, the United Kingdom, Asia, New Zealand together with a highlights package through ESPN in the United States of America. The CGF retains the right to sell broadcast rights in the territories that have not already been contracted.

GOLDOC is continuing to work with the CGF to understand its plans for the sale of rights in the remaining territories and to confirm GOLDOC's role in the sales and subsequent contracting process.

6. Integrated marketing and communications and Mascot design and launch

The integrated marketing and communication plan was drafted late 2015, providing the strategic roadmap and direction for all pre, during and post GC2018 marketing and communications related activity. Based on learning's from previous Commonwealth Games it capitalises on the strengths and addresses issues unique to the Gold Coast. A priority within the plan is to build community engagement in the 'four-hour drive' market. This involves the delivery of the Connect programs which seek to engage various groups across Queensland in the successful delivery of GC2018, including schools, multi-cultural and Indigenous groups. It will also drive significant commercial involvement from the trade and business sector across key locations in Queensland.

An important piece in the delivery of the integrated marketing plan was the public launch of the GC2018 Mascot, Borobi the surfing koala. Borobi was inspired by a drawing by Brisbane school teacher, Merrilyn Krohn, the winner of the National GC2018 Mascot Design Competition. The launch coincided with the 'Two Years to Go' milestone on Monday, 4 April 2016 at Burleigh Heads beach on the Gold Coast. Following the overwhelming success of this event, GOLDOC has been inundated with requests for Borobi to appear at external events and activations both locally, nationally and internationally. Borobi is conducting approximately three to four appearances a week, far more than Glasgow so early in the program. GOLDOC has engaged with Currumbin Wildlife Foundation Hospital (CWFH) as part of its "Community Mascot Program". This arrangement will see a donation made to CWFH as a percentage of revenue received from the sale of GC2018 Mascot plush toys.

Sport pictograms are also an important marketing, instructional and information tool for GC2018. The sport pictograms will help identify the 23 individual sports, their disciplines and in tandem with the wayfinding and graphic system, make navigation around the Gold Coast, and between the various GC2018 venues and precincts, as easy as possible.

7. Master Licensee

During 2015-16 a key priority was to lead the strategy development for the GC2018 Licensing and Merchandising program and to appoint a Master Licensee to deliver projected revenue, in order to maximise the sales of official licensed GC2018 merchandise.

GOLDOC appointed the GC2018 Master Licensee, Matevents Pty Ltd in May 2016. This announcement was as a result of a public expression of interest process which commenced in September 2015 to seek qualified and capable suppliers to shortlist to a closed tender process.

8. Integrated planning activities

A range of coordinated activities are being undertaken to support an integrated approach to planning within GOLDOC. In addition to the activities being undertaken internally, work is progressing to ensure cross-partner planning activities are integrated.

Concluding in December 2015, a successful model venue exercise was performed over a three-month period, using the Gold Coast Aquatic Centre.

Outcomes of the model venue exercise are used to inform specific integrated operations for each individual competition venue, which will be ongoing during 2016-17. A similar venue operations exercise process has been undertaken for the Commonwealth Games Village.

In alignment with this process, FA planning has moved from the concept of operations phase into the operational planning phase. A streamlined approach is being adopted, targeting relevant aspects of the planning process to the operational focus of each FA.

In the second quarter of 2016, the Integrated Planning FA was stood up and work commenced on the launch of the process for operational policy and procedure development. This process works in parallel with the FA business planning process and includes integrated cross-function review and sign-off mechanisms.

A cross partner integration working group has been established to ensure cross collaboration and to eliminate planning in silos in relation to command, coordination and communication and readiness program planning.

9. Queen's Baton Relay (QBR)

The Queen's Baton Relay is an important tradition which will excite, inspire and unify people as it travels from Buckingham Palace to the Gold Coast, across the 71 nations and territories of the Commonwealth.

During 2015-16, the Queen's Baton Relay FA embarked upon a national route reconnaissance in preparation for a domestic sector route announcement in March 2017.

A systematic and consistent approach was taken to develop the international sector route. Consideration was given to existing CGA events, transport schedules, weather patterns, religious holidays and remote location travel options. The international sector route was presented to the GOLDOC Board and the CGF and approved. Subsequently, communications with CGA's around the arrival of the Baton into each nation and territory of the Commonwealth have commenced.

The design, engineering and manufacturing of the Queen's Baton tender was awarded to the Brisbane West End design company, Designworks. The design of the Baton was chosen and work continues on the engineering aspects of the Baton in preparation for an official unveiling in November 2016.

10. Security Planning

The safety and security of athletes, employees, volunteers and spectators is of the utmost importance to the successful delivery of GC2018, and significant resources and expertise have been dedicated to ensure security measures delivered during GC2018 will be best-practice.

The security workforce model will be a blend of employed staff, contractors and liaison officers from key partner agencies. The workforce model will ultimately be based on the security work program and resourcing required to achieve a safe and secure GC2018.

An estimated 4,600 to 5,000 contract security staff will be required to support security operations at GC2018 - the largest contract security workforce deployment in Australia since the Melbourne Commonwealth Games in 2006.

The Security FA within GOLDOC has undertaken extensive consultation and engagement in the development of security operations for GC2018. This engagement, along with lessons learnt from previous events, including the Glasgow Commonwealth Games and the London Olympic Games has informed the procurement process to appoint a security contractor, which is currently underway and will be awarded in 2016-17.

11. Training venues and competition schedule

GOLDOC is responsible for coordinating, selecting, and operating official training venues for teams during GC2018 commencing from their arrival at the village.

Pre-event training is training prior to the opening of the GC2018 village. OCG is responsible for coordinating these opportunities. More information about these facilities can be found at the [Embracing 2018 website](http://www.embracing2018.com)¹.

A key activity for the Sport FA this financial year was the identification, selection and contracting of GC2018 sport training venues, and 13 stand-alone training venues have now been identified for athlete training during GC2018.

The competition schedule is at the centre of the Commonwealth Games and planning is on track for an exciting competition program for GC2018, which will boast many firsts. For the first time in history, Beach Volleyball has been added to the sports schedule. The Gold Coast's beautiful beaches will be showcased through the sport, providing the ideal opportunity to promote Queensland to the world.

GC2018 will also deliver the largest integrated para-sports program in Commonwealth Games history, with more than 300 athletes expected to compete in 38 events, including the marathon and para-triathlon.

These firsts will help to define the character of GC2018, in an effort to deliver the most inclusive Commonwealth Games on record.

12. Timing, scoring and results systems and initial games management systems

The appointment of a systems provider for Timing, Scoring and Results has been approved by the GOLDOC Board. Contract negotiations are currently in progress with the preferred supplier and entail a sponsorship deal. These negotiations are targeted for completion early in the new financial year.

The appointment of Atos to provide Games Management Systems (including accreditation, volunteering, rostering and sports entries) and Information Diffusion Systems is completed and delivery of the contracted services has commenced. ATOS has also committed to a significant sponsorship as part of their partnership with GOLDOC.

13. Ticketing pricing strategy

January 2016 saw Ticketek appointed as the Official Ticketing Agent. Ticketek will provide a ticketing solution, that includes management of all ticket sales, servicing and customer care.

¹ <http://www.embracing2018.com>

The Ticketing FA is working with Ticketek to implement the necessary systems, processes and technologies to be used for GC2018.

The Ticketing FA, along with other key FAs, is also working to deliver the overall Ticketing Program approach, Ticket Pricing, and the Ticket Marketing and Communications Plan. Each of these strategic items are due for approval prior to release of information to select constituent groups in late 2016, with the release of tickets to the public expected in 2017.

14. Fleet and bus procurement

The efficient, safe and reliable transport of spectators to and from venues has a large impact on the overall experience of GC2018 and significant emphasis has consequently been placed on the delivery and management of transport infrastructure. GOLDOC is working in partnership with Queensland Government's Department of Transport and Main Roads on the procurement of event transport management services, which will incorporate the delivery of fleet and bus services. This contract will be awarded in late 2016.

Transport strategies have also been developed for each venue to identify all transport facilities required, as well as high level specifications for parking and load zones. GOLDOC continues to work with public domain partners to progress the construction of essential infrastructure and continue to plan the Games Route Network and other supporting traffic management, as well as continuing to plan spectator transport, including temporary park and ride, travel demand messaging and the Transport Coordination Centre.

15. Venue overlay design

Input into the design and delivery of the competition and non-competition venues for the conduct of GC2018 was a priority during 2015-16, as was the development of the architectural and engineering designs for the overlay at all venues.

Excellent progress was made with each of the venue capital projects, with GOLDOC representatives consistently inputting into the planning and oversight of project delivery through the Project Steering Committees and the Venues Executive Steering Committee to ensure GC2018 technical design requirements and event operational management elements are incorporated into the scope of the venue projects, and legacy enhancement opportunities maximised.

Upgrades to the Broadbeach Bowls Club were substantially completed and the Coomera Indoor Sports Centre new-build project is due for completion in July 2016.

A new temporary Beach Volleyball venue at Queens Park, Coolangatta, was announced in May 2016 and has been incorporated into GOLDOC's overlay planning and design program. Overlay design development has progressed on program for all venues using a combination of internal and outsourced resources, with an enhanced schematic design package released in June 2016. Further design development and detailed engineering will continue over the upcoming 12 months, with the primary focus for the 2016-17 financial year being the overlay works procurement.

16. Model Venue Exercise and Venue Operations Planning

The model venue exercise (MVE) is the first step in the detailed venue planning phase, which aims to:

- Clarify, test and validate FA strategies and concepts within a Games venue environment
- Identify gaps or overlaps and issues in planning
- Shift the application of current 'theories and operational assumptions' to practical venue planning
- Agree and validate service level arrangements
- Integrate and consolidate FAs into the 'first GC2018 venue team'
- Help determine overall venue delivery costs.

The methodology and collection of key data from the MVE will assist all FAs in further developing their operations for implementation at venues, during GC2018. This year a dedicated MVE planning team was assembled in order to deliver the MVE in collaboration with key FAs. The venue operational planning process provides a baseline of integrated planning for the successful delivery of all GC2018 venues. The purpose of the process is to create consistency in planning across all competition and non-competition venues. Learnings gathered through the MVE have assisted GOLDOC to progress to detailed venue operational planning. Venue planning cycles will now continue into 2017.

17. Commonwealth Games Village and Regional Village

During 2015-16 the focus of the Village Operations FA has been the successful completion of the first phase of the venue operational planning (VOP) for the Commonwealth Games Village (CGV). Commencing in March and completed over an eight-week period, VOP brought all FAs operating in CGV together to inform the detailed design and operational plans for CGV.

GOLDOC continues to work closely with the Department of State Development and the CGV developer to ensure that the CGV is delivered to the appropriate standards.

In December 2015, agreements were signed for the exclusive use of hotels in Cairns and Townsville, to accommodate athletes and team officials competing in these regional cities during GC2018. The Village Operations FA will complete VOPs for both regional cities in December 2016.

Agency service areas and service standards

GOLDOC's key success factors for 2015-16 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 GC2018 and therefore its likelihood to attend, volunteer, or in some way, be involved. The third measure relates to targeted revenue.

Performance statement

Service standards	Notes	2015-16 Target/Est	2015-16 Actual	2016-17 Target/Est
<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%	63%	50%
Percentage of total GC2018 commercial revenue target contracted	3	20%	42%	60%

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. The target for 2016-17 is less than the actual results in 2015-16 due to a pre-established metric. GOLDOC will continue to build on the 2015-16 result, striving to reach the highest levels of engagement possible in the lead up to GC2018.
3. Commercial revenue includes broadcast right holder fees, merchandising and royalty fees and the sale of tickets and sponsorships as forecast for the period from GOLDOC's formation until 30 June 2017. Contracts are negotiated progressively up until delivery of GC2018. The 2016-17 target estimate is the expected progress towards the total by the end of June 2017.

FINANCIAL PERFORMANCE

Summary of financial performance

The audited financial statements of GOLDOC for the year ended 30 June 2016 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 2015.

Gold Coast 2018 Commonwealth Games Corporation	2015-16 \$'000	2014-15 \$'000
Income		
State Government grants	71,518	31,428
Commercial revenue	1,067	-
Other income	887	1,749
Total income	73,472	33,177
Employee expenses	26,633	11,180
Supplies and services	29,886	10,775
Depreciation and amortisation	2,186	850
Other expenses	2,351	93
Total expenses	61,056	22,898
Operating result for the year	12,416	10,279
Assets	76,704	39,650
Liabilities	48,286	23,648
Total equity	28,418	16,002

Total income for 2015-16 was \$73,472,000, of which \$71,518,000 was grant funding from the State Government.

The increase in total expenses reflects the increased staffing and increased operational activity required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.

Total equity has increased and reflects the operating surplus in 2015-16 in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. GOLDOC is expected to have a zero equity position following its dissolution by 30 June 2019.

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

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 Transport and the Commonwealth Games. As at 30 June 2016, GOLDOC had nine Board members including the Chairman.

Workforce planning forecasts that by Games-time, staff numbers will reach in excess of 1,400 employees, up to 45,000 contractors (e.g. security, logistics and catering) and up to 15,000 volunteers.

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

To ensure GOLDOC's organisational structure continues to evolve appropriately in line with the rapid growth of employees expected over the next 18 months, GOLDOC recently added a Strategic Engagement Division, along with regular assessments and improvements to the definition, scope, and responsibilities of the Functional Areas.

For the 2015-16 financial year, GOLDOC had 286 full time equivalent roles and 294 employees.

GOLDOC's organisational structure will continue to evolve and expand as it progresses towards Games time.

GOLDOC divisions

Commercial and Marketing

The Commercial and Marketing division is responsible for all GC2018 commercial revenue generation. This includes sponsorship sales (and the associated servicing), ticketing, broadcast rights, licensing and merchandising programs. This division will build a strong GC2018 brand ensuring the incorporation of all elements of the GC2018 brand identity. The Commercial and Marketing division provides a number of internal services to the other FAs, particularly in relation to digital media, publications, collateral, image and look, events and advertising initiatives.

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

Strategic Engagement

The Strategic Engagement Team is responsible for the engagement of a variety of community groups, government departments, corporate partners and other key stakeholders upon whom the ultimate success of GC2018 depends.

The team positively promotes GC2018 through the media, along with other communication channels to ensure maximum awareness and engagement of GC2018 for the enjoyment of people, not only in Queensland or Australia, but the Commonwealth as a whole. The delivery of the Queen's Baton Relay will be key to inspiring engagement across the Commonwealth, and Strategic Engagement is also responsible for the delivery of this important part of GC2018.

Executive Office

Executive Office is responsible for complying with Board policy and direction in planning and staging GC2018. Areas of responsibility include government partner 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 GC2018-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 and Administration, Legal and Brand Protection, Procurement and Contract Management, 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, Integrated Planning, 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:

- input into the design and delivery 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

GOLDOC Board

The Board derives its authority from the enabling legislation.

In accordance with its charter, the Board is to comprise no fewer than eight members at any one time. There must be an equal number of members nominated by the Queensland Government and 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; and
- to perform all acts necessary to achieve the above objectives.

Board meetings are held at least every two months. During 2015-16 the Board met seven times.

The names, positions and appointment terms for the Board members are detailed in the Financial Statements 2015-16, section 6(a).

Contract Approvals Committee

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

In addition, the CAC may bring particular matters to the Board's attention and make recommendations for the Board's approval. Subject to approval by the Board, the CAC is able to engage independent external consultants as necessary to meet its obligations.

Name	Position	Appointment date	End date
Peta Fielding	Chair	24 August 2015	Ongoing
Nigel Chamier AM	Member	24 August 2015	16 May 2016
David Williams	Member	24 August 2015	Ongoing
Dennis Chant	Member	24 August 2015	14 May 2016
John Witheriff	Deputy Chair	27 April 2016	Ongoing
Peter Beattie AC	Member	19 May 2016	Ongoing

Ceremonies Committee

The GC2018 Ceremonies Committee is a committee of the GOLDOC Board. The purpose of the Ceremonies Committee is to assist the Board by providing information in relation to the Opening and Closing Ceremonies of GC2018 (Ceremonies).

The Ceremonies Committee is authorised by the Board to:

- provide all key approvals, as these relate to matters outside the delegations of GOLDOC management, in relation to the planned activities of the Ceremonies FA and Ceremonies Production Company (CPC) with the exception of those items identified in the terms of reference as approvals reserved to the Board;
- investigate any activity within its terms of reference;

- provide strategic oversight, direction and support to the activities of the Ceremonies FA and CPC; and
- obtain outside or independent professional advice and such advisors may attend meetings as necessary.

Name	Position	Appointment date	End date
Nigel Chamier AM	Chair	24 August 2015	16 May 2016
Peter Beattie AC	Chair	19 May 2016	Ongoing
Dennis Chant	Member	24 August 2015	14 May 2016
Perry Crosswhite AM	Member	24 August 2015	Ongoing
Megan Houghton	Member	24 August 2015	Ongoing
Criena Gehrke	Member	24 August 2015	Ongoing
Mark Peters	Member	24 August 2015	Ongoing
Brian Nourse	Member	24 August 2015	Ongoing

Joint Marketing Committee

The Joint Marketing Committee (JMC) is a committee of the GOLDOC Board.

The purpose of the JMC is to assist the Board in fulfilling its responsibilities regarding the conduct and implementation of a Joint Marketing Programme (JMP) and Marketing Plan in a manner which:

- protects and preserves the integrity of GC2018;
- enhances the goodwill, good name and reputation of the CGF, the ACGA and the organisers of future Commonwealth Games in respect of marketing opportunities; and
- strives to enhance the value and promote the understanding of the GC2018 "brand" in relation to all marketing initiatives.

Name	Position	Appointment date	End date
Dennis Chant	Chair	12 June 2012	14 May 2016
Perry Crosswhite AM	Member A/Chair	12 June 2012 14 May 2016	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
Bob Gordon	Member	19 May 2016	Ongoing

Finance and Audit Committee

The purpose of the Finance and Audit Committee (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 the 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
Perry Crosswhite AM	Member	12 June 2012	Ongoing
Annabelle Chaplain	Member	12 June 2012	23 August 2016
John Le Lievre	Member	12 June 2012	23 August 2016
Peta Fielding	Member	24 August 2015	27 July 2016
Peter Bryant	Member	15 June 2016	Ongoing
Glenn Poole	Member	15 June 2016	Ongoing

Sport and Technical Committee

The Sport and Technical Committee (STC) is a committee of the Board.

The purpose of the STC is to assist the Board on policy pertaining to sport and technical matters in the planning, coordination and delivery of GC2018.

The responsibilities of the STC include the areas of:

- Overlay and Venue Development (including Field of Play)
- Sports Program review and finalisation
- Sport Competition (Management, Volunteers, Games Training and Test Events)
- Sport Policy and Operations, (Equipment, Operations, Technical Officials)

- Sport Services (Sport Results, Sport Entries, Publications and Competition Schedule)
- Sport Presentation (Medal Ceremonies, Operations and Technical)
- Information technology related to sport (Scoring, Timing and Results)
- 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 – sports medicine
- Doping control
- Sport development prior to and post GC2018.

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
Mike Victor OAM	Member	7 August 2012	Ongoing
Craig Phillips	Member	24 August 2015	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 Board. The Board has delegated decision-making authority to the Remuneration Committee in respect of policy matters relating to senior appointments and remuneration. The Remuneration Committee may also bring particular matters to the Board's attention and make recommendations for approval. Subject to approval by the Board, the Remuneration 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
John Witheriff	Chair	30 June 2015	Ongoing
Nigel Chamier AM	Member	21 May 2013	16 May 2016
Sam Coffa AM JP	Member	21 May 2013	Ongoing
Peter Beattie AC	Member	19 May 2016	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.

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

Cameron Murray, General Manager – Commercial 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.

Pat Vidgen, General Manager – Strategic Engagement

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

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

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

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

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, and
- Maintain effective communication about risk and GOLDOC's approach to risk taking.

External audit

Each year, an external audit is conducted on GOLDOC's financial statements by the Queensland Audit Office (QAO). There were no significant findings or issues identified by the external audit in 2015-16. QAO issued an unqualified audit report for the 2015-16 financial statements on 23 August 2016.

In 2015-16, QAO also conducted a specific review into GOLDOC's procurement processes in relation to the Ceremonies Production Company tender and as a result the Auditor-General advised "*based on the work performed and evidence obtained, nothing has come to my attention that causes me to believe that the tender process has not been properly conducted*".

Internal audit

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

- Assurance that GOLDOC has effective and adequate internal controls in place to support the achievement of its objectives, including the management of risk, and

- Advice with respect to GOLDOC's internal controls and business processes.

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

The internal audit function is responsible for:

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

During the year:

- Internal audit operated under its approved charter that is consistent with relevant audit and ethical standards
- Internal audit worked in accordance with the strategic goals, objectives and key risks
- Systems were in place to ensure the effective, efficient and economical operation of the function
- The internal audit function was independent of management and the external auditors
- Internal audits were conducted in the areas of employee on-boarding, procurement, Queen's Baton Relay, technology strategy and program management.

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

Information systems and recordkeeping

During 2015-16 the Technology FA has made significant progress with the planning and procurement of Games related technology services and solutions, in addition to corporate IT infrastructure and services required to support the rapid growth of the business. All core internal business applications are now operational including the addition of scalable cloud based solutions such as Office 365 for email services.

All corporate services are supported by a responsive internal service support team. There has been further advancement in the delivery of Games Management Systems and Central Results with the appointment of Atos as a Technology Sponsor. Detailed planning of technology at venues has progressed significantly through venue operational planning as well as the Technology FA Planning and Delivery program.

GOVERNANCE – HUMAN RESOURCES

Workforce planning

As GC2018 approaches, the work required to deliver GC2018 successfully steadily increases, creating significant employment opportunities for the Gold Coast and Queensland as a whole over the following two years, ultimately supporting the Queensland Government's objectives for the community to create jobs and deliver quality frontline services.

For the 2015-16 financial year, GOLDOC employed 294 people (or 286 full time equivalent positions). This number will continue to grow to meet delivery demands, with more than 1,400 employees expected for GOLDOC at its peak. The increase in employees will ensure the delivery of all planned milestones in accordance with GOLDOC's business plan and compliance requirements set by the Commonwealth Games Federation. Major areas of growth for 2016-17 include the areas of Sport, Transport, Workforce, Venue Development and Overlay, Technology and Games Services.

During 2015-16 the following activities were undertaken to ensure ideal attraction, retention, and performance through the delivery of fair, equitable and appropriate workforce practices:

Attraction and retention

Utilising its reward strategy and framework, GOLDOC continued to attract high calibre industry and Games experienced candidates. Recruitment and selection activities were undertaken by the internal recruitment team with support from specialist organisations where required.

GOLDOC's Recruitment Sourcing Strategy identifies the local market (defined as one-hour drive time) as its target market for the majority of vacancies. GOLDOC is using awareness and marketing campaigns to educate and attract the local market into suitable roles over the next 18 months.

A healthy balance between work and personal life is promoted at GOLDOC in an effort to ensure employees remain healthy, happy and consequently working at their most effective capacity. Employees are actively encouraged to take leave to ensure they are well-rested, and IT systems have been established that support flexible working from alternate locations. An employee assistance program is also on offer to all employees free-of-charge, should they need support services.

Performance

GOLDOC's employee performance management framework ensures all employees are set up for success, with clearly defined goals and expectations outlined for each team member ensuring they are aware of their responsibilities and timeframes for deliverables. All new employees are required to attend an induction session conducted by the Workforce department and performance reviews are conducted annually.

Individuals are required to set goals and behaviours that link to the corporate operational plans, GOLDOC objectives, and GOLDOC's GREAT values.

This planning work aims to ensure GOLDOC's workforce is organised as efficiently and effectively as possible to deliver the best Commonwealth Games on record – on time and on budget.

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Centium Software GPY&R

OPEN DATA

For 2015-16 GOLDOC's consultancies, Board remuneration and overseas travel will be published through the Queensland Government's Open Data website² instead of in the Annual Report.

Online publication

GOLDOC will publish its Annual Report 2015-16 online at The Gold Coast Commonwealth Games Corporation website.³

² <http://www.data.qld.gov.au>

³ <http://www.gc2018.com/>

GOVERNMENT DIRECTIONS



Minister for Transport and the Commonwealth Games

RECEIVED
11 FEB 2016

BY:

Ref: CTS 27541/15

Mr Nigel Chamier AO OAM
Chair
Gold Coast 2018 Commonwealth Games Corporation
PO Box 8177
GCMC QLD 9726

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41 George Street Brisbane 4000
GPO Box 2644 Brisbane
Queensland 4001 Australia
Telephone +61 7 3719 7240
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commonwealthgames@ministerial.qld.gov.au
Websites www.tmr.qld.gov.au
www.dtesb.qld.gov.au

Dear Nigel

STATEMENT OF EXPECTATIONS

Following my recent appointment as Minister for Transport and the Commonwealth Games, I wish to provide a directive pursuant to section 10 of the *Commonwealth Games Arrangements Act 2011* that outlines my Statement of Expectations (SoE) for the period covering 25 January 2016 to 31 January 2017.

As you are aware, the Palaszczuk Government is fully committed to a successful Gold Coast 2018 Commonwealth Games (GC2018).

The Premier has conveyed the government's priorities for my portfolio. The Premier's requirements in relation to this part of my portfolio are to deliver the Commonwealth Games within budget, working collaboratively and transparently with partners and stakeholders.

In order to achieve this objective, I have identified key areas of focus for GOLDOC's performance for the next twelve months. Please note that as planning for GC2018 progresses, there may be a need to update the SoE.

Games Planning

Efficiency, transparency and consultation with the people of Queensland in planning the Commonwealth Games is of paramount importance to the Palaszczuk Government.

The key areas of accountability for GOLDOC include:

- Monthly reporting to the Office of the Commonwealth Games Delivery (OCGD)
- The provision of all correspondence between GOLDOC and the CGF to the OCGD
- Detailed financial analysis for each functional area on a quarterly basis
- Early identification of significant milestones and the provision of reports identifying these milestones and reporting on their progress to the OCGD and the Minister for the Commonwealth Games.

Stakeholder Engagement

Collaborative partnerships focus on responsiveness and transparency through clear and open engagement with all stakeholders.

The key areas of accountability include:

- Inclusive engagement with a broad range of stakeholders
- Constructive engagement with Games Partners
- Positive media engagement in consultation with the OCGD and the Office of the Minister for the Commonwealth Games
- Positive community engagement in consultation with the OCGD and the Office of the Minister for the Commonwealth Games.

Governance and Compliance

Effective governance will contribute to successful delivery of the Commonwealth Games. Since coming to Government, the Palaszczuk Government has undertaken steps to improve the governance of GC2018 through the establishment of the Tourism and Commonwealth Games Cabinet Committee.

The key areas of accountability include:

- Strong leadership at all levels, with a focus on ethical behaviour that upholds the standard set by this Government with its commitment to integrity and accountability
- Effective management of the corporation's governance, including systems and processes that are fit for purpose
- Compliance with State legislation requirements
- Compliance with Commonwealth Games Federation requirements
- Conduct and report on annual performance reviews for the GOLDOC Executive Management Team
- Identification, mitigation and appropriate escalation of strategic risks to process and reputation.

GC2018 has recently received praise from the Commonwealth Games Federation Coordination Commission, where they delivered a strong endorsement of the progress and preparations for the Games.

I would ask that GOLDOC:

- Optimise the opportunity to showcase Queensland and the Gold Coast
- Identify opportunities to maximise the economic benefits to the State
- Seek out and capitalise on sponsorship opportunities
- Identify and immediately escalate concerns surrounding any key risks to the State, the Games or to GOLDOC.

I require a written response to this SoE as a Statement of Intent by 15 February 2016 outlining GOLDOC's priorities over the coming 12 months, including delivery, performance milestones and continuous improvement processes for your organisation. In order to demonstrate to the people of Queensland and the Government that GOLDOC meets high standards of ethical behaviour and integrity, I further request that GOLDOC nominate its senior officers to seek advice from the Office of Queensland Integrity Commissioner in order to ensure that no conflict of interest issues exist within the organisation.

The investment in the 2018 Commonwealth Games by the three tiers of Government is a once-in-a generation opportunity to optimise Queensland's position as a leader in major event delivery, showcase our wonderful natural heritage and engage the Commonwealth and Australia.

I recognise that GOLDOC is critical to the success of the Games and I understand that planning is well advanced. I am confident that this level of success will continue and that we will deliver the 'best games ever' in April 2018.

I look forward to working with you and sharing this exciting journey with you.

Yours sincerely



STIRLING HINCHLIFFE MP
Minister for Transport and the Commonwealth Games

5 FEB 2016

CONTACTS AND LOCATION

Games Headquarters

Gold Coast 2018 Commonwealth Games Corporation
ABN: 47 959 083 668

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Weekdays 8.30am – 5.00pm

Fax

Within Australia: (07) 5618 2000
Outside of Australia: +61 7 5618 2000
Weekdays 8.30am – 5.00pm

Feedback

GOLDOC is interested in hearing your feedback on its Annual Report 2015-16. Please help us by taking a few minutes to complete the [survey](#)⁴ so that we can continue to improve the quality of our Annual Report.

If you have trouble viewing or printing this document, contact info@goldoc.com for an alternative format, such as hard copy.

⁴ <http://www.qld.gov.au/annualreportfeedback>

GLOSSARY

Acronym	Definition
ACGA	Australian Commonwealth Games Association
ACM	Accommodation
ASIAL	Australian Security Industry Association Limited
Bid Book	Gold Coast City Candidature File
CGA	Commonwealth Games Association
CGC	City of Gold Coast
CGF	Commonwealth Games Federation
CGV	Commonwealth Games Village
CoCom	Coordination Commission
CWFH	Currumbin Wildlife Foundation Hospital
DTESB	Department of Tourism, Major Events, Small Business and the Commonwealth Games
FA	Functional Area
FAC	Finance and Audit Committee
GC2018	Gold Coast 2018 Commonwealth Games™
GOLDOC	Gold Coast 2018 Commonwealth Games Corporation
JMC	Joint Marketing Committee
JMP	Joint Marketing Program
JMW	Jack Morton Worldwide
MVE	Model Venue Exercise
OCG	The Office of the Commonwealth Games
QAO	Queensland Audit Office
VOP	Village Operational Planning

COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report page #
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister 	ARRs – section 8	1
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 10.1	3-4 41
	<ul style="list-style-type: none"> Public availability 	ARRs – section 10.2	2,40
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 10.3	2
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 10.4	2
	<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
<ul style="list-style-type: none"> Agency role and main functions 		ARRs – section 11.2	9
<ul style="list-style-type: none"> Operating environment 		ARRs – section 11.3	10
<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	12,44
	<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	13
	<ul style="list-style-type: none"> Agency service areas⁷ and service standards 	ARRs – section 12.4	13-20
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 13.1	21
	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 14.1	22

Summary of requirement		Basis for requirement	Annual report page #
Governance – management and structure	• Executive management	ARRs – section 14.2	29
	• Government bodies (Statutory Bodies and other entities)	ARRs – section 14.3	N/A
	• <i>Public Sector Ethics Act 1994</i>	<i>Public Sector Ethics Act 1994</i> ARRs – section 14.4	31
	• Queensland Public Service Values	ARRs – section 14.5	N/A
Governance – risk management and accountability	• Risk management	ARRs – section 15.1	31
	• Audit committee	ARRs – section 15.2	27
	• Internal audit	ARRs – section 15.3	32
	• External scrutiny	ARRs – section 15.4	32
	• Information systems and recordkeeping	ARRs – section 15.5	34
Governance – human resources	• Workforce planning, attraction and retention, and performance	ARRs – section 16.1	33-34
	• Early retirement, redundancy and retrenchment	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 16.2	34
Open Data	• Consultancies	ARRs – section 17 ARRs – section 34.1	36
	• Overseas Travel	ARRs – section 17 ARRs – section 34.2	36
	• Queensland Language Services Policy	ARRs – section 17 ARRs – section 34.3	N/A
Financial statements	• Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 18.1	See Financial Statements
	• Independent Auditor’s Report	FAA – section 62 FPMS – section 50 ARRs – section 18.2	See Financial Statements

APPENDIX A

The Queensland Government's objectives for the community

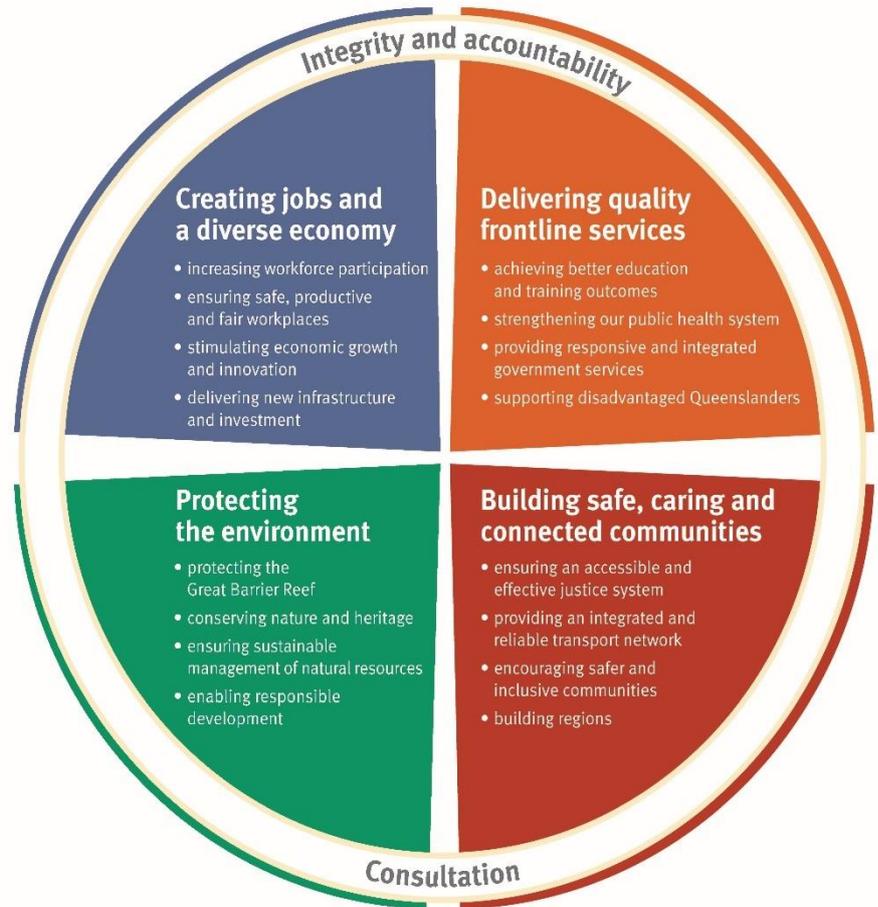
The Queensland Government is humbled by the opportunity the community provided to deliver a better way for their state.

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





Financial Statements

2015 -16



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STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF CHANGES IN EQUITY	4
STATEMENT OF CASH FLOWS	5
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	6
MANAGEMENT CERTIFICATE	36

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*.

GOLDOC is part of the portfolio 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.qc2018.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 2016

	Notes	2016 \$'000	2015 \$'000
Income from continuing operations			
Grants	2	71,518	31,428
Commercial revenue	3	1,067	-
Other income	4	887	1,749
Total income from continuing operations		73,472	33,177
Expenses from continuing operations			
Employee expenses	5	26,633	11,180
Supplies and services	7	29,886	10,775
Depreciation and amortisation	8	2,186	850
Other expenses	9	2,351	93
Total expenses from continuing operations		61,056	22,898
Operating result for the year		12,416	10,279

The accompanying notes form part of these statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Notes	2016 \$'000	2015 \$'000
Current assets			
Cash and cash equivalents	10	64,481	31,433
Trade and other receivables	11	1,156	465
Other assets	12	428	1,524
Total current assets		66,065	33,422
Non-current assets			
Plant and equipment	13	8,101	3,403
Intangible assets	14	1,958	1,562
Other assets	12	580	1,263
Total non-current assets		10,639	6,228
Total assets		76,704	39,650
Current liabilities			
Trade and other payables	15	2,450	1,077
Accrued employee benefits	16	1,072	841
Total current liabilities		3,522	1,918
Non-current liabilities			
Accrued employee benefits	16	1,142	414
Other liabilities	17	43,622	21,316
Total non-current liabilities		44,764	21,730
Total liabilities		48,286	23,648
Net assets		28,418	16,002
Equity			
Accumulated surplus		28,418	16,002
Total equity		28,418	16,002

The accompanying notes form part of these statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	Accumulated surplus \$'000
Balance as at 1 July 2014	5,723
Total operating result for the year	<u>10,279</u>
Balance as at 30 June 2015	<u>16,002</u>
Balance as at 1 July 2015	16,002
Total operating result for the year	<u>12,416</u>
Balance as at 30 June 2016	<u>28,418</u>

The accompanying notes form part of these statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$'000	2015 \$'000
Cash flows from operating activities			
Grants received		71,518	31,428
Interest received		884	385
Receipts from operations		23,489	26,220
Employee expenses		(25,390)	(9,851)
Supplies and services		(31,416)	(13,360)
GST received from ATO		2,182	1,310
GST paid to ATO		(940)	(4,613)
Net cash provided by operating activities	18	<u>40,327</u>	<u>31,519</u>
Cash flows from investing activities			
Payments for plant, equipment and intangible assets		<u>(7,279)</u>	<u>(4,813)</u>
Net cash used in investing activities		<u>(7,279)</u>	<u>(4,813)</u>
Net increase in cash and cash equivalents		33,048	26,706
Cash and cash equivalents at beginning of financial year		31,433	4,727
Cash and cash equivalents at end of financial year	10	<u><u>64,481</u></u>	<u><u>31,433</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 2016

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 other Queensland Government agencies

There are government services outside of GOLDOC required to deliver the Games and these are coordinated through the Office of Commonwealth Games (OCG) within the Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTEBS). The OCG 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) Compliance with prescribed requirements

GOLDOC has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2015. GOLDOC is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards applied for the first time and/or early adopted in these financial statements are outlined in Note 1(v) and Note 1(w).

(b) The reporting entity

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

(c) Presentation

Currency and rounding

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

Comparatives

Comparative information reflects the audited 2014-15 financial statements except where restated 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 2016

(c) Presentation (continued)

Current/Non-Current Classification

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

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

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

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.

(d) Authorisation of financial statements for issue

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

(e) Basis of measurement

Historical cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value

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.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(f) Revenue and other income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to GOLDOC and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Grant revenue

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

Broadcast rights revenue

Broadcast rights revenue derived under commercial contract arrangements 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 (Note 17) and as receipts from operations in the Statement of Cash Flows.

Sponsorship revenue

Sponsorship revenue is recognised when GOLDOC obtains control of the sponsorship money and it is probable that the economic benefits gained from the sponsorship will flow to GOLDOC and the amount of the sponsorship can be measured reliably. If conditions are attached to the sponsorship which must be satisfied before it is eligible to receive the contribution, the recognition of the sponsorship as revenue will be deferred as unearned revenue until those conditions are satisfied.

Value-in-kind sponsorship revenue is recognised as outlined in Note 1(g).

Licensing revenue

Licensing revenue is recognised when GOLDOC obtains control of the licensing money and it is probable that the economic benefits gained from the licensing will flow to GOLDOC. If conditions are attached to the licensee agreement which must be satisfied before it is eligible to receive the contribution, the recognition of the licensing money as revenue will be deferred as unearned revenue until those conditions are satisfied.

(g) Value-in-Kind

Value-in-kind (VIK) represents benefits derived by GOLDOC via the use of equipment and services free of charge pursuant to the terms and conditions of various commercial and sponsorship agreements. VIK sponsorship revenue and expenditure is recognised in the financial statements at their estimated fair market value at the time of consumption.

(h) Unrealised foreign exchange gain/losses

Unrealised foreign exchange gains/losses are recorded 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(i) Employee benefits

Wages and salaries

Wages and salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current salary rates. As GOLDOC expects such liabilities to be wholly settled within 12 months, the liabilities are recognised at undiscounted amounts.

Sick leave

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

Annual leave

Annual leave entitlements are expected to be paid within 12 months and are classified as current liabilities and recognised at their present value in accordance with pay rates as at 30 June 2016.

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 2016. 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*.

Payroll tax and workers' compensation premiums

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.

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.

(j) 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.

GOLDOC does not have any finance leases.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(k) Cash and cash equivalents

For the purpose of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June 2016.

(l) Trade and other receivables

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

(m) Plant and equipment

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

Expenditure is only added to an asset's carrying amount if it increases the service potential of the existing asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

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

(n) Depreciation expense

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to GOLDOC. Straight line depreciation is used reflecting the progressive and even consumption of future economic benefits over their useful life to GOLDOC.

Estimated useful lives are reviewed on an annual basis. Plant and equipment will be fully depreciated by the expiration of GOLDOC's lease on 30 June 2018.

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

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

(o) Intangible assets

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(p) Amortisation expense

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

Estimated useful lives are reviewed on an annual basis. Intangible assets will be fully depreciated by 30 June 2018.

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

(q) Trade and other payables

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

(r) 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.

(s) 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.

(t) 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 (Note 11 and Note 15).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(u) Accounting policy changes

GOLDOC has maintained all the accounting policies adopted in the 2014-15 financial statements, except for:

The recognition threshold of intangible assets has increased from \$5,000 to \$100,000. For financial reporting purposes, not-for-profit agencies consolidated into the whole-of-Government financial statements are required to adopt the recognition thresholds, for Intangibles set out in *NCAP 1, Appendix 1.1 Non-Current Asset Classes and Thresholds*. There is no material impact on the financial statements as a result of this change.

(v) Accounting standards applied for the first time in 2015-16

No new Australian Accounting Standards effective for the first time in 2015-16 had any material impact on this financial report.

(w) Accounting standards early adopted for 2015-16

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*.

However, two Australian Accounting Standards have been early adopted for the 2015-16 year as required by QT. These are:

AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]

This Standard seeks to improve financial reporting by providing flexibility as to the ordering of notes, the identification and location of significant accounting policies and the presentation of sub-totals, and provides clarity on aggregating line items. It also emphasises only including material disclosures in the notes. GOLDOC has used professional judgement when applying this flexibility in preparing the 2015-16 financial statements.

AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities [AASB 13]

This Standard amends AASB 13 *Fair Value Measurement* and provides relief to not-for-profit public sector entities from certain disclosures about property, plant and equipment that is primarily held for its current service potential rather than to generate future net cash inflows. The relief applies to assets under AASB 116 *Property, Plant and Equipment* which are measured at fair value and categorised within Level 3 of the fair value hierarchy. As a result, disclosures are no longer required for those assets.

In early adopting the amendments, no disclosures were required to be removed from the 2015-16 financial statements as all GOLDOC assets are categorised as level 2.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(x) Future impact of accounting standards not yet effective

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

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107

This Standard will become effective from reporting periods beginning on or after 1 July 2017 and amends AASB 107 *Statement of Cash Flows* and requires entities preparing financial statements in accordance with Tier 1 reporting requirements to provide additional disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities. These disclosures will include both cash flows and non-cash changes between the opening and closing balance of the relevant liabilities and be disclosed by way of a reconciliation or roll forward as part of the notes to the statement of cash flows. The measurement of assets, liabilities, income and expenditure in the financial statements will be unaffected.

AASB 124 Related Party Disclosures

This Standard will become effective from reporting periods beginning on or after 1 July 2016 and 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 (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 or close members of their families.

AASB 15 Revenue from Contracts with Customers

This Standard will become effective from reporting periods beginning on or after 1 January 2018 and 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). At this stage, GOLDOC does not expect an impact on its present accounting practices as this Standard becomes effective in GOLDOC's final reporting period.

AASB 9 Financial Instruments and AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)

These Standards will become effective from reporting periods beginning on or after 1 January 2018. The main impacts of these standards on GOLDOC are that they will change the requirements for the classification, measurement, impairment and disclosures associated with GOLDOC's financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value. At this stage, GOLDOC does not expect an impact on its present accounting practices as this Standard becomes effective in GOLDOC's final reporting period.

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 2016

	2016	2015
	\$'000	\$'000
2. Grants		
Queensland Government grants	71,518	31,428
Total	<u>71,518</u>	<u>31,428</u>
3. Commercial revenue		
Sponsorship revenue	1,038	-
Licencing revenue	29	-
Total	<u>1,067</u>	<u>-</u>
4. Other income		
Interest from bank	35	21
Interest from QTC Cash Fund	851	366
Other	1	-
Unrealised foreign exchange gain	-	1,362
Total	<u>887</u>	<u>1,749</u>
5. Employee expenses		
Employee benefits		
Wages and salaries	22,392	8,734
Board fees	182	180
Employer superannuation contributions	2,012	843
Annual leave expense	529	278
Long service leave expense	(6)	7
Employee related expenses		
Workers' compensation premium	104	41
Payroll tax	1,143	431
Recruitment expenses	24	487
Other	253	179
Total	<u>26,633</u>	<u>11,180</u>
Full-time equivalent employees	<u>286</u>	<u>104</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

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 2015-16 and 2014-15. 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 expenses for key executive management personnel comprise the following components:

- Short term employee expenses include
 - salaries, allowances and leave entitlements earned and expensed for the entire year, or for that part of the year during which the employee was a key management person
 - retention payments recognised as an expense during the year but payable at the end of contract (i.e. after the Games and contingent on performance); and
 - non-monetary benefits consisting of fringe benefits tax applicable to benefits provided.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

(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	
		Appointment authority	Date initially appointed to position (date resigned from position)
Peter Beattie AC	Chairman	Governor in Council	19 May 2016
Nigel Chamier AM	Chairman	Governor in Council	10 May 2012 (16 May 2016)
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 (13 May 2016)
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
Bob Gordon	Board member	Governor in Council	19 May 2016

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(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.

Non-monetary benefits, long term employment expenses or termination benefits were not paid or payable to Board members for the year ended 30 June 2016.

Year ended 30 June 2016

Board member (date resigned from position)	Short term expenses		Long term expenses \$'000	Post- employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non- monetary benefits \$'000				
Peter Beattie AC	5	-	-	1	-	6
Nigel Chamier AM (16 May 2016)	44	-	-	-	-	44
Sam Coffa AM	18	-	-	2	-	20
Perry Crosswhite AM	20	-	-	-	-	20
Mike Victor OAM	18	-	-	2	-	20
Glynis Nunn-Cearns OAM	18	-	-	2	-	20
Dennis Chant (13 May 2016)	16	-	-	2	-	18
Peta Fielding	18	-	-	2	-	20
John Witheriff	11	-	-	1	-	12
Dale Dickson PSM	-	-	-	-	-	-
Bob Gordon	2	-	-	-	-	2

As part of Perry Crosswhite's prior role as Chief Executive Officer of the ACGA, he was required to serve as a Board member on the Bid and Organising Committees and as such any Board fees were paid to the ACGA. Mr Crosswhite retired from his position as Chief Executive Officer of the ACGA in July 2015, but remains on the Board as a consultant representing the ACGA. For the year ended 30 June 2016, GOLDOC paid \$20,050 to the ACGA in relation to his Board fees.

John Witheriff is a partner in the firm Minter Ellison Gold Coast. During the current reporting period, GOLDOC undertook an expression of interest for the provision of legal services. For the duration of this tender, John Witheriff took leave of absence from the GOLDOC Board, waived his fees and was not directly involved in the process.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(b) Remuneration expenses – Board (continued)

Year ended 30 June 2015

Board member (date resigned from position)	Short term expenses		Long term expenses \$'000	Post- employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses \$'000	Non- monetary benefits \$'000				
Nigel Chamier AM	50	-	-	-	-	50
Sam Coffa AM	18	-	-	2	-	20
Stephen Conry (23 February 2015)	12	-	-	1	-	13
Perry Crosswhite AM	20	-	-	-	-	20
Mike Victor OAM	18	-	-	2	-	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	-	-	-	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(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 2015-16. 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	
		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 and village operations.	Chief Executive Officer	17 May 2012
General Manager, Commercial and Marketing	Responsible for the strategic direction and leadership over the management for commercial revenue operations 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
General Manager, Strategic Engagement	Responsible for the strategic direction and leadership over GOLDOC's communications, government, public relations and engagement programs, as well as the delivery of the Queen's Baton Relay.	Chief Executive Officer	27 January 2016

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(d) Remuneration expenses - Executives

Short term employee expenses include accruals recognised during the period for retention payments outlined in Note 6(e).

Year ended 30 June 2016

Position	Short term employee expenses		Long term employee expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'000	Total expenses \$'000
	Monetary expenses	Non-monetary benefits				
	\$'000	\$'000				
Chief Executive Officer	658	-	-	56	-	714
General Manager, Finance and Business Services	305	-	-	26	-	331
General Manager, Venues, Operations and Sport	294	-	-	37	-	331
General Manager, Commercial and Marketing	303	-	-	26	-	329
General Manager, Planning and Readiness	303	-	-	26	-	329
General Manager, Strategic Engagement	127	-	-	16	-	143

Year ended 30 June 2015

Position	Short term employee expenses		Long term employee expenses \$'000	Post-employment expenses \$'000	Termination benefits \$'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 and Marketing	261	1	-	25	-	287
General Manager, Planning and Readiness	178	-	-	17	-	195

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(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. Eligibility for such a retention payment is conditional on the achievement of all key performance indicators and satisfactory performance throughout the term of the employment contract.

The calculation of the Chief Executive Officer's retention payment was confirmed in 2015-16 by the Board via its Remuneration Committee. GOLDOC did not recognise any retention payments as an expense in prior financial years for the Chief Executive Officer position.

The actual value of the retention payment expense is accrued only and is calculated from the date initially appointed to the position to 30 June 2016. The table below reflects the accruals recognised during the period for retention payments in respect of all key management personnel. Retention payment accruals are reflected in short term monetary expenses outlined in Note 6(d).

	2016	2015
	\$'000	\$'000
Chief Executive Officer	210	-
General Manager, Finance and Business Services	32	34
General Manager, Commercial and Marketing	30	27
General Manager, Planning and Readiness	29	18
Total	301	79

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$'000	2015 \$'000
7. Supplies and services		
Advertising and promotion	393	179
Building lease expense	1,220	701
Building services	130	107
CGF host fees	2,549	2,475
CGF sports development fund contribution	9,359	-
Contractors and consultants fees	9,018	2,777
Entertainment and hospitality	31	32
IT services	2,655	1,500
Low value assets expensed	851	193
Media expenses	66	67
Motor vehicle and car parking expenses	46	28
Printing, postage and stationery	133	122
Professional services	2,235	1,678
Telephone	80	46
Travel and accommodation expenses	455	513
Other	665	357
Total	29,886	10,775

8. Depreciation and amortisation

Depreciation and amortisation was incurred in respect of:

Plant and equipment	1,631	519
Software purchased	555	331
Total	2,186	850

9. Other expenses

Insurance premiums	80	55
External audit fees	74	38
Unrealised foreign exchange loss	2,197	-
Total	2,351	93

Total external audit fees relating to the 2015-16 financial year are estimated to be \$72,000 and have been accrued. An additional \$2,000 relates to an under accrual in the 2014-15 financial year. There are no non-audit services included in this amount.

10. Cash and cash equivalents

Cash at bank	1,945	512
Cash at QTC Cash Fund	62,535	30,920
Cash on hand	1	1
Total	64,481	31,433

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$'000	2015 \$'000
11. Trade and other receivables		
Current		
Interest receivable	5	2
Trade receivables	770	463
GST input tax credits receivable	408	-
GST payable	(27)	-
	<u>381</u>	<u>-</u>
Total	<u>1,156</u>	<u>465</u>
12. Other assets		
Current		
Prepayments	295	126
Derivative assets	133	1,398
Total	<u>428</u>	<u>1,524</u>
Non-current		
Prepayments	580	366
Derivative assets	-	897
Total	<u>580</u>	<u>1,263</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$'000	\$'000
13. Plant and equipment		
Plant and equipment:		
At cost	5,560	3,639
Less: Accumulated depreciation	<u>(1,883)</u>	<u>(252)</u>
	3,677	3,387
Work-in-progress:		
At cost	<u>4,424</u>	<u>16</u>
Total	<u>8,101</u>	<u>3,403</u>

	Plant & equipment	Work in progress	Total
	2016	2016	2016
	\$'000	\$'000	\$'000
Plant and equipment reconciliation			
Carrying amount at 1 July 2015	3,387	16	3,403
Acquisitions	-	6,329	6,329
Transfers	1,921	(1,921)	-
Depreciation	(1,631)	-	(1,631)
Carrying amount at 30 June 2016	<u>3,677</u>	<u>4,424</u>	<u>8,101</u>

	Plant & equipment	Work in progress	Total
	2015	2015	2015
	\$'000	\$'000	\$'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>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$'000	\$'000
14. Intangible assets		
Software purchased:		
At cost	2,179	1,980
Less: Accumulated amortisation	(973)	(418)
	<u>1,206</u>	<u>1,562</u>
Work-in-progress:		
At cost	752	-
Total	<u>1,958</u>	<u>1,562</u>

	Software purchased	Work in progress	Total
	2016	2016	2016
	\$'000	\$'000	\$'000
Intangibles reconciliation			
Carrying amount at 1 July 2015	1,562	-	1,562
Acquisitions	-	951	951
Transfers	199	(199)	-
Amortisation	(555)	-	(555)
Carrying amount at 30 June 2016	<u>1,206</u>	<u>752</u>	<u>1,958</u>

	Software purchased	Work in progress	Total
	2015	2015	2015
	\$'000	\$'000	\$'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>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$'000	\$'000
15. Trade and other payables		
Trade payables	959	51
Accrued expenses	1,016	316
Other payables	475	366
GST input tax credits receivable	-	(162)
GST payable	-	506
	<u>-</u>	<u>344</u>
Total	<u>2,450</u>	<u>1,077</u>
16. Accrued employee benefits		
Current		
Wages and salaries	-	330
Annual leave	1,072	511
Total	<u>1,072</u>	<u>841</u>
Non-current		
Wages and salaries	931	351
Long service leave	211	63
Total	<u>1,142</u>	<u>414</u>
17. Other liabilities		
Non-current		
Deposits	23	-
Derivative liabilities	35	-
Unearned revenue	43,564	21,316
Total	<u>43,622</u>	<u>21,316</u>
18. Reconciliation of operating surplus to net cash from operating activities		
Operating surplus/(deficit)	12,416	10,279
Depreciation expense	1,631	519
Amortisation expense	555	331
Unrealised foreign exchange (gain)/loss	2,197	(1,362)
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(691)	(90)
(Increase)/decrease in other assets	(383)	23
Increase/(decrease) in trade and other payables	1,372	(284)
Increase/(decrease) in accrued employee benefits	959	787
Increase/(decrease) in other liabilities	22,271	21,316
Net cash provided by operating activities	<u>40,327</u>	<u>31,519</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$'000	2015 \$'000
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19. Commitments

(a) Non-cancellable operating lease

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

Not later than 1 year	1,675	758
Later than 1 year but not later than 5 years	2,250	1,572
Later than 5 years	-	-
Total	3,925	2,330

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

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

Plant & equipment

Not later than 1 year	6,470	895
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
Total	6,470	895

Intangible assets

Not later than 1 year	4,614	23
Later than 1 year but not later than 5 years	5,337	-
Later than 5 years	-	-
Total	9,951	23

The 2014-15 comparatives for commitments reflect the 2014-15 financial statements which were inclusive of anticipated GST. Now only the non-recoverable GST input tax credits are included in 2015-16.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

20. Financial risk disclosures

(a) Financial instruments categories

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

Category	Notes	2016 \$'000	2015 \$'000
Financial assets			
Cash and cash equivalents	10	64,481	31,433
Trade and other receivables	11	1,156	465
Derivative assets	12	133	2,295
Total		65,770	34,193
Financial liabilities			
Trade and other payables	15	2,450	1,077
Derivative liabilities	17	35	-
Total		2,485	1,077

GOLDOC recognises its foreign currency hedge contracts (derivative assets/liabilities) 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.

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

(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 refers to the situation where GOLDOC may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

GOLDOC is exposed to credit risk in respect of its trade and other receivables (Note 11). The maximum exposure to credit risk at balance date for trade and other receivables is the gross carrying amount of those assets.

In accordance with GOLDOC's Treasury policy, credit risk on financial assets is minimised by dealing with recognised and approved financial institutions with acceptable credit ratings. GOLDOC has cash deposited with the Queensland Treasury Corporation (QTC) and the Commonwealth Bank of Australia.

A bank guarantee was provided in 2016 by Matevents Pty Ltd, a company established for the purpose of providing the Master Licensee services to GOLDOC. The initial amount guaranteed was \$850,000 and the remaining balance guaranteed at 30 June 2016 is \$850,000.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

(c) Credit risk (continued)

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

All trade and other receivables are expected to be fully collectible as at 30 June 2016.

(d) Liquidity risk

Liquidity risk refers to the situation where GOLDOC may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

GOLDOC is exposed to liquidity risk in respect of its trade and other payables (Note 15).

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

An overdraft facility of \$500,000 was approved by the Treasurer on 21 December 2012 in accordance with section 31(2) of the SBFA. This overdraft was not utilised by GOLDOC during the financial year ended 30 June 2016.

GOLDOC has no borrowings. All trade and other payables are generally settled within two months or less.

(e) Market risk – currency risk

Currency risk arises when future transactions are denominated in non-Australian currency.

GOLDOC's policy is to hedge 100 percent of the value of the contract when contracts are definite and are over \$100,000 Australian dollars.

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.

GOLDOC is required to make licence fee payments each year in pounds sterling (GBP) to the CGF in accordance with obligations under the Host City Contract and receive broadcast revenue payments in United States dollars (USD) in accordance with the executed broadcast rights holder contracts.

The hedging program as at 30 June 2016 is made up of the following:

Currency	Face value of revenue commitments '000 AUD	Face value of expenditure commitments '000 AUD
Pounds sterling (GBP)	-	5,316
United States dollars (USD)	2,918	-
	2,918	5,316

The movement of the Australian dollar against the GBP and USD at 30 June 2016 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 2016

(e) Market risk – currency 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 \$10,000.

Financial instruments	Carrying amount \$'000	2016 Exchange rate movement			
		-10%		+10%	
		Surplus	Equity	Surplus	Equity
Derivative assets	133	(13)	(13)	13	13
Derivative liabilities	(35)	3	3	(3)	(3)
Potential impact		(10)	(10)	10	10

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

(f) Market risk - interest rate risk

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 \$645,000.

Financial instruments	Carrying amount \$'000	2016 Interest rate risk			
		-1%		+1%	
		Surplus	Equity	Surplus	Equity
Cash and cash equivalents	64,481	(645)	(645)	645	645
Potential impact		(645)	(645)	645	645

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

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 2016

23. Budget versus Actual Comparison

Statement of Comprehensive Income

	Variance notes	Original budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance % of budget
Income from continuing operations					
Grants		71,518	71,518	-	-
Commercial revenue	1	-	1,067	1,067	-
Other income		641	887	246	38%
Total income from continuing operations		72,159	73,472	1,313	2%
Expenses from continuing operations					
Employee expenses	2	28,346	26,633	(1,713)	(6%)
Supplies and services	3	41,509	29,886	(11,623)	(28%)
Depreciation and amortisation		2,273	2,186	(87)	(4%)
Other expenses	4	156	2,351	2,195	1,407%
Total expenses from continuing operations		72,284	61,056	(11,228)	(16%)
Operating result for the year	5	(125)	12,416	12,541	(10,033%)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

23. Budget versus Actual Comparison (continued)

Statement of Financial Position

	Variance notes	Original budget 2016 \$'000	Actual 2016 \$'000	Variance \$'000	Variance % of budget
Current assets					
Cash and cash equivalents	6	35,079	64,481	29,402	84%
Trade and other receivables	7	11,041	1,156	(9,885)	(90%)
Other assets		1,126	428	(698)	(62%)
Total current assets		47,246	66,065	18,819	40%
Non-current assets					
Trade and other receivables	8	4,600	-	(4,600)	(100%)
Plant and equipment	9	5,438	8,101	2,663	49%
Intangible assets	10	-	1,958	1,958	-
Other assets		470	580	110	23%
Total non-current assets		10,508	10,639	131	1%
Total assets		57,754	76,704	18,950	33%
Current liabilities					
Trade and other payables	11	2,061	2,450	389	19%
Accrued employee benefits	12	391	1,072	681	174%
Total current liabilities		2,452	3,522	1,070	44%
Non-current liabilities					
Accrued employee benefits	13	720	1,142	422	59%
Other liabilities	14	47,756	43,622	(4,134)	(9%)
Total non-current liabilities		48,476	44,764	(3,712)	(8%)
Total liabilities		50,928	48,286	(2,642)	(5%)
Net assets		6,826	28,418	21,592	316%
Equity					
Accumulated surplus		6,826	28,418	21,592	316%
Total equity	15	6,826	28,418	21,592	316%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

23. Budget versus Actual Comparison (continued)

Statement of Cash Flows

		Original budget	Actual	Variance	Variance
	Variance notes	2016 \$'000	2016 \$'000	\$'000	% of budget
Cash flows from operating activities					
Grants received		71,518	71,518	-	-
Interest received		641	884	243	38%
Receipts from operations	16	17,165	23,489	6,324	37%
Employee expenses	17	(27,933)	(25,390)	2,543	(9%)
Supplies and services	18	(43,080)	(31,416)	11,664	(27%)
GST received from ATO	19	-	2,182	2,182	-
GST paid to ATO	20	-	(940)	(940)	-
Net cash provided by operating activities		18,311	40,327	22,016	120%
Cash flows from investing activities					
Payments for plant, equipment and intangible assets	21	(2,866)	(7,279)	(4,413)	154%
Net cash used in investing activities		(2,866)	(7,279)	(4,413)	154%
Net increase in cash and cash equivalents		15,445	33,048	17,603	114%
Cash and cash equivalents at beginning of financial year		19,634	31,433	11,799	60%
Cash and cash equivalents at end of financial year		35,079	64,481	29,402	84%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

23. Budget versus Actual Comparison (continued)

Explanations of Major Variances

Statement of Comprehensive Income

1. The increase in commercial revenue is due to contracted commercial revenues in 2015-16 generated through sponsorship and licensing activities.
2. The reduction in employee expenses reflects the revision to workforce plans with staff recruitment initially budgeted in 2015-16 being re-scheduled to closer to Games-time.
3. The reduction in supplies and services is due to the expenditure patterns being reviewed through regular baseline updates as further contracting and operational planning are undertaken. This is in line with GOLDOC's life cycle budget approach.
4. The increase in other expenses is due to the recognition of an unrealised foreign exchange loss in 2015-16 when derivative contracts used for hedging foreign exchange risk were re-valued.
5. The operating result for the year reflects GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. Surpluses and deficits are budgeted and accounted for as required, with GOLDOC budgeting a zero equity position following its dissolution by 30 June 2019.

Statement of Financial Position

6. The increase in cash and cash equivalents principally reflects the expected timing of commercial revenue received in advance of operational activity as per contracted arrangements and the receipt of government grant funding.
7. The reduction in current trade and other receivables relates to a change in recognition of receivables for broadcast rights. Broadcast rights payments are recognised when they are due, but were treated as fully receivable upon contract signing when the 2015-16 budget was prepared.
8. The reduction in non-current trade and other receivables relates to a change in recognition of receivables for broadcast rights. Broadcast rights payments are recognised when they are due, but were treated as fully receivable upon contract signing when the 2015-16 budget was prepared.
9. The increase in plant and equipment is principally due to the increasing GHQ office accommodation requirements in 2016-17.
10. The increase in intangible assets reflects the reclassification of intangible assets from plant and equipment.
11. The increase in current trade and other payables reflects the changed timing of supplier payments planned for 2015-16 being payable in 2016-17.
12. The increase in current accrued employee benefits principally relates to accrued annual leave due to increased staffing required to deliver the milestones and strategic priorities in GOLDOC's business plan and the compliance requirements set by the CGF.
13. The increase in non-current accrued employee benefits principally relates to accrued retention payments and accrued long service leave due to increased staff that are eligible for these benefits.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

23. Budget versus Actual Comparison (continued)

Statement of Cash Flows

14. The reduction in non-current other liabilities relates to a change to the accounting recognition of receivables for broadcast rights. Broadcast rights payments are recognised when they are due, but were treated as fully receivable upon contract signing when the 2015-16 budget was prepared.
15. The increase in total equity principally reflects the increased operating surplus due to a reduction in expenses from continuing operations and the increase in the actual accumulated surplus from 2014-15. This is in line with GOLDOC's life cycle budget approach, appropriate for a limited life statutory body. GOLDOC has budgeted a zero equity position following its dissolution by 30 June 2019.
16. The increase in inflows for receipts from operations reflects the increased activity in commercial revenues generated through broadcast rights activities.
17. The reduction in outflows for employee expenses reflects the change in timing of staff recruitment in 2015-16.
18. The reduction in outflows for supplies and services reflects budget phasing in line with contract commitments.
19. The increase in inflow for GST received from ATO is due to the unbudgeted GST collectible from the ATO for receipts from operations in 2015-16.
20. The increase in outflow for GST paid to ATO is due to the unbudgeted GST payable to the ATO for supplies and services in 2015-16.
21. The increase in outflows for payments for plant, equipment and intangible assets is principally due to increasing GHQ office accommodation requirements.

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 2016 and of the financial position at GOLDOC at the end of that year; and
- c) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.



Peter Beattie AC

Chairman

Date

23/8/16



Mark Peters

Chief Executive Officer

Date

23/8/2016



Helen Moore FCPA

General Manager Finance and Business Services

Date

23/8/2016

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 2016, 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

In 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 2015 to 30 June 2016 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 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

