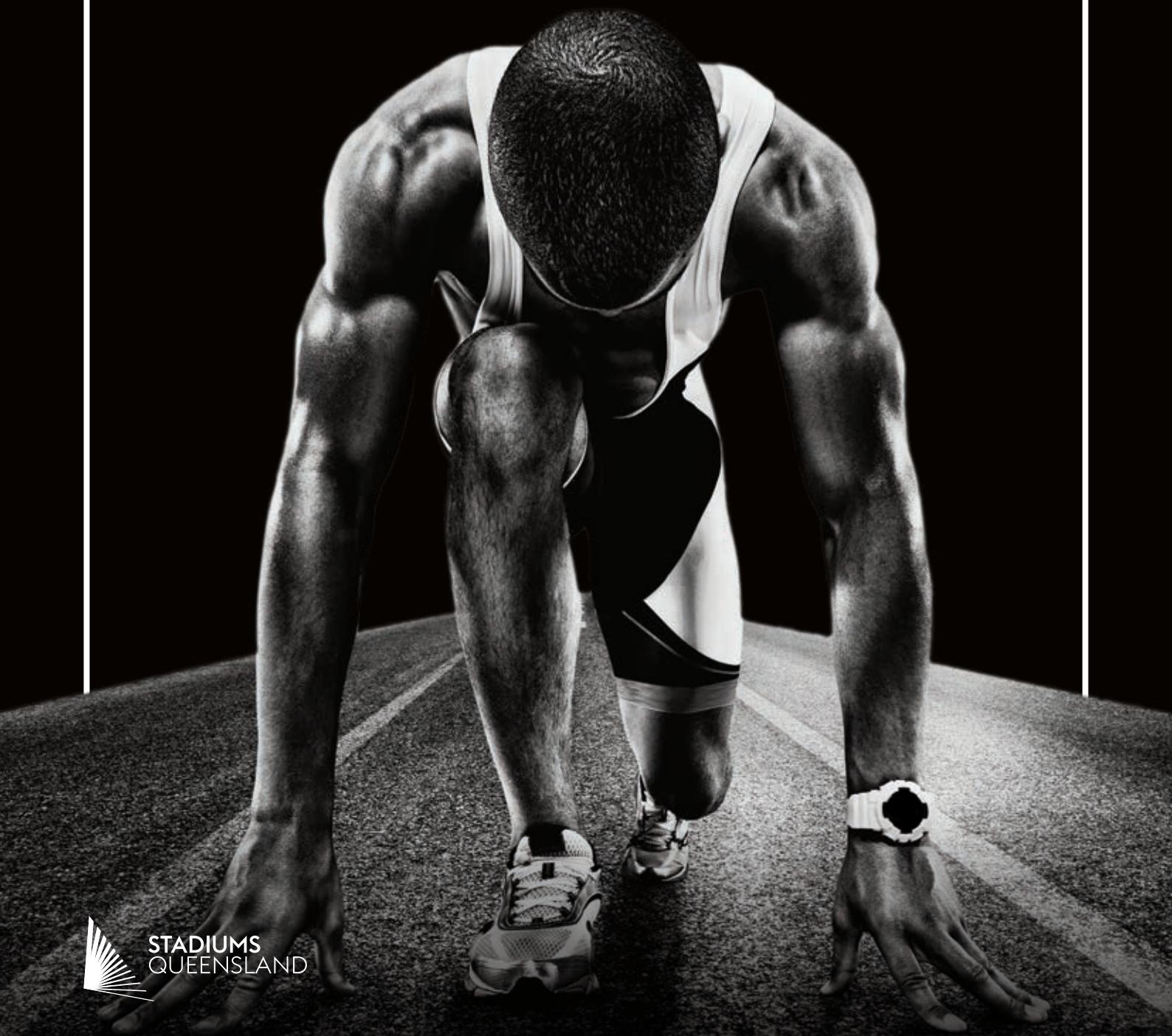


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ANNUAL REPORT



STADIUMS
QUEENSLAND

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Stadiums Queensland Annual Report 2017–2018

27 September 2018

The Honourable Mick de Brenni MP
Minister for Housing and Public Works, Minister for Digital Technology and Minister for Sport
PO Box 2457
Brisbane QLD 4001

Dear Minister

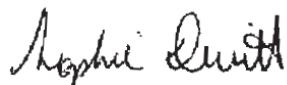
I am pleased to present the Annual Report 2017–2018 for Stadiums Queensland.

I certify 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 reporting requirements can be accessed at www.stadiums.qld.gov.au.

Yours sincerely



Sophie Devitt
Chair
Stadiums Queensland



great venues – great experiences.

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STADIUMS QUEENSLAND AT A GLANCE

Stadiums Queensland (SQ) is a statutory authority which manages, operates and promotes the use of the State's major sport, entertainment and recreation facilities.

SQ is overseen by a Board of Directors and began operations on 21 December 2001, under the *Major Sports Facilities Act 2001*.

In 2017–2018, SQ:

- Hosted nearly four and a half million patrons across its nine venues;
- Assisted in the planning and delivery of the Gold Coast 2018 Commonwealth Games (GC2018);
- Continued to partner with Cricket Australia, Tourism and Events Queensland and Brisbane Marketing to deliver International cricket at The Gabba;
- Continued to work with key stakeholders on the delivery of the new North Queensland Stadium (NQS) in Townsville;
- Continued to work with key stakeholders on the delivery of the new Queensland State Netball Centre (QSNC); and
- Began implementation of a wide range of security infrastructure enhancements at all venues.

In respect of SQ venues:

- Suncorp Stadium hosted 47 major events, attended by more than 1.1 million patrons including the venue's first ever boxing event, the 'Battle of Brisbane';
- The Queensland Sport and Athletics Centre (QSAC) began construction of the QSNC and completed the replacement of the State Athletics Facility and Main Stadium Athletics Tracks;
- I3OOSMILES Stadium hosted two Rugby League World Cup events;
- The Queensland Tennis Centre (QTC) hosted more than 90,000 fans for the Brisbane International as well as a record attendance at the venue for the Davis Cup;
- The Gabba hosted more than 130,000 fans for the first Ashes Test match of the Summer, as well as four sold-out Big Bash matches;
- Cbus Super Stadium hosted the GC2018 Rugby 7s competition;
- Metricon Stadium established Queensland's first drop-in cricket wickets as well as cricket practice and warm up facilities at the venue;
- The Brisbane Entertainment Centre (BEC) hosted more than 650,000 fans for a range of concerts including contemporary, R&B and alternative music artists, as well as comedy, acrobatic and sporting events; and
- The Sleeman Sports Complex (SSC) hosted the Track Cycling Competition for the GC2018.

OVERALL PATRONAGE

	2017–2018	2016–2017
The Gabba	566,896	565,666
Suncorp Stadium	1,118,937	1,099,864
Cbus Super Stadium	913,753	186,025
Brisbane Entertainment Centre	666,971	513,772
Queensland Sport and Athletics Centre	249,558	265,258
Sleeman Sports Complex	668,983	719,482
I300SMILES Stadium	206,675	228,876
Queensland Tennis Centre	223,807	236,170
Metricon Stadium	438,199	177,090
Total	4,353,779	3,992,203

OUR PRIORITIES



Operate and maintain the State's major sporting venues to a standard that meets the requirements of the governing bodies of elite sport, both national and international.



Provide safe venues and a quality experience for patrons who attend, or who participate in sporting and entertainment events hosted at SQ facilities.



Provide the community, schools and other institutions with access to a range of quality athletic, entertainment and leisure facilities to foster participation in sport, recreation and the performing arts.



Work with relevant stakeholders in support of Queensland's tourism industry by attracting international, interstate and intrastate patrons to major sporting and entertainment events at SQ venues.



Create jobs through construction projects (which contribute to the State's sporting infrastructure) and the hosting of major events.



Improve operational efficiencies and reduce event costs.



Continue to introduce environmentally sustainable technologies and practices into the venues such as recycling, water harvesting, public transport, online ticketing and solar power.



Develop innovative partnerships with educational institutions and relevant sport industry bodies, both locally and internationally, to foster training and development opportunities for elite athletes and research.

CORPORATE OVERVIEW

OUR VISION

great venues – great experiences.

OUR MISSION

To provide the best possible venue experience for our users and the community.

OUR CORE VALUES

- Integrity
- Achievement
- Agility
- Team

SQ'S CHALLENGES AND OPPORTUNITIES

Having regard to SQ's Organisational Risk Profile, the key strategic challenges and opportunities facing SQ are:

- Operating an accountable, financially sustainable and agile organisation;
- Maintaining an effective commercial model to deliver optimal operating outcomes;
- Ensuring SQ's venues are safe and secure, contemporary and provide a quality experience for patrons and hirers;
- Remaining competitive whilst ensuring benefits are gained for the Queensland Government;
- Maximising asset utilisation and diversification of offerings to maintain and grow the revenue base; and
- Recruiting and retaining skilled and experienced staff to deliver the best venue experience for the users and the community.

CONTRIBUTION TO THE STATE GOVERNMENT'S OBJECTIVES

State Government Objective	SQ Approach
Creating Jobs in a strong economy	SQ's Strategic Plan supports this priority by attracting and hosting events, boosting the Queensland economy and creating ongoing event related employment across varied sectors to support event delivery. In addition, this objective supports job creation associated with major construction, in particular the NQS and QSNC projects, as well as other ongoing capital and maintenance projects delivered annually through SQ's assets and facilities program.
Be a responsive government	SQ's vision supports this priority through the patron experience focus and emphasis on making our venues and services easy to use. SQ's focus on process enhancement and striving for continuous evolution across the organisation will deliver high levels of customer satisfaction and efficient management of the organisational needs in accordance with community expectations. SQ also continues to advance technology initiatives and digitisation of services to make it faster and easier to access information about and attend our venues.
Protecting the Great Barrier Reef	SQ's environmental focus supports this priority by embedding risk strategies within our organisational processes to identify, respond to and mitigate environmental hazards and minimise our contribution to climate change. Additionally, SQ implements a broad range of environmentally sustainable initiatives within its venues, including waste streaming, recycling, water saving, energy harvesting and smart venue technologies that enhance venue operations, create efficiencies and ensure an environmental focus is 'front of mind' in all aspects of our business processes.
Keep Queenslanders Healthy and Communities Safe	SQ's venues are world class, well maintained, safely operated, and provide facilities that enable healthy living for all Queenslanders in the pursuit of recreation, health and fitness, through to elite athlete training and professional sports participation. SQ's operational focus associated with risk management, user safety, workplace health and safety and incident management delivers on this Government priority. Supported by our key partners like the Queensland Police Service we ensure our crowded places, venue precincts and multi-sport venues are safe and protected for the community.

STRATEGIC OBJECTIVES AND OUTCOMES

Our strategic objectives and outcomes are based upon the three critical elements that give life to the organisation:

PEOPLE

Harnessing our people's energy for great venues – great experiences

Strategic objective	Strategic outcome
<ul style="list-style-type: none">SQ's people strive for excellence, display professionalism and diversity of experience in a safe environment.Challenging our workforce to be adaptable, mobile, collaborative, engaged and to continuously evolve.	<ul style="list-style-type: none">Enhance collaboration, embed SQ's values and build the workplace culture to embrace 'one SQ'.Develop and maintain a responsive and agile workforce for emerging needs – career planning, development of pathways and identification of SQ's 'talent'.

PROCESS

Evolving our processes to provide for great venues – great experiences

Strategic objective	Strategic outcome
<ul style="list-style-type: none">Enhance service delivery and efficiency by connecting our people and venues with the Queensland community and enabling collaboration, knowledge sharing and process alignment.Continuous evolution of SQ's processes through innovation, embracing change, information capture, analysis, knowledge and resource sharing.	<ul style="list-style-type: none">Tell the story: enhance awareness of SQ's business through the collection and reporting of data and communication with all stakeholders.Increase consistency and connectedness of systems and processes throughout SQ to facilitate knowledge gathering and enable resource sharing.

PLACES

Delivering infrastructure that promotes great venues – great experiences

Strategic objective	Strategic outcome
<ul style="list-style-type: none">Create a 'sense of place' in the hearts and minds of our communities through accessible, safe, connected and quality facilities.Promote and develop SQ's venues;<ul style="list-style-type: none">to retain, attract and deliver world class events;facilitate recreational and community sport opportunities; andto support athlete development and high performance training.	<ul style="list-style-type: none">Increase the sense of experience and functionality through venue design, enhancement and smart venue technologies.Achieve optimum utilisation by;<ul style="list-style-type: none">scanning the environment to develop new opportunities and enhance the sustainability of venues;developing a diversity of offerings across the portfolio;embracing and developing partnerships for all users; andcontinuous improvement to venue access, safety, standards and functionality.

CHAIR'S REPORT

I am pleased to present the 2017–2018 SQ Annual Report on behalf of the Board of Directors, my final since being appointed the first female Chair of the organisation in 2015.

Delivering safe, secure, well maintained and well managed venues in a fiscally responsible manner is at the core of SQ's business, and vital to ensuring Queensland continues to attract and retain high profile events. In 2017–2018, this has continued to be a focus of SQ across the nine venues in its portfolio that provide for both elite sport and community sport as well as entertainment, with varying degrees of maintenance and infrastructure requirements.

The 2017–2018 financial year has seen significant activity for SQ including providing enhancements to venues to continue to support the delivery of events with improved operational outcomes and patron experiences.

This has included SQ's work to implement a wide range of security enhancements at its venues after the Queensland Government announced an \$8.3m major upgrade of security infrastructure at SQ venues, in response to the evolving global threat of terrorism related activities.

This followed SQ's own consideration of its security infrastructure to identify opportunities for improvement. The Queensland Government's investment will enhance the already robust security framework at SQ venues to help ensure stadium patrons, hirers and staff are safe and secure when attending events at SQ venues.

SQ is also in the process of adding the QSNC, which is currently under construction, to its portfolio. From next year the QSNC will provide a home for netball in Queensland, encouraging women and girls to get involved and stay involved in sport and active recreation as well as a place to cheer on the Queensland Firebirds. This exciting project opens up the wider QSAC precinct to a whole new generation of athletes.

In addition to this, SQ is excited to witness the progress of the construction of the NQS which will be part of its portfolio when completed, and will be home to the North Queensland Cowboys in readiness for the 2020 NRL season.

In terms of major events, we saw the arrival of the much-anticipated GC2018 in April this year which brought a flurry of excitement to Queensland, and a legion of sports fans to SQ venues, helping to boost patronage to 4,353,779 for the period. This event was an overwhelming success for the three SQ venues and all staff involved deserve the highest accolades for their commitment to the delivery of these events.

While SQ continued to offer great venues and experiences this year, with a mix of sporting spectacles, concerts and entertainment events, the final quarter of 2017–2018 brought with it some challenges for the organisation following reports in the media regarding the hiring arrangements for SQ venues.

At SQ we pride ourselves on being a streamlined and cost efficient organisation, working together with our hirers to review operations to achieve costs savings where possible whilst still delivering a world class experience for our patrons.

We welcomed the announcement from Minister for Sport, the Hon Mick de Brenni regarding a taskforce to conduct an examination of operations at our venues, which has also provided us with an opportunity to highlight both obstacles and opportunities for SQ.

The taskforce is considering a range of matters including SQ's current 'clean stadia' model which provides many of the hirers with the majority of revenue from their events, including ticketing sales, signage, merchandise, the sale of corporate facilities and other incomes while meeting their event day costs. SQ welcomes any recommendations that will assist us to do business, and I am hopeful that this will result in positive outcomes for our organisation, our patrons, our hirers and our stakeholders.

The end of 2017–2018 also saw the conclusion of my fellow Directors' terms and I wish to thank them for their dedication, enthusiasm and commitment to SQ. With a mix of public and private sector experience in business, financial, risk and compliance management, as well as legal and accounting expertise, they've provided strategic direction for the organisation for several years.

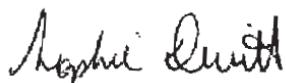
The Directors have helped oversee the performance of SQ in its operation and management of Queensland's world-class venues and driven a number of key projects, including the completion of the Anna Meares Velodrome, venue readiness for GC2018, and the QSNC and NQS, which are currently under construction.

I am extremely proud of what SQ has achieved in the past, and continues to strive for in the future. An exciting new chapter awaits for SQ and I wish the incoming board members every success in growing the organisation into the future. I would also like to take this opportunity to thank the Minister for Sport, the Hon Mick de Brenni MP and the Queensland Government for their continued support of SQ and for recognising the value the organisation and its facilities bring to Queenslanders.

Everything that SQ has been able to achieve in the last 12 months, is in no small part due to the dedication and leadership of Chief Executive Todd Harris and the work of the whole team at SQ who day in and day out display their passion, commitment and expertise to continue to deliver for our organisation, our patrons, our hirers and the community.

It has been a privilege to be part of this team and I thank them for their continued efforts.

As we look forward, the 2018–2019 year promises a series of exciting events, key milestones and great opportunity – from world class concerts at Suncorp Stadium and The Gabba to the opening of the new QSNC. It is an exciting time for SQ and I am confident that the incoming Board and the whole team at SQ will continue to deliver '*Great Venues – Great Experiences*' into the future.



Sophie Devitt
Chair
Stadiums Queensland

CHIEF EXECUTIVE'S REPORT

The 2017–2018 financial year was an exciting and challenging time for SQ, with the final countdown and staging of Queensland's biggest event for the year, GC2018.

SQ venues Carrara (Metricon) Stadium, Robina (Cbus Super) Stadium and the Anna Meares Velodrome were firmly in the spotlight during GC2018, with the pressure on our venue teams to deliver world class event experiences that were broadcast internationally. For those involved, the event was the culmination of years of detailed preparation to ensure everything was ready, from planning and managing contractors and stakeholder relationships to detailed contingency planning and post GC2018 decommissioning. Our team supported and managed the delivery of some wonderful sporting spectacles, including amazing athletic feats, the first ever Commonwealth Games women's rugby 7s tournament and the smashing of five world records in front of sell-out track cycling competition crowds.

Of course GC2018 was just part of another bumper season of events for SQ, including Australia's biggest boxing bout, the 'Battle of Brisbane'; the Rugby League World Cup; The Gabba's most successful summer of cricket; and the Brisbane International; Sir Paul McCartney and Ed Sheeran concerts as well as regular season NRL, AFL, cricket, Super Rugby and A-League fixtures. Our venues also continued to attract elite competition and support community training, including pre-GC2018 training for the English athletics team at QSAC, and our Australian swimming team training at the Brisbane Aquatic Centre.

Ensuring our facilities are fit for purpose remains a key priority for SQ to ensure we can attract the biggest and best sporting and entertainment events to Queensland.

QSAC finalised the replacement of both athletics tracks during the 2017–2018 financial year, with the State Athletics Facility and Main Stadium athletics tracks in optimum condition in advance of GC2018 training. The tracks were replaced with a Rekortan M99 synthetic athletic track surface and the upgrade to the Main Stadium featured a number of additional facility upgrades including a tenth lane. These upgrades were instrumental in securing the Queensland Track Classic and the Athletics Australia 2018 Summer of Athletics Grand Prix events, ahead of GC2018. On the Gold Coast, Metricon Stadium established Queensland's first drop-in cricket wicket as well as cricket practice and warm up facilities at the venue, and announced plans to bring world-class cricket to the Gold Coast during the 2018–2019 summer.

Construction of our major new facilities, the QSNC and NQS, continued to rapidly advance. The roof and cladding of the QSNC has all been completed, and the facility is on-track to be finalised in time for the start of the 2019 netball season, when it will become a permanent base and training venue for the Queensland Firebirds, accommodate the Netball Queensland headquarters and provide opportunities for the state's developing senior and representative netball players. Bulk earthworks, piling and some in-ground services are nearing completion on the NQS, which will deliver a new home ground for the North Queensland Cowboys and the opportunity to stage other major events in Townsville when it is completed ahead of the 2020 NRL season.

During this time the operating and commercial arrangements of SQ have been under evaluation, as part of a Government-led review due for release by the end of 2018.

SQ is, and has always been, transparent around event charges with all our venue users, and we welcome any third-party assessment that ensures the long-term viability of our venues and venue hirers. I am confident that this review will result in positive outcomes for our organisation, our patrons, our hirers and our stakeholders.

SQ is an efficient and effective organisation that delivers great venues, and great experiences for the community. I'm also very proud that our integrity and governance has never come into question, and it's all thanks to our hard-working, committed and professional staff. I'd also like to thank our SQ board for their leadership and commitment to improving the venue experience for all Queenslanders. I would also like to acknowledge our Minister, the Hon Mick De Brenni MP for his support and the Queensland Government for their ongoing investment in our venues.

Our community can be confident that we are focused and determined to continue to strive for success, and will continue to work with promoters, venue hirers and other key stakeholders to attract major events to Queensland. Queenslanders can look forward to a vibrant calendar of events in the coming year, including Bon Jovi and Phil Collins at Suncorp Stadium, Taylor Swift at The Gabba, another summer of international cricket at The Gabba and Metricon Stadium, the first year of a three-year deal to bring international cycling to Brisbane, and Jonathan Thurston's final game for the North Queensland Cowboys.



Todd Harris
Chief Executive
Stadiums Queensland

THE BOARD

(to 30 June 2018)

The Board is responsible for the overall corporate governance of SQ.

It sets the strategic direction of the business within the parameters set down by the *Major Sports Facilities Act 2001* and determines the policies and practices that govern the day-to-day operations of SQ.

DIRECTORS

Ms Sophie DEVITT (Chair)

Sophie Devitt is a Partner at law firm DLA Piper. She has been an integral part in growing the Litigation and Regulatory team over the past decade. Sophie specialises in professional indemnity litigation, risk management and assessment and regulatory advice, advising national and global clients in the property, financial services and insurance sectors. Throughout her legal career, Sophie has participated in and led a number of 'pro bono' projects providing legal assistance through programs such as the Nepalese Bar Association and WLJH training program for women lawyers, the Pacific Islands Nations Developments Project – Samoa Chapter and the Self Representative Legal Clinic.

Sophie has a keen interest in tennis, all codes of football and cricket. Prior to her appointment as Chair, Sophie chaired both the Audit, Risk and Compliance Committee and the Stadiums/Venues Committee, and sat on the Marketing Committee. She has served on the Board since December 2009.

Ms Victoria CARTHEW

Victoria Carthew is a highly respected sports journalist, presenter, broadcaster, producer and Master of Ceremonies with two decades of media experience. Currently a presenter on Channel 7 lifestyle program Queensland Weekender, Victoria is the host of Broncos TV, as well as a regular contributor on Radio 4BC and 612ABC, NITV's League Nation Live, producer of Channel 9's Maroon Zone and a corporate and Sports Emcee.

As a leading Australian female sports broadcaster, Victoria plays an active role in the promotion of Women's sport and recreation through both Government and non-Government organisation roles.

She has covered the Sydney 2000 and Athens 2004 Olympic Games, the 2002 Manchester Commonwealth Games, the 2003 Rugby World Cup and has spent a decade covering AFL for Channel 7. Victoria is currently a Board member of Hockey QLD, an Advisory Council Member to the Queensland Sports Wheelies and Disabled Association, a Director on the board of Lourdes Hill College as well as a Foundation Committee member and also assists several charities. She has three primary school aged children. Victoria is Chair of the Marketing Committee and sits on the Stadiums/Venues Committee. She has served on the Board since December 2009.

Ms Samantha CARROLL

Samantha Carroll is a former recipient of Queensland's Emergent Woman Lawyer of the Year and has 15 years' experience in private law practice specialising in Regulatory law. In addition to her legal qualifications, she is an accredited Governance, Risk and Compliance professional. Her legal background includes 10 years in the leading Australian top tier law firm, Clayton Utz where she was a special counsel in the Governance and Compliance group. Samantha was a long-term committee member on the CSIRO social science ethics committee and has served on the Queensland Public Interest Law Clearing House management committee. Samantha is currently appointed as the Head of Group Compliance at Bank of Queensland. She has served on the SQ Board since July 2015.

Mr Michael COTTIER

Michael Cottier has more than 35 years' professional and commercial experience, mainly in finance, tax and risk management roles in the financial services industry, including senior executive roles as CFO of QSuper (2009–2014) and QIC (2002–2009). Michael is an experienced company director, currently serving as an independent Non-Executive Director of BT Super, Blue Sky Alternatives Access Fund Limited (BAF), Queensland Teachers Union Health (QTUH), and Metro Arts.

Michael has previously served as an independent Non-Executive Director, Deputy Chairman and Chairman of the Audit and Risk Committee of the Mortgage and Finance Association of Australia (MFAA), and as an Executive Director on over 40 company Boards of QSuper, QIC, and Suncorp Group subsidiary companies. Michael currently chairs the Audit Risk and Compliance Committees at BT Super, BAF, and chairs the Board Risk Committee at QTUH. Michael is a member of a number of other Board Committees, including the QTUH Audit Committee, the BT Super Board Investment Committee, and the BAF and QTUH Nominations and Remuneration Committees.

Michael has served on the SQ Board since July 2015 and serves as Chairman of the SQ Board Audit Risk and Compliance Committee and as a Member of the Stadiums/Venues Committee.

Ms Sandra DEANE

Sandra Deane is an experienced board member, tribunal member and an independent consultant in the energy and legal sectors with extensive private and public sector experience. She brings experience from senior positions (including as CEO) in the corporate (publicly listed, large private and government-owned corporations) and professional (legal) sectors. Sandra has more than 20 years' experience in legal practice in corporate and private practice and tribunal roles with significant experience in construction law. She also has more than 15 years' experience in the energy sector.

She brings professional expertise in contract management and negotiation, dispute resolution and compliance. She is currently on the Board of Legal Aid Queensland, is an Independent Non-Executive Director and Chairman of Sanctuary Cove Community Services Limited, is an external Audit and Compliance Committee Member of the Local Government Association of Queensland Limited and is a sessional member of the Queensland Civil and Administrative Tribunal. She has a keen interest in sporting and cultural events. Sandra is the Chair of the Stadiums/Venues Committee and has served on the Board since July 2015.

Mr Chris JOHNSON

Chris Johnson is a retired partner of PricewaterhouseCoopers (PwC). While at PwC he specialised in advising clients in areas of governance, risk management and financial management. Chris is also the Independent Chair of the Audit and Risk Committee of Queensland Health, a member of the Board of Information Professionals Group Limited and a member of the Board of the General Douglas Macarthur Brisbane Memorial Foundation Limited. He was previously on the Board of the Queensland Professional Credit Union Limited until its merger with Auswide Bank Limited. He is Treasurer of the Southern District (Brisbane Diocese) of the St Vincent de Paul Society. Chris is a graduate of the Institute of Company Directors and a Fellow of the Institute of Chartered Accountants in Australia and New Zealand.

Chris has been a member of the Marketing Committee and the Audit, Risk and Compliance Committee and has served on the Board since July 2015.

Mr Rabieh KRAYEM

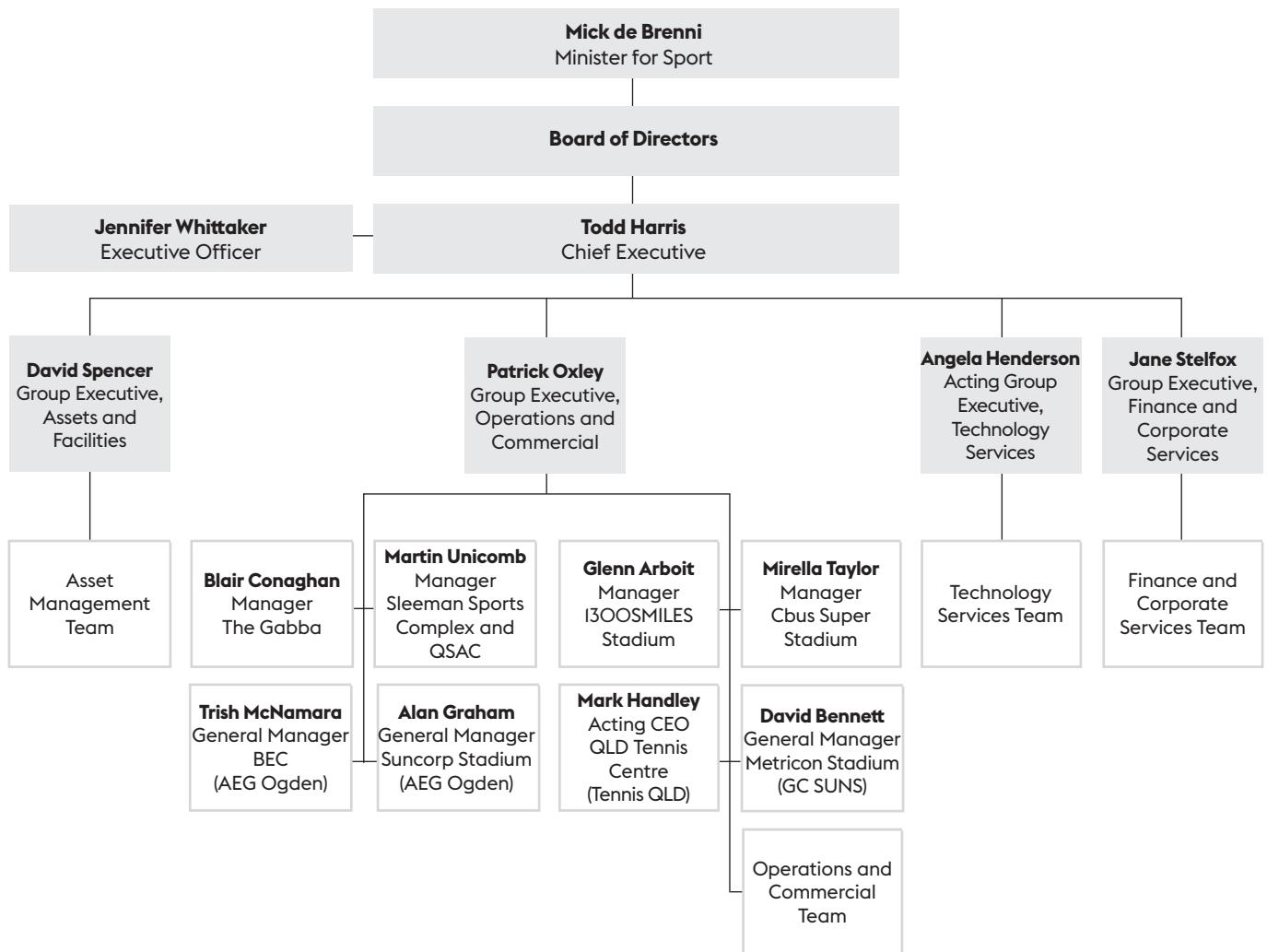
Rabieh Krayem is the Managing Director of PRC People, a human resources solutions and consulting business based in Townsville. He has significant experience in business development, client relationship management, sales and marketing and is a member of the Premier's Business Advisory Council. His previous positions include Managing Director of Bluestone Recruitment, CEO of IPA Recruitment, CEO of North Queensland Cowboys and CEO of North Queensland Fury. Rabieh sits on the Marketing Committee and Stadiums/Venues Committee. He has served on the Board since October 2016.

ATTENDANCE AT MEETINGS

In the financial year 2017–2018, the SQ Board met on 19 occasions with attendance by Members as follows:

Sophie Devitt (Chair)	19
Samantha Carroll	11
Victoria Carthew	12
Michael Cottier	12
Sandra Deane	12
Chris Johnson	12
Rabieh Krayem	12

ORGANISATIONAL STRUCTURE



CORPORATE GOVERNANCE

Our corporate governance arrangements are structured to position SQ as:

- An efficient and effective organisation delivering quality venue experiences to the public, tenants and hirers of our facilities;
- An ethical and productive organisation that achieves high standards of accountability, transparency and performance;
- An organisation that works in partnership with sporting bodies, recreational interest groups, the tourism industry, public sector agencies and businesses to achieve the Government's policy of developing infrastructure to enhance participation in sport at both the community and elite levels; and
- A flexible, reputable organisation that effectively manages risk.

MACHINERY OF GOVERNMENT

SQ continued to operate as a Statutory Authority. There were no changes to its statutory functions during the 2017–2018 Financial Year. SQ has not established any related entities.

THE BOARD

The Board is responsible for the overall corporate governance of SQ. It sets the organisation's strategic direction within the parameters set down by legislation applicable to SQ and determines the policies and practices that govern its day-to-day operations.

COMMITTEES

The Board has established a series of Committees to assist it in fulfilling its governance responsibilities.

Internal Committees (Committees convened by SQ):

Executive Committee

The Executive Committee is chaired by the Chief Executive (CE) and comprises Group Executives and Venue Managers. The Executive meets monthly to ensure a consistent approach to business operations. It reviews processes and procedures for the effective management of the organisation and to enable it to meet its statutory obligations. It monitors the performance of the organisation and establishes the mechanisms required to manage capital works programs and construction projects. The Executive also performs the role of the Information and Communications Technology Steering Committee.

Board Committees

The Board has established two Committees (Stadiums/Venues and Marketing) to consider and oversee venue and operational matters. A number of Board Members sit on each of these Committees. The CE and nominated Senior Management personnel attend committee meetings as agenda items dictate. Issues considered at these committee meetings relate mostly to the operations at the respective venues including tenancy agreements, commercial arrangements, the marketing of SQ facilities, and the prioritising and monitoring of maintenance and capital works.

Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee comprises three Board Members, along with the Chair of the Board as an ex officio member.

The Committee is supported by SQ's Internal Auditor, as provided for under the obligations of the *Financial Accountability Act (2009)* and the *Financial and Performance Management Standard (2009)*, which provides advice on audit and audit related matters.

The CE, Group Executive Finance and Corporate Services and the Financial Controller attend meetings as observers. This ensures appropriate separation between the Committee, as the body responsible for oversight and monitoring corporate governance within SQ, and the managers responsible for the administration of the business. Officers of the Queensland Audit Office (QAO) may also attend meetings of the Audit, Risk and Compliance Committee.

The Committee provides direction on the development of the frameworks and policies for effectively managing business risk and provides advice on the control mechanisms (implemented by management) to protect the organisation's assets and promote efficient and effective work practices. SQ has appointed PwC to undertake its internal audit function in accordance with SQ's Internal Audit Charter, reporting to the Audit, Risk and Compliance Committee. PwC has undertaken the function independent of SQ Management and the QAO. The Audit, Risk and Compliance Committee has also monitored the implementation of the Annual Internal Audit Plan.

The Audit, Risk and Compliance Committee has due regard to the terms of its charter and Queensland Treasury's Audit Committee Guidelines in the conduct of its business.

The Auditor General has provided an unqualified audit opinion on the 2017–2018 Financial Statements of SQ.

External Committees

North Queensland Stadium

SQ has representation on the NQS Stakeholder Reference group, alongside representatives from Queensland Government agencies, the Townsville Chamber of Commerce, Townsville Enterprise Limited, Townsville City Council, the North Queensland Cowboys and other relevant parties. The group meets monthly and discusses progress on the project including stadium design and construction updates.

Gold Coast 2018 Commonwealth Games

Prior to GC2018, SQ representatives participated in a number of GC2018 forums across key business areas. These included the Commonwealth Games Venues Executive Steering Committee, the Venues Communications Working Group and the Whole of Government Complementary Events group.

Stadium Management Advisory Committee

A Stadium Management Advisory Committee (SMAC) meets as a condition of the Suncorp Stadium Development Approval. Suncorp Stadium's General Manager convenes SMAC on behalf of SQ. This Committee comprises representatives from emergency service agencies, transport providers, Brisbane City Council and community organisations. These meetings enable Stadium Management to receive a range of views regarding the operation of the stadium. Three SMAC meetings were held during the financial year. No remuneration is paid to SMAC members.

Organisational Structure

There are four Group Executives reporting to the CE, covering the following functions – Finance and Corporate Services, Technology Services, Operations and Commercial, and Assets and Facilities. The key service standards include:

- **Finance and Corporate Services** – ensuring the requirements of SQ's corporate governance framework are complied with, as well as the provision of finance, human resources, information management and risk management services to venue operations.
- **Technology Services** – ensuring effective management and application of information and communication technologies to venue operations.
- **Operations and Commercial** – ensuring effective operation of venues and the provision of a safe environment for patrons, maintaining communication channels with stakeholders and maximising venue utilisation and commercial opportunities.
- **Assets and Facilities** – maintaining venues to be fit for purpose, implementing annual capital works and maintenance programs and overseeing the development of new facilities.

Risk Management

The identification and proper management of risk is embedded in SQ's business processes and operating procedures.

SQ has several Committees that address risk management issues:

- SQ's Executive Committee provides a coordinated approach to the management of risks at the operational level; and
- The Audit, Risk and Compliance Committee focuses on key strategic risk issues facing SQ and ensures mechanisms are in place to effectively protect assets and the safe operation of the business.

Industrial Relations

SQ applies the following industrial instruments to cater for its broad range of staff:

- *Stadiums Queensland Staff Certified Agreement 2016*;
- *Stadiums Queensland Employees Award – State 2016*;
- *Event Day Staff Certified Agreement 2005*; and
- *Common Law Contracts*.

Workforce Planning, Attraction and Retention

The quality of recruitment and selection activities is vital to ensuring SQ is able to attract and retain people with the skills, knowledge and ability to deliver services to the public of Queensland as well as interstate and international visitors who attend events at SQ's venues.

SQ's business requires specialist skills across event management, operations and facilities management to ensure its nine venues are run in an efficient and cost effective manner and safe for the millions of patrons who attend events each year.

Recruitment and selection processes are based on the principles of merit, equity and fairness. They are designed to enable an assessment to be made of an applicant's skills, attributes and values against the requirements of the position and the needs of the organisation.

Given the specialist nature of the industry it is important SQ retains its people and the intellectual property created through continuous improvement to the organisation to deliver the best experience possible for patrons as well as meeting hirer and stakeholder expectations. SQ nurtures its talent through internal development opportunities, support for study assistance and access to external educational programs including Public Venue Management School and the Venue Management Association.

The nature of SQ's core business requires flexible arrangements for staff to achieve a reasonable work/life balance. SQ recognises and supports flexible working arrangements across the business. This is acknowledged in SQ's Human Resources Management and Work Health and Safety policies and procedures, outlined during employee induction and staff training.

	2017–2018	2016–2017
Full Time Equivalent	132.4	124.8
Permanent Separation (percentage)	7	8

Equal Employment Opportunity (EEO) Statement

SQ is an equal opportunity employer. As such, it seeks to ensure employment practices are non-discriminatory and the talents and resources of all employees are optimally utilised.

All employees are responsible for implementing EEO policies and are expected to reflect behaviours consistent with SQ's policies and values.

Work Experience and Trainee/Apprentice Program

SQ recognises the benefits of employing trainees and apprentices within its venues not only to develop the skill base within SQ itself but across the labour market generally.

In 2017–2018, SQ supported students from recognised educational and training establishments and individuals seeking opportunities to gain work experience in the areas of grounds and the health and fitness industry.

Ethical Procedures, Values and Practices

During the 2017–2018 financial year, SQ met its statutory and regulatory reporting obligations to executive Government and Parliament. During the 2017–2018 financial year SQ had no disclosures under the *Public Interest Disclosure Act 2010*.

SQ has a Code of Conduct which is applicable to all employees. Training is provided regularly for existing staff and during the induction of new staff. The SQ Strategic Plan has been developed with regard to the ethics principles outlined in the Code of Conduct, and includes objectives and strategies for ensuring integrity and accountability. SQ's Human Resources policies align with its Code of Conduct.

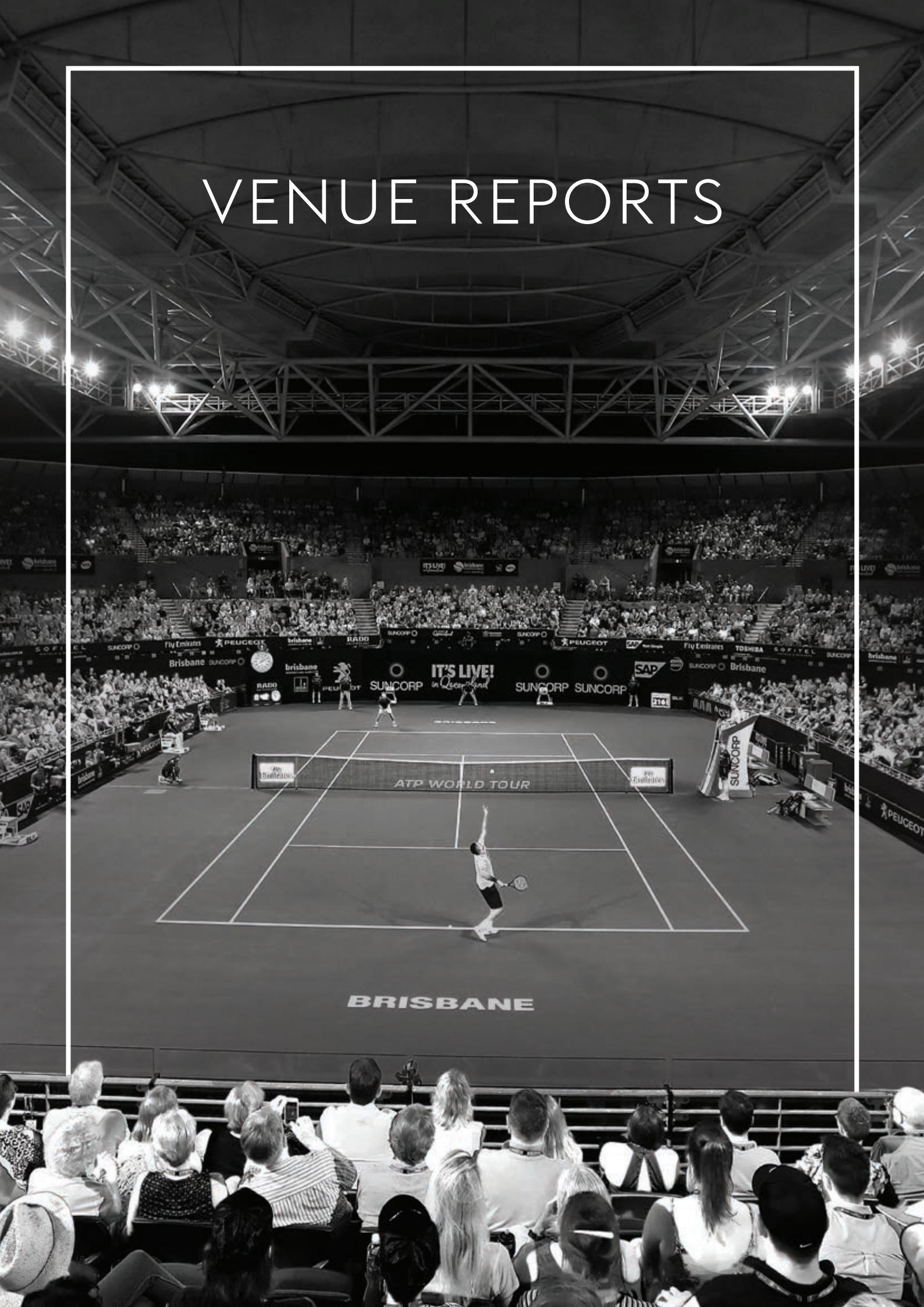
Information Systems and Recordkeeping

SQ provides quality recordkeeping through the provision of policies, procedures and systems to support decision-making, accountability and ensuring compliance with the *Public Records Act 2002*, *Right to Information Act 2009*, *Information Privacy Act 2009*, and *Information Standard 40 – Recordkeeping*.

In 2017–2018, the following initiatives and activities were undertaken:

- Recordkeeping awareness is included in the induction training for new employees. SQ's Records Management policies and procedures are available to all staff;
- SQ's Records Management policy and procedure, Archiving and Disposal policy, and Administrative Delegations set out the recordkeeping responsibilities of all staff;
- The Records Management policy and procedure necessitate that all records, regardless of format, are managed in a manner that meets the requirements of the *Public Records Act 2002*;
- SQ utilises HPE Records Manager as the Electronic Documents/Records Management System (EDRMS) to capture and manage electronic records such as email. Hardcopy records are also digitised and managed within the EDRMS;
- Information security is constantly monitored and there have been no breaches of information security; and
- Records are disposed of in accordance with the Archiving and Disposal policy, and associated Administrative Delegations. SQ only uses disposal schedules approved by the Queensland State Archivist.

VENUE REPORTS





SUNCORP STADIUM

Suncorp Stadium is arguably Australia's best rectangular venue for sport and major events. The 52,500 seat venue hosts rugby league, rugby union, football and outdoor concerts and is home to the Brisbane Broncos, the Queensland Reds, the Brisbane Roar and the Queensland Maroons. The design brings spectators close to the playing field, producing an atmosphere commensurate with the stadium's reputation as 'the Cauldron'. Suncorp Stadium is operated by AEG Ogden on behalf of SQ.

ACHIEVEMENTS

- Hosted the venue's first ever boxing event, the 'Battle of Brisbane', a world title fight between Jeff Horn and Manny Pacquiao, which was later named the '2017 Queensland Sports Event of the Year'.
- Hosted four blockbuster concerts – Ed Sheeran (two performances), Paul McCartney and Foo Fighters.
- Hosted the semi-final and final of the 2017 Rugby League World Cup as well as the final of the Women's Rugby League World Cup.
- Hosted a Bledisloe Cup match with Australia defeating New Zealand here for the first time since 2011.

- Supported stadium caterer O'Brien Group Australia's completion of the new Garden Bar, managed corporate area re-design and Members Lounge renovation, refurbished food and beverage outlets and upgraded radio commentary boxes.

PATRONAGE

Total 1,118,937

Elite Sporting Events 931,785

Other Events (including any Concerts, Functions or Tours) 185,739

Community Events 1,413

VENUE TENANTS

- AEG Ogden
- O'Brien Group Australia
- What's Your Team
- Police Citizens Youth Club

MAJOR HIRERS

- Brisbane Broncos
- Queensland Rugby Union (Reds)
- Brisbane Roar
- Queensland Rugby League
- National Rugby League
- Australian Rugby Union
- Football Federation Australia
- Concert promoters
- Duco Events

FUTURE DIRECTION

- Continue to deliver economic benefit to the state of Queensland through the ongoing attraction of major events to the venue.
- Maintain and enhance customer service standards and operational efficiencies to ensure hirers and patrons enjoy a great experience on each visit.
- Continue to review security threats and develop both physical and operational counter measures.
- Continue to improve efficiencies to deliver energy savings and cost reductions throughout the venue.

UPCOMING EVENTS 2018–2019

- State of Origin Game 3, 11 July 2018
- Wallabies v Springboks Rugby Test, 8 September 2018
- Bon Jovi concert, 6 December 2018
- 23 February 2019, Nitro Circus
- Brisbane Broncos NRL 2018 and 2019 fixtures



First established in 1895, The Gabba has hosted many major events including cricket, AFL, baseball, rugby league, rugby union and Olympic soccer and became a successful concert venue in 2017 with two sell-out Adele concerts. The Gabba is best known as the home of the Brisbane Lions, Queensland Bulls and Brisbane Heat and is regarded as an impenetrable fortress for the Australian cricket team, with one of the best cricket wickets in the world. The venue has a 42,000 capacity and a range of function and meeting spaces that are used extensively throughout the year.

ACHIEVEMENTS

- Hosted the first Ashes Test match for the Summer with an aggregate crowd of over 130,000. This was the third largest test match attendance for a Test match at The Gabba behind the Ashes Test matches in 2006 and 2010.
- Hosted five Big Bash matches with four sold out matches making the 2017–2018 Big Bash season a success.

- Hosted community events Stadium Stomp and Muscle Up for Motor Neurone Disease.
- Installed two new 16m by 9m, high definition video screens, which significantly improved the patron experience at the venue.
- Installed a pool in the seating area for the entire cricket season that generated significant international interest in the events hosted at the venue.

PATRONAGE

Total 566,896

Elite Sporting Events 554,442

Community Events 2,927

Other Events (including any Concerts, Functions or Tours) 9,527

VENUE TENANTS

- Brisbane Lions AFL Training and Administration
- Queensland Sports Medicine Centre
- Queensland Cricketers' Club

MAJOR HIRERS

- Cricket Australia
- Queensland Cricket
- Brisbane Heat
- Brisbane Lions AFL Club

FUTURE DIRECTION

- Integrate The Gabba masterplan with the Cross River Rail project to create a sense of arrival at the venue as well as connection between the stadium, local community and new railway station.
- Use the masterplan to determine the scheduling of a works program to meet the existing and emerging needs of patrons who attend the venue.
- Continue to review security threats and implement security enhancements across the venue.
- Complete a lighting upgrade including the replacement of the catwalk lights with LED technology and the installation of coloured canopy lights to provide theming for the venue and the competing teams.
- Upgrade a number of lifts to ensure continued connectivity for patrons and stakeholders using the venue.

UPCOMING EVENTS 2018–2019

- Taylor Swift's Reputation World Tour, 6 November 2018
- T20 International cricket match against India, 21 November 2018
- 2018–2019 Brisbane Heat season with five matches confirmed
- Day/Night Test against Sri Lanka on Australia Day long weekend 2019
- Brisbane Lions AFL 2018 and 2019 fixtures



The 25,000 seat oval Metricon Stadium on the Gold Coast is currently home to the Gold Coast SUNS (GC SUNS) AFL team, and was recently the centerpiece venue of the GC2018, hosting the opening and closing ceremonies and track and field competitions. The venue is leased by the AFL and operated by the GC SUNS and hosts sporting, entertainment, community and cultural events.

ACHIEVEMENTS

- Assisted in the preparation, operation and repatriation of the venue to facilitate the conduct of GC2018 opening and closing ceremonies, together with the athletics track and field program.
- Hosted seven GC SUNS AFL fixtures, including the 'Return to Metricon' match against Geelong on 2 June 2018, only six weeks after the GC2018 Closing Ceremony.
- Hosted Under 16 National AFL Championships.
- Hosted the Gold Coast Homeless Connect community event for the fifth consecutive year.
- Established a drop-in cricket wicket and cricket practice and warm up facilities to enable first class cricket at the venue.

PATRONAGE

Total 438,199

Elite Sporting Events 430,751

Elite Training 4,485

Community 2,775

Other Events (including any Concerts, Functions or Tours) 188

VENUE TENANTS

- GC SUNS – Merchandise shop
- O'Brien Group Australia
- Spotless/Clean Event

MAJOR HIRERS

- AFL
- GC SUNS
- Gold Coast 2018 Commonwealth Games Corporation (GOLDOC)

FUTURE DIRECTION

- Host International T20 cricket on 17 November 2018, with the inaugural fixture between Australia and South Africa.
- Host Big Bash League fixtures at the venue, commencing in the 2018–2019 cricket season.
- Deliver cricket related asset enhancements in preparation for hosting cricket matches at the venue.

UPCOMING EVENTS 2018–2019

- GC SUNS AFL 2018 and 2019 fixtures
- T20 International Cricket, 17 November 2018
- Big Bash League Cricket
- Homeless Connect, Community Event
- Homeless Sleep Out, Community Event



Cbus Super Stadium, located at Robina on the Gold Coast, is regarded as one of the best regional stadia in Australia. The 27,400 seat rectangular stadium is the home of the Gold Coast Titans NRL team and has also hosted rugby union, A-League, international football, Nitro Circus and a range of community events. The venue hosted the Rugby 7s events as part of GC2018 and continues to operate as the premier rectangular competition and training facility on the Gold Coast.

ACHIEVEMENTS

- Hosted the GC2018 Rugby 7s competition across three days and four sessions.
- Hosted the Gold Coast Titans rugby league team, with eight games played at the venue alongside training sessions.
- Finalised a long term hire agreement with the Gold Coast Titans.

- Hosted multiple soccer events as part of A-League teams pre-season training camps, including a closed door game between the Brisbane Roar and Western Sydney Wanderers, and a closed door game between the China U22 team and Central Coast Mariners. The venue also hosted a match open to the public between China U22 and Brisbane Roar.
- Extended the existing Naming Rights agreement with Cbus Super.

PATRONAGE

Total 213,753

Elite Sporting Events 208,413

Elite Training 1,025

Community Events 4,155

Other (including any Concerts, Functions or Tours) 160

VENUE TENANTS

- O'Brien Group Australia
- Quayclean

MAJOR HIRERS

- Gold Coast Titans
- The Event Crew
- Brisbane Roar
- St Vincent de Paul Society Queensland
- GOLDOC

FUTURE DIRECTION

- Seek and act on patron feedback to understand the needs of fans and continuously improve offerings.
- Continue to work with hirers to deliver an enjoyable and safe event day experience for fans.
- Continue to work with the City of Gold Coast, Bond University, event promoters and community groups to attract new content to the venue.
- Continue to maximise operational effectiveness at the venue and plan for capital expenditure to continue enhancing facilities

UPCOMING EVENTS 2018–2019

- Wallabies versus Argentina Rugby Test, 15 September 2018
- Gold Coast Titans NRL 2018 and 2019 fixtures



The BEC is one of Australia's top venues for national and international touring acts. The main arena has a capacity of up to 14,500 (13,500 seats) and hosts top quality music and entertainment events each year. The BEC is operated by AEG Ogden on behalf of SQ.

ACHIEVEMENTS

- Hosted a number of contemporary, R&B and alternative style concerts including Drake, The Weeknd, Shawn Mendes, Bruno Mars (two performances), Harry Styles, The Killers, Imagine Dragons and Ariana Grande, to sold out or near capacity houses.
- Hosted other high profile artists including Roger Waters (two performances), Cat Stevens/ Yusuf (two performances), Queen + Adam Lambert, Robbie Williams and Alice Cooper.
- Hosted comedy events including Mrs Brown's Boys (four performances) and Jerry Seinfeld, who performed to a sell-out crowd of 10,191 patrons in his first tour of Australia since the 1990's.
- Hosted in excess of 50,000 patrons during the 11 performances of Cirque Du Soleil's 'Toruk'. It was the third time Cirque Du Soleil have performed at the Centre after Saltimbanco (2011) and MJ – The Immortal (2013).
- Hosted three Queensland Firebirds matches as well as four Brisbane Bullets games.

PATRONAGE

- Total** 666,971
Elite Sporting Events 45,096
Community Events 240,000
Arena Events 381,875

VENUE TENANTS

- AEG Ogden

MAJOR HIRERS

- Frontier Touring Company
- Chugg Entertainment
- Live Nation
- TEG Live/TEG Dainty
- The Wiggles Touring
- Netball Queensland/ Netball Australia
- Feld Entertainment
- RCM Presents
- Brisbane Bullets
- MJR Presents
- Grace Lutheran College
- A-List Entertainment

SPORTS HALL HIRERS

- Northside Wizards (Basketball)
- Boondall Indoor Soccer (Indoor Soccer)
- Queensland Volleyball (Volleyball)
- Metropolitan North School Sport (Basketball, Netball, Volleyball)
- Australian All Star Cheerleading (Cheerleading)
- Sporting Wheelies and Disabled Association (Wheelchair Rugby and Basketball)
- North Brisbane Netball Academy (Netball)
- Australian Futsal Association (Futsal)

- St Patrick's College (Basketball and Volleyball)
- Nudgee College (Basketball and Indoor Soccer)
- Metropolitan North Hospital Board (Indoor Soccer)
- St John Fisher College (Netball and Volleyball)
- Brisbane Girls Grammar School (Basketball)
- Special Olympics (Basketball)
- Queensland Netball (Netball)
- Basketball Queensland (Basketball)
- St Margaret's Anglican Girls School (Basketball)

FUTURE DIRECTION

- Continue to attract a wide array of domestic and international content to the venue.
- Continue to operate as a sporting hub for a range of community sports groups.
- Continue to maintain the aesthetic and safety of the venue to deliver excellent customer service and fan experiences.

UPCOMING EVENTS 2018–2019

- Ice Hockey Classic 7 July 2018
- Suncorp Super Netball 2018 fixtures
- Céline Dion 30, 31 July 2018
- Katy Perry 8, 10 August 2018
- P!nk 14, 15, 17, 18, 20, 21, 22 August 2018
- Bob Dylan 24 August 2018
- Jeff Dunham 25 September 2018
- Cher 28, 29 September 2018
- Constellation Cup 7 October 2018
- Sam Smith 10, 11 November 2018



1300 SMILES Stadium

The 26,500 capacity 1300SMILES Stadium is North Queensland's iconic regional sporting and entertainment facility. Home to the North Queensland Cowboys NRL team, the venue attracts a variety of major events including rugby league, A-League football, Nitro Circus and has previously hosted concerts such as Elton John, Cold Chisel and Keith Urban.

ACHIEVEMENTS

- Hosted two Rugby League World Cup events which included a match between USA and Fiji and a Double Header event featuring Italy versus USA and Fiji versus Wales.
- Hosted the North Queensland Cowboys rugby league season, with 12 NRL home games played at the venue as well as regular Cowboys training sessions and community events.
- Continued to review and upgrade enhanced food and beverage offerings.

PATRONAGE

Total 206,675

Elite Sporting Events 199,620

Community Events 6,715

Other Events (including any Concerts, Functions or Tours) 340

VENUE TENANTS

- Spotless Catering Services
- G&T Security
- Ticketek
- North Queensland Cowboys

MAJOR HIRERS

- North Queensland Cowboys
- Rugby League World Cup

FUTURE DIRECTION

- Continue to maintain the stadium as it approaches its final year as a major event venue.
- Continue high level engagement and planning for the delivery of the new NQS, which is expected to be delivered ahead of the 2020 NRL season. This will include tender processes for crucial services of catering, ticketing, security and cleaning to facilitate early commencement of contractors who will provide expertise to the project.

- Continue negotiations with the North Queensland Cowboys to establish a Venue Hire Agreement for the new stadium.

- Continue to strengthen relationships with event promoters and work to attract and facilitate major events to the region i.e. concerts, motorsport and action sport events.

- Continue to develop strong community engagement to improve usage of the venue and enhance benefits to the community.

UPCOMING EVENTS 2018–2019

- North Queensland Cowboys NRL 2018 and 2019 fixtures



Queensland
Tennis Centre

The QTC comprises 23 International standard courts which are available for both tournament and public use. The centre court, Pat Rafter Arena, features seating for 5,500 spectators and includes 20 corporate suites, several function spaces and player facilities. The QTC is managed by, and the headquarters for Tennis Queensland, the Queensland Academy of Sport elite tennis player development program and to one of Tennis Australia's national high performance academies.

ACHIEVEMENTS

- Hosted the 2018 Brisbane International, with solid attendance figures despite the late withdrawal of two marquee players and key dates falling on New Year's Eve and New Year's Day.
- Hosted the Davis Cup tie against Germany, which attracted a record QTC patronage figure for a Davis Cup or Fed Cup event.
- Continued to operate as a day to day community tennis facility outside of the Brisbane International and Davis Cup event periods..

- Commenced or completed significant work projects including stage 2 of the Podium resurfacing project and enhancements to the security system.

PATRONAGE

Total 223,807

Elite Sporting Events 107,347

Elite Training 200

Community Events 100,600

Other Events (including any Concerts, Functions or Tours) 15,660

VENUE TENANTS

- Community Tennis Centre Operator MWS Sports (Community Tennis Centre Operator).
- Tennis Australia
- Tennis Brisbane
- Rapyd Management Solutions
- Empowering Events and EC Creative Writing Services

MAJOR HIRERS

- Tennis Australia (Brisbane International and Davis Cup playoff)
- Corinda State High School (Graduation Ceremony)
- New Creation Church

FUTURE DIRECTION

- Deliver a successful Brisbane International.
- Focus on increasing usage of the corporate areas in Pat Rafter Arena and other spaces within the QTC for a variety of functions, events and conferences in conjunction with MWS Sports.
- Work closely with the appointed Community Tennis Centre Operator to improve usage of the facility by the wider community by offering additional services to patrons of the QTC.
- Continue to refine the site Masterplan and identify key capital works projects to improve the facility.

UPCOMING EVENTS 2018-2019

- 2019 Brisbane International
- Tennis training (elite, development, grassroots and social)



QSAC is a popular event space and a training hub for junior and elite athletes, as well as members of the public. QSAC features a 49,000 seat Main Stadium and a 2,100 seat State Athletics Facility, an eight court beach volleyball complex and a number of function and meeting spaces. In addition to numerous national and local athletics events and school sports carnivals, QSAC also hosts exhibition matches, concerts and major events. It is home to the Queensland Academy of Sport (QAS), a hub for elite athlete training, development, recovery and research with access to international standard running tracks, a hydrotherapy recovery centre and indoor training facilities.

QSAC will soon become the home of the Queensland Firebirds and Netball Queensland with the construction of the QSNC underway and due for completion in late 2018.

ACHIEVEMENTS

- Commenced construction of the QSNC.
- Commenced construction of the Multi-Story Car Park, funded by Translink to support the facility's Park n' Ride operation.

- Completed the replacement of the State Athletics Facility and Main Stadium Athletics Tracks. The tracks were replaced with a Rekortan M99 synthetic athletic track surface and the upgrade to the Main Stadium featured a number of additional facility upgrades including a tenth lane.
- Hosted the Asian Football Confederation Champions League qualifier between Brisbane Roar and Ceres Negros.
- Hosted the fourth Monster Jam event with 26,550 patrons attending.

PATRONAGE

Total 249,558

Elite Sporting Events 1,279

Elite Training 28,084

Community 121,797

Other Events (including any Concerts, Functions or Tours) 98,398

VENUE TENANTS

- QAS
- Football Brisbane
- Queensland Athletics
- Little Athletics Queensland
- Sandstorm

MAJOR HIRERS

- Brisbane Roar
- Feld Entertainment
- Fuji Xerox Business Force
- Greater Public Schools Association of Queensland
- Griffith University
- Queensland Primary School Sport
- Queensland Secondary School Sport
- Queensland Athletics
- Little Athletics Queensland
- Athletics Australia
- Commonwealth Games England

FUTURE DIRECTION

- Complete the construction of the QSNC and establishment of the Centre's operation.
- Complete the Multi-Story Car Park construction to service Park 'n' Ride commuters.
- Continue to focus on expansion of the event, facility hire and functions business as well as the increased occupancy of tenancies.

UPCOMING EVENTS 2018–2019

- 19 Years and Under Track and Field Championships
- GPS Track and Field Championships (Year 8-12)
- Griffith University Exams
- Queensland Athletics Open Championships
- Little Athletics Queensland State Championships
- Fuji Xerox Business Force



SSC is a centre of excellence for the development of elite athletes in Queensland and a community sport and recreation hub for South-East Queensland. The venue is the training base for the State's developing athletes in sports including Swimming, Diving, Gymnastics, BMX, Cycling, Basketball and Weightlifting. The Brisbane Aquatic Centre, home to the Chandler Swim Club, has been recognised by Swimming Australia as a National Podium Performance Centre. Other facilities onsite include a BMX Supercross Track, Chandler Indoor Arena, Chandler Theatre, Queensland State Gymnastics Training Centre, Dry Land Diving facility, the Chandler Outdoor Velodrome and onsite overnight/short-stay accommodation facilities.

The complex hosts International, National and State events and caters for a wide variety of aquatic and fitness activities, learn to swim programs, community sports, recreation and cultural events. The purpose-built AMV was added in 2016, ahead of the GC2018, and boasts an international standard 250 metre cycling track.

ACHIEVEMENTS

- Hosted the GC2018 Track Cycling Competition.
- Hosted national events including 2018 National Track Championships, Australian Open Diving Championships and 2018 World Cup Trials, Hancock Prospecting Australian Age and Open Synchronized Swimming Group Championships, Australian Weightlifting Championships, Australian Track Cycling Championships and National Junior Track series.
- Hosted State Championships in the fields of Swimming, Gymnastics, Track Cycling, Water Polo, Weightlifting, Diving and Synchronized Swimming.
- Hosted other events including Cheer and Dance Brands Australasian Majors, MMA ACB 88, Cheer and Dance Brands – Olympia Cheer and Dance Series, John Edward, Bodybuilding – ICN Queensland State Titles, ICN Brisbane Classic, Rookie Titles, BrisBricks LEGO expo, Triathlon Pink – National Women's Triathlon, International Pole Championships, Gurdas Mann Concert, Kumar Sanu and Anuradha Paudwal Concert, Live On Stage – Audicija Comedy Show, Rahat Fateh Ali Khan Concert.

- Secured significant future content for the centre, including;
 - three year agreement to host Australian Track Cycling elite, masters and juniors championships;
 - three year agreement to host the Six Day International Cycling Event commencing April 2019;
 - UCI Track Cycling World Cup (December 2019);
 - State Waterpolo Championships (Age Groups 12-20 years) ;
 - National Age Waterpolo Championships (Age Groups 12-18 years);
 - International Waterpolo fixture; and
 - Australian Swimming Selection Trials (June 2019).

PATRONAGE

Total 668,983

Elite Sporting Events 24,303

Elite Training 55,793

Community Events 165,073

Other Events (includes regular community use) 423,814

VENUE TENANTS

- Aqua Fitness (Aquatic Achievers)
- Aquatic Education
- Basketball Queensland
- BMX Queensland
- Clean City Property
- Cycling Queensland
- Diving Australia
- Queensland Diving Association
- Queensland Gymnastic Association – Head Office
- Queensland Gymnastic Association – Training Hall
- Queensland Swimming Association
- Queensland Swimming Association – Swim Shop
- Queensland Weightlifting Association
- Results Management Group (Results Physiotherapy)
- Sports Performance Systems (Acceleration)

VENUE HIRERS

- Aqualina Synchronized Swimming Club (Synchro)
- Aquatic Achievers (Swimming)
- Aquatic Education (Water Education Programs)
- Australian Futsal Association (Futsal)
- Australian Motorcyclist Academy (Motorsports)
- Australian Underwater Federation (Underwater Activity)
- Balmoral Cycling Club (Cycling)
- Basketball Queensland (Basketball)
- Beenleigh BMX Club (BMX)
- BMX Queensland (BMX)
- Boditek Nutrition (Bodybuilding)

- Brenden Abel (BMX)
- Brisbane City Council (Field Exercise)
- Brisbane Free Diving Club (Free Diving)
- Brisbane Southside Masters (Swimming)
- Brisbane Swimming Association (Swimming)
- Brisbane Underwater Hockey (Underwater Hockey)
- British Sub aqua club (Snorkeling/ Scuba Diving)
- Carina Leagues Warriors Water Polo (Waterpolo)
- Carmel College (School Functions)
- Chandler Badminton (Badminton)
- Chandler Daytime Badminton (Badminton)
- Chandler Dive Club (Diving)
- Chandler Eagles Futsal Club (Futsal)
- Chandler Swim Club (Swimming)
- Cheer and Dance Brands Limited (Cheerleading)
- Citipointe Christian College (Badminton)
- Clairvaux Mackillop College (School Functions)
- Cycling Australia (Cycling and BMX)
- Cycling Queensland (Cycling)
- Department of National Parks, Sport and Racing (Snorkelling/ Scuba)
- Department of Transport and Main Roads (Conference)
- Diving Australia (Diving)
- Diving Queensland Association (Diving)
- Driver Education and Training (Driver Training)
- Football Queensland (Futsal)
- Fort Lytton Moto-Cross Club (Motocross)
- Gundy Enterprises (Cycling)
- Gymnastics Queensland (Gymnastics)
- Hamilton Pine Rivers Wheelers Club (Cycling)
- Harvest Rain Theatre Company (Dance)
- Inspire Events (Sport Aerobics)
- Ipswich Cycling Club (Cycling)
- John Paul College (Swimming)
- Kangaroo Point Cycling Club (Cycling)
- Kelli Mini Sports (Basketball)
- Leadership Management Australia (Vocational Courses)
- Lifecycle Cycle Club (Cycling)
- Logan City Speed Skating (Inline Skating)
- MacGregor State High School (School function)
- Moreton Bay Dolphin Synchronized Swimming (Synchronized Swimming)
- Nat Raps Diving Club (Diving)
- Neptunes Synchronized Swimming (Synchro)
- Nick Formosa Training (Cycling)
- Offshore Maritime Training Australia (Training)
- Ormiston College (School Functions)
- Pine Rivers BMX Club (BMX)
- Queensland Academy of Sport (Cycling/Swimming)
- Queensland Maritime Training Services (Training)
- Queensland School of Fire and Emergency Services (Training)
- Queensland Synchronized Swimming (Synchronized Swimming)
- Queensland Weightlifting (Weightlifting)
- Redlands College (School Functions)

- Results Physiotherapy (Rehabilitation)
- Road Safety Education Limited (Driver Education)
- Southern District Spartans (Basketball)
- Southern District Sport (Futsal)
- Sports Performance (Sports Endurance)
- Swimming Queensland (Swimming)
- Synchronized Swimming Australia (Synchronized Swimming)
- The Event Crew (Triathlon)
- The Model Aeronautical Association (Model Planes)
- Theatre Factory (Performing Arts)
- Top Rider Australia (Motor Cycle Education)
- Track Cycling Academy (Cycling)
- Unidive The University of Qld Underwater Club (Underwater Rugby)
- University Cycling Club (Cycling)
- Water Polo Queensland (Water Polo)

UPCOMING EVENTS 2018–2019

- National Junior Track Cycling Series
- National Sport Aerobics Championships
- National Water Polo Competition
- National Masters Track Cycling Championships
- National Elite Track Cycling Championships
- Swimming Australia Trials
- Six Day Track Cycling
- Australasian Majors Cheerleading Championships
- Cheer and Dance Brands Olympia Series Event
- Queensland Swimming Short Course Championships
- Gymnastics Queensland Junior State Championships
- Gymnastics Queensland Senior State Championships
- Queensland Bodybuilding Titles
- Triathlon Pink
- Queensland Water Polo State Titles
- Queensland State Swimming Championships
- Queensland State Short Course Swimming Championships
- BMX Queensland Super Sunday
- BMX Queensland State Championships
- Queensland Synchronized Swimming State Championships
- Dancefever Australia Interschool Challenge
- Cycling Queensland State Junior & Masters Championships
- Cycling Queensland State Elite Track Championships
- Queensland School Sport State Swimming Championships
- Masters Queensland State Swimming Competition
- Run for MI Life Fun Run
- RMHC Queensland Sprint Championships

FUTURE DIRECTION

- Leverage the success of the GC2018 Track Cycling competition, focussing on the development of content for the AMV.
- Continue to maintain facilities for the purpose of community use and elite training and competition.
- Develop improved tenancy outcomes in the Brisbane Aquatic Centre and Chandler Theatre.
- Construct an accessible ramp to the front entry of the Brisbane Aquatic Centre and replace the centre's video board.

FINANCIAL STATEMENTS

For the financial year ended 30 June 2018





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Stadiums Queensland
Statement of Comprehensive Income
for the year ended 30 June 2018

	Notes	2018 \$000	2017 \$000
Income			
Revenue			
Membership	3.1	8,801	8,767
Tenancy and hire fees	3.1	24,177	18,990
Catering	3.1	10,700	8,700
Government grants and contributions	3.2	57,511	51,458
Interest		1,983	1,760
Other revenue		3,215	3,038
Total Revenue		106,387	92,713
Gains			
Gain on disposal of assets		68	27
Total Income		106,455	92,740
Expenses			
Supplies and services	4.1	25,321	26,543
Depreciation and amortisation	5.3	63,315	59,285
Employee expenses	4.2	14,572	13,501
Repairs and maintenance expense		18,908	15,538
Borrowing costs	4.3	6,282	6,511
Loss on disposal and write-off of assets		600	72
Total Expenses		128,998	121,450
Operating Result		(22,543)	(28,710)
Other Comprehensive Income			
Items that will not be reclassified subsequently to Operating Result			
Increase in asset revaluation surplus	7.2	48,568	73,194
Total Other Comprehensive Income		48,568	73,194
Total Comprehensive Income		26,025	44,484

The accompanying notes form part of these financial statements.

Stadiums Queensland
Statement of Financial Position

as at 30 June 2018

	Notes	2018 \$000	2017 \$000
Current Assets			
Cash and cash equivalents	5.1	79,399	101,234
Receivables	5.2	9,114	8,530
Other current assets		855	942
Total Current Assets		89,368	110,706
Non-Current Assets			
Property, plant and equipment	5.3	1,175,345	1,151,331
Intangible assets		2,233	2,396
Total Non-Current Assets		1,177,578	1,153,727
Total Assets		1,266,946	1,264,433
Current Liabilities			
Payables	6.1	22,856	39,629
Unearned revenue		3,058	4,870
Interest bearing liabilities	6.2	8,149	7,697
Accrued employee benefits		3,582	3,227
Total Current Liabilities		37,645	55,423
Non-Current Liabilities			
Unearned revenue		1,107	1,267
Interest bearing liabilities	6.2	85,114	92,795
Accrued employee benefits		572	518
Total Non-Current Liabilities		86,793	94,580
Total Liabilities		124,438	150,003
Net Assets		1,142,508	1,114,430
Equity			
Contributed equity		763,306	761,253
Accumulated deficit		(164,885)	(142,342)
Asset revaluation surplus	7.2	544,087	495,519
Total Equity		1,142,508	1,114,430

The accompanying notes form part of these financial statements.

Stadiums Queensland
Statement of Changes in Equity

for the year ended 30 June 2018

	Accumulated Deficit	Asset Revaluation Surplus (Note 7.2)	Contributed Equity	Total
	\$000	\$000	\$000	\$000
Balance as at 1 July 2016	(113,632)	422,325	750,983	1,059,676
Operating Result	(28,710)	-	-	(28,710)
Other Comprehensive Income				
Increase in asset revaluation surplus	-	73,194	-	73,194
Total Comprehensive Income for the Year	(28,710)	73,194	-	44,484
Transactions with Owners as Owners				
Non-reciprocal transfer of assets (Note 7.1)	-	-	10,270	10,270
Net Transactions with Owners as Owners	-	-	10,270	10,270
Balance as at 30 June 2017	(142,342)	495,519	761,253	1,114,430
Balance as at 1 July 2017	(142,342)	495,519	761,253	1,114,430
Operating Result	(22,543)	-	-	(22,543)
Other Comprehensive Income				
Increase in asset revaluation surplus	-	48,568	-	48,568
Total Comprehensive Income for the Year	(22,543)	48,568	-	26,025
Transactions with Owners as Owners				
Non-reciprocal transfer of assets (Note 7.1)	-	-	2,053	2,053
Net Transactions with Owners as Owners	-	-	2,053	2,053
Balance as at 30 June 2018	(164,885)	544,087	763,306	1,142,508

The accompanying notes form part of these financial statements.

Stadiums Queensland
Statement of Cash Flows
for the year ended 30 June 2018

	Notes	2018 \$000	2017 \$000
Cash flows from operating activities			
Inflows:			
Receipts from operations		40,975	41,172
Queensland Government operating grants		27,199	22,239
Queensland Government capital grants		22,170	29,000
Other Contributions		5,197	220
Interest		1,983	1,760
GST input tax credits from ATO		10,377	9,455
GST collected from customers		9,052	7,723
Other		3,085	2,835
Outflows:			
Employee expenses		(14,160)	(13,256)
Supplies and services		(67,157)	(25,764)
Borrowing costs		(6,013)	(6,221)
GST remitted to the ATO		(8,364)	(7,454)
GST paid to suppliers		(10,280)	(9,473)
Net cash provided by operating activities	CF-1	14,064	52,236
Cash flows from investing activities		CF-2	
Inflows:			
Sales of property, plant and equipment		129	85
Outflows:			
Payments for property, plant and equipment		(28,529)	(27,612)
Payments for intangible assets		-	(15)
Net cash used in investing activities		(28,400)	(27,542)
Cash flows from financing activities			
Inflows:		CF-3	
Borrowings		-	7,000
Outflows:			
Borrowing redemptions		(7,499)	(6,549)
Net cash provided by (used in) financing activities		(7,499)	451
Net increase / (decrease) in cash and cash equivalents		(21,835)	25,145
Cash and cash equivalents at beginning of financial year		101,234	76,089
Cash and cash equivalents at end of financial year	5.1	79,399	101,234

The accompanying notes form part of these financial statements.

Stadiums Queensland
Statement of Cash Flows
for the year ended 30 June 2018

NOTES TO THE STATEMENT OF CASH FLOW

CF-1 Reconciliation of Operating Result to Net Cash by Operating Activities

	2018 \$'000	2017 \$'000
Operating Deficit	(22,543)	(28,710)
Depreciation expense	63,152	59,123
Amortisation expense	163	162
Asset write-down	29	7
Net loss on disposal of non-current assets	532	37
Donated assets received	(2,373)	-
Market interest adjustment	270	292
Decrease (increase) in receivables and other assets	(497)	2,380
Increase (decrease) in payables	(23,106)	16,106
Increase (decrease) in unearned revenue	(1,972)	2,579
Increase in accrued employee benefits	409	260
Net cash provided by operating activities	14,064	52,236

CF-2 Non-Cash Investing and Financing Activities

Assets donated to Stadiums Queensland are recognised as revenue (refer note 3.2).

CF-3 Changes in Liabilities Arising from Financing Activities

	Closing Balance 2017 \$'000	Non-Cash Changes		Cash Flows		Closing Balance 2018 \$'000
		Market Interest Adjustment		Cash Received	Cash Payments	
		\$'000	\$'000	\$'000	\$'000	
Borrowings	100,492	270		(7,499)		93,263
Total	100,492	270	-	(7,499)	93,263	

1. BASIS OF FINANCIAL STATEMENT PREPARATION

1.1 General Information

Stadiums Queensland is a statutory body established under the *Major Sports Facilities Act 2001*.

The head office and principal place of business of Stadiums Queensland is:

Corner of Castlemaine and Chippendall Streets
Milton Qld 4064

1.2 Compliance with Prescribed Requirements

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

Stadiums Queensland is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis and Membership income in note 3.1) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in Note 14.

1.3 Presentation

Currency and Rounding

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

Comparatives

Comparative information reflects the audited 2016-17 financial statements except where necessary to be consistent with disclosures in the current reporting period.

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 Stadiums Queensland 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.

1.4 Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Board of Stadiums Queensland at the date of signing the Management Certificate.

1.5 Basis of Measurement

Historical cost is used as the measurement basis in this financial report unless otherwise stated.

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.

1.5 Basis of Measurement (continued)

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 estimated using another valuation technique. Fair value is determined using one of the following three approaches:

- The *market approach* uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The *cost approach* reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.
- The *income approach* converts multiple future cash flow amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by Stadiums Queensland's independent valuers include, but are not limited to, published sales data for land and building construction costs data.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets being valued. Unobservable inputs used by independent valuers include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics and functionality of the assets, assessments of physical condition and remaining useful life. Unobservable inputs are used to the extent that sufficient relevant and reliable observable inputs are not available for similar assets.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

All Stadiums Queensland's assets for which fair value is measured or disclosed in the financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1 - represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- Level 2 - represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- Level 3 - represents fair value measurements that are substantially derived from unobservable inputs.

Where fair value is used, the fair value approach is disclosed.

Stadiums Queensland does not recognise any financial assets and financial liabilities at fair value.

None of Stadiums Queensland valuations of its Property, Plant and Equipment assets are eligible for categorisation into level 1 of the fair value hierarchy. Details of categories of fair value hierarchy for Property, Plant and Equipment assets valued at fair value are set out in note 5.3.

Present Value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

1.6 Taxation

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

2. OBJECTIVES OF STADIUMS QUEENSLAND

Stadiums Queensland's objectives are to manage, operate, use and promote major sports facilities and to undertake the development of:

- major sports facilities;
- sports, recreational or entertainment facilities for declaration as major sports facilities; and
- infrastructure associated with major sports facilities or proposed major sports facilities.

Stadiums Queensland must perform its functions in a way that is consistent with sound commercial principles while having regard to the requirements of tenants of the facilities.

Stadiums Queensland is partly funded by Queensland Government grants and contributions and receives income on a fee for service basis for:

- membership;
- venue management, tenancy and hiring arrangements; and
- catering royalties.

3. REVENUE

3.1 Revenue Recognition

Accounting Policies - Revenue Recognition

Amounts disclosed as revenue are net of returns, discounts and rebates. Revenue is recognised for major business activities as follows:

- Membership income is recognised at the point of receipt.
- Tenancy and hire fees include tenancy and hiring agreements and admission and hiring fees:
 - Tenancy and hiring agreements are apportioned on a monthly basis over the term of the agreement.
 - Admission and hiring fees which includes entry fees, ticket sales, function and equipment hire are recognised at the time of the event.
- Catering income is recognised at the time of the event or as specified in the terms of the catering agreement.

3.2 Government Grants and Contributions

	2018 \$000	2017 \$000
Queensland Government operating grants	27,770	22,238
Queensland Government capital grants	22,170	29,000
Donations - assets	2,373	-
Contributions - other	5,198	220
Total	57,511	51,458

Stadiums Queensland receives operating and capital grants from the Department of Housing and Public Works (prior to 13 December 2017 from the Department of National Parks, Sport and Racing). Stadiums Queensland relies on the State of Queensland to continue to provide operating and capital grants and funding to assist with servicing borrowings raised for stadium redevelopments.

Accounting Policy – Government Grants and Contributions

Government grants and contributions are non-reciprocal in nature and are recognised as operating revenue on receipt or when an entitlement is established, whichever is the sooner.

Accounting Policy – Assets Donated

Assets donated are non-reciprocal in nature and are recognised as revenue on receipt of the assets.

The Brisbane City Council donated land asset of \$2.230 million for the construction of the Queensland State Netball Centre.

4. EXPENSES

4.1 Supplies and Services

	2018 \$000	2017 \$000
Professional fees and contractors	6,285	6,252
Telecommunication costs	279	246
Council rates, water, electricity and gas	6,425	6,621
Insurance	1,375	1,331
Venue cleaning and asset protection costs	2,737	2,712
Software support and computer costs	2,094	1,681
Advertising and promotions	976	910
Printing and postage	220	275
Event costs	2,508	4,129
Bank charges	29	31
Merchandise purchases	3	3
Bad and doubtful debts	18	11
Audit fees - external	81	85
Audit fees - internal	357	236
Losses and special payments	21	39
Land tax	1,234	1,204
Other	679	777
Total	25,321	26,543

Total external audit fees paid to the Queensland Audit Office relating to the 2017-18 financial statements are estimated to be \$87,500 (2017 Actual: \$85,000). There are no non-audit services included in this amount.

Supplies and Services are disclosed net of the costs recovered from tenants and hirers.

Accounting Policy - Special payments

Special payments include ex gratia expenditure and other expenditure that Stadiums Queensland is not contractually or legally obliged to make to other parties. In compliance with the *Financial and Performance Management Standard 2009*, Stadiums Queensland maintains a register setting out details of all special payments greater than \$5,000.

4.2 Employee Expenses

	2018 \$000	2017 \$000
Employee Benefits		
Wages and salaries	10,259	9,631
Employer superannuation contributions	1,316	1,238
Annual and long service leave entitlements	1,353	1,123
Other employee benefits	505	350
Employee Related Expenses		
Payroll tax	736	708
Workcover	136	147
Other employee related expenses	267	304
Total	14,572	13,501

4.2 Employee Expenses (continued)

	2018 No.	2017 No.
Full-time equivalent employees at 30 June	132.4	124.8

Key Management Personnel Disclosures are detailed in note 11.

Accounting Policy – Wages and Salaries and Annual Leave

Wages and salaries due but unpaid at the reporting date are recognised in the Statement of Financial Position at the current remuneration rates expected to apply at the time of settlement.

For annual leave, the entire amount of unpaid entitlements is recorded as a current liability in the Statement of Financial Position at its undiscounted value as Stadiums Queensland does not have an unconditional right to defer settlement of this obligation.

Accounting Policy – 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.

Accounting Policy – Long Service Leave

Long service leave entitlements payable are assessed at balance date having regard to current employee remuneration rates, employment related on-costs and other factors including accumulated years of employment, future remuneration levels, and experience of employee departure per year of service. Long service leave expected to be paid in the next 12 months is recorded as a current liability in the Statement of Financial Position at its undiscounted value. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these entitlements accrued to balance date. Relevant Commonwealth Government bond rates are used for discounting future cash flows.

Where Stadiums Queensland does not have an unconditional right to defer settlement of the long service leave entitlement, the unpaid entitlement is recorded as a current liability in the Statement of Financial Position.

Accounting Policy - Superannuation

Employer superannuation contributions are expensed in the period in which they are paid or payable.

Stadiums Queensland's obligation is limited to its contribution to superannuation schemes and therefore no liability is recognised for accruing superannuation benefits. Superannuation benefits for accumulation plans are a liability for the various employee superannuation plans. The liability for QSuper defined benefit funds is held on a whole-of-Government basis and reported in the financial report prepared pursuant to AASB 1049 *Whole-of-Government and General Government Sector Financial Reporting*.

4.3 Borrowing Costs

	2018 \$000	2017 \$000
QTC interest and administrative charges	5,979	6,183
Queensland Treasury loan interest	303	328
Total	6,282	6,511

4.3 Borrowing Costs (continued)

Accounting Policy - Borrowing Costs

Borrowing costs include interest on borrowings, ancillary administration charges and performance dividend payments. Borrowing costs are recognised as an expense in the period in which they are incurred. No borrowing costs are capitalised into qualifying assets.

5. ASSETS

5.1 Cash and Cash Equivalents

	2018 \$000	2017 \$000
Imprest accounts	8	8
Cash at bank	3,190	401
Deposits awaiting contract settlement	10,636	31,603
Deposits at call	65,565	69,222
Total	79,399	101,234

Cash deposited with the Queensland Treasury Corporation earned interest at rates between 2.22% and 2.90% (2017: 2.45% and 3.18%).

Accounting Policy - Cash and Cash Equivalents

For the purposes 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 as well as deposits at call with financial institutions.

Interest rate sensitivity analysis

If interest rates change by +/- 1% from the year-end rates applicable to Stadiums Queensland's Cash and Cash Equivalents, Stadiums Queensland would have an increase / decrease in operating result and equity of \$794,000 (2017: \$1,012,000). This sensitivity is mainly attributed to the exposure of cash funds deposited with Queensland Treasury Corporation to variable interest rates.

Stadiums Queensland's sensitivity to interest rates has decreased in the current period due to a decrease in the amount of cash and cash equivalents held.

5.2 Receivables

	2018 \$000	2017 \$000
Current		
Trade debtors	6,084	5,116
less Allowance for impairment loss	(47)	(34)
	<hr/>	<hr/>
	6,037	5,082
 GST receivable	 1,063	 1,159
less GST payable	(1,543)	(855)
	<hr/>	<hr/>
	(480)	304
 Grants receivable	 571	 -
Tenant fees receivable	2,835	2,728
Other receivables	151	416
 Total	 9,114	 8,530

5.2 Receivables (continued)

Accounting Policy - Receivables

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

Trade debtors are recognised at the amounts due at the time of sale or service delivery, i.e. the agreed purchase or contract price. Settlement of these amounts is required within 30 days from the invoice date.

Other debtors generally arise from transactions outside the usual operating activities of Stadiums Queensland and are recognised at their assessed values. Terms are 30 days, no interest is charged and no security is obtained.

Accounting Policy – Impairment

The collectability of receivables is assessed periodically with allowance being made for impairment. All known bad debts were written-off as at 30 June.

If no loss events have arisen in respect of a particular debtor or group of debtors, no allowance for impairment is made in respect of that debt/group of debtors. If Stadiums Queensland determines that an amount owing by such a debtor does become uncollectible (after an appropriate range of debt recovery actions), that amount is recognised as a Bad Debt expense and written-off directly against Receivables. In other cases where a debt becomes uncollectible but the uncollectible amount exceeds the amount already allowed for impairment of that debt, the excess is recognised directly as a Bad Debt expense and written-off directly against Receivables.

Credit risk exposure

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

No collateral is held as security and no credit enhancements relate to receivables held by Stadiums Queensland. Refer note 8.2.

5.3 Property, Plant and Equipment

	2018 \$000	2017 \$000
Land		
At fair value	180,470	172,769
	180,470	172,769
Buildings and Land Improvements		
At fair value	2,019,107	1,904,804
less accumulated depreciation	(1,071,900)	(950,475)
	947,207	954,329
Plant and Equipment		
At cost	46,683	42,647
less accumulated depreciation	(29,572)	(28,319)
	17,111	14,328
Heritage and Cultural Assets		
At fair value	638	485
	638	485
Work in Progress		
At cost	29,919	9,420
	29,919	9,420
Total	1,175,345	1,151,331

5.3 Property, Plant and Equipment (continued)

Property, Plant and Equipment Reconciliation

2018	Buildings and Land		Plant and Equipment \$000	Heritage and Cultural \$000	Work In Progress \$000	Total \$000
	Land \$000	Improvements \$000				
Balance at 1 July 2017	172,769	954,329	14,328	485	9,420	1,151,331
Additions	108	53	172	-	34,529	34,862
Assets donated	2,230	-	-	143	-	2,373
Disposals	-	(22)	(639)	-	-	(661)
Transfers from DTESB	-	-	-	-	2,053	2,053
Transfers	-	9,426	6,628	-	(16,083)	(29)
Revaluation	5,363	43,195	-	10	-	48,568
Depreciation	-	(59,774)	(3,378)	-	-	(63,152)
Balance at 30 June 2018	180,470	947,207	17,111	638	29,919	1,175,345
2017	Buildings and Land		Plant and Equipment \$000	Heritage and Cultural \$000	Work In Progress \$000	Total \$000
	Land \$000	Improvements \$000				
Balance at 1 July 2016	169,715	860,876	11,534	490	56,893	1,099,508
Additions	-	-	110	-	27,518	27,628
Assets donated	-	-	-	-	-	-
Disposals	-	(4)	(121)	(5)	-	(130)
Transfers from DTESB	-	-	-	-	10,270	10,270
Transfers	-	79,827	5,418	-	(85,261)	(16)
Revaluation	3,054	70,140	-	-	-	73,194
Depreciation	-	(56,510)	(2,613)	-	-	(59,123)
Balance at 30 June 2017	172,769	954,329	14,328	485	9,420	1,151,331

Accounting Policy – Recognition Thresholds

Items of property, plant and equipment with a cost or value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Land	\$1
Buildings and land improvements	\$10,000
Plant and equipment	\$5,000
Heritage and cultural assets	\$5,000

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

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

Componentisation of Complex Assets

Complex assets comprise separately identifiable components (or group of components) of significant value, that require replacement at regular intervals and at different times to other components comprising the complex asset.

On initial recognition, the asset recognition thresholds outlined above apply to the complex asset as a single item. Where the complex asset qualifies for recognition, components are then separately recorded when their value is significant relative to the total cost of the complex asset. Components whose values exceeds 10% of the complex asset's total cost are separately identified as significant value components. Components valued at less than 10% of the complex asset's total cost are separately recorded only where a material difference in depreciation expense would occur.

5.3 Property, Plant and Equipment (continued)

When a separately identifiable component (or group of components) of significant value is replaced, the existing component(s) is derecognised. The replacement component(s) are capitalised when it is probable that future economic benefits from the significant component will flow to Stadiums Queensland in conjunction with the other components comprising the complex asset and the cost exceeds the asset recognition thresholds specified above. Replacement components that do not meet the asset recognition thresholds for capitalisation are expensed.

Components are valued on the same basis as the asset class to which they relate. The accounting policy for depreciation of complex assets, and estimated useful lives of components, are disclosed below.

Stadiums Queensland's complex assets are its stadia which are used for sports, recreational and entertainment facilities.

Accounting Policy – Cost of Acquisition

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

Where assets are received free of charge from another Queensland Government agency (whether as a result of a machinery-of-Government change or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the agency immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from another Queensland Government entity, are recognised at their fair value at date of acquisition.

Accounting Policy – Measurement using Historical Cost

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

Accounting Policy – Measurement using Fair value

Land, buildings and land improvements and heritage and cultural assets are measured at fair value in accordance with Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector*. These assets are reported at their revalued amounts, being the fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses where applicable.

In respect of the above mentioned asset classes, the cost of items acquired during the financial year has been judged by Stadiums Queensland to materially represent their fair value at the end of the reporting period.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

Use of Specific Appraisals

Non-current physical assets measured at fair value are specifically appraised by independent professional valuers at least every five years. On an annual basis these assets are revalued based on interim assessments (desktop reviews and use of appropriate and relevant indices) undertaken by independent professional valuers. Where a class of assets experiences significant and volatile changes in fair value from one reporting period to the next, where practicable, specific appraisals are undertaken for the asset class regardless of the timing of previous such valuations. Factors indicating significant changes in fair value include increases in interest rates, rapidly deteriorating property markets, changes in prices of raw materials by more than 10% or rapid wage growth in the construction industry.

For financial reporting purposes, the revaluation process is managed by Stadiums Queensland's finance unit led by the Group Executive, Finance and Corporate Services. The asset valuation reports are submitted to Stadiums Queensland's Audit, Risk and Compliance Committee for consideration and review prior to referring the valuations to the Board for approval.

5.3 Property, Plant and Equipment (continued)

The fair values reported by Stadiums Queensland are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs (refer note 1.5).

Use of Indices

Where assets have not been specifically appraised, the asset values are kept up to date via interim assessments conducted by independent professional valuers to determine the assets' interim values at the reporting date. The valuers use market information available to them and provide assurance of its robustness, validity and appropriateness for application to the relevant assets. Through this process, which is undertaken annually, management ensures the estimate of the assets' fair value is not only valid but assesses and confirms the relevance and suitability of interim values provided by the professional independent valuers for Stadiums Queensland's own circumstances at the reporting date.

Accounting for Changes in Fair Value

Any revaluation increment arising on the revaluation of an asset is credited directly to the asset revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

For assets revalued using a cost valuation approach, (e.g. current replacement cost) accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses and any change in the estimate of remaining useful life. This is generally referred to as the 'gross method'.

For assets revalued using a market or income based valuation approach, accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating the revaluation. This is generally referred to as the 'net method'.

Accounting Policy – Depreciation

Land is not depreciated as it has an unlimited useful life.

Buildings and land improvements and plant and equipment are depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset progressively over its estimated useful life to Stadiums Queensland.

Key Judgements:

- Straight-line depreciation is used to reflect the even consumption of the service potential of these assets over their useful life to Stadiums Queensland; and
- Heritage and cultural assets, such as memorabilia, are not depreciated because the service potential is not expected to diminish over time.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction 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 reclassified to the relevant classes within property, plant and equipment.

Where complex assets, such as buildings, have significant separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

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 Stadiums Queensland.

5.3 Property, Plant and Equipment (continued)

Depreciation rates

Key estimate: For each class of depreciable asset, the following depreciation rates are used:

Class	Rate%	Class	Rate%
Buildings and land improvements			
Structure	2.5 - 10	Computer equipment	14.3 - 33.3
Building fabrics	4 - 20	Furniture and fittings	6.7 - 14.3
Lighting and electrical	2.5 - 20	Kitchen equipment	10 - 14.3
Hydraulics and fire services	2.5 - 10	Transport and grounds equipment	10 - 33.3
Air-conditioning and ventilation	2.5 - 6.7	Other	4 - 33.3
Vertical transportation	6.7		
Landscaping and Civil works	2.5 - 10		
Sport fields	2.5 - 10		

Accounting Policy – Impairment

All non-current physical assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. Where indicators of a material change in fair value or service potential since the last valuation arise, the asset is revalued at the reporting date under AASB 13 *Fair Value Measurement*. If an indicator of possible impairment exists, Stadiums Queensland determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use subject to the following:

- As a not-for-profit entity, certain property, plant and equipment of Stadiums Queensland is held for the continuing use of its service capacity and not for the generation of cash flows. Such assets are typically specialised in nature. In accordance with AASB 136, where such assets measured at fair value under AASB 13, that fair value (with no adjustment for disposal costs) is effectively deemed to be the recoverable amount. As a consequence, AASB 136 does not apply to such assets unless they are measured at cost.
- For other non-specialised property, plant and equipment measured at fair value, where indicators of impairment exist, the only difference between the asset's fair value and its fair value less costs of disposal is the incremental costs attributable to the disposal of the asset. Consequently, the fair value of the asset determined under AASB 13 will materially approximate its recoverable amount where the disposal costs attributable to the asset are negligible. After the revaluation requirements of AASB 13 are first applied to these assets, applicable disposal costs are assessed and, in the circumstances where such costs are not negligible, further adjustments to the recoverable amount are made in accordance with AASB 136.

For all other remaining assets measured at cost, recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use.

Value in use is equal to the present value of the future cash flows expected to be derived from the asset, including the estimated net disposal proceeds.

Where there is an impairment loss, it is recognised immediately in the Statement of Comprehensive Income unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

5.3 Property, Plant and Equipment (continued)

Land and buildings and land improvements are specifically appraised on a progressive basis over a five year period. The following table shows the dates at which specific appraisals have been undertaken at each venue:

	Land	Building and land improvements
1300SMILES Stadium	30 June 2016	30 June 2014
Brisbane Cricket Ground	30 June 2016	30 June 2016
Brisbane Entertainment Centre	30 June 2017	30 June 2017
Cbus Super Stadium	30 June 2016	30 June 2016
Meticon Stadium	30 June 2016	30 June 2015
Queensland Sport and Athletics Centre	30 June 2017	30 June 2017
Queensland Tennis Centre	30 June 2016	30 June 2014
Sleeman Sports Complex	30 June 2017	30 June 2017
Suncorp Stadium	30 June 2018	30 June 2018

Land

Independent qualified valuers from Australis Advisory Group Pty Ltd performed specific appraisals of land assets at the Suncorp Stadium and interim assessments of the other land assets at 30 June 2018 using a market approach.

The inputs to determine the specific appraisals and interim assessments included:

- an analysis of sales and resales of properties within the surrounding locality of the subject properties;
- published property market analysis and commentaries;
- any easements, encumbrances or contamination;
- discussions with experts and consideration of case law;
- the highest and best use of the site; and
- restrictions on land use due to current zoning, such as Community Use, Sport and Recreation.

Stadiums Queensland's land values have significant inputs which are not all based on observable market data and are therefore classified as Level 3 of the fair value hierarchy.

Key Judgement: The valuers considered the current use of Stadiums Queensland's land to be its highest and best use. The valuers have exercised professional expertise and judgement in applying an adjustment factor of between 20% to 50% to the observable market value taking into consideration the unobservable inputs to the valuation of each site.

Buildings and Land Improvements

Stadiums Queensland's building and land improvement assets are purpose-built sporting and entertainment facilities. A specific appraisal for the Suncorp Stadium's buildings and land improvements and interim assessments for the other buildings and land improvements assets have been undertaken by qualified quantity surveyors from Gray Robinson Cottrell Pty Ltd (GRC) as at 30 June 2018.

The valuations have been determined using a cost approach (i.e. current replacement cost) due to there being no active market for such specialised facilities.

GRC provides modern replacement values and remaining useful lives for various complex assets from which Stadiums Queensland determines fair value using the current replacement cost method. The inputs to the modern replacement values have been determined using:

- current construction rates;
- plans and elevations including schedules and specifications;
- site surveys;
- site inspections and conditions;

5.3 Property, Plant and Equipment (continued)

- replacement of existing assets with a modern equivalent;
- recent cost details for completed capital works projects and current construction costs for similar projects;
- market driven indices such as the Locality and Building Price indices;
- Australian Institute of Quantity Surveyors cost management manuals; and
- construction market conditions.

Stadiums Queensland's buildings and land improvements values have significant inputs which are not all based on observable market data and are therefore classified as Level 3 of the fair value hierarchy.

Key Judgement: The valuers considered the current use of the buildings and land improvement assets to be their highest and best use in determining the current replacement cost of these assets.

Heritage and Cultural Assets

Heritage and cultural assets were specifically appraised by an independent qualified valuer from O'Maras Valuers and Auctioneers at 30 June 2018. A market approach has been used to determine the fair value of these assets which included research of sales of similar assets and taking into account any differences. These valuations are independently reviewed on an annual basis by a qualified valuer.

The significant inputs for Heritage and Cultural Assets maximise the use of observable market data and are classified as Level 2 on the fair value hierarchy.

Key Judgement: The valuers considered the current use of Stadiums Queensland's Heritage and Cultural Assets to be their highest and best use.

Categories of fair values recognised as at 30 June 2018

2018

Asset Class	Level 2	Level 3	Total
	\$000	\$000	\$000
Land		180,470	180,470
Building and Land Improvements		947,207	947,207
Heritage and Cultural Assets	638		638

2017

Asset Class	Level 2	Level 3	Total
	\$000	\$000	\$000
Land		172,769	172,769
Building and Land Improvements		954,329	954,329
Heritage and Cultural Assets	485		485

There were no transfers to or from Level 2 or Level 3 for recurring fair value measurements during the year.

Stadiums Queensland's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period based on information from independent qualified valuers.

6. LIABILITIES

6.1 Payables

	2018 \$000	2017 \$000
Current		
Interest payable	7	8
Trade creditors	4,352	6,110
Construction costs payable	6,333	-
Event settlement	10,608	31,903
Other creditors and accruals	1,556	1,608
Total	22,856	39,629

Accounting Policy - Payables

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

Event settlements are event ticket sales monies held by Stadiums Queensland on behalf of the hirers for scheduled events and are settled with the hirers generally within 30 days after the event date.

6.2 Interest Bearing Liabilities

	2018 \$000	2017 \$000
Current		
Loans - Queensland Treasury	497	471
Loans - Queensland Treasury Corporation	7,652	7,226
Total	8,149	7,697
Non-Current		
Loans - Queensland Treasury	4,372	4,869
Loans - Queensland Treasury Corporation	80,742	87,926
Total	85,114	92,795

There are no floating rate borrowings and no assets have been pledged as security for any liabilities.

All borrowings are in \$A denominated amounts and carried at amortised cost, interest being expensed as it accrues. Repayment dates vary from 19 July 2023 to 15 March 2030. There have been no defaults or breaches of the borrowings agreements during the period.

Principal and interest repayments on Queensland Treasury Corporation borrowings are made quarterly in arrears at rates ranging from 2.89% to 7.07% (2017: 2.89% to 7.07%). The principal and interest repayment on the Queensland Treasury borrowings is made annually in arrears, with an interest rate of 0.5% (2017: 0.5%).

All borrowing facilities have been fully drawn at 30 June 2018.

Accounting Policy - Borrowings

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument (or when appropriate, a shorter period), to the net carrying amount of that instrument.

6.2 Interest Bearing Liabilities (continued)

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are classified as non-current liabilities to the extent that Stadiums Queensland has an unconditional right to defer settlement until at least 12 months after the reporting date.

Stadiums Queensland does not enter into transactions for speculative purposes, or for hedging. No financial liabilities are classified at fair value through profit or loss.

Interest rate sensitivity analysis

There is no exposure from borrowings as all borrowings have fixed interest rates.

Fair value

The fair value of borrowings is notified by Queensland Treasury and the Queensland Treasury Corporation. Fair value is calculated using discounted cash flow analysis and the effective interest rate and is disclosed below:

Category	2018		2017	
	Carrying Amount \$000	Fair Value \$000	Carrying Amount \$000	Fair Value \$000
Financial Liabilities				
Financial liabilities measured at amortised cost:				
Queensland Treasury	4,869	5,215	5,340	6,282
Queensland Treasury Corporation	88,394	103,949	95,152	113,126
	93,263	109,164	100,492	119,408

7. EQUITY

7.1 Contributed Equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland Government entities as a result of machinery-of-Government changes or other involuntary transfers are adjusted to Contributed Equity in accordance with Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

The Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESB) has transferred to Stadiums Queensland capital works of \$2.053 million (2017: \$10.270 million) related to the Gold Coast 2018 Commonwealth Games venues. The transfer has been effected under Ministerial approval as a non-reciprocal transfer and accounted for as an equity adjustment to Contributed Equity.

7.2 Asset Revaluation Surplus

2018	Land	Buildings and Land Improvements	Heritage and Cultural	Total
	\$000	\$000	\$000	\$000
Balance 1 July 2017	65,545	429,792	182	495,519
Revaluation increments/(decrements)	5,363	43,195	10	48,568
Balance at 30 June 2018	70,908	472,987	192	544,087

2017	Land	Buildings and Land Improvements	Heritage and Cultural	Total
	\$000	\$000	\$000	\$000
Balance 1 July 2016	62,491	359,652	182	422,325
Revaluation increments/(decrements)	3,054	70,140	-	73,194
Balance 30 June 2017	65,545	429,792	182	495,519

Accounting Policy – Asset Revaluation Surplus

The asset revaluation surplus represents the net effect of upwards and downwards revaluations of assets to fair value.

8. FINANCIAL RISK DISCLOSURE

8.1 Financial Instrument Categories

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

Category	Note	2018 \$000	2017 \$000
Financial Assets			
Cash and cash equivalents	5.1	79,399	101,234
Receivables	5.2	9,114	8,530
		88,513	109,764
Financial Liabilities			
Financial liabilities measured at amortised cost:			
Payables	6.1	22,856	39,629
Interest Bearing liabilities	6.2	93,263	100,492
		116,119	140,121

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

8.2 Financial Risk Management

Risk Exposure

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

Stadiums Queensland's activities expose it to a variety of financial risks as set out in the following table:

Risk Exposure	Definition	Exposure
Credit Risk	Credit risk exposure refers to the risk associated with financial loss as a result of another party to a financial instrument failing to discharge their obligations.	The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any allowance for impairment (note 5.2).
Liquidity risk	Liquidity risk refers to the risk of not meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets.	Stadiums Queensland is exposed to liquidity risk in respect of its payables (note 6.1) and borrowings from Queensland Treasury and Queensland Treasury Corporation for capital works (note 6.2).
Market risk	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.	Stadiums Queensland does not trade in foreign currency and is not materially exposed to commodity price changes. The organisation is exposed to interest rate risk through its cash deposited in interest bearing accounts (note 5.1).

8.2 Financial Risk Management (continued)

Risk Measurement and Management Strategies

Stadiums Queensland measures risk exposure using a variety of methods as follows:

Risk Exposure	Measurement method	Risk Management Strategies
Credit Risk	Ageing analysis	<p>Stadiums Queensland manages credit risk through monitoring funds owed on a timely basis, entering into long term contracts with tenants and hirers and requiring deposits in advance for one-off events and functions.</p> <p>The method for calculating any allowance for impairment is based on past experience, current and expected changes in economic conditions and changes in client credit ratings. These changes form part of Stadiums Queensland's documented risk analysis assessment in conjunction with historical experience and associated industry data.</p> <p>No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired.</p>
Liquidity risk	Sensitivity analysis	Stadiums Queensland manages liquidity risk by having sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring minimum levels of cash are held in bank accounts so as to match the expected duration of the various employee and supplier liabilities. Funding from the State of Queensland also contributes towards the servicing of borrowings and commitments.
Market risk	Interest rate sensitivity analysis	Stadiums Queensland does not undertake hedging in relation to interest rate risk. All borrowings have fixed interest rates.

8.3 Liquidity Risk – Contractual Maturity of Financial Liabilities

The following table sets out the liquidity risk of financial liabilities held by Stadiums Queensland. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the Statement of Financial Position which have been based on discounted cash flows.

2018	Note	Payable in			Total \$000
		< 1 year \$000	1-5 years \$000	> 5 years \$000	
Financial Liabilities					
Payables	6.1	22,856	-	-	22,856
Loans - Queensland Treasury	6.2	775	3,098	2,324	6,197
Loans - Queensland Treasury Corporation	6.2	12,745	50,978	57,620	121,343
		36,376	54,076	59,944	150,396

2017	Note	Payable in			Total \$000
		< 1 year \$000	1-5 years \$000	> 5 years \$000	
Financial Liabilities					
Payables	6.1	39,629	-	-	39,629
Loans - Queensland Treasury	6.2	775	3,098	3,098	6,971
Loans - Queensland Treasury Corporation	6.2	12,738	50,978	70,364	134,080
		53,142	54,076	73,462	180,680

9. CONTINGENCIES

Contingent Liabilities

Details and estimates of maximum amounts of contingent liabilities classified according to type and for which no provision has been recognised in the Statement of Financial Position, are as follows:

	2018 \$000	2017 \$000
Legal proceedings	55	75
	<u>55</u>	<u>75</u>

There are no other known contingent liabilities or obligations outstanding at balance date.

10. COMMITMENTS

(a) Non-Cancellable Operating Leases

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

	2018 \$000	2017 \$000
Not later than 1 year	35	25
Later than 1 year but not later than 5 years	93	72
Later than 5 years	<u>174</u>	<u>191</u>
	<u>302</u>	<u>288</u>

(b) Capital Expenditure Commitments – Buildings and Land Improvements

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

	2018 \$000	2017 \$000
Buildings and Land Improvements		
Queensland State Netball Centre at QSAC	21,585	41,585
Multi-Storey Car Park at QSAC	4,275	7,300
Other capital commitments	<u>1,016</u>	<u>3,574</u>
	<u>26,876</u>	<u>52,459</u>

Buildings and land improvement commitments, not recognised as liabilities, are payable as follows:

Not later than 1 year	26,876	39,875
Later than 1 year and not later than 5 years	-	12,584
	<u>26,876</u>	<u>52,459</u>

Plant and Equipment

Not later than 1 year	48	84
	<u>48</u>	<u>84</u>

Intangibles

Not later than 1 year	453	486
	<u>453</u>	<u>486</u>

11. KEY MANAGEMENT PERSONNEL DISCLOSURES

11.1 Details of Key Management Personnel

The following details for key management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of Stadiums Queensland 2017-18 and 2016-17. From 1 May 2018, the previous General Manager positions have been designated as Group Executive positions.

Position	Responsibilities	Contract classification and appointment authority	Original Commencement Date	Termination Date
Chairman	Decide the objectives, strategies and policies to be followed by Stadiums Queensland and ensure it performs its functions in a proper, effective and efficient way.	Part-Time Chairs and Members of Queensland Government Bodies. Appointment by Governor in Council	1/07/2015	
Directors*	Decide the objectives, strategies and policies to be followed by Stadiums Queensland and ensure it performs its functions in a proper, effective and efficient way.	Part-Time Chairs and Members of Queensland Government Bodies. Appointment by Governor in Council.	1/07/2015	30/06/2018
			1/07/2015	30/06/2018
			1/07/2015	30/06/2018
			1/07/2015	30/06/2018
			1/07/2015	30/06/2018
			6/10/2016	30/06/2018
Chief Executive	The Chief Executive is responsible for the ongoing management of the organisation in accordance with the strategy, policies and programs approved by the Board.	Common Law contract with the classification of Chief Executive. Appointed by the Board of Stadiums Queensland.	14/11/2016	
Group Executive, Operations and Commercial	The Group Executive, Operations and Commercial provides leadership and strategically manages the performance and services delivered through each of Stadiums Queensland's venues to maximise commercial opportunities, deliver good customer service and ensure community service obligations are met.	Common Law contract with the classification of Group Executive, Operations and Commercial. Appointed by the Board of Stadiums Queensland.	3/04/2017	
Group Executive, Finance and Corporate Services	The role of the Group Executive, Finance and Corporate Services provides leadership and strategically manages the performance and services delivered through each of the corporate services areas of finance, human resources, corporate governance and risk management, knowledge management, Right to Information, Privacy, insurance and the procurement framework.	Common Law contract with the classification of Group Executive, Finance and Corporate Services. Appointed by the Board of Stadiums Queensland.	14/10/2002	
Group Executive, Assets and Facilities	The Group Executive, Assets and Facilities provides leadership and strategically manages and enhances the value of the Stadiums Queensland's assets in accordance with the asset strategic plan and the business plan for each venue and in line with established financial, asset and risk management principles.	Common Law contract with the classification of Group Executive, Assets and Facilities. Appointed by the Board of Stadiums Queensland.	7/10/2002	

* Following the end of term of the existing Directors on 30 June 2018, new Directors have been appointed from 1 July 2018.

Remuneration policies

The remuneration policy for the Directors of Stadiums Queensland is set by the Governor in Council. The remuneration policy for employees, who are key management personnel, is set by the Board under the *Major Sports Facilities Act 2001*.

For the 2017-18 year, remuneration of key management personnel increased by 2.5%. This increase was approved by the Board and is consistent with the *Stadiums Queensland Staff Certified Agreement 2016*.

Remuneration packages for key management personnel comprise the following components:

- Short term employee benefits which include:
 - Base consisting of base salary, allowances and leave entitlements expensed for the entire year or for that part of the year during which the Director or employee occupied the specified position.
 - Non-monetary benefits consisting of the provision of a motor vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits include amounts expensed in respect of long service leave.
- Post-employment benefits include amounts expensed in respect of employer superannuation obligations.

Redundancy payments 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.

No performance bonuses are paid to Directors or employees of Stadiums Queensland.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post-employment benefits.

11.2 Key Management Personnel Expense

Key management personnel and remuneration disclosures are made in accordance with section 3C of the *Financial Reporting Requirements for Queensland Government Agencies* issued by Queensland Treasury.

2018	Short Term Employee Benefits		Long Term Employee Benefits \$000	Post-employment Benefits \$000	Termination Benefits \$000	Total \$000
	Base \$000	Non-Monetary Benefits \$000				
Position (date appointed/resigned if applicable)						
Chairman	35	-	-	3	-	38
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Chief Executive	366	-	8	42	-	416
Group Executive, Operations and Commercial	242	-	5	20	-	267
Group Executive, Finance and Corporate Services	237	-	5	26	-	268
Group Executive, Assets and Facilities	233	-	5	26	-	264
Total Remuneration	1,203	-	23	123	-	1,349

2017	Short Term Employee Benefits		Long Term Employee Benefits \$000	Post-employment Benefits \$000	Termination Benefits \$000	Total \$000
	Base \$000	Non-Monetary Benefits \$000				
Position (date appointed/resigned if applicable)						
Chairman	35	-	-	3	-	38
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director (Appointment date 06/10/2016)	11	-	-	1	-	12
Chief Executive (Resignation date 09/11/2016)*	27	-	-	3	-	30
Chief Executive (Appointment date 14/11/2016)	248	-	-	32	-	280
General Manager, Operations ** (01/07/2016 - 13/11/2016)	119	-	-	15	-	134
General Manager, Operations (Appointment date 03/04/2017)	57	-	-	6	-	63
Acting General Manager, Operations (01/07/2016 - 02/04/2017)	162	-	-	16	-	181
General Manager, Corporate Services **	224	-	-	29	-	253
General Manager, Asset Management and Development **	225	-	-	29	-	254
Total Remuneration	1,183	-	-	139	-	1,325

* Excludes salary costs of \$51,326 for secondment to the Department of the Premier and Cabinet from the period 1 August 2016 to 7 September 2016.

**Remuneration includes higher duties paid for Acting Chief Executive.

11.3 Transactions with Related Parties of Key Management Personnel

Key management personnel and their closely related parties conduct transactions with Stadiums Queensland on an arm's length basis and on terms and conditions no more favourable than those available to non-related parties.

All transactions with key management personnel or related parties that occurred during the financial year are trivial or domestic in nature. Each Director has access to venue memberships of \$5,422 (2017: \$5,332) for the financial year.

12. RELATED PARTY TRANSACTIONS

Entities subject to common control

Stadiums Queensland is a statutory body established under the *Major Sport Facilities Act 2001* and its Queensland Government administering Department is the Department of Housing and Public Works from 13 December 2017 (previously the Department of National Parks, Sports and Racing). All State of Queensland controlled entities meet the definition of other related parties.

Transactions with State of Queensland controlled entities

Stadiums Queensland transacts with other State of Queensland controlled entities. All material transactions are negotiated on terms equivalent to those that prevail in arm's length transactions.

The following relates to transactions with State of Queensland controlled entities:

	2018	2017
	\$'000	\$'000
REVENUE		
Revenue received for tenancy and hire fees and other contributions (excluding Government grants) from State of Queensland controlled entities	3,330	1,145
Government grants from State of Queensland (Note 3.2)	49,940	51,238
Interest received on deposits with Queensland Treasury Corporation (QTC)	2,111	1,775
EXPENSES		
Expenses incurred with State of Queensland controlled entities for supplies and services, employee expenses and repairs and maintenance	10,740	13,366
Borrowing costs including administration fees (Note 4.3)	6,282	6,511
ASSETS		
Deposits held with QTC	73,416	90,208
Receivables with State of Queensland controlled entities for services provided by Stadiums Queensland	716	37
Property, Plant and Equipment - capital works paid and transfer with State of Queensland controlled entities	28,207	12,899
LIABILITIES		
Payables to State of Queensland controlled entities for supplies and services received by Stadiums Queensland	6,509	778
Loans from QTC and Queensland Treasury (Note 6.2)	93,263	100,492

Transactions with other related parties

Disclosures relating to Key Management Personnel are provided in Note 11.

13. 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 1058 Income of Not-for-Profit Entities and AASB 15 Revenue from Contracts with Customers

These standards will first apply to Stadiums Queensland from its financial statements for 2019-20.

Stadiums Queensland has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts. Potential future impacts identifiable at the date of this report are as follows:

- Grants that are not enforceable and/or sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Stadiums Queensland receives several grants for which there are no sufficiently specific performance obligations – these grants are expected to continue being recognised as revenue when it is received assuming no change to the current grant arrangements.
- Under the new standards, special purposes grants and contributions presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific. Stadiums Queensland has commenced evaluating the existing special purposes grant and contribution arrangements to determine whether revenue from these arrangements could be deferred under the new requirements. However, no conclusion or the potential impact, if any, has been determined at the present time.
- Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of Stadiums Queensland's goods and services, such that some revenue may need to be deferred to a later reporting period to the extent that Stadiums Queensland has received cash but has not met its associated obligations (such amounts would be reported as a liability in the meantime). Stadiums Queensland is yet to complete its analysis of existing arrangements for sale of its goods and services and the impact, if any, on revenue recognition has not yet been determined.

AASB 16 Leases

This standard will first apply to Stadiums Queensland from its financial statements for 2019-20. When applied, the standard supersedes AASB 117 *Leases*, AASB Interpretation 4 *Determining whether an Arrangement contains a Lease*, AASB Interpretation 115 *Operating Leases – Incentives* and AASB Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

Impact for Lessees

Unlike AASB 117 *Leases*, AASB 16 introduces a single lease accounting model for lessees. Lessees will be required to recognise a right-of-use asset (representing rights to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value.

In effect, the majority of operating leases (as defined by the current AASB 117) will be reported on the Statement of Financial Position under AASB 16. There will be a significant increase in assets and liabilities for organisations that lease assets. The impact on the reported assets and liabilities would be largely in proportion to the scale of the organisation's leasing activities.

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the effective date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. They will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will also be recognised as an expense.

13. FUTURE IMPACT OF ACCOUNTING STANDARDS NOT YET EFFECTIVE (continued)

AASB 16 allows a ‘cumulative approach’ rather than full retrospective application to recognising existing operating leases. If a lessee chooses to apply the ‘cumulative approach’, it does not need to restate comparative information. Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of the accumulated surplus (or other component of equity, as appropriate) at the date of the initial application. Stadiums Queensland will await further guidance from Queensland Treasury on the transitional accounting method to be applied.

Stadiums Queensland has not yet quantified the impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 to its current operating leases, including the extent of additional disclosures required.

All other Australian Accounting Standards and Interpretations with future commencement dates are either not applicable to Stadiums Queensland’s activities or have no material impact.

14. FIRST YEAR APPLICATION OF NEW ACCOUNTING STANDARDS OR CHANGE IN ACCOUNTING POLICY

14.1 Changes in Accounting Policy

Stadiums Queensland did not voluntarily change any of its accounting policies during 2017-18.

14.2 Accounting Standards Early Adopted for 2017-18

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

14.3 Accounting Standards Applied for the First Time in 2017-18

AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107 requires the disclosure of information that will allow users to understand changes in liabilities arising from financing activities. Disclosure of the relevant figures can be found in note CF-3.

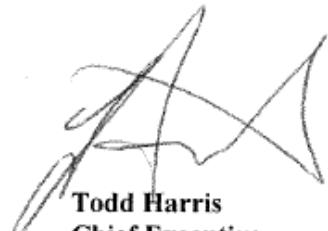
AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash Generating Specialised Assets for not-for-Profit Entities simplified and clarified the impairment testing requirements under AASB 136 for non-cash generating assets held by NFP entities. This amendment has not changed any reported amounts. References to the Depreciated Replacement Costs have been replaced with Current Replacement Cost in line with these amendments.

CERTIFICATE OF STADIUMS QUEENSLAND

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with Section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
- (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 Stadiums Queensland for the financial year ended 30 June 2018 and of the financial position of Stadiums Queensland 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.

Signed in accordance with a resolution of the Board of Directors.



Todd Harris
Chief Executive

28 August 2018



Sophie Devitt
Chair

28 August 2018

INDEPENDENT AUDITOR'S REPORT

To the Board of Stadiums Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Stadiums Queensland.

In my opinion, the financial report:

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

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

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Responsibilities of the entity for the financial report

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

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

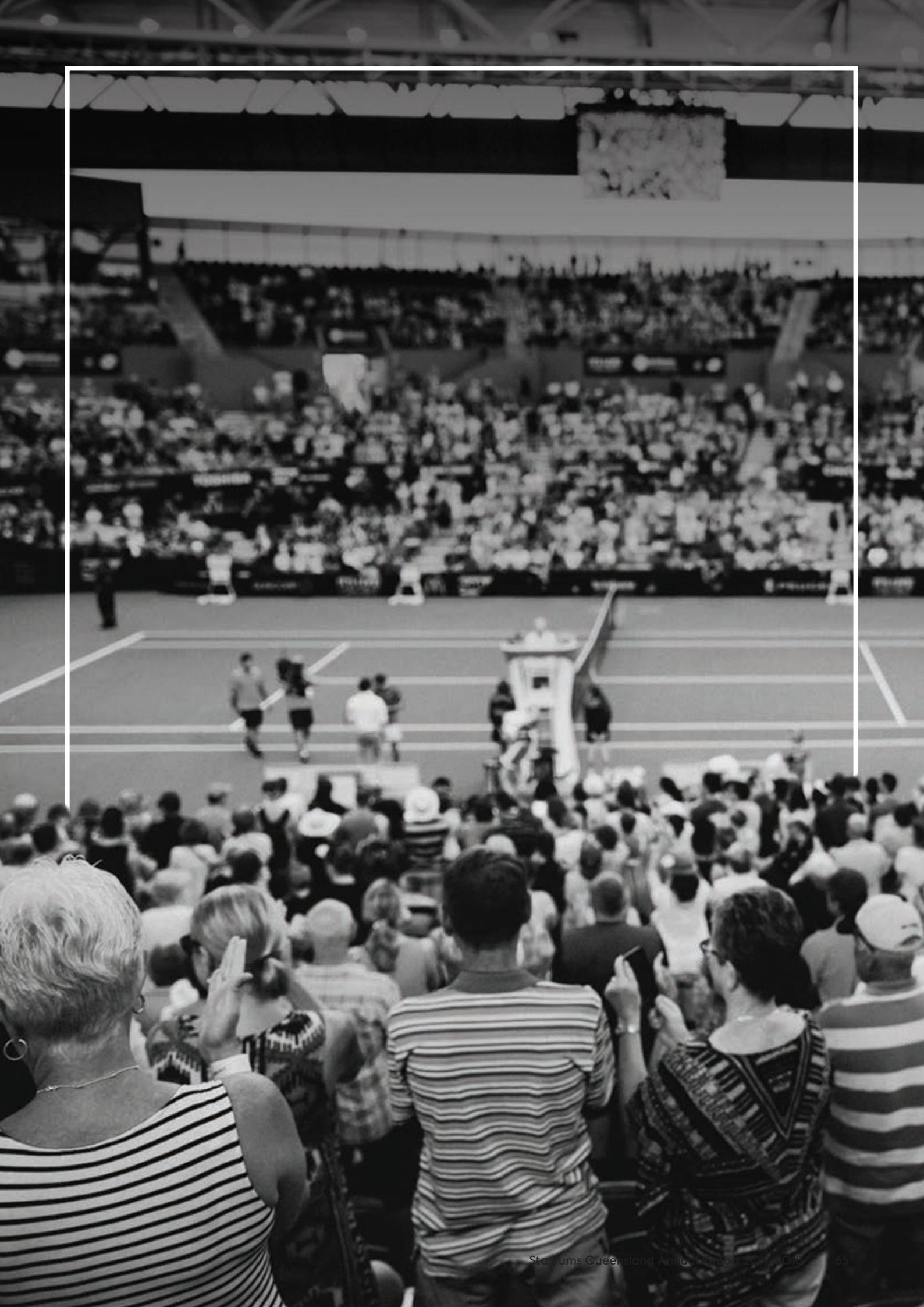
- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.



31 August 2018

Vaughan Stemmett
as delegate of the Auditor-General

Queensland Audit Office
Brisbane



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Queensland

Townsville

**1300
SMILES**
Stadium

Brisbane

Gold Coast

 BRISBANE
ENTERTAINMENT
CENTRE

 SUNCORP
STADIUM

 SLEEMAN
SPORTS COMPLEX

 GABBA

 Queensland
Tennis Centre

 QSAC

 metricon STADIUM

 cbus
super
stadium

GLOSSARY

AEG (Ogden)	Anschutz Entertainment Group, 'AEG Ogden'
AFL	Australian Football League
ARU	Australian Rugby Union
AMV	Anna Meares Velodrome
BEC	Brisbane Entertainment Centre
BI	Brisbane International (Tennis Tournament)
CCTV	Closed Circuit Television
EEO	Equal Employment Opportunity
FFA	Football Federation Australia
GC2018	Gold Coast 2018 Commonwealth Games
GC SUNS	Gold Coast SUNS Football Club
GOLDOC	The Gold Coast 2018 Commonwealth Games Corporation
HPE Records Manager	Electronic Documents/Records Management System
ICC	International Cricket Council
IPTV	Internet Protocol Television
LED	Light-emitting diode
MND	Motor Neurone Disease
MSFA	Major Sports Facilities Act (2001)
MWS	MWS Sports (Queensland Tennis Centre Management Company)
NRL	National Rugby League
NQS	North Queensland Stadium
PCYC	Police and Citizens Youth Club
PWC	PricewaterhouseCoopers
QAO	Queensland Audit Office
QAS	Queensland Academy of Sport
QRL	Queensland Rugby League
QRU	Queensland Rugby Union
QSAC	Queensland Sport and Athletics Centre
QSNC	Queensland State Netball Centre
QTC	Queensland Tennis Centre
SMAC	Stadium Management Advisory Committee
SQ	Stadiums Queensland
SSC	Sleeman Sports Complex
WHS	Workplace Health and Safety





