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## Stadiums Queensland Annual Report 2016/2017

13 September 2017

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

Dear Minister

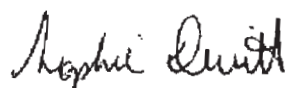
I am pleased to present the Annual Report 2016/2017 for Stadiums Queensland.

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](http://www.stadiums.qld.gov.au).

Yours sincerely



Sophie Devitt  
Chair  
Stadiums Queensland



Queensland  
Tennis Centre

great venues. good times.

# CONTENTS

Stadiums Queensland at a Glance	4
Corporate Overview	6
Chair's Report	8
Chief Executive's Report	10
The Board	12
Corporate Governance	15
Venue Reports	18
Financial Statements	29
Contact Information	62
Venue Location Map	63
Glossary	64

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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 2016/2017, SQ:

- Hosted more than 3.9 million patrons across its nine venues;
- Continued to partner with Cricket Australia, Tourism and Events Queensland and Brisbane Marketing to deliver International cricket at The Gabba;
- Worked with Tourism and Events Queensland, AEG Ogden and Duco Events to secure international boxing superstar Manny Pacquiao to take on local Jeff Horn at Suncorp Stadium in July 2017;
- Remained highly engaged in the planning process to assist with the delivery of the Gold Coast 2018 Commonwealth Games (GC2018) and worked with key Government stakeholders to deliver significant games infrastructure;
- Opened a world-class, indoor velodrome at the Sleeman Sports Complex (SSC). The Anna Meares Velodrome is named in honour of the champion track cyclist; and

- Commissioned new high definition light-emitting diode (LED) video replay screens for The Gabba and Suncorp Stadium to replace outdated technology, for the benefit of fans and hirers alike.

In respect of SQ venues:

- Suncorp Stadium hosted 49 major events attended by 1,099,864 patrons for a range of events including a Coldplay concert, the inaugural Global IOs Rugby tournament, and the National Rugby League (NRL) Brisbane Doubleheader, as well as fixtures from anchor tenants the Brisbane Broncos, Queensland Reds and Brisbane Roar;
- The Queensland Sport and Athletics Centre (QSAC) hosted a Guns N' Roses concert, a Monster Jam event and began early works on the construction of the Queensland State Netball Centre (QSNB);
- I300SMILES Stadium hosted the North Queensland Cowboys rugby league home games, including an NRL Finals match between the North Queensland Cowboys and Brisbane Broncos;
- The Queensland Tennis Centre (QTC) hosted the 2017 Brisbane International with the third highest crowd on record, and hosted the highest crowd on record for a Davis Cup event at the venue;

- The Gabba hosted the first concert at the venue in over 30 years with record crowds for Adele, as well as the first ever Day/Night Cricket Test match in Queensland;
- Cbus Super Stadium hosted 12 Gold Coast Titans rugby league home games.
- Metricon Stadium hosted the inaugural Australian Football League Women's (AFLW) Grand Final which attracted in excess of 15,000 patrons followed by the Round 1 QClash between the Gold Coast Suns (GC SUNS) and the Brisbane Lions as well as 10 GC SUNS AFL fixtures;
- The Brisbane Entertainment Centre (BEC) hosted a wide range of international and domestic touring acts including Bruce Springsteen, Keith Urban, the Dixie Chicks and Andre Rieu; and
- The SSC successfully rebranded and launched a new community gym, Pace at Sleeman, located within the Anna Meares Velodrome.

## OVERALL PATRONAGE

	2016/17	2015/16
The Gabba	565,666	423,581
Suncorp Stadium	1,099,864	1,254,503
Cbus Super Stadium	186,025	157,247
Brisbane Entertainment Centre	513,772	596,237
Queensland Sport and Athletics Centre	265,258	333,441
Sleeman Sports Complex	719,482	621,785
1300SMILES Stadium	228,876	262,170
Queensland Tennis Centre	236,170	220,055
Metricon Stadium	177,090	166,646
<b>Total</b>	<b>3,992,203</b>	<b>4,035,665</b>

## 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.



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



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



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



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



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



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



Improve operational efficiencies and reduce event costs.

# CORPORATE OVERVIEW

## OUR VISION

great venues. good times.

## OUR MISSION

Building better venue experiences

## OUR CORE VALUES

- Teamwork
- Integrity
- Respect
- Trust
- Service

## OUR OPERATING PRINCIPLES

- Attracting and retaining quality, dedicated personnel who exhibit Our Core Values
- Good corporate governance and sound business practices
- Adding value for venue members, hirers, tenants and patrons
- Ensuring maximum operational effectiveness at each venue
- Attracting and retaining quality events and activities
- Building and enhancing the reputation of each of our venues
- Acting in a commercially responsible manner
- Developing the organisation to support business directions
- Striving for excellence

## KEY OUTCOME STATEMENTS

As part of performing its function, SQ has developed Key Outcome Statements based upon the three critical elements that give life to the organisation:

### PEOPLE

<ul style="list-style-type: none"><li>• SQ is a great place to work that nurtures, develops and inspires excellence, and celebrates success</li><li>• Our people are professional, well trained, highly motivated and display Our Core Values</li></ul>	<b>Goal</b> <ul style="list-style-type: none"><li>• Retention of skilled and experienced staff</li><li>• Improving the capability of our workforce</li></ul>
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### PROCESS

<ul style="list-style-type: none"><li>• Through sound business practices SQ achieves the Government's outcomes and its corporate objectives by balancing its environmental, social and commercial responsibilities</li><li>• As a leader in venue management, SQ embraces continuous improvement, fosters innovation and anticipates customer needs</li></ul>	<b>Goal</b> <ul style="list-style-type: none"><li>• Enhancing venue experiences</li><li>• Improving operational effectiveness</li></ul>
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### PLACES

<b>Our venues</b> <ul style="list-style-type: none"><li>• Provide for the champions of today and tomorrow</li><li>• Provide a place for the viewing of sport and entertainment in a safe environment</li><li>• Are developed and maintained to attract major events for the benefit of Queensland</li></ul>	<b>Goal</b> <ul style="list-style-type: none"><li>• Increasing venue utilisation</li><li>• Improving venue facilities and functionality</li></ul>
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## CONTRIBUTION TO THE STATE GOVERNMENT'S OBJECTIVES

State Government Objective	SQ Approach
Create jobs and a diverse economy	<ul style="list-style-type: none"> <li>• Create jobs through major construction projects which contribute to the State's sporting infrastructure</li> <li>• Create events-based employment across a range of sectors through the delivery of regular events</li> <li>• Provide first class facilities capable of hosting major national and international events</li> </ul>
Consultation	<ul style="list-style-type: none"> <li>• Work with key industry partners to attract major events to Queensland which benefit tourism operators and other business sectors</li> <li>• Work with industry partners to plan, attract and deliver elite sporting events such as the GC2018 and other major sporting and entertainment events</li> <li>• Work with key partners and industry stakeholders to reduce event costs</li> </ul>
Build safe, caring and connected communities/encourage Queenslanders to be physically active	<ul style="list-style-type: none"> <li>• Ensure all SQ venues are well managed, accessible and available to be enjoyed by all Queenslanders</li> <li>• Continue to develop the nine venues to ensure they remain suitable for hosting local, national and international events</li> <li>• Provide facilities which help increase participation of Queenslanders in sport and recreation activities</li> <li>• Maintain and upgrade key sports infrastructure and venues as funding permits</li> </ul>
Deliver quality front-line services	<ul style="list-style-type: none"> <li>• Remain a capable, streamlined customer-focused organisation</li> <li>• Provide access to community facilities for recreational and sporting pursuits</li> </ul>
Integrity and Accountability	<ul style="list-style-type: none"> <li>• Maintain systems to efficiently and effectively manage public resources</li> <li>• Continuously identify and implement efficiencies and savings across the organisation</li> <li>• Continue to develop commercial partnership opportunities with the private sector</li> </ul>
Protecting the Environment	<ul style="list-style-type: none"> <li>• Reduce the impact on communities adjacent to major venues through the use of public transport initiatives</li> <li>• Recycling programs are in place across the venues</li> <li>• Rain water harvesting for field irrigation and other purposes at a range of venues</li> </ul>

# CHAIR'S REPORT

As Chair of Stadiums Queensland, I am pleased to present the 2016/2017 Annual Report on behalf of the Board of Directors.

It has been another big year for Stadiums Queensland, with around four million patrons visiting our portfolio of venues. Stadiums Queensland aims to ensure we offer great venues and experiences, and it's clear we're delivering, with continued support from sporting codes, promoters and fans alike. Our venues have hosted a range of major sporting spectacles, concerts and entertainment events, as well as numerous state and national sport championships, community activities and facilities for elite athlete training, development and personal fitness pursuits.

A key factor in the ongoing success and popularity of our venues is ensuring we run an efficient, up-to-date, streamlined organisation in order to attract quality events and remain competitive both nationally and internationally. We continue to evolve our processes and deliver new infrastructure to improve the venue experience. In this regard, several advancements have occurred over the course of the past 12 months.

Significant capital enhancements have been completed or are in detailed planning or the early phases of development across five of our venues. These projects will deliver new infrastructure to support the delivery of major sports and entertainment events, enhanced technology, and improved operational outcomes and patron experiences.

Well in advance of its required use for the Gold Coast 2018 Commonwealth Games, Stadiums Queensland welcomed the arrival of a new world class cycling and indoor sports facility at the Sleeman Sports Complex - the Anna Meares Velodrome, Queensland's first indoor velodrome. This facility has already proven to be a valuable addition to Stadiums Queensland's elite and community focused sporting infrastructure, creating arguably the best indoor cycling venue in the world for Queensland's cycling fraternity, as well as providing a space to service international standard and regular competition Futsal events.

The Queensland Sport and Athletics Centre is also set to welcome a new facility next year, with early works already commenced on the Queensland State Netball Centre. As a Board, we are strongly focused on providing access to sporting opportunities for women and girls, and we are confident that such a facility will encourage more women and girls to get involved in sport and active recreation and maintain a healthy lifestyle.

The North Queensland Stadium project is well advanced, with significant engagement from key stakeholders as well as the larger community. To ensure the community is well represented and the project achieves the best possible outcomes for North Queensland, Stadiums Queensland was delighted to welcome an addition to its Board, Mr Rabieh Krayem, appointed in October 2016. Mr Krayem is a Townsville local and has experience with both the North Queensland Fury and the North Queensland Cowboys. He has a wealth of knowledge regarding the needs and challenges of the community and his presence on the Board has been a benefit to the project.

With a line-up of spectacular events, ongoing improvements and great new facilities, Stadiums Queensland continues to go from strength to strength. This would not be possible without the passion, drive and vision of our new Chief Executive (CE), Todd Harris. Mr Harris brings to the role a wealth of experience and organisational knowledge, having been a Stadiums Queensland venue manager in both North Queensland and in Brisbane, and held positions within our corporate office as General Manager, Operations for the last four years. His experience includes bringing Elton John to North Queensland and he was instrumental in the recent success of the Adele concerts at The Gabba. His industry and major events experience, including in relation to past Commonwealth Games, has proven invaluable as we prepare our venues for the upcoming Gold Coast 2018 Commonwealth Games.

I would also like to acknowledge the leadership and tenure of our former Chief Executive, Mr Kevin Yearbury, who retired from Stadiums Queensland in July 2016.

Kevin was instrumental in the establishment of Stadiums Queensland (formerly known as the Major Sports Facilities Authority), initially bringing together four major facilities, followed by his delivery of the redeveloped Suncorp Stadium in 2003, and subsequently expanding the portfolio to the nine major venues it is today. His leadership and oversight of Stadiums Queensland has left a lasting legacy for major sports and entertainment infrastructure in Queensland and my fellow Directors and I wish him all the very best in his retirement.

Stadiums Queensland has another big 12 months ahead and I look forward to continuing to work with the Chief Executive and the Executive Management team to ensure we continue to deliver great venues and experiences to the millions of patrons who visit and use our facilities. I extend my thanks to Mr Harris, his Executive Management Team, and all the staff at Stadiums Queensland for their drive, commitment and professionalism, and look forward to another successful year ahead.

I would also like to thank my fellow Directors for their commitment, energy and insightfulness which has been critical to the delivery of the Stadiums Queensland vision and strategy over the last 12 months.

Finally, I thank the Minister for Sport, the Hon Mick de Brenni MP, and the Queensland Government for their continued support of Stadiums Queensland and for recognising the value the organisation and its facilities bring to Queenslanders.

I am extremely proud of what Stadiums Queensland has achieved this financial year and expect there are even greater things to come.



Sophie Devitt  
Chair  
Stadiums Queensland



# CHIEF EXECUTIVE'S REPORT

The 2016/2017 financial year was a bumper year of live sport, entertainment and active recreation across all Stadiums Queensland venues, and an exciting time to be at the helm of the organisation.

The year saw us host our first Day/Night Cricket Test and two Adele concerts at The Gabba, Queensland's biggest ever concert events. Other new events included the inaugural Global IOs Rugby tournament at Suncorp Stadium and the first AFLW grand final at Metricon Stadium. These events came on top of our regular season NRL, AFL, Cricket, Super Rugby and A-League fixtures and included record attendance for Big Bash and strong support for the Brisbane International.

From Rugby League, AFL, Cricket, A-League, Rugby Union, Tennis, Cycling, Swimming, Athletics, BMX and Netball to concerts, community events and motorsport, Stadiums Queensland's facilities attracted a wide variety of users and events for the benefit of patrons and the community, and helped drive the substantial economic benefits to Queensland associated with attracting and hosting major sporting and entertainment events.

It was also a big year behind the scenes, with Stadiums Queensland continuing to review the ways it can enhance venue experiences and undertaking a number of strategic capital projects to improve our venues.

This included a \$7 million capital project to deliver four new high definition LED screens to both Suncorp Stadium and The Gabba, enhancing the quality and size of the previous screens at each venue. This infrastructure investment represents a huge transformation for both venues and helps attract the biggest and best sporting and entertainment events to Queensland. The screens at Suncorp Stadium were completed in readiness for the NRL double-header and State of Origin I, and both The Gabba's new screens will be installed in time for the upcoming Ashes Test in November 2017.

Suncorp Stadium has transformed its public bars and retail catering facilities on Level 3 and commenced the staged refurbishment of outlets on Level 5, opened the exciting new "Precinct Bar" and "Garden Bar" on the Level 3 concourse, all designed to enhance the overall event experience for our patrons.

At The Gabba, Stadiums Queensland completed a \$1.3 million upgrade of field and practice wickets lighting using energy efficient and durable LED lighting technology. The venue hosted Queensland's first ever Day/Night Cricket Test, which set a record for the most number of patrons outside an Ashes series (75,000 over five days) as well as five sell-out matches for the Brisbane Heat (170,000 fans in total).

A major refurbishment of the State Athletics Facility got underway, which will deliver an improved international IAAF standard athletics track at the Queensland Sport and Athletics Centre (QSAC). Further enhancements of the Main Athletics track and supporting infrastructure will continue into the next financial year.

With the Gold Coast 2018 Commonwealth Games (GC2018) countdown underway, Stadiums Queensland continues to provide significant support to the Gold Coast 2018 Commonwealth Games Organising Committee, with access to state of the art venues, operational expertise and resourcing. The 1,500 seat, award winning Anna Meares Velodrome which opened in November has already attracted enthusiastic reviews from the cycling community, smashing 14 Australian championship records at one of the first Cycling Queensland events hosted at the facility. Additional seating will be in place for GC2018 events, bringing the total capacity to 4,000 for the duration of the Games. The Velodrome commissioning has also presented the opportunity to move and re-brand our existing community gymnasium, Pace at Sleeman, into the facility, providing opportunities to enhance membership prospects and to service the community needs for recreational health and fitness pursuits for many years to come.

On the Gold Coast, Carrara Stadium has received a \$5.8 million lighting upgrade ahead of the Athletics, Opening and Closing ceremonies which will leave a lasting infrastructure legacy for the Gold Coast Suns following the conclusion of the event. Robina Stadium will feature the Men's and Women's rugby sevens competition. GC2018 will be the first Commonwealth Games to host a women's rugby tournament. Other Stadiums Queensland venues will accommodate pre-games training and preparation, with the Australian Swimming team confirmed to train at the Brisbane Aquatic Centre and the English Athletics team confirmed to train at QSAC.

Looking further ahead, Stadiums Queensland continues to plan for the addition of two new facilities- the Queensland State Netball Centre and the North Queensland Stadium.

Early works have begun on the Queensland State Netball Centre at QSAC which will provide a home for Netball in Queensland. The centre will deliver 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.

It will feature eight indoor hardcourts, a sunken show-court with 5,000 seat capacity, gymnasium and high performance training facilities as well as food and beverage outlets and parking. Importantly, this development will help drive women and girls participation in the sport of Netball.

Early works have also begun on the North Queensland Stadium project, which will deliver a new home ground for the North Queensland Cowboys and the opportunity to stage other major events in Townsville. Importantly, the project will support the local Townsville economy with jobs and tourism opportunities and is expected to provide a catalyst for urban regeneration in the region. The Department of State Development is leading the project with involvement from several State and Commonwealth Departments and the Townsville City Council. Construction is due for completion ahead of the 2020 NRL season. The existing 1300SMILES Stadium at Kirwan is then expected to be decommissioned.

The investment in major sports infrastructure by the Queensland Government has been, and continues to be, a catalyst for the evolution and enhancement of Stadiums Queensland's venues.

It is important this investment is acknowledged and Stadiums Queensland expresses its thanks to the Minister for Sport, the Hon Mick De Brenni MP, and his colleagues within the Queensland Government for their ongoing support and assistance to Stadiums Queensland to manage and deliver major events across our venue portfolio for the benefit of the Queensland community.

The commitment and professionalism of Stadiums Queensland staff is strongly reflected in our achievements over this period. I would like to extend my thanks to each of our staff who continuously seek to deliver great venue experiences for our hirers, all our users and patrons.



Todd Harris  
Chief Executive  
Stadiums Queensland

# THE BOARD

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 2007.

### **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 is an experienced company director, currently serving as a Non-Executive Director of SQ, BT Super, Blue Sky Alternatives Access Fund Limited (BAF), Queensland Teachers Union Health (QTUH), and Metro Arts. Michael has previously served as a 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 chairs the Audit Risk and Compliance Committees at SQ, BT Super, BAF, and is a member of a number of other Board Committees, including the QTUH Audit Risk and Compliance Committee and the BT Super Board Investment Committee. Michael has over 12 years' commercial experience at senior executive level as Chief Financial Officer in leading financial services organisations QSuper and QIC Limited. Before that, Michael had 10 years' senior management experience in finance and tax roles with Suncorp. Michael has a keen interest in sports, particularly AFL and tennis, and in music and other arts. Michael has served on the Board since July 2015.



### **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. She 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 Queensland public sector clients, both state and local government, in areas of governance, risk management and financial management. Chris is also deputy chair of the Audit and Risk Committee of Queensland Health, an advisory Board member for

Information Professionals Pty 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. Chris is a graduate of the Institute of Company Directors and a Fellow of the Institute of Chartered Accountants in Australia and New Zealand. He is a follower of many sports, particularly the football codes, and is a keen golfer. Chris sits on the Marketing Committee and the Audit, Risk and Compliance Committee. He has served on the Board since July 2015.

### **Mr Rabieh KRAYEM**

Rabieh Krayem is the Managing Director of Outcome Results, 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.

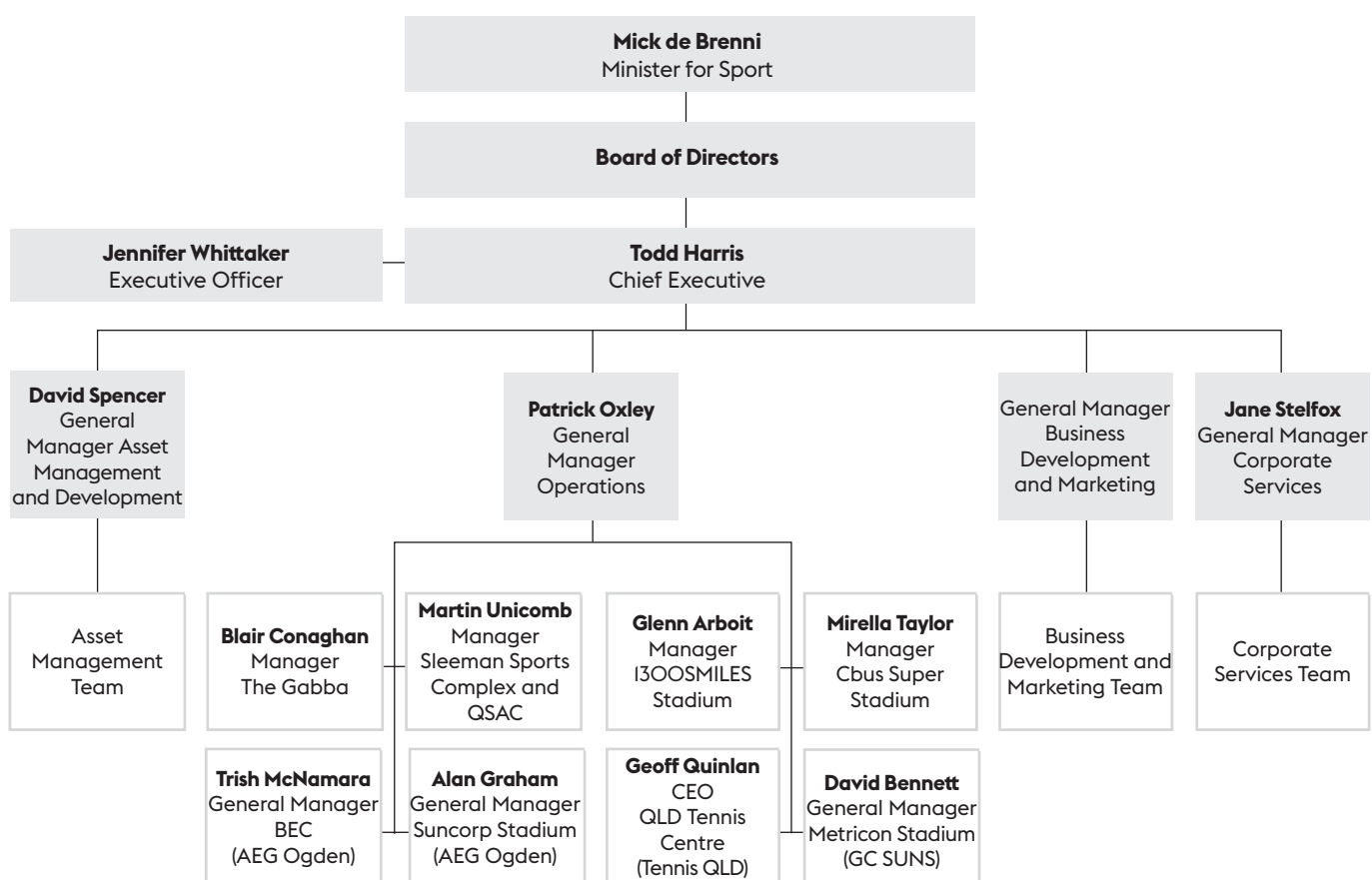
## **ATTENDANCE AT MEETINGS**

In the financial year 2016/2017, the SQ Board met on 12 occasions with attendance by Members as follows:

Sophie Devitt (Chair)	12
Samantha Carroll	12
Victoria Carthew	12
Michael Cottier	12
Sandra Deane	12
Chris Johnson	11
Rabieh Krayem	9*

*\*Commenced in October 2016*

## 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 business 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 2016/17 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 CE and comprises General Managers 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 of SQ, General Manager Corporate Services and the Financial Controller attend meetings as observers. The Audit, Risk and Compliance Committee is the body responsible for assisting the Board to oversee and monitor corporate governance. Officers of the Queensland Audit Office also attend meetings of the Audit, Risk and Compliance Committee.

The Committee focuses on developing the frameworks and procedures 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 Queensland Audit Office. 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 2016/2017 Financial Statements of SQ.



## External Committees

### North Queensland Stadium

SQ has representation on the North Queensland Stadium 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 to discuss progress on the project including stadium design and construction updates.

### Gold Coast 2018 Commonwealth Games

SQ representatives participate in a number of GC2018 forums across key business areas. These include 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 General Managers reporting to the CE, covering the following functions – Corporate

Services, Operations, Asset Management and Development and Business Development and Marketing. The key service standards include:

- Corporate Services – ensure the requirements of SQ's corporate governance framework are complied with, provision of finance, information technology, human resources, information management and risk management services to venue operations.
- Operations – ensure effective operation of venues and provision of a safe environment for patrons.
- Asset Management and Development – maintain venues to be fit for purpose, implement annual capital works and maintenance programs and oversee the development of new facilities.
- Business Development and Marketing – maintain communication channels with stakeholders, maximise venue utilisation and maximise commercial branding opportunities.

### 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 participated in enterprise bargaining negotiations in 2016/2017 and on 10 March 2017, the Queensland Industrial Relations Commission (QIRC) certified the *Stadiums Queensland Staff Certified Agreement 2016*.

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 we retain our people and the intellectual property created through continuous improvement to our trade craft 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.

	2016/2017	2015/2016
Full Time Equivalent	124.8	122.9
Permanent Separation %	8%	3%

### 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 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 2016/2017, SQ facilitated the completion of a School-based Traineeship (Grounds) and has supported students from recognised educational and training establishments and individuals seeking opportunities to gain work experience in the areas of grounds and health and fitness.

### Ethical Procedures, Values and Practices

During the 2016/2017 financial year, SQ met its statutory and regulatory reporting obligations to executive Government and Parliament. During the 2016/2017 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 compliance with the *Public Records Act 2002*, *Right to Information Act 2009*, *Information Privacy Act 2009*, and *Information Standard 40 - Recordkeeping*.

In 2016/17, 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 via the intranet;
- 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 necessitates that all records, regardless of format, are managed in a manner that meets the requirements of the *Public Records Act 2002*, *Information Standard 40: Recordkeeping and Information Standard 31: Retention and Disposal of Public Records*;
- SQ utilises HPE Records Manager 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 information security is constantly monitored;
- SQ's agency specific retention and disposal schedule has been implemented within the EDRMS to enable automatic sentencing; 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 is one of Australia's best rectangular venues for sports 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 49 major events attended by 1,099,864 patrons.
- Hosted two blockbuster concerts – Coldplay and Justin Bieber.
- Developed and delivered major new events, including the inaugural Global IOs Rugby tournament, the Brisbane NRL Doubleheader, and the procurement of future concerts featuring Ed Sheeran and Paul McCartney.
- Maintained the strategic partnership with Tourism and Events Queensland and Brisbane Marketing to assist in the procurement of additional events for the Stadium, including the World Boxing Organisation (WBO) middleweight championship between Jeff Horn and Manny Pacquiao, the Global IO's Rugby tournament and the semi-final and final of 2017 Rugby League World Cup.

- Installed two new larger, high definition LED video replay screens.
- Completed upgrades to suites, boxes, function facilities and media suites.
- Completed major upgrades of food and beverage outlets on the Level 3 Concourse, established the new Precinct Bar and completed major renovations to the Garden Bar.
- Staged another successful Stadium Charity Golf Day which raised approximately \$63,000 for Hear and Say, taking the total amount raised to date to \$280,900.
- Continued integration of the Stadium website and social media platforms to communicate key announcements and event operational messages.

## PATRONAGE

**Total** 1,099,864

**Elite Sporting Events** 1,008,703

**Other Events** (including any Concerts, Functions or Tours) 91,161

## VENUE TENANTS

- AEG Ogden (venue manager)
- O'Brien Group Australia (venue caterer)
- Former Origin Greats (FOGS)
- Police Citizens Youth Club (PCYC)

## 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

- Deliver economic benefit to the state of Queensland through the attraction of major events to the venue.
- Maintain and enhance ambitious customer service standards and operational efficiencies to ensure hirers and patrons enjoy a great experience on each visit.
- Consolidate Stadium Membership numbers and revenue in a market which continues to be challenging.
- Continue to roll out the Stadium's Business Development Program and associated strategies.
- Continue to capitalise on the enhanced corporate and catering facilities to maximise return on investment and provide greater benefits for all stakeholders.
- Continue to improve efficiencies resulting in energy savings and cost reductions throughout the venue.

## KEY EVENTS 2017/18

- Bledisloe Cup Rugby Test
- Rugby League World Cup semi-final
- Rugby League World Cup final
- Paul McCartney concert
- Global IOs Rugby tournament
- Ed Sheeran concerts



First established in 1895, The Gabba has hosted many major events including cricket, AFL, baseball, rugby league, rugby union, Olympic soccer and most recently two sell-out Adele concerts. Today it 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 concert at the venue in over 30 years with record crowd attendance of around 120,000 patrons for two Adele concerts.
- Hosted the first ever Day/Night Test match in Queensland and the third in history with an aggregate crowd of over 70,000 which was the largest Test match attendance outside of an Ashes series.
- Hosted four sold out matches for the Big Bash League (BBL) season and a sold out finals match making the 2016/17 BBL season the most successful ever.
- Completed stage 2 of the Gabba lighting upgrade with energy efficient lighting in the main seating bowl and LED lighting in the practice wicket.

- Installed a pool in the seating area for the cricket season that generated significant international interest and was well supported by patrons.
- Temporarily converted the East Brisbane State School playground into a location available to the public to sample premium food and beverage offerings.
- Maintained over 90% retention rate for The Gabba membership for the year.
- Hosted the first Gabba Members International trip to Eden Park, Auckland as well as numerous additional match day experiences.
- Improved non-match day function patronage, with the highest attendance since 2012/13.

## PATRONAGE

**Total** 565,666

**Elite Sporting Events** 432,330

**Community Events** 1,506

**Other Events** (including any Concerts, Functions or Tours) 131,830

## VENUE TENANTS

- Brisbane Lions AFL Training and Administration
- Queensland Sports Medicine Centre
- Queensland Cricketers Club
- O'Brien Group Australia (venue caterer)

## MAJOR HIRERS

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

## FUTURE DIRECTION

- Continue working with key stakeholders to refine The Gabba masterplan to better integrate with the surrounding neighbourhood and landscape.
- Finalise installation of two new video replay screens to enhance the patron experience on match day.
- Upgrade the Level 4 East bar area to incorporate a new bar facility to provide patrons with an enhanced experience at the venue.
- Develop enhanced corporate facilities to cater for changing needs of corporate clients.

## KEY EVENTS

### 2017/18

- 2017/2018 Ashes series
- 2017/2018 Brisbane Heat men's and women's BBL season
- Australia vs England One Day International match
- 2018 Toyota AFL Premiership Season



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

## ACHIEVEMENTS

- Hosted the inaugural AFLW's Grand Final, attracting in excess of 15,000 patrons followed by Round 1 of the 2017 AFL season the QClash between the Gold Coast SUNS and the Brisbane Lions.
- Hosted 10 Gold Coast SUNS home games in the 2017 Toyota AFL Premiership attracting approximately 135,000 patrons.
- Hosted the Under 16's AFL National Championships.
- Conducted the third annual Gold Coast Caravan and Camping Expo.
- Implemented a new automated behind goal net lowering solution.
- Completed an upgrade of the Stadium's light towers in readiness for GC2018.

- Continued to support key community events of Homeless Connect and Homeless Sleep Out.
- Appointed new ticketing services and security partners – Ticketek and Asset Protection Systems.

## PATRONAGE

**Total** 177,090

**Elite Sporting Events** 150,566

**Elite Training** 4,740

**Community** 6,642

**Other Events** (including any Concerts, Functions or Tours) 15,142

## VENUE TENANTS

- GC SUNS – Merchandise shop
- O'Brien Group Australia (venue caterer)
- Spotless/Clean Event

## MAJOR HIRERS

- AFL
- GC SUNS
- Caravanning QLD

## FUTURE DIRECTION

- Continue to actively pursue new revenue generating major event opportunities, such as potential cricket fixtures.
- Complete the handover of the venue to the Gold Coast Organising Committee (GOLDOC) for the conduct of GC2018 from 4 September 2017 to 31 May 2018.

## KEY EVENTS 2017/18

- Gold Coast 2018 Commonwealth Games (Opening and Closing Ceremonies and Athletics competition).
- 2018 Toyota AFL Premiership Season
- Homeless Connect – 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 will host the Rugby 7s events as part of GC2018 and will continue to operate as the premier rectangular competition and training facility on the Gold Coast.

## ACHIEVEMENTS

- Hosted the Gold Coast Titans rugby league team, with 12 NRL games played at the venue alongside regular Titans training sessions.
- Hosted the successful Gold Coast Bulletin Fun Run and Half Marathon for the sixth consecutive year.
- Hosted the 2017 Gold Coast Vinnies CEO Sleepout.
- Hosted elite team training, including two pre-season Brisbane Roar warm up games and NSW Blues State of Origin team training.

- Participated in the Gold Coast Open House, providing complimentary behind the scenes access and venue tours to the local community.
- Enhanced catering facilities including the development of Stoked Craft and Grill in the North West corner of the Stadium to improve customer service and fan experiences.

## PATRONAGE

**Total** 186,025

**Elite Sporting Events** 179,397

**Elite Training** 925

**Other Events** (including any Concerts, Functions or Tours) 5,703

## VENUE TENANTS

- O'Brien Group Australia (venue caterer)
- Quayclean

## MAJOR HIRERS

- Gold Coast Titans
- The Event Crew
- Bicycle Network
- Brisbane Roar
- True Grit Concepts
- St Vincent de Paul Society Queensland
- Australian Rugby Union

## FUTURE DIRECTION

- Continue high level engagement in the planning for GC2018 and deliver a successful Rugby 7s competition.
- Continue to work with hirers to deliver an enjoyable and safe event day experience for fans.
- Work with the City of Gold Coast, event promoters and community groups to attract new content to the venue.

## KEY EVENTS 2017/18

- Gold Coast Titans 2017/2018 NRL seasons
- Brisbane Roar vs Wellington Phoenix A-league fixture
- Night Attack
- Rugby Union Test Match
- Gold Coast Bulletin Fun Run 2018





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. In 2016, it played host to the Queensland Firebirds historic back to back championship wins in Australia and New Zealand's premier netball competition as well as the 2017 Sunshine Coast Lightning's championship win in their inaugural Suncorp Super Netball season. The BEC is operated by AEG Ogden.

## ACHIEVEMENTS

- Continued to attract a wide range of high profile international entertainers and musicians including Bruce Springsteen, Keith Urban, the Dixie Chicks and Andre Rieu, who all performed to capacity crowds.
- Hosted the 2016 ANZ Championship Netball Grand Final (Queensland Firebirds vs New South Wales Swifts) in front of the largest ever crowd for a netball match in Queensland, as well as the National Basketball League (NBL) and other community groups and sporting organisations.

## PATRONAGE

**Total** 513,772

**Elite Sporting Events** 72,227

**Community Events** 240,000

**Arena Events** 201,545

## VENUE TENANTS

- AEG Ogden (Brisbane)

## 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 & Disabled Assoc. (Wheelchair Rugby & Basketball)
- North Brisbane Netball Academy (Netball)

- Redlands College (Basketball)
- St Patricks College (Basketball and Volleyball)
- Nudgee College (Basketball and Indoor Soccer)
- Mary Mackillop College (Volleyball and Badminton)
- St John Fisher College (Netball and Volleyball)
- St Rita's College (Netball and Badminton)
- Special Olympics (Basketball)
- Queensland Netball (Netball)
- Basketball Queensland (Basketball)
- St Margaret's Anglican Girls School (Basketball)
- National Indigenous Games (Basketball and Netball)

## 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.
- Complete capital works upgrades to the courtyard, food and beverage concessions and other amenities to improve customer service and fan experiences.

## KEY EVENTS 2017/18

- Seinfeld
- Ariana Grande
- Cirque Du Soleil "Toruk"
- Alice Cooper
- Bruno Mars



## 1300 SMILES Stadium

The 26,500 capacity I300SMILES 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 concerts such as Elton John, Cold Chisel and Keith Urban.

### ACHIEVEMENTS

- Hosted the North Queensland Cowboys rugby league season, with 12 NRL home games played at the venue alongside regular Cowboys training sessions and community events.
- Hosted an NRL Finals match between the North Queensland Cowboys and Brisbane Broncos.
- Hosted the venue's third Nitro Circus Live event.
- Completed a number of capital projects around the venue including the refurbishment of the Level 1 Western Grandstand Corporate Function area and the refurbishment of Retail Catering Concession stands.

### PATRONAGE

**Total** 228,876

**Elite Sporting Events** 214,880

**Other Events** (including any Concerts, Functions or Tours) 13,996

### VENUE TENANTS

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

### MAJOR HIRERS

- North Queensland Cowboys
- NRL
- Nitro Circus Australia

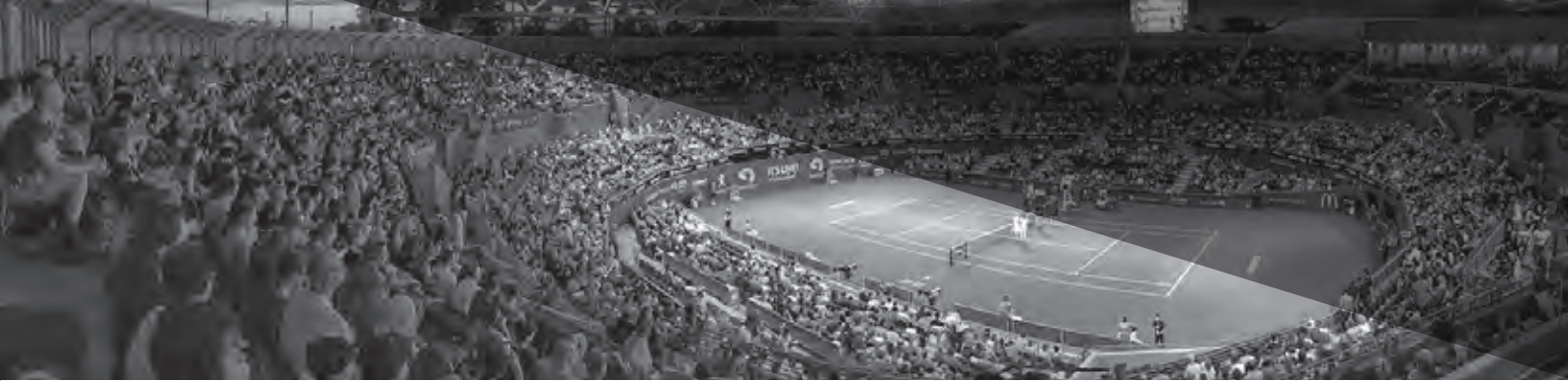
### FUTURE DIRECTION

- Continue to work with hirers to deliver an enjoyable experience for fans in a safe and secure environment until the delivery of a new stadium in 2020.
- Work with Townsville City Council, Townsville Enterprise Limited and concert promoters to attract events to Townsville.
- Continue to maintain the aesthetic and safety of the venue and ensure it remains fit for purpose for the hosting of elite sporting and entertainment events.

### KEY EVENTS 2017/18

North Queensland Cowboys NRL Home Games

Rugby League World Cup 2017



## Queensland Tennis Centre

The QTC is Australia's only tennis facility to provide all three Grand Slam court surfaces of clay, grass, and hard-court and is the home of the Brisbane International. In total, 23 International standard courts 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 2017 Brisbane International with the third highest crowd on record (96,107).
- Hosted the highest crowd on record for a Davis Cup or Federation Cup event held at the QTC at the April 2017 quarter final against the USA (16,403).
- Continued to operate as a day to day community tennis facility outside of the Brisbane International and Davis Cup event periods.

- Increased community, operator and tournament usage at the venue across the year.
- Significantly increased functions, events and venue/room hire usage.
- Commenced Stage I of the Podium resurfacing project and the development of a preliminary Master Plan for the QTC.

## PATRONAGE

**Total** 236,170

**Elite Sporting Events** 112,510

**Elite Training** 200

**Community Events** 107,500

**Other Events** (including any Concerts, Functions or Tours) 15,960

## VENUE TENANTS

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

## MAJOR HIRERS

- Tennis Australia (Brisbane International and Davis Cup quarter final)
- TAFE Queensland
- New Creation Church

## FUTURE DIRECTION

- Deliver a successful Brisbane International in 2018.
- 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 MWS Sport.
- Work closely with MWS Sport to improve usage of the facility by the wider community by offering additional services to patrons of the QTC.
- Continue to develop the site Masterplan.

## KEY EVENTS 2017/18

- 2018 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 (SAF), 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 frequently hosts exhibition matches, concerts and major events. It is also 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. Venue tenancies include the QAS, Queensland Athletics, Queensland Little Athletics and Sandstorm Beach Club.

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

## ACHIEVEMENTS

- Hosted two major events - Monster Jam and the Guns N' Roses Concert.
- Hosted a number of school athletic programs and community athletic programs, including 40 state athletics association events (Queensland Athletics, Little Athletics Queensland and Queensland Masters Athletics Association), 64 school athletics programs and seven community athletics programs.

- Completed the Athletic Track tender process and appointed the successful proponent to replace the SAF and Main Stadium athletic tracks.
- Provided advice and support regarding the QSNF siting, design, community infrastructure designation and commenced construction.
- Consolidated the athletic carnival, athletic competition, athletic public training and QAS athletic training programs to the Main Stadium track to enable works to commence on the SAF Track refurbishment.
- Installed new stadium signage to improve patron flow during major events.

## PATRONAGE

**Total** 265,258

**Elite Training** 28,908

**Community** 116,260

**Other Events** (including any Concerts, Functions or Tours) 120,090

## VENUE TENANTS

- QAS
- Football Brisbane
- Queensland Athletics
- Queensland Special Olympics
- Sandstorm (operator of the Beach Volleyball facility)
- Queensland Little Athletics

## MAJOR HIRERS

- Feld Entertainment
- TEG Dainty
- Griffith University
- Fuji Xerox Document Management Solutions
- Greater Public Schools Association of Queensland

## FUTURE DIRECTION

- Successfully host Monster Jam 2017 and the 2017/2018 events program.
- Deliver the SAF and Main Stadium Athletic Tracks and associated facility upgrades and implement the 2017/2018 Capital program.
- Implement a Major Event Traffic Management Plan incorporating significant changes to address the new site configuration due to the QSNF development.
- Oversee the development of the QSNF.
- Finalise the management agreement with Netball Queensland for the management of the QSNF.
- Establish a licence agreement with Translink for the successful operation of the lower car park as a Park n' Ride facility.
- Continue to focus on expansion of the event, facility hire, functions business and increased occupancy of tenancies.

## KEY EVENTS 2017/18

- Monster Jam 2017
- 12 Years and Under Track and Field Championships
- 19 Years and Under Track and Field Championships
- 2017 AIC Track and Field Championships
- 2017 GPS Track and Field Championships
- 2017 Queensland Open Athletics Championships
- 2017 LAQ State Championships
- Team England Gold Coast 2018 Commonwealth Games Training





Photo: Christopher Frederick Jones



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 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 Anna Meares Velodrome was added in 2016, ahead of GC2018, and boasts an international standard 250 metre cycling track.

## ACHIEVEMENTS

- Hosted a total of 170 events across all facilities.
- Successfully opened the Anna Meares Velodrome on 12 November 2016.
- Hosted significant National events including Australian Swimming Open Championships, Australian Age Swimming Championships, Australian BMX Championships, Australian Track Cycling Championships, Australian Weightlifting Championships and National Junior Track series.
- Hosted State events including Swimming, Gymnastics, Track Cycling, BMX, Futsal, Diving and Synchronized Swimming
- Hosted other events including Perilous Champions Fight Night, International Sport Aerobics Championships, Cheer and Dance Brands – Olympia Cheer & Dance Series and Australasian Majors, John Edward, Bodybuilding – Brisbane Classic, Rookie Titles and Queensland Championships, Brisbricks LEGO expo, Mika Singh Concert, Duco Events – Corporal Punishment, Triathlon Pink – National Women's Triathlon, Eastern Comedy production – Sunshine Boys, DSP Aus/NZ Tour and Mohamend Alizadah Show.
- Relocated H2O Fitness to Anna Meares Velodrome and rebranded to PACE at Sleeman, resulting in an increase in membership for the community gym.

## PATRONAGE

**Total** 719,482

**Elite Sporting Events** 43,090

**Elite Training** 51,641

**Community Events** 203,000

**Other Events** (includes regular community use) 421,751

## VENUE TENANTS

- Aqua Fitness (Aquatic Achievers)
- Aquatic Education
- Basketball Queensland
- BMX Queensland
- Diving Australia
- Cycling Queensland
- Queensland Diving Association
- Queensland Gymnastic Association
- Queensland Swimming Association
- Queensland Weightlifting Association
- Clean City Property
- Results Management Group (Results Physiotherapy)
- Sports Performance Systems (Acceleration)
- Swim Shop Queensland Swimming Association
- Vodafone Telephone tower
- The Theatre Factory

## VENUE HIRERS

- Boditek Nutrition (Bodybuilding)
- Aquatic Achievers (Swimming)
- Swimming Queensland (Swimming)
- Brisbane Swimming Association (Swimming)

- BMX Queensland (BMX)
- Gymnastics Queensland (Gymnastics)
- Cycling Australia (Cycling and BMX)
- Balmoral Cycling Club (Cycling)
- Gundy Enterprises (Cycling)
- Hamilton Pine Rivers Wheelers Club (Cycling)
- Kangaroo Point Cycling Club (Cycling)
- Pine Rivers BMX Club (BMX)
- University Cycling Club (Cycling)
- Chandler Diving Club (Diving)
- Nat Raps Diving Club (Diving)
- Diving Australia (Diving)
- Road Safety Education Limited (Driver Education)
- Brisbane Free Diving Club (Free Diving)
- Australian Futsal Association (Futsal)
- Basketball Queensland (Basketball)
- Brisbane Southside Masters (Swimming)
- Chandler Swimming Club (Swimming)
- Swimming Australia Limited (Swimming)
- Aqualina Synchronized Swimming Club (Swimming)
- Queensland Synchronized Swimming (Synchronized Swimming)
- Brisbane Underwater Hockey (Underwater Hockey)
- Unidive The University of Qld Underwater Club (Underwater Rugby)
- Top Rider Australia (Motor Cycle Education)
- Fort Lytton Moto-Cross Club (Motorcross)
- Tow-Ed Regional South QLD (Drive Education)
- Brisbane Freedivers (Underwater Activity)

- Cycling Queensland (Cycling)
- Diving Queensland Association (Diving)
- Australian Underwater Federation (Underwater Activity)
- Theatre Factory
- Ipswich Cycling Club
- Sports Performance
- Neptunes Synchronized Swimming
- Chandler Badminton (Badminton)
- Chandler Daytime Badminton (Badminton)
- Aquatic Education (Water Education Programs)
- The Model Aeronautical Association (Model Planes)
- Queensland Academy of Sport (Cycling) (Swimming)
- Queensland School of Fire and Rescue (Training)
- Offshore Maritime Training Australia (Training)
- Queensland Maritime Training Services (Training)
- Football Qld (Futsal)
- Wheelchair Rugby League Australia (Wheelchair Rugby)
- Carina Leagues Warriors Water Polo (Waterpolo)
- Cheer and Dance Brands Limited (Cheerleading)
- Duco Events (Boxing)
- The Event Crew (Triathlon)
- Driver Education and Training (Driver Training)
- Harvest Rain Theatre Company Performing Arts
- Bjelke-Petersen School of Physical Culture (Performing Arts)
- British Sub aqua club (Snorkeling/ Scuba Diving)
- Citipointe Christian College (Badminton)
- Carmel College (School Functions)
- Clairvaux Mackillop College (School Functions)

- Results Physiotherapy (Rehabilitation)
- St Laurence's College (Basketball)
- Brenden Abel (BMX)
- Inspire Events (Sport Aerobics)

## FUTURE DIRECTION

- Preparation and planning for the delivery of GC2018 Track Cycling program, including planning and management of the GOLDOC venue agreement and outcomes for key stakeholders.
- Continued focus on expansion of the event, facility hire and accommodation business.
- Implement strategies to drive and increase membership sales for PACE at Sleeman as well as purchase and install new equipment.

## KEY EVENTS 2017/18

- National Junior Track Series
- National Sport Aerobics Championships
- Australasian Majors Cheerleading Championships
- 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
- National Waterpolo Championships
- Australian Open and Age Group Synchronized Swimming Championships



# FINANCIAL STATEMENTS

# FINANCIAL STATEMENTS TABLE OF CONTENTS

## Financial Statements

Statement of Comprehensive Income	31
Statement of Financial Position	32
Statement of Changes in Equity	33
Statement of Cash Flows (including Notes to the Statement of Cash Flows)	34

## Notes to and forming part of the Financial Statements

1. Basis of Financial Statement Preparation	36
1.1 General Information	36
1.2 Compliance with Prescribed Requirements	36
1.3 Presentation	36
1.4 Authorisation of Financial Statements for Issue	36
1.5 Basis of Measurement	36
1.6 Taxation	37
2. Objectives of Stadiums Queensland	37
3. Revenue	38
3.1 Revenue Recognition	38
3.2 Government Grants and Contributions	38
4. Expenses	38
4.1 Supplies and Services	38
4.2 Depreciation and Amortisation	39
4.3 Employment Expenses	39
4.4 Borrowing Costs	40
5. Assets	41
5.1 Cash and Cash Equivalents	41
5.2 Receivables	41
5.3 Property, Plant and Equipment	42
6. Liabilities	49
6.1 Payables	49
6.2 Interest Bearing Liabilities	49
7. Equity	50
7.1 Contributed Equity	50
7.2 Asset Revaluation Surplus	50
8. Financial Risk Disclosure	51
8.1 Financial Instrument Categories	51
8.2 Financial Risk Management	51
8.3 Liquidity Risk – Contractual Maturity of Financial Liabilities	52
9. Contingencies	53
10. Commitments	53
11. Key Management Personnel Disclosures	54
11.1 Details of Key Management Personnel	54
11.2 Key Management Personnel Expense	55
11.3 Transactions with Related Parties of Key Management Personnel	55
12. Related Party Transactions	56
13. Future Impact of Accounting Standards Not Yet Effective	57
14. First Year Application of New Accounting Standards or Change in Accounting Policy	58
14.1 Changes in Accounting Policy	58
14.2 Accounting Standards Early Adopted for 2016-17	58
14.3 Accounting Standards Applied for the First Time in 2016-17	58

## Certificates

Certificate of Stadiums Queensland	59
Independent Auditor's Report	60



**Stadiums Queensland**  
**Statement of Comprehensive Income**  
for the year ended 30 June 2017

	Notes	2017 \$000	2016 \$000
<b>Income from Continuing Operations</b>			
<b>Revenue</b>			
Membership	3.1	8,767	9,448
Tenancy and hire fees	3.1	18,990	26,874
Catering	3.1	8,700	8,374
Government grants and contributions	3.2	51,458	57,257
Interest		1,760	1,978
Other revenue		3,038	5,141
<b>Total Revenue</b>		<b>92,713</b>	<b>109,072</b>
<b>Gains</b>			
Gain on disposal/remeasurement of assets		27	10
<b>Total Income from Continuing Operations</b>		<b>92,740</b>	<b>109,082</b>
 <b>Expenses from Continuing Operations</b>			
Supplies and services	4.1	26,543	27,350
Depreciation and amortisation	4.2	59,285	56,385
Employee expenses	4.3	13,501	12,584
Repairs and maintenance expense		15,538	14,657
Borrowing costs	4.4	6,511	6,806
Loss on disposal and write-offs		72	867
<b>Total Expenses from Continuing Operations</b>		<b>121,450</b>	<b>118,649</b>
 <b>Operating Result from Continuing Operations</b>		<b>(28,710)</b>	<b>(9,567)</b>
 <b>Other Comprehensive Income</b>			
Items that will not be reclassified subsequently to Operating Result			
Increase in asset revaluation surplus	7.2	73,194	58,708
<b>Total Other Comprehensive Income</b>		<b>73,194</b>	<b>58,708</b>
 <b>Total Comprehensive Income</b>		<b>44,484</b>	<b>49,141</b>

*The accompanying notes form part of these financial statements.*

**Stadiums Queensland**  
**Statement of Financial Position**  
as at 30 June 2017

	Notes	2017 \$000	2016 \$000
<b>Current Assets</b>			
Cash and cash equivalents	5.1	101,234	76,089
Receivables	5.2	8,530	10,717
Other current assets		942	1,049
<b>Total Current Assets</b>		<b>110,706</b>	<b>87,855</b>
<b>Non-Current Assets</b>			
Receivables	5.2	-	86
Property, plant and equipment	5.3	1,151,331	1,099,508
Intangible assets		2,396	2,542
<b>Total Non-Current Assets</b>		<b>1,153,727</b>	<b>1,102,136</b>
<b>Total Assets</b>		<b>1,264,433</b>	<b>1,189,991</b>
<b>Current Liabilities</b>			
Payables	6.1	39,629	23,523
Unearned revenue		4,870	2,052
Interest bearing liabilities	6.2	7,697	6,701
Accrued employee benefits		3,227	2,817
<b>Total Current Liabilities</b>		<b>55,423</b>	<b>35,093</b>
<b>Non-Current Liabilities</b>			
Unearned revenue		1,267	1,506
Interest bearing liabilities	6.2	92,795	93,048
Accrued employee benefits		518	668
<b>Total Non-Current Liabilities</b>		<b>94,580</b>	<b>95,222</b>
<b>Total Liabilities</b>		<b>150,003</b>	<b>130,315</b>
<b>Net Assets</b>		<b>1,114,430</b>	<b>1,059,676</b>
<b>Equity</b>			
Contributed equity		761,253	750,983
Accumulated surplus		(142,342)	(113,632)
Asset revaluation surplus	7.2	495,519	422,325
<b>Total Equity</b>		<b>1,114,430</b>	<b>1,059,676</b>

*The accompanying notes form part of these financial statements.*

## Stadiums Queensland

### Statement of Changes in Equity

for the year ended 30 June 2017

	Accumulated (Deficit)	Asset Revaluation Surplus (Note 7.2)	Contributed Equity	Total
	\$000	\$000	\$000	\$000
<b>Balance as at 1 July 2015</b>	(104,065)	363,617	713,245	972,797
Operating Result from Continuing Operations	(9,567)	-	-	(9,567)
<b>Other Comprehensive Income</b>				
Increase in asset revaluation surplus	-	58,708	-	58,708
<b>Total Comprehensive Income for the Year</b>	(9,567)	58,708	-	49,141
<b>Transactions with Owners as Owners</b>				
Non-reciprocal transfer of assets (Note 5.3 and 7.1)	-	-	37,738	37,738
<b>Net Transactions with Owners as Owners</b>	-	-	37,738	37,738
<b>Balance as at 30 June 2016</b>	<b>(113,632)</b>	<b>422,325</b>	<b>750,983</b>	<b>1,059,676</b>
<b>Balance as at 1 July 2016</b>	(113,632)	422,325	750,983	1,059,676
Operating Result from Continuing Operations	(28,710)	-	-	(28,710)
<b>Other Comprehensive Income</b>				
Increase in asset revaluation surplus	-	73,194	-	73,194
<b>Total Comprehensive Income for the Year</b>	(28,710)	73,194	-	44,484
<b>Transactions with Owners as Owners</b>				
Non-reciprocal transfer of assets (Note 5.3 and 7.1)	-	-	10,270	10,270
<b>Net Transactions with Owners as Owners</b>	-	-	10,270	10,270
<b>Balance as at 30 June 2017</b>	<b>(142,342)</b>	<b>495,519</b>	<b>761,253</b>	<b>1,114,430</b>

*The accompanying notes form part of these financial statements.*



**Stadiums Queensland**  
**Statement of Cash Flows**  
for the year ended 30 June 2017

	Notes	2017 \$000	2016 \$000
<b>Cash flows from operating activities</b>			
<b>Inflows:</b>			
Receipts from operations		41,172	40,093
Queensland Government operating grants		22,239	22,025
Queensland Government capital grants		29,000	25,000
Other Contributions		220	10,232
Interest		1,760	1,978
GST input tax credits from ATO		9,455	7,346
GST collected from customers		7,723	8,296
Other		2,835	5,013
<b>Outflows:</b>			
Employee expenses		(13,256)	(12,535)
Supplies and services		(25,764)	(50,340)
Borrowing costs		(6,221)	(6,495)
GST remitted to the ATO		(7,454)	(8,323)
GST paid to suppliers		(9,473)	(7,672)
<b>Net cash provided by (used in) operating activities</b>	CF-1	<b>52,236</b>	<b>34,618</b>
<b>Cash flows from investing activities</b>			
<b>Inflows:</b>			
Sales of property, plant and equipment		85	44
<b>Outflows:</b>			
Payments for property, plant and equipment		(27,612)	(12,759)
Payments for intangible assets		(15)	-
<b>Net cash provided by (used in) investing activities</b>		<b>(27,542)</b>	<b>(12,715)</b>
<b>Cash flows from financing activities</b>			
<b>Inflows:</b>			
Borrowings		7,000	-
<b>Outflows:</b>			
Borrowing redemptions		(6,549)	(6,072)
<b>Net cash provided by (used in) financing activities</b>		<b>451</b>	<b>(6,072)</b>
Net increase in cash and cash equivalents		25,145	15,831
Cash and cash equivalents at beginning of financial year		76,089	60,258
<b>Cash and cash equivalents at end of financial year</b>	5.1	<b>101,234</b>	<b>76,089</b>

*The accompanying notes form part of these financial statements.*



**Stadiums Queensland**  
**Statement of Cash Flows**  
for the year ended 30 June 2017

**NOTES TO THE STATEMENT OF CASH FLOW**

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

	2017 \$000	2016 \$000
Operating Deficit	(28,710)	(9,567)
Depreciation expense	59,123	56,192
Amortisation expense	162	193
Asset write-off	7	-
Net loss on disposal of non-current assets	37	857
Market interest adjustment	292	312
Decrease (increase) in receivables and other assets	2,380	(3,770)
Increase (decrease) in payables	16,106	(8,397)
Increase (decrease) in unearned revenue	2,579	(1,622)
Increase (decrease) in accrued employee benefits	260	420
<b>Net cash provided by / (used in) operating activities</b>	<b>52,236</b>	<b>34,618</b>

## **1. BASIS OF FINANCIAL STATEMENT PREPARATION**

### **1.1 General Information**

Stadiums Queensland is a statutory body established by 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 2016.

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) in accordance with 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 2015-16 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/depreciated 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.

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

### *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.

### *Net Realisable Value*

Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

## 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

	2017 \$000	2016 \$000
Queensland Government operating grants	22,238	22,025
Queensland Government capital grants	29,000	25,000
Contributions - other	220	10,232
<b>Total</b>	<b>51,458</b>	<b>57,257</b>

Stadiums Queensland receives operating and capital grants 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.

### 4. EXPENSES

#### 4.1 Supplies and Services

	2017 \$000	2016 \$000
Professional fees and contractors	6,252	4,999
Telecommunication costs	246	279
Council rates, water, electricity and gas	6,621	6,716
Insurance	1,331	1,362
Office lease and cleaning costs	1,237	1,399
Software support and computer costs	1,681	2,365
Advertising and promotions	910	1,415
Printing and postage	275	302
Event costs	5,778	6,521
Bank charges	31	32
Merchandise purchases	3	2
Bad and doubtful debts	11	8
Audit fees - external	85	82
Audit fees - internal	236	176
Losses and special payments	39	7
Land tax	1,204	1,131
Other	603	554
<b>Total</b>	<b>26,543</b>	<b>27,350</b>



#### 4.1 Supplies and Services (continued)

Total external audit fees paid to the Queensland Audit Office relating to the 2016-17 financial statements are estimated to be \$85,000 (2016 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 - Leases*

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred. Stadiums Queensland has not entered into any finance leases.

##### *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 Depreciation and Amortisation

	2017 \$000	2016 \$000
Depreciation - buildings and land improvements	56,510	53,606
Depreciation - plant and equipment	2,613	2,586
Amortisation - intangible assets	162	193
<b>Total</b>	<b>59,285</b>	<b>56,385</b>

The Accounting Policy for Depreciation is disclosed with Property, Plant and Equipment (refer note 5.3).

#### 4.3 Employee Expenses

	2017 \$000	2016 \$000
<b>Employee Benefits</b>		
Wages and salaries	9,631	9,068
Employer superannuation contributions	1,238	1,148
Annual and long service leave entitlements	1,123	1,197
Other employee benefits	350	262
<b>Employee Related Expenses</b>		
Payroll tax	708	648
Workcover	147	124
Other employee related expenses	304	137
<b>Total</b>	<b>13,501</b>	<b>12,584</b>

	2017 No.	2016 No.
Full-time equivalent employees at 30 June	124.8	122.9

Key Management Personnel Disclosures are detailed in note 11.

#### 4.3 Employee Expenses (continued)

##### *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*.

#### 4.4 Borrowing Costs

	2017 \$000	2016 \$000
QTC interest and administrative charges	6,183	6,454
Queensland Treasury loan interest	328	352
<b>Total</b>	<b>6,511</b>	<b>6,806</b>

##### *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

	2017 \$000	2016 \$000
Imprest accounts	8	9
Cash at bank	401	1,596
Deposits awaiting contract settlement	31,603	15,775
Deposits at call	69,222	58,709
<b>Total</b>	<b>101,234</b>	<b>76,089</b>

Cash deposited with the Queensland Treasury Corporation earned interest at rates between 2.45% and 3.18% (2016: 2.72% and 3.23%).

#### *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 \$1,012,000 (2016: \$761,000). 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 increased in the current period due to an increase in the amount of cash and cash equivalents held.

### 5.2 Receivables

	2017 \$000	2016 \$000
Trade debtors	5,116	3,938
less Allowance for impairment loss	(34)	(27)
	5,082	3,911
GST receivable	1,159	1,142
less GST payable	(855)	(586)
	304	556
Tenant fees receivable	2,728	5,616
Other receivables	416	634
<b>Total</b>	<b>8,530</b>	<b>10,717</b>
<b>Non-Current</b>		
Trade Debtors	-	86
<b>Total</b>	<b>-</b>	<b>86</b>

## 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

	2017 \$000	2016 \$000
<b>Land</b>		
At fair value	172,769	169,715
	<b>172,769</b>	<b>169,715</b>
<b>Buildings and Land Improvements</b>		
At fair value	1,904,804	1,760,201
less accumulated depreciation	(950,475)	(899,325)
	<b>954,329</b>	<b>860,876</b>
<b>Plant and Equipment</b>		
At cost	42,647	42,678
less accumulated depreciation	(28,319)	(31,144)
	<b>14,328</b>	<b>11,534</b>
<b>Heritage and Cultural Assets</b>		
At fair value	485	490
	<b>485</b>	<b>490</b>
<b>Work in Progress</b>		
At cost	9,420	56,893
<b>Total</b>	<b>1,151,331</b>	<b>1,099,508</b>



### 5.3 Property, Plant and Equipment (continued)

The Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTESB) has transferred to Stadiums Queensland capital works of \$10.270 million (2016: \$37.738 million) related to the Gold Coast 2018 Commonwealth Games venues. The transfer has been effected at 30 June 2017 under Ministerial approval as a non-reciprocal transfer and accounted for as an equity adjustment to Contributed Equity (refer note 7.1) and the completed capital works have been recognised as assets by Stadiums Queensland.

#### Property, Plant and Equipment Reconciliation

2017	Land	Buildings and Land Improvements	Plant and Equipment	Heritage and Cultural	Work In Progress	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2016	169,715	860,876	11,534	490	56,893	1,099,508
Additions	-	-	110	-	27,518	27,628
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)
<b>Balance at 30 June 2017</b>	<b>172,769</b>	<b>954,329</b>	<b>14,328</b>	<b>485</b>	<b>9,420</b>	<b>1,151,331</b>
2016	Land	Buildings and Land Improvements	Plant and Equipment	Heritage and Cultural	Work In Progress	Total
	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2015	166,226	851,556	11,591	490	17,561	1,047,424
Additions	-	-	29	-	12,702	12,731
Disposals	-	(668)	(233)	-	-	(901)
Transfers from DTESB	-	-	-	-	37,738	37,738
Transfers	-	8,375	2,733	-	(11,108)	-
Revaluation	3,489	55,219	-	-	-	58,708
Depreciation	-	(53,606)	(2,586)	-	-	(56,192)
<b>Balance at 30 June 2016</b>	<b>169,715</b>	<b>860,876</b>	<b>11,534</b>	<b>490</b>	<b>56,893</b>	<b>1,099,508</b>

#### 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 or 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 General Manager, 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.

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.



### 5.3 Property, Plant and Equipment (continued)

All Stadiums Queensland 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.

#### 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. depreciated 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.



### 5.3 Property, Plant and Equipment (continued)

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.

#### *Depreciation rates*

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

Class	Rate%	Class	Rate%
<b>Buildings and land improvements</b>		<b>Plant and Equipment</b>	
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. If an indicator of possible impairment exists, the asset's recoverable amount is determined by the higher of the asset's fair value less costs to sell and depreciated replacement cost. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

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.

#### *Fair Value for Property, Plant and Equipment*

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.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by Stadiums Queensland 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 Stadiums Queensland 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.



### 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
Metricon 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 2016	30 June 2013

#### *Land*

Independent qualified valuers from Australis Advisory Group Pty Ltd performed specific appraisals of land assets at the Brisbane Entertainment Centre, Queensland Sport and Athletics Centre (QSAC) and the Sleeman Sports Complex and interim assessments of the other land assets at 30 June 2017 using a market approach.

The inputs to determine the comprehensive valuations 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 Brisbane Entertainment Centre, QSAC and the Sleeman Sports Complex 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 2017.

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

### 5.3 Property, Plant and Equipment (continued)

GRC provides modern replacement values and remaining useful lives for various complex assets from which Stadiums Queensland determines fair value using the depreciated 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;
- 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 last comprehensively valued by an independent qualified valuer from Laudiston Valuers Pty Ltd at 30 June 2013. 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 2017

##### 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

##### 2016

Asset Class	Level 2	Level 3	Total
	\$000	\$000	\$000
Land		169,715	169,715
Building and Land Improvements		860,876	860,876
Heritage and Cultural Assets	490		490

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

	2017 \$000	2016 \$000
Interest payable	8	9
Trade creditors	6,110	5,560
Event settlement	31,903	15,829
Other creditors and accruals	1,608	2,125
<b>Total</b>	<b>39,629</b>	<b>23,523</b>

#### *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

	2017 \$000	2016 \$000
<b>Current</b>		
Loans - Queensland Treasury	471	445
Loans - Queensland Treasury Corporation	7,226	6,256
<b>Total</b>	<b>7,697</b>	<b>6,701</b>
<b>Non-Current</b>		
Loans - Queensland Treasury	4,869	5,340
Loans - Queensland Treasury Corporation	87,926	87,708
<b>Total</b>	<b>92,795</b>	<b>93,048</b>

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% (2016: 6.60% 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% (2016: 0.5%).

All borrowing facilities have been fully drawn at 30 June 2017.

#### *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	2017		2016	
	Carrying Amount \$000	Fair Value \$000	Carrying Amount \$000	Fair Value \$000
<b>Financial Liabilities</b>				
Financial liabilities measured at amortised cost:				
Queensland Treasury	5,340	6,282	5,785	6,282
Queensland Treasury Corporation	95,152	113,126	93,964	118,105
	<b>100,492</b>	<b>119,408</b>	<b>99,749</b>	<b>124,387</b>

## 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*.

### 7.2 Asset Revaluation Surplus

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

2016	Buildings and Land			Heritage and Cultural	Total
	Land	Improvements			
	\$000	\$000		\$000	\$000
Balance 1 July 2015	59,002	304,433		182	363,617
Revaluation increments	3,489	55,219		-	58,708
<b>Balance 30 June 2016</b>	<b>62,491</b>	<b>359,652</b>		<b>182</b>	<b>422,325</b>

### 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	2017 \$000	2016 \$000
<b>Financial Assets</b>			
Cash and cash equivalents	5.1	101,234	76,089
Receivables	5.2	8,530	10,803
		<b>109,764</b>	<b>86,892</b>
<b>Financial Liabilities</b>			
Financial liabilities measured at amortised cost:			
Payables	6.1	39,629	23,523
Interest Bearing liabilities	6.2	100,492	99,749
		<b>140,121</b>	<b>123,272</b>

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:

<b>Risk Exposure</b>	<b>Measurement method</b>	<b>Risk Management Strategies</b>
Credit Risk	Ageing analysis, earnings at risk	<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	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.

2017		Payable in			Total
		< 1 year	1-5 years	> 5 years	
	Note	\$000	\$000	\$000	\$000
<b>Financial Liabilities</b>					
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
		<b>53,142</b>	<b>54,076</b>	<b>73,462</b>	<b>180,680</b>

2016		Payable in			Total
		< 1 year	1-5 years	> 5 years	
	Note	\$000	\$000	\$000	\$000
<b>Financial Liabilities</b>					
Payables	6.1	23,523	-	-	23,523
Loans - Queensland Treasury	6.2	775	3,098	3,872	7,745
Loans - Queensland Treasury Corporation	6.2	11,938	47,752	78,301	137,991
		<b>36,236</b>	<b>50,850</b>	<b>82,173</b>	<b>169,259</b>



## 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:

	2017 \$000	2016 \$000
Legal proceedings	75	158
	<u>75</u>	<u>158</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:

	2017 \$000	2016 \$000
Not later than 1 year	25	48
Later than 1 year but not later than 5 years	72	73
Later than 5 years	191	210
	<u>288</u>	<u>331</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:

	2017 \$000	2016 \$000
<b>Buildings and Land Improvements</b>		
Queensland State Netball Centre at QSAC	41,585	-
Multi-Storey Car Park at QSAC	7,300	-
Other capital commitments	3,574	9,772
	<u>52,459</u>	<u>9,772</u>

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

Not later than 1 year	39,875	9,772
Later than 1 year and not later than 5 years	12,584	-
	<u>52,459</u>	<u>9,772</u>

#### Plant and Equipment

Not later than 1 year	84	209
	<u>84</u>	<u>209</u>

#### Intangibles

Not later than 1 year	486	626
	<u>486</u>	<u>626</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 2016-17 and 2015-16.

Position	Responsibilities	Contract classification and appointment authority	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 1/07/2015 1/07/2015 1/07/2015 1/07/2015 6/10/2016	
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.	28/07/2003 Acting Appointment - 13/06/2016 New Appointment - 14/11/2016	9/11/2016 (Retired) 13/11/2016
General Manager, Operations	The General Manager, Operations 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 General Manager, Operations. Appointed by the Board of Stadiums Queensland.	16/07/2007 Acting Appointment - 13/6/2016 New Appointment - 3/04/2017	13/11/2016 2/04/2017
General Manager, Corporate Services	The role of the General Manager, 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, information and communications technology, knowledge management, Right to Information, Privacy, insurance and the procurement framework.	Common Law contract with the classification of General Manager, Corporate Services. Appointed by the Board of Stadiums Queensland.	14/10/2002	
General Manager, Asset Management and Development	The General Manager, Asset Management and Development 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 General Manager, Asset Management and Development. Appointed by the Board of Stadiums Queensland.	7/10/2002	

#### 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 2016-17 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.

2017	Short Term Employee Benefits		Long Term Employee Benefits	Post-employment Benefits	Termination Benefits	Total
Position (date appointed/resigned if applicable)	Base \$000	Non-Monetary Benefits \$000	\$000	\$000	\$000	\$000
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
<b>Total Remuneration</b>	<b>1,183</b>	<b>-</b>	<b>-</b>	<b>139</b>	<b>-</b>	<b>1,325</b>

\* 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.

2016	Short Term Employee Benefits		Long Term Employee Benefits	Post-employment Benefits	Termination Benefits	Total
Position (date appointed/resigned if applicable)	Base \$000	Non-Monetary Benefits \$000	\$000	\$000	\$000	\$000
Chairman	35	-	-	3	-	38
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Director	15	-	-	1	-	16
Chief Executive	419	24	10	50	-	503
General Manager, Operations*	256	-	4	29	-	289
General Manager, Corporate Services	216	-	4	24	-	244
General Manager, Asset Management and Development	216	-	4	24	-	244
<b>Total Remuneration</b>	<b>1,217</b>	<b>24</b>	<b>22</b>	<b>135</b>	<b>-</b>	<b>1,398</b>

\* 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 \$5,332 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 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:

	2017 \$'000
<b>REVENUE</b>	
Revenue received for tenancy and hire fees and other contributions (excluding Government grants) from State of Queensland controlled entities	1,145
Government grants from State of Queensland (Note 3.2)	51,238
Interest received on deposits with Queensland Treasury Corporation (QTC)	1,775
<b>EXPENSES</b>	
Expenses incurred with State of Queensland controlled entities for supplies and services, employee expenses and repairs and maintenance	13,366
Borrowing costs including administration fees (Note 4.4)	6,511
<b>ASSETS</b>	
Deposits held with QTC	90,208
Receivables with State of Queensland controlled entities for services provided by Stadiums Queensland	37
Property, Plant and Equipment - capital works paid and transfer with State of Queensland controlled entities	12,899
<b>LIABILITIES</b>	
Payables to State of Queensland controlled entities for supplies and services received by Stadiums Queensland	778
Loans from QTC and Queensland Treasury (Note 6.2)	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 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107*

As from Stadiums Queensland's financial statements for 2017-18, this standard will require additional disclosures to enable the reader to evaluate changes in liabilities arising from financing activities. These disclosures will include both cash flows and non-cash changes between the opening and closing balance of the relevant liabilities and be disclosed by way of a reconciliation in the notes to the Statement of Cash Flows.

#### *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.
- 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.

#### Impact for Lessors

Lessor accounting under AASB 16 remains largely unchanged from AASB 117. For finance leases, the lessor recognises a receivable equal to the net investment in the lease. Lease receipts from operating leases are recognised as income either on a straight-line basis or another systematic basis where appropriate.

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 2016-17.

#### **14.2 Accounting Standards Early Adopted for 2016-17**

No Australian Accounting Standards have been early adopted for 2016-17.

#### **14.3 Accounting Standards Applied for the First Time in 2016-17**

The only Australian Accounting Standard that became effective for the first time in 2016-17 is AASB 124 *Related Party Disclosures*. This standard requires note disclosures about key management personnel (KMP) remuneration and other related party transactions, and does not impact on financial statement line items. As Queensland Treasury already required disclosure of KMP remuneration expenses, AASB 124 itself had minimal impact for Stadiums Queensland. The Minister responsible for Stadiums Queensland has been identified as not being part of Stadiums Queensland's KMP in 2016-17. Material related party transactions for 2016-17 are disclosed in Note 12. No comparative information about related party transactions is required in respect of 2015-16.



## 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 2017 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

22 August 2017



**Sophie Devitt**  
Chair

22 August 2017

## 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 2017, 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 2017, 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.

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2017:

- 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.



Michelle Reardon  
as delegate of the Auditor-General



Queensland Audit Office  
Brisbane



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## Metricon Stadium

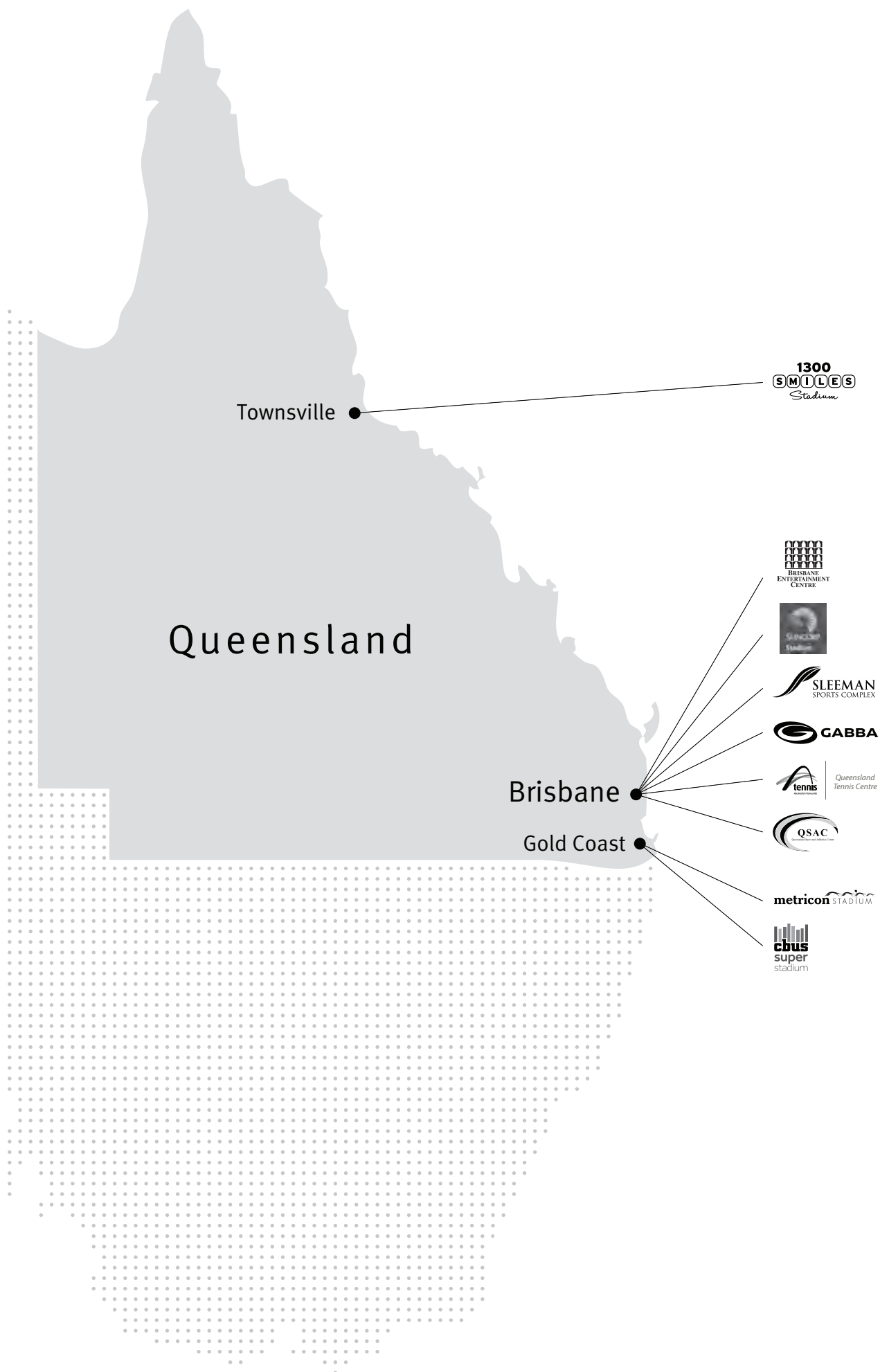
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Queensland  
Tennis Centre



# GLOSSARY

<b>AEG (Ogden)</b>	Anschutz Entertainment Group, 'AEG Ogden'
<b>AFL</b>	Australian Football League
<b>AIS</b>	Australian Institute of Sport
<b>ARU</b>	Australian Rugby Union
<b>BEC</b>	Brisbane Entertainment Centre
<b>BI</b>	Brisbane International (Tennis Tournament)
<b>CCTV</b>	Closed Circuit Television
<b>EEO</b>	Equal Employment Opportunity
<b>FFA</b>	Football Federation Australia
<b>FOGS</b>	Former Origin Greats
<b>GC2018</b>	Gold Coast 2018 Commonwealth Games
<b>GC SUNS</b>	Gold Coast SUNS Football Club
<b>HP TRIM EDRMS</b>	Electronic Documents / Records Management System
<b>ICC</b>	International Cricket Council
<b>IPTV</b>	Internet Protocol Television
<b>LED</b>	Light-emitting diode
<b>MND</b>	Motor Neurone Disease
<b>MSFA</b>	Major Sports Facilities Act (2001)
<b>MWS</b>	MWS Sports (Queensland Tennis Centre Management Company)
<b>NRL</b>	National Rugby League
<b>PCYC</b>	Police and Citizens Youth Club
<b>QAO</b>	Queensland Audit Office
<b>QAS</b>	Queensland Academy of Sport
<b>QIRC</b>	Queensland Industrial Relations Commission
<b>QRL</b>	Queensland Rugby League
<b>QRU</b>	Queensland Rugby Union
<b>QSAC</b>	Queensland Sport and Athletics Centre
<b>QTC</b>	Queensland Tennis Centre
<b>SMAC</b>	Stadium Management Advisory Committee
<b>SQ</b>	Stadiums Queensland
<b>SSC</b>	Sleeman Sports Complex
<b>WHS</b>	Workplace Health and Safety
<b>QSNC</b>	Queensland State Netball Centre







