

Parklands

Gold Coast



2010/2011 Annual Report

For the year ended 30th June 2011

Contents:

Section	Page #
About this report	2
Letter of compliance	3
Chair Report	4
Agency role & functions	6
Operating environment	6
External scrutiny	9
Forward operations	9
Government objectives for the Community	10
Parklands objectives & performance indicators	10
Governance management & structure	11
Financial statements	13
Statement of Comprehensive Income	14
Statement of Financial Position	15
Statement of Changes in Equity	16
Statement of Cash Flows	17
Notes to the Financial Statements	18
Certificate Parklands Gold Coast Trust	44
Independent Audit Report	45

About this report:

This Annual Report provides information about the Parklands Trust financial and non-financial performance for 2010-2011. It has been prepared in accordance with the Annual Report Requirements Queensland Government Agencies 2011.

The report records the significant achievements during the year as well as audit information and financial statements.

A copy of this report is available in electronic form by PDF file at:

www.parklandsgoldcoast.com.

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Interpretation:



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Letter of compliance

31st August 2011

The Honourable Tim Mulherin
Minister for Agriculture, Food and Regional Economies
8th Floor, Primary Industries Building
80 Ann Street
Brisbane QLD 4001

Dear Minister

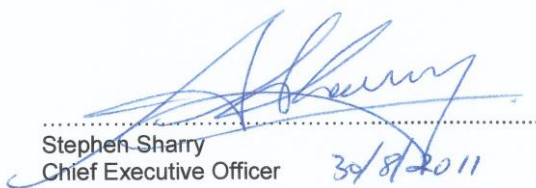
I am pleased to present the Annual Report 2010-2011 for the Parklands Trust.

I certify that this Annual Report complies with:

- The prescribed requirements of the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2009, and
- The detailed requirements set out in the Annual Report Requirements for Queensland Government Agencies.

A checklist outlining the annual reporting requirements can be accessed at our website www.parklandsgoldcoast.com.au.

Yours sincerely



.....
Stephen Sharry
Chief Executive Officer 30/8/2011

Report of the Chair

In my role as Chairman of Trustees it is with pleasure that I submit this annual report on the operations and financials of the Parklands Gold Coast Trust for the year ended June 2011.

The year has reflected the ongoing activities of the Trust in operating its core business of staging events, functions, the provision of car-parking , catering , exhibitions, the Gold Coast Show, and Harness Racing on the Gold Coast.

There has been a strong demand for the Parklands Trust facilities, the utilization of which has been maintained in spite of the continuing difficult economic climate and diminished financial activity in almost all property and trading entities.

The Trust has continued to contribute to the local geographic economy with the hosting of concerts and music festivals many of which have had a long association with the complex. These events in conjunction with the Gold Coast Show reflect the extremely high level of patronage for the complex covering all age groups.

There has been continuing growth to key events such as Big Day Out (55,000 patrons), Home Show, and Annual Gold Coast Show however the Good Vibrations music festival was disappointing. The event promoter targeted a crowd of 40,000 with final heavily discounted sales only reaching 15,000 which significantly reduced venue income. Bookings for future events indicate reasonable continuity for these activities until the Trust's scheduled termination in September, 2013. One of our other major tenants, the Gold Coast Harness Racing Club, has experienced some trading difficulties which has impacted with low food and beverage sales at race meeting. The Trust is currently assisting with the promotion of events associated with Harness Racing and the Gold Coast Show. Harness Racing in particular is experiencing significant difficulties and the Trust is assisting with certain promotions which the Trustees are hopeful will enhance public patronage at Harness Racing events.

The Trust is also co-operating with Griffith University , Gold Coast University Hospital, building contractors and the rapid transport light rail project, in the logistics and parking requirements as their developments progress. There will obviously be ongoing liaison with these groups as the Trust endeavours to assist the targeted completion of the various projects by the scheduled due dates.

The Trustees have during the past year maintained a program of maintaining equipment and services to ensure that our tenants and stakeholders are provided with facilities that are fit for purpose and recognise the importance of public safety.

The Trust has a newly appointed Auditor with whom we are regularly liaising together with the Queensland Government Audit office regarding the progressive asset write offs by the scheduled termination date for the Trust.

A review of the financial statements for the Trust for the year ended 30th June, 2011 reveals an operating cash profit of \$811,000. However during this period we have also been required to apply non cash write-offs for depreciation and amortization totalling \$6,753,000. This results in the Trust financial presentation reflecting a bottom line loss of \$5,849,000.

I together with my fellow Trustees Mr. John Howe and Ms. Sue Forrester look forward to continuing the operations of the Parklands Trust through to its scheduled termination date. The demands on the Trustees during the past year have required significantly greater input of their respective business acumen and skills and I believe the current affairs of the Trust reflect a significantly improved outcome resulting from these efforts.

During the year the Trustees accepted the resignation of the Trust CEO Mr. Richard Murphy whose experience with the Trust spanned 23 years. Mr. Murphy had been involved in various capacities with the Trust since its inception and the loss of his obvious knowledge and skills represented a significant change in the ongoing Trust operations. The Trustees however consider themselves very fortunate to have been able to

obtain the services of a new CEO Mr. Stephen Sharry whose previous business involvements and particular skills we feel benefit him admirably for the CEO role. Mr. Sharry commenced with the Trust shortly before the end of the financial year and has already had a favourable impact on the Trust operations. I would also like to record the appreciation of the Trustees for the dedication and commitment of the Trust's staff. For the size of its operations the Trust operates on a minimal staff level and I am delighted to draw attention to the fact that the Trust has one of the lowest staff turnover records of any long-term business on the Gold Coast.

Because of its role as a unique community facility and the scheduled winding up of the Trust, the Trustees still have some concerns and are encountering some difficulties with tenants who are endeavouring to plan ahead beyond the termination date. Because of the scheduled winding up of the Trust, the Trustees also have some concern regarding the motivation and continuity of staff retention during the intervening period.

The Trustees continue to work with the Coordinator General's office in the planning and development of the new show ground relocation project. Trustee Mr. John Howe represents the Trust on the policy committee and CEO Mr. Stephen Sharry sits on the technical advisory committee for this project. Additionally the Trust assisted the Commonwealth Games Bid Committee with site access for visiting delegates and the use of presentation facilities.

During the year the Trustees have had frequent contact with numerous government departments, statutory authorities, and individuals to whom we extend our grateful appreciation for the cooperation that we have received. This particularly relates to Treasury, the Office of Racing, Department of Infrastructure and Planning, Local Authority Aldermen and officers, State Parliamentary Members, Gold Coast Show Society, Gold Coast Harness Racing Club, and Racing Queensland.



J.J. Callaghan
Chairman of Trustees
Parklands Gold Coast Trust
Date: 30.08.2011

Agency role & main functions:

Parklands was developed, on the Gold Coast at Southport, in 1988 and is managed by a Qld State Government Statutory Authority, the Parklands Trust, trading as Parklands Gold Coast. The Trust is Chaired by Jim Callaghan, who is assisted by Trustees Susan Forrester and John Howe. The charter of the facility is to manage the land in trust, to provide for Harness Racing, the Show Grounds Society, Sporting and Community events, music festivals and concerts as well as functions, conferences and seminars. In recognising the changing needs of the Community, car-parking services are also provided to Griffith University students as the Griffith University grows to be a very important part of the Health and Knowledge economic development theme of the Gold Coast.

Parklands is situated on over 70 acres of land only 5 km from Southport, 3kms from the coast and 8kms from Surfers Paradise and is serviced on each of two sides by a major access road system. It includes a station for the light rail project which has commenced and is due for completion in 2014. Over 1,000 dedicated car-parking spaces are included on site as are five pavilions with over 8,000 sq metre of undercover space, a grandstand, restaurants, function and conference facilities, two commercial kitchens, an indoor sports centre, day stabling, a 5 furlong all weather harness racing track with support facilities and full stabling for 60 horses, as well as a central grassed arena area capable of holding 60,000 concert guests.

Events held at the facility attract over 400,000 people annually and range from core operations of Harness Racing twice a week and the annual Gold Coast Show to music festivals such as The Big Day Out and Good Vibrations which collectively attracted over 70,000 patrons and deliver substantial economic impact to the region. Additionally the Home Show, Caravan and Camping show, Reptile Show, retirement seminars, Charity Book and clothing sales events, the National Cheer Leaders Competition Finals, many business seminars and conferences as well as functions and weddings are all held at Parklands. The Indoor Sports Centre is commercial outsourced and attracts over 90,000 people through its doors and on to its sporting surfaces annually.

Operating environment:

The Parklands facility is scheduled for demolition at the end of 2013 immediately after the 2013 Gold Coast Show in September 2013. As the Show attracts 65,000 guests and utilises 100% of the capacity of the facility, Parklands must be maintained in 100% operational capacity up to and including the end of the last event on site to maintain public safety. Additionally some of the current users including the Show Society will be relocated to a new site at Carrara. This site will not be completed until 2014 and will require clean and near immediate handover of functionality without any degradation of services provided. This particularly applies to public and workplace health & safety and is important to ensure that events are not lost and community uses are fully maintained and uninterrupted.

Even though the facility operates under as a Statutory Authority within the shadow of its sunset in 2013, the facility is entirely self-funding. It is vital that the facility continue to provide services to the community to maintain the economic benefit to the community which totals over \$70m annually from events. This level of community service will be provided up until the end of the final event in September of 2013 creating very special challenges for the Trust and Management to maintain staff morale and motivation, community acknowledgement and high usages and financial contributions to the bottom line.

In ensuring that the Venue is maintained in a safe and fit-for-purpose condition, the following projects were completed by the Facility management team.

- Forklift engine rebuild.
- Required upgrade to race track.
- Upgrade to sand track.
- Upgrade on LCD Sign at front entrance and signage around gates.
- Repainted inside of brick wall.
- New RCD switches throughout show ground power boxes.
- Top dressing of showground and oval with sand and fertiliser.
- Overlaying of tar-seal on the showground roads.
- Sand for day yards in permanent stables and show stables.
- Replaced all cisterns and seats in toilets.
- New water proof shade sail over the show bar.
- Painting and wall repair in Jupiter's Pavilion.
- Replace part of carpet tiles in Colin Meagher pavilion.
- New refrigerated motor Lions kiosk cool room.

New events for the financial year included:

- Scouts Australia, Queensland Branch, Adventurers' Camp.
- Gold Coast Reptile Show.
- Body Painting Expo.
- Gold Coast Blaze Basketball Court Resurfacing.
- Polyfest Polynesian community.
- Austar staff Family Fun Day.
- Singularity Movie Production rehearsals.
- Impact Pro Wrestling.
- BCF Staff Recruitment Interviews.
- Radio Lollipop's "Kids Day Out" Extravaganza.
- Allconnex Water Staff Christmas Family Day.
- Bartercard Christmas Trade Show.
- St Vinnie's Clothing Sale.
- Mummy Tree Markets.
- Mustang car Nationals.
- St George Bank Business Mentor Program.
- Helensvale Swimming Club Presentation Dinner.
- Swimming Gold Coast Inaugural Awards.
- Down-Under Spirit Cheerleaders & Dance Internationals.

Annual events for the financial year included:

- Big Day Out.
- Good Vibrations Festival.
- Gold Coast Show.
- Gold Coast Home Show & Outdoor Expo.
- Caravan, Camping, 4WD, Fish & Boat Show.
- Monster Truck Family Spectacular.
- Waitangi Day.
- Gold Coast Gay Day.
- Lifeline Bookfest, Fiction Fair, Clothing sales.
- Rush Surf Clothing Sale.
- Ski & Snowboard Sale.
- Gold Coast Marathon race kit packing.
- University entry level exams.
- Braveheart's Highway Thunder.
- Park & ride for GC 600, Sanctuary Cove boat show.

The venue continued to provide a valuable park & ride facility for major events held on the Gold Coast.

Harness Racing highlights include, Blacks A Fake won his 3rd Gold Coast Cup and retires with a record of 14 starts at Parklands for 11 wins, 2 2nds and a 3rd. 2yo's Western Mail and Cha Ching Chaching won feature races, 3yo's Final Champion, Forever Gold and Mach Alert won feature races, 4yo's Lanercost, Pub Blitz and Torque In Motion won feature races. The club has been allocated 3 Metropolitan Status meetings for the upcoming year.

The Indoor Sports Centre management reported decreasing attendances.

The Auditors have recognised the importance of events such as the Big Day Out to the future profitability of the venue. If events such as this are lost and if general usage drops further, there is a real risk that the facility will cease to be self-funding although current reserves will assist to maintain operations through to closure.

During the 2010-2011 year the Trust met monthly on 11 occasions, in addition to these formal monthly meetings Trustees held a significant number of Special Meetings. Trustees took on major project roles that contributed to the governance and strategic direction of the Trust.

Trust monthly meeting attendance – 2010/2011

Jim Callaghan (Chair)	11
Susan Forrester (Trustee)	11
John Howe (Trustee)	9

External Scrutiny:

Parklands Gold Coast has not completed its update of the Financial Management Practice Manual to fully comply with the Financial Performance Management Standard 2009. Given the limited future of the Facility this compliance requirement has been slow and will be implemented during the 2011 year.

This year saw the appointment of a new accounting firm and a new audit firm. Coordinating between the Accounting firm and the Auditor has been slow and will be the subject of a Trust review to ensure it does not reoccur in 2011-12. This also applies to errors made by the previous Accounting firm in calculating depreciation for the 2009-2010 year.

Internal control weaknesses have been tightened including the end of month checking procedures and inventory control. A Crime and Misconduct Commission referral was resolved through an "outcomes advice" process which found no fraud or misconduct findings of a material nature. To ensure probity, the process for selection of a new CEO was undertaken by an independent consultant.

Forward operations:

Parklands aims to maximise the value of the Parklands facility as the Iconic Gold Coast destination venue for big events while promoting sport, tourism and economic development as well as playing an important role as an integral and valued member of the Gold Coast community.

Our mission is to maintain and deliver appropriate facilities and services for a range of activities including;

- Harness Racing.
- Music festivals.
- Concerts.
- Trade shows.
- Showgrounds.
- Sporting event.
- Conferences, Trade shows.
- Community events and functions.

Car-parking facility for users and neighbours.

Our focus is on our users and the community with the effective and efficient delivery of the capability and capacity of the facility, fit for purpose, to a wide range of users in a sustainable way. We value public and community safety and are committed to providing an enjoyable experience for all.

The major thrust will be in retaining existing events and clients in the face of competition coming from venues such as the Broadwater parklands and Metricon Stadium.

The recent outbreaks of Hendra Virus in Queensland and Northern NSW pose a potential threat to the Harness Racing and the Venue. Risk management assessments have been undertaken and control precautions introduced.

Government Objectives for the Community:

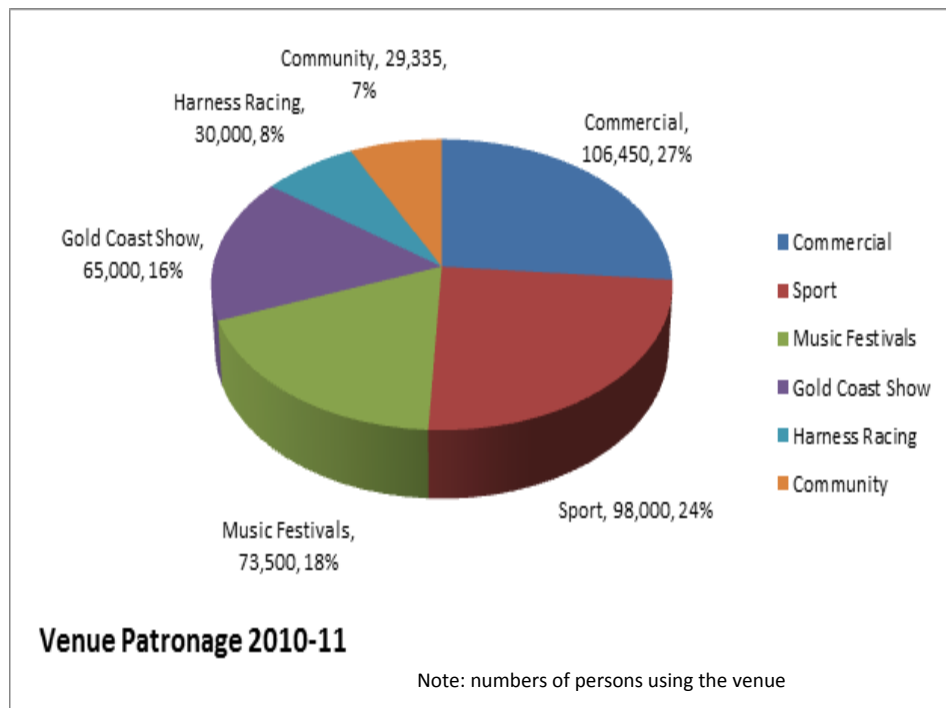
Parklands provides outcomes that assist in a range of the Governments broad objectives for the Community. From totally recycling all ground water used on-site to meet Green standards, to the Healthy outcome generated by over 90,000 annual uses of our Sports Facilities, to a substantial economic impact for the Gold Coast region.

The carbon footprint of the facility is under review with an energy audit scheduled for the 2011-2012 year.

Parklands objectives & performance indicators:

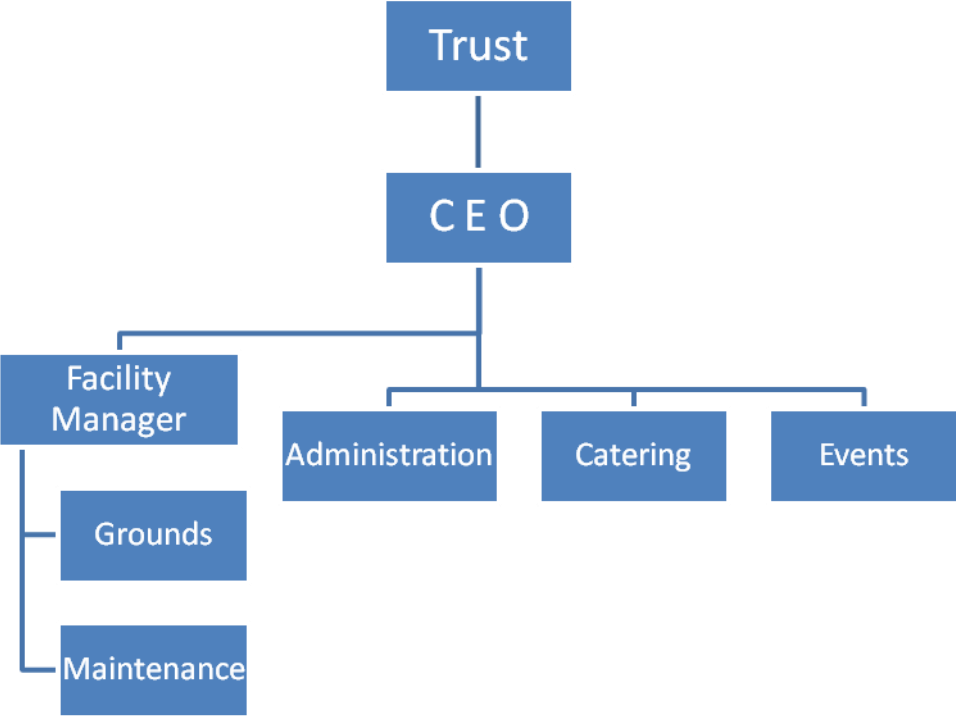
Our strategic objectives are;

- Develop high quality people, systems, organisational flexibility and governance
- Deliver consistently excellent and safe customer experiences
- Develop and maintain partnerships and alliances with users and the Community that create value & opportunities
- Maximise the use of Parkland Facilities and the economic and community benefit to the Gold Coast
- Work with State Government with the Show Grounds relocation and other projects as required



Governance - management & structure

Organisational structure



Executive management:

Trustees	
Mr Jim Callaghan	Chair
Ms Susan Forrester	Trustee
Mr John Howe	Trustee
Management	
Mr Stephen Sharry	CEO
Mr Rodney Cameron	Facility Manager
Ms Gail Turner	Administration
Mr David Morgan	Catering
Ms Kim McCarthy	Events
Ms Chris Wessman	Events

Public Sector Ethics Act:

Given the wind-down requirements of the Venue to close in September 2013, on that basis, advice has been received it is not necessary for Parklands to create a code of conduct or public interest disclosure policy of our own. Instead, it will be sufficient to rely on DEEDI's policies as the 'portfolio' department as follows:

- single State Government Code of Conduct (as applied to DEEDI);
- DEEDI public interest disclosure policy; and
- any related ethical standard policies applicable within DEEDI.

Consultancies:

During the financial year several consultants were employed for a range of activities including food & beverage systems and administration system reviews.

<u>Category</u>	<u>Value</u>
Event management	\$ 69,806
Management	\$ 130,248

Overseas travel:

No overseas travel was undertaken during the year.

Remuneration disclosure:

The remuneration paid to Trustees under the Part-Time Chairs and Members of Government Boards, Committees and Statutory Authorities instructions as a D1 classification totalled \$ 94,753.

Parklands Gold Coast Trust

ABN 40 638 560 805

Financial Statements

For the Year Ended 30 June 2011

Statement of Comprehensive Income

For the Year Ended 30 June 2011

	2011	2010
	000's	Restated *000's
Note	\$	\$
Income from Continuing Operations		
Sales and fees	2(a) 4,104	4,822
Rental income	2(b) 1,664	1,291
Interest	2(c) 275	175
Other income	2(d) 366	524
	6,409	6,812
Expenses from Continuing Operations		
Cost of goods sold	3 (1,061)	(1,352)
Employee benefits expense	3 (1,718)	(1,880)
Depreciation and amortisation expense	3 (6,753)	(6,727)
Repairs & Maintenance	(326)	(344)
Administration Expenses	(895)	(786)
Catering Expenses	(977)	(926)
Electricity Expenses	(229)	(183)
Insurance Expenses	(155)	(148)
Other expenses	(144)	(83)
	(12,258)	(12,429)
Operating result from Continuing Operations	(5,849)	(5,617)
Total comprehensive income for the year	(5,849)	(5,617)

* The Trust has a correction of an error that, as outlined at Note 19, has caused a restatement of property, plant and equipment and depreciation expense in the 2010 financial year.

Statement of Financial Position

As at 30 June 2011

	2011	2010
	000's	Restated *000's
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	4 878	1,049
Trade and other receivables	5 237	94
Inventories	6 108	92
Other financial assets	7 4,258	3,301
Other assets	8 106	98
	<u>5,587</u>	4,634
TOTAL CURRENT ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	9 44,382	51,112
	<u>44,382</u>	51,112
TOTAL NON-CURRENT ASSETS		
	<u>49,969</u>	55,746
TOTAL ASSETS		
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	10 468	416
Short-term provisions	11 257	236
	<u>725</u>	652
TOTAL CURRENT LIABILITIES		
NON-CURRENT LIABILITIES		
Long-term provisions	11 27	28
	<u>27</u>	28
TOTAL NON-CURRENT LIABILITIES		
	<u>752</u>	680
TOTAL LIABILITIES		
	<u>49,217</u>	55,066
NET ASSETS		
EQUITY		
Reserves	12 37,780	37,780
Accumulated surplus	<u>11,437</u>	17,286
	<u>49,217</u>	55,066

* The Trust has a correction of an error that, as outlined at Note 19, has caused a restatement of property, plant and equipment and depreciation expense in the 2010 financial year.

Statement of Changes in Equity

For the Year Ended 30 June 2011

2011

	Accumulated Surplus	Asset Revaluation Surplus	Total
	000's	000's	000's
Note	\$	\$	\$
Balance at 1 July 2010	17,286	37,780	55,066
Operating result from continuing operations	(5,849)	-	(5,849)
Balance at 30 June 2011	11,437	37,780	49,217

2010

	Accumulated Surplus	Asset Revaluation Surplus	Total
	000's	000's	000's
Note	\$	\$	\$
Balance at 1 July 2009	22,903	37,780	60,683
Operating result from continuing operations	(4,617)	-	(4,617)
Correction for prior period error	(1,000)	-	(1,000)
19			
Operating result from continuing operations (restated)	(5,617)	-	(5,617)
Revised Balance at 30 June 2010	17,286	37,780	55,066

Parklands Gold Coast Trust

ABN 40 638 560 805

Statement of Cash Flows
For the Year Ended 30 June 2011

	2011	2010
	000's	000's
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	6,605	6,551
Payments to suppliers and employees	(5,842)	(6,216)
Interest received	256	117
GST input tax credits from ATO	384	621
GST paid to the ATO	(592)	(196)
Net cash provided by (used in) operating activities	14 <u>811</u>	<u>877</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	-	85
Investments in term deposits	(957)	(1,068)
Purchase of property, plant and equipment	(25)	(281)
Net cash provided by (used in) investing activities	<u>(982)</u>	<u>(1,264)</u>
Net increase (decrease) in cash and cash equivalents held	(171)	(387)
Cash and cash equivalents at beginning of financial year	1,049	1,436
Cash and cash equivalents at end of financial year	4(a) <u><u>878</u></u>	<u><u>1,049</u></u>

Notes to the Financial Statements

For the Year Ended 30 June 2011

The financial statements covers the Parklands Gold Coast Trust as an individual entity. Parklands Gold Coast Trust is a trust, established and domiciled in Australia.

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Section 42 of the Finance and Performance Management Standard 2009, Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The Trust's functional and presentation currency is Australian dollars.

Compliance with Australian Accounting Standards ensures that the financial statements and notes thereto comply with International Financial Reporting Standards except for:

- Impairments under AASB 136 Impairment of Assets;
- Revaluation of non-current assets under AASB116 Property, Plant Equipment;
- Recognition of grant revenue under AASB1004 Contributions.

On 1 July 2003, the State Government approved the transfer of control management and responsibility for Parklands Gold Coast to trustees appointed under the Racing Venues Development Act 1982. Pursuant to this Act, the Governor in Council appointed trustees to control the land.

As a result the Parklands Gold Coast Trust became a statutory body required to prepare general purpose financial statements.

The registered office and place of business is 201-251 Smith Street, Southport QLD 4215.

The financial statements for the year ended 30 June 2011 have been authorised for issue by the Trustees on the 30th August 2011.

(b) Rounding of amounts

Amounts in the financial statements have been rounded off to the nearest thousand dollars.

(c) Going concern

The Trust has received advice from the Treasurer not to contract on behalf of the Trust beyond 30 September 2013 and for the premises to be vacated by this time. It is expected that the Trust's operations at these premises in their current form will cease at that time. The Trustees have considered the advice of the Treasurer and are satisfied that the Trust can pay its debts as and when they fall due for at least the next 12 months. Accordingly, the financial statements have been prepared on a going concern basis.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition, except for training costs which are expensed as incurred.

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses. Land, buildings and infrastructure are measured at fair value. All other assets are measured at cost. This is in accordance with the Queensland Treasury's Non Current Assets Accounting Policies for the Queensland Public Sector.

Property

Freehold land, buildings and infrastructure are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation or impairment.

Increases in the carrying amount arising on revaluation are credited to an asset revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against the asset revaluation surplus directly in equity, to the extent that class of assets has a balance; all other decreases are charged to the statement of comprehensive income.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by Trustees to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Property, plant and equipment items with a cost or value in excess of \$5,000 and a useful life of more than one year are recognised as an asset. All other items of property, plant and equipment are expensed on acquisition.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the trust commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings & Improvements	23.53%
Plant and Equipment	23.53%
Furniture, Fixtures and Fittings	23.53%
Motor Vehicles	15.00%
Infrastructure	23.53%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

As a result of the involuntary, non-reciprocal transfer of land to the Queensland Government, as at 30 June 2009 there was a change in Accounting Estimate in relation to the useful lives of assets. These useful lives have been adjusted to reflect the new limited life with an expiration in 2013 based upon Treasury's advice and the depreciation rates have been adjusted to the shorter of the remaining useful life or 30 September 2013.

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(e) Property, plant and equipment continued

Disposals & Involuntary, Non-Reciprocal Transfers

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the asset revaluation surplus relating to that asset are transferred to retained earnings.

Involuntary, non-reciprocal transfers of assets and liabilities to another Queensland public sector entity as the result of an Executive Government direction/approval are adjusted against contributed equity to the extent it exists. Where the balance of the contributed equity account is insufficient to absorb the adjustment or does not exist, the remainder of the adjustment is taken against accumulated surplus. The corresponding asset revaluation surplus for the asset transferred is adjusted against accumulated surplus to the extent a balance exists for that class of assets in the asset revaluation surplus. The accounting treatment is consistent with the Accounting Policy Guidelines issued by Queensland Treasury.

(f) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the trust becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the trust commits itself to either purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to statement of comprehensive income immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (d) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the income statement.

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(f) Financial instruments continued

(i) Held-to-maturity investments

These investments have fixed maturities, and it is the trust's intention to hold these investments to maturity. Any held-to-maturity investments held by the trust are stated at amortised cost using the effective interest rate method.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

At the end of each reporting period, the Trust assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen.

For this purpose, the Trustees have determined that where an investment has declined in excess of 5% from cost, or remained below cost for a period exceeding 12 months, the investment shall be considered impaired. Impairment losses shall be recognised by transferring all valuation decrements recognised in equity relating to a particular investment to the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in the statement of comprehensive income.

(g) Impairment of non-financial assets

At the end of the reporting period, the Trust reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's depreciated replacement cost and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(h) Employee benefits

Provision is made for the trust's liability for employee benefits arising from services rendered by employees to the balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(h) Employee benefits continued

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. These cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

The contributions are made by the Trust to an employee superannuation fund and are charged as expenses when incurred.

(i) Provisions

Provisions are recognised when the trust has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held-at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(k) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Sale of goods

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue

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

All revenue is stated net of the amount of goods and services tax (GST).

(l) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(m) Employee Benefits - Key executive management personnel and remuneration

Key executive management personnel and remuneration disclosures are made in accordance with the section 5 Addendum (issued in May 2011) to the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury. Refer to note 18 for the disclosures on key executive management personnel and remuneration.

(n) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

(o) Taxation

The activities of Parklands Gold Coast Trust are exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax.

(p) Trade and other receivables

Trade and other receivables are recognised at the nominal amounts due at the time of sale or service delivery, with settlement being generally required within 30 days from the invoice date. For the Trust's operations, nominal amounts equate to amortised cost.

The collectability of receivables is assessed periodically with provision being made for impairment. All known bad debts were written-off as at 30 June. Increases in allowance for impairment are based on loss events as disclosed in note 5.

(q) Trade and other payables

Trade and other payables are recognised for amounts payable in the future for goods and services received, whether or not billed to the Trust. Creditors are generally unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

(r) Critical accounting estimates and judgments

The trustees evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the trust.

Key estimates - Impairment

The trust assesses impairment at the end of the reporting year by evaluating conditions specific to the trust that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(s) Capital Management

The Trustees primarily manage capital through the cash resources of the Trust. There has been no change in that approach for the current year.

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(t) Adoption of new and revised accounting standards

During the current year, the trust adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these Standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Parklands Gold Coast Trust.

Standard Name	Impact
AASB 2010-3 / AASB 2009-5 Amendments and further Amendments to Australian Accounting Standards - Group Cash-settled Share-based Payment Transactions	No significant changes on adoption of these standards.
AASB 2009-8 Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions	No significant changes on adoption of these standards.
AASB 2009-9 Amendments to Australian Accounting Standards – Additional Exemption for First-time Adopters / AASB 2010-1 Limited exemption from comparative AASB 7 disclosures for first-time adopters	No impact since the entity is not a first-time adopter of IFRS.
AASB 2009-10 Amendments to Australian Accounting Standards – Classification of Rights Issues	No significant changes on adoption of this standard.
Interpretation 19 Extinguishing liabilities with equity instruments	No significant changes on adoption of this standard.

(u) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The trust has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the trust:

Standard name	Effective date for entity	Requirements	Impact
AASB 124 Related Party Disclosures and amending standard AASB 2009-12	30 June 2012	- Clarification of the definition of a related party - Requirement to disclose commitments to related parties - Disclosure exemptions for government-related entities	Minimal impact expected
AASB 9 Financial Instruments and amending standards AASB 2009-11 / AASB 2010-7	30 June 2014	- Changes to the classification and measurement requirements for financial assets and financial liabilities. - New rules relating to derecognition of financial instruments.	The impact of AASB 9 has not yet been determined.

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(u) New accounting standards for application in future periods continued

AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement	30 June 2012	Changes where the entity is subject to minimum funding requirements and makes an early payment to cover these requirements in relation to defined benefit plans.	No impact expected.
AASB 2010-4 / 2010-5 Amendments and further amendments to Australian Accounting Standards arising from the Annual Improvements Project	30 June 2012	Makes changes to a number of standards / interpretations including: - Clarification of the content of the statement of changes in equity - Financial instrument disclosures - Fair value of award credits	No impact expected.
AASB 2010-6 Amendment to Australian Accounting Standards – Disclosures on transfers of financial assets	30 June 2012	Requires additional disclosures regarding for example, remaining risks where an entity has transferred a financial asset	No impact expected.
AASB 2010-8 Amendment to Australian Accounting Standards – Deferred tax: Recovery of underlying assets	30 June 2013	Adds a presumption to AASB 112 that the recovery of the carrying amount of an investment property at fair value will be through sale.	No impact expected.
AASB 2010-9 / 2010-10 Amendment to Australian Accounting Standards – Severe hyperinflation and removal of fixed dates for first-time adopters	30 June 2012	Makes amendments to AASB 1	No impact since the entity is not a first-time adopter of IFRS.
AASB 1054 Additional Australian disclosures / AASB 2011-1 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence	30 June 2012	Collates the Australian specific disclosures into one Accounting Standard rather than including them within a number of different standards.	Little impact since most of the disclosures required by AASB 1054 are already included within the financial statements.
AASB 2011-2 Amendments to Australian Accounting Standards arising from Trans-Tasman convergence – Reduced Disclosure Requirements	30 June 2014	Highlights the disclosures not required in AASB 1054 for entities applying the RDR.	The entity is not adopting the RDR and therefore this standard is not relevant.
AASB 2011-3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to ABS GFS Manual and Related Amendments	30 June 2013	Standard is applicable for whole of government and general government financial statements only. AASB 2011 provides details of changes in accounting treatment due to the Government Finance Statistics manual.	No impact expected.

Notes to the Financial Statements

For the Year Ended 30 June 2011

1 Summary of Significant Accounting Policies continued

(u) New accounting standards for application in future periods continued

<p>AASB 10 Consolidated Financial Statements / AASB 11 Joint Arrangements / AASB 12 Disclosures of Interests in Other Entities, AASB 127 Separate Financial Statements and AASB 128 Investments in Associates. [These are expected to be released by the AASB in June / July].</p>	<p>30 June 2014</p>	<p>AASB 10 includes a new definition of control, which is used to determine which entities are consolidated, and describes consolidation procedures. The Standard provides additional guidance to assist in the determination of control where this is difficult to assess.</p> <p>AASB 11 focuses on the rights and obligations of a joint venture arrangement, rather than its legal form (as is currently the case). IFRS 11 requires equity accounting for joint ventures, eliminating proportionate consolidation as an accounting choice.</p> <p>AASB 12 includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.</p>	<p>No impact expected.</p>
<p>AASB 13 Fair Value Measurement</p>	<p>30 June 2014</p>	<p>AASB 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Accounting Standards but does not change when fair value is required or permitted.</p> <p>There are a number of additional disclosure requirements.</p>	<p>Fair value estimates currently made by the entity will be revised and potential changes to reported values may be required.</p> <p>The entity has not yet determined the magnitude of any changes which may be needed.</p> <p>Some additional disclosures will be needed.</p>

Notes to the Financial Statements

For the Year Ended 30 June 2011

2 Reconciliation of revenue recognised in Statement of Comprehensive Income

	2011 000's \$	2010 000's \$
(a) Sales and Fees		
Sales revenue		
- Sale of goods	4,013	4,735
- Site fees and commissions	91	87
Total sales revenue	4,104	4,822
(b) Rental Revenue		
Rental Revenue from:		
- Stable	82	83
- Carpark	615	483
- Ground and pavilion	412	338
- Complex	319	152
- Office	10	10
- Management fee	179	173
- Sundry	47	52
Total rental revenue	1,664	1,291
(c) Interest Revenue		
Interest revenue from:		
- Bank	275	175
Total interest revenue	275	175
(d) Other Income		
Other income from:		
- Gain on sale of assets	-	45
- Advertising rights	96	104
- Other	270	375
Total other income	366	524

Notes to the Financial Statements

For the Year Ended 30 June 2011

3 Reconciliation of Expenses recognised in Statement of Comprehensive Income

	2011 000's \$	2010 000's \$
Cost of sales	1,061	1,352
Depreciation and Amortisation		
- Buildings & improvements	3,301	3,297
- Buildings - furniture and fittings	265	261
- Buildings - plant and equipment	468	465
- Buildings - infrastructure	2,637	2,637
- Motor vehicles	81	66
- Furniture and fittings	1	1
	<u>6,753</u>	<u>6,727</u>
Employee expenses		
- Wages and salaries	1,625	1,778
- Superannuation contributions	93	102
	<u>1,718</u>	<u>1,880</u>
Auditor's Remuneration:		
Remuneration of the auditor of the Trust for:		
- Auditing or reviewing the financial statements	36	35

4 Cash and Cash Equivalents

Cash on hand	35	49
Cash at bank	843	1,000
	<u>878</u>	<u>1,049</u>

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<u>878</u>	1,049
	<u>878</u>	<u>1,049</u>

Notes to the Financial Statements

For the Year Ended 30 June 2011

5 Trade and Other Receivables

	2011 000's \$	2010 000's \$
CURRENT		
Trade receivables	237	94
	<u>237</u>	<u>94</u>

The trust has no significant concentration of credit risk with respect to a single counterparty or group of counterparties other than those receivables specifically provided for and, if any provision is made, mentioned within Note 5. The main source of credit risk to the trust is considered to relate to rental income receivable. On a geographic basis, the Trust's credit risk exposures are limited to Australia because the Trust operates only in Australia.

The following table details the trust's accounts receivable exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, with the terms and conditions agreed between the trust and the member or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Trust. The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount 000's \$	Past due and impaired 000's \$	Past due but not impaired (days overdue)				Other 000's \$
			< 30 000's \$	31-60 000's \$	61-90 000's \$	> 90 000's \$	
			2011				
Trade and term receivables	237	-	67	59	3	108*	-
Total	<u>237</u>	<u>-</u>	<u>67</u>	<u>59</u>	<u>3</u>	<u>108</u>	<u>-</u>
2010							
Trade and term receivables	94	-	61	31	-	2	-
Total	<u>94</u>	<u>-</u>	<u>61</u>	<u>31</u>	<u>-</u>	<u>2</u>	<u>-</u>

* Trade receivables contains \$103,000 of credit notes received from suppliers relating to stock returns. These are all > 90 days and are being recouped against future purchases.

6 Inventories

	2011 000's \$	2010 000's \$
CURRENT		
At cost:		
Stock on hand	108	92
	<u>108</u>	<u>92</u>

Notes to the Financial Statements

For the Year Ended 30 June 2011

7 Other Financial Assets

	2011 000's \$	2010 000's \$
Held-to-maturity investments		
Short-term bank deposits	4,258	3,301
	<u>4,258</u>	<u>3,301</u>

The effective interest rate on short-term bank deposits was 6.15% (2010: 6.0%); these deposits have an average maturity of 234 days.

8 Other Assets

CURRENT

Prepayments	24	35
Accrued revenue	82	63
	<u>106</u>	<u>98</u>

9 Property, Plant and Equipment

LAND AND BUILDINGS

Freehold land

At fair value	29,000	29,000
Total land	<u>29,000</u>	<u>29,000</u>

Buildings

At fair value	19,214	19,206
Accumulated depreciation	(11,784)	(8,482)
Total buildings	<u>7,430</u>	<u>10,724</u>

Buildings - fittings

At fair value	2,136	2,126
Accumulated depreciation	(1,544)	(1,279)
Total buildings - fittings	<u>592</u>	<u>847</u>

Buildings - plant and equipment

At fair value	1,985	1,985
Accumulated depreciation	(933)	(465)
Total buildings - plant and equipment	<u>1,052</u>	<u>1,520</u>

Infrastructure

At fair value	19,959	19,959
Accumulated depreciation	(14,027)	(11,390)
Total Infrastructure	<u>5,932</u>	<u>8,569</u>

Total land, buildings and infrastructure

	<u>44,006</u>	<u>50,660</u>
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PLANT AND EQUIPMENT

Furniture, fixture and fittings

At cost	37	37
Accumulated depreciation	(35)	(34)
Total furniture, fixture and fittings	<u>2</u>	<u>3</u>

Notes to the Financial Statements

For the Year Ended 30 June 2011

9 Property, Plant and Equipment continued

	2011 000's \$	2010 000's \$
Motor vehicles		
At cost	903	896
Accumulated depreciation	(529)	(447)
Total motor vehicles	<u>374</u>	<u>449</u>
Total plant and equipment	<u>376</u>	<u>452</u>
Total property, plant and equipment	<u><u>44,382</u></u>	<u><u>51,112</u></u>

(a) Deed of Grant in Trust

Land used by the Trust is under a Deed of Grant in Trust from the Queensland Government dated 25 January 1984. The Trust shall continue to control the land for as long as the land is used for the purposes of show ground recreation and racecourse purposes.

(b) Valuations

Independent valuations of land, buildings and infrastructure were performed as at 30 June 2009 by the State Valuation Service dated 21 April 2009 using depreciated replacement cost. The Trustees are of the opinion that the values reflect fair value as at 30 June 2011.

Notes to the Financial Statements

For the Year Ended 30 June 2011

9 Property, Plant and Equipment continued

(c) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land 000's	Buildings 000's	Buildings - Plant and Equipment 000's	Buildings - Fittings 000's	Infrastructure 000's	Furniture and Fittings 000's	Vehicles 000's	Total 000's
	\$	\$	\$	\$	\$	\$	\$	\$
2011								
Balance at the beginning of year	29,000	10,724	1,520	847	8,569	-	449	51,112
Additions	-	7	-	10	-	-	6	23
Depreciation expense	-	(3,301)	(468)	(265)	(2,637)	-	(81)	(6,753)
Balance at 30 June 2011	29,000	7,430	1,052	592	5,932	-	374	44,382
2010								
Balance at the beginning of year	29,000	14,009	1,972	1,108	11,206	-	298	57,597
Additions	-	12	13	-	-	-	255	280
Disposals	-	-	-	-	-	-	(38)	(38)
Depreciation expense	-	(3,297)	(465)	(261)	(2,637)	-	(66)	(6,727)
Balance at 30 June 2010	29,000	10,724	1,520	847	8,569	-	449	51,112

Notes to the Financial Statements

For the Year Ended 30 June 2011

10 Trade and Other Payables

	2011 000's \$	2010 000's \$
CURRENT		
Unsecured liabilities		
Trade payables	96	85
Rent and bond received in advance	81	53
Employee benefits	178	170
Accrued expenses	62	83
Net GST payable	51	25
	<u>468</u>	<u>416</u>

11 Provisions

CURRENT		
Vesting sick leave & long service leave	<u>257</u>	236
	<u>257</u>	<u>236</u>
NON-CURRENT		
Vesting sick leave & long service leave	<u>27</u>	28
	<u>27</u>	<u>28</u>

	Employee Benefits 000's \$	Total 000's \$
Current		
Opening balance at 1 July 2010	264	264
Additional provisions	<u>20</u>	<u>20</u>
Balance at 30 June 2011	<u>284</u>	<u>284</u>

Provision for Employee Benefits

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.

Notes to the Financial Statements

For the Year Ended 30 June 2011

12 Reserves

	2011 000's \$	2010 000's \$
Asset Revaluation Surplus		
Land		
Opening Balance	16,529	16,529
Revaluation	-	-
Impairment	-	-
Transfers to Accumulated Surplus	-	-
Closing Balance	16,529	16,529
Buildings		
Opening Balance	8,828	8,828
Revaluation	-	-
Impairment	-	-
Transfers to Accumulated Surplus	-	-
Closing Balance	8,828	8,828
Buildings - Plant and Equipment		
Opening Balance	1,901	1,901
Revaluation	-	-
Impairment	-	-
Transfers to Accumulated Surplus	-	-
Closing Balance	1,901	1,901
Buildings - Fittings		
Opening Balance	1,452	1,452
Revaluation	-	-
Impairment	-	-
Transfers to Accumulated Surplus	-	-
Closing Balance	1,452	1,452
Infrastructure		
Opening Balance	9,070	9,070
Revaluation	-	-
Impairment	-	-
Transfers to Accumulated Surplus	-	-
Closing Balance	9,070	9,070
Total asset revaluation surplus	37,780	37,780

The asset revaluation surplus records revaluations of non-current assets.

Notes to the Financial Statements

For the Year Ended 30 June 2011

13 Contingent Liabilities and Contingent Assets

There were no known contingent assets or contingent liabilities of a material nature as at year end.

14 Cash Flow Information

(a) Reconciliation of operating surplus to net cash from operating activities

	2011 000's \$	2010 000's \$
Net income/loss for the year	(5,849)	(5,617)
Cash flows excluded from profit/(loss) attributable to operating activities		
Non-cash flows in profit/(loss):		
- depreciation	6,753	6,727
- net gain on disposal of property, plant and equipment	-	(45)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(143)	(22)
- (increase)/decrease in other assets	(8)	(69)
- (increase)/decrease in inventories	(16)	24
- increase/(decrease) in trade and other payables	11	(33)
- increase/(decrease) in other liabilities	43	(74)
- increase/(decrease) in provisions	20	(14)
	<u>811</u>	<u>877</u>

15 Subsequent Events

No events have arisen subsequent to balance date that may result in an amendment of the financial statements.

16 Financial Risk Management

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note		
Financial Assets			
Cash and cash equivalents	4	878	1,049
Held-to-maturity investments	7	4,258	3,301
Trade and other receivables	5	237	94
Total financial assets		<u>5,373</u>	<u>4,444</u>
Financial Liabilities			
Financial liabilities at amortised cost			
- Trade and other payables	10	96	85
Total financial liabilities		<u>96</u>	<u>85</u>

Notes to the Financial Statements

For the Year Ended 30 June 2011

16 Financial Risk Management continued

Financial risk management policies

The Trust's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The Trustees meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Trustee's overall risk management strategy seeks to assist the trust in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Trustees on a regular basis. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Trust is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

(a) Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the reporting date, whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The trust is also exposed to earnings volatility on floating rate instruments.

The Trust currently has no net effective variable interest rate borrowings which would have otherwise exposed the Trust to interest rate risk impacting on future cash flows and interest charges.

(b) Liquidity risk

Liquidity risk arises from the possibility that Parklands Gold Coast Trust might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities, e.g. creditor payments.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Notes to the Financial Statements

For the Year Ended 30 June 2011

16 Financial Risk Management continued

Financial liability and financial asset maturity analysis

	Within 1 Year		Total	
	2011	2010	2011	2010
	000's	000's	000's	000's
	\$	\$	\$	\$
Financial liabilities due for payment				
Trade and other payables	96	85	96	85
Total expected outflows	<u>96</u>	<u>85</u>	<u>96</u>	<u>85</u>

	Within 1 Year		Total	
	2011	2010	2011	2010
	000's	000's	000's	000's
	\$	\$	\$	\$
Financial assets - cash flows realisable				
Cash and cash equivalents	878	1,049	878	1,049
Other financial assets	4,258	3,301	4,258	3,301
Trade receivables	237	94	237	94
Total anticipated inflows	<u>5,373</u>	<u>4,444</u>	<u>5,373</u>	<u>4,444</u>

(c) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to Parklands Gold Coast Trust.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counter parties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counter parties. Such monitoring is used in assessing receivables for impairment.

Credit risk exposures

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

The trust has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 5.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed at Note 5.

There are no material amounts of collateral held as security at 30 June 2011.

Notes to the Financial Statements

For the Year Ended 30 June 2011

16 Financial Risk Management continued

Credit risk is managed and reviewed regularly by the Board of Trustees. It arises from exposures to customers as well as through deposits with financial institutions.

The Board of Trustees monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- ◆ only banks and financial institutions with an 'A' rating are utilised; all potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- ◆ customers that do not meet the Trust's strict credit policies may only purchase in cash or using recognised credit cards

The trade receivables balances at 30 June 2011 do not include any counter parties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

(d) Net fair values

The Trust does not recognise any financial assets or financial liabilities at fair value.

The fair value of trade receivables and payables is assumed to approximate the value of the original transaction, less any provision for impairment.

The fair values disclosed in the table below have been determined based on the following methodologies:

Cash and cash equivalents, other financial assets, trade and other receivables and trade and other payables are short-term instruments in nature, whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for relating to annual leave, which are not considered financial instruments.

	2011		2010	
	Net Carrying Value 000's \$	Net Fair value 000's \$	Net Carrying Value 000's \$	Net Fair value 000's \$
Financial assets				
Cash and cash equivalents	878	878	1,049	1,049
Other financial assets	4,258	4,258	3,301	3,301
Trade and other receivables	237	237	94	94
Total financial assets	5,373	5,373	4,444	4,444
Financial liabilities				
Trade and other payables	96	96	85	85
Total financial liabilities	96	96	85	85

Notes to the Financial Statements

For the Year Ended 30 June 2011

16 Financial Risk Management continued

(e) Sensitivity analysis

At 30 June 2011, if interest rate had changed by +/- 150 basis points from year end rates with all other variables held constant, profit for the year would have been \$63,874 lower/higher (2010: change of 150 basis points: \$70,635 lower/higher) as a result of higher/lower interest income from the floating portion of the Trust's financial assets.

No sensitivity analysis has been performed on foreign exchange risk, as the entity is not exposed to foreign currency fluctuations.

17 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Notes to the Financial Statements

For the Year Ended 30 June 2011

18 Key Executive Management Personnel And Remuneration

a) Key Executive Management Personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning; directing and controlling the activities of the trust during 2010-11. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Responsibilities	Current Incumbents*	
		Contract classification and appointment authority	Date appointed to position (Date resigned from position)
Chief Executive Officer	The Chief Executive Officer is responsible for the efficient, effective and economic administration of the agency.	Trust Appointed	Appointed 3rd March 2007 (Resigned 7th July 2011)
Chief Executive Officer	The Chief Executive Officer is responsible for the efficient, effective and economic administration of the agency.	Trust Appointed	Appointed 6th June 2011

b) Remuneration policy for the agency's key executive management personnel is set by the Queensland Public Service Commission as provided for under the Public Service Act 2008. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts.

For the 2010-11 year, remuneration of key executive management personnel increased by 3.4% in accordance with government policy.

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

- Short term employee benefits which include:
 - Base - consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
 - Non-monetary benefits — consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.

Notes to the Financial Statements

For the Year Ended 30 June 2011

18 Key Executive Management Personnel And Remuneration continued

- Long term employee benefits include long service leave accrued.
- Post employment benefits include superannuation contributions.
- 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, regardless of the reason for termination.

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.

1 July 2010 — 30 June 2011

Position (date resigned if applicable)	Short Term Employee Benefits		Long Term Employee Benefits \$'000	Post Employment Benefits \$'000	Termination Benefits \$'000	Total Remuneration \$'000
	Base \$'000	Non-Monetary Benefits \$'000				
Chief Executive Officer (Resigned 7th July 2011)	139	18	0	12	0	169
Chief Executive Officer	11	1	0	0	0	12
Total Remuneration	150	19	0	12	0	181

Notes to the Financial Statements

For the Year Ended 30 June 2011

18 Key Executive Management Personnel And Remuneration continued

1 July 2009 — 30 June 2010

Position (date resigned if applicable)	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base \$'000	Non-Monetary Benefits \$'000				
Chief Executive Officer (Resigned 7th July 2011)	135	15	0	12	0	162
Total Remuneration	135	15	0	12	0	162

Notes to the Financial Statements

For the Year Ended 30 June 2011

19 Correction of Material Errors from Prior Years

Taking into account the knowledge that the current site managed by Parklands Gold Coast Trust will be wound up by 30 September 2013 and handed back to the Government for a new use, the Trustees determined, during 2010, that the appropriate accounting for depreciation should be to recognise a useful life based on this date of closure. A change in accounting estimate, to this effect, was noted in the 2010 financial statements. In assessing the required depreciation charge for the 2011 year, it was identified that the required adjustments had not been processed in 2010. The Trustees have now adjusted the depreciation rates for the year ended 30 June 2010 and 30 June 2011 and subsequent years and recalculated the depreciation expense based on this updated depreciation rate. As a result of this adjustment, the financial statements for 2010 and 2011 now reflect the correct depreciation expense. The Trustees also confirmed that the terminal value of the fixed assets will be zero by 30 September 2013.

The adjustment detailed below has the effect of increasing the 2010 loss whilst reducing the carrying value of property, plant and equipment.

The comparatives for the 2011 financial report have been adjusted in accordance with Australian Accounting Standards for the following items:

	Impact on 30 June 2010 000's \$
Balance Retained Earnings per 2010 financial statements	56,066
Adjustment to depreciation expense	<u>(1,000)</u>
Net increase to 2010 loss	<u>(1,000)</u>
Closing Balance Retained Earnings at 30 June 2010 (restated)	<u>55,066</u>

Certificate of Parklands Gold Coast Trust

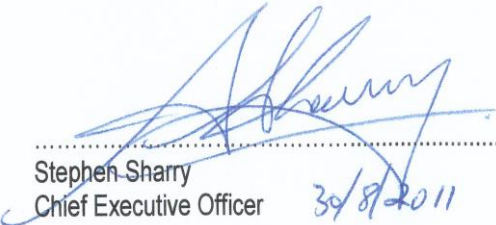
This general purpose financial report has been prepared pursuant to s.62(1) of the Financial Accountability Act 2009 (the Act), relevant sections of the Financial and Performance Management Standard 2009 and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects: and
- b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Parklands Gold Coast Trust for the financial year ended 30 June 2011 and of the financial position of the trust at the end of that year.



.....
Jim Callaghan
Chairman of Trustees

30/08/2011



.....
Stephen Sharry
Chief Executive Officer

30/8/2011

PARKLANDS GOLD COAST TRUST
ABN 40 638 560 805
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2011

Report on the Financial Report

I have audited the accompanying financial report of Parklands Gold Coast Trust, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Trustees and officer responsible for the financial administration of Parklands Gold Coast Trust.

The Trustees Responsibility for the Financial Report

The Trustees are responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. This responsibility also includes such internal control as the Trust determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Independence

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

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

Opinion

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

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of Parklands Gold Coast Trust for the financial year 1 July 2010 to 30 June 2011 and of the financial position as at the end of that year.



Geoff Dwyer

As Delegate of the Auditor General of Queensland

30 August 2011

Lismore

Parklands

Gold Coast

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