

2019–2020
ANNUAL
REPORT

Letter of compliance

12 August 2020

The Honourable Mark Bailey MP
Minister for Transport and Main Roads
GPO Box 2454
Brisbane Qld 4001

The Honourable Kate Jones MP
Minister for State Development, Tourism and
Innovation
PO Box 15168
City East Qld 4002

Dear Ministers

We are pleased to submit for presentation to the Parliament, the Annual Report 2019-2020 and financial statements for the Gold Coast Waterways Authority.

We certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2019, and
- the detailed requirements set out in the Annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements is located at Appendix C of this annual report.

Yours sincerely



Mara Bún
Chair
Gold Coast Waterways Authority



Hal Morris
Chief Executive Officer
Gold Coast Waterways Authority



More information

Queensland Language Services Policy and Queensland Language Services Guidelines

<http://www.dlgrma.qld.gov.au/multicultural-affairs/policy-and-governance/language-services-policy.html>

Contact Policy and Intergovernmental Relations, Multicultural Affairs, Department of Local Government, Racing and Multicultural Affairs

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Tel: 07 3215 2500

ISSN: 0725-5896

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Public Availability Statement: Copies of this report are also available in paper form and can be obtained by contacting Gold Coast Waterways Authority

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Web: www.gcwa.qld.gov.au

Additional information to accompany this annual report can be accessed at <https://gcwa.qld.gov.au/about/our-publications/>

Table of contents

Chair and CEO message	5
About Gold Coast Waterways Authority	7
Our vision	8
Our purpose	8
Non-financial performance	9
Objectives and performance indicators	9
COVID-19	9
2019-2020 Achievements	10
Queensland Government objectives for the community	11
Service areas, service standards and other measures	11
Service area objective	11
Service area description	11
Performance information	12
Other performance measures	13
Summary of financial performance	13
Governance – management and structure	14
Boards and committees	14
Board remuneration	16
Sub-committees	16
Audit and risk committee	16
Science and Innovation Advisory Committee	17
Waterways projects committee	18
Organisational structure	19
Public Sector Ethics Act 1994	21
Queensland Public Service values	21
Governance – human resources	24
Appendices	25
Appendix A Financial statements	25
Appendix B Strategic Plan	27
Appendix C Checklist	28

Chair and CEO message

Our beautiful waterways will play a central role in the growth of our city, the strengthening of our economy, and the well-being of our residents in the years to come.

In 2019-2020 the Gold Coast Waterways Authority has delivered on key infrastructure, waterways management and research objectives which have been part of our longer-term planning, unlocking more opportunities for local businesses, recreational users and visitors to our waterways city.

The completion of the dredging of the Coomera River between the Gold Coast Marine Industry Precinct and Sanctuary Cove has been at the centre of these achievements.

For decades, this project had been put in the 'too hard' basket because of economic and environmental constraints that meant no viable option was available for disposing of the fine silty sediment.

The completion of our Coomera Dredged Sediment Management Facility in the previous financial year changed that, enabling dredging of this reach of the river and safe disposal of dredged material.

This has been a \$10.3 million investment spanning two financial years. It has improved access to the Marine Precinct for larger vessels, recognising the potential that superyachts offer to our economy including more jobs associated with marine maintenance and fit outs.

Complementing that work, GCWA and our agency partners, Maritime Safety Queensland, and the Queensland Police Service, have worked with the community to implement changes to speed limits in the Coomera River (South Branch.) This has reduced travel times for smaller vessels and ensured improved safety and greater use of this wonderful waterway.

The speed limit trial reinforced the value of community engagement and local decision making, a theme also reflected in the Spit Master Plan.

The Queensland Government has committed \$60 million to the implementation of the Spit Master Plan. We have a major role in its delivery, working in partnership with the Department of State Development, Tourism and Innovation and the City of Gold Coast.

We have started two key projects that are valuable investments in enhanced destinations for locals and visitors to enjoy – the Moondarewa Spit foreshore improvements and the Seaway Promenade.

The final designs have been developed in alignment with the community's input into the Spit Master Plan to ensure we are delivering the destinations and experiences that people said they wanted to see at the top of The Spit. We look forward to project completion at the end of 2020.

The successful community engagement undertaken during the development of the Spit Master Plan saw GCWA share the excitement of being part of the cross-government team that won three Planning Institute of Australia annual awards for their work - Best Planning Ideas - Large Project; Public Engagement & Community Planning; and overall winner.

The waterways are home to diverse ecosystems. We are working on sustaining their natural values whilst recognising their economic value. In the coming year we will be exploring the ways in which our waterways capture and store carbon, how it can be measured and what value it has in our economy.

This aligns with the priority set by the Board to focus on climate change and resilience and ensure there is an ongoing commitment to invest in science and make sound, evidence-based decisions in waterways management.

As a first step towards recognition of the natural capital our waterways we have completed a landmark study into the light sensitivity of Gold Coast seagrass meadows. This was the first-ever investigation into Gold Coast conditions impacting on the growth and survival of these vital marine nurseries.

The seagrass learnings will also be applied to our dredging program and to the rollout of Environmentally

Friendly Buoy Moorings (EFMs). The Board has decided that all existing buoy moorings will be replaced by EFMs with a 2024 completion date. The first of these were installed in the Jacobs Well and Steiglitz areas this year.

Work continues on another priority issue identified by the Board – congestion management. Following last year's completion of our *Assessment of Congestion and Conflicting Use Management for the Gold Coast Waterways* we've moved to address some knowledge gaps the study identified by partnering with the Queensland University of Technology in a smart camera trial to gather more data on waterways use. The data will inform future infrastructure and network planning.

Part of that planning involves identifying and promoting new waterways destinations for people to explore and enjoy, taking the pressure off some of our well-loved spots in the Broadwater. This will deliver better environmental and social outcomes in the long run, particularly as we now have over 33,000 vessels registered on the Gold Coast – almost 13% of Queensland's total registrations.

To open more destinations for boaties we commissioned the Alberton pontoon and boat queueing facility on the Logan River. This provides access to the northern end of our waterways network, including Moreton Bay Marine Park.

Operationally, we've continued to deliver on keeping our waterways safe and accessible. The Sand Bypass System pumped almost 661,000 cubic metres of sand across to South Stradbroke Island. This is a great achievement as the pumps were not operational for part of the year because the jetty deck was undergoing a major upgrade to improve maintenance and ongoing operations. The upgrade is scheduled to be finished by September 2020.

Our Waterways team serviced more than 2,000 beacons, buoys and marine signs and monitored 810 vessels for compliance with anchoring and mooring guidelines. In 2019-20 in partnership with Maritime Safety Queensland the team removed 51 abandoned watercraft including jet skis, tinnies and yachts from our waterways under the War on Wrecks program.

Whilst COVID-19 required us to rethink some of our day-to-day operations we're proud of the way in which our team has responded and the commitment they've shown to continue serving the Gold Coast community and working to sustain, enhance and promote our waterways.

The Board has seen some further changes this year with the departure of Annaliese Battista, Loretta Lynch and Daniel Ware. We thank them for their contributions and wish them the best in the future. New board member Judy Spence joined us in May.

We will continue to work closely with our stakeholders to respond to the big issues we are facing as we reshape our Gold Coast Waterways Strategy and plan for the future of our waterways city.

Mara Bún
Chair

Hal Morris
Chief Executive Officer

About Gold Coast Waterways Authority

Gold Coast Waterways Authority was created through assent to the *Gold Coast Waterways Authority Act 2012* on 1 December 2012. We are a statutory authority led by a decision-making board and a Chief Executive Officer.

In February 2020, assent to the *Implementation of the Spit Master Plan Act 2020* empowered the Gold Coast Waterways Authority to deliver a series of community capital works projects that will transform the public realm areas at The Spit.

The Board, which is appointed by the Governor-in-Council is accountable to the Minister for Transport and Main Roads and the Minister for State Development, Tourism and Innovation.

Under the *Gold Coast Waterways Act 2012*, Gold Coast Waterways Authority is tasked with planning, managing and protecting the Gold Coast's waterways.

Our area of responsibility includes five rivers, 260 kilometres of navigable waterways, more than 750 hectares of lakes and dams as well as interests in the associated land reserves of Doug Jennings Park, Wave Break Island and the southern tip of South Stradbroke Island.

We are also responsible for managing the Gold Coast's Sand Bypass System, which plays a critical role in coastal management and maintaining safe navigational access to the Seaway, Broadwater and waterways beyond.

We work in partnership with agencies such as Maritime Safety Queensland, the Queensland Police Service and the Department of Agriculture and Fisheries to coordinate policy responses to user behaviour and ensuring safe, navigable access to the waterways.

Gold Coast Waterways Authority is required to prepare a 10-year Waterways Management Strategy, a 4-year rolling Waterways Management Program and a 4-year Spit Works Program.

Ministerial approval of the 10-year strategy was granted on 5 March 2014. The Waterways Management Program 2019-23 was approved by the Minister for Transport and Main Roads on 2 October 2019. The approved program is available on our website at https://gcwa.qld.gov.au/wp-content/uploads/2019/10/GCWA_WaterwaysManagementProgram2019-23.pdf

The Spit Works Program 2020-24 will be submitted to the Minister for State Development, Tourism and Innovation for approval in the 2020- 2021 financial year. It will be available on our website once approved.

Our vision

To Sustain, Enhance, Promote and Manage the waterways of the Gold Coast to showcase this wonderful asset to our community and visitors.

Our purpose

Gold Coast Waterways Authority is tasked with delivering the best possible navigational access, boating infrastructure and management of the Gold Coast's waterways at a reasonable cost while keeping regulation to a minimum. It seeks to achieve this by:

- Promoting the safe, sustainable, and efficient use and enjoyment of Gold Coast waterways
- Improving access to Gold Coast waterways through investments that balance diversity of use with consideration to the protection of environmental values
- Providing localised decision-making that is guided by genuine community engagement and
- Taking an innovative approach to the long-term sustainable management of Gold Coast waterways to ensure resilience.

The Gold Coast Waterways Management Program is aligned to meeting these objectives.

The Spit Works Program is aligned to meeting the strategic objectives of The Spit Master Plan:

- Growing a green peninsula
- Promoting tourism and recreation
- Making places and cultural connections
- Linking experiences
- Connecting to the City and
- Opening the gateway to the Gold Coast.

Non-financial performance

Objectives and performance indicators

The Gold Coast Waterways Management Strategy 2014-2023 (the Strategy) was developed in consultation with the Gold Coast community and the City of Gold Coast and has regard to the requirements of state and federal legislation and agencies.

The Strategy provides a clear direction for the best possible management of Gold Coast waterways over 10 years to facilitate their long-term sustainable development.

The Strategy is intended to provide certainty for industry and include a statement of specific achievable objectives, proposed navigational access and boating infrastructure projects, general investment and prioritisation criteria.

Our strategic vision is to Sustain, Enhance and Promote the waterways.

In addition to the objectives set out in the Strategy, the Gold Coast Waterways Management Program and the Spit Works Program include performance targets for the fiscal year and following three years. In accordance with the Gold Coast Waterways Authority Act 2012, Gold Coast Waterways Authority is also required to provide quarterly and annual reports to the Ministers on the respective programs.

COVID-19

Following the emergence of the COVID-19 pandemic, we have worked to manage and mitigate its impacts on our operations, our customers and stakeholders.

Steps taken to manage risks have aligned with the advice of Queensland's Chief Health Officer and relevant directives and have included:

- GCWA team members working from home where they have been able to do so
- Operational teams implementing COVID-safe plans to enable day-to-day operations to continue
- Project teams working with contractors to implement COVID-safe plans to ensure ongoing delivery
- Counter services shifted to electronic and phone-based transactions
- Conducting events such as Meet the Board online
- Working with Maritime Safety Queensland and Gold Coast water police to monitor quarantine requirements for boaties entering Queensland waters from interstate and
- Working with City of Gold Coast to install boat ramp signage supporting compliance with health directives.

2019-2020 Achievements

- Completed dredging of Coomera River between the Gold Coast Marine Industry Precinct and Sanctuary Cove
- Sand Bypass System pumped almost 661,000 cubic metres of sand north of the Seaway to keep waterways safe and navigable
- Completed dredging of South Wave Break Island Channel connecting the eastern and western areas of the Broadwater
- Implemented new speed limits in the Coomera River South Branch
- Extended 6 knot speed zone in parts of Paradise Point Channel to support passive recreation including stand- up paddle boarding, kayaking and small boat sailing
- Resolved 51 abandoned watercraft as part of the War on Wrecks
- Maintained more than 2000 buoys, beacons and signs
- Responded to 389 waterways-related complaints and monitored 810 watercraft for compliance with anchoring restrictions
- Administered 182 aquatic events and 16 events in Doug Jennings Park, including significant sporting events and film productions
- Completed new pontoon and boat queueing facility at Alberton on the Logan River
- Provided funding to City of Gold Coast to upgrade pontoons at Surfers Paradise and Broadwater Parklands to support Council's two-year ferry trial
- Provided first-strike pollution response to 19 reports of marine pollution by oil and delivered marine pollution education sessions at Gold Coast marinas
- Completed study into light sensitivity of Gold Coast seagrass meadows
- Completed establishment of 22 new Environmentally Friendly Moorings in partnership with Healthy Land and Waterways at Jacobs Well and Steiglitz
- Conducted 3 Meet the Board sessions including a purely online meeting to comply with COVID-19 restrictions
- Undertook community engagement for Spit Master Plan implementation including Sow a Seed for the Spit community day involving tree planting at Federation Walk and beach clean-up
- Hosted a community open day at the Sand Bypass System as part of the Gold Coast Open House program
- Under planning legislation, assessed and provided a referral agency response for 253 waterways development applications including the new superyacht berthing facility for the Southport Yacht Club and
- Completed detailed design work and released invitations to tender for the Moondarewa Spit foreshore improvements and Seaway Promenade projects being delivered as part of The Spit Master Plan.

Queensland Government objectives for the community

Gold Coast Waterways Authority's Strategy and delivery supports the following Queensland Government objectives for the community:

- Create jobs in a strong economy
- Be a responsive government
- Human Rights.

The waterways of the Gold Coast are a wonderful resource with a natural capital value of \$26 billion (Socio-economic uses and economic value study of the Gold Coast Waterways, NCEconomics, September 2017.)

They deliver many social and economic benefits supporting jobs and development in the marine, tourism and recreation industries.

Gold Coast Waterways Authority continues to work collaboratively with industry, the community and other government agencies to deliver new marine infrastructure to support individuals and businesses using the waterways.

As well as promoting the waterways and associated outdoor spaces such as Doug Jennings Park to encourage their use, Gold Coast Waterways Authority works to ensure the waterways continue to be safe and navigable.

Gold Coast Waterways Authority is a locally based and responsive organisation and works closely with the local community through engagement and consultation.

Service areas, service standards and other measures

Service area objective

To provide better management of, and access to, the Gold Coast waterways.

Service area description

The Authority will deliver services to support the safe, sustainable and efficient use and enjoyment of the Gold Coast waterways, including dredging of channels, improving and maintaining navigational access and public marine facilities, management of development and planning approvals, authorisation of aquatic events, and promoting the value of the waterways to Gold Coast residents, visitors and businesses.

Performance information

Service Standards	2019-20 Target/est.	2019-20 Actual	Notes
<i>Effectiveness measures</i>			
Percentage of customer enquiries relating to the better management of and access to the waterways are responded to within customer service standards	90	99.5	1
Percentage of community's overall satisfaction with Gold Coast Waterways Authority's implementation of the 10-year Waterways Management Strategy	80	51	2
<i>Efficiency measures</i>			
Cost per cubic metre of operating the Gold Coast Sand Bypass System	\$1.75	\$1.78	3
Average annual cost to manage and maintain each navigation aid in the Gold Coast waterways	\$342	\$343	4

Notes:

1. Customer service standards are published and displayed at our public counter. They outline the quality, timeliness and level of support provided by the Authority. This measure is reported quarterly and enables GCWA to monitor its responsiveness to customers. Feedback from stakeholders is used to effectively plan and deliver better management of, and access to, the waterways.

2. In May 2020 the Authority undertook a survey on the Queensland Government's Get Involved platform to assess the community's overall satisfaction with implementation of the Strategy. The survey attracted 1929 views with 198 people completing the survey. Just over 51% of respondents rated the Authority's performance as being good to excellent. A further 33% of respondents rated the Authority's performance as average. Feedback provided through the survey will be used to support an update of the Authority's strategy. A summary report of the survey results has been published on the Authority's website.

3. Includes all costs to operate the Gold Coast Sand Bypass System including salaries, maintenance, electricity and other ancillary costs and is based on 660,953 m3 (actual) movement of sand for 2019-2020.

4. Includes costs to manage and maintain 2,007 aids to navigation located in the Gold Coast waterways including salaries, inventory, associated vessel costs and any other ancillary costs.

Other performance measures

In accordance with Section 8 of the Financial and Performance Management Standard 2019, Gold Coast Waterways Authority is required to develop a 4-year Strategic Plan. The Gold Coast Waterways Authority Strategic Plan (2017-21) is included at Appendix B and sets out Gold Coast Waterways Authority's vision, purpose, contribution to Government's objectives for the community, objectives, performance indicators, strategies and strategic risks and opportunities.

The Gold Coast Waterways Management Program 2019-23 discusses the issues and investment criteria relevant to GCWA. The Gold Coast Waterways Management Strategy 2014-2023 covers a longer time span than the Program (10 years versus 4 years) and takes a broader view by focusing on the overall management of the waterways. Parts of the Strategy will be addressed by future programs and parts are primarily the responsibility of other entities. The Program investments are more focused towards those areas where Gold Coast Waterways Authority has sole or lead responsibility. The Program is largely, but not exclusively, focused on projects that are achievable in the short term.

In developing the Program, Gold Coast Waterways Authority prioritised investments to improve navigational access, including dredging and marine facilities – for a sustainably managed waterways network that balances community demands and needs. Issues and investment opportunities are presented, as well as relevant performance measures.

Summary of financial performance

The Financial Statements cover Gold Coast Waterways Authority which has no controlled entities. Gold Coast Waterways Authority is a Queensland Government statutory body (within the meaning given in the Financial Accountability Act 2009), which operates under the *Gold Coast Waterways Authority Act 2012*, and is controlled by the State of Queensland, which is the ultimate parent.

A description of the nature of Gold Coast Waterways Authority's operations and its principal activities is included in the notes to the Financial Statements. The Authority controls various marine and land-based non-current physical assets which are described in Note 10 of the Financial Statements. In addition to the disclosed "Property Plant and Equipment" assets, the Authority values and acknowledges our natural assets.

Funding to meet organisational requirements is received from the Queensland Government (and is shown as "User Charges" in the Statement of Comprehensive Income in the Financial Statements) and from minimal own sourced revenue.

The Financial Statements which follow, provide an overview of our financial activities for 2019-20. These statements have been reviewed by the Queensland Audit Office who have provided an unmodified auditor's report.

In 2019-20, Gold Coast Waterways Authority's operational income was \$14.346 million, and expenditure was \$13.600 million (against an original budget of \$13.084 million which includes Agency Transaction revenue and expenses as outlined in Note 16), resulting in a surplus of \$0.746 million.

Delivery on the capital program of \$5.7 million against a budget of \$9.3 million (including The Spit Master Plan Implementation projects) means that \$3.6 million will be carried forward to the 2020-21 financial year. The capital program carryover is primarily due to delays in dredging and boating infrastructure projects and the Sand Bypass high voltage switch gear upgrade, which will now be completed in 2020-21.

Gold Coast Waterways Authority engages external contractors to undertake works which cannot be done in-house. In 2019-2020 contracts totaling \$1.7 million were awarded for works including channel dredging and painting the Sand Bypass System jetty. Individual contracts exceeding \$10,000 are disclosed on the Queensland Government's contract register.

Governance – management and structure

Boards and committees

Gold Coast Waterways Authority is a statutory authority governed by a decision-making Board of seven members. The Board is led by Chair Mara Bún and is accountable to the Minister for Main Roads and Transport and the Minister for State Development, Tourism and Innovation.

In accordance with the *Gold Coast Waterways Authority Act 2012* (the Act), the Board includes the Mayor of City of Gold Coast (or a delegate) and six members with expertise in one or more areas specified in the Act. All members bring an injection of new ideas, and diverse priorities and perspectives. Members of the Board are all Gold Coast residents and leaders of the local community with strong breadth and depth of knowledge on waterways issues.

The Board has three sub-committees: the Audit and Risk Committee, the Science and Innovation Advisory Committee (previously the Scientific Advisory Committee) and the Waterways Projects Committee. The Board Charter and Committee Terms of Reference are published on GCWA's website.

Members of the Gold Coast Waterways Authority Board are appointed by Gazette and are as follows:

Current Chair	Mara Bún (01/12/15 – current)
Current Member	Tom Tate (Mayor of City of Gold Coast) or delegate (01/12/12 – current)
Current Member	Elizabeth Hay (15/02/19 – current)
Current Member	Leslie Shirreffs (01/12/15 – current)
Current Member	Judy Spence (08/05/20 – current)
Past Member	Daniel Ware (15/02/19 – 17/4/20)
Past Member	Annaliese Battista (15/02/19 – 16/10/19)
Past Member	Loretta Lynch (1/3/18 – 28/2/20)

The Chief Executive Officer and Executive Support Officer (minute taker) attend Board meetings. Members of the Executive Management team and Gold Coast Waterways Authority officers also attend meetings as required to present papers on specific topics. Minutes reflect this attendance.

During the period 1 July 2019 until 30 June 2020, Gold Coast Waterways Authority held 11 ordinary Board meetings and 9 Board sub-committee meetings.

Board and committee membership, meeting attendance and remuneration is outlined in the table below.

Board remuneration

Gold Coast Waterways Authority Board appointment published in Gazette No.10 dated 8 May 2020. Board Remuneration is governed by the Department of the Premier and Cabinet publication 'Remuneration Procedures for Part-Time Chairs and Members of Queensland Government Bodies'. The Board falls under 'Regulation, Administration & Advice - Level 1'. All Board members received annual fees. Information about Board appointments is detailed under section 44 of the *Gold Coast Waterways Authority Act 2012*.

Position	Name	Board Meetings Attended	Sub Committee Meetings Attended
Current Chair	BÚN, Mara	11	2
Current Member	Mayor of City of Gold Coast (or delegate) ¹	9	0
Current Member	HAY, Elizabeth Hay	9	4
Current Member	SHIRREFFS, Leslie	11	3
Current Member	SPENCE, Judy	2	0
Past Member	BATTISTA, Annaliese	1	1
Past Member	LYNCH, Loretta	7	3
Past Member	WARE, Daniel	8	3

The above table is to be read in conjunction with Financial Statement Note 23.

Payment periods: 01/07/19 - 30/06/20.

Pages 16-19 of Gold Coast Waterways Annual Report 2019-20 outlines membership of GCWA sub-committees.

1. As at 19/12/19, Luke Wallace, Acting Chief of Staff, Office of the Mayor Tom Tate is the delegate of the Mayor of City of Gold Coast replacing Wayne Moran who served as delegate from 12 July 2018.

Sub-committees

Audit and risk committee

The Audit and Risk Committee is responsible for providing assurance that:

- The credibility, appropriateness and objectivity of internal and external reporting is enhanced and remains appropriate
- Corporate governance responsibilities are addressed
- Internal control frameworks are appropriate
- Laws and regulations are complied with
- A risk management framework of policy, systems and processes is operative
- Business systems and processes operate efficiently and effectively and are designed to minimise the potential for fraud
- The internal and external audit process and external reporting is effective and
- Best practice is adopted where cost effective and feasible.

The Audit and Risk Committee reports to the Board and provides appropriate advice and recommendations on matters it considers need action or improvement. The Audit and Risk Committee is scheduled to meet four times per year.

Committee Member	Position
Loretta Lynch (resigned 28 February 2020)	Chair
Mara Bún	Member
Maurie Burke	Member
Acting Chair Mara Bún from 28 February 2020	
Gold Coast Waterways Authority Staff	
Hal Morris	Chief Executive Officer
Cynthia Turner – Manager, Business Services	Gold Coast Waterways Authority Liaison

Science and Innovation Advisory Committee

The role of the Science and Innovation Advisory Committee is to provide:

- strategic advice related to scientific, technical and innovation directions for Gold Coast Waterways Authority, including the implementation of the Scientific Research and Management Program and
- oversight to the implementation of programs under the Sand Management Plan for managing sand resources in Gold Coast waterways and other matters related to the management of Gold Coast waterways.

Members bring expertise across the fields of coastal management, marine ecology, planning, climate adaptation, environmental economics, tourism and natural resource management.

The Science and Innovation Advisory Committee reports to the Board and is scheduled to meet four times per year.

Committee Member	Position
Leslie Shirreffs	Chair
Kathy Baker	Member
Rod Connolly	Member
Aysin Dedekorkut-Howes	Member
Mark Gibbs	Member
Kylie Pitt	Member
Mike Raybould	Member
Rodger Tomlinson	Member
Gold Coast Waterways Authority Staff	
Hal Morris	Chief Executive Officer
Jessica Bourner – Manager, Planning and Innovation	Gold Coast Waterways Authority Liaison

Waterways Projects Committee

The role of the Waterways Project Committee is to provide advice (as required) to the Board on issues and considerations in relation to successful delivery of the Waterways Management Program – Capital and Operational Projects.

The committee reviews, considers and advises on all tasks necessary to ensure that all Gold Coast Waterways Authority projects:

- are carried out within the budget allowance approved by the Board
- are completed within a time frame approved by the Board and
- meet the organisational objectives and investment criteria set by Gold Coast Waterways Management Strategy 2014-2023.

The Waterways Project Committee reports to the Board and is scheduled to meet four times per year

Committee Member	Position
Daniel Ware (resigned 17 April 2020)	Chair
Annaliese Battista (resigned 16 October 2019)	Member
Elizabeth Hay	Member
Judy Spence	Member
Acting Chair Leslie Shirreffs from 17 April 2020	
Gold Coast Waterways Authority Staff	
Hal Morris	Chief Executive Officer
Matt Holstein – Acting Manager, Program Delivery	Gold Coast Waterways Authority Liaison

Organisational structure

Work units

Gold Coast Waterways Authority is comprised of five work units: Program Delivery, Waterways, Business Services, Planning and Innovation and Spit Master Plan Implementation.

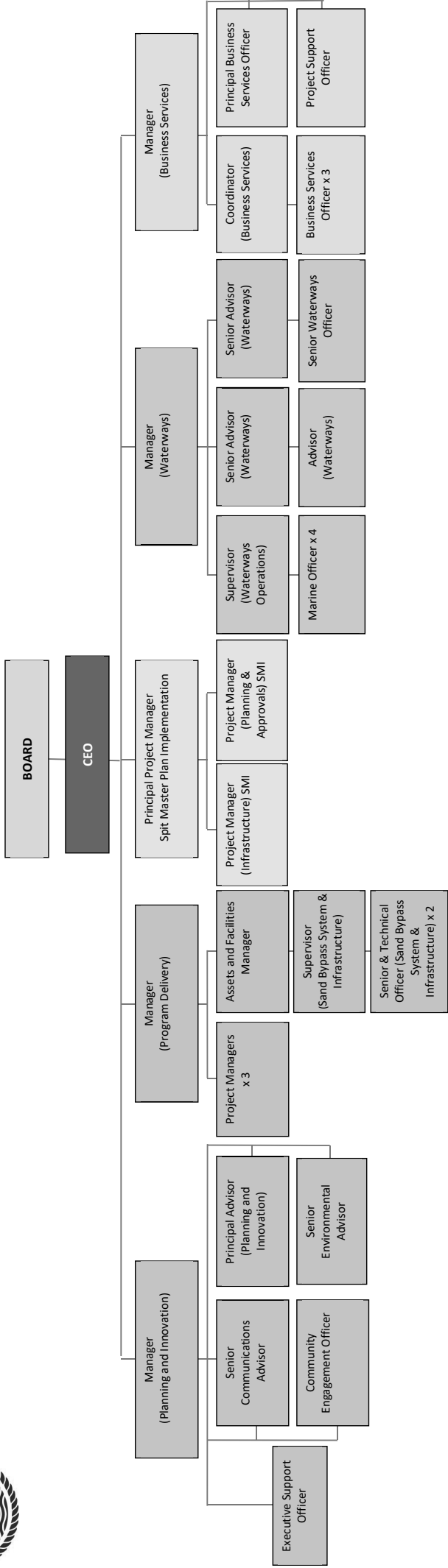
Each work unit is responsible for the delivery of a set of functions and supports either the Board, a Board sub- committee or another committee through provision of support, liaison or advisory services.

A description of the current work units including their functions and support roles is included below:

Work Unit	Responsible Officer	Description
Program Delivery	Matt Holstein Acting Manager, Program Delivery	The Program Delivery unit is responsible for the delivery of the Waterways Management Program through the Project Management Office
Planning and Innovation	Jessica Bourner Manager, Planning and Innovation	The Planning and Innovation unit is responsible for long term planning, innovation, communications and executive support.
Waterways	Peter Kleinig Manager, Waterways	The Waterways unit is responsible for improving the management of the waterways.
Business Services	Cynthia Turner Manager, Business Services	The Business Services unit is responsible for all facets of corporate support within the organisation.
Spit Master Plan Implementation Unit	Daniel Dray Principal Project Manager, Spit Master Plan Implementation	The Spit Master Plan Implementation unit is responsible for the development of the Spit Works Program and the delivery of certain public realm projects identified in the Spit Works Program



Gold Coast Waterways Authority Organisational Structure



Public Sector Ethics Act 1994

Gold Coast Waterways Authority is committed to ensuring a high professional standard of conduct. Gold Coast Waterways Authority has adopted the Queensland Government Public Service Commission Code of Conduct to provide staff with direction and guidance in making better decisions and promoting ethical values and behaviour. To support this, Gold Coast Waterways Authority provides Code of Conduct training to all new employees as part of their induction process. Biennial Code of Conduct training is provided to all staff to refresh awareness and reinforce employee obligations.

Queensland Public Service values

In addition to the organisational values identified in the Strategic Plan, Gold Coast Waterways Authority is committed to achieving the Government's objectives for the community through implementation of the five public service values:



Customers first

- Know your customer
- Deliver what matters
- Make decisions with empathy



Ideas into action

- Challenge the norm and suggest solutions
- Encourage and embrace new ideas
- Work across boundaries



Unleash potential

- Expect greatness
- Lead and set clear expectations
- Seek, provide and act on feedback



Be courageous

- Own your actions, successes and mistakes
- Take calculated risks
- Act with transparency



Empower people

- Lead, empower and trust
- Play to everyone's strengths
- Develop yourself and those around you

Governance, risk management and accountability

Risk management

Gold Coast Waterways Authority is committed to a robust Risk Management system which guides the organisation's risk culture, appetite and tolerance, risk management policies and processes.

A Risk Management Policy, Framework and Risk Appetite Statement is in place, along with a Risk Register. The risk management system optimises the Authority's ability to achieve its strategic objectives and support good governance and decision-making. An appropriate framework of business controls is monitored, maintained and controlled to cover operational, technical, commercial, financial and administrative activities, and the Risk Management Register is periodically reviewed by management, the Audit and Risk Committee and the Board, in accordance with the Governance Calendar.

External scrutiny

In accordance with the Auditor-General Act 2009, the Auditor-General is required to undertake an audit of Gold Coast Waterways Authority each financial year. An unmodified auditor's report for Gold Coast Waterways Authority's financial statements for the period 1 July 2019 to 30 June 2020 was issued on 11 August 2020. The Financial Statements and Independent Auditor's Report are included in this report as Appendix A.

Audit and Risk Committee

Gold Coast Waterways Authority has an Audit and Risk Committee consisting of Loretta Lynch (Chair – Resigned), Mara Bún (Chair of Gold Coast Waterways Authority Board) and Maurie Burke (external member) and met four times in 2019-20. The Chief Executive Officer and Manager (Business Services) also attend the Audit and Risk Committee in an advisory role. The committee abides by its Terms of Reference and is guided by the Queensland Treasury's Audit Committee guidelines.

Internal audit

Internal audit is an integral part of the corporate governance framework by which the Gold Coast Waterways Authority maintains effective systems of accountability and control at all levels. The role of the internal audit function includes:

- The appraisal of Gold Coast Waterways Authority's financial administration and its effectiveness having regard to the functions and duties imposed under Section 61 of *the Financial Accountability Act 2009*.
- The provision of value-added audit services and advice to Gold Coast Waterways Authority, the Audit and Risk Committee and management on the effectiveness, efficiency, appropriateness, legality and probity of Gold Coast Waterways Authority's operation. This responsibility includes advice on the measures taken to establish and maintain a reliable and effective system of internal control

Given the size of Gold Coast Waterways Authority, it was decided not to establish its own internal audit function and to engage the Corporate Administration Agency to undertake the internal audit function.

An Internal Audit Charter has been endorsed by the Board, together with a Gold Coast Waterways Authority Internal Audit Plan 2019-22, which outlines the Annual Audit Plan. In 2019-20 internal audit reviews were conducted on:

- Goods and Services and Fringe Benefit Tax
- Suspense Account Management
- Compliance with Fisheries Act 1994 and Marine Parks Act 2004 (with regards to GCWA's activities for dredging and the Sand Management Plan)
- Special Payments

- Right to Information.

Information systems and record-keeping

Gold Coast Waterways Authority maintains information technology and cyber security controls and awareness through measures such as security updates, education and online training. This is done in conjunction with the Corporate Administration Agency which, under a Service Level Agreement, provides information technology systems, along with other services, to Gold Coast Waterways Authority. Under the Service Level Agreement, CAA maintains mandatory security requirements (Essential 8 Level 1) of Information Standard 18 (IS18:2018).

The following measures were continued in 2019-20:

- ongoing multi factor authentication for the Office 365 environment
- ongoing email 'PhishAlarm' testing and reporting to identify suspected phishing emails and monitoring of staff awareness and
- providing staff education, on-line training and displaying information flyers which outline the importance of maintaining vigilant information and cyber security practices to minimise risk exposure.

During 2019-20, Gold Coast Waterways Authority continued to use the HPE Content Manager records management system which incorporates a business classification scheme used to create and manage containers. All staff are provided training in this system and are aware of their records management responsibilities.

In line with legislation and government standards, Gold Coast Waterways Authority keeps and maintains proper records of its activities. Under section 26 of the Public Records Act 2002, the Maritime Safety Sector Retention and Disposal Schedule is approved for use by Gold Coast Waterways Authority to dispose of core business records. This disposal schedule is used in conjunction with the General Retention and Disposal Schedule for the disposal of common and administrative public records.

Fraud and corruption control policy

Gold Coast Waterways Authority has a zero tolerance towards fraud and corruption and is committed to the prevention of fraud and corruption in its operations. To support this, Gold Coast Waterways Authority has in place a Fraud and Corruption Control Policy to assist in the prevention, detection, reporting and reduction of risks and exposures to any fraud, and undertakes the Queensland Audit Office Fraud and Corruption self- assessment tool on an annual basis. Awareness training is provided to staff on a periodic basis.

Governance – human resources

Strategic workforce planning and performance

As at 30 June 2020, Gold Coast Waterways Authority employed 35 full-time equivalent employees, which is an increase of 3 from 2018-19. Our workforce, while relatively small, is comprised of a mix of skills ranging from employees with maritime and/or trade certificates and professional and administration skills. The permanent staff retention rate was 97.1%, compared to 93.3% in 2018-19.

Gold Coast Waterways Authority's workforce is diverse with females representing 34% of the total workforce and 50% of management-level positions.

Gold Coast Waterways Authority is committed to attracting and retaining a highly skilled workforce to achieve its set objectives. Proactive promotion of health, safety and wellbeing considerations are delivered to support and enhance organisational effectiveness and contribute to workforce planning, attraction and retention and providing a skilled, diverse and agile workforce:

- Training and development for staff to ensure maximum benefits to staff and knowledge and efficiency across the organisation.
- Participation in Performance and Development planning to understand strategic organisational objectives, understand linkages between organisational objectives and team responsibilities, address conduct, work priorities and expectations and provide an opportunity to review and improve performance through feedback and support. This also provides an opportunity to develop leadership capabilities of staff.
- Participation in the annual whole-of-government confidential employee opinion survey, Working for Queensland, including an analysis of results which is used to inform workforce planning, promote a positive organisational culture, and provide an environment which encourages innovative solutions.
- Flexible work arrangements are available to help achieve a quality work-life balance and to support the management of an agile work environment.
- Access to confidential counselling for employees and their families through an employee assistance program.
- Awareness programs regarding support for employees impacted by domestic and family violence.
- Provision of health and wellness initiatives, including on-line health and wellbeing information, flu vaccinations and office ergonomic assistance.
- Most of the staff continue to be employed under the TMR Enterprise Bargaining Certified Agreement 2016, following the transition from Department of Transport and Main Roads to Gold Coast Waterways Authority in 2012.

Early retirement, redundancy and retrenchment

No redundancy/early retirement/retrenchment packages were paid during the period.

Appendices

Appendix A Financial statements



Gold Coast Waterways Authority Financial Statements

for the financial year ended 30 June 2020

Gold Coast Waterways Authority Financial Statements 2019-20

<u>Contents</u>	<u>Page No</u>
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6 - 7
Notes To and Forming Part of the Financial Statements	8 - 37
Management Certificate	38
Independent Auditor's Report	39 - 41

Gold Coast Waterways Authority

Statement of Comprehensive Income for the year ended 30 June 2020

		2020 Actual	2019 Actual	2020 Original Budget	Budget Variance*
	Notes	\$'000	\$'000	\$'000	\$'000
Income from Continuing Operations					
User charges	2	12,513	12,152	12,995	(482)
Grants and other contributions	3	1,507	1,284	-	1,507
Interest		159	182	89	70
Other revenue	4	167	-	-	167
Total Revenue		14,346	13,618	13,084	1,262
Total Income from Continuing Operations		14,346	13,618	13,084	1,262
Expenses from Continuing Operations					
Employee expenses	5	3,876	3,476	3,578	298
Supplies and services	6	5,446	5,682	4,064	1,382
Depreciation	10	4,105	3,972	4,288	(183)
Amortisation	11	62	61	-	62
Other expenses	7	111	284	1,154	(1,043)
Total Expenses from Continuing Operations		13,600	13,475	13,084	516
Operating Result from Continuing Operations		746	143	-	746
Operating Result for the Year		746	143	-	746
Other Comprehensive Income					
<i>Items that will not be reclassified to operating result</i>					
Increase (decrease) in asset revaluation surplus	15	(23,804)	9,315	-	(23,804)
Total Other Comprehensive Income		(23,804)	9,315	-	(23,804)
Total Comprehensive Income		(23,058)	9,458	-	(23,058)

*An explanation of variances is located at note 22(a)

The accompanying notes form part of these statements.

Gold Coast Waterways Authority

Statement of Financial Position as at 30 June 2020

		2020 Actual	2019 Actual	2020 Original Budget	Budget Variance*
	Notes	\$'000	\$'000	\$'000	\$'000
Current Assets					
Cash and cash equivalents	8	8,123	7,541	4,607	3,516
Receivables	9	217	364	248	(31)
Inventories		163	163	154	9
Total Current Assets		8,503	8,068	5,009	3,494
Non Current Assets					
Property, plant and equipment	10	196,746	218,971	213,996	(17,250)
Intangible assets	11	779	841	793	(14)
Total Non Current Assets		197,525	219,812	214,789	(17,264)
Total Assets		206,028	227,880	219,798	(13,770)
Current Liabilities					
Payables	12	1,147	1,719	1,263	(116)
Accrued employee benefits	13	338	416	444	(106)
Other liabilities	14	60	63	21	39
Total Current Liabilities		1,545	2,198	1,728	(183)
Total Liabilities		1,545	2,198	1,728	(183)
Net Assets		204,483	225,683	218,070	(13,587)
Equity					
Contributed equity		183,036	181,178		
Accumulated surplus		420	(326)		
Asset revaluation surplus	15	21,027	44,831		
Total Equity		204,483	225,683		

*An explanation of variances is located at note 22(b)

The accompanying notes form part of these statements.

Gold Coast Waterways Authority

Statement of Changes in Equity for the year ended 30 June 2020

		2020	2019
	Notes	\$'000	\$'000
Contributed Equity			
Balance as at 1st July		181,178	179,678
Transactions with Owners as Owners			
• Non-Appropriated Equity Injections		6,138	5,485
• Non-Appropriated Equity Withdrawals		(4,280)	(3,985)
Balance as at 30 June		183,036	181,178
Accumulated Surplus			
Balance as at 1st July		(326)	(469)
Operating Result from Continuing Operations		746	143
Balance as at 30 June		420	(326)
Asset Revaluation Surplus			
Balance as at 1st July		44,831	35,516
Increase (decrease) in asset revaluation surplus		(23,804)	9,315
Balance as at 30 June	15	21,027	44,831

The accompanying notes form part of these statements.

Gold Coast Waterways Authority

Statement of Cash Flows for the year ended 30 June 2020

		2020 Actual	2019 Actual	2020 Original Budget	Budget Variance*
	Notes	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
<i>Inflows:</i>					
Grants and other contributions		1,507	1,284	-	1,507
User charges		12,623	12,047	12,995	(372)
Interest		166	183	89	77
GST collected from customers		64	166	-	64
GST input tax credits from ATO		1,094	1,042	-	1,094
Other revenues		167	-	-	167
<i>Outflows:</i>					
Employee expenses		(3,976)	(3,491)	(3,578)	(398)
Supplies and services		(6,017)	(5,157)	(4,064)	(1,953)
GST paid to suppliers		(1,039)	(1,112)	-	(1,039)
GST remitted to ATO		(70)	(156)	-	(70)
Other expenses		(111)	(262)	(1,154)	1,043
Net cash provided by operating activities		4,408	4,544	4,288	120
Cash flows from investing activities					
<i>Inflows:</i>					
Sales of property, plant and equipment		-	22	-	-
<i>Outflows:</i>					
Payments for property, plant and equipment		(5,684)	(6,115)	(6,385)	701
Payments for intangibles		-	(4)	-	-
Net cash used in investing activities		(5,684)	(6,097)	(6,385)	701
Cash flows from financing activities					
<i>Inflows:</i>					
Non-appropriated Equity Injections		6,138	5,485	5,910	228
<i>Outflows:</i>					
Non-appropriated Equity Withdrawal		(4,280)	(3,985)	(4,060)	(220)
Net cash provided by financing activities		1,858	1,500	1,850	8
Net increase/(decrease) in cash held		582	(53)	(247)	829
Cash and cash equivalents at beginning of financial year		7,541	7,594	4,854	2,687
Cash and cash equivalents at end of financial year	8	8,123	7,541	4,607	3,516

*An explanation of variances is located at note 22(c)

The accompanying notes form part of these statements.

Gold Coast Waterways Authority

Statement of Cash Flows for the year ended 30 June 2020

Notes to the Statement of Cash Flow

	2020	2019
	\$'000	\$'000
Reconciliation of Operating Result to Net Cash from Operating Activities		
Operating surplus	746	143
Non-Cash items included in operating results:		
Loss on sale of asset	-	22
Depreciation expense	4,105	3,972
Amortisation expense	62	61
Changes in assets and liabilities:		
Increase in trade receivables	92	(139)
Increase in GST receivables	55	(69)
Decrease in interest receivables	7	1
Increase in inventories	-	(9)
Increase in payables	(572)	535
Increase in GST payable	(6)	9
(Increase) in employee benefits	(78)	(23)
Increase/(decrease) in other current liabilities	(3)	41
Net cash provided by operating activities	4,408	4,544

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

- Section 1: How We Operate - Our Objectives and Activities**
Note 1: Objectives and Principal Activities of the Gold Coast Waterways Authority
- Section 2: Notes about our Financial Performance**
Note 2: User Charges
Note 3: Grants and Other Contributions
Note 4: Other Revenue
Note 5: Employee Expenses
Note 6: Supplies and Services
Note 7: Other Expenses
- Section 3: Notes about our Financial Position**
Note 8: Cash and Cash Equivalents
Note 9: Receivables
Note 10: Property Plant and Equipment and Depreciation Expense
Note 11: Intangibles and amortisation expense
Note 12: Payables
Note 13: Accrued Employee Benefits
Note 14: Other Current Liabilities
Note 15: Asset Revaluation Surplus by Class
Note 16: Schedule of Agency Transactions
- Section 4: Notes about Risk and Other Accounting Uncertainties**
Note 17: Commitments for Expenditure
Note 18: Contingencies
Note 19: Economic Dependency
Note 20: Financial Risk Disclosures
Note 21: Future Impact of Accounting Standards Not Yet Effective
- Section 5: Notes about our Performance Compared to Budget**
Note 22: Budgetary Reporting Disclosures
- Section 6: Other Information**
Note 23: Key Management Personnel (KMP) Disclosures
Note 24: Related Party Transactions
Note 25: First Year Application of New Accounting Standards or Change in Policy
Note 26: Taxation
Note 27: Accounting Estimates and Judgements
Note 28: Events After the Balance Date
Note 29: Climate Risk Disclosure

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

General Information

The Gold Coast Waterways Authority (the Authority) is a Queensland Government Statutory Authority which operates under the *Gold Coast Waterways Authority Act 2012* and is controlled by the State of Queensland, which is the ultimate parent.

The head office and principal place of business of the Authority is 40-44 Seaworld Drive, Main Beach, Queensland.

Statement of Compliance

The Authority has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2019.

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

The Reporting Entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Authority. The Authority does not have any controlled entities.

Basis of Measurement

Historical cost is used as the measurement basis in this financial report except for the following:

- Land, buildings, infrastructure and major plant and equipment assets, which are measured at fair value;
- Inventories which are measured at the lower of cost and net realisable value.

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 the proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value is determined using one of the following three approaches:

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

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.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

Presentation Matters

Currency and Rounding

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

Comparatives

Comparative information reflects the audited 2018-19 financial statements.

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' when 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 of the reporting date or the Authority does not have an unconditional right to defer settlement beyond 12 months after the reporting date.

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

Implementation of the Shared Services Initiative

The Corporate Administration Agency (CAA) provides the Gold Coast Waterways Authority with corporate services under the "Shared Services Provider" model. The fees and terms of the services are agreed through a Service Level Agreement, negotiated annually and include:

- Financial services
- Human resources recruitment and payroll
- Information systems and support

Authorisation of financial statements for issue

The financial statements are authorised for issue by the Chairperson and Chief Executive Officer at the date of signing the Management Certificate.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

SECTION 1

HOW WE OPERATE - OUR OBJECTIVES AND ACTIVITIES

1. Objectives and Principal Activities of the Gold Coast Waterways Authority

The Authority has responsibility for providing the best possible navigational access, boating infrastructure and management of the Gold Coast waterways at a reasonable cost while keeping regulation to a minimum. The Gold Coast Waterways Management Strategy 2014-2023 sets out a vision and objectives to sustain, enhance and promote the waterways and is supported by a four year rolling Waterways Management Program.

The *Implementation of The Spit Master Plan Act 2020* empowers the Gold Coast Waterways Authority to deliver a series of community capital works projects that will transform the public realm areas as part of the implementation of the Master Plan for the Spit. The Spit Works Program 2020-2024 aligns with the Master Plan's vision for the future and describes the projects to be delivered by the Gold Coast Waterways Authority. It also details projects to be delivered by the Department of State Development and the City of Gold Coast.

The Authority focuses on the following objectives as outlined in the Gold Coast Waterways Authority Strategic Plan 2017-21 (reviewed 2019):

- Promote the safe, sustainable, and efficient use and enjoyment of Gold Coast waterways;
- Improve access to Gold Coast waterways through investments that balance diversity of use with consideration to the protection of environmental values;
- Provide localised decision-making that is guided by genuine community engagement;
- Take an innovative approach to the long-term sustainable management of Gold Coast waterways to ensure resilience.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

SECTION 2 NOTES ABOUT OUR FINANCIAL PERFORMANCE

	2020 \$'000	2019 \$'000
2. User Charges		
Revenue for service delivery outsourced by other agencies*	11,920	11,826
Other	593	326
Total	12,513	12,152

* User Charges represents the State funding which the Authority is dependent on to operate. Funding is received on an annual basis, following the raising of a tax invoice to the respective department.

Accounting policy

User charges and fees controlled by the Authority are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods/services and/or the recognition of accrued revenue.

The adoption of AASB 15 *Revenue from Contracts with Customers* in 2019-20 did not change the timing of revenue recognition as user charges are not subject to performance obligations.

3. Grants and Other Contributions

Grants and other contributions	5	1,284
Recurrent Grants	400	-
Capital Grants	1,102	-
Total	1,507	1,284

Represents grant funding from Department of State Development, Tourism and Innovation for the delivery of projects related to the Spit Master Plan Implementation.

Accounting policy

Grants, contributions and donations are non-reciprocal transactions where the Authority does not directly give approximate equal value to the grantor.

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the Authority to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied.

In 2019-20, grants are accounted for under AASB 1058 Income of Not-for-Profit Entities, whereby revenue is recognised upon receipt of the grant funding.

4. Other Revenue

Insurance Claims Recovery	161	-
Other	6	-
Total	167	-

As a result of damages incurred to navigational aids following collisions by vessels during 2018-19 and 2019-20.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

	2020 \$'000	2019 \$'000
5. Employee Expenses		
Employee Benefits		
Wages and salaries *	2,836	2,577
Annual leave expense	-	251
Annual leave levy	291	-
Employer superannuation contributions	421	364
Long service leave levy	76	60
Employee Related Expenses		
Workers' compensation premium	24	17
Payroll tax	189	168
Other employee related expenses	39	38
Total	3,876	3,476

Full-time equivalent employees: 35 30

2019-20 Budget Full-time equivalent employees is 32. An additional 3 funded temporary Full-time equivalent employees were engaged during 2019-20 to deliver work associated with the Spit Master Plan Implementation.

The Authority also engages employment agency contractors, as required, to enable the delivery of the Authority's objectives. Any associated costs are included in Note 6 in the "Consultants and Contractors" total costs.

* Wages and salaries includes \$40,437 of \$1,250 one-off, pro-rata payments for 33 full-time equivalent employees (announced in September 2019).

Accounting policy

Wages, Salaries and Sick leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position as a current liability at the current salary rates.

As the Authority expects such liabilities to be wholly settled within 12 months of reporting date, the liabilities are recognised at undiscounted amounts.

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.

Long Service Leave and Annual Leave

Under the Queensland Government's long service leave scheme, a levy is made on the Authority to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

The Queensland Government's Annual Leave Central Scheme (ALCS) became operational on 30 June 2008. The Authority became a member of the scheme on 1 July 2019. Under this scheme, a levy is made on the Authority to cover the cost of employees' annual leave (including leave loading and on-costs). The levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave are claimed from the scheme quarterly in arrears.

No provision for long service leave or annual leave is recognised in the Authority's financial statements from 2019-20, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

5. Employee Expenses (cont'd)

Superannuation

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's QSuper defined benefit plan as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by the Authority at the specified rate following completion of the employee's service each pay period. The Authority's obligations are limited to those contributions paid.

Workers' Compensation Premium

The Authority pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not an employee benefit and is recognised separately as an employee related expense.

Key management personnel and remuneration disclosures are detailed in Note 23.

Gold Coast Waterways Authority
NOTES TO THE FINANCIAL STATEMENTS 2019-20

	2020	2019
	\$'000	\$'000
6. Supplies and Services		
Building services	897	845
Corporate service charges	460	455
Telecommunications	63	61
Consultants and contractors*	2,711	3,221
Materials and running costs	244	214
Advertising	21	22
Motor vehicle running costs	68	68
Vessels running costs	196	149
Repairs and maintenance	158	203
Navigation aids maintenance	318	269
Consumables	21	12
Office accomodation	87	85
Staff travel	4	13
Computer costs	59	32
Other	139	34
Total	5,446	5,682

* Consultant and contractor payments includes payments made to external parties of \$1,777,885 (2019: \$2,472,383) to carry out contractual works on navigation dredging projects and the painting of the Gold Coast Seaway sand bypass jetty.

7. Other Expenses		
Insurance	87	83
Audit fees*	21	21
Loss on sale of assets	-	22
Bad debts expense	3	16
Sponsorship	-	43
Environmental fees and offsets	-	100
Total	111	284

* Total audit fees payable to the Queensland Audit Office relating to the 2019-20 financial statements are quoted to be \$21,000 (2019 \$20,500). There are no non-audit services included in this amount.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

SECTION 3 NOTES ABOUT OUR FINANCIAL POSITION

	2020	2019
	\$'000	\$'000
8. Cash and Cash Equivalents		
Cash on hand	1	1
Cash at bank	7,890	7,310
Investment account	232	231
Total	8,123	7,541

Interest earned on cash held with the Commonwealth Bank earned between 0.25% and 1.75% in 2019-20 (between 0.50% to 2.05% in 2018-19).

Accounting policy

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.

9. Receivables

Trade Debtors	59	172
Long Service Leave reimbursements	-	8
Annual Leave reimbursements	30	-
	89	181
GST receivable	210	265
GST payable	(87)	(93)
	123	172
Interest Receivable	5	12
Total	217	364

Accounting policy

Receivables

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

Impairment of Receivables

The Authority considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, and forecasts that affect the expected collectability of the receivables.

The Authority has assessed that credit losses are negligible. Consequently, the Authority will not allow for any loss allowances for trade receivables on the basis that any impairment would be insignificant.

The Authority's other receivables are from Queensland Government agencies, Australian Government agencies and the Commonwealth Bank. No loss allowance is recorded for these receivables on the basis of materiality.

Credit Risk Exposure of Receivables

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security and no credit enhancements relate to receivables held by the Authority.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

10. Property Plant and Equipment and Depreciation Expense Closing balances and reconciliation of carrying amount

	Land		Buildings		Infrastructure		Major P&E		P&E		WIP		Total	
	At fair value	2019	At fair value	2019	At fair value	2019	At fair value	2019	At cost	2019	At cost	2019	2020	2019
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Gross	39,196	43,276	2,748	2,521	238,777	230,337	1,030	1,062	639	562	3,600	6,962	285,991	284,721
Less: accumulated depreciation	-	-	(1,239)	(716)	(86,895)	(64,449)	(691)	(291)	(420)	(295)	-	-	(89,245)	(65,750)
Carrying amount at 30 June	39,196	43,276	1,509	1,805	151,882	165,888	339	771	219	268	3,600	6,962	196,746	218,971

Represented by movements in carrying amount:

Carrying amount at 1 July	43,276	40,635	1,805	1,849	165,888	161,252	771	830	268	308	6,962	2,684	218,970	207,558
Plus Purchases	-	-	-	-	-	-	-	-	54	102	5,631	6,013	5,685	6,115
Less Disposals	-	-	-	-	-	(4)	-	-	-	(40)	-	-	-	(45)
Transfers	-	-	14	-	8,956	1,735	-	-	23	-	(8,992)	(1,735)	-	-
Revaluation increments/(decrements)	(4,080)	2,641	(216)	48	(19,140)	6,608	(368)	18	-	-	-	-	(23,804)	9,315
Depreciation for period	-	-	(94)	(92)	(3,821)	(3,702)	(64)	(76)	(126)	(102)	-	-	(4,105)	(3,972)
Carrying amount at 30 June	39,196	43,276	1,509	1,805	151,882	165,888	339	771	219	268	3,601	6,962	196,746	218,971

The Authority's land and building assets are geographically located at "The Spit" land area situated 2.5 kilometres north along Seaworld Drive from Main Beach, Queensland. The buildings are specialised assets including pump buildings and a kiosk. There are three land assets, two of which are situated at "The Spit" land area, and the third parcel within the Gold Coast Seaway and known as Wave Break Island.

A specific appraisal of assets has been undertaken at 31 March 2020 by registered valuer, Asset Val, a business of Marsh Pty Ltd, who undertook physical inspections of the specified land, building, infrastructure and major plant and equipment assets. This comprehensive valuation resulted in a \$23.80 million decrement (\$9.31 million increment in 2018-19) to the carrying amount of the Authority's property, plant and equipment.

During 2018-19 the fair values of these assets were reviewed using appropriate and relevant indices, which were confirmed by registered valuers, AssetVal Group.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

10. Property Plant and Equipment and Depreciation Expense (cont'd)

Accounting Policy

Basis of Capitalisation and Recognition Thresholds

Items of property, plant and equipment with a historical cost or other value equal to or exceeding the following thresholds in the year of acquisition are reported as Property, Plant and Equipment in the following classes:

Buildings	\$10,000
Infrastructure	\$10,000
Land	\$1
Major Plant and Equipment	\$5,000
Plant and Equipment	\$5,000
Other (including heritage and cultural)	\$5,000

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

Land improvements undertaken by the Authority are included either in the class with Buildings or Infrastructure based on their proximity to the asset to which they relate.

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the Authority. 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 restores original service potential (lost through ordinary wear and tear) is expensed.

The Authority has an annual maintenance program for its major plant and equipment and infrastructure assets.

Cost of Acquisition and Construction of Assets

Historical cost is used for the initial recording of all property, plant and equipment acquisitions. Historical cost is determined as the value given as consideration and costs incidental to the acquisition (such as architects' fees and engineering design fees), plus all other costs incurred in getting the assets ready for use.

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

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.

Where assets are constructed by the Authority, the recorded value of the asset reflects the cost of construction of the asset including all costs directly related to specific contracts, any costs that are specifically chargeable to the Authority under the terms of the contract or which the Authority specifically incurs in relation to the asset.

Measurement Using Historical Cost

Plant and equipment, (excluding major plant and equipment) is measured at historical cost in accordance with the Non-Current Asset Policies. The carrying amounts for such plant and equipment is not materially different from their fair value.

Measurement Using Fair Value

Land, buildings, infrastructure, and major plant and equipment are measured at fair value as required by 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.

The cost of items acquired during the financial year has been judged by management of the Authority to materially represent their fair value at the end of the reporting period.

Property, plant and equipment classes measured at fair value are revalued on an annual basis either by appraisals undertaken by an independent professional valuer or internal expert, or by the use of appropriate and relevant indices. For financial reporting purposes, the revaluation process is managed by a team in the Authority's Business Services unit, who determine the specific revaluation practices and procedures.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

10. Property Plant and Equipment and Depreciation Expense (cont'd) Measurement Using Fair Value (cont'd)

Use of Specific Appraisals

Revaluations using an independent professional valuer or internal expert appraisals are undertaken at least once every five years with appropriate indices being applied in the intervening years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal. This will be arranged by the Business Services unit after consultation with the Audit and Risk Committee.

Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

The fair values reported by the Authority are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs.

Use of Indices

Where assets have not been specifically appraised in the reporting period, their previous valuations are kept up-to-date via the application of relevant indices. The Authority ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. For 2018-19, registered Valuers, AssetVal Group supplied the indices used for the various types of assets. Such indices are either publicly available, or are derived from market information available to AssetVal Group. AssetVal Group provides assurance of their robustness, validity and appropriateness for application to the relevant assets. Through this process, management assesses and confirms the relevance and suitability of indices provided by a registered valuer based on the Authority's own particular circumstances.

Accounting for Changes in Fair Value

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation reserve 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 reserve relating to that class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Fair Value Measurement

What is 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.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the Authority include, but are not limited to, published sales data for land and general office buildings.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued. Significant unobservable inputs used by the Authority include, but are not limited to, subjective adjustments made to observable data to take account of the characteristics of the Authority's assets/liabilities, internal records of recent construction costs (and/or estimates of such costs), assets' characteristics/functionality, and 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/liabilities.

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 or by selling it to another market participant that would use the asset in its highest and best use.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

10. Property Plant and Equipment and Depreciation Expense (cont'd)

Fair Value Measurement (cont'd)

Fair Value Measurement Hierarchy

All assets and liabilities of the Authority 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.

None of the Authority's valuations of assets or liabilities are eligible for categorisation into level 1 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy during the period.

Basis for Fair Values of Assets and Liabilities

Land

Effective date of Last Specific Appraisal: 31 March 2020 by Asset Val, a business of Marsh Pty Ltd

Valuation Approach: Market approach

Inputs: All land assets have been valued using unobservable inputs which are considered level 3 in the fair value hierarchy. The allotments have been valued utilising the Market Value Approach where the allotments have been valued by the Direct Comparison Method. This method involves researching comparable sales evidence of allotments in the area that have recently sold. Observable inputs are the researched sales evidence and the rates per square metre they achieve. The unobservable inputs are the valuers professional opinion in applying a suitable rate per square metre when determining the value of the subject property. Given the unique nature of the subject allotments there were no directly comparable allotments that had recently sold and therefore unobservable inputs (level 3) has been applied to reflect this. All allotments are valued at their highest and best use which takes into account a use that is physically possible, economically feasible and legally permissible.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

10. Property Plant and Equipment and Depreciation Expense (cont'd)

Fair Value Measurement (cont'd)

Buildings

Effective date of Last Specific Appraisal: 31 March 2020 by Asset Val, a business of Marsh Pty Ltd

Valuation Approach: Current Replacement Cost

Inputs: Due to the specialised nature of the building assets, they have been valued using the Cost Approach (Current replacement cost). The cost approach uses unobservable inputs which are considered level 3 in the fair value hierarchy. Under this approach, the following process has been adopted:

Where there is no market, the Fair Value of an asset is the gross replacement cost less accumulated depreciation to reflect the consumed or expired service potential of the asset. Published/available market data for recent projects, and/or published cost guides are utilized to determine the estimated gross replacement cost of the asset. This is considered a Level 2 fair value hierarchy.

A condition assessment is applied, which is based on factors such as the age of the asset, overall condition as noted by the Valuer during inspection, economic and/or functional obsolescence. The condition assessment directly translates to the level of depreciation applied.

In determining the amount of accumulated depreciation, the assets have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on the component basis.

While the replacement cost of the assets could be supported by observable inputs (level 2), the inputs (such as estimates of useful life, and asset condition) were also required and are considered unobservable inputs (level 3).

The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on cubic or square metres or similar capacity could be supported from observable inputs (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 inputs under the fair value hierarchy.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

10. Property Plant and Equipment and Depreciation Expense (cont'd)

Fair Value Measurement (cont'd)

Infrastructure

Effective date of Last Specific Appraisal: 31 March 2020 by Asset Val, a business of Marsh Pty Ltd

Valuation Approach: Current Replacement Cost

Inputs: Due to the specialised nature of the infrastructure assets, they have been valued using the Cost Approach (Current replacement cost). The cost approach uses unobservable inputs which are considered level 3 in the fair value hierarchy. Under this approach, the following process has been adopted:

Where there is no market, the Fair Value of an asset is the gross replacement cost less accumulated depreciation to reflect the consumed or expired service potential of the asset. Published/available market data for recent projects, and/or published cost guides are utilized to determine the estimated gross replacement cost of the asset.

A condition assessment is applied, which is based on factors such as the age of the asset, overall condition as noted by the Valuer during inspection, economic and/or functional obsolescence. The condition assessment directly translates to the level of depreciation applied.

In determining the amount of accumulated depreciation, the assets have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The condition assessment is applied on the component basis.

The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on cubic or square metres or similar capacity could be supported from observable inputs (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

While the replacement cost of the assets could be supported by observable inputs (level 2), the inputs (such as estimates of useful life, and asset condition) were also required and are considered unobservable inputs (level 3).

Key Judgement : During the year there were a number of new projects completed (new assets, renewals and refurbishments of assets) where the actual cost was recorded and the impact of depreciation at year end was negligible. While these could be classified as valued at level 2 given the low proportion of the total portfolio that these represented and the likelihood that in future valuations they would most likely be valued at level 3 we have adopted a policy that all such infrastructure assets are deemed to be valued at level 3.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

10. Property Plant and Equipment and Depreciation Expense (cont'd)

Depreciation expense

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

Buildings, infrastructure 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 the Authority.

For depreciable assets, residual value is determined to be zero reflecting the estimated amount to be received on disposal at the end of their useful life.

Key Judgement: Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to the Authority.

Assets under construction (work-in-progress) are not depreciated until construction is complete and the asset is put to use or is ready for its intended use, whichever is the earlier. These assets are then reclassified to the relevant class within property, plant and equipment.

Separately identifiable components of complex assets are depreciated according to the useful lives of each component, as doing so results in a material impact on the depreciation expense reported.

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 the Authority.

Key Estimates : Depreciation rates for each class of depreciable asset:

Class	Rate
Buildings	2% - 12%
Infrastructure	1% - 14%
Major plant and equipment	2% - 6%
Plant and Equipment	0.34% - 76%

Impairment

All building, infrastructure and plant and equipment assets are assessed for indicators of impairment on an annual basis or, where the asset is measured at fair value, for indicators of a change in fair value/service potential since the last valuation was completed. If an indicator of possible impairment exists, the Authority determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Recoverable amount is determined as the higher of the asset's fair value less costs to sell and current replacement cost.

An impairment loss 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.

When an asset is revalued using either a market or income valuation approach, any accumulated impairment losses at that date are eliminated against the gross amount of the asset prior to restating for the revaluation.

For assets measured at cost, an impairment loss is recognised immediately in the statement of comprehensive income.

Gold Coast Waterways Authority
NOTES TO THE FINANCIAL STATEMENTS 2019-20

11. Intangibles and amortisation expense
Closing balances and reconciliation of carrying amount

	Software at cost		WIP at cost		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Gross	975	975	-	-	975	975
Less: Accumulated amortisation	(196)	(134)	-	-	(196)	(134)
Carrying amount at 30 June	779	841	-	-	779	841

Represented by movements in carrying amount:

Carrying amount at 1 July	841	802	-	96	841	898
Plus Purchases	-	-	-	5	-	5
Transfers between asset classes	-	101	-	(101)	-	-
Amortisation	(62)	(61)	-	-	(62)	(61)
Carrying amount at 30 June	779	841	-	-	779	841

Recognition and Measurement

Accounting Policy

Intangible assets of the Authority comprise an internally developed sand management plan, tidal works information system and iGCWA Shoal Reporting App and ArcGIS Mapping Platform. Intangible assets with a historical cost or other value equal to or greater than \$100,000 are recognised in the financial statements. Items with a lesser value are expensed. Any training costs are expensed as incurred.

It has been determined that there is not an active market for the Authority's intangible assets. As such, the assets are recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses.

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the internal development of the intangible assets is capitalised and amortised under the amortisation policy below.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

11. Intangibles and amortisation expense (cont'd)

Amortisation Expense

Accounting Policy

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

Amortisation Rates

All intangible assets of the Authority have finite useful lives and are amortised on a straight line basis. The rates used are 5.45% for the Sand Management Plan, 6.67% for the Tidal Works Information System and 10% for the iGCWA Shoal Reporting App and ArcGIS Mapping Platform.

Impairment

Accounting Policy

All intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Authority determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

	2020	2019
	\$'000	\$'000
12. Payables		
Trade creditors	166	420
Purchase card clearing	71	92
Accrued expenses	910	1,207
	1,147	1,719
Total	1,147	1,719

Accounting Policy

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured.

13. Accrued Employee Benefits

Current

Salary and wages outstanding	184	65
Long service leave levy payable	24	16
Annual leave payable	-	327
Annual leave levy payable	109	-
Superannuation payable	21	7
	338	416
Total	338	416

Accounting Policy

From 2019-20, no provision for long service leave or annual leave is recognised in the Authority's financial statements as the liability is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The Authority joined the Annual Leave Central Scheme on 1 July 2019.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

	2020 \$'000	2019 \$'000
14. Other Current Liabilities		
Security Bond	60	63
Total	60	63

Represents security deposits held associated with project related contract administration and/or trustee land permits.

15. Asset Revaluation Surplus by Class

	Land \$000	Buildings \$000	Infrastructure \$000	Major P&E \$000	Total \$000
Balance at 1 July 2018	13,001	295	22,106	117	35,516
Revaluation increments	2,641	48	6,608	18	9,315
Balance at 30 June 2019	15,642	343	28,714	135	44,831
Balance at 1 July 2019	15,642	343	28,714	135	44,831
Revaluation decrements	(4,080)	(216)	(19,140)	(368)	(23,804)
Balance at 30 June 2020	11,562	127	9,574	(233)	21,027

Accounting Policy

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

	2020 \$'000	2019 \$'000
16. Schedule of Agency Transactions		
Statement of Agency funds collected on behalf of Government		
Administered collections		
Fees	987	923
Rent	109	111
Total Administered Collections	1,096	1,034
Transfers to Government		
Administered Revenue Transferred to Queensland Treasury	1,088	1,034
Total Agency funds transferred to Government	1,088	1,034

The Authority collects fees, principally for marina owner levies, which are transferred to Queensland Treasury.

Accounting Policy

Taxes, fees and fines collected, but not controlled by the Authority, are reported as agency transactions.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

SECTION 4

NOTES ABOUT RISK AND OTHER ACCOUNTING UNCERTAINTIES

17. Commitments for Expenditure

(i) Commitments

Commitments contracted for at reporting date (inclusive of non-recoverable GST input tax credits) but not recognised in the accounts totalled \$1,023,457 (2019: \$875,902) and are anticipated to be paid within the next 12 months.

(ii) Capital Expenditure Commitments

Capital expenditure commitments (inclusive of non-recoverable GST input tax credits) contracted for at reporting date but not recognised in the accounts totalled \$259,602 (2019: \$1,802,680). They are all due to be paid not later than one year.

18. Contingencies

There are no material legal or any other contingencies that are known to the Authority at 30 June 2020 (2019: Nil).

19. Economic Dependency

Gold Coast Waterways Authority is dependent on State funding of \$12.187 million for the 2020-21 financial year.

In addition, the Authority receives grant funding from the Department of State Development, Tourism and Innovation which is used for the delivery of projects related to the Spit Master Plan Implementation (refer Note 3).

20. Financial Risk Disclosures

Financial Instrument Categories

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

Category	Note	2020 \$'000	2019 \$'000
Financial Assets			
Financial assets measured at amortised cost:			
Cash and cash equivalents	8	8,123	7,541
Receivables	9	89	181
Total Financial Assets		8,212	7,722
Financial Liabilities			
Financial liabilities measured at amortised cost:			
Payables	12	166	420
Total Financial Liabilities at amortised cost		166	420

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

No financial assets were past due or impaired as at 30 June 2020 (2019: Nil).

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

20. Financial Risk Disclosures (cont'd)

Financial Risk Management

(a) Risk Exposure

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

All financial risk is managed by management under policies approved by the Authority. The Authority provides written principles for overall risk management, as well as policies covering specific areas.

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

Risk Exposure	Definition	Measurement method
Credit Risk	Credit risk exposure refers to the situation where the Authority may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.	The Authority is exposed to credit risk in respect of its receivables (Note 9).
Liquidity Risk	Liquidity risk refers to the situation where the Authority may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	The Authority is exposed to liquidity risk in respect of its payables (Note 12).
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 interest rates.	The Authority does not trade in foreign currency and is not materially exposed to commodity price changes or other market changes. The Authority is exposed to interest rate risk through its cash deposited in interest bearing accounts (Note 8).

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

20. Financial Risk Disclosures (cont'd)

Financial Risk Management (cont'd)

(b) Risk Measurement and Management Strategies

The Authority measures risk exposure using a variety of methods as follows;

Risk Exposure	Measurement method	Risk Management Strategy
Credit Risk	Ageing analysis, earnings at risk	The Authority manages credit risk through the use of management reports. This strategy aims to reduce the exposure to credit default by ensuring that the Authority invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.
Liquidity Risk	Sensitivity analysis	The Authority manages liquidity risk through the use of management reports. This strategy aims to reduce the exposure to liquidity risk by ensuring the Authority has sufficient funds available to meet employee and supplier obligations as they fall due. The liquidity risk of the financial liabilities held by the Authority is limited to obligations with a maturity of less than one year and value of \$166,000 (2019: \$420,000). The maturity has been calculated using undiscounted cash flows relating to the liabilities as at reporting date.
Market Risk	Interest rate sensitivity analysis	The Authority does not undertake any hedging in relation to interest risk and manages its risk as per the Authority's liquidity risk management strategy.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

21. 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 effective dates are set out below:

AASB 1059 Service Concession Arrangements: Grantors

AASB 1059 will first apply to the Authority's financial statements in 2020-21. This standard defines service concession arrangements and applies a new control concept to the recognition of service concession assets and related liabilities.

The Authority does not currently have any arrangements that would fall within the scope of AASB 1059.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the Authority's activities, or have no material impact on the Authority.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

SECTION 5 NOTES ON OUR PERFORMANCE COMPARED TO BUDGET

22. Budgetary Reporting Disclosures

This section contains explanations of major variances between the Authority's actual 2019-20 financial results and the original budget presented to Parliament.

The Authority has assessed the potential impacts of the COVID-19 pandemic to our business operations for the 2019-20 financial year and can confirm that there has been no impacts to factors associated with asset values, provisions and assessments of solvency and going concern.

(a) Explanations of major variances - Statement of Comprehensive Income

<i>User charges and fees:</i>	Original budget includes Administered (agency transactions) projected revenue with actuals being reported as "agency transactions" - refer Note 16.
<i>Grants and other contributions:</i>	Increase in Grants funding is associated with the delivery of projects related to the Spit Master Plan Implementation, including the Seaway Promenade and improvements to Moondarewa Spit.
<i>Interest:</i>	Increase is due to increased cash assets primarily aligned to capital program carryover funding due to delays in dredging and boating infrastructure projects and the Sand Bypass System high voltage switch gear upgrade.
<i>Sundry Revenue:</i>	Variance is due to compensation received from Queensland Government Insurance Fund in regards to insurance claims for damages incurred to navigational aids following collisions by vessels.
<i>Employee Expenses:</i>	Increase in employee expenses is primarily associated with the Spit Master Plan Implementation project team operational salary costs and enterprise bargaining increase.
<i>Supplies and Services:</i>	Increase is primarily due to an increase in asset maintenance expenditure, operational costs associated with the delivery of dredging and the Spit Master Plan Implementation projects, and contractor costs incurred in relation to Queensland Government Insurance Fund and Maritime Safety Queensland War on Wrecks work.
<i>Depreciation:</i>	Decrease in depreciation costs aligned to comprehensive revaluation of non-current assets, as at 31 March 2020, which resulted in a 11% decrement in asset values.
<i>Amortisation:</i>	Variance is aligned to nil budget being assigned at budget development stage.
<i>Other Expenses:</i>	Administered (agency transactions) included in other expenses budget, with actuals being reported as "agency transactions" - refer Note 16.
<i>Asset Revaluation Surplus:</i>	Result of a revaluation of non-current assets following a comprehensive appraisal by Registered Valuers as at 31 March 2020. The appraisal used defined assumptions and methodologies and assessed the useful life and condition of the specified land, building, infrastructure and major plant and equipment assets. The appraisal resulted in a decrement in asset value of \$23.80 million (11.35%).

(b) Explanations of major variances - Statement of Financial Position

<i>Cash and Cash Equivalents:</i>	Increase is due to increased cash assets primarily aligned to capital program carryover funding due to delays in dredging and boating infrastructure projects and the Sand Bypass System high voltage switch gear upgrade.
<i>Receivables:</i>	Decrease due to timing of invoices outstanding at end of financial year.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

22. Budgetary reporting disclosures (cont'd)

(b) Explanations of major variances - Statement of Financial Position (cont'd)

<i>Property, plant and equipment:</i>	The result of a comprehensive revaluation appraisal by a registered valuer which reviewed and updated land, building, infrastructure and major plant and equipment assets. The appraisal resulted in a decrement in asset value of \$23.80 million (11.35%).
<i>Payables:</i>	Decrease in payables is primarily related to decreased volume of waterways management program and Spit Master Plan Implementation related works invoices held as liabilities at end of financial year.
<i>Accrued Employee Benefits:</i>	Decrease is primarily due to the Authority joining the Queensland Government's Annual Leave Central Scheme (ALCS) in 2019-20.
<i>Other Current Liabilities:</i>	Variance is due to a higher level of actual security deposits for contracts being held.
<i>Asset Revaluation Surplus:</i>	The result of a comprehensive revaluation appraisal by a registered valuer which reviewed and updated land, building, infrastructure and major plant and equipment assets. The appraisal resulted in a decrement in asset value of \$23.80 million (11.35%).

(c) Explanations of major variances - Statement of Cash Flows

<i>User Charges and Fees:</i>	Original budget includes Administered (agency transactions) projected revenue with actuals being reported as "agency transactions" - refer Note 16.
<i>Grants and Other Contributions:</i>	Increase in Grants funding is associated with the delivery of projects related to the Spit Master Plan Implementation, including the Seaway Promenade and improvements to Moondarewa Spit.
<i>Interest:</i>	Increase is due to increased cash assets primarily aligned to capital program carryover funding due to delays in dredging and boating infrastructure projects and the Sand Bypass System high voltage switch gear upgrade.
<i>GST collected from customers and GST remitted to ATO:</i>	GST collected from customers variance primarily due to budget assumption of GST received would be offset by GST remitted to ATO.
<i>GST input tax credits and GST paid to suppliers:</i>	GST paid to suppliers variance primarily due to budget assumption of GST paid would be offset by GST input tax credits from ATO.
<i>Other revenue:</i>	Variance is due to compensation received from Queensland Government Insurance Fund in regards to insurance claims for damages incurred to navigational aids following collisions by vessels.
<i>Employee Expenses:</i>	Increase in employee expenses is primarily associated with the Spit Master Plan Implementation project team operational salary costs and enterprise bargaining increase.
<i>Supplies and Services:</i>	Increase is primarily due to an increase in asset maintenance expenditure, operational costs associated with the delivery of dredging and the Spit Master Plan Implementation projects, and contractor costs incurred in relation to Queensland Government Insurance Fund and Maritime Safety Queensland War on Wrecks work.
<i>Other expenses:</i>	Original budget includes Administered (agency transactions) projected revenue with actuals being reported as "agency transactions" - refer Note 16.
<i>Payments for Property, plant and equipment:</i>	Decrease is primarily attributed to delays associated with dredging and boating infrastructure projects and the Sand Bypass System high voltage switch gear upgrade. Project delivery is committed to be finalised in 2020-21.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

SECTION 6 OTHER INFORMATION

23. Key Management Personnel (KMP) Disclosures

Details of key management personnel

The following details for non-Ministerial KMP reflect those positions that had authority and responsibility for planning, directing and controlling the activities of the Authority during 2019-20 and 2018-19. Further information can be found in the Authority's Annual Report under the section relating to Governance - Management and Structure.

Position	Position Responsibility
Chief Executive Officer	The Chief Executive Officer's responsibilities include: Strategy development and implementation; Stakeholder relations; Financial management; Managing the operations of the Authority; Providing leadership and staff management.

KMP Remuneration Policies

The remuneration and other terms of employment for the key executive management personnel are specified in their employment contract. *Gold Coast Waterways Authority Act 2012* section 60 contract provides for other benefits including motor vehicles, with the remuneration policy detailed in Schedule 1 of the Contract for the Chief Executive Officer.

Remuneration expenses for key management personnel comprise of the following components:- S

hort term employee expenses including:

- salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied a KMP position.
- non-monetary benefits - consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.

Long term employee expenses including amounts expensed in respect of long service leave entitlements earned.

Post-employment expenses including amounts expensed in respect of employer superannuation obligations.

Termination 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.

Performance Payments

No performance payments were made to the key management personnel of the Authority.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

23. Key management personnel (KMP) disclosures (cont'd) **Remuneration Expenses**

The following disclosures focus on the expenses incurred by the Authority that is attributable to non-Ministerial KMP during the respective reporting periods. The amounts disclosed are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

1 July 2019 – 30 June 2020

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
Chief Executive Officer	\$'000 222	\$'000 -	\$'000 5	\$'000 23	\$'000 -	\$'000 250
Total Remuneration	222	-	5	23	-	250

1 July 2018 – 30 June 2019

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
Chief Executive Officer	\$'000 213	\$'000 -	\$'000 4	\$'000 23	\$'000 -	\$'000 240
Total Remuneration	213	-	4	23	-	240

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

23. Key Management Personnel and Remuneration (cont'd)

Authority Board Remuneration

Authority Board fees totalled \$48,626 (2019: \$45,869). Other fees such as superannuation, payroll tax, professional services and meeting refreshments totalled \$12,538 (2019: \$13,690). The total cost of the Authority's Board operations is \$61,164 (2019: \$59,559).

Board remuneration amounts paid are based on an annual fee payment in line with Queensland Government Gazette No. 31 issued Friday, 15 February 2019 and Gazette No. 10 issued Friday, 8 May 2020.

Name:	Appointment Date:	Date Resigned or Ceased:	2020 \$	2019 \$
Mara Bún (Chairperson)	1-Dec-2015		14,329	12,854
Michael Bartlett	1-Dec-2012	30-Nov-2018	-	3,900
Annaliese Battista	15-Feb-2019	16-Oct-2019	2,727	2,952
Elizabeth Hay	15-Feb-2019		8,399	2,850
Loretta Lynch	1-Mar-2018	28-Feb-2020	5,994	8,167
Leslie Shirreffs	1-Dec-2015		8,893	8,588
Judy Spence	8-May-2020		1,124	-
Tom Tate (Mayor of City of Gold Coast) or delegate	1-Dec-2012		-	-
Rodger Tomlinson	1-Dec-2012	30-Nov-2018	-	1,750
Daniel Ware	15-Feb-2019	17-Apr-2020	7,160	3,058
Martin Winter	1-Dec-2012	30-Nov-2018	-	1,750
Total remuneration paid to all members :			48,626	45,869

24. Related Party Transactions

Transactions with people/entities related to KMP

There are no related party transactions to disclose during the year.

Transactions with other Queensland Government-controlled entities

The Authority transacts with other Queensland Government controlled entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the payment of workers compensation and insurance premiums. Where transactions with other Queensland Government controlled entities are considered individually significant or material, these have been disclosed as related party transactions in the relevant notes as follows:

Note 5: Employee Expenses

Note 7: Other Expenses

Note 9: Receivables

Note 16: Schedule of Agency Transactions

Note 19: Economic Dependency

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

25. First Year Application of New Accounting Standards or Change in Policy

Changes in Accounting Policy

The Authority did not change any of its accounting policies during 2019-20.

Accounting Standards adopted early

No Australian Accounting Standards have been early adopted for 2019-20.

Accounting Standards applied for the first time

Three new accounting standards with material impact were applied for the first time in 2019-20:

- AASB 15 *Revenue from Contracts with Customers*
- AASB 1058 *Income of Not-for-Profit Entities*
- AASB 16 *Leases*

No other accounting standards or interpretations that apply to the Authority for the first time in 2019-20 have any material impact on the financial statements.

AASB 15 Revenue from Contracts with Customers

The Authority has considered the impact of applying AASB 15 *Revenue from Contracts with Customers* applying the modified retrospective transition method and determined there is no material impact on the Authority (Note 2).

AASB 1058 Income of Not-for-Profit Entities

AASB 1058 applies to transactions where the Authority acquires an asset for significantly less than fair value principally to enable it to further its objective.

The Authority applied the modified retrospective transition method and has not restated comparative information for 2018-19. They continue to be reported under relevant standards applicable in 2018-19, such as AASB 1004.

Revenue recognition for the Authority's grants and other contributions will not change under AASB 1058, as compared to AASB 1004. Revenue will continue to be recognised when the Authority gains control of the asset (e.g. cash or receivable) in most instances.

AASB 16 Leases

The Authority applied AASB 16 *Leases* for the first time in 2019-20. The Authority applied the modified retrospective transition method and has not restated comparative information for 2018-19, which continue to be reported under AASB 117 *Leases* and related interpretations.

The nature and effect of changes resulting from the adoption of AASB 16 are described below.

1. Definition of a lease

AASB 16 introduced new guidance on the definition of a lease.

For leases and lease-like arrangements existing at 30 June 2019, the Authority elected to apply the practical expedient to grandfather the previous assessments made under AASB 117 and Interpretation 4 Determining whether an Arrangement contains a Lease about whether those contracts contained leases. However, arrangements were reassessed under AASB 16 where no formal assessment had been done in the past or where lease agreements were modified on 1 July 2019.

Amendments to former operating leases for office accommodation

In 2018-19, the Authority occupied office accommodation under a sub-lease held by the Department of Transport and Main Roads (DTMR) but had no control over the facility.

Effective 1 July 2019, the framework agreements that govern Queensland Government Accommodation Office were amended with the result that these arrangements would not meet the definition of a lease under AASB 16 and therefore are exempt from lease accounting. From 2019-20 onward, the costs for these services are expensed as supplies and services expenses when incurred.

Gold Coast Waterways Authority

NOTES TO THE FINANCIAL STATEMENTS 2019-20

25. First Year Application of New Accounting Standards or Change in Policy (cont'd)

AASB 16 Leases (cont'd)

2. Changes to lessee accounting

The distinction between operating and finance leases no longer exist for lessee accounting under AASB 16. From 1 July 2019, all leases, other than short-term leases and leases of low value assets, are now recognised on balance sheet as lease liabilities and right-of-use assets. This is not applicable to the Authority as no right-of-use asset or lease liability have been recognised.

26. Taxation

The Authority 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 the Authority. GST credits receivable from, and GST payable to the ATO, are recognised (refer to Note 9).

27. Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

- Valuation of Property, Plant and Equipment - Note 10
- Depreciation - Note 10
- Amortisation - Note 11

28. Events After the Balance Date

No matters or circumstances have arisen since the end of the financial year and the date of signing these financial statements.

29. Climate Risk Disclosure

Current Risk Assessment

The Authority has not identified any material climate related risks relevant to the financial report at the reporting date, however constantly monitors the emergence of such risks under the Queensland Government's Climate Transition Strategy.

Current Year Impacts

No adjustments to the carrying value of recorded assets or other adjustments to the amounts recorded in the financial statements were recognised during the financial year.

**Management Certificate
for Gold Coast Waterways Authority**

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Gold Coast Waterways Authority for the financial year ended 30 June 2020 and of the financial position of the Authority at the end of that period; and


We acknowledge responsibility under section 7 and section 11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



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Chairperson
Gold Coast Waterways Authority

Date: 10 August 2020
.....



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Chief Executive Officer
Gold Coast Waterways Authority

Date: 10 August 2020
.....

INDEPENDENT AUDITOR'S REPORT

To the Board of Gold Coast Waterways Authority

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Gold Coast Waterways Authority.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2020, 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 2019* and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2020, 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 2019* 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. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2020:

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

Prescribed requirements scope



The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



11 August 2020

Bhavik Deoji
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

	<h1 style="margin: 0;">Strategic Plan 2017-21</h1> <p style="margin: 0;">(Reviewed 2020)</p>		
<h2 style="margin: 0;">Our Vision</h2>		<h2 style="margin: 0;">Our Purpose</h2>	
<p>Sustain, Enhance and Promote the waterways of the Gold Coast to showcase this wonderful asset to our community and visitors</p>		<p>To provide the best possible management of the Gold Coast waterways at a reasonable cost to the community and government while keeping regulation to a minimum</p>	
<p>Promote the safe, sustainable, and efficient use and enjoyment of Gold Coast waterways</p>		<p>Take an innovative approach to the long-term sustainable management of Gold Coast waterways to ensure resilience</p>	
<h3 style="margin: 0;">Our Initiatives which support Our Objectives</h3>		<h3 style="margin: 0;">Our Contribution to the Government's Objectives for the community</h3>	
<ul style="list-style-type: none"> • Gold Coast Waterways Management Strategy 2014-2023 • Gold Coast Waterways Management Program • Speed Limits and Behaviour Management Strategy • Buoy Mooring Management Strategy • Scientific Research and Management Strategy 	<h4 style="margin: 0;">Our Risk, Consequences and Opportunities</h4>	<p style="text-align: center;">Our Objectives</p> <p>Provide localised decision-making that is guided by genuine community engagement</p>	<p style="text-align: center;">Our Future State: Advancing Queensland's Priorities</p> <p>Create jobs in a strong economy: Improve access to Gold Coast waterways through investments that balance diversity of use with consideration to the protection of environmental values</p> <p>Take an innovative approach to the long-term sustainable management of Gold Coast waterways to ensure resilience</p> <p>Be a responsive Government Provide localised decision-making that is guided by genuine community engagement</p> <p>Human Rights We will respect, protect and promote human rights in our decision-making and actions</p>
<h3 style="margin: 0;">Our Values</h3>		<h3 style="margin: 0;">Measures of Success</h3>	
<ul style="list-style-type: none"> • Be successful • Benefit the community • Work collaboratively • Embrace diversity 	<ul style="list-style-type: none"> • Overall community satisfaction with Gold Coast Waterways Authority's delivery of its 10-year strategy is 80% • Budget targets for operating the Sand Bypass System are met • 92% of customer service enquiries are responded to within customer service standards • Budget targets for management and maintenance of Aids to Navigation aids are met. 		

Appendix C Checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	2
Accessibility	Table of contents	ARRs – section 9.1	4
	Glossary		
	Public availability	ARRs – section 9.2	3
	Interpreter service statement	Queensland Government Language Services Policy ARRs – section 9.3	3
	Copyright notice	Copyright Act 1968 ARRs – section 9.4	3
	Information Licensing	QGEA – Information Licensing ARRs – section 9.5	N/A
General information	Introductory Information	ARRs – section 10.1	5-6
	Machinery of Government changes	ARRs – section 31 and 32	7
	Agency role and main functions	ARRs – section 10.2	7-8
	Operating environment	ARRs – section 10.3	9-10
Non-financial performance	Government's objectives for the community	ARRs – section 11.1	11
	Other whole-of-government plans / specific initiatives	ARRs – section 11.2	N/A
	Agency objectives and performance indicators	ARRs – section 11.3	11-13
	Agency service areas and service standards	ARRs – section 11.4	11-13
Financial performance	Summary of financial performance	ARRs – section 12.1	13
Governance – management and structure	Organisational structure	ARRs – section 13.1	19-20
	Executive management	ARRs – section 13.2	19
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	N/A
	<i>Public Sector Ethics Act 1994</i>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	21
	Queensland public service values	ARRs – section 13.5	21
Governance – risk management and accountability	Risk management	ARRs – section 14.1	22
	Audit committee	ARRs – section 14.2	16
	Internal audit	ARRs – section 14.3	22-23
	External scrutiny	ARRs – section 14.4	22
	Information systems and recordkeeping	ARRs – section 14.5	23
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	24
	Early retirement, redundancy and retrenchment	Directive No.11/12 <i>Early Retirement, Redundancy and Retrenchment</i> Directive No.16/16 <i>Early Retirement, Redundancy and Retrenchment</i> (from 20 May 2016) ARRs – section 15.2	24
Open Data	Statement advising publication of information	ARRs – section 16	N/A
	Consultancies	ARRs – section 33.1	N/A
	Overseas travel	ARRs – section 33.2	N/A

	Queensland Language Services Policy	ARRs – section 33.3	N/A
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	Appendix A
	Independent Auditor's Report	FAA – section 62 FPMS – section 50 ARRs – section 17.2	Appendix A

ANNUAL REPORT 2019–2020
**Gold Coast Waterways
Authority**
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