

09/10

SOUTH BANK CORPORATION
ANNUAL REPORT
2009–2010



south bank
corporation



OUR VISION

To create and manage the best new urban precinct in the world.

OUR PURPOSE

Our purpose is to establish the South Bank reach of the river as the recreational centre of Brisbane, uniting South Bank and the CBD through vibrant activity. In turn, this ambition will link the city's green and commercial places and provide a dynamic platform for visitor activities for the whole community. South Bank Corporation aims to strengthen South Bank's connections with West End, Highgate Hill and Woolloongabba, and to enrich our arts, educational, sporting and convention experiences.

The Corporation promotes the continual evolution of the Parklands, Little Stanley and Grey Street into distinct and recognisable places that form the heart of Brisbane city life. We will continue to celebrate our successes and gain local, national and international recognition for South Bank.



DJs add to the mix on Little Stanley

Availability of interpreter services:

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact us on 131 450 and we will arrange an interpreter to effectively communicate the report to you.

More information:

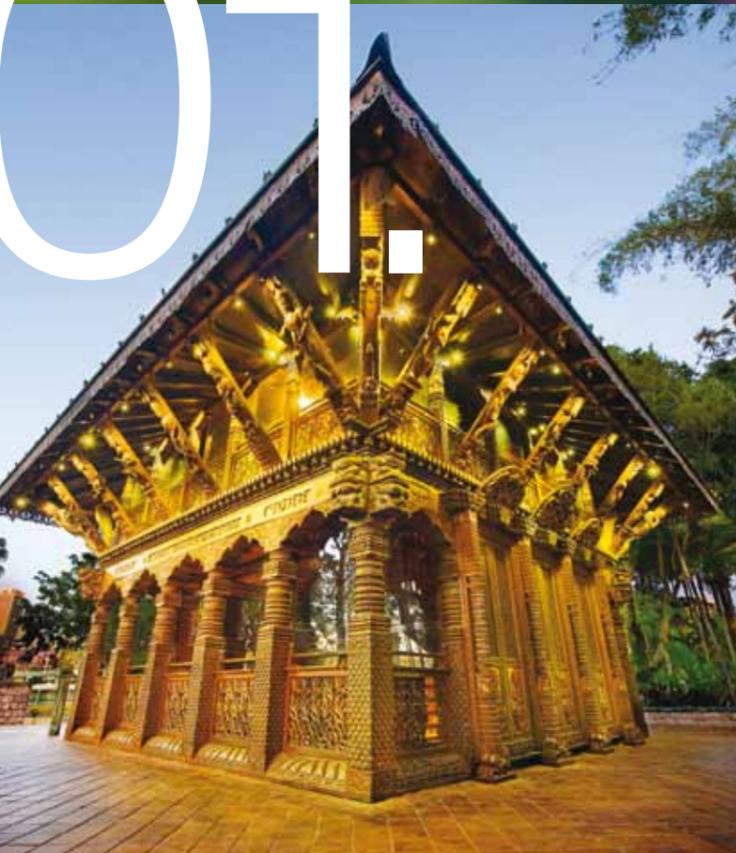
Queensland Government *Multicultural Policy 2004* incorporating the Queensland Government *Language Services Policy*
<http://www.multicultural.qld.gov.au/services-resources/translating-interpreting-services>

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CONTENTS

PART ONE: THE SOUTH BANK CORPORATION STORY	05
South Bank – a place like no other	05
Chairman’s message	06
Chief Executive Officer’s statement	10
About our organisation	13
South Bank Corporation highlights	14
Development feature – constructing the future	17
Brisbane Convention & Exhibition Centre (BCEC) on Grey St ...	20
BCEC highlights	21
South Bank Corporation performance overview 2009–2010	23
Performance measures	24
Toward Q2 targets – explained	30
Our business structure	32
The Chairman	32
Board of Directors	32
Executive Management team	36
PART TWO: OPERATIONAL PERFORMANCE	39
Retail and Property team overview and highlights	39
Operations team overview and highlights	40
Planning and Projects team overview and highlights	42
Marketing team overview and highlights	44
Other teams	46
PART THREE: CUSTOMERS, VISITORS AND PARTNERS – THE ESSENTIAL MIX	49
PART FOUR: SUSTAINABILITY	53
PART FIVE: CORPORATE GOVERNANCE	55
PART SIX: FINANCIAL STATEMENTS	59

01.



PLACES WITHIN OUR PLACES

Streets Beach

The epitome of Queensland culture and climate – crystal clear swimming lagoons, gleaming white sand, palm trees, rocky creeks, subtropical trees and exotic plantings.

Suncorp Piazza

The Piazza is a magnificent, multi-purpose amphitheatre that plays host to community events, performances, concerts, gala dinners and corporate functions and TV shows.

Cultural Forecourt

With uninterrupted river and city views, the Cultural Forecourt is a unique space that has showcased public entertainment, concerts, festivals and significant events.

Riverside Green

Riverside Green, an undulating lawn area and playground, is a community favourite surrounded by riverside scenery and tall shady trees.

Rainforest Green

This tucked-away spot is an urban secret: grassy and tranquil with an intimate, secluded rainforest ambience that feels miles away from city bustle.

Aquativity

Aquativity is a fun, interactive and delightful water-play park for children incorporating water, sound and lighting.

Formal Gardens

The Formal Gardens is a serene and enchanting setting with still ponds, lush grass, well-manicured gardens and meditative sculpture.

Glenelg and Tribune Street lawns

Expansive lawns in between Little Stanley and the Parklands create one of Australia's largest 'green' rooftops – on the roof of the precinct's car park – a much-loved community space for events and relaxation.

'Music Lawn'

The Music Lawn is situated outside the Griffith University Conservatorium of Music and is a hub for emerging artists to showcase their talent.

Nepalese Pagoda

Our spectacular, hand-carved two-storey pagoda is a magnificent venue donated to the people of Brisbane following World Expo 88. The pagoda is surrounded by lush tropical landscaping. One of only three Nepalese Peace Pagodas outside of Nepal, this treasure is a unique Brisbane feature.

PART ONE : THE SOUTH BANK CORPORATION STORY

SOUTH BANK – A PLACE LIKE NO OTHER

South Bank, incorporating Little Stanley, Grey Street and the Parklands, is a multi-layered destination bordering the southern bank of the Brisbane River opposite the Central Business District. South Bank Corporation owns and manages the 42 hectare site, which sits at the heart of a rich enclave of cultural establishments at the vanguard of architecture, music and the visual and performing arts. We are a unique precinct physically as well as socially. Our place amplifies South-East Queensland's quintessential qualities: climate, landscape, character, diversity and lifestyle. In operation 24 hours a day, 365 days a year, South Bank has evolved to become one of South-East Queensland's major tourist destinations. Our dynamic urban park is located in an authentic and increasingly diverse part of Brisbane with annual visitation rates exceeding 10 million. Except for inner-city apartment towers, it is one of the closest residential areas to the CBD but with greater diversity. Our visitors, patrons, partners and stakeholders are attracted to the ambience, surrounds, cultural and retail integrity of our rich and varied subtropical public place.

OUR PLACES

Our places are like nowhere else in Queensland. A day or night at South Bank will reveal endless authentic and surprising experiences. With high levels of infrastructure and services located within the immediate vicinity our precinct is not only attractive but seamlessly accessed both locally, and through bus and train connections right across South-East Queensland. The precinct is home to over 10,000 employees and residents who can access an array of services, including hotels, retail outlets, educational institutions, public transport, car parking and entertainment.

Little Stanley

Little Stanley is a place of chance discoveries, urban exoticism and contemporary cool. Created as a beacon for the smart and chic, it offers an array of contemporary and international cuisine styles including Turkish, Indian, Japanese, Mediterranean, Modern Australian and Italian. Increasingly known as one of Brisbane's best dining and shopping streets, Little Stanley encapsulates the energy and vibrancy of our city in a contemporary setting overlooking the Parklands. Little Stanley is a celebration of subtropical street life unmatched in Australia.

Grey Street

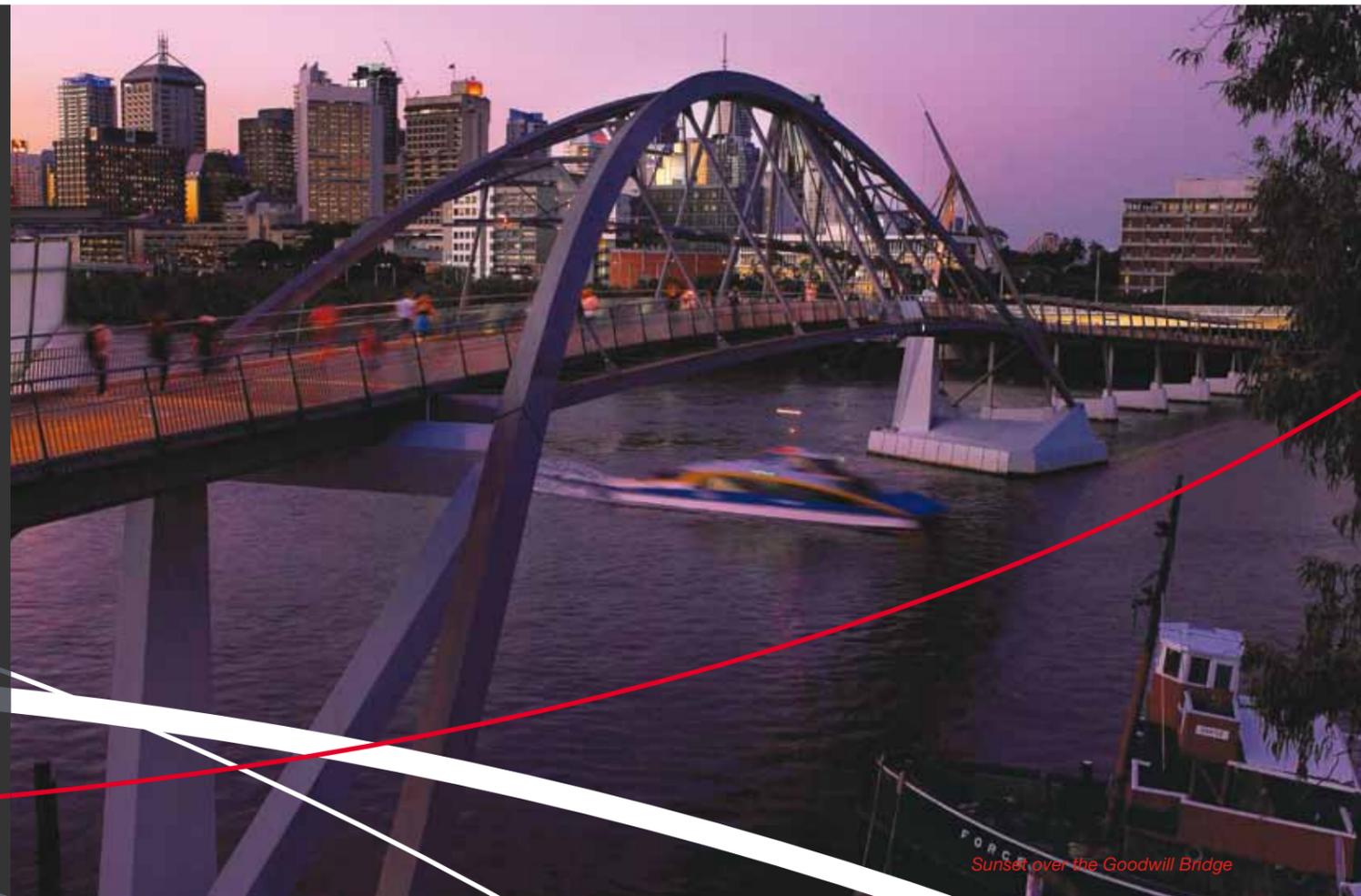
Grey Street is Brisbane's cultural boulevard where commerce meets creativity. With arts institutions showcasing international artistry and many prestigious commercial businesses and retail opportunities, it is a street in which to be bold and be challenged. In a world in which time is in short supply, and where people are looking for meaningful and rewarding urban experiences, Grey Street stands apart on Brisbane's leisure and commercial landscape as the true hub of the city's creative, leisure and retail experiences.

The Parklands

The Parklands is a haven of natural beauty including more than 17 hectares of riverfront parkland featuring 20 landscaped areas as well as our man-made beach. It is also a place to learn about healthy, modern living through our many activities and initiatives. We want visitors and locals to come to an urban oasis, where they can be energised and fill their minds with fresh ideas. The Parklands is a place which provides an escape from the frenetic pace of city living. It is a place where locals and visitors can take time out, relax and enjoy a delightful, natural setting in the middle of Brisbane's River City.



“We’re committed to providing Brisbane locals and South Bank visitors with accessible green space for recreation, relaxation and enjoyment.”



Sunset over the Goodwill Bridge

CHAIRMAN’S MESSAGE

South Bank’s role in our city

For 21 years, it has been South Bank Corporation’s vision to create an urban precinct of international standing. Throughout our evolution, Brisbane locals and visitors alike have flocked to the precinct, making it their own. In the context of modern Brisbane, it is difficult to imagine Brisbane without South Bank, so intertwined is the precinct with our city’s identity.

The Corporation is dedicated to ensuring that the Parklands, the river, Little Stanley and Grey Street are great places contributing to our city’s growing reputation as one of the world’s most attractive and liveable places.

The precinct’s continuing evolution

The journey of place transformation continued in earnest this year, with many of our enhancements now taking physical form, demonstrating South Bank Corporation’s commitment to activation and diversity.

Improving financial performance

South Bank Corporation generated positive cash flows of \$14.2 million in 2010 (2009 \$5.6 million), excluding major capital investment items (\$56 million) and extraordinary grants.

The year-on-year improvement signifies the appeal of our asset base with all asset classes exceeding expectations in a subdued economic climate. Stable revenues and sound cost control across retail leasing, and car park operations delivered healthy profit contributions and Brisbane Convention & Exhibition Centre’s ability to attract a broad cross-section of corporate, social, local and national clients ensured a prosperous result.

The addition of new retail leases within Stanley Street Plaza, consistent profit growth from the Little Stanley retail portfolio and car park operations, provided a positive uplift on market revaluations of our commercial assets by \$10.4 million.

Development projects within the precinct gained momentum, after a short hiatus, with the commencement of construction of the new ABC headquarters on Grey Street, the final stages of the SW1 residential project nearing completion, and the signing of an Agreement for Lease between the Corporation and the Anthony John Group that anticipates the mixed use South Point development, on the corner of Grey and Tribune Streets, starting construction in the coming year.

We look forward to launching some of our revitalised spaces during the 2010–2011 period, further diversifying the retail offering and increasing our capacity to service the competitive convention and exhibition market through the completion of the Brisbane Exhibition & Convention Centre (BCEC) expansion project – BCEC on Grey Street. In addition the Corporation’s innovative Stormwater Harvesting and Reuse Centre (SHARC) project will begin operation. The water captured by SHARC will be utilised extensively throughout the Parklands in irrigation and servicing of public facilities – using water, one of South-East Queensland’s most valuable natural resources, in a more sustainable way.

Delivering the Government’s Toward Q2 targets

As a Statutory Authority we support whole-of-government policies such as the Queensland State Government’s Toward Q2 targets. We have integrated these targets into our strategic direction and are actively working towards their achievement. During the 2009–2010 reporting period the targets were more general however, this year we have set specific five-year outcomes for each target for the ensuring year.

River activation and green space

The Brisbane River is our city’s natural symbol – an important place of leisure and relaxation for the people of Brisbane. South Bank has the great fortune of sharing the prime reach of this important attraction and it has long been our goal to engineer greater activity and focus on the river by creating increased opportunities for Brisbane locals to engage with it directly. With the southern reach of the River opposite South Bank now well-framed by pedestrian access via the Kurilpa and Goodwill bridges, we have commenced the most significant change to the Parklands in ten years. The Boardwalk Redevelopment, a prime site with seamless access and boundless opportunities for leisure activities. This investment delivers an impressive mixed-use development with green space, architecture that celebrates the Queensland lifestyle and greater opportunities for Brisbane people to engage with and use the Brisbane River.

Indian festivities at the Nepalese Pagoda



Cyclists flock to Garage, Little Stanley



“Once we have finished our current wave of creation, there will be ongoing emphasis on the experiences to which locals and visitors have access.”



Owner of Lylah takes a breather, Little Stanley



We are committed to providing Brisbane locals and South Bank visitors with accessible green space for recreation, relaxation and enjoyment. Developments which began this financial year enabled us to reassess the quality of our open and green space contributions. We actively 'de-cluttered' Parklands areas that are closer to the river and concentrated energy and diversity on Grey Street to reach our aim to create "Australia's great cultural boulevard".

Experience layers

At this point in the evolution of South Bank, the Corporation and Board members are mindful of the post-development phase. Once we have finished our current wave of creation, there will be ongoing emphasis on the experiences to which locals and visitors have access. In anticipation, we have undertaken a project that assesses the current level of activity in all of our places with the intention of ensuring that we're successfully delivering a mix of experiences across a range of 'layers' or categories. These categories include: active leisure; art and culture; food and retail and; community life. We believe that this research will serve as a reference point, an added perspective to the initiatives currently being undertaken.

Strong connections

For many years South Bank Corporation has worked in partnership with the State Government, Brisbane City Council, Brisbane Marketing and Tourism Queensland to promote and strengthen the South Bank precinct. We continue to work closely with all of these government entities as well as our local stakeholders, community groups and neighbours across the business, arts, culture, sporting and leisure sectors.

Our continued evolution

South Bank will continue to strive for excellence. We will continue to deliver a range of experiences across all of our places and to invest in and develop important infrastructure that provides the people of South-East Queensland and visitors with a precinct that is to be one of the greatest public places in the world.

We have a solid foundation on which to achieve our growth and objectives. The new financial year will be one of achievement as each large-scale development progressively comes to fruition. In this our biggest development year for a long time, this year of many challenges, the Corporation staff committed immense energy and resourcefulness to ensuring that our customers, stakeholders and visitors continued to enjoy the amenities and places that they have come to expect, while we are busy delivering a whole new level of experience for them. I would like to thank all Corporation staff for their industriousness and commitment as well as Board members for providing their guidance and contribution.

**Steve Wilson
CHAIRMAN**



“I am determined that in the face of population pressures, South Bank continues to be the people’s place.”



CHIEF EXECUTIVE OFFICER’S STATEMENT

Brisbane’s bright future

Brisbane is transforming itself. The area surrounding South Bank is predicted to be one of the most densely populated areas in Australia by 2025. This prediction poses big challenges for our precinct because it has demanded that we evaluate our place values. As both South Bank Chief Executive Officer and an ‘urbanist’ passionate about making great places, I am determined that in the face of population pressures, South Bank continues to be the people’s place: egalitarian, green and creative. A city precinct that provides inspiring and aspirational public realm experiences, the kinds of experiences that establish us as true innovators; as provocateurs; as a civic instrumentality that has the ability to put our places on the map internationally because we are bold, because we are unique, because we are forward-thinking.

As a Corporation we understand and acknowledge that modern city dwellers are more discerning in what they expect from their experience of place, more discerning about the kind of stimulation they expect to encounter in their cities and more particular about the types of exchange they seek out in their urban lives.



We know that our surrounding area is facing dramatic demographic change and this knowledge, in tandem with an obvious increase in competitors to South Bank from newer waterfront, mixed-use precincts, has seen us actively gear our undertakings beyond simply the expectations of today’s visitor and into the future. We actively anticipate what Brisbane locals will need in the coming decades. ‘Set piece’, rigid design incapable of adaptation and flexibility of use will no longer be relevant. Equally, a well designed place without quality activation won’t maintain the attention of discerning city dwellers.

A year of development

This financial year tested our mettle. The challenge was to stay true to our forward-thinking development strategy while continuing to provide all the experiences for which the precinct has come to be known. During the 2009–2010 period, ‘place making’ – the development and construction of buildings – has been occurring simultaneously with ‘place management’ – the experiences and programming that enliven a place, that make it memorable, that make it a place you want to be.

This year, South Bank Corporation has been busy constructing the various elements of its overarching Master Plan. This includes the commencement of many new developments including the BCEC on Grey Street (an expansion of the existing convention and exhibition centre), the new ABC headquarters and our Stormwater Harvesting and Reuse Centre (SHARC) project as well as the redevelopment of the Boardwalk, adjoining our new experiential children’s playground. All of these new spaces, together and separately, will provide manifold opportunities for the community including green space; open space areas for walking, cycling and river engagement; and bountiful opportunities for relaxation and celebration.

This is the unique and complex ambit of South Bank Corporation. As an organisation we ensure that our places thrive by managing a jigsaw of multiple, interlinked roles including creative marketing; exemplary urban design; imaginative public realm activation; rich partnerships; strong mix of public and private investment; proactive tenancy criteria and retailer incorporation; and of course expert horticulture, tending and maintenance of our places.

South Bank – all about experiences

In this report you will read about the Corporation’s highlights, however, there were a few experiences for me this year that I would also like to highlight. As CEO of South Bank Corporation, I have the great fortune to be involved in stimulating challenges not available anywhere else. I support every one of our Corporation’s values and know that the verve and energy expressed in them is mirrored by the Corporation’s exceptional staff. These values: bold, inclusive, collaborative and sustainable in fact describe the very heart of our unique place from the Board, to stakeholders, our partners and visitors.

I would like to thank the Board, to which we welcome new members this year, the Chairman, the management group and each and every employee and our supporting contractors for their contributions during this reporting period. Everything we do, we achieve as a close and committed team and I am proud of the many undertakings we execute daily.

I had the great fortune of attending and participating in many events this year and would like to mention two that I believe were particularly significant. South Bank was extremely proud to host the first-ever St Vincent de Paul CEO Sleepout at the Suncorp Piazza. The combined fundraising efforts of all CEOs raised more than \$300,000 for ‘Vinnies’. It was a reflective experience for all involved and I felt proud that our precinct was able to provide a forum and space for this important community message. And finally, another important milestone was reached when South Bank hosted our first National Volunteers week event. To celebrate we hosted a lunch at Kapsali Restaurant in the Parklands. Through this informal get together we were able to thank our incredible, committed volunteer base for their hard work, passion and tenacity.

I believe that my team is well positioned to deal with the challenges of tomorrow, while continuing to positively contribute to the overall Queensland economy.

Malcolm Snow
CHIEF EXECUTIVE OFFICER

SOUTH BRISBANE STATISTICS INFORMING SOUTH BANK CORPORATION

- High proportion of the South Brisbane resident population are young adults (15–29 years) – 32% versus a Brisbane average of 23% and compared to the national average of 20%.
- Low proportion of South Brisbane resident population are children (0–14yrs) – 10% versus a Brisbane average 18% & national average 20%
- Personal income is 27% above Brisbane average
- There is a high portion of unit dwellers – 62% of residents, double Brisbane average
- Household size is very low – 2 versus Brisbane average 2.4
- There is a high proportion of renters – 56% versus Brisbane average 34%, national average 28%
- Proportion of tertiary students in inner city is twice Sydney and Melbourne and there is a target of 55,000 students in South Bank institutions alone, by 2016
- Anticipated doubling of the surrounding population by 2026, which will set us up to become one of the densest urban precincts in Australia.

Statistics taken from South Bank Demographic Analysis, October 2007



Enjoying a day out at M n' B cafe, Stanley Street Plaza



ABOUT OUR ORGANISATION

South Bank is multi-faceted and evolving. It is a complex, astounding place with numerous, interlinked stakeholders and many passionate players. Behind each activity large or small, sits a small but driven team – South Bank Corporation, a group of people, committed to making this place the best new urban precinct in the world. The Corporation strives to meet important State Government priorities as well as its own aims, which are geared toward adding value to the Queensland economy. We are passionate about our new strategic direction which is designed to re-engage Brisbane locals with inspiring activities and initiatives. Although we have many distinct parts we are one organisation. Our core services include: retail and property; visitor services; events management; marketing services; horticulture, maintenance, electrical and water services; urban design and planning. With a total asset base of over \$700 million (including the Brisbane Convention & Exhibition Centre) and 76 permanent employees as at 30 June 2010, we are acknowledged as one of Australia's leading place managers.

History

One year after playing host to World Expo 88 on South Bank's current site, South Bank Corporation was established as a Queensland Government Statutory Authority, responsible for the planning, approval and delivery of all infrastructure and development within the South Bank precinct. Through our Statutory Objects we were also charged with the responsibility of providing a diverse range of recreational, cultural and educational pursuits for local, regional and international visitors including public events and entertainment. Expo 88 was a hugely popular six-month celebration, a civic display that stirred the city's pride and brought about a seismic shift in local identity. Upon completion, Brisbane locals were determined to forever preserve the southern bank of the Brisbane River as a place of robust cultural determination. In the twenty-two years since this dynamic beginning, South Bank has evolved into a vibrant precinct. Every part of its evolution, from inception to the ebb and flow of daily activity, involves and inspires community participation – an egalitarianism from which strong public connection is wrought. South Bank Corporation is vested with the statutory powers for precinct place management and over twenty-two years the Corporation has transformed South Bank into Brisbane's premier lifestyle, recreational and cultural precinct, winning multiple international awards for its place-making initiatives.



Stormwater Harvesting and Reuse Centre (SHARC) construction site

We are proud of the significant community contribution set to be delivered in the next financial year



One of Stanley Street Plaza's new retailers, Nando's

Our operating environment

As a Statutory Authority, South Bank Corporation is subject to State Government policy. Accordingly, we integrate whole-of-government targets such as Toward Q2 into our strategic direction and day-to-day activities. We take an active leadership role in policies that have critical bearing on our city such as the River City Blueprint ensuring that our river activation commitment reinforces this joint strategy between the Queensland Government's Department of Infrastructure and Planning and the Brisbane City Council. The 'Blueprint' is a planning project focused on Brisbane's central 5km diameter, integrating 80 significant plans and addressing our living, working and lifestyle needs. It will address the growth and coordination issues of the area providing strategic direction across all levels of government for a 20-year period.

As a forward thinking planning authority, South Bank Corporation dedicates a significant proportion of its decision making to Brisbane's well documented population growth. We are well aware that for the last 13 years Queensland has exceeded growth in other Australian states with a 4.25 percent expansion rate, year-on-year. Spurred by the long-view on State-wide growth statistics, our current development projects are

designed to provide Brisbane's burgeoning population with accessible entertainment and leisure opportunities in the heart of the city. We analyse and interpret urban trends, accommodate salient predictions into our place making to ensure that young families, older couples, teens, 'tweens', 'midults' – essentially all ages – from diverse backgrounds can socialise and relax in our modern, inspiring places and come away feeling that they've taken respite from their busy urban lives.

SOUTH BANK CORPORATION HIGHLIGHTS

This financial year has been characterised by place making with the implementation of multiple developments, large and small. The most visible signs are the construction projects underway across the precinct. We are proud of the significant community contribution set to be delivered in the next financial year when several of these projects, many of which have been planned for some time, come to fruition. But of course we have many other highlights to share including event initiatives, staff contributions, changes to procedures and processes and engagement strategies. Here is a quick look at some of our Corporation-wide highlights, followed by a comprehensive development feature.

We commenced Brisbane's first urban stormwater reuse treatment centre

As part of our strategy to manage the quality of public open space within the Parklands, the Corporation demolished the former Royal Brisbane International College (RBIC) building opposite the Conservatorium of Music in early 2010 in readiness for our Stormwater Harvesting and Reuse Centre (SHARC). This location was chosen to off-set open space taken up by the adjoining ABC headquarters development. Once up and running SHARC will enable us to draw on the more sustainable water source – stormwater – rather than accessing mains water. The project will also feature an innovative educational display promoting water conservation and re-landscaped green space for Brisbane locals to enjoy.

Stanley Street Plaza re-enlivened through multiple new tenancies

South Bank Corporation has reactivated Stanley Street Plaza, an underperforming mini-precinct within the Parklands. Five new food tenancies have consolidated the casual dining ambience of this cobble-stone space and created a connection between the contemporary dining offer on Little Stanley and the broader Parklands experience. Future capital improvements will strengthen the links along Ernest Street.

Relaunch of the three year Streets Ice Cream naming rights sponsorship

During this financial year, Streets Ice Cream renewed its naming rights sponsorship with South Bank Corporation for our iconic riverfront lagoon. An extremely popular partnership, it has enabled Parklands visitors to meet local sporting heroes, to be involved in sports activities and share in Streets Ice Cream products as part of profile-raising for our much-loved space.

Environmental certification

We enrolled in EarthCheck, a leading international environmental benchmarking and certification program for the travel and tourism industry. As a Corporation we chose the EarthCheck model because it is underpinned by science; uses measurable criteria; certification is based on third-party, on-site audits; and environmental as well as social aspects of our business will be assessed. EarthCheck has assessed 700 businesses across 30 sectors including administration offices, accommodation, convention centres, cruise vessels and communities and this breadth mirrors the diversity and complexity of South Bank thus providing further confidence in its acuity. Through this program our energy, water, waste, greenhouse gas, air quality, waterways, biodiversity, travel and tourism will be assessed and benchmarked.



Queensland Symphony Orchestra on-site at their future home



Malcolm Snow, Maurice Newman, ABC Chairman, and Steve Wilson 'turn the first sod' on the ABC headquarters project



Artist impression of the new ABC headquarters



The Hon. Anna Bligh MP, QLD Premier and Minister for the Arts, Maurice Newman AC, ABC Chairman and Mark Scott, ABC Managing Director discuss the new ABC headquarters

We commenced a major, new riverfront connection project

The Boardwalk Redevelopment is the first major redevelopment of the Parklands in ten years. The project will deliver many benefits to the local community including 70 metres of prime riverfront connection. Visitors will have direct contact with the Brisbane River bank and enjoy an amphitheatre-style green space with river and CBD views; enabling an increase in South Bank Corporation's existing river activities and celebrations and providing the opportunity for Brisbane locals to pay greater homage to this most important part of our city's identity.

We launched a new 'House of Brands' strategy

In response to visitors' lack of clarity about our places and the experiences offered therein, the Corporation underwent an intensive, year-long process to clearly define our three places – Grey Street, Little Stanley Street (re-branded 'Little Stanley') and the Parklands ensuring we continue to align our activities with the aspirations, needs and requirements of our rapidly growing South-East Queensland population. This activity has resulted in clear marketing objectives across our entire precinct for the next five years.

We delivered a total of 172 events and secured high-profile opportunities for the precinct

We delivered a total of 172 events, increased hire revenue from our performance spaces including the Suncorp Piazza, and secured high-profile contracts and partnerships for the forthcoming financial year. New attractions for Brisbane locals in the 2010–2011 financial period include the Mercedes-Benz Fashion Festival and the inaugural Asia-Pacific Design Triennial with its primary installation piece – an international collaboration – showcased in the Parklands.

DEVELOPMENT FEATURE – CONSTRUCTING THE FUTURE

ABC headquarters and Queensland Symphony Orchestra relocation

Construction began on the ABC's new headquarters in February 2010. The new headquarters, designed by award-winning Queensland architect Richard Kirk, will be a significant contribution to the architectural excellence South Bank is well-known for and further augments Grey Street's impressive collection of cultural institutions.

In a further coup for South Brisbane locals, the Queensland Symphony Orchestra announced its intention to accept an ABC offer to co-locate at South Bank. Visitors and locals will have access to concerts, rehearsals and recordings by soloists and guests, created on-site. The Queensland Symphony Orchestra will also continue its great work in education, workshops and master classes. The new building will be 15,500 square metres and house up to 450 ABC staff and symphony orchestra members – delivering new audiences to the precinct to participate in the activities

of our surrounding cultural partners. The ABC relocation to Brisbane's iconic cultural precinct is a complementary partnership between South Bank Corporation and the ABC that enables long-term creative, event and commercial synergies for our precinct's arts and educational partners as well as South Brisbane's commercial and business sectors. The relocation will bring some of Queensland's brightest thinkers to South Bank including 100 online and radio journalists and their national and international guests (personalities, academics, politicians and artists). New benchmarks are also being set by the project with the inclusion of ground-level, transparent radio studios overlooking the Parklands for local and national networks, striking new ground for public-media interaction in a public realm context. The new ABC headquarters will also provide South Bank Corporation with greater opportunities to establish Grey Street as one of Australia's great streets. Works are expected to be completed by the end of 2011.

Artist impression of finished landscaping above SHARC, the Parklands



Stormwater Harvesting and Reuse Centre (SHARC) project

In late February 2010, construction began on the first ever Brisbane city-based stormwater harvesting treatment plant, a state-of-the-art facility promoting water conservation. Rare in urban settings due to lack of space for underground reservoirs, South Bank's Stormwater Harvesting and Reuse Centre (SHARC) ensures that the Corporation is taking a holistic and proactive stance to our environmental sustainability and water security, SHARC will feature three key components:

- a stormwater harvesting and interception pit, constructed on an existing large diameter underground stormwater drain;
- an underground reinforced concrete storage tank and a plant room into which the intercepted water will be stored and treated for re-use and;
- underground reticulation throughout the Parklands for water to be pumped where needed.

The system will divert stormwater runoff into the tank from the surrounding 30 hectare West End catchment. Collected stormwater will be pre-treated prior to storage,

then filtered and disinfected before distribution through new water pipelines. An estimated 77 megalitres of stormwater per annum will be harvested, stored and treated – the equivalent of 30 Olympic-sized swimming pools. Once up and running, it is estimated that SHARC will provide approximately 80 per cent of the Parklands' irrigation demand as well as progressively supplementing water features and the flushing of toilets when surplus is available.

SHARC is being developed below a 900 square metre area off Russell Street next to the Wheel of Brisbane and once construction is complete, the above ground area will be converted into new open space with landscaping sensitively merged with South Bank's iconic rainforest. The brief to our landscape architects is to ensure the completed site meets the high aesthetic standards of the Parklands and the needs of the local community.

SHARC is the latest addition to South Bank Corporation's comprehensive water conservation strategy. Water saving initiatives already in place across the Parklands include everything from spring loaded taps to waterless urinals, and the collection and reuse of excess water from pools and lagoons.

All levels of government have combined forces to support the delivery of this project. The combined package includes \$3.3 million funding from the Australian Government's Water for the Future program and \$4.65 million from the Queensland Government, combined with South Bank Corporation's own contribution. Brisbane City Council have also been instrumental in enabling access to their stormwater system.

The finished facility will include an underground display area with a viewing deck for visitors to view the water treatment process as it happens. Touch screen technology will enable visitors to view the urban stormwater story, vital statistics and flow rates; providing year-round, interactive educational opportunities for visitors to learn about the water cycle and conservation. Through this and many other forthcoming environmental initiatives, South Bank Corporation is committed to future-proofing the Parklands and wider precinct from long-term drought conditions and excess energy use. The development is expected to be completed in early 2011.

The Boardwalk Redevelopment

Construction began on South Bank Corporation's Boardwalk Redevelopment in February 2010.

The Corporation is striving to enhance the Parklands' experience by establishing a connection with the river both visually and physically. The development will create opportunities for river interaction and activation within the central city, building on the Parklands' role as the prime green space for the people of Brisbane. It is also one of the major contributions to the Corporation's commitment to replacing open space that will be used for the construction of the ABC headquarters.

This project will deliver light and airy architecture in the Queensland vernacular as well as public open space, creating new opportunities for our visitors to engage directly with, and enjoy, the Brisbane River. Parklands' visitors will be able to walk through the mixed-use recreational area along new paths; through green lawns and down steps to the shoreline and pebbled 'beach'. Our new, highly legible public area opens up multiple movement flows for cyclists, pedestrians, river users and light watercraft as well as maintaining key view corridors to the river and CBD.

In August 2009, South Bank Corporation was granted approval by Queensland Primary Industries & Fisheries to carry out works on the mangroves as part of this new redevelopment. The approval permitted the Corporation to partially remove, partially hedge and partially retain mangroves.

This project, designed by local Brisbane firms Arkhefield and Cardno S.P.L.A.T, will create a contemporary and uniquely Queensland destination within the Parklands precinct that will typify the quintessential Queensland lifestyle.

In addition to its primary goals the Boardwalk Redevelopment seeks to complement the nearby Queensland Maritime Museum and its future master planning and create a dynamic commercially viable activity hub with a uniquely Brisbane feel. Works are expected to be completed early to mid 2011.



Artist impression of tenancy R5 and amphitheatre green, Boardwalk Redevelopment



BCEC on Grey Street

The expansion of the Brisbane Convention & Exhibition Centre (BCEC) will attract an estimated 250 events per year. The new development is set to provide in excess of \$94 million* of net benefit to Queensland in its first four years of operation.

Significant construction progress was made on the BCEC site during the 2009–2010 period. Upon completion, the expansion will provide an additional 52 per cent of event space; with two new auditoriums (400 and 600 pax); 20 new meeting rooms; as well as the Sky Room complete with an extensive terrace featuring prime CBD views. The 24,000 square metre expansion will extend over five levels. This new facility will activate Grey Street, link the Convention Centre more directly with the Parklands and introduce a new public space with a compelling mix of retail tenancies. The planned retail opportunities at street level will facilitate greater activation in what is

currently a traffic thoroughfare. The detailed mix of planning considerations and overarching strategy will improve cohesion of Grey Street as a destination for Brisbane locals. It is estimated that this impressive new facility will create 4000 full-time equivalent jobs in its first 15 years. Although still mid-way through construction, considerable pre-booking has already occurred with many events locked-in up to 18 months beyond the completion date.

The BCEC expansion is expected to be completed by mid 2011. This addition will mean the Centre will continue to garner local, national and international recognition for its contribution to the cultural, social and economic fabric of Brisbane.

* This figure was determined by KPMG through a cost-benefit analysis report of the BCEC expansion commissioned by South Bank Corporation in 2007.



The new Plaza Gallery provides a unique and innovative venue space

BCEC HIGHLIGHTS

Operational and financial performance

Brisbane Convention & Exhibition Centre (BCEC) this year celebrated a major operational milestone – 15 years of consistently strong financial and operational performance, achieving international acclaim and providing a catalyst for Queensland’s growing share of the lucrative business events market.

BCEC’s record over its 15 years of 12,000 events, eight million visitors, 10.8 million hours of staff employment and \$2.2 billion in economic benefit to the local community highlights the Centre’s significant contribution to the economic fabric of Queensland.

The Centre hosted a record 979 events during the financial year and at June 30, 2010 was holding 1,187 forward bookings.

Business worth more than \$40 million in economic benefit to Brisbane has been secured for BCEC on Grey Street, including 24 confirmed conventions and a further nine conventions utilising both the existing and new facilities. Interest in the expansion has been keen due to the development’s niche appeal which is proving popular with meeting planners.



Award-winning BCEC chefs, Apprentice Mathew Lee and Senior Sous Chef Russell Clarke

Innovations and achievements

The establishment of a permanent art gallery space was a national first for Australian Convention Centres. The new Plaza Gallery provides a unique and innovative venue space and a popular addition to the portfolio of existing meeting rooms and event spaces and will showcase the museum-quality collection of traditional and contemporary indigenous art (image on page 20).

BCEC formed the BCEC Convention Advocates Partnership which brings together a group of Australia's eminent leaders in science, research and innovation to collaborate in showcasing Brisbane's renowned scientific expertise and developments to the international community and to promote Brisbane's great potential as a leading destination for international scientific meetings.

Awards and accolades

BCEC is a multi-award-winning organisation and the 2009–2010 period was a case in point, having received another major international industry award for its environmental leadership. The Centre was awarded the IMEX 2010 Green Supplier Silver Award at the annual IMEX Trade Fair in Frankfurt in recognition of environmental excellence and innovation within the international meetings industry.

Centre chefs, Russell Clarke and Mathew Lee were also selected to represent Australia at the prestigious *Bocuse d'Or* International Cooking Competition in Lyon, France in January 2011. The pair won the right to represent their country at the biennial world chefs' championships from a strong field of Australian cooking professionals, including several former international competition winners, who competed in the Australian finals at the Centre in May.



Executive Chef Martin Latter gives a cooking class to members of the West End Community House

Supporting community values – sharing our resources and skills

BCEC continued its strong commitment to Corporate Social Responsibility through its Community Engagement Program with 75 members of staff donating 423 hours of community service and the Centre donating 12,797 meals to Foodbank. A series of special cooking classes involving clients of West End Community House was one of the headline activities during the year. A pilot program of basic nutrition and cooking skills was conducted by the Centre's Executive Chef, Martin Latter for those in the local neighbourhood struggling with social issues.

SOUTH BANK CORPORATION PERFORMANCE OVERVIEW 2009–2010

South Bank Corporation's performance measures emerge from our strategic direction set at Board level combined with an alignment with broader whole-of-Government policies. The Corporation is committed to the Government's priorities and its vision to create a world-class precinct, which adds value to the Queensland economy and positions Brisbane as a desirable visitor destination. This commitment is evidenced through initiatives produced in accordance with our Key Performance Outcomes and our Toward Q2 targets.

	2009–10 \$'m	2008–09 \$'m	2007–08 \$'m	2006–07 \$'m	2005–06 \$'m
Revenue	80	77	69	71	70
Expenditure	80	79	71	62	63
Net Profit (excl. capital grants)	(0)	(2)	(2)	9	7
Total Assets	697	653	591	511	467
Net Assets	640	593	535	457	419

Financial performance

During the year, South Bank Corporation improved its net cash flow position to \$14.2 million, a positive shift of \$8.6 million on the previous year. Our assets performed exceptionally well in light of the economic climate enabling us to deliver stabilised revenues and prudent cost control. In response to significant new investment undertaken by the Corporation to transform many of our places, our asset re-investment costs have been paired back while our energies are committed to these projects. The Brisbane Convention & Exhibition Centre (BCEC) continues to exceed annual targets and generate strong cash flows, thus demonstrating its ongoing appeal in the market and confirming its recognition as a leader in the convention and meetings sector.

Performance measures – delivering our key performance outcomes

The following pages feature our Corporation-wide goals, which cascade through our management structure, ensuring that all teams and employees' goals bear direct correlation to the Corporation's overarching direction. During the 2009–2010 financial year, the Corporation instituted a fresh performance management model. Other businesses refer to performance measures as Key Performance Indicators but with a view to greater clarity and decisive action, our business uses Key Performance Outcomes, a semantic shift that sits better with Corporation staff and management. The performance management system has also been redesigned in line with our new strategic direction. The new system involves agreeing on and reviewing key performance outcomes at an organisational, divisional, team and individual level through a series of structured discussions between managers and staff. The new system, called Connect is being progressively introduced throughout the business.



Chetana Andary and the Hon. Anna Bligh at the launch of (m)art, Grey Street

KPO

To place 'visitor experience' at the core of our business

CROSS-BUSINESS OUTCOMES DELIVERED:

- Planning for all our developments took into consideration green and open space contributions. Where possible, the Corporation reconfigured its construction projects to optimise green and open space opportunities for visitors. Although originally planned for the ABC site, our Stormwater Harvesting and Reuse Centre (SHARC) project was replanned on the site of the former Royal Brisbane International College (RBIC) building, an underutilised space demolished to make way for the project. This new placement maximises connectivity between the Brisbane River and leisure areas of the Promenade, Riverside Green and Rainforest Green. Similarly, the Boardwalk Redevelopment gave primary consideration to green space allocation to offset space used for the ABC headquarters development.
- The South Bank Visitor Centre was moved and redesigned to increase accessibility and create a better designed, more inviting facility for our visitors and Visitor Centre staff.
- After a comprehensive customer service training program was delivered to all staff across the business, the Operations teams rearranged maintenance activities where possible during non-peak visitation periods to minimise impact on customer experience.
- To improve visitor experience and safety in the Parklands, unnecessary vehicular movements were reduced during peak visitation periods through multiple initiatives including installing automated bollards for emergency access; improving Ernest and Tribune Street access; and closing Stanley Street Plaza to unnecessary vehicle traffic.
- To improve efficiency and reduce waiting times for customers entering and exiting the car park, the ticketing system was automated, streamlined and upgraded.
- Volunteers were engaged to survey visitors at all of our produced events throughout the reporting period. Insights gleaned from these survey reports have been used to improve event and marketing initiatives.
- Continual upgrading of our places included new amenity for the Parklands such as the upgrade of toilet facilities, increased public access, and providing more staging for events at Rainforest Green.

KPO

To improve customer satisfaction

CROSS-BUSINESS OUTCOMES DELIVERED:

- Comprehensive forums were held with all of our retailers to find out their needs and requirements. As a result, RetailSpace, a dedicated communications channel including a website and e-news was launched.
- Our new Corporation website was acknowledged with an international WebAward for Excellence.
- Retailers were actively integrated into all event activities where possible, ensuring increased exposure and positively driving sales. During many of these integrated events, retailers recorded their busiest sales nights on record.
- We consider our stakeholders to be customers. To ensure we communicated effectively to all stakeholders during development construction periods we held regular stakeholder forums involving all surrounding partners in order to minimise and trouble-shoot construction difficulties as they arose.
- We delivered retailer forums for all of our precinct retailers to promote and increase information exchange.



KPO

To work with our stakeholders, particularly State agencies and Brisbane City Council

CROSS-BUSINESS OUTCOMES DELIVERED:

- Our Events and Marketing teams worked very closely with the Department of the Premier and Cabinet throughout the year to deliver highly successful events including Australia Day, Comedy Fix and many commemorative Queensland Day events.
- We delivered two major press events including our Shareholding Minister's opening of (m)art design store on Grey Street and the simultaneous launching of the ABC headquarters and Boardwalk Redevelopment projects.
- We continued to regularly meet with and assist Business South Bank, our local Chamber of Commerce, representing the organisation at Board level through its sub-committees.
- We ensured that our Executive Management team is on high-level, urban development Boards and member groups including the Urban Futures Board, Urban Places Board, the Place Leaders Association, Business South Bank and the Maritime Museum, QUT Faculty Board, Maritime Advisory Committee and Conservatorium Advisory Board.
- We worked with our cultural partners to produce many cultural events of mutual benefit including photography exhibitions with the Queensland College of Photography; music events with the Queensland Conservatorium of Music and programming elements from the Out of the Box festival with the Queensland Performing Arts Centre.
- We carried out significant consultation with key partners on the Boardwalk Redevelopment, ABC headquarters, BCEC on Grey Street expansion and the Maritime Museum projects.
- Through securing the Asia-Pacific Design Triennial Installation, the Corporation is continuing to build a valued relationship with Arts Queensland, a key State Government agency.

CROSS-BUSINESS OUTCOMES DELIVERED:

- The entire business was trained in the Mary Gobar customer service method, which helps to place the customer at the heart of day-to-day activities and to improve work practices and customer service levels.
- As part of the ongoing Health and Wellbeing program, flu vaccinations and skin checks were made available to all staff.
- The entire Corporation undertook the Great Places to Work survey in March to ascertain how the business is tracking in terms of fostering a positive work culture. The results were used to create and institute improvements to our business practices.
- We continued regular Breakfast with the CEO forums at which employees can raise concerns directly with the CEO.

KPO

To attract, retain, develop and reward the very best people in their field

KPO

To provide a social return on investment

CROSS-BUSINESS OUTCOMES DELIVERED:

- Discussions began with the Department of Health in relation to the forthcoming Children's Hospital to ensure that positive social connections are made between the Parklands' new children's playground currently under construction and the influx of patients, medical staff and visitors. The Corporation sees positive social return for the community in creating programs and activation that will assist hospital-related visitors to find respite and relaxation within the Parklands.
- While the South Point development was delayed as a result of the Global Financial Crisis, the Corporation took the opportunity to develop an environmental display home and community garden project on the dormant land. Designed to provide locals and commuters with fresh herbs and edible garden products for free, the space also enlivened and greened an unattractive and underutilised piece of urban land for the benefit of the community.
- The Corporation noted that cultural inclusiveness could be increased in some areas of the Parklands, particularly in relation to our public amenities such as BBQs. In an effort to encourage more people to feel comfortable using our amenities and encourage people of various ethnic diversities to mix, we reconfigured these popular areas to promote interaction.
- We partnered with local schools for events including Endeavour Sports High School, Lyneham High School and Brisbane State High School.
- We partnered with various community groups to deliver multicultural festivals in the precinct. Many diverse cultures have been represented through these activities including the Thai, Chinese, Scottish, Greek, Indigenous and Indian communities.

Chinese dragon at Buddha's Birth Day celebrations

KPO

To be a national leader in sustainability practice across all its dimensions (environmental, social and cultural)

CROSS-BUSINESS OUTCOMES DELIVERED:

Environmental:

- Determined to ensure that all of our events suppliers subscribe to environmental practices, the Marketing team ensured that 'green' considerations were written into the events supply chain including environmentally sound waste management practices, supply of earth-friendly products, food miles and green transportation.
- Construction of Brisbane's first-ever urban stormwater harvesting and reuse centre commenced, with a view to becoming a leadership model and exemplar for other cities across Australia.
- South Bank Corporation undertook a review of the available sustainability certification schemes that may be suitable for the Corporation to benchmark our sustainability. EarthCheck Community was identified as the most appropriate system. The Corporation anticipates achieving 'benchmarked status' by the end of 2011. In Australia, organisations that have been certified under the 'Company Standard' include Falls Creek Resort, Dreamworld, various hotels, resorts and convention centres.
- BCEC was awarded the IMEX 2010 Green Supplier Silver Award at the annual IMEX Trade Fair in Frankfurt in recognition of environmental excellence and innovation within the international meetings industry.
- The design of the BCEC on Grey Street will achieve a 5-Star Green Star rating.
- South Bank has successfully applied for consideration as a key location for bike hiring as part of the Brisbane City Council's Brisbane Bicycle Hire Scheme, based on successful European models.
- Green cabs celebrated a year in operation – The fleet of eight cycle taxis, ferry customers from all walks of life including families, couples, young people, people with disabilities and tourists.
- Exemplary subtropical design of the Boardwalk buildings has been achieved.
- Commitment has been secured from ABC to meet a high sustainability standard.
- Where possible, drought tolerant plants were planted in the Parklands, including at Memorial Park – a trend that will continue throughout all of our horticultural activities in the coming years.



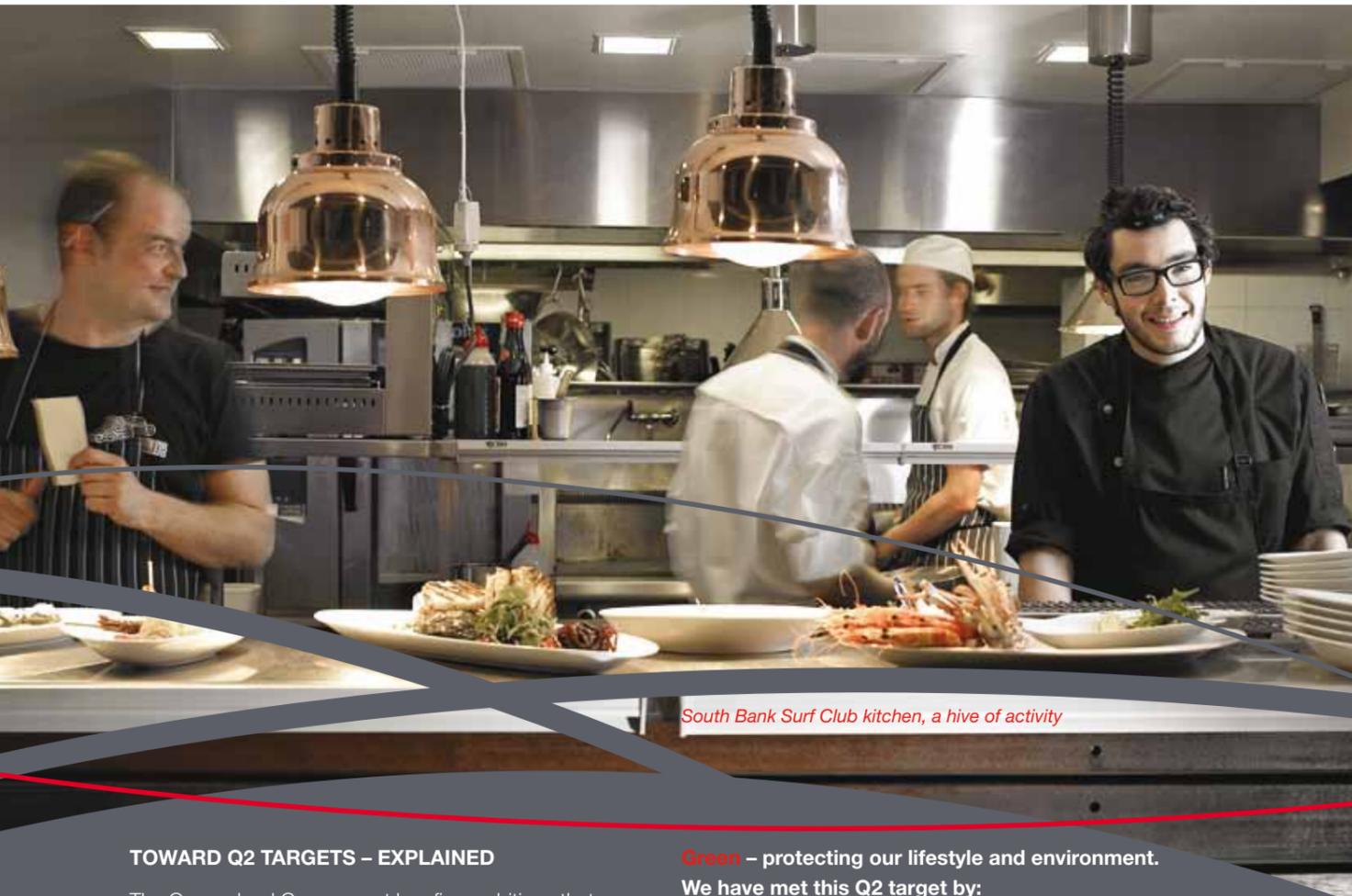
L: Volunteers help plant Happy Haus Community Garden, Grey Street

R: Confucius statue glows at dawn



Social and Cultural:

- The People's Republic of China donated to South Bank Corporation a statue of Confucius, the great Chinese thinker, philosopher, educator and founder of Confucianism to mark Queensland's 150th birthday celebrations. An open area in the Formal Gardens was chosen as the most appropriate site to celebrate this impressive 2.5 metre statue, a testament to cultural diversity. The Premier of Queensland and representatives from the Chinese government unveiled the statue and commemorative plaque.
- South Bank hosts important state and national ceremonies. The Suncorp Piazza in particular has borne witness to many commemorations in this financial year including a 500-strong citizenship ceremony as part of Queensland's 150th birthday celebrations; a bigger ANZAC day than ever before involving a remembrance service at Memorial Park and a concert with the Queensland Symphony Orchestra and VIPs.
- Our Memorial Park was improved through landscape design and restoration of the memorial which honours the Queensland diggers that comprised the 2nd 31st Australian Infantry Battalion in WWII.
- We continued to host a diversity of events across many ethnic communities.



South Bank Surf Club kitchen, a hive of activity



TOWARD Q2 TARGETS – EXPLAINED

The Queensland Government has five ambitions that address current and future challenges for Queensland. Within these five, ten long-term targets are to be achieved by 2020. The Government has set these targets in order to make real and lasting change for this generation and the next. Many of the targets go to the heart of some of the most pressing issues of our generation including climate change and rising levels of obesity. The set targets cover areas of need not necessarily overseen by other levels of government. Each target has a lead department responsible for coordinating the government's efforts across all other departments.

Strong – creating a diverse economy powered by bright ideas. We have met this Q2 target by:

- Facilitating the relocation of major stakeholders such as the ABC to our precinct.
- Expanding the high-performing BCEC, bringing thousands more international delegates to our city.
- Creating economically vibrant places through a robust retailer mix and by securing nationally and internationally renowned restaurateurs for our tenancies, adding to our reputation as a lifestyle city.

Green – protecting our lifestyle and environment. We have met this Q2 target by:

We have met this Q2 target by:

- Enrolling in an international environment benchmarking accreditation to identify our strengths and areas for improvement.
- Development of a major water conservation project contributing to our water efficiency; providing water conservation education to the people of South-East Queensland; and delivering green space for Brisbane locals.
- Creating a waste management plan that contributes to our environmental savings and inspires our stakeholders, retailers and visitors to find opportunities for waste reduction.
- Using recycled materials where possible for paper products and collateral, building materials and events.
- Progressively reducing the number of lamps used unnecessarily throughout our places and replacing traditional light bulbs with energy efficient lamps.
- Fostering green transport opportunities throughout our precinct through the Brisbane Bicycle Scheme, Green Cabs and by marketing bus and rail networks in tandem with event and marketing activities.

Healthy – making Queenslanders Australia's healthiest people. We have met this Q2 target by:

- Evolving our highly successful Vaalia Yoghurt Feel Good Program; encouraging active and healthy activities in our precinct and reconfiguring our places to provide riverfront access for light craft such as kayaks.
- Holding a solid quota of sporting and fitness-related events in the precinct during the reporting period.
- Conducting SunSmart campaigns on Streets Beach and in our Visitor Centre during summer.

Fair – supporting safe and caring communities. We have met this Q2 target by:

- Liaising with all stakeholders including surrounding residents to minimise disruption experienced as a result of construction being undertaken in our places.
- In collaboration with the Department of Public Works, our CCTV monitoring systems were extended to include the Kurilpa Bridge to assist with visitor and pedestrian safety.
- Beginning discussions with the Queensland Children's Hospital to create a connection with and programs in the Parklands for inpatients and medical staff.
- Installing a gift from the People's Republic of China – the Confucius statue in our Formal Gardens – to promote and acknowledge cultural diversity.
- Providing multiple activities and opportunities for children across our places including the new Boardwalk playground, M n' B cafe, Aquativity, events participation in festivals such as QPAC's Out of the Box Festival.

- Developing a temporary community garden and sustainable display home on dormant land and subsequently transferring the garden into the Parklands for the long-term enjoyment of visitors.

- Continuing to foster strong relationships with key emergency services such as the Queensland Police.
- Continuing the focus on creating an egalitarian place with free public activities and areas of leisure.

Smart – delivering world-class education and training. We have met this Q2 target by:

- South Brisbane plays host to a rich collective of educational institutions. South Bank Corporation increasingly integrates the skill, knowledge and expertise of colleges, academics and students into our place activation.
- One of South Bank Corporation strategic pillars is 'education'. By enshrining this emphasis in our business strategy we seek to educate and inspire our visitors, customers and stakeholders through all of our initiatives.

The future: our ambitions and targets

The Corporation's strategic goals have been adjusted and set for the next financial year. Minor refinements have been made with the most significant change being an additional goal. The goal aligns with our Toward Q2 targets and many of our activities already occurring across the business. The new strategic goal is: "To create distinctive Queensland experiences in our places". We already strongly advocate Queensland products and businesses. However, this goal will ensure that more than ever, we will gear our activities to the wants and needs of Brisbane locals while also seeking to encapsulate and showcase to visitors and the world, the unique features of our lifestyle. Our Toward Q2 targets for the next five years have also been set and will be uploaded to the Corporation website.



OUR BUSINESS STRUCTURE



THE CHAIRMAN
Steve Wilson

Steve Wilson is the Executive Chairman of the Wilson HTM Investment Group and has worked for the firm for more than 25 years.

Steve's expertise lies in the areas of investment banking, funds management, stockbroking and accounting.

He has previously held positions with Ernst & Young and Cazenove & Co (now JP Morgan Cazenove) in London.

He holds Bachelors of Commerce and Law from the University of Queensland and Honorary Doctorates of Philosophy from both Queensland University of Technology and Griffith University.

Steve is a solicitor of the Supreme Court of Queensland, a Fellow with the Australian Institute of Company Directors (FAICD), a Senior Fellow with the Financial Services Institute of Australia (SF Fin) and a Master with the Stockbrokers Association of Australia (SAA).

Currently, Steve is Chairman of Barambah Wines, Director of Pinnacle Investment Management, Director of the Centre for Independent Studies, Director of the National Trust St John's Cathedral Completion Fund Fundraising Board (formerly the Chairman) and Trustee for the University of Queensland Rugby Union Foundation.

Previously he has served on the boards of Telstra Corporation Limited, City of Brisbane Airport Corporation, Queensland Tourist and Travel Corporation, the Brisbane Institute and the Great Barrier Reef Research Foundation. Other appointments have included membership of the Committee for Economic Development of Queensland and Brisbane City Council Business Advisory Board.



BOARD OF DIRECTORS
Toni Thornton

Toni Thornton is the Queensland State Manager and an Executive Director of financial services organisation Goldman Sachs JBWere. Toni has been with the company for more than a decade, holding Investment Advisory, Strategic Management and

State Management positions. She is also an ASX Responsible Executive.

Toni has a Bachelor of Arts (Politics Major and Economics Minor) and post graduate qualifications including Applied Finance and Derivatives Accreditation. She has completed an Accelerated Executive Management program through AGSM MBA (The Australian School of Business) and the Goldman Sachs JBWere Non-Profit Leadership Program. Appointed to the South Bank Corporation Board in May 2008, Toni is a member of the Corporation Audit Committee; on the Board of the Gallipoli Medical Research Foundation; is a Fellow of the Australian Institute of Management; and plays an internal audit function with the RSL.



Mark Brodie

Mark is the Managing Director of Brodie Group Pty Ltd and founder of Brodies Mealmakers, a company that owns and operates quick service food outlets trading throughout Queensland. Mark is Chairman of the National Retail Association, City of Brisbane Investment

Corporation and the Lord Mayor's Business Round Table. He also holds directorships and fellowships with several companies and organisations. He was appointed to the South Bank Corporation Board in April 2010.



Tim Quinn

After an early career as a secondary school teacher and as the Assistant Secretary of the Queensland Association of Teachers in Independent Schools, Tim Quinn served as an elected representative on Brisbane City Council for nineteen years. His Council

responsibilities were as Ward Councillor for the Inner Southside, Chair of Urban Planning Committee, Deputy Mayor and Lord Mayor. His interests are in the areas of community development and land use planning.



Eleanor Davidson

Eleanor has extensive experience across banking, property management, tourism and hospitality. She is the 2006-2007 recipient of the Telstra Queensland Corporate Sector Business Woman of the Year and is the 2006 Telstra Queensland Business Woman of the Year.

Eleanor is the Chief Operating Officer for Meridien Student Living; she is currently studying for her MBA through the University of Southern Queensland; was awarded the Centenary Medal for services rendered to the tourism and hospitality industry and is a member of the Queensland Premier's Round Table.



Steve Ackerie

Chief Executive Officer of Stefan Corporation, Steve Ackerie heads up one of the largest hairdressing companies in the world with 50 salons and 500 employees. He is also the owner of Jo-Jo's, a Brisbane dining institution.

Steve's commitment to educating his staff is paramount. He was instrumental in one of the first training strategic alliances with South Bank Institute of Technology which is often used as a role model to other private enterprises. He was awarded an Australian Medal to commemorate the Centenary of Federation of Australia. Steve was also selected as a finalist in the 2004 Australian of the Year Awards.



Rosemary Vilgan

Rosemary Vilgan is the Chief Executive Officer of QSuper and the Queensland Government's Superannuation Officer. She oversees the State Government's superannuation program.

In 2008, Rosemary was appointed to the Federal Government's Superannuation Advisory Committee, and to the Federal Treasurer's Financial Sector Advisory Council. Rosemary recently resigned her position on the Board of the Association of Superannuation Funds Australia (ASFA) after serving on the Board for 15 years, including six years as Chair.

Rosemary has received various community and academic awards and was recently awarded life membership to ASFA. Rosemary is also a member of the Council of Queensland University of Technology (QUT) and a Director of Q Invest Limited. Rosemary was appointed to the South Bank Corporation Board in April 2010.



Ken Smith

Ken Smith was appointed as Director-General of the Department of the Premier and Cabinet on 14 September 2007. Prior to this appointment, he served as Coordinator-General and Director-General of the Department of Infrastructure, formed on 15 January 2007.

From 21 November 2008, Ken was also appointed Chair of the Australia and New Zealand School of Government (ANZSOG).

As a senior bureaucrat in Queensland for more than 15 years, Ken has taken a lead role in many of the fundamental reforms that have shaped the State, including the roll out of the \$9 billion water grid, coordination of the South-East Queensland Infrastructure Plan and Program and groundbreaking policy advice in the area of urban development and community renewal. He has also led major organisational change in a range of government departments, statutory authorities and companies.

His six-year stint as Director-General of Education and Employment and Training was highlighted by the landmark Education and Training Reforms for the Future which drove the implementation of the Queensland Government's fundamental changes to early, middle and senior phases of schooling.

Ken is a Fellow of the Australian College of Educators and Adjunct Professor of Education at the University of Queensland, Griffith University and University of Sydney and has previously held the position of Adjunct Professor in the School of Social Work and Social Policy at the University of Queensland.

Ken has served as a CEO reporting to a number of Ministerial Councils, as a member of the Prime Minister's Youth Pathways Taskforce, Financial Literacy Foundation, University Councils, and chaired a number of national Companies and Boards in the education, training, community services and housing portfolios.



Michael Power

Michael Power is an engineer with over 30 years experience in the civil engineering construction industry.

He founded The BMD Group, with his wife Denise, in 1979 and the company has grown to become a successful Australian construction,

design and property investment organisation employing over 600 people.

The BMD Group now operates from its head office in Manly, Brisbane and regional offices in Darwin, Townsville, Gold Coast, Sydney, Melbourne and Adelaide.



Michael Keniger

Michael Keniger is the Deputy Vice-Chancellor (Academic) of the University of Queensland. He held the position of Queensland Government Architect from 1999 to 2006, with a specific responsibility to advise on projects of major significance. Recipient of the Queensland Board of

Architects' Architect of the Year award in 1998, Michael has been a key contributor to many significant architectural and urban design projects, including the Sydney and other Olympic sites, National Museum, National Gallery, Queensland Gallery of Modern Art, and State Library extension, and South Bank Corporation (*inaugural chair of Design Advisory Panel, from 1997 to 1999, then from 2003 to 2004*).



Michael Papageorgiou

Michael Papageorgiou was appointed to the position of Manager City Planning with Brisbane City Council in August 2004, after an eight year appointment as the Gold Coast City Council's Manager Strategic and Environmental Planning.

Michael chairs the SEQROC Planning and Working Group, providing advice to the SEQROC Councils on the development of the new SEQ Regional Plan, and the SEQ Scenic Amenity Project, a two year project undertaken jointly by SEQROC and the State Government. He holds a BA (Hons) from Monash University and a Master of Urban Planning from the University of Melbourne.

(Appointed 10 December 2004, resigned 11 April 2010).



David Ford

David Ford was appointed Deputy Under Treasurer Queensland Treasury in August 2005, following a period as Deputy Director General in the Department of Tourism, Fair Trading and Wine Industry Development and a decade as Executive Director of the Queensland Office of

Gaming Regulation within Queensland Treasury.

He was the Chair of the International Association of Gaming Regulators (IAGR) in 2006 and is an Associate Fellow of the Australian Institute of Management and a member of the Institute of Public Administration of Australia.

(Appointed 5 July 2007, resigned 11 April 2010).

EXECUTIVE MANAGEMENT TEAM



Malcolm Snow
Chief Executive Officer

Malcolm Snow was appointed as Chief Executive Officer of South Bank Corporation in 2005. Malcolm is one of Australia's leading urban planners and managers. He has extensive international experience in both the private and public sectors. Prior to joining South Bank Corporation, he held the position of Head of Design for the City of Melbourne. Malcolm was one of the inaugural recipients of the Australia Award for Urban Design. He is a non-executive Director of the Queensland Maritime Museum, a Queensland Government representative on the Urban Places Board and is the Chairman of the Place Leaders Association.



Paul Herd
General Manager, Planning and Projects

Appointed in August 2007. Paul is responsible for overseeing the planning and projects team to ensure that all major development projects are delivered effectively across our 42 hectare precinct. His team is responsible for the future planning of the precinct including the Parklands, Little Stanley Street and Grey Street. Paul has extensive experience in a wide range of project development and community consultation roles in both the private and public sectors. Prior to his appointment to the South Bank Corporation, Paul was the Executive Director of Strategic Development in the Queensland Department of Infrastructure. Paul has a Bachelor of Arts, a Bachelor of Applied Science in Construction Management (Hons) and Graduate Certificate in Finance.

Key responsibilities:

- Project management
- Urban planning, design
- Cultural planning/public art
- Special projects
- Development coordination
- Sustainability



Susie Johnson
General Manager, Marketing

Appointed in November 2008. Susie is responsible for overseeing the marketing, events and communications teams. She also advises the CEO and executive team on reputation, stakeholder and issues management. Following her graduation from her Master of Business degree at QUT in 2002, Susie relocated to London for several years, where she worked in various senior marketing and communication roles within the property sector across the UK and Europe. Prior to relocating back to Brisbane in 2008 and joining the Corporation, Susie was Head of Communications for a European property services firm in London.

Key responsibilities:

- Sponsorship
- Events
- Marketing and promotion
- Corporate affairs
- Stakeholder and issues management
- Public relations
- Visitor services and merchandising
- Business development
- Destination marketing
- Graphic design



Shane Beecroft
General Manager, Commercial and Operations

Shane Beecroft was appointed as General Manager, Commercial at South Bank Corporation in July 2009 and is now General Manager, Commercial and Operations. Shane has an extensive background in finance, property and business management and until recently worked with Morgan Stanley as the Investment Manager and CFO for the Royal Pines precinct on the Gold Coast.

Key responsibilities:

- Financial management and investment opportunities
- Land sales, lease terms for development partners and asset management
- Government liaison
- Operations management
- Retail and property management
- Contract management
- Human resources and organisational development
- Information technology
- Organisational development
- Insurance/risk management
- Workplace health and safety and crisis management
- Brisbane Convention & Exhibition Centre
- Corporate governance

SENIOR LEADERSHIP TEAM

The Senior Leadership Team (SLT) is comprised of all managers from across the Corporation including the Executive Management team. Regular monthly forums are held in which to raise cross-business issues and devise collaborative solutions. More intensive workshops are also held to enable in-depth training such as a full-day workshop in February 2010, to ensure that all managers understood, had the opportunity to respond to and were trained in the new strategic planning work undertaken by the Corporation.

Customers at Movenpick, Little Stanley

02



**'RECESSION PROOF'
LITTLE STANLEY**

Robust growth and impressive returns have distinguished Little Stanley over the last four years, even during the harshest months of the Global Financial Crisis and this year was no exception. Seemingly recession-proof, Moving Annual Turnover for the highly successful, 40 'strip' tenancies in this area experienced 21 percent compound growth over the last four years. These figures confirm the retail mix integrity and patronage of South Bank's commercial developments.



Retail and Property team
in the Max Brenner fit-out,
Stanley Street Plaza

**PART TWO :
OPERATIONAL PERFORMANCE**

**RETAIL AND PROPERTY TEAM
OVERVIEW AND HIGHLIGHTS**

The retail and property team are a key facet of the Commercial and Operations division. The team manages and sets the strategic direction of retail and property, across our three places. This involves managing the retail direction of new and existing signed tenants; the leasing of new, individual tenancies; and formulating the optimum retail mix within our precinct's sub-precincts.

The team also manages the negotiation of lease renewals; oversees, assesses and approves retail fit-outs and refurbishments; manages retail and property assets through small project and routine contract maintenance. Administration includes collection and monitoring of insurances and bank guarantees; rental invoicing and collection; critical dates management; legislative requirements and compliance issues. The team works collaboratively with Marketing in relation to retail marketing initiatives. During the 2009–2010 period, expiring and unfilled tenancies opened up multiple opportunities for the Retail and Property team to consolidate retail character across our three places. By deliberately clustering smaller retail layers within broader places, distinctive pockets have been consolidated within the overall precinct thereby concentrating and intensifying visitor experiences.

HIGHLIGHTS

Stanley Street Plaza – This formerly underperforming area has been transformed into a vibrant locale within the broader context of the Parklands. Capitalising on the precinct's warm ambience and courtyard-like cross streets, the Corporation has been keen to encourage casual, relaxed, alfresco dining with distinct character. Tenancies secured during this period include: M n' B cafe, South Bank Surf Club (high-profile chef, Ben O'Donoghue's flagship restaurant), the first Max Brenner store in Brisbane City, Nando's, DM Jazz Bar and Dot Espresso.

The Boardwalk Redevelopment – During the 2009–2010 period, the Retail and Property team conducted an Expression of Interest campaign in conjunction with Marketing, to attract the finest restaurateurs from across Australia to our new, premier dining precinct. A high-end dining area is deemed appropriate for this stellar, riverfront location with views to the CBD and surrounded by expansive green space and areas of leisure for Brisbane locals.

(m)art on Grey Street – Artisan's new design store was welcomed to Grey Street, South Bank by the Hon. Anna Bligh on 25 May 2010 at an official launch attended by the design community. More than just a retail outlet, Artisan is the Queensland-based advocate for art, craft and design in Queensland. Originally established by Craft Queensland, it is a peak body representing more than 4000 Queensland design professionals. By securing the second Artisan store in this prime location the Corporation is fulfilling its agenda of encouraging creative commerce through mixed use retail where corporate meets creativity.

Little Stanley – Boutique food tenancies secured for Little Stanley create stronger synergies along the length of this contemporary dining precinct. Thematic clusters have been developed to increase critical mass and foot flow along Little Stanley to maximise opportunities for our retailers. In July–August 2009 the retail and property team secured Movenpick and the Sardine Tin, food outlets that further consolidate the accessible, gourmet and contemporary urban cool for which Little Stanley has become known.

BCEC retail strategy – this strategy focuses on developing a non-food retail destination that celebrates the cultural integrity of the boulevard. During the 2009–2010 financial period the property team commenced planning to attract a bold and experimental flagship store for Grey Street as part of the BCEC retail strategy. It is hoped to be a flagship music, books or electronics store with a creative focus for our younger demographic.

OPERATIONS TEAM OVERVIEW AND HIGHLIGHTS

The Operations team is part of the Commercial and Operations division. This team looks after the management of all completed assets within the South Bank precinct, including asset recording and control, maintenance and minor works projects. The team manages all hard contracts (security, cleaning and Surf Life Saving) as well as soft contracts (lifts, garbage and fire.) The Operations team assists the Events team with providing services such as power, water and event layout planning. As custodian of all heritage listed property, the team ensures that buildings such as Allgas Building, Collins Place, Expo 88 Nepalese Peace Pagoda and Plough Inn are maintained according to heritage rules. The team also works closely with all emergency services and government statutory authorities.

HIGHLIGHTS

Happy Haus community garden

The Corporation arranged a temporary, prefabricated display home called Happy Haus on the site of the South Point development to promote affordable housing. Alongside the Queensland-designed model, our Horticulture team (part of the overall Operations team) planted a temporary community garden with a view to teaching city dwellers about the viability of urban agriculture. South Bank Corporation's Horticulture experts lent their expertise to the project during an initial community planting day (also attended by volunteers from Laing O'Rourke), and provided ongoing tending for the garden. The edible plants included: bananas, sugar cane, lemongrass, pumpkins and peas. Visitors, locals and commuters were encouraged to explore the garden and sample the fruit, continuing the Corporation's aim to help city dwellers understand how to live, learn, work and play in more sustainable ways.

Keeping our trees healthy

More than 80 fig trees have been nursed back to health along the length of the Clem Jones Promenade. These trees were planted immediately after Expo. A long-term project to tend and nurture the vines and trees along Grey Street through this financial year, have ensured their ongoing health.



Riverside Green project

A mini-Master Plan for the Riverside Green has incorporated many small projects that have combined to improve the current green space adjacent to the River. The elements of this project have included: new BBQs in the Parklands, including new seating elements in the shade; relocation and replacement of picnic shelters and toilet amenity upgrades.

Brisbane City Council commercial food waste trial

The Operations team has taken the lead in the Brisbane City Council Commercial Food Waste Trial, undertaking extensive forward planning and coordination during the reporting period, in readiness for implementation during 2010-2011. Stanley Street Plaza retailers will participate in this 12-week pilot program, designed to inform the implementation of a larger-scale food waste recycling program throughout Brisbane. The program involves retailers separating organic waste from general waste prior to treatment and recycling.

The Operations team, in conjunction with the Marketing team, liaised extensively with Brisbane City Council representatives and retailers to provide the foundation for a successful trial. Information and instructions have been distributed to retailers and processes developed to facilitate retailer participation. In addition to supporting retailers, the Operation's team will assume the responsibility for the transportation of the organic waste to specific bio bins and the collation of waste collection data once the trial is underway. The team also investigates ways to improve waste operations for the precinct by consolidating retailer's general waste bins.



Members of Operations team checking water quality in the pump room



The Planning and Projects team outside SW1, the Corporation's mixed-use development

PLANNING AND PROJECTS TEAM OVERVIEW AND HIGHLIGHTS

The Planning and Projects team is responsible for all master planning and statutory planning and the delivery of major capital works projects, and negotiation of development agreements for private developments. The team's highlights are significant this year and are showcased in the development feature on pages 17 to 19. However, the team also manages and designs the implementation of all other projects as well as reviewing and advising on all matters pertaining to physical design issues. The team also runs the sustainability and public art strategies for the Corporation.

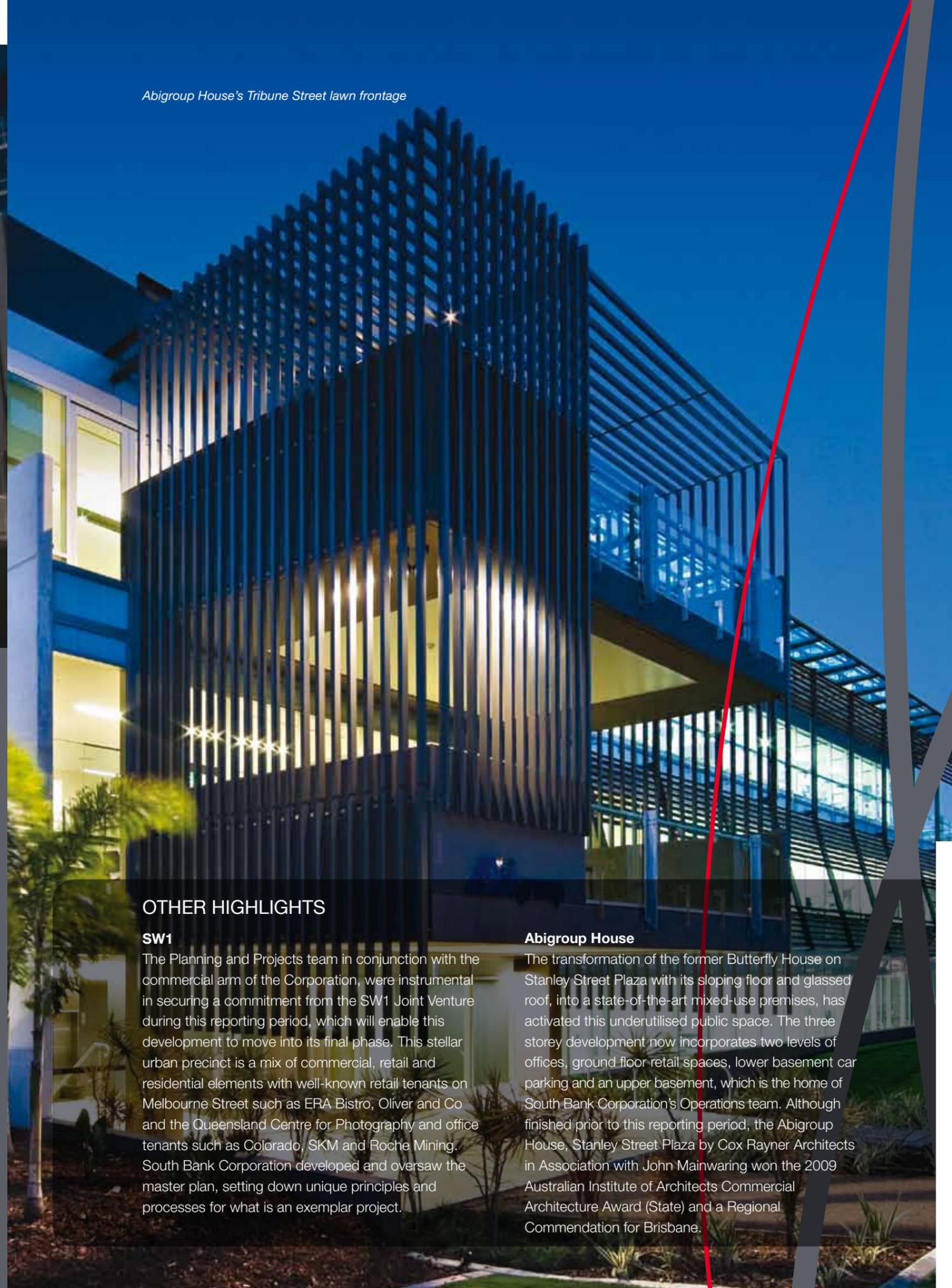
MAAP partnership

The Corporation, via the Planning and Projects team developed a unique residency partnership with media art experts, MAAP, whereby the team's internationally renowned expertise could be accessed by the Corporation. Through the partnership, MAAP has been able to stimulate networks and partnerships in the South Bank precinct; generate a program of content for South Bank public places; and lend the company's curatorial knowledge and artistic prowess to the precinct.

Bicycle initiative

The Planning and Projects team successfully applied for inclusion in the Brisbane City Council's Community Cycle Hire Scheme, similar to those operating in Paris and Barcelona. The city-wide scheme will initially consist of 2000 bicycles at 150 stations across the city. South Bank was perceived as an important stakeholder for involvement and consequently, bike station locations have been identified in and around the Parklands. The Corporation recognises the importance of being as accessible as possible to a wider range of visitors, including workers from the CBD who will be able to cycle to and from the Parklands during their lunch break. The initiative also contributes to the Corporation's green transport objectives.

Abigroup House's Tribune Street lawn frontage



OTHER HIGHLIGHTS

SW1

The Planning and Projects team in conjunction with the commercial arm of the Corporation, were instrumental in securing a commitment from the SW1 Joint Venture during this reporting period, which will enable this development to move into its final phase. This stellar urban precinct is a mix of commercial, retail and residential elements with well-known retail tenants on Melbourne Street such as ERA Bistro, Oliver and Co and the Queensland Centre for Photography and office tenants such as Colorado, SKM and Roche Mining. South Bank Corporation developed and oversaw the master plan, setting down unique principles and processes for what is an exemplar project.

Abigroup House

The transformation of the former Butterfly House on Stanley Street Plaza with its sloping floor and glassed roof, into a state-of-the-art mixed-use premises, has activated this underutilised public space. The three storey development now incorporates two levels of offices, ground floor retail spaces, lower basement car parking and an upper basement, which is the home of South Bank Corporation's Operations team. Although finished prior to this reporting period, the Abigroup House, Stanley Street Plaza by Cox Rayner Architects in Association with John Mainwaring won the 2009 Australian Institute of Architects Commercial Architecture Award (State) and a Regional Commendation for Brisbane.



The Marketing team: communications, events and marketing

MARKETING TEAM OVERVIEW AND HIGHLIGHTS

The Marketing team encompasses events, marketing and communications. The team's positioning statement developed during the Corporation's strategic planning process is: South Bank showcases for the world a place for people, where profit and the planet and commerce and creativity co-exist and grow. This statement encapsulates the direction that the Marketing team began to forge during the 2009–2010 period. Close to 200 events have taken place at South Bank over the past year, confirming the precinct's position as Brisbane's most celebrated 'experience' destination.

HIGHLIGHTS

South Bank Corporation website

South Bank Corporation's new corporate website received international recognition by scooping a Web Marketing Association annual WebAward: South Bank Corporation's was the only Australian site to win a Government Standard of Excellence award. The Association's judging team of industry professionals – top CEOs and Creative Directors from around the world deemed the Corporation site to be outstanding in the elements of design, innovation, content, technology, interactivity, copywriting and ease of use.



Increasing retailer integration and recognition

Throughout August 2009, the Marketing team initiated and held meetings with all Parklands, Little Stanley and Grey Street retailers. These meetings were designed to improve dialogue between the Corporation and our precinct retailers, gain feedback regarding current issues/opportunities within the precinct; build and strengthen positive relationships; update our retailers on the Corporation's new Marketing team restructure, and demonstrate the Corporation's intention to value-add to our retailers.

The Marketing team in conjunction with the Property team organised a menu stand solution that incorporates black board signage. This has enabled the removal of A-frames throughout dining areas in the precinct.



CHRISTMAS MAGNIFIQUE

Christmas Magnifique was a hugely successful partnership between Little Stanley retailers and South Bank Corporation. This street-long celebration, held in December 2009, showcased the eclectic mix of quality restaurants along our heartland, Little Stanley helping to refocus emphasis on our retailers during the height of the Global Financial Crisis. The event strengthened the relationship between South Bank Corporation and its retailers by providing an offer which complemented their businesses and enhanced the visitor experience. Marketed as a sublime event combining fine dining and indulgent street life, *Christmas Magnifique* offered a feast for the senses for both ticketed guests and the passers-by. Tickets sold across the 15 participating restaurants indicate that more than 800 people from the greater Brisbane area enjoyed this unique and sumptuous dining experience. A further 850 South Bank visitors had access to the chill-out areas, significantly adding to the impact and the ambience. Such an event had not been attempted before. The collaboration of 15 restaurants and South Bank Corporation produced a hugely successful event showcasing our tenants and enabling them to

showcase diversity while surprising the visiting public with the unexpected transformation of one of their most beloved community spaces into an exotic destination. *Christmas Magnifique* has set a benchmark for coordinated, inclusive events involving and benefiting multiple retailers.

Return on investment key facts:

- 100 per cent of retailers said they would support such an event in the future.
- Over 800 ticketed diners contributed a direct spend of more than \$60,000 to Little Stanley's retailers.
- Revenue for the evening for Little Stanley retailers increased by 43 per cent compared to other Fridays in December.
- Revenue was also up by 50 per cent compared to the same night in 2008.
- Six of the 15 restaurants participating recorded their busiest night of the month and two restaurants experienced their busiest night on record.
- Six restaurants recorded December as their busiest month of 2009 and four experienced their busiest December in two years.

RetailSpace

A detailed review and analysis of this existing e-communication was undertaken in early 2010. After individual consultation with our retailers to determine customer satisfaction and readership rates, the Marketing team developed a flexible and interactive digital communications solution through a new-look e-communications template and a dedicated website

that provides our retail customers with everything they need to help their business in one dedicated 'space'. The service engages with and inspires our retailers in an innovative yet informative way. The e-newsletter and website are mediums through which the Corporation and retailers can tell stories about our places, people and experiences.

Getting the word out:

The Corporation's Public Relations activities ensure that our projects, events, initiatives and staff activities are communicated widely. During the 2009–2010 financial year, the following communications' reach was achieved.

Media type and scope	Advertising equivalent spend	Audience numbers reached
National/interstate		
TV (national and interstate)	\$4,084,162	10,622,165
Radio (national and interstate)	\$47,655	755,200
Print (interstate publications)	\$129,509	6,466,164
Print (national publications)	\$374,500	4,819,431
State		
TV	\$3,475,009	27,375,012
Radio	\$388,648	8,224,200
Print	\$1,880,282	80,939,23

Events going green

A new sustainability focus was incorporated into all events. This is clearly demonstrated by this year's 'Buddha Turns Green' initiative. This year's annual Buddha's Birth Day event featured an environmental objective, with energy efficient globes used in the 2000 red Chinese lanterns installed throughout the Parklands in the lead up to and during the festival.

OTHER TEAMS

There are many other teams around our business that contribute to the day-to-day running of the Corporation including Accounting and Finance, Legal, I.T. Services, Human Resources, Records and our Administration Officers. All of these teams have contributed to the positive performance achieved across the Corporation.

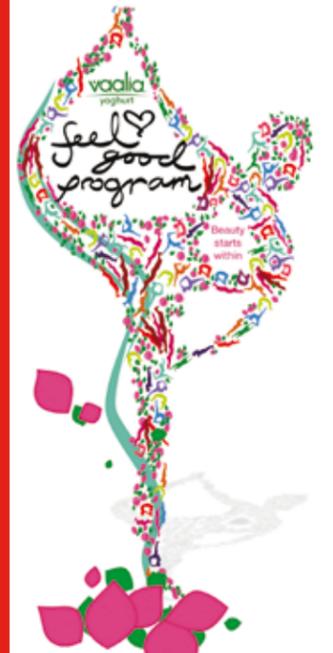


Energy efficient globes were used for Buddha's Birth Day lanterns

VAALIA YOGHURT FEEL GOOD PROGRAM

The 2009–2010 Vaalia Yoghurt Feel Good Program was the most successful program in its five-year history. With the highest number of participants ever, 3857 attendees enjoyed the Parklands' unique health and lifestyle experience including a selection of classes such as Mummy and Me yoga and Mind and Movement yoga and Aqua Aerobics.

This successful joint initiative between Parmalat Australia and South Bank Corporation has continued to attract new and loyal participants wanting to have fun, get fit and enjoy the lush surroundings. Over 400 participants were surveyed during the program to measure participant demographics, class satisfaction, attendance loyalty and Vaalia Yoghurt preferences. Suggestions received each week were monitored and implemented where appropriate, such as providing spare yoga mats. The survey determined that the program inspired high program loyalty with 92 per cent of participants attending one or more classes per week and 98 per cent of participants rated their satisfaction with the program as either excellent or good. The program also raised money in support of the South-West Queensland Flood Appeal.



Attendees comments:

I attended Mummy and Me Yoga classes to get back into shape while connecting with my baby

– Briony, Moranbah

I love Aqua Aerobics on Saturday mornings at the Parklands.

Aqua Aerobics is a fun way to exercise and keep cool in the hotter months. The classes are interactive, so it is also a great way to meet new friends.

– Amy, Tarragindi

My friends and I love attending these yoga classes after work. It's a great way to relax after a busy day in the city.

– Caitlin, Annerley

I am attending the Vaalia Yoghurt Feel Good Program because it makes me feel so good, it has been wonderful! I realised that it not only makes me feel good outside, but also gives me strength and flexibility and makes me feel complete serenity and balance.

– Lilia, South Brisbane



Yoga participants at Rainforest Green, the Parklands

03.



OUR CUSTOMERS

With such a diverse set of skills required to deliver operational excellence, we understand that our internal and external relationships are vital to our success. Whether our employees work in horticulture, finance, events or retail, there is one common thread: we all have an underlying passion for improving our operational performance. We consider our retailers to be some of our most important customers and as such they play a vital role in our business success.

We strive to engage with our customers about marketing opportunities and destination-related initiatives and as such, invest considerable energy and resources into developing proactive relationships.

The friendly service at Dot Espresso, Stanley Street Plaza

PART THREE : CUSTOMERS, VISITORS AND PARTNERS – THE ESSENTIAL MIX



OUR VISITORS

South Bank strives to create high quality and meaningful experiences for millions of visitors each year.

The Corporation is committed to working with local, interstate and international partners to ensure that we see an increase in our visitor numbers each year and improve on the quality and range of experiences we create.

Visitor feedback

To continually improve our places the Corporation continues to implement the Australian Standard ISO:10002 for complaints handling. We collate and respond to all enquiries, complaints and suggestions. We use the feedback provided by our visitors to improve our service.

We received 210 complaints during the year, which was 75 complaints less than last year. The complaints related to a variety of themes including:

- Development issues
- Car parking prices
- Ibis (birds) in the Parklands and,
- Noise



Queensland Maritime Museum



View of South Bank from Kurilpa Bridge

OUR PARTNERS

Tourism Queensland and Brisbane Marketing

We have a strong and fruitful partnership with both Tourism Queensland and Brisbane Marketing. For Tourism Queensland, we organise frequent film and photo shoots in our places. This exposure means that our retailers and our destinations are receiving exposure nationally and internationally in reality TV programs, film documentaries, travel programs, internet video blogs and publications, separate from the Corporation's own Public Relation activities. We also work with other Government Departments such as the Department of the Premier and Cabinet to deliver large-scale projects including a photography exhibition that accompanied the Shanghai Expo 2010. This exhibition featured over 100 photos of South Bank, South Brisbane and Brisbane's development delivering the message of our city's development to the world. Through these endeavours, positive Brisbane and Queensland messages are circulating in the marketplace. We also work in tandem with Brisbane Marketing to conduct 'famils' with many international media delegations.

Business South Bank

We have an ongoing relationship with Business South Bank. The 'voice' of the precinct, Business South Bank acts as a networking and business tool for its corporate members. The network takes a leadership role on key planning and government initiatives that affect businesses in the precinct, creating collaborative opportunities for employees and businesses. The Corporation's GM of Commercial and Operations sits on the Board, the CEO is the Chair of the Precinct Futures Committee and Operations team members sit on the Sustainability Committee of Business South Bank.

Cultural partners and communities

We aim to build stronger and healthier communities through our strategic social investments. We focus on education, cultural experience and healthy lifestyles. With an emphasis on positive social activity, together with our precinct partners we strive to build better, stronger and more resilient communities in South Brisbane and across our city. We are currently collaborating with Arts Queensland on the 2010 Design Triennial. We also have enduring relationships with Griffith University, The Queensland Conservatorium of Music, The Queensland Art Gallery, Gallery of Modern Art, Queensland Performing Arts Complex and Opera Queensland, Queensland College of Art, South Bank Institute of Technology, State Library of Queensland and the Queensland Museum.

Our corporate partners

The successful long-term partnership between South Bank Corporation and Unilever Australia Limited (Streets Ice Cream) was fortified through Streets signing on as naming rights sponsor for another three years. Our long-term key partnership with Suncorp also continued with the ongoing sponsorship of the Suncorp Piazza and Suncorp Superscreen. Suncorp received benefits including naming rights recognition, which included logos on all maps, the Piazza and superscreen. We continued to create Suncorp Superscreen showcasing 'moments' throughout the year including at the Brisbane International, TropFest and the Bridge to Brisbane.

Parmalat continued to support our highly successful Vaalia Yoghurt Feel Good Program.

Other key partners during the reporting period included the Queensland Government and ourbrisbane.com. Free Brisbane magazine bmag was a media partner for key events, it received exposure on display signage as well as the approval to distribute magazines to our visitors at events.

Queensland Maritime Museum

The Queensland Maritime Museum holds a rich collection of our State's maritime history, tended by the museum's committed volunteer base. The Corporation's CEO is on the QMM Board.

Brisbane City Council

South Bank Corporation's CEO was a State Government member on the Urban Futures Brisbane (UFB) Board until May 2009. This committee delivers independent advice to Council to help shape the future of Brisbane. The Board took stewardship of the River City Blueprint project.

State Government

South Bank Corporation representatives attend key cross-government forums and committees such as the Queensland Rail review committee for the beautification of local rail overpasses; and the Queensland Children's Hospital Community Liaison Group. Multiple representatives across the business foster our strong, ongoing relationship with Queensland Police.

Other agencies

In the course of our busy operations and advisory activities we collaborate with many other satellite agencies including the Business Development Association (BDA) and the RSL. The Corporation's CEO is an external Director on the Urban Places Board.

Our CEO is also the Chair of the Place Leaders Association and is involved in many activities including many national workshops about national planning issues such as the Darwin Waterfront Corporation workshop with the theme Tourism as a Trigger for Economic Development.

04.

PART FOUR : SUSTAINABILITY



ELECTRICAL MILESTONES

- Light bulbs across the precinct were changed to low wattage including 110 lights in the Suncorp Piazza
- River edge lights and pool lights were changed to low-power options
- Air conditioners are now on timers
- 50% of the permanent lighting throughout the Parklands has been changed to control by a Lux Metre, which improves efficiency by minimising the amount of time that the lights stay on. These lights also respond to ambient light, turning on and off when light levels vary, being both economical, more energy efficient and geared to safety. The remaining 50% of lights are on conventional time clocks

South Bank Corporation is committed to environmental sustainability and to providing environmental leadership in South East Queensland. Our Stormwater Harvesting and Reuse Centre (SHARC) project currently under construction is a major sustainability initiative. However, there are many smaller sustainability projects that we have completed. South Bank Corporation has made positive steps in reducing our carbon footprint and ensuring a more efficient and eco-aware precinct now and in the future. Since 2006 the Corporation has actively implemented a number of energy saving initiatives including the installation of LED and energy efficient lighting across the precinct and also installed timers to regulate hot water systems and common area lighting to avoid excessive energy use. South Bank Corporation has an ongoing Water Management Plan that commenced in 2001. In that time, potable water consumption in the Parklands has been reduced significantly.

South Bank Corporation has instituted routine waste management procedures and the waste stream is broken down into the following categories over multiple bin rooms including: glass recycling; cardboard recycling; general waste; and oil disposal. The general waste is transferred to Ti Tree Bioenergy Facility that uses 'best practice' bioreactor technology to rapidly stabilise waste while capturing environmentally damaging methane and converting it into electricity. South Bank tenants are encouraged to recycle and are monitored via our cleaning staff and feedback from our waste collection supplier.

South Bank Corporation is a Statutory Authority established by the Queensland Parliament under the *South Bank Corporation Act 1989*.

Our Board of Directors is responsible for the corporate governance of the organisation and is accountable for the Corporation's performance to our Shareholding Minister.

Corporate governance at South Bank Corporation encompasses a number of functions, including authority, accountabilities, risk management, leadership, performance monitoring and internal control systems. Our Board recognises the importance of applying effective corporate governance practices and is committed to a high level of integrity throughout its operation.

South Bank Corporation has a Corporate Governance Manual which includes Guidelines for Members Potential Conflicts of Interest and Charters for each of the Audit and Remuneration Committees.

Board of Directors

Details of the Board, including their skills, experience and expertise are outlined on pages 32 to 35 of this report.

Board Meetings

The Board met 11 times in the reporting period. The Chairman and the Chief Executive Officer liaise ahead of each meeting, to discuss current issues facing the Corporation as well as the meeting agenda, which includes:

- monthly reports on non-financial and financial performance
- major projects
- retail, commercial and business milestones; and
- strategic planning and updates

PART FIVE : CORPORATE GOVERNANCE

Appointment

The Board members are appointed by the Governor in Council based on the nominations of the Minister and Brisbane City Council as described under the *South Bank Corporation Act 1989*.

Directors must adhere to South Bank Corporation's Policies on Disclosure and Conflicts of Interest and the Code of Conduct, and are therefore required to disclose potential or actual conflicts of interest as soon as they arise. The Board must also comply with obligations regarding disclosure and conflicts of interest imposed upon them in the *South Bank Corporation Act 1989*.

This is the first agenda item at each meeting. If a conflict of interest arises, the director in question will not participate in any discussion or decision regarding the matter in question, and in some circumstances will not be present during any discussion and/or decision of the Board in relation to the issue where a conflict of interest has arisen.

Member benefits

Throughout the reporting period no Board member received or became entitled to receive any benefit other than as is noted in the Financial Statements section of this report.

Audit Committee

The South Bank Corporation Audit Committee provides advice to Board members to assist in the effective discharge of the responsibilities prescribed in the *South Bank Corporation Act 1989*, *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and other relevant legislation and prescribed requirements.

The South Bank Corporation Audit Committee:

- advises on internal control processes, including business risk and appropriate standards for the management of the Corporation
- ensures the quality and reliability of the financial information prepared, working in conjunction with both internal and external auditors; and

- reviews and confirms that all services provided by auditors are consistent with maintaining independence.

The Committee met four times over the reporting period. The members of the Audit Committee during the period were: Graham Carpenter (Chairman), David Ford, and Toni Thornton.

Internal and external auditors, the Chief Executive Officer, the Chief Financial Officer and others are invited to meetings at the discretion of the Committee.

Remuneration Committee

The Remuneration Committee reviews changes to remuneration policy, the performance and remuneration of the Chief Executive Officer and the CEO's report on remuneration of members of the Executive Management Team. It comprises Michael Power (Chairman), Steve Wilson, Eleanor Davidson and Steve Ackerie. The Committee met once over the reporting period.

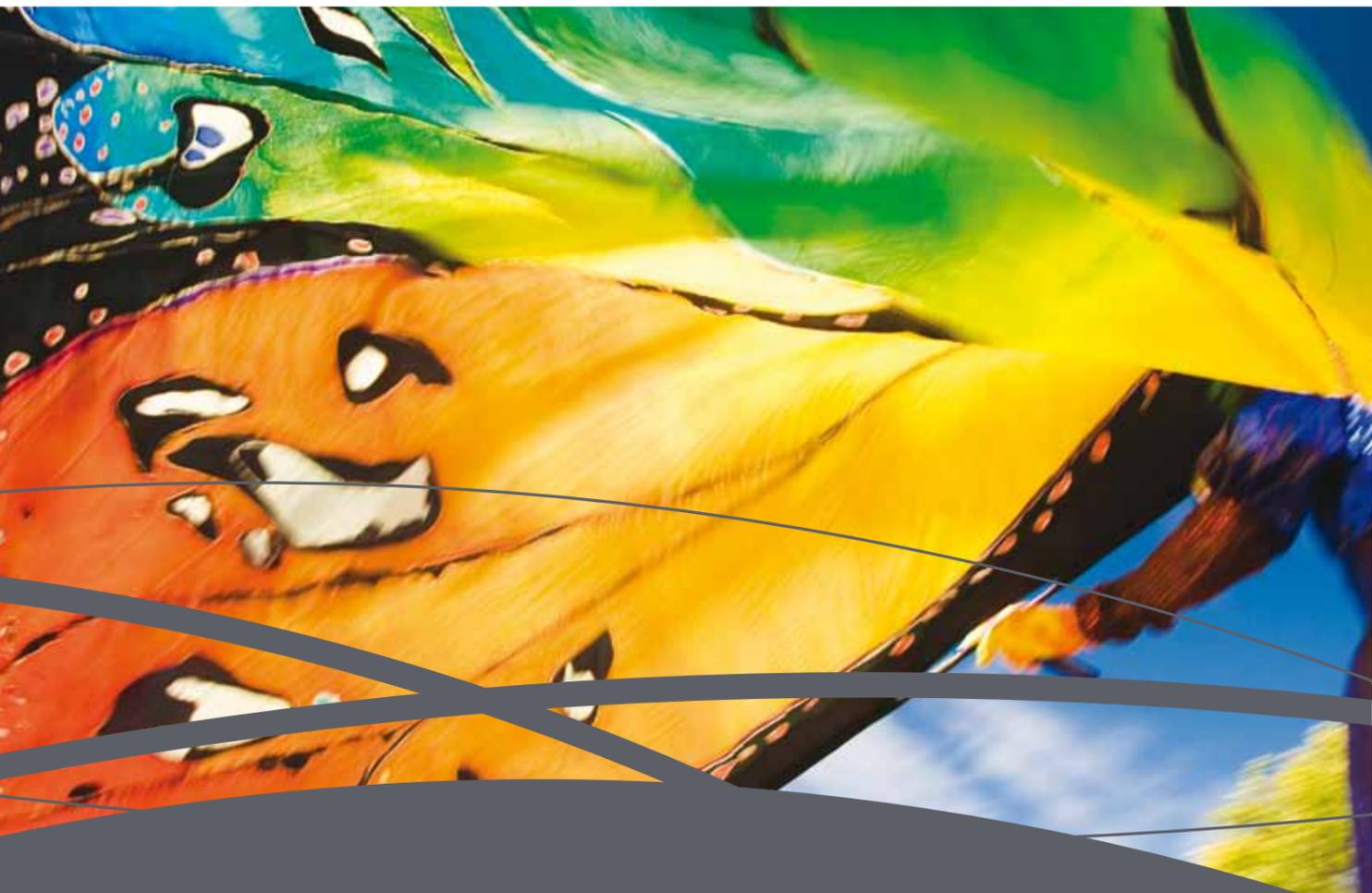
Code of Conduct and ethical standards

The Corporation's Code of Conduct sets out the behavioural standards for each Board member, manager and employee of the Corporation. A copy of the code has been given to each employee of the Corporation and is included in the induction package for all new employees.

The Code promotes and outlines the core ethical principles of respect for the law and system of government, respect for persons, integrity, diligence, economy and efficiency.

The Code also covers consultants and members of the board, reviews, advisory panels and selection committees where they used Corporation resources or have access to official information.

The Corporation's administrative procedures and management practices are carried out with proper regard to the Code of Conduct and the *Public Sector Ethics Act 1994*.



Crisis management

In December 2009, South Bank Corporation engaged external crisis management experts to conduct a workshop with key crisis team members. Ross Campbell & Associates trained staff in the following areas: an introduction to crisis management and recovery; a review of team roles and responsibilities; the identification of key threats; and call out and administrative processes. The group also discussed key roles and responsibilities and identified the way forward as a group. Ross Campbell & Associates developed the first Crisis Management and Recovery Manual and were able to review the Corporation's current manual and provide valuable feedback on the manual's functionality. This feedback was taken into account and material changes were made to the document.

Workplace Health and Safety

In July 2009, the Corporation undertook its third internal WHS Management Systems Audit to assess the progress being made with the implementation of the system. An Action Plan was implemented and items of concern rectified. In April 2010 it was decided by the Corporation to engage a consultant to undertake an external audit to provide a benchmark for improvement. DRA Safety Specialists were engaged to conduct the audit and it was completed using the Tri Safe Assessment tool. This assessment has created a clear path forward for the Corporation and an Action Plan for 2010–2012.

Consultants

Below is a summary of the payments made to consultants during the reporting period:

Description	Payment \$'000
Legal	21
Professional and technical	98
Communication	115
Finance and accounting	20
Management	31
Human Resource management	13
Information Technology	40
Total	338

Keeping our visitors safe

Under Section 91 of the *South Bank Corporation Act 1989*, the Corporation is required to report on the number of exclusion directions issued as a result of disorderly conduct, drunkenness or creating a disturbance during the reporting period.

For the year ending 1 July 2009 to 30 June 2010, there were 696 exclusion directions given, an increase from the previous financial year when 416 exclusion directions were given.

The breakdown of exclusionary offences for the year is as follows:

- Disorderly conduct: 602
- Drunkenness: 50
- Creating a disturbance: 44

Of these exclusions, 269 related to minors aged 16 years or younger. This is an increase on the 2009 figure of 80.

No applications for review of any exclusion directions were made and no exclusion directions were set aside.

Right to Information

The *Right to Information Act 2009* (QLD) commenced on 1 July 2009, replacing the *Freedom of Information Act 1992* (QLD). The *Right to Information Act 2009* (QLD) enables the public to access documents held by the Corporation. In turn, we make as much information available to the public as possible.

The Corporation received two Right to Information requests in the reporting period, regarding the relocation of the ABC headquarters to South Bank and the redevelopment of the Boardwalk.

Risk management and insurance

We maintain a business risk register as part of our risk management process. The register is used to ensure that all internal controls, including fraud and corruption prevention and other risk mitigation strategies are considered in the preparation of internal audit strategies.

The Corporation insures with the Queensland Government Insurance Fund against insurable liabilities and losses that would materially affect its operation and assets.

Special Facilities Liquor Licence

The Corporation holds a Commercial Special Facilities Liquor Licence from the Office of Liquor and Gaming Regulation. This licence is often referred to as an "umbrella" licence as it can be used to cover a range of different types of liquor outlets, for example, hotels, bars, restaurants and convention centres, as is the case at South Bank. A Commercial Special Facility Licence is only granted in limited circumstances including in respect of "...[a] facility, other than a sporting facility,

that makes, or is likely to make, a significant contribution to the tourism development of the State".

The majority of restaurants, cafes and bars in the Corporation Area are sublicensed for the sale of liquor under the Corporation's Commercial Special Facilities Licence.

Communication to stakeholders

The Corporation aims to ensure that all stakeholders are informed of all major developments affecting the Corporation's state of affairs. Information is communicated to stakeholders through its annual report, media releases, newsletters, websites and direct correspondence to Government through quarterly reports.

Whistleblowers Protection

Under the *Whistleblowers Protection Act 1994*, we are required to report to Parliament on our administration of the Act. There were no matters required to be disclosed for public interest over the reporting period.

Overseas travel

No corporate overseas travel was undertaken by South Bank Corporation employees this year.

Queensland Carers (Recognition) Act 2008

South Bank Corporation has responded to principles in both the *Queensland Carers (Recognition) Act 2008* and the Carer's Charter including principle number 4 and principle number 7, (listed consecutively):

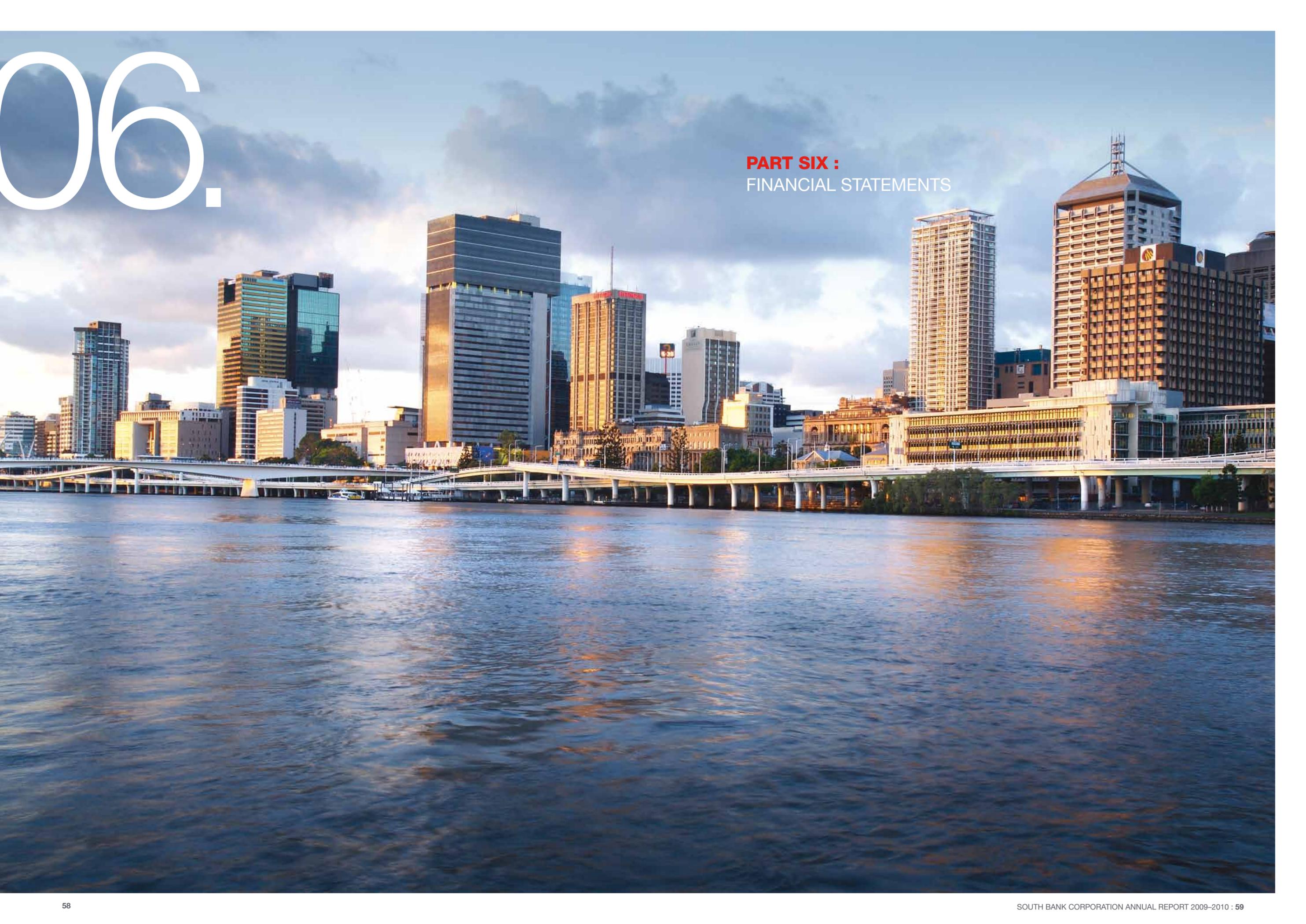
- The importance of carers' work means the role of carers should be recognised by including carers, or their representative bodies, in the assessment, planning, delivery and review of services affecting carers; and
- The relationship between a carer and the person they care for should be respected and honoured.

During the 2009–2010 reporting period we planned for the delivery of a new unisex toilet facility in the main Beach Pavilion, in the Parklands to accommodate carers and people with disabilities. The design took into account space considerations and use requirements including a shower and a baby change area for carers with children and people with disabilities who have children. The proximity of this amenity to Streets Beach facilitates increased leisure opportunities for people with disabilities and their carers.

During the 2009–2010 financial year, toilet facilities were planned and constructed specifically for people with severe disabilities and their carers. The new toilets at Riverside Green in the Parklands, feature an electric hoist and mobile trolley with full shower and toilet facilities.

06.

PART SIX :
FINANCIAL STATEMENTS



Statement of Comprehensive Income for the year ended 30 June 2010

	Notes	Consolidated 2010 \$'000	Consolidated 2009 \$'000	South Bank Corporation 2010 \$'000	South Bank Corporation 2009 \$'000
Income from continuing operations					
Revenue					
User charges	3	34,010	35,682	34,010	35,682
Sale of goods	4	19,134	19,343	19,134	19,343
Sale of development property		8,455	6,558	8,455	6,558
Interest		5,147	4,453	5,146	4,453
Other		471	464	471	464
Operating grant and other contributions	5	10,025	10,325	10,025	10,325
Capital project grants	5	26,716	78,870	26,716	78,870
Gains					
Gain on revaluation of investment property	14	2,950	–	2,950	–
Total income from continuing operations		106,908	155,695	106,907	155,695
Expenses from continuing operations					
Employee expenses	6	7,674	7,479	143	153
Supplies and services	7	41,942	44,142	49,472	51,468
Cost of goods sold		4,593	4,637	4,593	4,637
Cost of property sales		1,726	1,873	1,726	1,873
Grants and subsidies	8	3,000	–	3,000	–
Depreciation	9	15,373	15,206	15,373	15,206
Borrowing costs		2,009	2,045	2,009	2,045
Other		(4)	203	(4)	203
Losses					
Impairment loss	10	747	–	747	–
Loss on revaluation of investment property	15	–	2,000	–	2,000
Loss on disposal of property, plant and equipment		3,287	1,193	3,287	1,193
Total expenses from continuing operations		80,347	78,778	80,346	78,778
Operating result from continuing operations		26,561	76,917	26,561	76,917
Other comprehensive income					
Increase (decrease) in asset revaluation surplus		20,786	(19,108)	20,786	(19,108)
Total comprehensive income		47,347	57,809	47,347	57,809

The accompanying notes form part of these statements.

Statement of Financial Position as at 30 June 2010

	Notes	Consolidated 2010 \$'000	Consolidated 2009 \$'000	South Bank Corporation 2010 \$'000	South Bank Corporation 2009 \$'000
Current assets					
Cash and cash equivalents	11	114,335	129,415	114,317	129,243
Receivables	12	1,942	7,491	1,942	7,491
Prepayments and deposits		899	1,395	722	1,395
Inventories		323	326	323	326
Development property	13	1,687	3,190	1,687	3,190
Total current assets		119,186	141,817	118,991	141,645
Non-current assets					
Development property	13	6,269	5,472	6,269	5,472
Property, plant and equipment	14	516,694	454,713	516,694	454,713
Investment property	15	55,095	51,000	55,095	51,000
Intangible assets	16	–	–	–	–
Total non-current assets		578,058	511,185	578,058	511,185
Total assets		697,244	653,002	697,049	652,830
Current liabilities					
Payables	17	14,612	9,983	14,834	10,272
Provisions	18	272	345	–	–
Other financial Liabilities	19	3,205	3,177	3,205	3,177
Other	20	13,110	17,625	13,110	17,625
Total current liabilities		31,199	31,130	31,149	31,074
Non-current liabilities					
Payables	17	488	548	488	548
Provisions	18	145	116	–	–
Other financial liabilities	19	25,524	28,667	25,524	28,667
Total non-current liabilities		26,157	29,331	26,012	29,215
Total liabilities		57,356	60,461	57,161	60,289
Net assets		639,888	592,541	639,888	592,541
Equity					
Accumulated surplus		323,821	296,783	323,821	296,783
Asset revaluation surplus	21	316,067	295,758	316,067	295,758
Total equity		639,888	592,541	639,888	592,541

The accompanying notes form part of these statements.



Statement of Changes in Equity for the year ended 30 June 2010

	Accumulated Surplus		Asset Revaluation Surplus (note 21)		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Consolidated						
Balance as at 1 July	296,783	219,866	295,758	314,866	592,541	534,732
Operating result from continuing operations	26,561	76,917	-	-	26,561	76,917
Total Other Comprehensive Income						
- Increase/(decrease) in Asset Revaluation Surplus	-	-	20,786	(19,108)	20,786	(19,108)
Transfers	477	-	(477)	-	-	-
Balance as at 30 June	323,821	296,783	316,067	295,758	639,888	592,541
South Bank Corporation						
Balance as at 1 July	296,783	219,866	295,758	314,866	592,541	534,732
Operating result from continuing operations	26,561	76,917	-	-	26,561	76,917
Total Other Comprehensive Income						
- Increase/(decrease) in Asset Revaluation Surplus	-	-	20,786	(19,108)	20,786	(19,108)
Transfers	477	-	(477)	-	-	-
Balance as at 30 June	323,821	296,783	316,067	295,758	639,888	592,541

The accompanying notes form part of these statements.

Statement of Cash Flows for the year ended 30 June 2010

	Notes	Consolidated	Consolidated	South Bank	South Bank
		2010	2009	Corporation	Corporation
		\$'000	\$'000	2010	2009
				\$'000	\$'000
Cash flows from operating activities					
<i>Inflows:</i>					
User charges and sale of goods		58,198	56,045	58,198	56,045
Sale of development property		4,955	8,345	4,955	8,345
Grants and other contributions		36,741	89,195	36,741	89,195
Interest		5,147	4,453	5,146	4,453
GST collected on sales and charges		6,635	6,502	6,635	6,502
GST input tax credits received from ATO		5,519	1,354	5,519	1,354
<i>Outflows:</i>					
Employee benefits		(7,665)	(7,346)	(143)	(153)
Supplies and services		(42,538)	(51,095)	(49,905)	(58,460)
Grants and other contributions		(3,000)	-	(3,000)	-
Borrowing costs		(2,009)	(2,045)	(2,009)	(2,045)
GST paid on purchases		(10,414)	(7,109)	(10,414)	(7,109)
GST remitted to ATO		(1,787)	(1,434)	(1,787)	(1,434)
Net cash from operating activities	22	49,782	96,865	49,936	96,693
Cash flows from investing activities					
<i>Inflows:</i>					
Sale of plant and equipment		15	215	15	215
<i>Outflows:</i>					
Payments for intangible assets		(747)	-	(747)	-
Payments for property, plant and equipment, and investment property		(61,015)	(9,912)	(61,015)	(9,912)
Net cash (used in) investing activities		(61,747)	(9,697)	(61,747)	(9,697)
Cash flows from financing activities					
<i>Inflows:</i>					
Borrowings		-	15	-	15
<i>Outflows:</i>					
Borrowing redemptions		(3,091)	(2,692)	(3,091)	(2,692)
Finance lease payments		(24)	(40)	(24)	(40)
Net cash (used in) financing activities		(3,115)	(2,717)	(3,115)	(2,717)
Net increase (decrease) in cash and cash equivalents		(15,080)	84,451	(14,926)	84,279
Cash and cash equivalents at beginning of financial year		129,415	44,964	129,243	44,964
Cash and cash equivalents at end of financial year	11	114,335	129,415	114,317	129,243

The accompanying notes form part of these statements.



Notes to and forming part of the Financial Statements for the year ended 30 June 2010

Objectives of South Bank Corporation

The objectives of South Bank Corporation (the Corporation) are to: promote, facilitate, carry out and control the development, disposal and management of land and other property within the Corporation area; to the highest possible standards and in the interest of the people of the City of Brisbane and of Queensland. The Corporation's vision is to create and manage 'The Best New Urban Precinct in the World'.

The Corporation is partly funded for the outputs it delivers by departmental grant funding and is reliant upon the support of the Queensland Government to enable it to continue as a going concern. It also sells development property by lease and provides services on a fee for service basis including:

- Venue hire facilities, including associated food and beverage sales;
- Retail and commercial tenancies; and
- Car parking facilities.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a Basis of preparation

The financial statements cover South Bank Corporation as an individual parent entity (parent entity) and the consolidated financial statements of South Bank Corporation and its controlled entity (consolidated group). The Corporation is constituted as a body corporate by virtue of the *South Bank Corporation Act 1989* (the Act), and is a statutory body within the meaning of the *Financial Accountability Act 2009*.

The South Bank Corporation has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

These financial statements have been prepared as a general purpose financial report in accordance with Australian Accounting Standards and interpretations, the Treasurer's Minimum Reporting Requirements for the year ending 30 June 2010 and other authoritative pronouncements. They have been prepared on an accruals basis using historical costs and do not take into account changing money values nor non-current valuations of specific assets except for certain assets at valuation (refer notes 1 o and 1 p).

With respect to compliance with Australian Accounting Standards and interpretations, the Corporation has applied those requirements applicable to not-for-profit entities, as it is a not-for-profit statutory body.

Accounting policies have been applied on a basis consistent with the previous financial year except where otherwise stated.

b The reporting entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Corporation and the entity it controls: the South Bank Employing Office.

Effective from 1 July 2008 all employees of South Bank Corporation, with the exception of its Directors, were employed by the South Bank Employing Office (SBEO) under the same terms, conditions and entitlements as per their employment contracts with the Corporation. The SBEO and the Corporation have entered into an arrangement for the employees to perform the work of the Corporation.

All employee entitlements, including annual leave and long service leave, were transferred to the SBEO from the Corporation. The SBEO is indemnified for all such liabilities by the Corporation.

The Corporation as an economic entity consists of the parent entity together with the SBEO as a controlled entity. In order to provide enhanced disclosure, the Corporation has adopted the principles outlined in Australian Accounting Standard AASB 127 Consolidated and Separate Financial Statements. This approach is considered appropriate as it reflects the relationship between the Corporation's core business activities and those of the SBEO. In the process of reporting on the Corporation as a single economic entity, all transactions and balances internal to the consolidated group have been eliminated in full.

The Queensland Auditor-General is the auditor of the South Bank Employing Office.

c Brisbane Convention & Exhibition Centre (BCEC)

The Corporation's financial statements incorporate the assets, liabilities and financial results of the BCEC.

Notes to and forming part of the Financial Statements for the year ended 30 June 2010

d Taxation

The Corporation is exempt from Commonwealth taxation except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). As such, input tax credits receivable from, and FBT and GST payable to, the Australian Taxation Office are recognised and accrued.

e Insurance

It is the Corporation's policy to insure against potential liabilities or losses that would materially affect its operations and assets.

f Revenue

The Corporation's revenue from ordinary activities includes: sale of goods including food and beverages, venue hire, car parking income, tourism sales, and rental and outgoings received or receivable from properties leased by the Corporation.

User charges and sale of goods are recognised upon provision of the particular service.

Revenue from the sale of development property (by leasehold) is only recognised once all pre-conditions to the granting of the lease are completed.

Government grants that are non-reciprocal in nature are recognised as revenue in the financial year in which they are receivable.

Other revenues are recognised upon provision of the particular service.

g Borrowing costs

Loans are carried at their principal amounts which represent the future cash flows associated with servicing the debt.

Borrowing costs comprising interest and charges related to loans are recognised as expenses in the financial year in which they are incurred.

No borrowing costs are capitalised into qualifying assets.

h Depreciation of property, plant and equipment

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

Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life to the Corporation. Estimates of remaining useful lives are made on a regular basis for all assets. Expected useful lives, by asset type, are as follows:

Buildings	40 years
Land Improvements	
Hard landscaping	40 years
Soft landscaping	5 years
Riverwall and reclamation	100 years
Lighting and electrical	20 years
Heritage	
Nepalese Pagoda	40 years
Artwork	n/a
Plant and equipment	
Furniture and fittings	4-20 years
Software	4-10 years
Other	8-20 years

Where assets have separately identifiable components that are subject to regular replacements, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

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

Assets under construction are capitalised as work in progress at cost, until completed, and are not depreciated.

Plant and equipment subject to a finance lease is amortised on a straight line basis over the expected useful life of the asset to the Corporation.



Notes to and forming part of the Financial Statements for the year ended 30 June 2010

i Impairment of non-current assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Corporation 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.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated 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.

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

j Cash and cash equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash includes all cash, cash at bank and deposits at call with financial institutions.

k Receivables

Trade receivables are recognised at the amounts receivable, as they are due for settlement within normal trading terms. Collectability of trade receivables are reviewed on an ongoing basis. A provision for impairment is raised when doubt as to collection exists.

l Inventories

Inventories represent goods held by the BCEC and the Corporation in the ordinary course of business and are stated at the lower of cost and net realisable value. Cost is assigned on a weighted average cost basis. Net realisable value is determined on the basis of the Corporation's normal selling pattern.

m Development property

Certain of the real property holdings are intended for sale by leasehold and are classified as development property. Development property is stated at the lower of deemed cost, cost or net realisable value. Costs of preparing land for leasing are capitalised until all pre-conditions of the lease are completed. Revenue and costs are then brought to account in the Statement of Comprehensive Income.

Development property is treated as a current asset when the issuing of the leasehold is expected within 12 months.

n Property, plant and equipment

The property, plant and equipment of the Corporation comprises the South Bank Parklands and the BCEC including land, buildings, land improvements and related items of plant and equipment, other than investment property.

Land with a cost or other value in excess of \$1, and all other items of property, plant and equipment with a cost or other value in excess of \$5,000 are recognised in the Statement of Financial Position in the year of acquisition. Items with a lesser value are expensed.

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2010

o Revaluation of land, buildings and land improvements

The Corporation values land (other than development property), buildings, land improvements, and heritage and cultural assets in accordance with the Australian Accounting Standard AASB 116 *Property, Plant & Equipment* and the Queensland Treasurer's guidelines – 'Non-Current Asset Accounting Guidelines for the Queensland Public Sector'. It is the Corporation's policy to record at fair value, being the value for which the assets could be exchanged between knowledgeable willing parties in an arm's length transaction, all land, buildings, land improvements, and heritage and cultural assets. Revaluations are made with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from their fair value at the reporting date. All other classes of assets are recorded on a cost basis less depreciation and impairment losses. The carrying amount for these assets should not materially differ from their fair value.

Plant and equipment is measured at cost in accordance with the Queensland Treasury's Non-current Asset Policies.

Revaluation increments are credited directly to the asset revaluation surplus of the appropriate class, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the Statement of Comprehensive Income, the increment is recognised immediately as revenue in that statement. Revaluation decrements are recognised immediately as expenses in the Statement of Comprehensive Income, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation surplus.

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.

Materiality concepts under AASB 1031 are considered in determining whether the difference between the carrying amount and the fair value of an asset is material.

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

p Investment property

Investment property, which is property held to earn rentals and or for capital appreciation, is initially recognised at cost or deemed cost including transaction costs. Where investment property is acquired at no or nominal cost it is recognised at fair value. Investment property is subsequently carried at fair value at the reporting date. Fair value is based on selling prices in an active property market adjusted, if necessary, to reflect the nature, location or condition of the specific investment property. If there is no active property market, alternative calculation methods are used such as recent selling prices in less active markets, or discounted cash flow projections.

Pursuant to the revised accounting standard AASB 140 *Investment Property*, from 2009-10, investment buildings under construction are now included within the investment property category, rather than within Property, Plant and Equipment (and being measured at cost prior to completion). Consequently, investment buildings under construction are also now measured at fair value, unless fair value cannot be reliably determined for an individual property (in which case, the property concerned is measured at cost until fair value can be reliably determined). In determining a fair value for investment buildings under construction, a value is determined as at reporting date for an equivalent completed building (using current construction plans and all available relevant information), and this value is adjusted proportionately to reflect the percentage of completion and remaining costs to complete construction as at reporting date.

Gains or losses arising from changes in the fair value of investment property are included in the Statement of Comprehensive Income for the period in which they arise. Investment property is not depreciated and is not tested for impairment.

Rental received from investment property is recognised as income on a periodic straight line basis over the lease term.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

q Payables

Trade creditors and accruals represent liabilities for goods and services provided to the Corporation prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within normal trading terms.

(i) Annual leave and sick leave

All liabilities for annual leave are expected to be paid within twelve months of the reporting date. Such liabilities in respect of employees' services up to the reporting date are measured at the amounts expected to be paid when the liabilities are settled, plus relevant on-costs. No provision is made for non-vesting sick leave as the anticipated pattern for future sick leave indicates that accumulated non-vesting sick leave will never be paid.

(ii) Superannuation

Employer contributions for superannuation expenses are included in the Statement of Comprehensive Income. Beyond the agreed contributions to the various funds the Corporation has no financial commitment to the funds.

r Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Long Service Leave

A provision for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Future payments not expected to be paid within 12 months are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows. Relevant on-costs are included in the determination of the provision.

s Other liabilities

Other liabilities includes premiums received for the sale of development land not yet completed and deposits received from customers for bookings at the BCEC relating to future financial years. Such revenue is recognised when earned.

t Leases

A distinction is made in the financial statements between finance leases that effectively transfer from the lessor to the lessee substantially all risks and benefits incidental to ownership, and operating leases under which the lessor retains substantially all risks and benefits.

Where a non-current physical asset is acquired by means of a finance lease, the asset is recognised at the lower of the fair value of the leased property and the present value of the minimum lease payments. The lease liability is recognised at the same amount. Lease payments are allocated between the principal component of the lease and the interest expense.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

u Financial instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Corporation becomes a party to the contractual provisions of the financial instrument.

Classifications

Financial instruments are classified and measured as follows:

Cash and cash equivalents – held at fair value through profit and loss

Receivables – held at amortised cost

Payables – held at amortised cost

Borrowings – held at principal amount which represents the future cash flows associated with servicing the debt

Borrowings are initially recognised at fair value, plus any transaction costs directly attributed to the borrowings.

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

The Corporation does not enter into transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the Corporation holds no financial assets classified at fair value through the profit and loss.

v New and revised accounting standards

Disclosure is required when initial application of an Australian Accounting Standard has an effect on the current period or any prior period, would have such an effect except that it is impracticable to determine the amount of the adjustment, or will have an effect on future periods. New and amended Australian Accounting Standards that were applicable for the first time in the 2009-10 financial year and that had a significant impact on the Corporation's financial statements are as follows.

The Corporation complied with the revised AASB 101 Presentation of Financial Statements as from 2009-10. This revised standard does not have any measurement or recognition implications. Pursuant to the change of terminology used in the revised AASB 101, the Balance Sheet is now re-named to the Statement of Financial Position, and the Cash Flow Statement has now been re-named to Statement of Cash Flows. The former Income Statement has been replaced by a Statement of Comprehensive Income. In line with the new concept of 'comprehensive income' the bottom of this new statement contains certain transactions that previously were detailed in the Statement of Changes in Equity (refer to the items under the sub-heading 'Other Comprehensive Income'). The Statement of Changes in Equity, in addition to the total comprehensive income for the relevant components of equity, now only includes details of transactions with owners in their capacity as owners.

The main impact from the revised standard AASB 140 Investment Property is that, from 2009-10, investment buildings under construction are now included within the Investment Property category, rather than within Property Plant and Equipment (for subsequent transfer to the Investment Property category).

All other Australian Accounting Standards and interpretations with future commencement dates are either not applicable to the Corporation, or have no material impact on it.

The Corporation can not early adopt a new accounting standard ahead of the specified commencement date unless approval is obtained from Treasury. No additional standards have been early adopted in the reporting period.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

w Change in accounting policy*(i) Employee leave entitlements*

Annual leave and long service leave liabilities have been reclassified in these financial statements as Payables and Provisions respectively. These liabilities were disclosed in prior years as Accrued Employee Benefits. It is believed that the disclosure change better reflects the disclosure requirements of the Australian Accounting Standards. All comparative figures have been changed to be consistent with this change in accounting policy.

A third statement of financial position, i.e. as at 1 July 2008 the beginning of the earliest comparative period, has not been presented as the changes are not considered to be material.

Had the accounting policy not been changed the following items would have been shown in the Statement of Financial Position.

	Consolidated 2010 \$'000	Consolidated 2009 \$'000	South Bank Corporation 2010 \$'000	South Bank Corporation 2009 \$'000
Current Liabilities				
Total payables	14,200	9,624	14,834	10,272
Accrued employee benefits				
- Annual leave entitlements	412	359	-	-
- Long service leave entitlements	272	345	-	-
Non-current Liabilities				
Accrued employee benefits				
- Long service leave entitlements	145	116	-	-

(ii) Physical assets at gross fair value and accumulated depreciation

Physical assets recognised at fair value are disclosed in the financial statements at fair value less accumulated depreciation, in line with the Queensland Treasury's reporting requirements. In prior years only the net fair value amount (i.e. the fair value less the accumulated depreciation) was disclosed. As a result of this change the fair value and accumulated depreciation of property, plant and equipment increased by the following:

	\$'000
Buildings	149,237
Land Improvements	48,207
Heritage Assets	4,274

(iii) Land improvements and Infrastructure works

The class of physical assets described in the financial statements as "Land Improvements" were given the description "Infrastructure Works" in prior years. These assets include items such as landscaping, roads, footpaths, fountains, retaining walls, electric lighting and power, stormwater and sewer drainage. It is believed that Land Improvements gives a better description of these types of assets.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

x Issuance of financial statements

The financial statements are authorised for issue by the Board of South Bank Corporation at the date of signing the Management Certificate.

y Judgements and assumptions

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgments 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 statement notes:

- Valuation of Property, Plant and Equipment (note 14)
- Receivables (note 1k)
- Provisions (note 1r)

z Rounding and comparatives

Amounts included in the financial statements have been rounded to the nearest \$1,000 or, where the amount is \$500 or less, to zero.

Comparative information has been reclassified and restated where necessary to be consistent with disclosures in the current reporting period.

2 BUSINESS SEGMENT INFORMATION

The following tables demonstrate the revenue and expenses of the Corporation separated into its key business segments, which are:

Venue hire

Includes hire of the BCEC, Suncorp Piazza and sundry parkland areas, as well as the associated sale of food and beverages and hire of audio visual equipment.

Tenancies

Includes rent and recoveries from the retail and commercial tenancies within the South Bank Parklands and Little Stanley Street.

Car parking

Includes commercial car parking facilities within the South Bank Parklands and the BCEC.

Community activities and promotions

Includes tourism sales, provision of the parkland facilities, events within and around the South Bank Parklands and marketing of the precinct. Events are staged as part of the Corporation's community service activities.

Other

Includes sale of development land (by leasehold), project planning, place management and administration.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

2 BUSINESS SEGMENT INFORMATION (cont'd)
CONSOLIDATED

Business Segments	Venue Hire	Tenancies	Car Parking	Community Activities & Promotions	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
For the year ended 30 June 2010						
Income						
User charges	14,051	8,980	10,927	52	–	34,010
Sale of goods	19,052	–	–	82	–	19,134
Sale of development property	–	–	–	–	8,455	8,455
Interest received	–	9	–	–	5,138	5,147
Other	–	–	–	205	266	471
Operating grant and other contributions	–	–	–	–	10,025	10,025
Capital project grants	–	–	–	–	26,716	26,716
Gain on revaluation of investment property	–	2,950	–	–	–	2,950
	33,103	11,939	10,927	339	50,600	106,908
Expenses						
Employee costs	–	447	549	4,257	2,421	7,674
Supplies and services	27,657	3,186	1,142	7,765	2,192	41,942
Cost of goods sold	4,526	–	–	67	–	4,593
Cost of development property	–	–	–	–	1,726	1,726
Grant paid	–	–	–	–	3,000	3,000
Depreciation	9,715	–	1,443	3,848	367	15,373
Borrowing costs	–	–	–	–	2,009	2,009
Other	20	(106)	–	1	81	(4)
Impairment loss	–	–	–	–	747	747
Loss on disposal of plant & equipment	150	–	–	–	3,137	3,287
	42,068	3,527	3,134	15,938	15,680	80,347
Net surplus / (deficit)	(8,965)	8,412	7,793	(15,599)	34,920	26,561
For the year ended 30 June 2009						
Income						
User charges	15,377	9,018	11,219	68	–	35,682
Sale of goods	19,247	–	–	96	–	19,343
Sale of development property	–	–	–	–	6,558	6,558
Interest received	–	–	–	–	4,453	4,453
Other	–	–	–	418	46	464
Operating grant and other contributions	–	–	–	–	10,325	10,325
Capital project grants	–	–	–	–	78,870	78,870
	34,624	9,018	11,219	582	100,252	155,695
Expenses						
Employee costs	–	519	601	4,269	2,090	7,479
Supplies and services	29,453	2,371	1,170	9,236	1,912	44,142
Cost of goods sold	4,560	–	–	77	–	4,637
Cost of development property	–	–	–	–	1,873	1,873
Depreciation	9,173	–	1,418	4,355	260	15,206
Borrowing costs	–	–	–	–	2,045	2,045
Other	–	180	–	23	–	203
Loss on revaluation of investment property	–	2,000	–	–	–	2,000
Loss on disposal of plant & equipment	180	–	–	994	19	1,193
	43,366	5,070	3,189	18,954	8,199	78,778
Net surplus / (deficit)	(8,742)	3,948	8,030	(18,372)	92,053	76,917

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

2 BUSINESS SEGMENT INFORMATION (cont'd)
SOUTH BANK CORPORATION

Business Segments	Venue Hire	Tenancies	Car Parking	Community Activities & Promotions	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
For the year ended 30 June 2010						
Income						
User charges	14,051	8,980	10,927	52	–	34,010
Sale of goods	19,052	–	–	82	–	19,134
Sale of development property	–	–	–	–	8,455	8,455
Interest received	–	9	–	–	5,137	5,146
Other	–	–	–	205	266	471
Operating grant and other contributions	–	–	–	–	10,025	10,025
Capital project grants	–	–	–	–	26,716	26,716
Gain on revaluation of investment properties	–	2,950	–	–	–	2,950
	33,103	11,939	10,927	339	50,599	106,907
Expenses						
Employee costs	–	–	–	–	143	143
Supplies and services	27,657	3,633	1,691	12,022	4,469	49,472
Cost of goods sold	4,526	–	–	67	–	4,593
Cost of development property	–	–	–	–	1,726	1,726
Grant paid	–	–	–	–	3,000	3,000
Depreciation	9,715	–	1,443	3,848	367	15,373
Borrowing costs	–	–	–	–	2,009	2,009
Other	20	(106)	–	1	81	(4)
Impairment loss	–	–	–	–	747	747
Loss on disposal of plant & equipment	150	–	–	–	3,137	3,287
	42,068	3,527	3,134	15,938	15,679	80,347
Net surplus / (deficit)	(8,965)	8,412	7,793	(15,599)	34,920	26,561
For the year ended 30 June 2009						
Income						
User charges	15,377	9,018	11,219	68	–	35,682
Sale of goods	19,247	–	–	96	–	19,343
Sale of development property	–	–	–	–	6,558	6,558
Interest received	–	–	–	–	4,453	4,453
Other	–	–	–	418	46	464
Operating grant and other contributions	–	–	–	–	10,325	10,325
Capital project grants	–	–	–	–	78,870	78,870
	34,624	9,018	11,219	582	100,252	155,695
Expenses						
Employee costs	–	–	–	–	153	153
Supplies and services	29,453	2,890	1,771	13,505	3,849	51,468
Cost of goods sold	4,560	–	–	77	–	4,637
Cost of development property	–	–	–	–	1,873	1,873
Depreciation	9,173	–	1,418	4,355	260	15,206
Borrowing costs	–	–	–	–	2,045	2,045
Other	–	180	–	23	–	203
Loss on revaluation of investment property	–	2,000	–	–	–	2,000
Loss on disposal of plant & equipment	180	–	–	994	19	1,193
	43,366	5,070	3,189	18,954	8,199	78,778
Net surplus / (deficit)	(8,742)	3,948	8,030	(18,372)	92,053	76,917

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
3 USER CHARGES				
Rental income	8,980	9,018	8,980	9,018
Venue hire	14,051	15,377	14,051	15,377
Car parking	10,927	11,219	10,927	11,219
Other	52	68	52	68
Total	34,010	35,682	34,010	35,682
4 SALE OF GOODS				
Food and beverage sales	19,052	19,247	19,052	19,247
Other	82	96	82	96
Total	19,134	19,343	19,134	19,343
5 GRANTS AND OTHER CONTRIBUTIONS				
Operating grant	10,025	10,325	10,025	10,325
Capital project grants:				
BCEC expansion	25,600	76,000	25,600	76,000
Stormwater Harvesting	250	2,870	250	2,870
Public Art	866	–	866	–
	26,716	78,870	26,716	78,870
Total	36,741	89,195	36,741	89,195
6 EMPLOYEE EXPENSES				
Wages and salaries	5,955	6,166	135	144
Superannuation	1,023	606	8	9
Payroll tax	343	318	–	–
Annual leave	319	349	–	–
Long service leave	34	40	–	–
Total	7,674	7,479	143	153

As at the end of the financial year 77 full-time equivalents were employed (2009: 79).

The Chief Executive and Directors whose total remuneration from the Corporation was within the specified bands are as follows:

	Number	Number	Number	Number
\$0 - \$19,999	7	9	7	9
\$50,000 - \$69,999	1	1	1	1
\$320,000 - \$339,999	1	1	–	–

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
7 SUPPLIES AND SERVICES				
Brisbane Convention and Exhibition Centre:				
Staffing charges	18,016	18,243	18,016	18,243
Electricity	1,139	1,098	1,139	1,098
Advertising, marketing and PR	972	1,105	972	1,105
Asset repairs and replacements	2,938	3,228	2,938	3,228
Investment property operating costs	3,090	2,265	3,090	2,265
Parkland repairs and maintenance	2,343	3,600	2,343	3,600
Parkland outsourced contracts (security, cleaning, lifeguards & waste disposal)	2,734	2,607	2,734	2,607
Insurance premiums:				
Qld Government Insurance Fund	813	866	813	866
Operating lease rentals	404	394	404	394
External audit fees (the auditors received no other benefits)	101	99	87	77
SBEO staffing charges	–	–	7,920	7,507
Other supplies and services	9,392	10,637	9,017	10,478
Total	41,942	44,142	49,473	51,468

The total external audit fees relating to the 2009-10 financial year are estimated to be \$100,500 (2009: \$89,500) for the consolidated group and \$87,200 (2009: \$77,200) for South Bank Corporation. There are no non-audit services included in this amount.

8 GRANTS AND SUBSIDIES PAID

Grant	3,000	–	3,000	–
Total	3,000	–	3,000	–

Grant paid to assist the Queensland Symphony Orchestra to move its offices and studios to South Bank, as a tenant of the Australian Broadcasting Corporation development.

9 DEPRECIATION

Buildings	8,711	8,154	8,711	8,154
Land improvements	3,649	4,046	3,649	4,046
Heritage and cultural	43	42	43	42
Plant and equipment	2,970	2,964	2,970	2,964
Total	15,373	15,206	15,373	15,206
10 IMPAIRMENT LOSS				
Goodwill purchased	747	–	747	–
Total	747	–	747	–



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
11 CASH AND CASH EQUIVALENTS				
Cash on hand	424	320	424	320
Cash at bank	2,138	10,827	2,120	10,655
Deposits at call	111,773	118,268	111,773	118,268
Total	114,335	129,415	114,317	129,243
12 RECEIVABLES				
Trade and other receivables	2,013	7,822	2,013	7,822
Less provision for impairment	(120)	(331)	(120)	(331)
	1,893	7,491	1,893	7,491
GST Receivable	1,032	–	1,032	–
GST Payable	(983)	–	(983)	–
	49	–	49	–
Total	1,942	7,491	1,942	7,491
Movement in the provision for impairment				
Balance as at 1 July	331	102	331	102
Increase (decrease) in provision recognised in the income statement	(156)	233	(156)	233
Amount written off during the year	(55)	(4)	(55)	(4)
Balance as at 30 June	120	331	120	331
13 DEVELOPMENT PROPERTY				
Current asset	1,687	3,190	1,687	3,190
Non-current asset	6,269	5,472	6,269	5,472
Total	7,956	8,662	7,956	8,662
At deemed cost	3,481	4,461	3,481	4,461
Capitalised development costs	4,475	4,201	4,475	4,201
Total	7,956	8,662	7,956	8,662

Development property at deemed cost comprises land valued by an independent valuer as at 30 June 1997. During the 2009 year an area of Parklands land with a carrying value of \$0.975 million, was reclassified as development property.

As at 30 June 2010 the directors of the Corporation Board estimate the fair market value of the development property to be approximately \$29 million. This valuation has not been recognised in the financial statements. Furthermore, the Directors of the Corporation Board expect that the carrying value of the land will not exceed the present value of the net cash flows resulting from the realisation of the land.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
14 PROPERTY, PLANT AND EQUIPMENT				
Land				
At fair value	101,700	106,900	101,700	106,900
Buildings				
At fair value	384,299	342,652	384,299	342,652
Less accumulated depreciation	(149,352)	(149,237)	(149,352)	(149,237)
	234,947	193,415	234,947	193,415
Land improvements				
At fair value	137,905	153,966	137,905	153,966
Less accumulated depreciation	(39,773)	(48,207)	(39,773)	(48,207)
	98,132	105,759	98,132	105,759
Heritage and cultural assets				
At fair value	8,272	8,385	8,272	8,385
Less accumulated depreciation	(2,767)	(4,274)	(2,767)	(4,274)
	5,505	4,111	5,505	4,111
Plant and equipment				
At cost	19,829	113,122	19,829	113,122
Less accumulated depreciation	(12,919)	(82,997)	(12,919)	(82,997)
	6,910	30,125	6,910	30,125
Work in progress				
At cost	69,500	14,403	69,500	14,403
Total	516,694	454,713	516,694	454,713

Land

Land of the South Bank Parklands (excluding development land) and the BCEC was independently valued by the State Valuation Services of the Department of Environment and Resource Management as at 30 June 2010 and 2009. The valuations were determined by reference to the best use physically possible, legally permissible and financially feasible, which would result in the highest value.

Buildings

The commercial car park and buildings utilised by the Corporation for its own use were valued as at 30 June 2010 and 2009 by independent valuers Knight Frank Valuations Queensland using 'fair value' principles, based on current market values.

The BCEC building was valued by independent valuers Rider Levett Bucknall (RLB) as at 30 June 2010, based on the written down replacement cost of the assets taking into consideration their remaining useful life. As at 30 June 2009 the BCEC building was valued by RLB and other non-commercial buildings were indexed in line with this valuation.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

14 PROPERTY, PLANT AND EQUIPMENT (cont'd)**Land improvements**

All land improvements such as landscaping and civil works were valued by RLB as at 30 June 2010. The valuations were determined based on the written down replacement cost of the assets, taking into consideration their remaining useful life. As at 30 June 2009 RLB performed independent valuations - on the same basis - of the landscaping and the majority of civil works and the balance of the land improvement assets were indexed in line with the valuation.

Heritage and cultural assets

Heritage and Cultural Assets were valued as at 30 June 2010 and 2009 by independent valuers; using 'fair value' principles based on current market values for artworks where a market exists, and using written down replacement cost of the assets (taking into consideration their remaining useful life) for heritage assets where no market exists.

Plant and equipment

Plant and equipment is valued at cost in accordance with Queensland Treasury's Non-current Asset Accounting Policies for the Queensland Public Sector.

Consolidated and South Bank Corporation

Property, Plant and Equipment reconciliation

	Land	Buildings	Land Improvements	Heritage & Cultural	Plant & Equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2010							
Balance 1 July 2009	106,900	193,415	105,759	4,111	30,125	14,403	454,713
Additions	-	1,500	1,415	52	1,806	55,097	59,870
Disposals	-	-	(2,996)	-	(306)	-	(3,302)
Reclassification	-	21,661	84	-	(21,745)	-	-
Revaluations	(5,200)	27,082	(2,481)	1,385	-	-	20,786
Depreciation	-	(8,711)	(3,649)	(43)	(2,970)	-	(15,373)
Balance 30 June 2010	101,700	234,947	98,132	5,505	6,910	69,500	516,694
2009							
Balance 1 July 2008	124,000	198,264	114,702	4,314	29,383	10,835	481,498
Additions	-	909	322	-	4,119	4,562	9,912
Reclassification	(975)	-	-	-	-	-	(975)
Revaluations	(16,125)	2,396	(5,218)	(161)	-	-	(19,108)
Disposals	-	-	(1)	-	(413)	(994)	(1,408)
Depreciation	-	(8,154)	(4,046)	(42)	(2,964)	-	(15,206)
Balance 30 June 2009	106,900	193,415	105,759	4,111	30,125	14,403	454,713

The Corporation has plant and equipment with an original cost of \$9 million (2009: \$60.3 million) and a written down value of zero still being used in the provision of services. These assets primarily relate to the original fit-out of the Brisbane Convention and Exhibition Centre, and can not be revalued under the Corporation's accounting policies.

The South Bank Employing Office does not hold any Property, Plant and Equipment.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
15 INVESTMENT PROPERTY				
Land and buildings				
Balance as at 1 July	51,000	53,000	51,000	53,000
Additions	768	-	768	-
Fair value adjustment	2,950	(2,000)	2,950	(2,000)
	54,718	51,000	54,718	51,000
Work in progress	377	-	377	-
Balance as at 30 June	55,095	51,000	55,095	51,000

The Parklands investment properties were independently valued as at 30 June 2010 and 2009 by registered valuers Knight Frank Valuations Queensland using 'fair value' principles, based on current market values and the rental stream received for the property.

Valuations provided are for the land and buildings used. The split between land and buildings has not been obtained. The rental income and direct operating expenses derived from the investment properties is shown as:

Property rental income	8,465	8,326	8,465	8,326
Direct operating expenses on property that generated rental income during the period	3,090	2,265	3,090	2,265

Investment property is leased on terms which vary depending on the use of the property and other relevant factors. There were no properties that did not generate rental income during the period. No contingent rentals were recognised during the current or prior period.

The future minimum lease payments receivable under non-cancellable leases are:

Not later than one year	6,896	5,867	6,896	5,867
Later than one year and not later than five years	16,130	14,575	16,130	14,575
Later than five years	6,958	7,513	6,958	7,513
Total	29,984	27,955	29,984	27,955

There are no restrictions on the realisability of investment property or remittance of income and proceeds of disposal.

The Corporation does not have any contractual obligations requiring it to purchase, construct or develop investment property or for repairs, maintenance or enhancement.

16 INTANGIBLE ASSETS

Goodwill purchased - at cost	747	-	747	-
Provision for impairment loss	(747)	-	(747)	-
Total	-	-	-	-

As a result of negotiations with a former tenant the Corporation purchased business trading names as an incentive for them to vacate the investment property site. As the Corporation has no current intention to reuse the assets their value has been written down to nil.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
17 PAYABLES				
Current				
Trade payables	2,597	3,383	2,597	3,383
Accruals	9,601	4,233	10,235	4,881
Annual leave	412	359	–	–
Other	2,002	2,010	2,002	2,010
	14,612	9,985	14,834	10,274
GST receivable	–	(819)	–	(819)
GST payable	–	817	–	817
	–	(2)	–	(2)
Total	14,612	9,983	14,834	10,272
Non-current				
Other	488	548	488	548
18 PROVISIONS				
Current				
Long service leave entitlements	272	345	–	–
Non-current				
Long service leave entitlements	145	116	–	–
Total	417	461	–	–
Movement in provisions for long service leave				
Balance as at 1 July	461	421	–	–
Additional provision recognised	98	81	–	–
Reduction in provision on payment	(142)	(41)	–	–
Balance as at 30 June	417	461	–	–

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows of long service leave the probability of the leave being taken is based on historical data.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
19 OTHER FINANCIAL LIABILITIES				
Current				
Finance lease liability (note 24)	7	24	7	24
Queensland Treasury Corporation borrowings	3,198	3,153	3,198	3,153
Total	3,205	3,177	3,205	3,177
Non-current				
Finance lease liability (note 24)	2	9	2	9
Queensland Treasury Corporation borrowings	25,522	28,658	25,522	28,658
Total	25,524	28,667	25,524	28,667

No assets have been pledged as security for any liabilities, with the exception of leased assets which revert to the lessor in the event of default.

All borrowings are in Australian dollars and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Repayment dates vary from 2016 to 2028. There have been no defaults or breaches of the loan agreements during the period.

The weighted average borrowing rate for QTC borrowings is 6.07%, ranging from 6.04% to 6.40% (2009: 5.85%, ranging from 5.79% to 6.15%). As it is the intention of the Corporation to hold its borrowings for their full term, no fair value adjustment is made to the carrying amount of the borrowings.

Interest in finance leases is recognised as an expense as it accrues. No interest has been capitalised during the current or comparative reporting period.

20 OTHER CURRENT LIABILITIES

Unearned income	8,273	11,992	8,273	11,992
Forward booking deposits	4,837	5,633	4,837	5,633
Total	13,110	17,625	13,110	17,625

Unearned income as at 30 June 2010 includes premiums received of \$7.8M (2009: \$8.1M) on the sale of development land with the transactions to be completed in future financial years.

21 ASSET REVALUATION SURPLUS BY CLASS**Consolidated and South Bank Corporation**

There is no variance between the consolidated and the reporting entity South Bank Corporation, as the South Bank Employing Office does not hold any Property, Plant and Equipment.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010**21 ASSET REVALUATION SURPLUS
BY CLASS (cont'd)**

	Land \$'000	Buildings \$'000	Land Improve- ments \$'000	Heritage & Cultural \$'000	Plant & Equipment \$'000	Total \$'000
2010						
Balance as at 1 July 2009	107,167	115,597	70,684	1,833	477	295,758
Revaluation increment/(decrement)	(5,200)	27,082	(2,481)	1,385	–	20,786
Transfer to accumulated surplus	–	–	–	–	(477)	(477)
Balance as at 30 June	101,967	142,679	68,203	3,218	–	316,067
2009						
Balance as at 1 July 2008	123,292	113,201	75,902	1,994	477	314,866
Revaluation increment/(decrement)	(16,125)	2,396	(5,218)	(161)	–	(19,108)
Balance as at 30 June	107,167	115,597	70,684	1,833	477	295,758

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

The plant and equipment asset revaluation surplus recorded in prior periods has been transferred to accumulated surplus as it is the Corporation's policy to value plant and equipment at cost or deemed cost.

	Consolidated 2010 \$'000	Consolidated 2009 \$'000	South Bank Corporation 2010 \$'000	South Bank Corporation 2009 \$'000
22 RECONCILIATION OF OPERATING SURPLUS TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating surplus	26,561	76,917	26,561	76,917
<i>Non-cash items:</i>				
Depreciation	15,373	15,206	15,373	15,206
(Gain)/loss on revaluation of investment property	(2,950)	2,000	(2,950)	2,000
(Gain)/loss on disposal of plant and equipment	3,287	1,193	3,287	1,193
Transfer of land to development property	–	975	–	975
Impairment loss	747	–	747	–
<i>Change in assets and liabilities:</i>				
(Increase)/decrease in receivables	5,549	(5,364)	5,549	(5,364)
(Increase)/decrease in prepayments and deposits	493	(953)	670	(953)
(Increase)/decrease in inventories	6	38	6	38
(Increase)/decrease in development property	706	(116)	706	(116)
(Decrease)/increase in payables	4,569	(1,007)	4,502	(718)
(Decrease)/increase in provisions	(44)	40	–	(421)
(Decrease)/increase in other liabilities	(4,515)	7,936	(4,515)	7,936
Net cash from operating activities	49,782	96,865	49,936	96,693

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010 \$'000	Consolidated 2009 \$'000	South Bank Corporation 2010 \$'000	South Bank Corporation 2009 \$'000
23 FINANCIAL INSTRUMENTS				
(a) Categorisation of financial instruments				
The Corporation has the following categories of financial assets and financial liabilities.				
Category				
Financial asset				
Cash and cash equivalents (note 11)	114,335	129,415	114,317	129,243
Receivables (note 12)	1,942	7,491	1,942	7,491
Total	116,277	136,906	116,259	136,734
Financial liabilities				
Payables, excl. annual leave (note 17)	14,688	10,172	15,322	10,820
Other financial liabilities – Qld Treasury Corporation (QTC) borrowings (note 19)	28,720	31,811	28,720	31,811
Other financial liabilities – lease liabilities (note 19)	9	33	9	33
Total	43,417	42,016	44,051	42,664

(b) Financial risk management

The Corporation's activities expose it to a variety of financial risks – interest rate risk, credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to the Corporation's policies which focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Corporation.

The Corporation measures risk exposure using a variety of methods as follows:

Risk Exposure	Measurement Method
Credit risk	Ageing analysis
Liquidity risk	Sensitivity analysis
Market risk	Interest rate sensitivity analysis

(c) Credit risk exposure

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

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the carrying amount of those assets net of any provisions for impairment as indicated in the Statement of Financial Position. The following table represents the maximum exposure to credit risk. No significant credit risks have been identified.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
23 FINANCIAL INSTRUMENTS (cont'd)				
(c) Credit risk exposure (cont'd)				
Financial assets				
Cash	114,335	129,415	114,317	129,243
Receivables	1,942	7,491	1,942	7,491

It is the Corporation's policy to hold cash deposits or bank guarantees equal to three month's rental for lease tenants.

The Corporation manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that it invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

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

The method for calculating any provisional impairment for risk is based on past experience and current and expected changes in economic conditions.

The recognised impairment loss is \$120,000 for the current year (2009: \$331,000) a decrease of \$211,000 from 2009.

Aging of past due but not impaired as well as impaired financial assets are disclosed in the following tables:

Consolidated and South Bank Corporation

There is no difference between the aging of the receivables of the consolidated and the reporting entity South Bank Corporation.

	Contractual Repricing/Maturity Date:					Total Overdue	Total Financial Assets \$'000
	Not Overdue	Less than 30 days	30 – 60 days	61 – 90 days	More than 90 days		
	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000	\$,000
2010 Financial Assets Past Due							
Financial Assets Not Impaired							
Receivables	1,332	337	19	–	205	561	1,893
Financial Assets that have been Impaired							
Receivables	–	–	–	–	120	120	120
2009 Financial Assets Past Due							
Financial Assets Not Impaired							
Receivables	6,871	150	180	67	223	620	7,491
Financial Assets that have been Impaired							
Receivables	–	–	–	–	331	331	331

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010**23 FINANCIAL INSTRUMENTS (cont'd)****(d) Liquidity risk**

Liquidity risk refers to the situation where the Corporation may encounter difficulty in meeting obligations associated with financial liabilities.

The Corporation is exposed to liquidity risk through its trading in the normal course of business. It manages this risk by monitoring forecast cash flows to ensure it has sufficient funds available to meet employee and supplier obligations at all times. The following table sets out the liquidity risk of financial liabilities held.

	1 year or less \$'000	1 to 5 years \$'000	Greater than 5 years \$'000	Total \$'000
Consolidated financial liabilities				
2010				
Payables (excl. annual leave)	14,200	488	–	14,688
QTC borrowings	3,198	13,293	12,229	28,720
Finance leases	7	2	–	9
Total	17,405	13,783	12,229	43,417
2009				
Payables (excl. annual leave)	9,624	548	–	10,172
QTC borrowings	3,153	12,685	15,973	31,811
Finance leases	24	9	–	33
Total	12,801	13,242	15,973	42,016
South Bank Corporation financial liabilities				
2010				
Payables	14,834	488	–	15,322
QTC borrowings	3,198	13,293	12,229	28,720
Finance leases	7	2	–	9
Total	18,039	13,783	12,229	44,051
2009				
Payables	10,272	548	–	10,820
QTC borrowings	3,153	12,685	15,973	31,811
Finance leases	24	9	–	33
Total	13,449	13,242	15,973	42,664

(e) Market risk

The Corporation does not trade in foreign currency and is not materially exposed to commodity price changes. It is exposed to interest rate risk through its borrowings from Queensland Treasury Corporation (QTC) and cash deposits in interest bearing accounts. All QTC borrowings are from generic debt pools which approximate fixed rate loans.

The Corporation does not undertake any hedging in relation to interest risk.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

23 FINANCIAL INSTRUMENTS (cont'd)**(f) Interest rate sensitivity analysis**

The Corporation's exposure to interest rate risk is mainly attributable to variable interest rates on cash held with and borrowings from QTC. The Corporation's sensitivity to interest rate risk has reduced in the current period due to increased cash which is held for capital works projects to be undertaken.

The following interest rate sensitivity analysis depicts the outcome to profit and loss if interest rates would change by +/-1% from the year-end rates applicable to the Corporation's financial assets and liabilities. With all other variables held constant, the Corporation would have a surplus and equity increase/(decrease) of \$856,000 (2009:\$976,000).

Financial instruments	Carrying Amount	Interest Rate Risk			
		-1%		+1%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Consolidated 2010					
Cash	114,335	(1,143)	(1,143)	1,143	1,143
QTC Borrowings	28,720	287	287	(287)	(287)
Overall effect on profit and equity		(856)	(856)	856	856
2009					
Cash	129,415	(1,294)	(1,294)	1,294	1,294
QTC Borrowings	31,811	318	318	(318)	(318)
Overall effect on profit and equity		(976)	(976)	976	976
South Bank Corporation 2010					
Cash	114,317	(1,143)	(1,143)	1,143	1,143
QTC Borrowings	28,720	287	287	(287)	(287)
Overall effect on profit and equity		(856)	(856)	856	856
2009					
Cash	129,243	(1,292)	(1,292)	1,292	1,292
QTC Borrowings	31,811	318	318	(318)	(318)
Overall effect on profit and equity		(974)	(974)	974	974

(g) Fair value

It is considered that the carrying amount of the financial assets and financial liabilities of the Corporation, with the exception of the interest-bearing liabilities listed below, closely approximate their fair value and therefore no fair value is disclosed.

The fair value of interest-bearing liabilities was determined by Queensland Treasury Corporation by discounting the expected future cash flows by the current interest rates for liabilities with similar risk profiles.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000
23 FINANCIAL INSTRUMENTS (cont'd)				
(g) Fair value (cont'd)				
Financial liabilities				
QTC borrowings:				
Total carrying amount	28,720	31,811	28,720	31,811
Net fair value	29,673	31,928	29,673	31,928
24 COMMITMENTS FOR EXPENDITURE				
(a) Finance lease commitments				
Lease liabilities recognised in the Balance Sheet:				
Current	7	24	7	24
Non-current	2	9	2	9
	9	33	9	33
Commitments under the finance leases at reporting date exclusive of GST are payable as follows:				
Not later than one year	8	25	8	25
Later than one year and not later than five years	2	10	2	10
Total commitments	10	35	10	35
Future finance charge	(1)	(2)	(1)	(2)
Total	9	33	9	33

Finance leases are entered into as a means of funding the acquisition of photocopiers. The lease payments are fixed, with a purchase option, and contingent rental obligations dependent on the volume of use.

(b) Non-cancellable operating lease commitments

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

Not later than one year	445	437	445	437
Later than one year and not later than five years	858	1,230	858	1,230
Total commitments	1,303	1,667	1,303	1,667
Anticipated input tax credits	118	153	118	153

Operating leases, with fixed lease payments, are entered into as a means of acquiring access to assets, mainly retail space, building accommodation and motor vehicles.



Notes to and forming part of the Financial Statements
for the year ended 30 June 2010

	Consolidated 2010	Consolidated 2009	South Bank Corporation 2010	South Bank Corporation 2009
	\$'000	\$'000	\$'000	\$'000

24 COMMITMENTS FOR EXPENDITURE (cont'd)

(c) Capital expenditure

Material capital expenditure commitments contracted for but not completed and therefore not recognised as a payable at balance date:

Not later than one year	103,606	42,957	103,606	42,957
Later than one year but not later than five years	–	80,973	–	80,973
Total commitments (incl. GST)	103,606	123,930	103,606	123,930

Contracted capital commitments relate to the construction of the expansion of the Brisbane Convention and Exhibition Centre, redevelopment of the Boardwalk and installation of the Storm Water Harvesting Project.

25 CONTINGENT LIABILITIES AND ASSETS

The Corporation has received notification of public liability claims that could result in litigation. The Corporation believes that any material liability from these actions is indemnified by the Corporation's insurers.

Certificate of South Bank Corporation

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

- the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the South Bank Corporation for the financial year ended 30 June 2010 and of the financial position of the Corporation at the end of that year.

S M Wilson
CHAIRMAN

M C Snow
CHIEF EXECUTIVE OFFICER

T Marsden
CHIEF FINANCIAL OFFICER

Date: 19 August 2010



To the Board of the South Bank Corporation

Matters Relating to the Electronic Presentation of the Audited Financial Report

The auditor's report relates to the financial report of South Bank Corporation for the financial year ended 30 June 2010 included on South Bank Corporation's website. The Board is responsible for the integrity of the South Bank Corporation's website. I have not been engaged to report on the integrity of the South Bank Corporation's website. The auditor's report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from South Bank Corporation, to confirm the information included in the audited financial report presented on this website.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

Report on the financial report

I have audited the accompanying financial report of the South Bank Corporation, which comprises the statement of financial position as at 30 June 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and certificates given by the *Chairman, Chief Executive Officer and Chief Financial Officer* of the consolidated entity comprising the South Bank Corporation and the entities it controlled at the year's end or from time to time during the financial year.

The Board's responsibility for the financial report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009* including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

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

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

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

Independence

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

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

Auditor's opinion

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

(a) I have received all the information and explanations which I have required; and
(b) in my opinion –

- (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of South Bank Corporation and the consolidated entity for the financial year 1 July 2009 to 30 June 2010 and of the financial position as at the end of that year.

K A VIVIAN
as Delegate of the Auditor-General of Queensland

Signed on this 23rd day of August 2010, at Brisbane



Image acknowledgements

Front cover	Kylie Hood Photography	p.28	Maurice Ortega, Queensland Centre of Photography
Inside cover	Selection of images from Fullframe Photography and Tjunction Media	p.29	Les Dixon Photography
p.2 & 3	Fullframe Photography	p.30	Les Dixon Photography
p.4	Tjunction Media Fullframe Photography Kylie Hood Photography	p.31	Christopher Frederick Jones
p.6	Tjunction Media	p.32	Mike Curtain Photography Tjunction Media
p.7	Les Dixon Photography	p.34	Image of Ken Smith provided by the Department of Premier and Cabinet
p.8	Selection of images from Fullframe Photography and Tjunction Media	p.34 & 35	Tjunction Media
p.9	Fullframe Photography	p.36 & 37	Tjunction Media
p.10	Tjunction Media Fullframe Photography	p.38	Les Dixon Photography Mike Curtain Photography
p.11	Fullframe Photography	p.41	Les Dixon Photography
p.12	Fullframe Photography	p.42	Mike Curtain Photography
p.13	Les Dixon Photography	p.43	Image provided by Abigroup Contractors Pty Ltd, Chris Jones Photography
p.14	Seán Paul Moss, Figments Photography	p.44	Mike Curtain, Mike Curtain Photography
p.15	Les Dixon Photography	p.45	Tjunction Media
p.16	Blackbox Photography Remaining images including artist impression Image provided by ABC and Leighton Contractors Pty Ltd	p.46	Image (bottom right) provided by Buddha Light International Association, Queensland
p.17	Images provided by ABC	p.47	Tjunction Media
p.18	Gamble McKinnon Green	p.48	Les Dixon Photography
p.19	Arkhefield	p.49	Les Dixon Photography
p.20, 21 & 22	Images provided by Brisbane Convention & Exhibition Centre	p.50	Image provided by RSL (QLD Branch) Les Dixon Photography
p.24	Image provided by (m)art, photographer Romy Willing	p.51	Christopher Frederick Jones
p.25	Fullframe Photography	p.52	Tjunction Media
p.27	Image provided by Buddha Light International Association, Queensland	p.53	Seán Paul Moss, Figments Photography
		p.54	Kylie Hood Photography
		p.56	Fullframe Photography
		p.58 & 59	Kylie Hood Photography

OUR REPORT

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