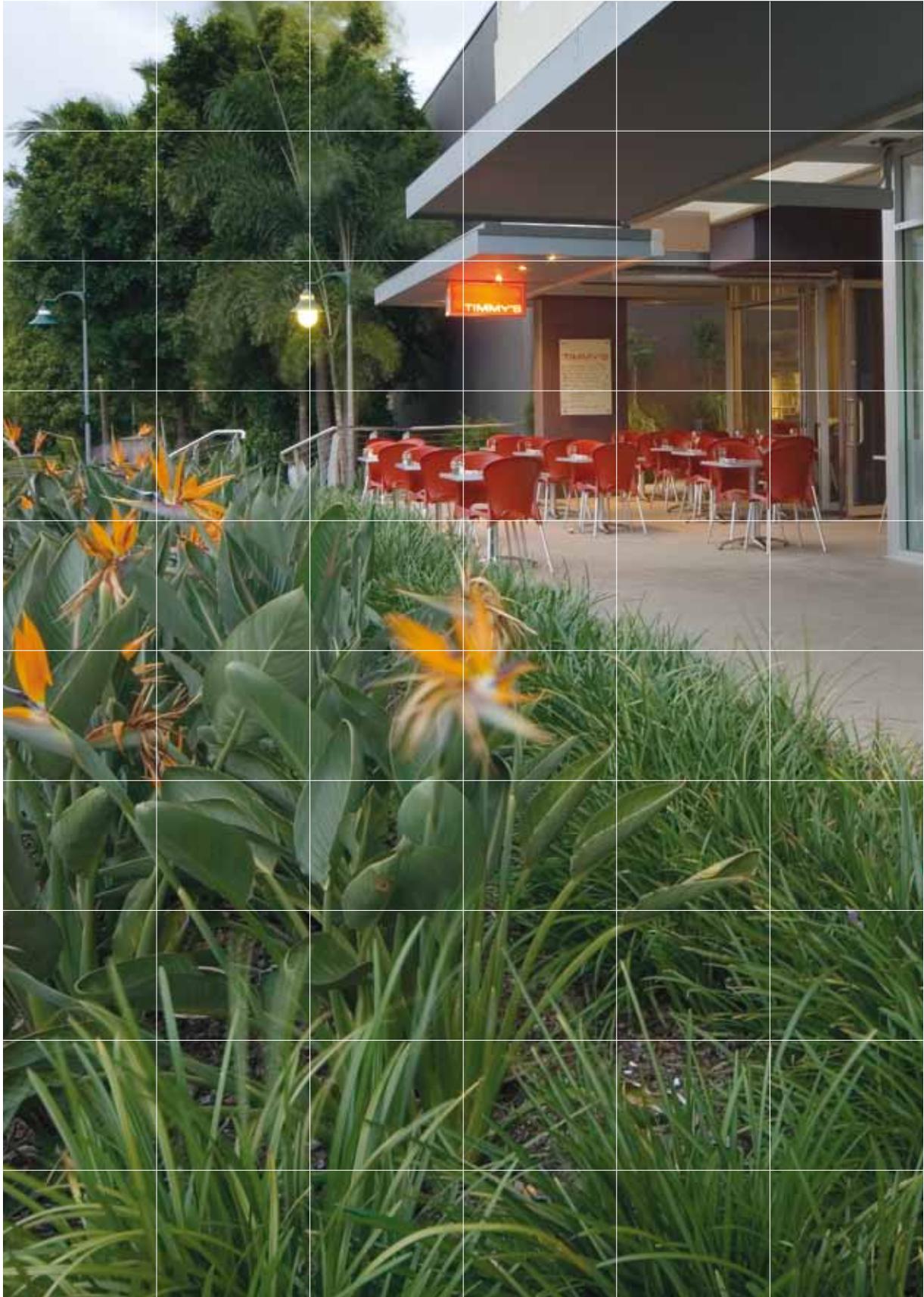




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Who We Are

Overview

South Bank Corporation is a Queensland Government statutory authority responsible for the planning, development and management of the defined Corporation area under the *South Bank Corporation Act 1989*.

The Corporation owns and manages 42 hectares of Brisbane's most popular and important public space including commercial and residential buildings, hotels and retail outlets.

Since 1989, the South Bank precinct has been transformed into a successful world-class leisure, business, residential, educational and cultural hub.

Our Vision

Our vision is to be the world's best new urban precinct.

Our Mission

Our mission is for the South Bank reach of the river to become the centre of Brisbane uniting our precinct with the Central Business District, linking with the city's green and commercial places and providing a vibrant setting for community activities.

The people it attracts, the activities it supports, its environment and design will form the heart of city life and contribute to the recognition of Brisbane as one of the world's most attractive cities.

South Bank will connect with the West End, Highgate Hill and Woolloongabba communities, along with the arts, educational, sporting and convention centres. We will promote a distinctive Queensland style of design advocating sustainable and responsible development with a strong community focus and provide an operating environment for successful businesses that enhance the vitality of the precinct.

South Bank will proudly celebrate its successes and continue to gain local, national and international recognition.

SOUTH BANK CORPORATION

Our Balanced Scorecard Snapshot

The Corporation is committed to ongoing strategic planning to ensure the sustainable development and improvement of the area it controls. The Corporation's clear aim is to increase South Bank's appeal to a greater cross-section of Queensland residents and visitors.

During 2007, the Corporation reviewed its strategic planning framework and reinforced the Balanced Scorecard concept to better report on the Corporation's strategic priorities.

This approach has assisted in aligning operational activities to high-level strategic priorities.

The Balanced Scorecard concept and the Corporation's Environmentally Sustainable Development (ESD) Policy both support the Queensland Government priorities of building on economic success, embracing growth, managing climate change, protecting the environment and building strong communities.

The Corporation will further refine the concept and its strategic priorities in the coming year with a three-year strategic plan currently under development.

Our Customer Success	Success Indicator	Measure
<p>Customers Make the customer our primary service focus to ensure their precinct experience is enjoyable and memorable.</p>		<p>South Bank's new Visitor Centre opened, see page 10. Valuable insights gained through event market research, see page 13</p>
<p>Community Recognise and strengthen the value of our diverse local community through positive engagement.</p>		<p>The Corporation continued to engage with and respond to its broader community, see page 14</p>
<p>Precinct Partners Gain the support of our valued cultural precinct partners to maximise the benefits of co-operative action.</p>		<p>Collaborations with our education, precinct, and corporate partners continued, see page 14</p>
<p>Government Build strong links with all spheres of Government to ensure our collaborations are frequent and productive.</p>		<p>The stakeholder survey indicated the Corporation effectively informed stakeholders throughout the period, see page 15</p>
Our Financial Success	Success Indicator	Measure
<p>Revenue Generation Identify and develop new revenue sources that support our long-term financial goals and reduce our dependency on external funding.</p>		<p>Retail and leasing activity highlights are outlined on page 37. A full list of completed developments is listed on page 38</p>
<p>Operating Expenditure Efficiently manage our operating costs within the approved budget parameters.</p>		<p>A detailed financial commentary is outlined on pages 42 and 43</p>
<p>Capital Expenditure Efficiently manage our capital budget to ensure all approved items are committed and built.</p>		<p>Capital project implementation success is outlined on page 25</p>
<p>Debt Reduction Ensure our debt reduction target remains on track.</p>		<p>The Corporation was successful in meeting its debt reduction target, see page 43</p>

Our Balanced Scorecard Snapshot

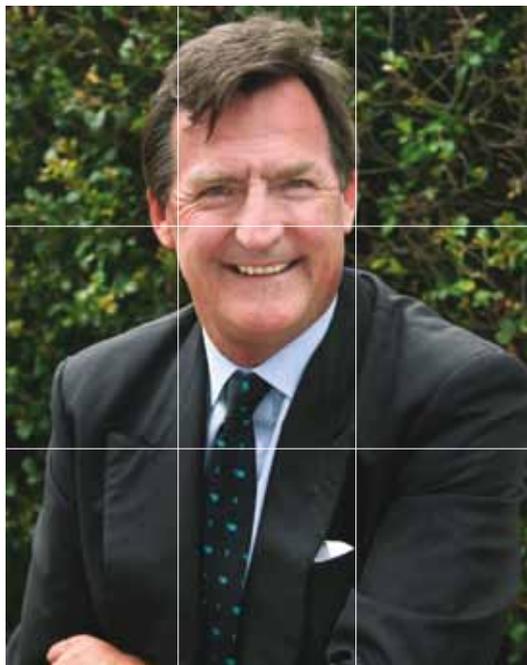
Our Customer Success quadrant represents how well we deliver our services.

Our Financial Success quadrant measures our performance and focuses our service delivery systems, processes and people on achieving the corporate objectives.

Our Systems and Processes quadrant delivers on the objectives established for client success.

Our Engaged People quadrant focuses us on where we must excel to achieve optimum breakthrough performance.

Our Systems and Processes	Success Indicator	Measure
<p>Image and Identity Strengthen our image by ensuring our brand recognition is strong and aligned to the marketing of the broader precinct.</p>		<p>Visitor and stakeholder market research indicates that the South Bank brand continued to be strong, see pages 13 and 15</p>
<p>Projects and Delivery Design and deliver our projects to ensure they meet our strategic and master planning goals.</p>		<p>South Bank's development and improvement projects continued to meet master planning goals, see pages 24 and 25</p>
<p>Recording and Reporting Ensure our reporting is concise and clear, focusing on the strategic issues and informed by clear analysis.</p>		<p>Sustainability Strategy update on page 29</p>
<p>Corporate Governance Manage the Corporation's business to meet the highest standards of governance and accountability.</p>		<p>Governance update outlined on pages 32 and 33. Service Delivery and Performance Commission Report on page 23</p>
Our Engaged People	Success Indicator	Measure
<p>Motivated Staff Instill a strong sense of purpose and commitment in our people through teamwork, individual responsibility and accountability.</p>		<p>South Bank's Cultural Vitality Snapshot outlined on page 17</p>
<p>Organisation Capability Strengthen and sustain the capabilities of the organisation so that it can respond to new challenges and opportunities.</p>		<p>Capabilities grown through strong ties with the Place Leaders Association, see page 31</p>
<p>Applied Research Identify and invest in those areas of research that can directly support both our vision and strategic planning goals.</p>		<p>Stormwater Harvesting Project outlined on page 24</p>
<p>Knowledge Management Capture, manage and disseminate the knowledge and skills of our people.</p>		<p>e-DRMS implemented, see page 25</p>



STEVE WILSON
CHAIRMAN

Chairman's Report

It has been a milestone year for South Bank Corporation and the precinct as the city celebrated the 20th anniversary of the event that put Brisbane on the map. World Expo 88 changed the way Brisbane people thought about their city. It raised awareness of the value of the rich and varied lifestyle and public spaces that our subtropical city affords.

When the lights went out on Expo, a pall fell over the city - a hole was left in Brisbane's colourful new social and cultural fabric. South Bank Corporation, a statutory authority, was formed in 1989 to oversee the development and management of a new South Bank.

While World Expo appealed to an international audience, its great success was in showing locals a good time. Local appeal had to be the starting point for success at South Bank. When you create a place that the locals enjoy, visitors will follow.

South Bank Corporation has always had a clear, uncompromising vision of what the precinct could be. Over the past two decades we have seen the development of restaurants, hotels and apartments, the Queensland Conservatorium, the Brisbane Convention & Exhibition Centre and the continued growth of the South Bank precinct.

The more recent expansion of the Cultural Centre, comprising the celebrated Gallery of Modern Art and the new State Library, has only added to the creative and cultural mix - adding to the value that South Bank plays in our city's life.

Current redevelopment projects such as the Brisbane Convention & Exhibition Centre on Grey Street and the Southpoint project will also see Grey Street take a significant step towards its promise as one of Australia's great streets.

South Bank's name and vision no longer simply address the 17 hectares of parklands - it now encompasses the far broader scope of the wider 150 hectare South Bank precinct across the river from the CBD. The precinct is the envy of many other cities, not just because of its prime riverfront location and its extraordinary mix of uses, but also the activation of the precinct.

Perhaps the greatest challenge and opportunity for South Bank into the future is to play a part in the unprecedented population and development growth of the South Brisbane peninsula. With its population expected to more than double to 40,000 residents by 2026, research suggests that the peninsula will become one of the highest density residential areas in Australia.

Our journey will continue. The Corporation is now entering a new phase in South Bank's transformation, with a focus on how we add to our development and design success by further enlivening Brisbane's people place. We will continue to reflect on the role we can play in the urban transformation of South Bank which has become the reincarnation of the space and spirit that was World Expo 88.

Steven Wilson
Chairman



MALCOLM SNOW
CHIEF EXECUTIVE OFFICER

Chief Executive Officer's Report

Over the past year the Corporation renewed its focus and energy in its quest to be the best new urban precinct in the world. The past 12 months have marked a significant phase in the Corporation's journey from the place making, design and development challenge through to the complex task of place management.

A number of significant development projects were completed, including 199 Grey Street and the Butterfly House redevelopment. In addition, the Corporation's remaining vacant development sites 9A and B and the Brisbane Convention & Exhibition Centre, both on Grey Street, received Ministerial approval.

Our staff continued to meet the challenges posed by a maturing asset and ongoing drought conditions with innovative ideas such as the Stormwater Harvesting project which is set to improve the future maintenance of our "green" spaces.

The continued application of the Balanced Scorecard concept and strategic planning framework assisted in focusing our staff on the delivery of our financial, operational, and development activities, while ensuring that our community and visitors' experiences were memorable.

The Corporation advanced its responsibility to think and act sustainably in all of our activities in accordance with our Sustainability Strategy. Although with some way to go for full implementation, the Corporation is committed to ensuring that all aspects of our business are responsive to our changing precinct and the wider city's needs.

The 20th anniversary of World Expo 88 was an opportune time for the Corporation to reflect on its journey so far in becoming one of Queensland's most popular places. Our research confirms that South Bank has now attained its own critical mass – a self-sustaining energy that draws to it people and diverse activity and, from this, the emergence of its own community.

South Bank has been shaped and driven by an uncompromising and clear vision of what the precinct could be. This search for authenticity in creating the public place draws not upon what other places do, but on what is special about Brisbane and about this particular part of Brisbane.

It is a precinct that amplifies our State's quintessential qualities of climate, landscape, character and lifestyle.

The Corporation is confident that with our renewed focus, we will deliver and implement strategies to nurture local business and creativity in Brisbane's most vibrant, dynamic and connected precinct. We look forward to defining and delivering on our ever-changing role for our community and visitors. In the words of one of our Board members, we acknowledge that "the building experience is half the job, the other half is building the experience".

Malcolm Snow
Chief Executive Officer



Our Customer Success



Our Visitors

South Bank continues to be South East Queensland's most popular place for locals and visitors alike. Research indicates that South Bank visitors undertake a range of activities while in the precinct, including:

- Cycling and walking along the Brisbane River and throughout the Parklands;
- Swimming at Streets Beach, the Boat Pool and Aquativity;
- Enjoying the markets, free entertainment and activities;
- Dining in the Parklands, Little Stanley and Grey Streets' restaurants and cafes;
- Visiting the Gallery of Modern Art, Queensland Art Gallery, State Library of Queensland, Queensland Museum, Queensland Performing Arts Centre and Queensland Maritime Museum; and
- Shopping at specialty retailers on Little Stanley Street and Grey Street.



South Bank Visitor Centre

The new South Bank Visitor Centre opened its doors to the public in May 2008, in time for the 20th Anniversary World Expo 88 celebrations. Local member for South Brisbane, the Honourable Premier Anna Bligh, officially opened the new South Bank Visitor Centre in June 2008.

The renaming of the centre as the South Bank Visitor Centre coincided with its move to the ground floor of South Bank House. The new name was chosen to better reflect the improved range of services that the centre now provides.

Providing services to the precinct's residents, visitors and workers since the Parklands' inception in 1992, the South Bank Visitor Centre's new location will provide greater visibility and access, adding to our visitors' experience.

The South Bank Visitor Centre is a one stop shop for visitors providing detailed information on the South Bank offer including cultural activities, concert and event bookings, holiday accommodation, restaurant and event information.

Our Events

South Bank is well recognised as Brisbane and South East Queensland's favourite celebration location. The precinct hosts the city's premier events, festivals and sporting events, as well as a variety of community and charity events.

Over 30 South Bank Corporation produced events were held throughout the year. Highlights included:

Golden Casket Christmas Celebrations

Brisbane's Christmas family tradition continued over three magical evenings in the Parklands. With carols, movies under the stars, roving entertainment, a traditional pantomime, Santa in a boat and fireworks, there was something for everyone.

Streets New Year's Eve Party

South East Queensland welcomed in the new year with a spectacular party and entertainment program, with fireworks on the Brisbane River.

Australia Day Celebrations in association with the Queensland Government

A day long program of entertainment for all ages culminated in a spectacular fireworks display.

NRMA Insurance Dancing in the Street

A celebration of dance brought Little Stanley Street alive in July 2007. With free dance workshops and a selection of dance genres to suit all ages NRMA Insurance *Dancing in the Street* has become a popular family event.

BMD Beach Movie Daze and Streets Beach Party

Three days of movies in January 2008 culminated in the Streets Beach Party. Crowds were entertained by roving entertainers, mascot appearances, giveaways and demonstrations.

Vaalia Feel Good Healthy Lifestyle Program

Free mind and movement yoga classes were held during spring and summer.

The Young Designers Market

Part of the revitalised South Bank Lifestyle Markets, this new and exciting market featured the wares of emerging young local designers.

The South Bank Growers' Market

An extension of the South Bank Lifestyle Markets, the Growers' Market showcases fresh produce from regional Queensland.

World Expo 88 20th Anniversary Celebrations

The celebrations commenced with a charity dinner at the Brisbane Convention & Exhibition Centre in May 2008. The Community Day Celebrations followed and included concerts, memorabilia, a heritage trail and an extensive entertainment program.

World Expo 88 was a major milestone in the history of Brisbane. Twenty years on, we celebrated the event that changed Brisbane and ultimately paved the way for the South Bank of today.

In May, South Bank Corporation held celebrations to mark the 20th anniversary of World Expo 88. The celebrations began with a charity dinner at the Brisbane Convention & Exhibition Centre. The Community Day celebrations followed with a reunion breakfast for the original Expo volunteers, a community concert with encore performances from Expo favourites such as Mental as Anything and a spectacular fireworks display.

Visitors to the Parklands relived the magic of Expo with a larger than life photographic display in the South Bank Arbour, and revisited the sites of some of Expo's most loved pavilions and attractions along the Expo Trail.



Throughout the year, South Bank Corporation hosted over 60 venue hire events, which included:

8th Resi River Race

This event featured the Outrigger Canoe Club's annual mixed crew, 18km outrigger canoe marathon.

Adidas International Women's Day Fun Run

Fundraising event involving a 5km run and walk for women of all ages.

Australian Wakeboarding Championships

Held over two days in November 2007 on the Brisbane River, the event drew strong attendances and local and national media interest.

Eat Well Be Active Campaign Launch

A range of activities on offer to suit all fitness levels hosted by 97.3FM and Queensland Government agencies.

Seniors Week

In association with the Queensland Government, the launch of Seniors Week at South Bank included a free fun day and expo.

Wilson HTM Brisbane to Gold Coast Challenge

The annual 100km bike ride from South Bank to Southport raised funds for Diabetes Australia and the Heart Foundation.

Australia's Funniest Home Videos

The grand final awards of the hit TV series was filmed at the Suncorp Piazza and broadcast nationally.

The Footy Show

Channel Nine's popular TV show was hosted in a full capacity Suncorp Piazza.

The Corporation continued to work with precinct partners and stakeholders to create partnership events, including:

Jazz in the Park

This event was an extension of the popular Jazz Café series and was presented in collaboration with the Queensland Conservatorium Griffith University staff and students.

CabAReT

A showcase of Southbank Institute of Technology visual art students' works in the Suncorp Piazza. Works included paintings, ceramics sculpture, prints and drawings.

Premier's Multicultural Photographic Display and Awards Ceremony

Larger than life prints of the finalists' photographs displayed along the South Bank Arbour.

Flipside Circus Program

Drop in workshops throughout the school holiday period where children were taught circus skills such as juggling, acrobatics and more.

iOrpheus

Presented in partnership with the Queensland Conservatorium Griffith University and South Bank Corporation's Artist in Residence program, the hi-tech event was a combination of traditional and electronic music performed by iPods and brass instruments, retelling the story of Orpheus.

South Bank's unique combination of cultural institutions, creative energy and diverse range of public spaces came together when iOrpheus was performed in the Parklands at South Bank.

iOrpheus was conceived as an opera for the iPod generation. People could participate in the opera in many ways – from downloading music from the iOrpheus website to iPods, laptops or mobile phones, to engaging with the performers in the Parklands. It involved more than 100 Griffith University students and staff – along with countless other performers and technicians – in a type and scale of production never before undertaken in the precinct.





Market Research Snapshot

As part of the Corporation's sponsorship commitments, market research is conducted following each event.

2007 Golden Casket Christmas Celebrations

Market research undertaken during the 2007 Golden Casket Christmas Celebrations indicated that:

- The event attracted a strong family market, with large groups of families and friends;
- Over one third of visitors returned from the previous year's celebrations;
- Fireworks continued to be the main drawcard for the Christmas celebrations;
- Over 77% of visitors rated South Bank facilities, including wheelchair and pram access and toilet facilities, as excellent or good; and
- Overall visitor satisfaction was particularly high rising from 47% in 2006 to 60 % in 2007.

Expo 88 20th Anniversary Celebrations Community Day

Market research undertaken throughout the Community Day celebrations on 10 May 2008 indicated that:

- The celebrations were attended by a diverse range of visitors, with families, couples and groups of friends enjoying the event;
- Over half the visitors attended the original World Expo in 1988;
- The key attractions for the event were the daytime and roving entertainment, evening concerts and the fireworks; and
- Overall visitor satisfaction was particularly high for this event, with over 91% rating the event as excellent or good.

Our Community

Our visitors, local residents and workers have one of Australia's favourite cultural, leisure and dining precincts right on their doorstep.

As the South Bank worker and resident population continues to grow we are committed to ensuring, wherever possible, we respond to our community's needs through:

- What's On – e-newsletter to visitors, and the wider community;
- Resident newsletters;
- Tenant newsletters;
- Worker Welcome Pack – Little Book of Offers; and
- Event and road closure notifications to residents and precinct partners.

The Corporation has continued to implement the Australian Standard ISO:10002 for Complaints Handling to better collate and respond to complaints and issues raised by our visitors and residents. This is the first full 12 month period of the streamlined complaints handling process, with all complaints now managed by the Corporate Affairs team. This approach has allowed the Corporation to more effectively monitor and respond to trends in complaints, and has ensured consistency across the complaint handling process.

There were 233 complaints received over the past year relating to a variety of issues including:

- BBQs;
- Buskers;
- Beach and Parklands cleaning and rubbish collection;
- Construction;
- Development proposals;
- Events;
- Noise;
- Parking; and
- Tenancies.

The majority of complaints related to noise and the Corporation's decision to increase the cost of parking for the Parklands' car park.

Our Partners

Precinct Partners

In 2007, the South Bank Corporation Student Award was established in collaboration with the Southbank Institute of Technology. The award recognises the outstanding achievement of students undertaking the Event Management Course at the Institute.

The Corporation established the Artist in Residence Program to draw on the significant precinct base of

artistic talent. The Artist in Residence Program will provide an opportunity for innovative international partnerships to come to South Bank and stage large - scale, free public showcases.

The first collaboration was between New York based composer William Duckworth and media artist Nora Farrell and the Queensland Conservatorium Research Centre for the world premiere of the iPod opera, iOrpheus. Following the success of the Corporation's inaugural residency, future national and international arts partnerships are already being planned.

Business South Bank

The Corporation continued its long-term support of Business South Bank in the 2007/08 financial year. The association underwent significant changes to focus on the challenges and opportunities ahead including changes to its name, brand, constitution and membership structure. The result has been one of the most active and financially successful years in the association's history.

Business South Bank continued its role as the "voice" of the South Bank precinct, commenting on such issues as the Kurilpa Structure Plan, North Bank, the Grey and Melbourne Street intersection, as well as staging numerous member networking functions during the year.

Corporate Partners

Suncorp's support of the Suncorp Piazza and Suncorp Superscreen continued throughout the year with our ongoing partnership.

NRMA Insurance supported the Corporation with the NRMA Insurance Dancing in the Street event in July.

Golden Casket returned for a second year sponsoring the highly successful Golden Casket Christmas Celebrations in the Parklands.

Streets also continued its support of the Corporation, extending its naming rights sponsorship of Streets Beach, as well as sponsoring the Streets New Year's Eve Party and Streets Beach Party for a second year.

The Corporation entered into a unique partnership with TRUenergy which allowed for the purchase of 100% GreenPower for our major public events and celebrations.

Other key partners over the reporting period include the Queensland Government, BMD, Parmalat Vaalia, One Harvest, ourbrisbane.com, The Courier Mail, Channel 9, 97.3FM and 4KQ.



Stakeholder Research Snapshot

Since 1999 the Corporation has undertaken regular surveys to measure business and industry satisfaction with South Bank and South Bank Corporation across key performance indicators.

Recent research indicates that the range of facilities and services continues to rate well with stakeholders. However, the quality of these aspects rated less than the levels of 2005 and 2006, which is likely due to the impact of the ongoing drought and subsequent water restrictions on the Parklands' environment.

The quality of events at South Bank rated well compared to previous year's research.

The Corporation rated well and on par with the past three years, keeping stakeholders informed about issues and as a corporate citizen.

Stakeholders agree that South Bank is one of the best leisure facilities in Brisbane and that it caters for everyone.



Our Engaged People

During 2007, a review of the strategic priorities provided an opportunity for the Corporation to structure the business to deliver on outcomes and to meet future challenges for the organisation.

The revised structure was implemented in July 2007 and provided the Corporation with:

- Greater clarity in roles and responsibilities;
- More effective project and policy delivery;
- Increased ability to work across teams; and
- Improved opportunities for higher revenue generation.

South Bank Corporation Staff

The staffing profile for 2008-09:

Management	11
Administration	27
Operational	48

Staff at the Brisbane Convention & Exhibition Centre are employed by the centre’s manager, AEG Ogden (Convex) Pty Ltd, and are not included in these figures.

Cultural Survey

Overall, the Hudson Cultural Vitality Survey for 2008 indicates that the Corporation’s culture has improved since 2007, with ratings up in most areas. The vital behaviours, including initiative, openness, trust, participative management, visioning, accountability, communication, training and development and human resource procedures, all show an improvement on the previous year.

Generally, staff views indicate that the Corporation’s success and key strengths are:

- dedication and commitment of staff;
- teamwork; and
- culture of the organisation.

Overall Staff Satisfaction		
2006	2007	2008
59.7%	62.5%	64.4%

Work Life Balance

During 2007-08, the Rostered Day Off system was introduced across the entire Corporation. Some teams were able to access this arrangement previously if agreed with team supervisors. However, now all staff have access to one day off every eight weeks.

This initiative has been an effective people management strategy adding value to the Corporation’s work practices such as the Working from Home and Flexible Working Hour Policies.

Staff Training and Development

The Corporation has continued to conduct six-monthly performance reviews with all staff to identify training and development needs.

To ensure ongoing professional development, staff are encouraged to attend internal and external training courses and conferences. The Corporation engages a training provider who conducts regular training courses such as customer service for car park staff and visitor centre staff, time management and workplace health and safety on the premises.

Health and Wellbeing

The Corporation continued to enhance employee health and wellbeing with a number of health initiatives occurring during 2007/08. Employees had access to:

- Health audits and assessments, including skin checks;
- Flu vaccinations;
- Online health tips on staff intranet;
- Internal team sports competitions; and
- Fresh fruit.

Indigenous Employment Program

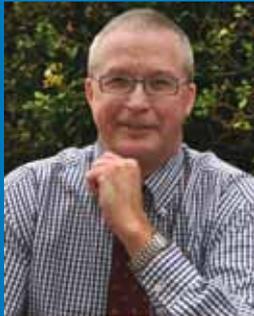
The South Bank Precinct Indigenous Employment Program continued to provide employment and training programs for Indigenous people. Up to June 2008, there were 100 people registered in our Community Jobs Plan, of which 73 had enrolled in training. Fifteen people are in full-time employment and 19 in part-time employment.

Eighty-five participants are Aboriginal and Torres Strait Islander and the remaining 15 are from other groups such as non English speaking background, Australian South Sea Islander and disadvantaged young people.

As part of the program, South Bank Corporation has made a commitment to increase the number of Indigenous Australians employed by the Corporation and within the precinct, and retain them in permanent positions.

The Indigenous Employment Program has been placing Indigenous people into future training and short and long term employment within the precinct since 2000.

South Bank Corporation Board



Chief Executive Officer

Malcolm Snow was appointed as Chief Executive Officer of South Bank Corporation in 2005. With qualifications in town planning and landscape architecture, Malcolm has led major capital city renewal projects throughout Australia, South East Asia and the United Kingdom over the past 30 years.

Malcolm is a Queensland Government representative on the Urban Futures Brisbane Board and is the current President of the Place Leaders Association, an international group of public sector urban renewal agencies. He is the Chair of the Queensland Museum Advisory Committee, a member of the Queensland Conservatorium Advisory Committee and a member of the CEO's Round Table, Faculty of Built Environment QUT.

Corporate Services Division

- Financial Management
- Corporate Governance
- Government Reporting
- Human Resources
- Payroll
- Legal
- Information Technology
- Records Management
- Organisational Development
- Insurance / Risk Management
- Workplace Health & Safety
- Brisbane Convention & Exhibition Centre – Contracts
- Indigenous Employment Program

Planning and Projects Division

- Project Management
- Urban Planning
- Design
- Cultural Planning/Public Art
- Special Projects
- Development Co-ordination
- Sustainability



Danielle Anderson joined South Bank Corporation in August 2007 in the role of General Manager, Corporate Services. Prior to her appointment to the Corporation, Danielle held many roles within the public sector, including General Manager Corporate Services with the Department of Main Roads.

Danielle has a Bachelor of Business degree, majoring in accounting and is a Fellow member of CPA Australia (FCPA) and a Fellow of the Australian Institute of Company Directors (FAICD). Danielle also holds a Graduate Certificate in Change Management.



Paul Herd joined the Corporation in 2007 in the role of General Manager, Planning and Projects. Paul has a Bachelor of Arts in Regional Planning, a Bachelor of Applied Science in Construction Management and post-graduate qualifications in finance. He has 30 years of 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.

Brisbane Convention & Exhibition Centre

Corporate Affairs

Corporate Communications
Stakeholder Communications
Issues Management

Commercial Division

Sponsorship
Events
Marketing and Promotion
Retail Development and Leasing
Property Management
Car Parking
Visitor Services and Merchandising
New Business Development

Operations Division

Asset Management
Maintenance
Capital Works Program
Contract Management: cleaning, security and lifesaving
Utilities Management
Crisis Management
Horticulture



Stuart Schramm joined the Corporation in October 2007 as the General Manager, Commercial. Stuart has a degree in Commerce and has extensive commercial, financial, operational, sales and marketing experience in both the private and public sectors across a range of industries. Prior to his appointment to South Bank, Stuart consulted to tourism, entertainment and infrastructure clients and held the roles of Group Manager, Property and Group Manager, Commercial Partnerships with the Sydney Harbour Foreshore Authority.



Sheila Rodriguez, joined the Corporation in 1994. Now General Manager, Operations, Sheila was educated in the United States and has a Masters degree in Education, with a Major in Tourism Development and Administration. She is a graduate member of the Australian Institute of Company Directors (GAICD) and has worked in tourism and hospitality in the United States, Hong Kong and Australia.

“ As someone who spends a lot of time overseas, I love nothing more than relaxing in my home town. South Bank reflects all that is great about Brisbane – a place to enjoy our climate, a place for families and a place to meet friends. Like the Gabba, it has developed into a world-class venue.”

Matthew Hayden – Australian Test Cricketer

“ Brisbane might be a city that grew up spelling beer with four X's, but as it has shaken off its 'big country town' feel it has lost none of its charm. There has never been a better time to be here. It offers all you could hope for from a city, and it does so with a vigour and livability that few others can match.”

Nick Earls – Author



“ The evolution of South Bank into one of South East Queensland’s icons has reflected the maturity of Brisbane from a regional capital into a world-class city. As a vibrant extension of the Brisbane CBD, South Bank blends organic growth with good urban design. The public spaces, the cultural venues, the wide range of restaurants, bars, galleries and shops are showcased amid contemporary architecture and landscaping that celebrates this region’s wonderful sub-tropical climate and lifestyle.”

Koen Rooijmans – Chief Executive Officer, Brisbane Airport Corporation





Our Systems and Processes

SOUTH BANK CORPORATION

South Bank has achieved national and international recognition for its unique mix of uses, environment and design. This success has been through the Corporation's ongoing focus on efficient processes and detailed project management and delivery.

Two development projects were completed during the reporting period, Abigroup House and 199 Grey Street. These projects realised the Corporation's objectives of achieving an exemplary standard of planning and design. Details of these projects are outlined in the Financial Success section of this report.



Service Delivery and Performance Commission Review

During the reporting period, the Service Delivery and Performance Commission (SDPC) carried out a review of South Bank Corporation, which was completed in January 2008.

The review indicated that the Corporation has comprehensive governance arrangements in place across the business. It scored well in all elements of the Performance Management Review Framework.

The report summary indicated that:

"As a small organisation, the Board and Corporation staff have set themselves high standards of business management, with robust performance management arrangements driving the business."

Our Projects

Grey Street Boulevard Project

South Bank's Grey Street is the place where arts, theatre, education, business and residential living intersect. Through the Grey Street Boulevard project, South Bank Corporation continues its innovative development, infrastructure and public space improvements along the street.

The Southpoint redevelopment and the Brisbane Convention & Exhibition Centre expansion project will accelerate to the revitalisation of this important street.

Grey Street will become one of the city's major sub-tropical boulevards and will actively position and promote South Bank as a unique urban experience, complementing the current Parklands and Little Stanley Street experiences.

In partnership with the Brisbane City Council, designs to improve the street and provide consistent streetscape elements along the length of Grey Street are now well underway.

South Bank Pools Refurbishment Project

The Corporation commenced extensive pools refurbishment works in 2007 bringing forward numerous maintenance tasks to improve water use efficiency. Pool system works included:

- Replacement of valves in the pool plant room;
- Replacement of pump filter baskets;
- Major overhaul of pool filtration pumps;
- Sealing of the balance tank walls adjacent to the pool plant room;
- Replacement of sand in the sand filters in the pool plant room; and
- Renewing chlorine dosing lines in pool plant room.

The lagoon closed for refurbishment in July 2007 and reopened in December 2007. Lagoon refurbishment elements included:

- Repairs and replacement to all pipe work;
- Replacement of the pool membrane liner;
- Replacement of timber decking to the northern lagoon deck; and
- Improved landscaping and upgrade of in-pool lighting.

The closure of the Boat Pool in March 2007 allowed for an extensive redesign of the surrounding area and the replacement of the pool membrane liner. The lighting and landscape works were also designed to create further open space around the pool and introduce additional seating and viewing spaces.

A major component of the Boat Pool refurbishment was the introduction of an access ramp to allow for easier entry into the pool for a much wider user group including the young, elderly and the disabled. The Boat Pool reopened in May 2008.

Stormwater Harvesting Project

The State Government committed \$4.6 million dollars to the Corporation to implement an extensive stormwater harvesting system throughout the Parklands.

The stormwater harvesting project will provide an alternative water supply source for the maintenance of the Parklands at South Bank. It will reduce the reliance on purchased recycled water which has been used for a number of years during the ongoing drought and water restrictions.

South Bank's project will provide invaluable research opportunities and experience in meeting the challenges the rapidly growing urban region faces as a result of significantly reduced water supplies.

Spanning the South Bank urban catchment area, the features of the system include:

- Installation of a permanent stormwater harvesting system to supply water for irrigation and water features including a 2ML underground storage reservoir; and
- Roof water harvesting from the Suncorp Piazza for local re-use.

Scheduled for completion in 2009/2010, the new system is expected to meet 78% of the Parklands' irrigation and water feature needs and will be one of the largest projects of its kind in south-east Queensland.

Maintenance Facility Relocation

The Abigroup development agreement provided for the relocation and establishment of the Corporation's maintenance facility in the upper basement of Abigroup House. The construction management of the fit-out for this important component of the Corporation's operations was undertaken as part of the agreement.

SB2020

In October 2007 the SB2020 suite, located adjacent to the new South Bank Visitor Centre on the ground floor of South Bank House, was completed. The purpose of this venue is to showcase South Bank's past, present and future, and provide a facility for prospective investors and tenants in the area. Since opening it has been used for the Corporation's briefings with stakeholders and community consultation for redevelopment projects and displays.

Capital and Service Improvement Projects

Other significant improvement projects completed during the year included:

Parklands

- 120 new design bins including recycling bins installed;
- Upgrade of tenancy toilets;
- Installation of additional 3 x 47,000L rainwater tanks for recycled water; and
- Fit out of Level 1 basement at Abigroup House for the Corporation maintenance facility.

Riverside Restaurants

- Re-roofing with membrane applied;
- Painting entire building; and
- Replanting main entrance.

Little Stanley Street

- Improvements to traffic and pedestrian works; and
- Kerb build outs, and pram and access ramps on footpaths for safety and ease of access.

Grey Street

- 30 new design bins including recycling bins installed;
- New seating installed;
- Catenary wire system installation on pergola; and
- Landmark signage installed.

South Bank Visitor Centre Relocation

Relocation of the South Bank Visitor Centre from Allgas House to South Bank House, and fit out works, were completed in May 2008. The new location has greatly improved visitor access and visibility for this important precinct facility.

e-DRMS

Implementation of the Corporation's electronic Document and Records Management System (e-DRMS) – TRIM commenced in April 2008. The system provides a corporate framework for the electronic creation, capture, registration, classification, use, storage, disposal and retention of documents and records in accordance with legislative requirements, standards and best practice.

Place Management

South Bank Corporation has continued to provide a high standard of place management and public space amenity through the delivery of quality landscape design, maintenance, horticulture, cleaning, safety, security and lifesaving services.

With over 17 hectares of riverfront parklands and pools, in addition to its dining and recreation offer, South Bank's public spaces are open 24 hours a day, every day of the year.

Horticulture

The Corporation's horticultural team implemented several new initiatives in the past year to combat the drought and maximise the impact of rainfall and irrigation, including topdressing of turf areas, mulching and increased use of wetting agents. Key areas and entrances received new plantings, and the refurbishment of the Boat Pool included extensive new landscaping to rejuvenate a key leisure space.

General landscape maintenance of all garden areas was undertaken within the Parklands and surrounding streets and spaces.



Safety and Security

Independent research has shown that Brisbane families consider South Bank to be Brisbane's safest day and night inner-city public space.

The Corporation continued to review its security measures over the reporting period, which include a CCTV system, upgraded lighting and regular safety and security meetings with the Queensland Police Service, other stakeholders and local businesses to increase awareness of security issues.

In 2007, the South Bank Rail Station was reclassified as a Level 1 station, ensuring an active presence at the station whenever train services are running.

During the closure of the Lagoon and Boat Pool, the Corporation maintained its strong relationship with Surf Lifesaving Queensland. Lifeguards continued to patrol Aquativity over the year, ensuring the safety of our visitors in the water.



Workplace Health and Safety

The annual Workplace Health and Safety Assessment was conducted over the reporting period and a report developed outlining the status and actions required for the coming year.

The Corporation developed and introduced a Workplace Health and Safety Management System which aligns the Corporation's requirements with the Australian Standard 4801: Occupational Health & Safety Management Systems. All South Bank Corporation employees underwent training upon the introduction of the management system.

In August 2007 the Workplace Health and Safety Online Induction for Contractors was introduced for all Corporation areas. Over 110 contractor inductions were completed. Workplace Health and Safety training conducted in the reporting period included:

- Obligations and Responsibility of the Senior Leadership Team;
- Hazard & Risk Awareness;
- Manual Handling;
- Safe Working in a Confined Space;
- Fire Warden;
- Risk Assessment for maintenance and horticulture employees;
- WH&S Induction for all new employees and volunteers; and
- Risk Management for events.

Total incidents reported across the precinct have decreased to 324 incidents for the reporting period. This total includes contractors, employees and the general public. Analysis of the type of incidents reported at South Bank indicates that the majority of incidents relate to lifeguards assisting visitors using South Bank's pools.

Waste Management

In 2007, the Corporation appointed a new contractor to improve its waste management collection and disposal processes.

New recycling bins were distributed throughout the Parklands to collect cardboard, paper, plastics, glass bottles and jars, aluminium and juice cartons.

Water Efficiency

South Bank Corporation is committed to ongoing responsible water use and environmental practices and has continued to seek new ways of maintaining the Parklands' amenities.

The Corporation implemented a Water Efficiency Management Plan in 2001 and continues to adhere to current water restrictions. Since the implementation of the plan in 2001, the Corporation has reduced its water consumption by approximately 81%.

In addition to the Stormwater Harvesting project and the Pools Refurbishment project the Corporation has continued to implement water use efficiencies through:

- Three additional 47,000L recycled water tanks;
- Further installation of water saving devices across the precinct;
- Ongoing waterwise landscaping;
- Improved recycling of backwash water from the pool filter system used for Parklands irrigation and cleaning;
- Installation of waterless urinals; and
- Relining the Lagoon and Boat Pools.





SW1 - A Series

The second stage of the SW1 development, two commercial mixed use buildings, achieved an Australian Building Greenhouse Rating of 4.5 stars. Several elements have been incorporated to reduce energy used on this site, including;

- High efficiency motors, fans and pumps;
- T5, 28 watt fluorescent lamps where appropriate;
- Movement sensors to operate lighting where appropriate;
- PVC minimisation; and
- Design to limit electromagnetic radiation.

Water use minimisation and recycling is a key feature of the ESD initiatives for the SW1 development. Significant investment in a site-wide strategy for rainwater harvesting and re-use was made and a large part of the focus on environmentally sensitive design elements has been directed towards water efficiency.

The 670,000 litre rain harvesting system will not only provide landscape irrigation for the full SW1 precinct, but will also serve the dual purpose of provision of harvested rainwater for toilet flushing for the two commercial buildings. An estimated four million litres of water will be saved per annum.

Air conditioning condensation capture is also intended as a further water recycling initiative.

Sustainability

South Bank’s goal is to be recognised as a precinct of ecologically sustainable excellence, demonstrating environmental and social leadership and commercial viability to the market.

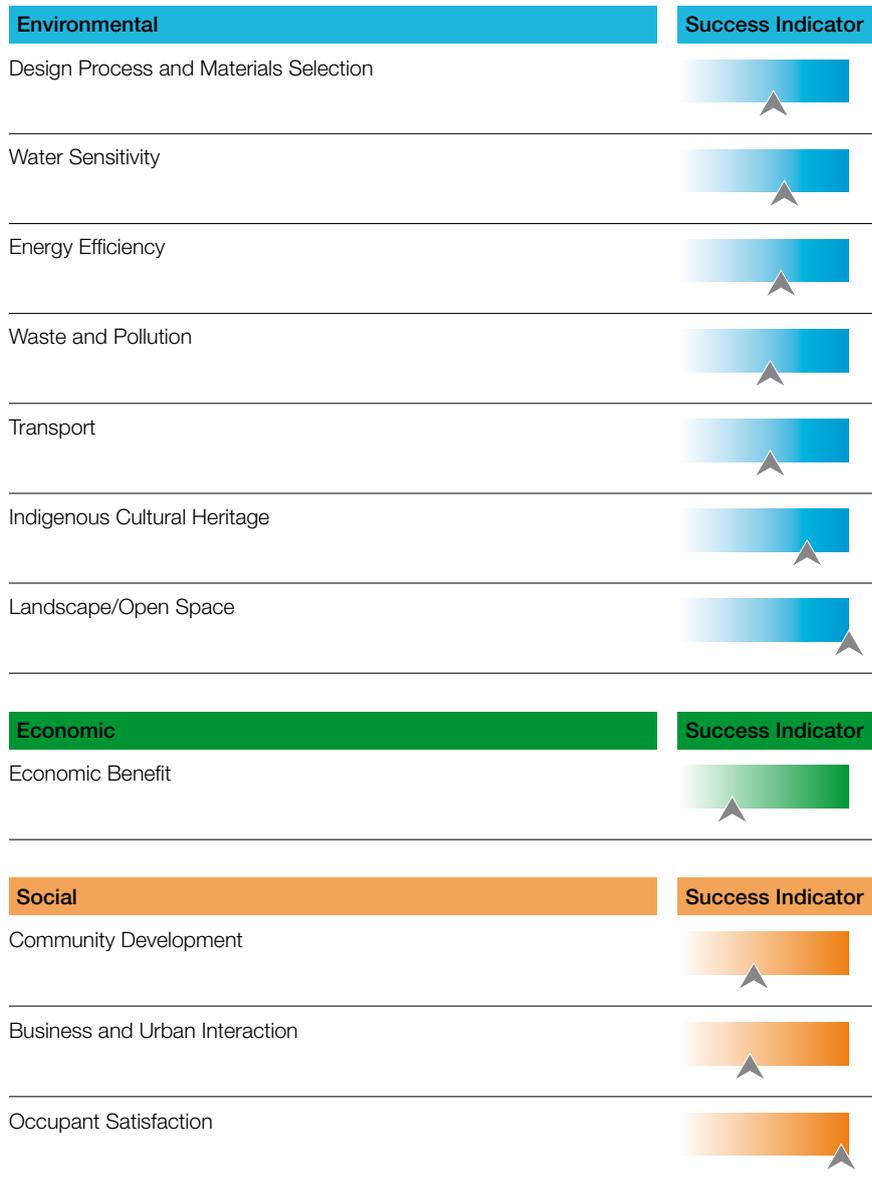
To assist in achieving this goal, the South Bank Corporation Sustainability Strategy was introduced in November 2006 and has continued to be implemented over the reporting period.

The Sustainability Strategy provides an overall framework to:

- Ensure all development and tenancy fit-outs promote sustainability principles, such as the use of appropriate building materials;

- Maximise waste management and recycling opportunities;
- Deliver an energy efficient audit system;
- Identify opportunities for investment and employment creation;
- Promote public transport use;
- Develop a public realm strategy; and
- Continue to engage with the community about all projects at South Bank.

The snapshot below demonstrates the Corporation’s progress in implementing the elements of the strategy. While some elements clearly demonstrate the Corporation’s commitment to sustainability, other elements require a greater focus to ensure the policy’s ongoing success.





Our Green Team

Created in 2006, South Bank Corporation's Green Team meets monthly to promote sustainability within the Corporation area. The team is made up of staff members from different work areas. The key responsibilities of the Green Team involve:

- Reviewing, monitoring and implementing the South Bank Corporation ESD Implementation Strategy;
- Completing the actions set out in Business South Bank's Sustainability Challenge; and
- Assisting with completing the actions set out in the EcoBiz Initiative.

A number of significant milestones in sustainability performance have been achieved in the past year with the assistance of the Green Team, including:

- Completion of the first stage of installation of 120 recycling and general waste bins throughout the Parklands;
- Replacement of external blinds with heat deflectors on the north-western wall of South Bank House to decrease reliance on air conditioning;
- Commenced developing tenancy fit-out guidelines that target best practice sustainability as a minimum standard;
- Purchased 100% renewable, emission free GreenPower for major events including 20th Anniversary World Expo 88 Celebrations, the Golden Casket Christmas Celebrations, Australia Day Celebrations and the Streets New Year's Eve Party;
- 230 globes at the Nepalese Pagoda were changed from 230 watt to 1 watt globes, 33 pool lagoon lights from 240 watt to 36 watt globes and the Clem Jones Promenade edge lighting from 40 watt to 7 watt globes;
- Installed 47,000L capacity storage tanks for recycled water; and
- Implemented environmentally friendly pest control measures.



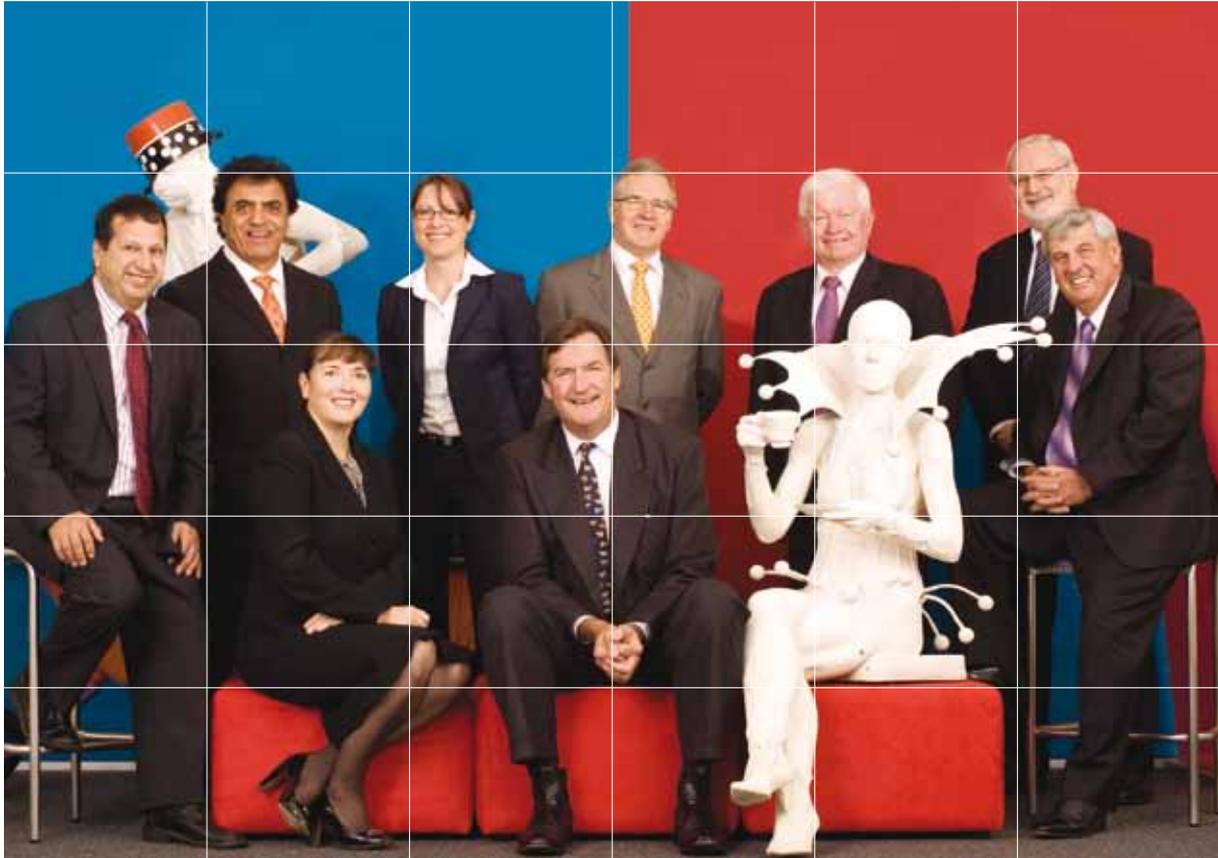
Building Capacity - Place Leaders Association

South Bank Corporation has continued its ongoing commitment to the Place Leaders Association over the past 12 months. The Place Leaders Association is an international group of public sector agencies who are committed to leadership in place making and place management.

The group includes leading urban designers and planners, architects, heritage planners, property developers, academics and others looking for new solutions to lack of space, inadequate infrastructure and other issues within our urban communities. In addition to working groups and bi-annual workshops, other PLA activities and initiatives that have built capacity within the Corporation:

- **Research** - A research survey was undertaken to assist in the development of a Research and Development Framework to determine research projects and priorities for PLA members.
- A **Benchmarking Working Group** has been established which is focused on developing benchmarks in place-making and “sense of place” elements. Benchmarking will occur to measure the quality of developments, including sustainability and urban design, public uses, connectivity, ongoing management, financial outcomes, economic benefits and social contribution.
- **Knowledge Sharing** - Two workshops have been held this financial year. The first workshop was held in Adelaide in October 2007, with a theme of “Water Sensitive Urban Design and Development – Towards Zero Water”. A significant research paper was developed as a result of this activity which featured a range of case studies and was made available to all member agencies.
- A second workshop with the theme “Solving the Puzzle of Quality Urban Development” was held in Auckland in April 2008. South Bank Corporation contributed and gathered further valuable information on relevant issues in regard to mixed-use precincts and, in particular, waterfront development and activation. During the reporting period, the Corporation’s Chief Executive Officer and Corporate Affairs Manager were the President and Chair of the Management Committee for the association respectively.





L-R: Michael Papageorgiou, Stefan Ackerie, Eleanor Davidson, Toni Thornton, Steve Wilson, Professor Michael Keniger, Tim Quinn, David Ford, Mick Power AM

Our Board

The South Bank Corporation Board is the Corporation's governing body and is responsible for the overall corporate governance of the Corporation. Meeting 11 times during the year, the Board received detailed reports on all Corporation matters.

The Board follows a comprehensive corporate governance framework, which includes establishing and monitoring:

- Key performance goals;
- Internal controls;
- Risk management processes;
- Independent committees; and
- Code of conduct and ethical standards.

The Corporation's Corporate Governance Manual defines Board members' roles, responsibilities and authorities in setting the direction and control of the Corporation. The manual assists in delivering good governance and is an induction tool and reference for new and existing Board members.

Board Members

All Board members are independent non-executive directors appointed in accordance with the South Bank Corporation Act 1989.

Steve Wilson

Chairman, South Bank Corporation Board appointed December 1996
 Executive Chairman, Wilson HTM Investment Group
Board member/member
 Chairman, Barambah Wines
 Chairman, Wilson HTM Investment Management
 Director, Hyperion Flagship Investments Director, Pinnacle Investment Management
 Director, Queensland Rugby Union
 Director, St John's Cathedral Completion Fund Director, The Centre for Independent Studies
 Trustee, UQ Rugby Union Foundation

Professor Michael Keniger

Member, South Bank Corporation Board appointed December 2004
 Deputy Vice-Chancellor (Academic), University of Queensland
Board member/member
 Chair, Urban Futures Brisbane Board
 Member, ULDA Board

Tim Quinn

Member, South Bank Corporation Board appointed April 2007
 Former Ward Councillor, Deputy Mayor and Lord Mayor, Brisbane City Council

David Ford

Member, South Bank Corporation Board appointed July 2007
 Deputy Under Treasurer, Queensland Treasury
Board member/member
 Member, International Association of Gaming Regulators (IAGR)
 Associate Fellow, Australian Institute of Management
 Member, Institute of Public Administration of Australia

Eleanor Davidson

Member, South Bank Corporation Board appointed December 2004
 Chief Operating Officer, Meridien Student Living
 2006/07 Telstra Queensland Business Woman of the Year
Board member/member
 Member, Premier's Business Round Table
 FAIM

Ken Smith*

Member, South Bank Corporation Board appointed November 2007
 Director-General, Department of the Premier and Cabinet
Board member/member
 Fellow, Australian College of Educators
 Adjunct Professor of Education University of Queensland, Griffith University and University of Sydney

**Previous representative during reporting period Pat Vidgen, Deputy Director-General, Governance, Department of the Premier and Cabinet*

Michael Power AM

Member, South Bank Corporation Board appointed December 1997
 Group Board Chairman and Managing Director, The BMD Group
Board member/member
 Fellow, FAIM
 Fellow, FAIC

Grace Grace

Member, South Bank Corporation Board appointed March 1999, resigned September, 2007.
 General Secretary, Queensland Council of Unions
Board member/member
 Member, Energex Board
 Member, Sunsuper Board
 Member, ACTU Executive Health and Safety Board
 Member, QComp Board
 Member, Jupiters Casino Community Benefit Fund
 Member, Manufacturing Leaders Group

Michael Papageorgiou

Member, South Bank Corporation Board appointed December 2004
 Divisional Manager, City Planning & Sustainability Division

Stefan Ackerie

Member, South Bank Corporation Board appointed December 1996
 Chief Executive Officer, Stefan Corporation
 Proprietor, Jo Jo's Restaurant

Toni Thornton

Member, South Bank Corporation Board appointed May 2008
 State Manager Queensland and Executive Director, Goldman Sachs JBWere
Board member/member
 Member, Gallipoli Research Foundation

Members' Benefits

Over the reporting period no board member received, or became entitled to receive, any benefit other than that noted within the Financial Statements section of this report.

Audit Committee

The South Bank Corporation Audit Committee provides advice to Corporation Members to assist in the effective discharge of the responsibilities prescribed in the *South Bank Corporation Act 1989*, *Financial Administration and Audit Act 1977*, the *Financial Management Standard 1997* 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 audit independence.

The Committee met five times over the reporting period. Members of the Audit Committee are:

- Graham Carpenter (Chairman)
- David Ford
- Michael Power, resigned from the Audit Committee in May 2008
- Toni Thornton, appointed to the Committee in May 2008.

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

Remuneration Committee

The Remuneration Committee reviews the performance and remuneration of the Chief Executive Officer. It comprises Michael Power (Chairman), Steve Wilson, Eleanor Davidson and Stefan Ackerie. The Remuneration Committee met twice 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 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 boards, reviews, advisory panels and selection committees where they use 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

The Corporation reviewed its Crisis Management and Recovery Manual in October 2007. Crisis team members underwent further training on the Crisis Management process, and specific team member roles. Two major scenarios were successfully undertaken during the reporting period.

Consultants

The table below summarises by service category external consultant expenditure for the period.

Description	Payments \$'000
Legal	528
Professional and technical	407
Communication	315
Finance and accounting	177
Management	45
Human resource management	34
Information technology	12
Total	1,518

Exclusions

As required by Section 91 of the South Bank Corporation Act, the Corporation reports that the number of exclusions as a result of disorderly conduct, drunkenness or creating a disturbance for the year ended 30 June 2008 was 416, an increase on the 2007 figure of 401. Of these exclusions, 129 related to minors, an increase on the 2007 figure of 67.

Freedom of Information

The *Freedom of Information Act 1992* enables a member of the public to access the documents held by the Corporation. The Corporation makes as much information available to the public as possible. During 2007, the Corporation's Statement of Affairs was comprehensively reviewed and updated to provide further information to the general public.

The Corporation did not receive any Freedom of Information requests during the reporting period.

Overseas Travel

Name of Officer	Title/ Position	Country/ies Visited	Date Depart	Date Return	Reason for Visit
South Bank Corporation					
Malcolm Snow	Chief Executive Officer	New Zealand	21/4/08	24/4/08	Participation in Place Leaders Association workshop
Glenda Viner	Manager Corporate Affairs	New Zealand	21/4/08	24/4/08	Participation in Place Leaders Association workshop
Brisbane Convention & Exhibition Centre					
1. Alison Gardiner 2. Robert O’Keeffe 3. Shaun Mitchell	1. Manager International Convention Bidding 2. General Manager 3. Events Director	Dubai, Singapore, Malaysia, Thailand	19/10/07	2/11/07	Meeting with potential clients Leads exchange and professional development
Trish Levey	State Manager International Conventions	USA	1/2/08	7/2/08	Bid presentation
Trish Levey	State Manager International Conventions	Singapore	1/3/08	8/3/08	Bid presentation Attended Team Australia Business Events Education
Alison Gardiner	Manager International Convention Bidding	Denmark	17/4/08	26/4/08	Sales calls and presentation

Risk Management and Insurance

The Corporation maintains a business risk register as part of its 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 potential insurable liabilities and losses that would materially affect its operations and assets.

Special Facilities Liquor Licence

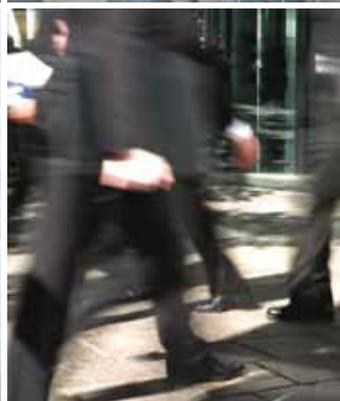
The Corporation lodged a submission in response to the Queensland Government’s review of liquor licence laws. The Corporation retained its Special Facilities’ licence to enable the continued administration of its special licensing responsibilities.

South Bank Employing Office

During 2007, an amendment to the *South Bank Corporation Act 1989* required the establishment of the South Bank Employing Office. The Employing Office is responsible for the employment of Corporation staff and the negotiation of the South Bank Corporation Enterprise Agreement.

Whistleblowers Protection

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



Our Financial Success

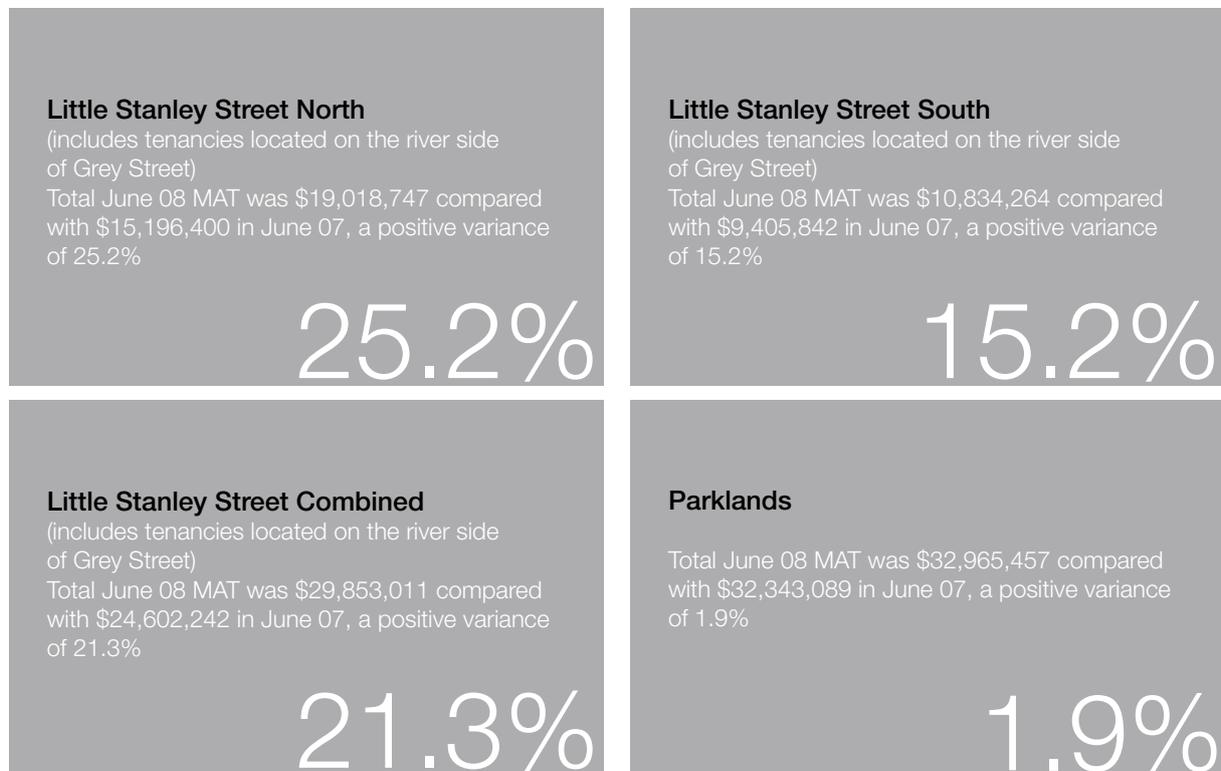
Retail and Leasing Activities

South Bank Corporation's retail and leasing success has continued over the past year. The introduction of new retailers enhanced the Parklands and Little Stanley Street retail and dining offer. New retailers who took up Corporation tenancies over the period included:

- Active Stride;
- Piaf Café & Bar; and
- dogstar.

The Parklands' retailers enjoyed 1% Moving Annual Turnover (MAT) growth at June 2008 against June 2007. This growth occurred despite refurbishment works which resulted in the closure of Streets Beach and the Boat Pool and construction works for Abigroup House, which were undertaken during this period.

Little Stanley Street enjoyed 22.4% MAT growth at June 2008 against June 2007. This is an extremely strong performance and is likely to continue to grow with new and exciting retailers set to join the precinct in the coming year.



The Corporation participated in the success of the Gallery of Modern Art's blockbuster Andy Warhol exhibition. Joint promotions with the cultural precinct partners included the installation of a larger than life Campbell's soup can at South Bank's Grey and Ernest Street roundabout, and dine and show promotions with South Bank retailers and restaurants.

Our Developments

Southpoint

The Corporation received Approved Development Plan amendment approval for the \$650 million Southpoint development in mid 2008. The development incorporates the heritage listed Collins Place and heralds the start of a new chapter in the history of South Bank. The transit oriented development located at the corner of Grey and Vulture Streets will include a major upgrade of the South Bank Railway Station.

This Anthony John Group project will incorporate a 16-storey plus 2-storey podium, commercial and retail spaces, a 130 room Emporium Hotel, 56 residential apartments, supermarket and childcare facilities.

This is a significant milestone in the continuing development of Grey Street as the city's major cultural boulevard and will provide an impressive southern gateway to the South Bank precinct.

The striking contemporary development aims for 5 Star Green Star and 4.5 Star Australian Building Greenhouse Rating, and addresses energy and water consumption, solar and daylight access, cross ventilation and air movement and orientation.

The Corporation has consulted widely with the community on this redevelopment. Construction is expected to begin in early 2009 and is scheduled for completion in 2011.

Boardwalk Redevelopment

South Bank Corporation is planning to reinvigorate the southern end of the Parklands with dynamic public space improvements including the extension of the Clem Jones Promenade and a low-scale, mixed-use building to provide a new hub for visitors.

The Boardwalk redevelopment is located at the southern end of the Parklands at South Bank, adjacent to the Maritime Museum and the Goodwill Bridge.

The Corporation has consulted extensively with the public and key stakeholders on this redevelopment. The process has included two informal consultation programs in August 2004 and April 2005 as well as public forums, workshops and meetings.

The importance of the southern entry to the Parklands has changed significantly in view of the benefits that flow from the Goodwill Bridge link and the activation of the Kangaroo Point cliffs. The extension of the Clem Jones Promenade will greatly enhance public access to the river and Maritime Museum, particularly for the disabled and the elderly.

199 Grey Street

Construction of the \$65 million commercial office building by WA Stockwell Pty Ltd, on land leased from South Bank Corporation at the corner of Grey and Tribune Streets, was completed in February 2008.

The building includes 12,000m² of commercial space, with ground floor retail uses. Commercial space in the 5 Star Green Star rated building has been leased to leading engineering firms KBR and Hyder. Ground floor retail has been leased to CBD Coffee and a skin care clinic.



Southpoint



199 Grey Street

Butterfly House Redevelopment

Located at Stanley Street Plaza in at the Parklands at South Bank, this three storey development was completed in May 2008.

The Butterfly House Redevelopment demonstrates best practice in design and construction. The 4 Star Green Star and 5 Star Australian Building Greenhouse Rating development includes:

- Two levels of office space;
- A lower level car park;
- An upper basement level for operational servicing; and
- Ground floor retail and office spaces.

The state headquarters of national construction group Abigroup, is located on Levels 1 and 2 of the building. South Bank Corporation has sub-leased the upper basement and retail spaces from the lessee to accommodate the Corporation's operational teams, workshops and equipment.

Brisbane Convention & Exhibition Centre on Grey Street

The Brisbane Convention & Exhibition Centre on Grey Street is a much anticipated expansion project which will provide an enormous boost to the centre's long-term success. The Corporation received Approved Development Plan amendment approval to undertake the project in late 2007.

The centre's strong economic performance, record forward bookings and sustained growth underpins the need for expansion. The expansion will dramatically increase the centre's capacity to capitalise on its multi-award winning success. It will add approximately 24,000m² of floor space to the centre and increase its ability to cater for the large number of smaller events.

The new Grey Street entry will improve the connection to the Parklands at South Bank and enhance the Grey Street Boulevard project. The expansion features a rainwater harvesting component which will reduce the potable water needs of the Brisbane Convention & Exhibition Centre in the future.

The expansion will allow the centre to host more than 250 additional events each year and includes:

- An additional 42% in event space;
- Two state-of-the-art tiered auditoriums designed specifically for smaller events;
- A new ballroom with an extensive outdoor terrace; and
- 18 additional meeting rooms complete with an extensive terrace, with CBD and river views.



Butterfly House Redevelopment



Brisbane Convention & Exhibition Centre Expansion

SW1 Development

The name SW1 was derived from the concept of an integrated urban community – where South Bank meets West End. The SW1 development between Melbourne and Russell Streets at South Brisbane provides an important link between the South Bank precinct and the vibrant community of West End.

Environmentally sustainable design features are a large part of the SW1 development and include rainwater storage and reuse, energy efficient design and waste management.

The first two commercial towers and ground floor retail components of Stage One of the SW1 development opened in mid 2006. The development was welcomed by local residents and businesses alike. The Russell Street Stage Two, which consists of two eight-storey buildings of commercial offices and ground floor retail space, was completed in June 2008. The primary use allowed for this stage was amended in 2007 from residential to commercial due to the favourable market demand for commercial space and a view that this would activate the shops and galleries on the ground floor.

The third stage of the development includes two five-storey buildings containing 58 residential apartments and was completed in June 2008.

The final stage will include four low-rise buildings for private housing, and is expected to be complete by mid 2010.

Car Parks

As one of Brisbane's most visited destinations, the Corporation is committed to ensuring that South Bank's car parks are accessible to all visitors, including families, to enjoy the precinct.

As South Bank has grown into a busy commercial and retail centre with its own workforce and parking demands, the Corporation needed to ensure that there was sufficient parking available for our visitors and families.

As part of an ongoing review into car park availability, South Bank Corporation reviewed and increased car parking rates from 1 May 2008.

The Corporation introduced some new parking offers to recognise the difference between weekday, weekend and leisure parking, and continued special offers such as the dining and shopping deal with some changes.

Any increase in revenue generated from the rate increase will be invested into our community services and maintaining the Parklands to ensure people enjoy the South Bank experience and want to return.

South Bank is also well serviced by public transport with two railway stations, a busway, ferries and CityCats providing multiple transport options for visitors in addition to car park facilities.



SW1-A SERIES



Brisbane Convention & Exhibition Centre

The Brisbane Convention & Exhibition Centre has reaffirmed its position as one of the best in the world, maintaining its top three ranking with the International Association of Congress Centres (AIPC). Winner of 99 major industry awards, the centre is Australia's most awarded convention venue.

This year the centre celebrated one of its most successful years to date, holding a record number of events (909) and achieving record profits. The centre hosted 822,000 national and international visitors and contributed more than \$240 million to the Queensland economy.

Environmental integrity has become fundamental to the daily operations of the centre. The centre has continued to lead with its sustainability initiatives, achieving Green Globe benchmarking status and has embarked on sustainability partnerships with clients and suppliers. Further initiatives have included assisting with feeding thousands of Brisbane's homeless with more than 11,000 individual meals from the centre's kitchen.

Early preparation work has begun on the centre's five level, 24,000m² expansion. The expansion will allow the centre to meet the growing needs of the city and the convention market. For more information on the planned Convention Centre expansion, please see page 39.

With more than 30 new booking enquiries each week, and record forward bookings through to 2014, the centre continues to be an active and dynamic force within the South Bank precinct.

SOUTH BANK CORPORATION

Management Financial Commentary

The audited financial statements for South Bank Corporation are shown on pages 44 to 61 of this report.

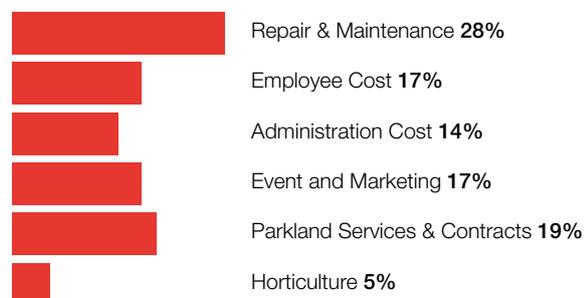
	2008 \$'000	2007 \$'000
Contribution from business units	15,391	12,748
Cost of community services	(15,065)	(12,791)
Sale of development property	286	367
Surplus from operations	612	324
Gain from revaluation of investment property	2,090	10,702
Operating grant income	10,025	10,025
Capital project grants	26,730	3,400
Net interest	(688)	(1,097)
Depreciation	(14,338)	(11,491)
Net Surplus	24,431	11,863

Contributions from Business Units

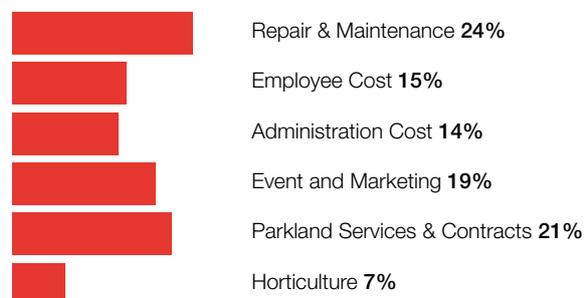
South Bank Corporation's contributions from business units include:

- Tenancy rent received from restaurants, cafes and retailers;
- Venue hire income from the Brisbane Convention & Exhibition Centre (BCEC), Suncorp Piazza and sundry parkland areas, as well as associated activities such as food and beverage sales; and
- Car parking facilities in the Parklands and the BCEC.

Community Services Costs 2008



Community Services Costs 2007

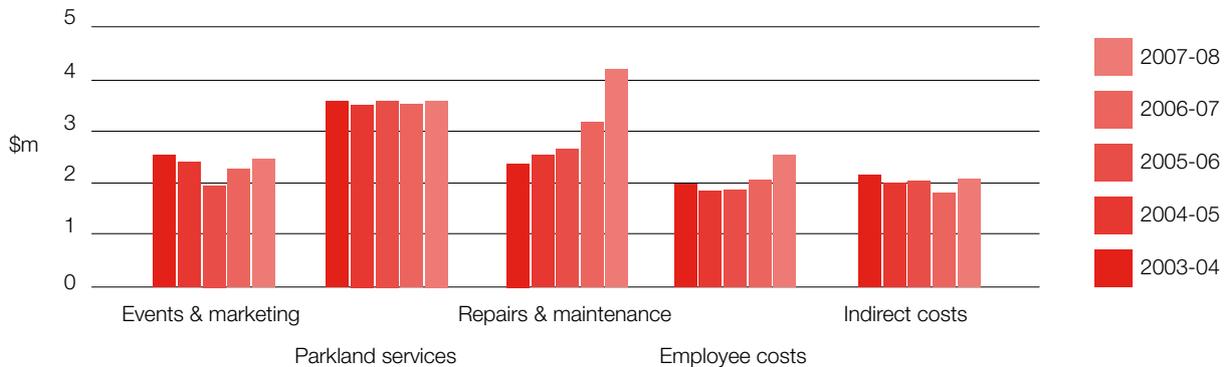


The contribution from all business units grew in 2008 with particularly strong rental income from the Little Stanley Street investment properties, reflecting the maturing of this investment and the surrounding business district. Community services expenditure was increased during the year including an additional 33% on maintenance and repairs of the parklands driven by the aging asset base and rising materials and contractor costs.

SOUTH BANK CORPORATION

Management Financial Commentary

Community Services Costs



Community service costs include cleaning and security within the Parklands, maintenance of its buildings and gardens, and management of all events and venue hires. In addition to the commercial hire of venues the Corporation makes the Parklands available for community events at reduced costs, and in its role as Brisbane's premier celebration site and meeting point hosts free events throughout the year. Major events directly funded by the Corporation include Christmas, New Year's Eve and Australia Day celebrations.

Gain from Revaluation of Investment Property

Increases in the fair value of properties held to earn rental income, such as the restaurants, cafes and retail shops in the Parklands and Little Stanley Street, are recognised as gains on revaluation.

Grants Income

The Corporation's annual operating grant has remained unchanged at \$10 million since 2000.

In 2008 capital grants were received for:

- The Brisbane Convention & Exhibition Centre expansion \$25 million (2007: \$3.4 million); and
- A Stormwater Harvesting project \$1.73 million (2007: nil).

The total cost of these projects is estimated to be \$130 million and \$4.6 million respectively.

Net Interest

Interest costs relate to loans primarily drawn to fund the Masterplan redevelopment. The Corporation repaid \$3 million in debt during the year.

Depreciation

With over \$345 million in buildings, plant and equipment the depreciation charge is approximately 20% of the Corporation's expenses. The Corporation's cash surplus is used to fund enhancements and to repay loans. The Corporation maintains a 20 year strategic asset management plan designed to ensure assets are properly maintained.

Financial statements

FOR THE YEAR ENDED 30 JUNE 2008

SOUTH BANK CORPORATION INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 \$'000	2007 \$'000
Income			
<i>Revenue</i>			
User charges		33,499	29,751
Sales of goods		19,501	17,939
Sale of development property		1,648	367
Share of profit of joint venture entity	9	-	128
Interest		1,483	999
Other		817	695
Operating grant and other contributions	3	10,025	10,025
<i>Gains</i>			
Gain on revaluation of investment property	10	2,090	10,702
Total Income before capital project grants		69,063	70,606
Expenses			
Employee expenses		24,435	21,985
Supplies and services		23,901	22,340
Cost of goods sold		4,876	4,248
Cost of property sales		1,362	-
Loss (Gain) on disposal of plant and equipment		222	(17)
Other		57	-
Depreciation	8	14,338	11,491
Borrowing costs		2,171	2,096
Total Expenses		71,362	62,143
Surplus (Deficit) before capital project grants		(2,299)	8,463
Capital project grants received	3	26,730	3,400
Operating Surplus		24,431	11,863

The above statement should be read in conjunction with the accompanying notes on pages 48-61.

SOUTH BANK CORPORATION
BALANCE SHEET AS AT 30 JUNE 2008

	Notes	2008 \$'000	2007 \$'000
Current assets			
Cash and cash equivalents	5	44,964	19,723
Receivables	6	2,127	1,122
Prepayments and deposits		442	1,229
Inventories		364	263
Development property	7	3,187	1,927
Total current assets		51,084	24,264
Non-current assets			
Development property	7	5,359	8,542
Property, plant and equipment	8	481,498	427,879
Investment property	10	53,000	50,276
Total non-current assets		539,857	486,697
Total assets		590,941	510,961
Current liabilities			
Payables	11	9,022	7,799
Accrued employee benefits	12	2,297	2,019
Other financial liabilities	13	3,177	3,142
Other	14	9,689	5,359
Total current liabilities		24,185	18,319
Non-current liabilities			
Accrued employee benefits	12	640	805
Other financial liabilities	13	31,384	34,561
Total non-current liabilities		32,024	35,366
Total liabilities		56,209	53,685
Net assets		534,732	457,276
Equity			
Retained surpluses		219,866	195,435
Asset revaluation reserve	15	314,866	261,841
Total equity		534,732	457,276
The above statement should be read in conjunction with the accompanying notes on pages 48-61.			

SOUTH BANK CORPORATION
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2008

	Retained Surpluses		Asset Revaluation Reserve (note 15)	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Balance 1 July	195,435	183,572	261,841	226,374
Net surplus for the year	24,431	11,863	-	-
Increase in valuation of property	-	-	53,025	35,467
Balance 30 June	219,866	195,435	314,866	261,841

The above statement should be read in conjunction with the accompanying notes on pages 48-61.

SOUTH BANK CORPORATION
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Notes	2008 \$'000	2007 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
User charges and sale of goods		54,685	50,656
Sale of development property		3,820	367
Grants and other contributions		36,755	13,425
Interest		1,483	999
GST collected on sales and charges		6,272	5,585
GST input tax credits received from ATO		4,090	4,136
<i>Outflows:</i>			
Employee benefits		(24,322)	(21,706)
Cost of sales, supplies and services		(26,898)	(26,221)
Borrowing costs		(2,171)	(2,096)
GST paid on purchases		(4,302)	(4,120)
GST remitted to ATO		(6,099)	(5,736)
Net cash from operating activities	16	43,313	15,289
Cash flows from investing activities			
<i>Inflows:</i>			
Sale of plant and equipment		5	21
<i>Outflows:</i>			
Payments for property, plant and equipment, and investment property		(14,935)	(17,405)
Net cash (used in) investing activities		(14,930)	(17,384)
Cash flows from financing activities			
<i>Inflows:</i>			
Borrowings proceeds		15	5,583
<i>Outflows:</i>			
Borrowing redemptions		(3,126)	(3,085)
Finance lease payments		(31)	(20)
Net cash from (used in) financing activities		(3,142)	2,478
Net increase in cash held		25,241	383
Cash at beginning of financial year		19,723	19,340
Cash at end of financial year	5	44,964	19,723
The above statement should be read in conjunction with the accompanying notes on pages 48-61.			

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

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 in order to ensure that such development accords with the highest possible standards and is in the interest of the people of the City of Brisbane and of Queensland. The Corporation's mission is to make its place "The Best New Urban Precinct in the World".

The Corporation is partly funded for the outputs it delivers by Parliamentary appropriations and is reliant upon the support of the Queensland Government and Brisbane City Council 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 entity. 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 Administration and Audit Act 1977*.

These financial statements have been prepared as a general purpose financial report in accordance with Australian equivalents to International Financial Reporting Standards (AEIFRSs), the Treasurer's Minimum Reporting Requirements for the year ending 30 June 2008 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 (m) and (n)).

Compliance with International Financial Reporting Standards

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AEIFRSs ensures that the financial statements and notes of the Corporation comply with International Financial Reporting Standards.

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

(b) Brisbane Convention & Exhibition Centre (BCEC)

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

(c) Revenue and Trade Debtors

Corporation revenue from ordinary activities comprises sale by leasehold of development land, grants received from the Queensland Government, sale of goods including food and beverage, provision of venue hire, car parking, tourism sales and rental and outgoings received or receivable from properties leased by the Corporation.

Revenue from the sale by leasehold of development property 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.

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

(d) Depreciation of Property, Plant and Equipment

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. The expected useful lives are as follows:

- Buildings and infrastructure works 40 years
- Heritage and cultural assets 0 – 100 years
- Plant and equipment 3 – 20 years

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. Assets under construction (work in progress) are not depreciated until they reach service delivery capacity.

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

(CONTINUED)

(e) Impairment of Non-current Assets

All property, plant and equipment is 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 Income Statement, 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 reserve 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 income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(f) 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.

(g) Insurance

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

(h) Cash and cash equivalents

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes all cash, cash at bank and deposits at call.

(i) Inventories

Inventories represent goods held by the BCEC 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.

(j) 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 Income Statement.

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

(k) Joint Venture

The joint venture entity was accounted for using the equity method until the Corporation acquired full ownership in October 2006. Under the equity method, the share of the profits or losses of the entity was recognised in the Income Statement and the share of movements in reserves is recognised in reserves in the Balance Sheet and Statement of Changes in Equity.

(l) Property, Plant and Equipment

The property, plant and equipment of the Corporation comprises the South Bank Parklands and the BCEC including land, buildings, public infrastructure works 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 Balance Sheet in the year of acquisition. Items with a lesser value are expensed.

(m) Revaluation of Land, Buildings and Infrastructure

The Corporation values land (other than development property), buildings, infrastructure 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, infrastructure, 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.

Revaluation increments are credited directly to the asset revaluation reserve 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 Income Statement, the increment is recognised immediately as revenue in that statement. Revaluation decrements are recognised immediately as expenses in the Income Statement, 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 reserve.

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

(CONTINUED)

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

(n) Investment Property

Investment property, which is property held to earn rentals, 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.

Gains or losses arising from changes in the fair value of investment property are included in the Income Statement 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.

(o) Payables

Trade creditors and accruals represents 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.

(p) Employee Benefits

Annual leave and sick leave

All liabilities for annual leave are expected to be paid within 12 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.

Long Service Leave

A liability 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.

Superannuation

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

(q) Other Financial Liabilities and 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.

(r) Other Liabilities

Other liabilities include deposits received from customers for bookings at the BCEC relating to future financial years. Such revenue is recognised when earned.

(s) 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.

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

(CONTINUED)

(t) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Balance Sheet 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 amortised cost

Any borrowing costs not settled in the period in which they arise are added to the carrying amount.

The Corporation does not enter transactions for speculative purpose, nor for hedging.

(u) 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. No new and revised Standards and Interpretations have been issued which are materially relevant to the Corporation's operations.

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.

(v) 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.

(w) Judgements and Assumptions

The Corporation has made no judgements or assessments which may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

(x) 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.

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

2 BUSINESS SEGMENT INFORMATION

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.

Business Segments For the year ended 30 June 2008	Venue Hire	Tenancies	Car Parking	Community Activities & Promotions	Other	Total
Income	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
User charges	14,680	7,648	10,945	226	-	33,499
Sales of goods	19,424	-	-	77	-	19,501
Sale of development property	-	-	-	-	1,648	1,648
Interest received	-	-	-	-	1,483	1,483
Other	-	-	-	797	20	817
Operating grant and other contributions	-	-	-	-	10,025	10,025
Capital project grants	-	-	-	-	26,730	26,730
Gain on revaluation of investment property	-	2,090	-	-	-	2,090
	34,104	9,738	10,945	1,100	39,906	95,793
Expenses						
Employee costs	17,768	104	984	3,622	1,957	24,435
Supplies and services	11,392	2,610	188	7,810	1,901	23,901
Cost of goods sold	4,796	-	-	80	1,362	6,238
(Gain)/Loss on sale of plant & equipment	(6)	-	-	-	228	222
Other	6	51	-	-	-	57
Depreciation	8,747	-	1,069	4,306	216	14,338
Borrowing costs	-	-	-	-	2,171	2,171
	42,703	2,765	2,241	15,818	7,835	71,362
Net surplus / (deficit)	(8,599)	6,973	8,704	(14,718)	32,071	24,431

SOUTH BANK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

2. BUSINESS SEGMENT INFORMATION (CONTINUED)

Business Segments For the year ended 30 June 2007	Venue Hire	Tenancies	Car Parking	Community Activities & Promotions	Other	Total
Income	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
User charges	13,664	6,494	9,566	27	-	29,751
Sales of goods	17,836	-	-	103	-	17,939
Sale of development property	-	-	-	-	367	367
Share of profit of joint venture entity	-	128	-	-	-	128
Interest received	-	-	-	-	999	999
Other	-	-	-	616	79	695
Operating grant and other contributions	-	-	-	-	10,025	10,025
Capital project grants	-	-	-	-	3,400	3,400
Gain on revaluation of investment property	-	10,702	-	-	-	10,702
	31,500	17,324	9,566	746	14,870	74,006
Expenses						
Employee costs	16,058	49	885	3,433	1,560	21,985
Supplies and services	10,157	3,425	470	6,615	1,673	22,340
Cost of goods sold	4,168	-	-	80	-	4,248
(Gain)/Loss on sale of plant & equipment	-	-	-	-	(17)	(17)
Depreciation	6,712	-	982	3,157	640	11,491
Borrowing costs	-	60	-	-	2,036	2,096
	37,095	3,534	2,337	13,285	5,892	62,143
Net surplus / (deficit)	(5,595)	13,790	7,229	(12,539)	8,978	11,863

SOUTH BANK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

3. GRANTS AND OTHER CONTRIBUTIONS	2008 \$'000	2007 \$'000
Operating grant	10,025	10,025
Capital project grants:		
BCEC expansion	25,000	3,400
Stormwater Harvesting	1,730	-
Total	36,755	13,425

4. EXPENSE ITEMS		
Insurance premiums - Qld Government Insurance Fund	929	941
Fees paid to directors	129	136
Operating lease rentals	56	55
Bad debts	21	45
External audit fees (the auditors received no other benefits)	77	72
The Chief Executive and directors whose total remuneration from the Corporation was within the specified bands are as follows:	Number	Number
\$0 – \$19,999	9	10
\$50,000 – \$69,999	1	1
\$300,000 – \$319,999	1	1

5. CASH AND CASH EQUIVALENTS	2008 \$'000	2007 \$'000
Cash at bank	12,600	11,611
Deposits at call	32,364	8,112
Total	44,964	19,723

6. RECEIVABLES		
Trade and other debtors	2,229	1,189
Less provision for impairment	(102)	(67)
Total	2,127	1,122
Movement in the provision for impairment		
Balance 1 July	67	58
Increase in provision recognised in the income statement	56	54
Amount written off during the year	(21)	(45)
Balance 30 June	102	67

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

7. DEVELOPMENT PROPERTY	2008 \$'000	2007 \$'000
Current asset	3,187	1,927
Non-current asset	5,359	8,542
Total	8,546	10,469
At deemed cost	4,665	6,063
Capitalised development costs	3,881	4,406
Total	8,546	10,469

Development property at deemed cost comprises land valued by Mr RA French BSc, ARICS, FAPI (registered valuer # 1398), of Burgess Rawson, as at 30 June 1997.

As at 30 June 2008 the directors of the Corporation Board estimate the fair market value of the development property to be approximately \$37 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.

During the year an area of land previously classified as development property, with a cost of \$0.858 million, was reclassified as property, plant and equipment. This land is intended for use by the Corporation for the expansion of the Brisbane Convention & Exhibition Centre.

8. PROPERTY, PLANT AND EQUIPMENT		
Land		
At valuation	124,000	92,000
Buildings		
At valuation	198,264	188,473
Infrastructure works		
At valuation	114,702	109,378
Heritage and Cultural assets		
At valuation	4,314	4,203
Plant and equipment		
At cost	111,316	109,676
Less accumulated depreciation	(81,933)	(79,509)
Total plant and equipment	29,383	30,167
Work in progress		
At cost	10,835	3,658
Total	481,493	427,879

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2008	Land	Buildings	Infrastructure	Heritage & Cultural	Plant & Equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance 1 July 2007	92,000	188,473	109,378	4,203	30,167	3,658	427,879
Additions	-	2,591	2,825	-	2,237	7,177	14,830
Reclassification	858	(529)	-	-	-	-	329
Revaluations	31,142	16,789	4,940	154	-	-	53,025
Transfers	-	(1,597)	1,597	-	-	-	-
Disposals	-	(122)	(105)	-	-	-	(227)
Depreciation	-	(7,341)	(3,933)	(43)	(3,021)	-	(14,338)
Balance 30 June 2008	124,000	198,264	114,702	4,314	29,383	10,835	481,498

2007	Land	Buildings	Infrastructure	Heritage & Cultural	Plant & Equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance 1 July 2006	61,760	216,377	72,870	4,825	33,074	3,771	392,677
Additions	-	739	6,102	-	1,606	2,932	11,379
Reclassification	(150)	-	-	-	-	-	(150)
Revaluations	30,390	(23,050)	28,778	(651)	-	-	35,467
Transfers	-	-	4,167	62	(1,184)	(3,045)	-
Disposals	-	-	-	-	(3)	-	(3)
Depreciation	-	(5,593)	(2,539)	(33)	(3,326)	-	(11,491)
Balance 30 June 2007	92,000	188,473	109,378	4,203	30,167	3,658	427,879

Land

Land of the South Bank Parklands (excluding development land) and the BCEC was independently valued by the State Valuation Services (SVS) of the Department of Natural Resources and Water as at 30 June 2007 and 2008. The valuations were determined by reference to the highest and best use physically possible, legally permissible and financially feasible, which would result in the highest value.

Buildings and Infrastructure

The commercial car park and buildings utilised by the Corporation for administration were valued as at 30 June 2008 by independent valuers Knight Frank Valuations Queensland using "fair value" principles, based on current market values. The 30 June 2007 valuation was determined using the Implicit Price Deflator Index, non-residential buildings, of the Office of Economic and Statistical Research, Queensland Treasury.

All other buildings and infrastructure (including landscaping and civil works) were valued by independent valuers Rider Levett Bucknall as at 30 June 2007. The valuations were determined based on the written down replacement cost of the assets, taking into consideration their remaining useful life. The 30 June 2008 building and infrastructure valuations were determined using the non-residential construction Queensland index and the engineering construction Queensland index respectively as produced by the Australian Bureau of Statistics.

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

9. JOINT VENTURE

The Corporation held a 65% interest in the retail component of the Little Stanley Street development until 24 October 2006 when the Corporation acquired the remaining 35% interest. The investment was at that time reclassified as a wholly owned investment property.

	2008 \$'000	2007 \$'000
(i) Share of profit of Joint Venture		
Rent received	-	512
Property holding costs	-	(210)
Development costs	-	(174)
Operating profit	-	128
(ii) Carrying amount of investment		
Balance 1 July	-	5,328
Funds reimbursed	-	(57)
Share of joint venture profit	-	128
Transfer to Investment Property	-	(5,399)
Balance 30 June	-	-

10. INVESTMENT PROPERTY		
Balance 1 July	50,276	28,000
Reclassification	529	5,399
Additions	105	6,175
Fair value adjustment	2,090	10,702
Balance 30 June	53,000	50,276

The Parklands' investment properties were independently valued as at 30 June 2008 by registered valuers Knight Frank Valuations Queensland using "fair value" principles, based on current market values and the rental stream received for the property. The 30 June 2007 valuation was determined by indexation using the Implicit Price Deflator Index, non-residential buildings, of the Office of Economic and Statistical Research, Queensland Treasury.

In October 2006 the Corporation purchased the remaining 35% interest in the investment property situated in Little Stanley Street. The asset was recognised at cost, revalued at the agreed value of the property at the time of the purchase, and indexed to 30 June 2007.

Property rental income	7,364	6,555
Direct operating expenses on property that generated rental income during the period	2,523	2,055

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	6,005	4,027
Later than one year and not later than five years	14,934	9,919
Later than five years	6,282	6,735
Total	27,221	20,681

SOUTH BANK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

11. PAYABLES	2008 \$'000	2007 \$'000
Trade creditors	2,442	1,512
Accruals	5,587	5,490
Other	308	249
	8,337	7,251
GST receivable	(645)	(437)
GST payable	1,330	985
	685	548
Total	9,022	7,799

12. ACCRUED EMPLOYEE BENEFITS		
Current		
Annual leave	1,175	1,068
Long service leave	1,122	951
	2,297	2,019
Non-Current		
Long service leave	640	805
	640	805
Total	2,937	2,824
As at the end of the financial year 467 full-time equivalents were employed (2007: 454).		

13. OTHER FINANCIAL LIABILITIES		
Current		
Finance lease liability	37	28
Queensland Treasury Corporation borrowings	3,140	3,114
Total	3,177	3,142
Non-current		
Finance lease liability	21	46
Queensland Treasury Corporation borrowings	31,363	34,515
Total	31,384	34,561

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 \$A denominated amounts 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 2022. There have been no defaults or breaches of the loan agreements during the period.

The weighted average borrowing rate for QTC borrowings is 5.87%, ranging from 5.79% to 6.30% (2007: 5.83%, ranging from 5.79% to 6.06%). 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.

14. OTHER CURRENT LIABILITIES		
Unearned income	4,812	2,121
Forward booking deposits	4,877	3,238
Total	9,689	5,359

SOUTH BANK CORPORATION
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

15. ASSET REVALUATION RESERVE BY CLASS						
	Land	Buildings	Infrastructure	Heritage & Cultural	Plant & Equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance 1 July 2007	92,150	96,412	70,962	1,840	477	261,841
Revaluation increment	31,142	16,789	4,940	154	-	53,025
Balance 30 June 2008	123,292	113,201	75,902	1,994	477	314,866

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

16. RECONCILIATION OF OPERATING SURPLUS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	2008 \$'000	2007 \$'000
Operating Surplus	24,431	11,863
<i>Non-cash items</i>		
Depreciation	14,338	11,491
(Gain)/loss on revaluation of investment property	(2,090)	(10,702)
(Gain)/loss on disposal of plant and equipment	222	(17)
<i>Change in assets and liabilities</i>		
(Increase)/decrease in receivables	(1,005)	427
(Increase)/decrease in prepayments and deposits	787	(183)
(Increase)/decrease in inventories	(101)	(11)
(Increase)/decrease in development property	1,065	(391)
(Increase)/decrease in investment in joint venture	-	(71)
(Decrease)/increase in payables	1,223	801
(Decrease)/increase in accrued employee benefits	113	279
(Decrease)/increase in other liabilities	4,330	1,803
Net cash from operating activities	43,313	15,289

17. 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	44,964	19,723
Receivables	2,127	1,122
Total	47,091	20,845
Financial liabilities		
Payables	9,022	7,799
Other financial liabilities – QTC borrowings	34,503	37,629
Other financial liabilities – Lease liabilities	58	74
Total	43,583	45,502

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

17. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Credit Risk Exposure	2008 \$'000	2007 \$'000
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 Balance Sheet. The following table represents the maximum exposure to credit risk. No significant credit risks have been identified.		
Financial asset		
Cash	44,964	19,723
Receivables	2,127	1,122
No collateral is held as security in relation to financial assets of the Corporation.		
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 Balance Sheet.		

(c) Liquidity Risk				
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	1 to 5 years	Greater than 5 years	Total
2008 Financial Liabilities	\$'000	\$'000	\$'000	\$'000
Payables	9,022	-	-	9,022
QTC borrowings	3,140	12,940	18,423	34,503
Finance leases	37	21	-	58
Total	12,199	12,961	18,423	43,583
2007 Financial Liabilities				
Payables	7,799	-	-	7,799
QTC borrowings	3,114	12,737	21,778	37,629
Finance leases	28	46	-	74
Total	10,941	12,783	21,778	45,502

(d) 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. There is a negligible impact on interest costs from changes in interest rates for these borrowings. As such, no sensitivity analysis has been prepared. The Corporation does not undertake any hedging in relation to interest risk.

(e) Interest rate risk exposure

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 has reduced in the current period due to increased cash which is held for capital works projects to be undertaken after balance date.

(f) 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.

SOUTH BANK CORPORATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

17(f) FINANCIAL INSTRUMENTS (CONTINUED)

	2008 \$'000	2007 \$'000
Financial liabilities		
Queensland Treasury Corporation borrowings:		
Total carrying amount	34,503	37,629
Net fair value	32,781	36,235

18. COMMITMENTS FOR EXPENDITURE		
Finance Lease Commitments		
Lease liabilities recognised in the Balance Sheet		
Current	37	28
Non-current	21	46
	58	74
Commitments under finance leases at reporting date exclusive of GST are payable as follows:		
Not later than one year	42	36
Later than one year and not later than five years	21	49
Total commitments	63	85
Future finance charge	(5)	(11)
Total	58	74
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.		
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	62	66
Later than one year and not later than five years	39	78
Total commitments	101	144
Anticipated input tax credits	9	13
Operating leases, with fixed lease payments, are entered into as a means of acquiring access to assets, mainly motor vehicles.		
Capital Expenditure		
Material capital expenditure commitments contracted for but not completed and therefore not recognised as payable at balance date:		
Not later than one year	-	1,869
Total commitments (including GST)	-	1,869

19. 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.

20. CREATION OF SOUTH BANK EMPLOYING OFFICE

On 23 April 2007 the Queensland Parliament passed the *Statutory Bodies Legislation Amendment Act 2007* amending the *South Bank Corporation Act 1989* to create the South Bank Employing Office; a statutory body for the purposes of the *Financial Administration Act 1977*. The South Bank Employing Office did not operate and no material assets or liabilities existed as at 30 June 2008. Accordingly, consolidated financial statements have not been prepared.

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

CERTIFICATE OF SOUTH BANK CORPORATION

These general purpose financial statements have been prepared pursuant to the provisions of the *Financial Administration and Audit Act 1977* (the Act) and other prescribed requirements. In accordance with section 46F 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 2008 and of the financial position of the Corporation at the end of that year.

S M Wilson
Chairman

M C Snow
Chief Executive Officer

D Anderson
Chief Financial Officer

21 August 2008

INDEPENDENT AUDITOR'S REPORT

To the Board of the South Bank Corporation

Matters Relating to the Electronic Presentation of the Audited Financial Report

The audit report relates to the financial report of the South Bank Corporation for the financial year ended 30 June 2008 included on the South Bank Corporation's web site. The Board is responsible for the integrity of the South Bank Corporation's web site. We have not been engaged to report on the integrity of the South Bank Corporation's web site. The audit 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 the South Bank Corporation, to confirm the information included in the audited financial report presented on this web site.

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

Report on the Financial Statements

I have audited the accompanying financial report of the South Bank Corporation which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement 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.

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 Administration and Audit Act 1977* and the *Financial Management Standard 1997*, including compliance with applicable 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. In Note 1, the Board also state, that compliance with Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

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 *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 judgment, 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 control 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 including 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.

INDEPENDENT AUDITOR'S REPORT

(CONTINUED)

Independence

The *Financial Administration and Audit Act 1977* promotes the independence of the Auditor General and QAO 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.46G of the *Financial Administration and Audit Act 1977* –

(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 the South Bank Corporation for the financial year 1 July 2007 to 30 June 2008 and of the financial position as at the end of that year; and
- (iii) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Signed on this 31st day of August 2008, at Brisbane.

K A VIVIAN

as Delegate of the Auditor-General of Queensland

