



South Bank Corporation

Annual Report 2021 - 2022

South Bank Corporation
Level 3, South Bank House
Stanley Street Plaza
South Bank
Queensland Australia

PO Box 2001
South Bank
Queensland 4101
Australia
Telephone: +61 (7) 3867 2000
www.southbankcorporation.com.au

Table of Contents

<u>LETTER OF COMPLIANCE</u>	<u>2</u>	<u>SUMMARY OF FINANCIAL PERFORMANCE</u>	<u>14</u>
<u>AVAILABILITY OF INTERPRETER SERVICES</u>	<u>3</u>	<u>GOVERNANCE – MANAGEMENT AND STRUCTURE</u>	<u>15</u>
<u>GLOSSARY</u>	<u>3</u>	Organisational structure	15
<u>A MESSAGE FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER</u>	<u>4</u>	Board and committees	16
<u>CORPORATION ROLE, VISION AND MAIN FUNCTIONS</u>	<u>5</u>	Our board of directors	16
Operating environment	6	Member benefits	17
Our places – leisure and commercial	7	Board committees	18
Brisbane Convention & Exhibition Centre (BCEC)	8	Related entities	18
Operational highlights	9	Our executive management	19
Corporate social responsibility	10	<u>GOVERNANCE – RISK MANAGEMENT, ACCOUNTABILITY AND HUMAN RESOURCES</u>	<u>20</u>
<u>STRATEGIC RISKS, OPPORTUNITIES AND CHALLENGES</u>	<u>11</u>	<u>DISCLOSURE OF ADDITIONAL INFORMATION</u>	<u>22</u>
<u>NON-FINANCIAL PERFORMANCE</u>	<u>13</u>	<u>FINANCIAL STATEMENTS</u>	<u>23</u>
Government’s objectives for the community	13		

Letter of compliance

14 September 2022

The Honourable Steven Miles
Deputy Premier and Minister for Minister for State Development, Infrastructure,
Local Government and Planning
1 William Street
Brisbane QLD 4000

Dear Deputy Premier

I am pleased to submit for presentation to the Parliament the Annual Report 2021 - 2022 and financial statements for South Bank Corporation.

I certify that this Annual Report complies with:

the prescribed requirements of the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2019; and

the detailed requirements set out in the Annual report requirements for Queensland Government agencies.

A checklist outlining the annual reporting requirements can be found on page 59 of this annual report.

Yours sincerely



Leon Allen
Chair
South Bank Corporation

Availability of interpreter services



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Government Language Services Policy: www.cyjma.qld.gov.au/resources/dcsyw/multicultural-affairs/policy-governance/language-services

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To provide feedback about this annual report please visit www.qld.gov.au/annualreportfeedback

A number of annual reporting requirements are now addressed through publication of information through the Queensland Government Open Data website: www.qld.gov.au/data in lieu of inclusion in this annual report.

ISSN: 2204-0269

Glossary

The Act	South Bank Corporation Act 1989 (Qld)
ARRs	Annual report requirements for Queensland Government agencies
BCC	Brisbane City Council
BCEC	Brisbane Convention & Exhibition Centre
The Corporation	South Bank Corporation
FAA	Financial Accountability Act 2009
FPMS	Financial and Performance Management Standard 2019
FTE	Full-time equivalent
QGCDG	Queensland Government Customer and Digital Group
SBEO	South Bank Employing Office

A Message from the Chair and Chief Executive Officer

In 2021–22 for South Bank Corporation, recovery and rebuilding of the precinct continued to be a focus, as we navigated the enduring and challenging economic conditions of COVID-19 and responded to the impacts of the February 2022 flood event.

But through it all, we have shown resilience and a strong commitment to safeguard and support each other and this iconic and much-loved precinct.

A record of sound financial and operational management, together with strong relationships with suppliers and stakeholders, positioned us well to respond to the challenges faced this year. As a result, we were able to recover and reopen quickly, support our retailers with both COVID-19 and flood relief packages, and maintain strong financial performance from the Corporation's car park. The continued return of the Brisbane Convention and Exhibition Centre operations is also very pleasing to see.

Our progress in delivering on our 2021-2025 Strategic Business Plan and commitments are also detailed in this report.

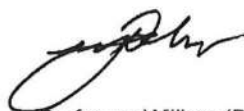
Of particular note is our enhanced sustainability performance of the precinct, having worked with industry partners and projects to better manage our unique assets and maintain them for current and future generations. The Corporation's contribution to the delivery of other projects within the precinct, including the South Bank Ferry Terminal, Neville Bonner Bridge and the New Performing Arts Venue is also a highlight.

This year we also successfully curated and delivered a diverse range of cultural, retail and entertainment experiences that assisted in attracting a high level of visitation. We are pleased to have strengthened our connections with First Nations communities by investing in a cultural development program with resources and training for our people and precinct stakeholders. The commissioning of our first Indigenous public artwork in the Parklands and continued partnership with the Meeanjin Markets, which opened its doors on Grey Street in December 2021, will help make South Bank progressively, a more inclusive and culturally connected place.

We thank the Board for their support and dedication, and the executive leadership team and all Corporation employees, together with our businesses and precinct partners, for their hard work and commitment during the year. We look forward to working with everyone as we continue to deliver on a shared vision of even better precinct wide outcomes for all.



Leon Allen
Chair



Professor William (Bill) Delves
Chief Executive Officer

Corporation role, vision and main functions

Our role

South Bank Corporation was established pursuant to the *South Bank Corporation Act 1989*. The Corporation's objects as set out in the Act are to:

- promote, facilitate, carry out and control the development, disposal and management of land and other property within the Corporation area
- achieve an appropriate balance between the Corporation's commercial and non-commercial functions
- ensure the Corporation area complements, rather than duplicates, other public use sites in the inner-city Brisbane area
- provide for a diverse range of recreational, cultural and educational pursuits for local, regional and international visitors
- accommodate public events and entertainment that benefit the general community
- achieve excellence and innovation in the management of open space and park areas.

Our strategy

South Bank Corporation has a **vision** to be a world-class urban precinct that welcomes, engages and inspires.

Our purpose is to:

- be a renowned place manager, recognising the demand for a green space in Brisbane's inner city
- innovate, manage and maintain our enviable reputation as Brisbane's premier recreational, cultural, educational and entertainment precinct
- redevelop key sites while strengthening physical integration and relationships within the immediate neighbourhood.

Our strategic objectives to achieve our vision:

1. Renew and manage the unique South Bank assets.
2. Achieve a balance between commercial and non-commercial activities.
3. Complement rather than duplicate other Brisbane destinations.
4. Provide a diverse range of experiences for locals and visitors.
5. Accommodate events that benefit the whole community.
6. Achieve excellence and innovation in open space management.

The Corporation's employees embed the following values into the Corporation's decision-making actions and ways of working.

Inclusive – we welcome everyone.

Sustainable – this is a focus and commitment to enhancing our performance.

Collaborative – we are one team, with a precinct-first mindset.

Curious – we will challenge and innovate.

Bold – we strive to be world-class and achieve excellence in everything we do.

Operating environment

South Bank is one of Queensland's most iconic destinations and a globally recognised riverside precinct. Known for its green open spaces, subtropical lifestyle, diverse dining options, culture and events, South Bank is a place loved by everyone.

As a precinct, South Bank plays an important role in defining Brisbane's identity, lifestyle offer and appeal. A permanent legacy of World Expo '88, the 42-ha precinct (17 ha of which is activated parklands) continues to be one of Brisbane's most frequently visited destinations.

With more than 14 million visitors annually in a typical year, the precinct continues to promote important economic sectors including tourism, culture, education and innovation, and contributes to the wider economic activity through development, construction and urban renewal processes.

With high levels of infrastructure and services located within the immediate vicinity, our precinct is not only attractive but also seamlessly accessed by pedestrians, bikes, bus, ferry and train.

The continued success of this place is based on South Bank Corporation's collaborative partnership between Queensland Government, Brisbane City Council, the community and private sector – who work together to constantly evolve and renew our places and spaces to meet the needs of the community in a changing world.

As a statutory authority, South Bank Corporation is subject to State Government policies. Accordingly, we integrate whole-of-government targets into our strategic direction and day-to-day activities.

On 1 July 2013, the Queensland Government and the Corporation entered into a 10-year lease agreement with Brisbane City Council (BCC) to carry out the management, operation, maintenance, promotion and administration of the South Bank Parklands. BCC, through its wholly owned entity City Parklands Services Pty Ltd, is responsible for all parkland services.

The Brisbane Convention & Exhibition Centre is managed by ASM Global as agent for the Corporation.

Our places – leisure and commercial

South Bank Parklands is Queensland's premier lifestyle, entertainment and cultural destination, open 365 days a year. It has many key differentiators and special features that make it stand out amongst other precincts in the city, region and state. These include:

- The 17 ha of activated parklands.
- A showcase of distinctive lifestyle and landscape elements.
- Our close proximity to Queensland's significant arts, cultural and creative institutions.
- A public 1.4 km open riverfront.
- A place for major events, activations and festivals.
- Seven secondary and tertiary education institutions.
- More than 100 retail, food and beverage offerings in one place.

The Corporation this year has also contributed to the delivery of several new stand-out projects in the precinct that will support enhanced visitation, activity and connection to South Bank. These include the South Bank Ferry Terminal, Neville Bonner Bridge and the New Performing Arts Venue.

Our places and spaces

South Bank comprises a variety of areas and each has been carefully curated and created to be used and enjoyed by people visiting, working or living in South Bank.

South Bank Parklands

South Bank Parklands open spaces and public areas are managed by BCC, through its subsidiary City Parklands Services Pty Ltd, while South Bank Corporation is responsible for the cafes, restaurants, retail outlets, roads, footpaths and public car park.

The green heart of the city, the Parklands covers 17 ha of riverfront and activated land, featuring a rainforest, picnic and playground areas and free water play and swimming facilities, including an iconic man-made beach. Equipped with Wi-Fi, which is free to use 24/7, it is also home to a year-round calendar of events and has many eateries catering to a range of tastes and budgets. It is a place to take time out to relax in a natural setting, just moments from the CBD.

Little Stanley Street

Little Stanley Street provides visitors an eclectic and multicultural food offering with more than 30 dining

options – from funky cafes and bars to gourmet restaurants, this street is an integral part of Brisbane's modern dining landscape.

Stanley Street Plaza

Stanley Street Plaza is a central meeting place for many and is on the doorstep of our famous beach. The plaza is home to casual dining, live music and eclectic markets.

Grey Street

Grey Street is a cultural avenue which is home to Brisbane and Queensland's most celebrated cultural institutions, including the Gallery of Modern Art, Queensland Art Gallery, Queensland Performing Arts Centre, Queensland Museum and Sciencentre, the State Library of Queensland, Queensland Conservatorium, Brisbane Convention and Exhibition Centre, South Bank Cineplex and the new home for the Meeanjin Markets. It is also home to a suite of dining, accommodation, entertainment and leisure offerings – bringing commerce and creativity together.

River Quay

River Quay offers an award-winning dining and riverfront experience, with direct access from the promenade, Goodwill Bridge and the South Bank Arbour. It is home to five of Brisbane's premier dining destinations, each offering up their own distinctive cuisine style and a focus on the local food community.

Situated in front of the restaurants is River Quay Green, a large lawn for the community to enjoy. The Green hosts events and free live music throughout the year.

Central Cafes

Central Cafes is a popular family friendly, 'food on the go' precinct, that continues to be a crowd pleaser. This space is currently undergoing a refresh and is expected to reopen, with new retail concepts, in mid to late 2022.

South Bank car park

The South Bank underground car park is an 866-bay, dual-level public parking facility with lift and stair accessibility to the Parklands.

Brisbane Convention & Exhibition Centre

A multi-purpose convention, exhibition and event facility, including 147,650 m2 fronting Merivale Street and 24,580 m2 opening onto Grey Street. Managers of BCEC, ASM Global, have managed the Centre since 1995.

Brisbane Convention & Exhibition Centre

Snapshot for 2021-22

- Total event numbers: 628
- Total visitation: 717,950

This included:

- 56 conventions (49 National and 7 International)
- 509 corporate meetings and functions
- 31 public and trade exhibitions
- 33 ticketed events.

Brisbane Convention & Exhibition Centre (BCEC) is holding 1,306 forward bookings for FY 2023 and beyond. The economic value of these events to Queensland has been estimated at \$806 million.

BCEC continues to be a major contributor to the economic fabric of Queensland. Responsible for more than 65% of delegate days to Brisbane each year, its Business Events' portfolio has wide and enduring benefits associated with knowledge wealth, employment and industry growth and development.

The enduring and challenging conditions of COVID-19 and impacts of the February 2022 flood event have impacted results, bookings and reduction in workforce numbers for the 2021-22 financial year. The extended COVID-19 travel restrictions, postponement of many large conventions, and reluctance of organisers of smaller conventions to hold an event have all contributed to the number of events held.

The second half of the 2021-22 financial year saw an encouraging trend for the return of face-to-face events, with the Centre recording its second-best monthly result ever for May, as well as strongly exceeding financial targets.

With a strong calendar of events going forward, the Centre anticipates returning to pre-COVID-19 levels of business in the 2022-23 financial year.

Operational highlights

In June, announcements of Executive Management changes for the Centre were made public. This included the promotion of Bob O'Keeffe AM to the role of Chief Executive Officer of BCEC, as well as the internal appointment of Kym Guesdon to the role of General Manager of BCEC.

International Convention Sales finished the year reaching the full year target. This was the result of focused effort over the last two years to keep international bid clients engaged whilst dealing with postponement and cancellations worldwide.

Highlight exhibitions, conventions and meetings

- Royal Australasian College of Surgeons Annual Scientific Congress

- APPEA (Australian Petroleum Production & Exploration Association) Conference & Exhibition
- Hort Connections 2022
- OzWater '22
- Asia Pacific Cities Summit Special Edition
- World of Drones & Robotics Congress
- The Home Show
- Care Expo
- Pregnancy, Babies and Children's Expo
- Supanova
- Lifeline Bookfest

Awards and recognitions

- International Association of Congress Centres (AIPC) APEX Awards – Runner-Up World's Best Convention Centre 2021-2022
- EarthCheck Platinum Certification
- Meetings & Events Australia National Awards – Banqueting & Catering
- Meetings & Events Australia National Awards – Venue over 1,500 Delegates
- Meetings & Events Australia National Awards – Event Legacy, World of Drones & Robotics Congress
- Meetings & Events Australia State Awards – Association Event of the Year
- Meetings & Events Australia State Awards – Banquet & Catering
- Meetings & Events Australia State Awards – Venue over 1,500 Delegates
- Meetings & Events Australia State Awards – Event Legacy, World of Drones & Robotics Congress

BCEC advocates

The COVID-19 pandemic reinforced the importance of science and research to Queensland. In 2010 BCEC established the highly successful BCEC Advocates Partnership Program, a strategic partnership with Queensland's top scientists, researchers, business leaders and innovators. The Program was designed to drive Brisbane's growth, attract international conferences and put Brisbane's world leading science and research in key sectors, on the global map.

2022 saw the introduction of an Advocate Alumni to the Program. At 30 June 2022, there were 12 Advocate Alumni and 77 Advocates.

BCEC Convention Advocates have assisted in securing 135 conferences for Brisbane delivering an economic impact in excess of \$200 million.

Operational highlights

Be a more sustainable business

This year we worked with a number of industry partners and projects to enhance the precinct's sustainability performance and better manage our unique assets and maintain them for current and future generations. These included the delivery of the South Bank Ferry Terminal, working with leading advisers on a sustainability action plan for the precinct and to support us in our transition towards a more circular economy for the precinct.

A place for everyone

We successfully curated and delivered a diverse range of cultural, retail and entertainment experiences that assisted in attracting high level visitation.

Our connection with First Nations communities was strengthened by investing in a cultural development program with resources and training for our people and precinct stakeholders.

The Corporation also commissioned another Indigenous public artwork in the Parklands and continued its partnership with the Meeanjin Markets, which opened its doors on Grey Street in December 2021.

Retail marketing – eatSouthBank

The retail marketing strategy this year aimed to utilise our existing eatSouthBank digital assets with a focus on produced events and event sponsorship, in order to drive visitation to the precinct and enhance the dining experience at South Bank.

Notable campaigns and initiatives

Dinner at Our Place (June–August 2022)

In response to the enduring and challenging economic conditions of COVID-19 and the impacts of the Brisbane floods on the retail precinct, eatSouthBank launched an eight-week 'awareness campaign' designed to drive visitation back into the precinct and encourage spend in the precinct. The 'Dinner at Our Place' campaign highlighted the vast array of quality dining options in South Bank using vibrant food photography, coupled with a text, which matches the conversational and welcoming tone of the eatSouthBank brand. In addition to emotive imagery, the campaign also featured a competition element and tailored retailer and parking deals designed to drive database acquisition.

Foodie Awards

eatSouthBank held its second annual 'Foodie Awards' in February. We invited the eatSouthBank audience to vote across multiple categories with the shortlist going to a public vote to determine winners. The campaign helped foster a 'friendly competition' between retailers whilst also aiding in a broader awareness of South Bank's new and existing restaurants.

Sponsorships

eatSouthBank this year was a major sponsor of Regional Flavours (October 2021) and Christmas in South Bank. Both events were successful in attracting high levels of visitation. The retailers were involved with both events, offering tailored food and beverage deals and mobile vending options.

Corporate social responsibility

South Bank Corporation is committed to the long-term sustainability of its operations and has ongoing initiatives that promote positive social and environmental change.

Community

South Bank is truly one of the world's great community spaces and this financial year hosted more than 330 free public events. It also allows for active transport day and night with bike racks and has well connected walking and cycling tracks. Its green spaces boost the liveability of the city and contribute to a range of community, health and wellbeing benefits.

Sustainability

One of the Corporation's core values is to be sustainable. The Corporation continues to build on South Bank's leading sustainability initiatives and educate its retail tenancies on sustainable business practices, to make the precinct more responsive to changing needs and more environmentally resilient.

Initiatives include water harvesting and reuse projects (Rain Bank) and programs, as well as waste, energy and emissions reduction initiatives in the precinct. Rain Bank was affected by the February 2022 flood event and recovery works are still in progress.

BCEC sustainability and community connection

BCEC continues to lead the way in innovation and sustainability for the meetings and events industry. With a global reputation for excellence and EarthCheck Platinum Certification, BCEC is part of an elite group of worldwide venues that deliver world-class experiences and operate at the highest level of international environmental standards.

Successes include:

- retrofitting of LED lighting to foyers and exhibitions hall has resulted in a 50% reduction in energy consumption in these areas
- continued reduction in energy requirements of the Grey Street Centre as a result of the South Bank Corporation's investment in solar panels
- rainwater collection and storage used for cleaning and irrigation at BCEC
- 44% of all waste was recycled.

BCEC is a founding member and supporter of Tangalooma EcoMarines, an education program for primary and secondary school students, preparing them to be environmental leaders of the future, whose mission is to restore the oceans and waterways through education, student leadership and connecting with Traditional Custodians of the land.

BCEC also supports community and charity organisations through funds raised from its Containers for Change recycling program and in 2022 directed that support to medical research through The Common Good, an initiative of the Prince Charles Hospital Foundation.

During this period, BCEC updated its initial draft Reconciliation Action Plan.

BCEC is committed to sustainable procurement and is an official #eatqld partner with the Queensland Government, committed to sourcing and showcasing local, sustainable and ethical produce

Strategic risks, opportunities and challenges

Recovery and rebuilding of the precinct continued to be the focus for the Corporation this year. The Corporation together with Government, helped support its retailers, precinct stakeholders and the community navigate the enduring and challenging economic conditions of COVID-19 and respond to the impacts of the February 2022 flood event.

The excellence that South Bank demonstrates is the result of stakeholder commitment, support and passion over the decades. The Corporation Board is continuing that commitment by implementing strategies that will – with broad consultation – review and reassess the way in which the South Bank Corporation area continues to evolve, excite and deliver better precinct wide outcomes for all.

There are a number of strategic risks, opportunities and challenges in relation to South Bank Corporation's operating environment, as follows:

- The enduring and challenging economic conditions of COVID-19 and the response of the Corporation to the impacts of the February 2022 flood event has seen the Corporation strengthen its commitment to support the precinct, the community and the Corporation's operations.
- The Corporation continues to ensure the precinct's sustainability performance is enhanced, making South Bank a more environmentally resilient precinct. Renewing, maintaining and revitalising our ageing assets and public open spaces is a high priority.
- The Corporation this year also contributed to the delivery of major infrastructure projects within the precinct, including the South Bank Ferry Terminal, Neville Bonner Bridge, Brisbane Metro and the New Performing Arts Venue. In the coming year, these projects will welcome higher visitation to the precinct and created a more connected Brisbane city experience for everyone.
- The Corporation, through consultation with the community has developed a deeper understanding of the vision people have for South Bank's future and will continue to work with key industry and government stakeholders to realise this vision.
- Continued focus remains on the relevance and longevity of our commercial and leisure offerings, to ensure long-term social, environmental and economic sustainability for the precinct.

Operational plans and priorities

South Bank Corporation's Board identified the following key projects as major priorities for the 2021–22 financial year.

Grow cultural capability and capacity: Deliver initiatives and build relationships that will create a more inclusive and culturally engaged precinct and workplace. A focus this year has been on elevating First Nations arts and culture in our precinct and workplace. The Corporation is pleased to have strengthened its

connections with First Nations communities and this year invested in a cultural development program with resources and training for its people and precinct stakeholders.

Approved Development Plan (ADP) Amendments: The Corporation will continue to manage any changes required to the ADP.

Support for the precinct: With the challenging economic conditions of COVID-19 and the February 2022 flood event, focus has been on providing financial and strategic support to our retail stakeholders and precinct clients through a period of recovery from these significant events.

Review of our systems and operational capacity: Continued monitoring of existing infrastructure as we focus on ensuring the Corporation remains fit for purpose and positioned for future opportunities.

Retail management

The following leasing initiatives were delivered to meet the enduring and challenging economic conditions of COVID-19 and the February 2022 flood event impacting the retail environment, and further enhance South Bank's diverse retail offer while underscoring the precinct's reputation as Brisbane's premier dining destination:

- Activated vacant spaces with 'pop-up' concepts.
- Secured new retail leases.
- Undertook capital upgrades to exhaust systems.
- Commenced tree replacement program implementation on Little Stanley Street.
- Commenced refurbishment of Central Cafes dining precinct including retail lease agreements for existing and new operators.
- Provided ongoing commercial support.

BCEC

BCEC in the 2021–22 financial year:

- Continued and expanded the role of the BCEC Convention Advocates Partnership Program.
- Developed its Reflect Reconciliation Action Plan and recruitment strategy for Aboriginal and Torres Strait Islander Peoples.
- Continued to build the Centre's partnership portfolio.
- Maintained Platinum Certification under the world's most recognised environmental benchmarking and certifications program, EarthCheck.
- Maintained leadership in the social responsibility space.

- Maintained to world-class standards including professionalism in customer service, at the top of world venue rankings.
- Continued to pivot and navigate the impact of COVID-19, implementing a COVID-19 recovery plan in early 2022. The last quarter of the financial year saw the Centre in peak event mode, a pleasing return after an extended period of COVID-19 impact on its operations.
- Hosted events under the Centre's COVID-19 Safe Plan, supported by VenueShield, an advanced hygiene protocol.
- Contributed to the visitation and promotion of the Precinct.
- Maintained the Centre's certification for ISO 9001:2015 Quality and ISO 22000:2018 Food Safety.

Non-financial performance

Government's objectives for the community

The Corporation is committed to achieving the Government's objectives for the community by delivering upon the Corporation's vision to create and manage a world-class precinct that welcomes, engages and inspires and in turn, adds value to the state's economy, enhances the local community and positions Brisbane as a desirable tourist destination.

Table 1: SOUTH BANK CORPORATION'S CONTRIBUTION TO THE STATE GOVERNMENT'S OBJECTIVES

Objective	South Bank Precinct contribution
Building Queensland	- Identify and manage health, safety and security risks. - Maintain the attractiveness of the precinct for current and future generations. - Master planning the Corporation area to maximise its relevance, while integrating with adjoining precincts' visions.
Backing small business	- Manage revenue to deliver on the social objectives set out in the South Bank Corporation Act. - Ensure the precinct is financially accessible to the general community. - Manage the development and activation of the precinct to deliver both financial and community outcomes.
Supporting jobs	- Collaborate with other precincts to augment the Brisbane experience. - Capitalise on the precinct's unique riverside position and physical assets. - Provide a range of recreational cultural and educational activities to local, regional and international visitors. - Ensure a democratic and inclusive space. - Promote engagement, collaboration and social responsibility. - Curate public events and entertainment that benefit the general community. - Manage the Brisbane Convention & Exhibition Centre to be relevant for locals and visitors alike.
Safeguarding our health	- Deliver a world-class public precinct. - Partner with BCC to achieve excellence and innovation in open space management. - Enhance the sustainability performance of the precinct.

Other whole-of-government plans/specific initiatives

At the time of publishing this report, the Future South Bank Draft Master Plan was in its last stage of finalisation and approval with the Queensland Government. Timing of its public release is unknown.

Agency service areas, service standards and other measures

The services of South Bank Corporation significantly altered from 1 July 2013 with the management of South Bank Parklands, its marketing and activation activities, largely transferred to the BCC.

In addition to implementation of the COVID-19 crisis response plan, the Corporation in the 2020–21 financial year achieved its service summary that includes the following:

- Managed and enhanced with BCC, the distinct elements of the precinct that make South Bank Brisbane's favourite place to work, live and play.
- Continued to consider and identify future opportunities for the management and use of land and other property within the Corporation area.
- Worked with relevant stakeholders on construction projects that impact the community and precinct, including the Neville Bonner Bridge, the New Performing Arts Centre and Brisbane Metro.

Agency objectives and performance indicators

The Corporation continued to focus on its corporate goals throughout the year. Our performance management systems continue to ensure that employees are working effectively and efficiently across the Corporation.

Summary of financial performance

The Corporation's performance measures are established from our strategic direction, which is set at Board level. We are committed to the Queensland Government's priorities and the Board's vision. This commitment is evidenced through initiatives produced in accordance with our corporate goals and the Queensland Government's statement of objectives for the community.

South Bank Corporation achieved a net operating deficit of \$29.237 million for the 2021–22 year.

This result includes the enduring and challenging economic conditions of COVID-19 and the impacts of the February 2022 flood event. COVID-19 impacts resulted in reduced user charges revenue, which was predominantly related to reduced activity at the Brisbane Convention & Exhibition Centre. The impact from the flood event will be mostly offset through a claim on the Corporation's insurance.

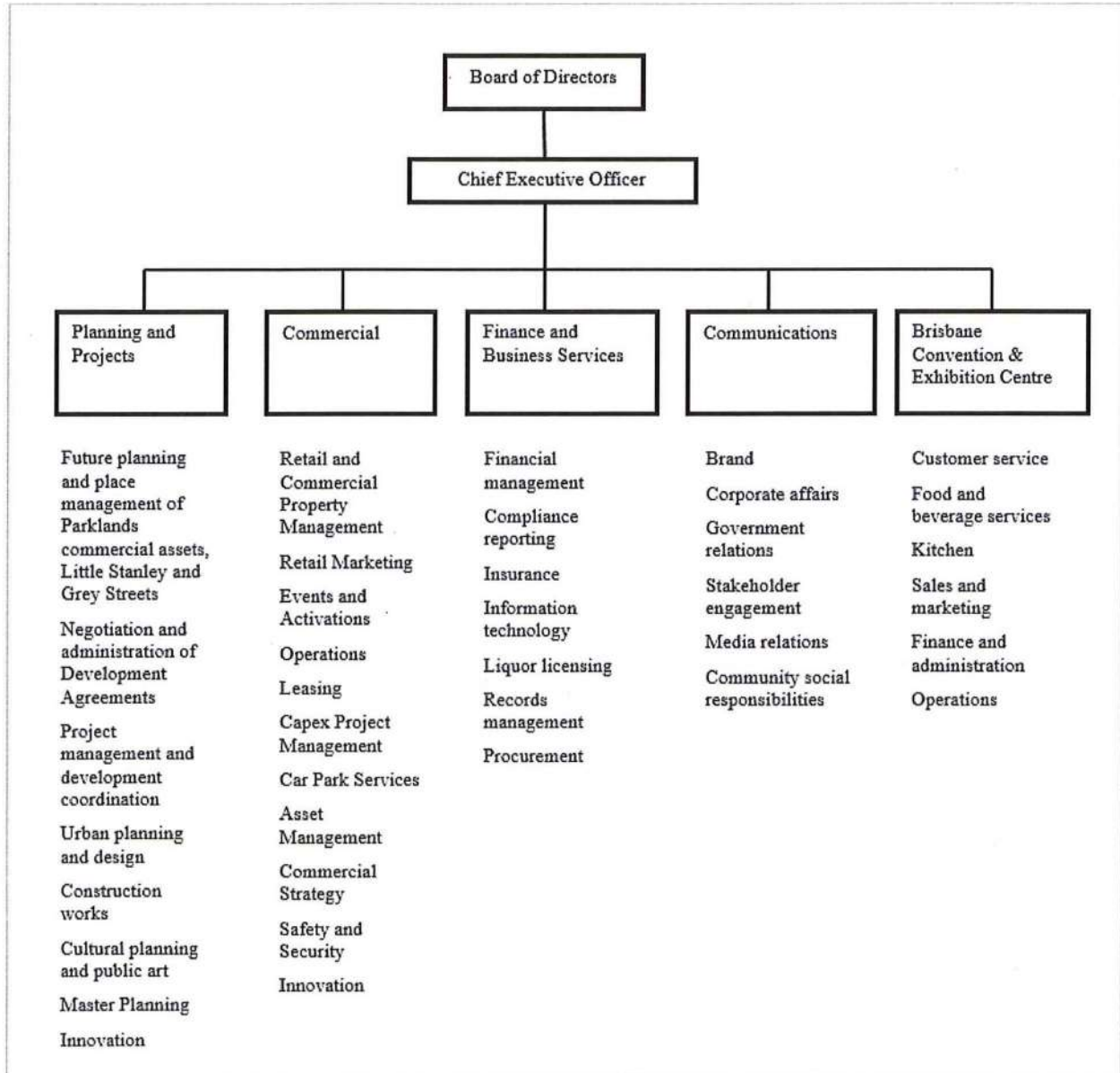
Table 2: SUMMARY OF FINANCIAL PERFORMANCE

	2017–18 (\$'m)	2018–19 (\$'m)	2019–20 (\$'m)	2020-21 (\$'m)	2021-22 (\$'m)
Revenue	88	97	74	52	68
Gain/(Loss) on revaluation of investment property	14	3	(13)	4	(8)
Sale of development land	10	-	-	-	-
Total income	112	100	61	56	60
Expenditure and losses	69	73	58	33	50
Cost of development land	3	-	-	-	-
Depreciation	22	23	24	25	28
Contribution to BCC's management of the South Bank Parklands	9	10	10	12	11
Total expenditure	103	106	92	70	89
Net result	9	(6)	(31)	(14)	(29)
Total assets	792	810	793	815	839
Net assets	770	786	771	788	807

Governance – management and structure

Organisational structure

Figure 1: SBC ORGANISATIONAL STRUCTURE



Board and committees

The Corporation's Board members are appointed by the Governor in Council based on the nominations of the responsible Minister to a maximum of eight members and Brisbane City Council to two members.

The current Board was appointed for a three-year term that expired on 28 February 2022. An extension was granted by the Governor in Council, with terms for all current Board members now to expire 31 December 2022. There were 11 Board meetings during the 2021–22 financial year.

The members must adhere to South Bank Corporation's Policies on Disclosure and Conflicts of Interest and the Code of Conduct and are therefore required to disclose direct and indirect conflicts of interest as soon as they arise. The Board must also comply with the obligations regarding disclosure and conflicts of interest imposed upon them in the Act. This is the first agenda item at each meeting

Our board of directors

Leon Allen – Chair

Leon was appointed Under Treasurer in September 2021. Leon returned to Queensland Treasury in May 2020 as Deputy Under Treasurer after 13 years with the Institutional Banking and Markets division of the Commonwealth Bank of Australia where he held senior leadership positions both domestically and internationally. These roles included Head of Institutional Banking and Markets Queensland, General Manager Government, Health, Education and Social Infrastructure, and between 2016 and 2020, Chief Executive Officer and Managing Director Americas, leading the bank's operations in North America.

His resume includes periods with the Australian Government's Department of Finance, the Australian National Audit Office, Queensland Treasury, Department of Premier and Cabinet [Queensland], as Senior Economic Advisor in the Offices of the Queensland Premier and Minister for Trade and the Queensland Treasurer, and with energy retailer and distributor Ergon Energy.

He holds degrees from Griffith University and the Crawford School of Government and Economics at the Australian National University. He was formerly Deputy Chair of the Infrastructure Association of Queensland, member of Brisbane City's Infrastructure Council, Trustee of the Institute of International Bankers and board member of the American Australian Association.

He was appointed as Chair of the Corporation in July 2020.

Margaret de Wit, OAM

Margaret served as a Brisbane City Councillor for 19 years. Her experience included chairing the portfolios of Infrastructure, Public & Active Transport and she was also Chair of Council. In 2012 Margaret was elected President of the Local Government Association of Queensland – the first woman in its 126-year history at the time and the only President from Brisbane since 1921.

Margaret's term ended on 28 February 2022 but was re-appointed 26 May 2022. Margaret resigned as Board member on 16 June 2022.

Kyl Murphy

Kyl Murphy is an experienced executive committed to ideas, integrity and inclusion. She has held senior roles in state, federal and local governments, in academia and the media and has facilitated successful cross-sector initiatives and partnerships. Kyl has led major projects on social policy reform, innovation integration and regional service delivery and led strategic business turnarounds as State Director and Company Secretary for the Committee for Economic Development of Australia, a national independent research organisation; and as Director of the Aboriginal Centre for the Performing Arts Pty Ltd, a national registered training organisation. Kyl holds a Master of Business from QUT, is a graduate of AICD, of the Cranlana Executive Colloquium and of the INSEAD Executive Program. Kyl is a Director of the Community Services Industry Alliance.

Richard Kirk

Richard is the founder of the architectural practice KIRK, which was established in 1995. Richard is an Adjunct Professor at The University of Queensland and is a Life Fellow of the Australian Institute of Architects (AIA) and a former National President of the AIA. He also has previously served on the Queensland Urban Design and Places Panel, the Board of Architects of Queensland, and the Brisbane City Council Independent Design Advisory Panel.

Tim Quinn

Tim Quinn is a former City Councillor (1985 to 2003) and Lord Mayor of Brisbane (2003 to 2004). He was a member of the South Bank Corporation Board from 2007 to 2012 and was reappointed to the board in 2016. During his time as Councillor for The Gabba and Dutton Park Wards, Tim was the Chair of the Council's Planning and Development Committee from 1991 to 2003. He has extensive experience with community projects both in Council and through his own voluntary community commitments. He has had a close involvement for 30 years with the former West End Community House, now Community Plus +. He has a strong interest in local history, especially of South

Brisbane and West End, having researched, written and produced several local guides and a series of history information plaques for the Kurilpa area.

Damien Walker

Damien Walker was, until his resignation in May 2022, Director-General of the Department of State Development, Infrastructure, Local Government and Planning. His appointment to the South Bank Corporation Board ceased with his resignation from the Department.

Mick Power, AM

Mick Power AM, Group Board Chair of national infrastructure business BMD Group, has more than 50 years' experience in civil engineering, construction, property development and urban development sectors. Under Mick's leadership, BMD has grown from a small Queensland family business to become one of Australia's largest privately owned engineering design, construction, and land development contractors. With a 42-year history of delivering progressive and city shaping infrastructure, BMD delivers vibrant community spaces, and is renowned for projects including the Legacy Way tunnel and Brisbane's New Parallel Runway. Mick has been a Brisbane City Council nominated member of the Corporation Board since 1997.

Mick's term ended on 28 February 2022, but he was re-appointed on 26 May 2022.

Marina Vit

Marina Vit is the Chief Operating Officer at Mosaic Property Group, one of Queensland's leading residential property developers. Marina has significant industry experience, working in executive roles within highly regarded property development, government and not-for-profit organisations. Marina was previously the CEO of UDIA QLD where she transformed the organisation in terms of its long-term sustainability and the impact it delivered for its property industry members. She has also held high-profile CEO roles with

Youngcare and Brisbane Marketing and was the Chief of Staff for the Lord Mayor of Brisbane. Marina is a former Director of Seqwater and is a current Councillor on the State Government's Koala Advisory Council.

Stephanie Wyeth

Stephanie Wyeth is an urban planner, researcher and strategist who specialises in the social dynamics of cities and communities. She has more than 20 years' experience in urban and social planning across Government, NGO, academic and private sectors, with expertise in the design and delivery of community and stakeholder engagement programs for complex social infrastructure and master planning projects. Stephanie is a Planning Institute of Australia Fellow and active member of the Women in Planning Network (Queensland).

Mike Kaiser

In May 2022, the Board welcomed new member Mike Kaiser who commenced in the role of Director-General of the Department of State Development, Infrastructure, Local Government and Planning following Damien Walker's resignation. Mike leads the department which oversees the Queensland Government's agenda to drive economic growth and enhance the state's lifestyle through good infrastructure and planning outcomes.

He brings more than 30 years' experience to the role, having built a successful career in private and public sector leadership and consultancy.

Acknowledgment

The Chair would like to acknowledge and thank departing board members Damien Walker and Margaret de Wit OAM for their contribution and years of service.

Member benefits

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

Board committees

Audit and Risk Committee

The South Bank Corporation Audit and Risk Committee provides advice to the Board and its members to assist in the effective discharge of the responsibilities prescribed in the South Bank Corporation Act 1989, Financial Accountability Act 2009, the Financial Performance Management Standard 2019, Work Health and Safety Act 2011 and other relevant legislation and prescribed requirements. The Committee also oversees the Corporation's risk framework and fraud risk management. The Committee has due regard to its Charter – which is reviewed annually – and to Queensland Treasury's Audit Committee Guidelines. The Committee met on four occasions this year.

Committee members:

- Karen Smith-Pomeroy (Chair)
- Ian Rodin
- Leon Allen – appointed 28 April 2022
- Kyl Murphy – appointed 16 February 2022
- Mick Power AM – reappointed 26 May 2022
- Tim Quinn – appointed 19 May 2022

Development Committee

The Development Committee provides recommendations to the Board in support of key decisions around place development (planning, design, project definition, procurement and delivery, performance against goals) and assists management

with technical expertise on strategic projects. The Committee met once during the 2021–22 financial year.

Committee members:

- Stephanie Wyeth (Chair)
- Richard Kirk
- Tim Quinn

Finance and Commercial Committee

The primary role of this Committee is to assist the Board in fulfilling its responsibility by providing advice and guidance on issues affecting the financial and commercial strategies and sustainability of the Corporation. Members:

- Nigel Chamier (Chair)
- Stephanie Wyeth

Related entities

The South Bank Employing Office (SBEO)

All employees, with the exception of Board Members and Chief Executive Officer, are employed by the South Bank Employing Office (SBEO). The SBEO and the Corporation have an arrangement for the employees to perform the work of the Corporation. The SBEO is indemnified for all liabilities by the Corporation and operates on a break-even basis, being reimbursed for all costs by the Corporation. It has no physical assets.

Our executive management

Chief Executive Officer – William (Bill) Delves

Bill has been the Chief Executive Officer at South Bank Corporation since November 2017.

Prior to joining South Bank Corporation, he was recognised in professional services for his experience in accounting, consulting, business leadership and entrepreneurship. With more than 30 years' experience, he has provided business advice and led large professional services teams locally and globally at both EY and KPMG.

Bill's consulting and leadership experience has spanned a wide array of family business, private, corporate, not for profit, and government entities that have drawn upon his expertise for both business and personal solutions. He has also created and led several innovative start-ups across different industries.

Bill now leads a passionate team at South Bank Corporation who deliver one of the most iconic urban and cultural precincts in the world. He works closely with governments and the business community to deliver a welcoming place for everyone.

Bill is also an Honorary Professor at the University of Wollongong and chairs an advisory board for the Faculty of Business.

Executive management team

Trevor Marsden, Chief Financial Officer and Company Secretary

Trevor was, until his retirement in September 2021, responsible for all financial reporting and compliance matters for the Corporation. Trevor joined the Corporation in 2002.

Ryan McDonald, General Manager, Property

Ryan joined the Corporation in 2011 and manages South Bank Corporation's commercial asset division

that includes the property, marketing, and car park portfolios. Ryan brings many years of business expertise in the retail management, leasing and operations sectors. His current appointment has seen him design and implement successful asset strategies, resulting in improved retail destinations through the development of a balanced food and beverage mix and strong precinct identities. He has also helped achieve exceptional visitation and turnover growth across the precinct.

Julia Scodellaro, General Manager, Planning and Projects

Julia joined the Corporation in 2013 and is responsible for overseeing the Planning and Projects team to ensure that all major development projects are delivered effectively across South Bank's 42 ha precinct. Julia has extensive experience in urban planning and a wide range of project developments including construction management and delivery of projects. Julia plays a key role in both the commercial and strategic planning for the precinct and is a key advocate of design excellence.

Louise Edwards, Chief Financial Officer and Company Secretary

Louise joined the Corporation in September 2021 and is responsible for overseeing Finance and Corporate Services for the organisation. Her portfolio includes Finance, Human Resources, Procurement, IT and Risk Management. Louise is also Company Secretary for the South Bank Corporation Board and Audit and Risk Committee. Louise has extensive experience in strategic and organisational planning, financial management, reporting and analysis, stakeholder management and corporate support, with expertise in the sporting, entertainment, cultural and venue management industries.

Governance – risk management, accountability and human resources

Risk management

South Bank Corporation maintains an enterprise Risk Framework Statement, Risk Appetite Statement and a strategic Risk Register to support its risk management framework. The strategic risks and risk appetite are reviewed regularly by the Board. The register is provided to the Audit and Risk Committee at each of its meetings and is used in the preparation of the internal audit plan and strategies.

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

Areas of particular focus during the year have been the review and refresh of the Corporation's Risk Appetite Statement, policies and procedures for precinct safety and security, information security/cyber security.

External scrutiny

During the 2021–22 financial year, no external audits or reviews were conducted of South Bank Corporation other than the annual audit of the financial statements.

Internal audit

The Corporation's internal audit function is outsourced to the audit firm BDO. BDO prepares the annual internal audit plan in conjunction with management for approval by the Audit and Risk Committee. Internal audits undertaken during the year were:

- South Bank CFO Transition (Internal Controls)
- South Bank Car Park Operations
- BCEC Client & Customer Funds Management.

Public Sector Ethics Act 1994

As a public sector entity, South Bank Corporation has a Code of Conduct in accordance with section 12M(2) of the *Public Sector Ethics Act*.

The Corporation's management practices are carried out with proper regard to the Code of Conduct that incorporates the following ethical principles:

- Integrity and impartiality.
- Promoting the public good.
- Commitment to the system of government.
- Accountability and transparency.

Employees are provided with a copy of the Code of Conduct on commencement of their employment. The Code is always available to employees through the Corporation's intranet and electronic records management system. All employees are reminded of their duties under the code annually, together with the Corporation's fraud prevention and public interest disclosure policies.

Education and training

Professional development is available to all staff under the Corporation's Human Resources policies. Education support is provided to staff by various professional development courses and seminars including those held by the Australian Institute of Company Directors, the Planning Institute of Australia, the Australian Institute of Project Management, the Urban Development Institute of Australia and the Property Council of Australia.

Online training using the MyCareer platform, developed by the Department of Science, Information Technology and Innovation, was provided to all staff during the year with staff required to complete mandatory training on:

- code of conduct
- starting the journey: Aboriginal and Torres Strait Islander cultural awareness
- domestic and family violence
- fraud and corruption
- information privacy
- information security
- cyber security – passwords and emails.

Information systems and record keeping

The Corporation recognises that sound record keeping practices are required for good corporate governance. The Corporation's record keeping practices are carried out by appropriately trained personnel with proper regard to the *Public Records Act 2002* (QLD) and Queensland Government information policies, standards and guidelines. Measures undertaken include:

- Training relevant staff in the Corporation's electronic records management system.
- Commenced scope review for identified system upgrades.
- Continuing reduction in use of paper records.
- Management of records in line with the Queensland State Archives' Retention and Disposal Schedule.
- Implementation of information security framework and policies in alignment with IS27001, IS18 and QGCDG guidelines.

Strategic Workforce Planning and Performance

Eleven employees resigned and one employee retired during the 2021–22 year. There were no early retirements, redundancies or retrenchments during 2021–22.

During the year all staff were reminded of the Corporation's HR policies including the Code of

Conduct, Workplace Health and Safety, procedures for managing risks of exposure at work (COVID-19) and working from home.

The Corporation offers an employee assistance program to provide counselling and support service with access to an independent psychology practitioner on either a face-to-face basis or over the phone.

Disclosure of additional information

Consultants costs

A summary of the Corporation's payments to consultants during the reporting period is published on the Government's open data website:

<https://data.qld.gov.au>.

Overseas travel

No overseas travel was undertaken by South Bank Corporation employees during the reporting period.

Language service costs

No language translation requests were received during the reporting period.

Carers (Recognition) Act 2008

South Bank Corporation has responded to principle to the *Carers (Recognition) Act 2008* and the Carers Charter including principle number four and principle number seven:

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

Human Rights Act 2019

South Bank Corporation has reviewed the *Human Rights Act 2019* and considered its implications to the Corporation. A review of the Act was presented to the Audit and Risk Committee and the Corporation's executive management team and a review of its impact on the Corporation's policies and procedures is being performed. There were no human rights complaints during the year.

Right to Information

The *Right to Information Act 2009* (Qld) enables the public to access documents held by the Corporation.

Climate reporting

A whole of Government approach is being adopted to manage climate risks.

Exercise of powers of exclusion from South Bank Parklands

Under the *South Bank Corporation Act 1989* the Corporation is required to report on the number of exclusion directions issued during the reporting period. Exclusion directions can be given for disorderly conduct, drunkenness or creating a disturbance.

The total number of exclusion directions given was 273 (2021: 354) inclusive of 82 exclusion directions given to children (2021: 134). The reduction in exclusions can be attributed, for the most part, on reduced use of the Parklands during the COVID-19 pandemic with subsequent lockdowns, movement restrictions and event cancellations.

The main reason for issuing an exclusion notice was for creating a disturbance, with a total of 178 (2021: 179). This includes antisocial behaviour such as using obscene or offensive language and generally disturbing other people's peaceful enjoyment of the precinct.

No exclusion directions were reviewed, no directions were set aside and no orders were made by the courts to exclude a person from the site.

FINANCIAL STATEMENTS

TABLE OF CONTENTS

<u>Consolidated Statement of Comprehensive Income</u>	25
<u>Consolidated Statement of Financial Position</u>	26
<u>Consolidated Statement of Changes in Equity</u>	27
<u>Consolidated Statement of Cash Flows & Notes to the Statement of Cash Flows</u>	28
<u>CF-1 Reconciliation of operating result to net cash provided by operating activities</u> ..	29
<u>CF-2 Changes in liabilities arising from financing activities</u>	29
<u>NOTES ABOUT THE CORPORATION AND THE FINANCIAL REPORT</u>	30
<u>A1 Objectives of South Bank Corporation</u>	30
<u>A2 Basis of Preparation</u>	30
<u>A3 Management and Maintenance of the Parklands</u>	30
<u>A4 Brisbane Convention and Exhibition Centre (BCEC)</u>	30
<u>A5 Rounding and Comparatives</u>	30
<u>A6 Current/non-current classification</u>	31
<u>A7 Issuance of Financial Statements</u>	31
<u>A8 Controlled Entity</u>	31
<u>A9 The Reporting Entity</u>	31
<u>A10 Impact of Pandemic</u>	31
<u>NOTES ABOUT OUR FINANCIAL PERFORMANCE</u>	32
<u>B1 User Charges</u>	32
<u>B2 Sale of goods</u>	32
<u>B3 Other Income</u>	32
<u>B4 Supplies and Services</u>	33
<u>B5 Employee Expenses</u>	33
<u>B6 Other Expenses</u>	34
<u>NOTES ABOUT OUR FINANCIAL POSITION</u>	35
<u>C1 Cash and Cash Equivalents</u>	35
<u>C2 Receivables</u>	35
<u>C3 Property, Plant and Equipment</u>	35
<u>C3 (a) Closing balances and reconciliation of carrying amount</u>	35
<u>C3 (b) Recognition and acquisition</u>	36
<u>C3 (c) Measurement using historic cost</u>	37
<u>C3 (d) Measurement using fair value</u>	37
<u>C3 (e) Depreciation</u>	38
<u>C3 (f) Impairment</u>	38
<u>C4 Investment Property</u>	39
<u>C4(a) Right-of-use assets, investment property</u>	40
<u>C5 Payables</u>	40
<u>C6 Lease Liabilities</u>	41
<u>C7 Asset Revaluation Surplus by Class</u>	42
<u>NOTES ABOUT RISKS AND OTHER ACCOUNTING JUDGEMENTS</u>	43

<u>D1</u>	<u>Judgements and Assumptions</u>	43
<u>D2</u>	<u>Accounting Policy - Fair Value Measurement</u>	43
<u>D3</u>	<u>Basis of fair values of assets and liabilities</u>	44
<u>D4</u>	<u>Accounting Policy - Financial Instruments</u>	45
<u>D5</u>	<u>Commitments</u>	46
<u>D6</u>	<u>Insurance</u>	46
<u>D7</u>	<u>Contingent Assets and Liabilities</u>	46
<u>D8</u>	<u>Events after the Balance Sheet date</u>	47
<u>D9</u>	<u>New and Revised Accounting Standards</u>	47
<u>D10</u>	<u>Flood impact</u>	47
<u>NOTES ON OUR PERFORMANCE AGAINST BUDGET</u>		48
<u>E1</u>	<u>Consolidated Statement of Comprehensive Income</u>	48
<u>E2</u>	<u>Consolidated Statement of Financial Position</u>	49
<u>E3</u>	<u>Consolidated Statement of Cash Flows</u>	50
<u>OTHER INFORMATION</u>		51
<u>F1</u>	<u>Key Executive Management Personnel</u>	51
<u>F2</u>	<u>Related Party Transactions</u>	53
<u>F3</u>	<u>Taxation</u>	53
<u>F4</u>	<u>Climate Risk Exposure & Sustainability</u>	53
<u>F5</u>	<u>Prior period errors and adjustments</u>	54
<u>MANAGEMENT CERTIFICATE</u>		55
<u>INDEPENDENT AUDITOR'S REPORT</u>		56

SOUTH BANK CORPORATION
Consolidated Statement of Comprehensive Income
for the year ended 30 June 2022

OPERATING RESULT	Notes	2022 \$'000	2021 \$'000 Restated
<i>Income from Continuing Operations</i>			
User charges	B1	49,719	30,906
Sale of goods	B2	14,991	7,872
Other revenue	B3	3,396	12,926
Interest		128	132
Total Revenue		68,234	51,836
<i>Gains</i>			
Gain/(Loss) on revaluation of investment property and right-of-use assets	C4	(8,298)	4,037
Total Income from Continuing Operations		59,936	55,873
<i>Expenses from Continuing Operations</i>			
Supplies and services	B4	42,061	25,701
Cost of goods sold		3,592	1,881
Employee expenses	B5	4,720	5,212
Depreciation	C3	27,896	24,518
Interest on lease liabilities		87	87
Other expenses	B6	10,817	12,158
Total Expenses from Continuing Operations		89,173	69,557
Operating Result from Continuing Operations		(29,237)	(13,684)
<i>Other Comprehensive Income</i>			
<i>Items that will not be reclassified to operating result</i>			
Increase in Revaluation Surplus	C7	47,987	30,743
Total Comprehensive Income		18,750	17,059

The accompanying notes form part of these statements.

SOUTH BANK CORPORATION
Consolidated Statement of Financial Position
as at 30 June 2022

	Notes	2022 \$'000	2021 \$'000 Restated
Current assets			
Cash and cash equivalents	C1	49,194	38,200
Receivables	C2	1,503	2,833
Prepayments and deposits		-	34
Inventories		303	326
Total current assets		51,000	41,393
Non-current assets			
Property, plant and equipment	C3	672,701	651,020
Investment property	C4	114,819	122,291
Total non-current assets		787,520	773,311
Total assets		838,520	814,704
Current liabilities			
Payables	C5	9,318	7,253
Contract liabilities (deposits held)		15,723	11,854
Lease liabilities	C6	618	618
Unearned income		177	166
Accrued employee benefits		674	737
Total current liabilities		26,510	20,628
Non-current liabilities			
Payables	C5	555	673
Lease liabilities	C6	4,708	5,275
Accrued employee benefits		104	235
Total non-current liabilities		5,367	6,183
Total liabilities		31,877	26,811
Net assets		806,643	787,893
Equity			
Accumulated surplus		218,503	247,740
Asset revaluation surplus	C7	588,140	540,153
Total equity		806,643	787,893

The accompanying notes form part of these statements.

SOUTH BANK CORPORATION
Consolidated Statement of Changes in Equity
for the year ended 30 June 2022

	Accumulated surplus \$'000 Restated	Asset revaluation surplus \$'000	Total \$'000 Restated
Balance as at 1 July 2020	261,424	509,410	770,834
Operating result from continuing operations	(13,684)	-	(13,684)
Other Comprehensive Income			
- increase in asset revaluation surplus	-	30,743	30,743
Balance as at 30 June 2021	247,740	540,153	787,893
Balance as at 1 July 2021	247,740	540,153	787,893
Operating result from continuing operations	(29,237)	-	(29,237)
Other Comprehensive Income			
- increase in asset revaluation surplus	-	47,987	47,987
Balance as at 30 June 2022	218,503	588,140	806,643

The accompanying notes form part of these statements.

SOUTH BANK CORPORATION
Consolidated Statement of Cash Flows
for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000 Restated
Cash flows from operating activities			
<i>Inflows:</i>			
User charges, sale of goods and other income		73,284	64,204
Interest		128	132
GST collected on sales and charges		6,579	4,312
GST input tax credits received from ATO		595	5,407
<i>Outflows:</i>			
Supplies and services		(54,208)	(40,219)
Employee expenses		(4,914)	(4,991)
Interest paid		(87)	(87)
GST paid on purchases		(5,591)	(8,284)
GST remitted to ATO		(1,792)	(856)
Net cash provided by operating activities	CF-1	13,994	19,618
Cash flows from investing activities			
<i>Inflows:</i>			
Proceeds on sale of plant and equipment		37	7
<i>Outflows:</i>			
Payments for property, plant and equipment, and investment property		(2,470)	(8,770)
Net cash used in investing activities		(2,433)	(8,763)
Cash flows from financing activities			
<i>Outflows:</i>			
Lease payments		(567)	(546)
Net cash used in financing activities		(567)	(546)
Net increase (decrease) in cash and cash equivalents		10,994	10,309
Cash and cash equivalents - opening balance		38,200	27,891
Cash and cash equivalents - closing balance	C1	49,194	38,200

The accompanying notes form part of these statements.

South Bank Corporation
Consolidated Statement of Cash Flows
for the year ended 30 June 2022

Notes to the Consolidated Statement of Cash Flows

CF-1 Reconciliation of operating result to net cash provided by operating activities

	2022 \$'000	2021 \$'000 Restated
Operating result	(29,237)	(13,684)
<i>Non-cash items:</i>		
(Gain) / Loss on revaluation of investment property	8,298	(4,037)
(Gain) / Loss of disposal of non-current assets	17	-
Depreciation	27,896	24,518
	6,974	6,797
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in receivables	1,330	7,583
(Increase)/decrease in prepayments and deposits	34	71
(Increase)/decrease in inventories	23	67
(Decrease)/increase in payables	1,947	(38)
(Decrease)/increase in accrued employee benefits	(194)	221
(Decrease)/increase in unearned income & deposits	3,880	4,917
Net cash provided by operating activities	13,994	19,618

CF-2 Changes in liabilities arising from financing activities

	Opening balance \$'000	Non-cash changes		Cash flows		Closing balance \$'000
	\$'000	New leases \$'000	Other \$'000	Cash received \$'000	Cash repayments \$'000	
2022 Consolidated						
Lease liabilities	5,893	-	-	-	567	5,326
	5,893	-	-	-	567	5,326
2021 Consolidated						
Lease liabilities	6,439	-	-	-	546	5,893
	6,439	-	-	-	546	5,893

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

NOTES ABOUT THE CORPORATION AND THE FINANCIAL REPORT

A1 Objectives of South Bank Corporation

The objectives, and functions, of South Bank Corporation (the Corporation) are as stated in the *South Bank Corporation Act 1989* and include: to promote, facilitate, carry out and control the development, disposal and management of land and other property within the Corporation area; and to achieve an appropriate balance between the corporation's commercial and non-commercial functions. The Corporation's vision is to make Brisbane's South Bank a world-leading urban precinct that welcomes, engages and inspires.

It provides services on a fee for service basis including:

- convention and exhibition space facilities, including associated food and beverage sales,
- retail and commercial tenancies and
- car parking facilities.

The Corporation's principal place of business is South Bank House, Stanley Street Plaza, South Brisbane, Queensland.

A2 Basis of Preparation

The Corporation is constituted as a body corporate by virtue of the *South Bank Corporation Act 1989* (the Act) and is a statutory body within the meaning of the *Financial Accountability Act 2009*. The Corporation has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2021.

The Corporation is a not-for-profit entity and these general-purpose financial statements are prepared on an accrual basis using historical cost unless otherwise stated, in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards, if any, applied for the first time in these financial statements are outlined in Note D9.

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

A3 Management and Maintenance of the Parklands

The State Government, the Corporation and the Brisbane City Council (the Council) have entered into an agreement to lease the South Bank Parklands to the Council for the purpose of carrying out the management, operation, maintenance, promotion and administration of the Parklands. The ten year lease commenced on 1 July 2013 and the Council (through its wholly owned entity City Parklands Services Pty Ltd) is responsible for all parkland services including maintenance, horticulture, safety and security, parklands cleaning, marketing and venue hire within the Parklands.

A4 Brisbane Convention and Exhibition Centre (BCEC)

The Corporation's financial statements include the ownership and operation of the Brisbane Convention and Exhibition Centre (BCEC) and the associated assets, liabilities, revenues and expenses. Management of the BCEC is outsourced with the Centre Manager – acting as an agent for the Corporation – responsible for its day-to-day management and operation including standard of operations, quality of service, marketing, staffing, cleaning, maintenance, safety, and security.

A5 Rounding and Comparatives

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

The comparative information reflects the prior year audited consolidated financial statements except where restated for a prior period error detailed in Note F5.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

A6 Current/non-current classification

Assets and liabilities are classified as either 'current' or 'non-current' in the statement of financial position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Corporation does not have an unconditional right to defer settlement beyond 12 months after the reporting date.

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

A7 Issuance of Financial Statements

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

A8 Controlled Entity

The following entities are controlled by South Bank Corporation:

Directly controlled

Name:	The South Bank Employing Office (the Employing Office)
Purpose & principal activities:	Separate entity established by the <i>South Bank Act 1989</i> . Main purpose is to enter into a work performance arrangement with the Corporation under which the employees of the Employing Office perform work for the Corporation.
% interest in entity & basis for control:	The Employing Office's sole contract is with the Corporation for the provision of services and it is reliant upon the support of the Corporation to enable to continue operations.

Financial information:

The Employing Office operates on a break-even basis each year. It owns a bank account but has no physical assets and is indemnified for all liabilities by the Corporation. All employees of the Corporation are employed by the Employing Office except for the Board members and Chief Executive Officer.

A9 The Reporting Entity

The consolidated financial statements include all income, expenses, assets, liabilities, and equity of the 'economic entity' comprising South Bank Corporation and the entity it controls, the South Bank Employing Office (refer to Note A8). All transactions and balances internal to the economic entity have been eliminated in full.

The financial statements of South Bank Corporation as an individual parent entity are not materially different from those of the consolidated group and are therefore not shown separately in this report.

A10 Impact of Pandemic

The significant impacts and transactions because of the pandemic have been detailed in the following notes:

- B2 Sale of Goods
- B4 Supplies and Services
- D8 Events after the balance sheet date
- E1 Consolidated Statement of Comprehensive Income
- E3 Consolidated Statement of Cash Flows

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

NOTES ABOUT OUR FINANCIAL PERFORMANCE

Revenue

B1 User Charges

	2022	2021
	\$'000	\$'000
Venue hire	21,336	10,540
Rental income	11,864	7,915
Car parking	16,519	12,451
Total	49,719	30,906

B2 Sale of goods

Food and beverage sales	14,991	7,872
Total	14,991	7,872

Impact of the COVID-19 pandemic on user charges and sale of goods

Venue hire and food and beverage sales revenue remained impacted by the challenging economic conditions of COVID 19, however event activity commenced its return to pre-pandemic levels in the later part of 2022. Prior year revenues were significantly affected by the COVID-19 pandemic with the Brisbane Convention and Exhibition Centre being officially closed from April to August 2020.

The Corporation provided rental relief of approximately \$1.1 million (2021: \$5.8 million) during the year to its cafe and restaurant tenants impacted by government directives.

The Corporation's car parks also remained impacted by the challenging economic conditions of COVID-19. Revenues rebounded in the second half to pre-pandemic levels. In the prior year the car parks suffered significant loss of revenue due to the closure of cafes, restaurants, parkland pools, playgrounds, and the closure of most commercial offices in the precinct.

Accounting Policy - Revenue

Venue hire revenue is recognised when the event has been held and the related services have been provided, which is the sole performance obligation. Venue hire revenue received before an event is held as a booking deposit and recorded as a liability in the consolidated Statement of Financial Position.

The adoption of rental income from investment properties is recognised on a straight-line basis over the lease term. The cost of lease incentives granted are recognised as a reduction of rental revenue on a straight-line basis from the lease commencement date to the end of the lease term. Contingent rental income is recognised as income in the period in which it is earned.

Public car parking facilities are provided by the Corporation within the South Bank area. Revenue is recognised when the related service has been provided to the customer.

Food and beverage sales revenue is recognised on the transfer of the goods which is at the point of sale.

B3 Other Income

Grant funding (i)	3,395	-
Insurance recoveries (ii)	-	12,794
Other	1	132
Total	3,396	12,926

- (i) The Corporation received grant funding from the State to support the cash reserves of the Corporation (refer Note F2).
- (ii) As a result of COVID-19 pandemic, the Corporation received \$12,794,000 insurance compensation in the year 2020-21 year. The Corporation is insured with the Queensland Government Insurance Fund for a range of business operations including public liability claims.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

EXPENSES

B4 Supplies and Services

	2022	2021
	\$'000	\$'000
Brisbane Convention and Exhibition Centre:		
• Staffing charges	22,703	10,604
• Operating costs and management fee	5,648	2,752
• Asset repairs and maintenance	3,273	2,084
• Electricity	1,978	1,688
• Advertising, marketing and public relations	235	222
Investment property operating costs	4,886	4,556
Sponsorship, retail marketing & precinct activation	573	672
Insurance premiums - QGIF	863	815
External audit fees	105	103
Other supplies and services	1,797	2,205
Total	42,061	25,701

The total external audit fees of the Queensland Audit Office relating to the 2021-22 financial statements are estimated to be \$105,000 (2021: \$102,500). There are no non-audit services included in this amount.

Impact of the COVID-19 pandemic on supplies and services

While supplies and services costs remained impacted by the challenging economic conditions of COVID-19, including supply chain issues and cost deferrals, activity started to return to pre-pandemic levels in the later part of 2022. The closure of the Brisbane Convention and Exhibition Centre from April to August 2020 has a significant impact on prior year expenditure.

B5 Employee Expenses

Wages and salaries	4,029	4,383
Superannuation	427	520
Recruitment	97	61
Other employee benefits	167	248
Total	4,720	5,212

The number of employees as at 30 June, including full-time, part-time, and casual employees, measured on a full-time equivalent basis is 31 (2021: 34).

Accounting Policy – Employee Expenses

Wages and Salaries

Wages and salaries due but unpaid at reporting date are recognised in the Consolidated Statement of Financial Position at the current salary rates. These liabilities are expected to be wholly settled within 12 months of reporting date and are recognised at undiscounted amounts.

Annual Leave

Annual leave is recognised as accrued employee benefits in the Consolidated Statement of Financial Position and is measured at the amounts expected to be paid when the liabilities are settled, plus relevant on-costs. All liabilities for annual leave are expected to be paid within twelve months of the reporting date.

Sick Leave

No liability is recognised for non-vesting sick leave as the anticipated pattern for future sick leave indicates that accumulated non-vesting sick leave will never be paid. As sick leave is non-vesting an expense is recognised for this leave as it is taken.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

Long Service Leave

Long service leave is recognised as an employee benefits provision in the Consolidated Statement of Financial Position 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, relevant on-costs, 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.

Superannuation

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

B6 Other Expenses

	2022 \$'000	2021 \$'000 Restated
Contribution to management of the South Bank Parklands by the Brisbane City Council	11,666	12,392
Contribution recognised as capital works owned by the Corporation	(846)	(243)
Other	(3)	9
Total	10,817	12,158

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

NOTES ABOUT OUR FINANCIAL POSITION

C1 Cash and Cash Equivalents

	2022	2021
	\$'000	\$'000
Cash on hand	49	101
Cash at bank	16,563	10,001
Deposits at call	32,582	28,098
Total	49,194	38,200

Accounting Policy - Cash and Cash Equivalents

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

C2 Receivables

Trade receivables	1,509	1,366
Less: Provision for Doubtful debts	(100)	(103)
Government support & insurance recoveries	(290)	1,161
Accrued income	303	332
Other	81	77
Total	1,503	2,833

The Corporation holds Bank Guarantees totalling \$3,278,000 (2021: \$3,341,000) from tenants and contractors as security against their contractual obligations.

Accounting Policy - Receivables

Trade debtors are recognised at the amounts due at the time of sale or service delivery, i.e. the agreed purchase or contract price. Other receivables arise from transactions outside the usual operating activities of the Corporation. Receivables settlement is required within 14 days from invoice date.

The simplified approach to the impairment of trade receivables has been elected, as receivables do not contain a significant finance component. No material provision for expected credit losses has been recognised based on historical default rates and forward-looking information.

Receivables are measured at amortised cost which approximates their fair value at reporting date.

C3 Property, Plant and Equipment and Depreciation Expense

C3 (a) Closing balances and reconciliation of carrying amount

	Land and Improve ments	Buildings	Heritage & Cultural	Plant & Equip.	Work in progress	Total
Fair value level	(level 3)	(level 3)	(level 3)	n/a	n/a	
2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross	356,157	762,651	11,528	19,435	2,750	1,152,521
Less accumulated depreciation	(98,559)	(362,541)	(2,539)	(16,181)		(479,820)
Carrying amount 30 June 2022	257,598	400,110	8,989	3,254	2,750	672,701
Balance 1 July 2021	251,792	382,642	8,752	4,182	3,651	651,020
Additions / Transfers	1,079	980	8	479	(902)	1,644
Disposals	-	-	-	(54)	-	(54)
Revaluation increment/(decrement)	9,409	38,263	315	-	-	47,987
Depreciation	(4,682)	(21,775)	(86)	(1,353)	-	(27,896)
Balance 30 June 2022	257,598	400,110	8,989	3,254	2,750	672,701

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

	Land and Improve ments (level 3) \$'000	Buildings (level 3) \$'000	Heritage & Cultural (level 3) \$'000	Plant & Equip. n/a \$'000	Work in progress n/a \$'000	Total \$'000
Fair value level 2021 Restated						
Gross	338,430	695,162	10,988	19,845	3,651	1,068,077
Less accumulated depreciation	(78,618)	(312,520)	(2,236)	(15,663)	-	(409,037)
Less accumulated impairment loss	(8,020)	-	-	-	-	(8,020)
Carrying amount 30 June 2021	251,792	382,642	8,752	4,182	3,651	651,020
Balance 1 July 2020	245,995	364,473	6,491	5,093	14,478	636,530
Additions / transfers	15,141	3,079	351	543	(10,826)	8,288
Disposal	-	-	-	(23)	-	(23)
Revaluation increment	(5,554)	34,230	2,067	-	-	30,743
Depreciation	(3,790)	(19,140)	(157)	(1,431)	-	(24,518)
Balance 30 June 2021	251,792	382,642	8,752	4,182	3,651	651,020

C3 (b) Recognition and acquisition

Basis of capitalisation and recognition thresholds

The property, plant and equipment of the Corporation is comprised of the South Bank Parklands and the BCEC including land, buildings and related items of plant and equipment, but excludes investment properties (refer note C4) which are shown separately in the Consolidated Statement of Financial Position.

Land includes land improvements. Land improvements are long-life attachments to parcels of land that increase the land's usefulness or value, have a limited useful life and are depreciated.

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition are reported as property, plant and equipment in the following classes:

Land	\$1
Land improvements	\$10,000
Buildings	\$10,000
Heritage and cultural assets	\$5,000
Plant and equipment	\$5,000
Computer software	\$100,000

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

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for the Corporation. Subsequent expenditure is only added to an asset's carrying value if it increases the service potential and useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Cost of Acquisition

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

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

C3 (c) Measurement using historical cost

Accounting policy

Plant and equipment is measured at cost in accordance with the Queensland Treasury's Non-Current Asset Policies for Queensland Public Sector. The carrying amount for such plant and equipment is not materially different from their fair value.

C3 (d) Measurement using fair value

Policy

Land, buildings, and heritage and cultural assets are measured at fair value as required by Queensland Treasury's Non-Current Asset Policies for Queensland Public Sector. These assets are reported at their revalued amounts, being the net fair value at the date of valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses where applicable.

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

Property, plant and equipment classes measured at fair value are revalued on an annual basis by an independent professional valuer. For financial reporting purposes, the revaluation process is managed by the finance team, under guidance of the Board, who determine the specific valuation practices and procedures. The Corporation's Audit and Risk Committee undertake annual reviews of the revaluation process (after each year's revaluation exercise), and reports to the Corporation's Board regarding the outcomes of, and recommendations arising from, each annual review.

Use of specific appraisals

Revaluations using independent professional valuers are undertaken annually. This is arranged by the finance team under the guidance of the Corporation's Audit and Risk Committee.

The fair values reported by the Corporation are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs (as defined in Note D3). Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material (in which case revaluation is warranted).

Use of indices

Where assets have not been specifically appraised in the reporting period, their previous valuations are kept materially up to date via the application of relevant indices. The Corporation ensures that the application of such indices results in a valid estimate of the assets' fair values at reporting date. The valuer supplies the indices used for the various types of assets. Such indices are either publicly available or are derived from market information available to the valuer.

Accounting for change in fair value

Any revaluation increment arising on the revaluation of an asset is credited to the revaluation surplus of the appropriate class, except to the extent that it reverses a revaluation decrement for the class previously recognised as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset.

For assets revalued using a cost valuation approach (e.g. current replacement cost), accumulated depreciation is adjusted to equal the difference between the gross amount of the carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'.

For assets revalued using a market or income-based valuation approach, accumulated depreciation and accumulated impairment losses are eliminated against the gross amount of the asset prior to restating for the revaluation. This is generally referred to as the 'net method'.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

C3 (e) Depreciation

Accounting Policy - Depreciation

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

Depreciation is calculated on a straight-line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life to the Corporation.

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

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

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

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

Estimates of remaining useful lives are made on an annual basis for all assets. For the Corporation's depreciable assets, the estimated amount to be received on disposal at the end of their useful life (residual value) is determined to be zero.

Expected useful lives as at 30 June 2022, by asset type, are as follows:

<i>Asset type</i>	<i>Expected useful life</i>
Buildings	30-40 years
Land improvements	
• Hard Landscaping	40-50 years
• Soft Landscaping	5-10 years
• River wall and reclamation	40-50 years
• Lighting and electrical	15-20 years
Heritage and Cultural assets	
• Nepalese Pagoda	80 years
• Artwork	n/a
Plant and equipment	
• Furniture and fittings	4-20 years
• Other	5-20 years

C3 (f) Impairment

Indicators of impairment and determining recoverable amount

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

Recognising impairment losses

For assets measured at fair value, the impairment loss is treated as a revaluation decrease and offset against the revaluation surplus of the relevant class to the extent available. Where no revaluation surplus is available in respect of the class of asset, the loss is expensed in the statement of comprehensive income as a revaluation decrement.

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

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

Reversal of impairment losses

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 been recognised for the asset in prior years.

For assets measured at fair value, to the extent the original decrease was expensed through the statement of comprehensive income, the reversal is recognised in income, otherwise the reversal is treated as a revaluation increase for the class of asset through revaluation surplus.

For assets measured at cost, impairment losses are reversed through income.

No impairment has been recognised in the current reporting period.

C4 Investment Property

	2022 \$'000 (level 3)	2021 \$'000 (level 3)
Fair value levels		
Balance as at 1 July	117,500	112,750
Balance as at 1 July Right-of-use assets	4,791	5,006
Additions and work in progress	826	498
Net revaluation increments/(decrements) recognised in operating result	(8,298)	4,037
Balance as at 30 June	114,819	122,291

Accounting Policy - Investment Property

Investment property is property held to earn rental income and/or for capital appreciation, and property that is being constructed or developed for future use as an investment property.

Investment properties are measured initially at cost, including transaction costs. After initial recognition, investment properties are measured at fair value.

Gains or losses arising from changes in the fair value of investment property are included in the operating result for the period in which they arise. Investment property is not depreciated and is not required to be tested for impairment.

Future minimum lease payments receivable

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:

	2022 \$'000	2021 \$'000
Not later than one year	11,647	10,396
Later than one year and not later than five years	56,595	28,458
Later than five years	31,641	16,729
Total	99,882	55,583

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

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

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

C4(a) Right-of-use assets, investment property

The Corporation is the lessee of three leases; the Grey Street retail space of the ABC building, ground floor retail space of Stanley House in Stanley Plaza and the basement space of Stanley House used for operational offices and workshop spaces.

The Corporation sub-leases the properties and accounts for these right-of-use assets as investment property.

The Corporation's leases of the right-of-use assets have lease terms of:

Location	Lease term end	Option period available
Stanley Plaza, ground floor retail	July 2023	5-year option
Stanley Plaza, basement office and workspaces	July 2023	5-year option
Grey Street, ABC building retail	January 2037	10-year option

The leases are non-cancellable with fixed lease payment terms that are subject to indexation. The Corporation is prohibited from selling or pledging the underlying assets as security. The Corporation must keep the properties in a good state of repair and return the properties in their original condition at the end of the lease. It must also insure the properties and incur maintenance costs. The Corporation does not have any contractual obligations requiring it to purchase, construct or develop the right-of-use assets.

The assets are sub-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.

Lease payments not recognised as an asset

The Corporation has elected not to recognise a right-of-use asset for leases of low value assets. These leases relate to photocopy and printing machines. The value of these assets and the corresponding lease liabilities are not material.

C5 Payables

	2022 \$'000	2021 \$'000
Current		
Trade payables	1,621	1,256
Accrued expenditure	1,372	1,366
Sundry payables	6,230	4,628
	9,223	7,250
GST receivable	(734)	(600)
GST payable	829	603
	95	3
Total	9,318	7,253
Non-current		
Sundry payables	555	673

Accounting Policy - Payables

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

Sundry payables represent the Corporation's liability under the BCEC management agreement for employee entitlements of staff employed by the BCEC manager.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

C6 Lease Liabilities

Lease liabilities are presented in the Consolidated Statement of Financial Position as follows and relate to the right-of-use assets, investment properties (note C4):

	2022	2021
	\$'000	\$'000
Current	618	618
Non-current	4,708	5,275
Total	5,326	5,893

Amounts recognised in the Consolidated Statement of Comprehensive Income

• Income from subleasing included in rental income	638	516
• Interest expense on lease liabilities	(87)	(87)
• Lease expenses relating to leases of low value assets	(6)	(6)
Total cash inflow from leases	545	423

Accounting Policy - Lease Liabilities

Lease liabilities are initially recognised at the present value of lease payments over the lease term that are not yet paid. The lease term includes any extension or renewal options that the Corporation is reasonably certain to exercise. The future lease payments included in the calculation of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable by the department under residual value guarantees
- The exercise price of a purchase option that the department is reasonably certain to exercise
- Payments for termination penalties if the lease term reflects the early termination.

When measuring the lease liability, the Corporation uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all the Corporation's leases. To determine the incremental borrowing rate, the Corporation uses loan rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

After initial recognition, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

C7 Asset Revaluation Surplus

	Land and Improvements	Buildings	Heritage & Cultural	Total
2022	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2021	224,283	308,358	7,512	540,153
Revaluation increase (decrease)	9,409	38,263	315	47,987
Balance as at 30 June 2022	233,692	346,621	7,827	588,140
2021				
Balance as at 1 July 2020	229,837	274,128	5,445	509,410
Revaluation increase (decrease)	(5,554)	34,230	2,067	30,743
Balance as at 30 June 2021	224,283	308,358	7,512	540,153

The asset revaluation surplus represents the net effect of increases and decreases on revaluations of assets to fair value.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

NOTES ABOUT RISKS AND OTHER ACCOUNTING JUDGEMENTS

D1 Judgements and Assumptions

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

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

- C3 Property, plant and equipment, and depreciation
- C4 Investment property
- C6 Lease liabilities
- D2 Fair value measurement

D2 Accounting Policy - Fair Value Measurement

What is fair value?

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

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use.

Fair value measurement hierarchy

Details of individual assets and liabilities measured under each category of fair value are set out in tables at Notes C3 and C4.

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

All assets and liabilities of the Corporation for which fair value is measured or disclosed in the consolidated financial statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

Level 1	represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
Level 2	represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
Level 3	represents fair value measurements that are substantially derived from unobservable inputs.

None of the Corporation's valuations of assets or liabilities are categorisation into levels 1 or 2 of the fair value hierarchy. There were no transfers of assets between fair value hierarchy levels during the period.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

D3 Basis for fair values of assets and liabilities

Land

Effective date of last specific appraisal:	30 June 2022 by the State Valuation Services
Scope:	Southbank parklands and land occupied by the Brisbane Convention and Exhibition Centre.
Valuation approach:	Market-based approach
Inputs:	Publicly available data on recent sales of similar land in nearby localities. Adjustments were made to the sales data to take into account the location, size, street/road frontage and access, and any significant restrictions for each individual land parcel.

Land Improvements and Buildings

Effective date of last specific appraisal:	30 June 2021 by Australis Asset Advisory Group (Desktop review performed as at 30 June 2022)
Scope:	Brisbane Convention and Exhibition Centre and all non-commercial buildings including the Southbank Piazza and public facilities.
Valuation approach:	Current Replacement Cost (due to no active market for such facilities) based on desktop review applying relevant indices to underlying assets following a comprehensive review in 2021.
Inputs:	Internal records of original cost of the underlying assets, and published 2022 construction indices for various standard components for buildings (9.7%) and infrastructure works (6.6%). Significant judgement is also used to assess the remaining service potential of the facilities, given local climatic and environmental conditions and records of the current condition of the facility.

Investment properties & Car Park

Effective date of last specific appraisal:	30 June 2022 by Colliers
Scope:	Properties held to earn rental income/parking fees and/or for capital appreciation.
Valuation approach:	Discounted cashflow model
Inputs:	Internal records of net market income (including outgoings, tenancy profile, lettable area, and lease incentives), discount rates, budgeted capital expenditure and allowances for new tenancies.

Artworks (included in heritage and cultural assets)

Effective date of last specific appraisal:	30 June 2022 by Josh Milani of Milani Gallery
Scope:	Artworks, predominantly Aboriginal paintings, housed in the Brisbane Convention and Exhibition Centre and Southbank House.
Valuation approach:	Market-based approach
Inputs:	Publicly available data from public auctions and research conducted with private dealers. Adjustments are made to take into account size, age, condition, and any special characteristics of each piece.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

D4 Accounting Policy - Financial Instruments

Recognition

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

(a) Categorisation of Financial Instruments

	Measurement classification	Note	2022 \$'000	2021 \$'000
Financial assets				
Cash and cash equivalents	Amortised cost	C1	49,194	38,200
Receivables	Amortised cost	C2	1,503	2,833
Total			50,697	41,033
Financial Liabilities				
Payables	Amortised cost	C5	9,873	7,253
Lease liabilities	Amortised cost	C6	5,326	5,893
Total			15,199	13,146

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

(b) Financial Risk Management

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

Financial risk management is implemented pursuant to the Corporation's policies which focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Corporation. The Corporation measures risk exposure using a variety of methods as follows:

Risk exposure	Definition	Measurement Method	Exposure
Credit Risk	Credit risk refers to the situation where a financial loss may be incurred as a result of another party failing to discharge their obligations in relation to a financial asset of the Corporation.	Ageing analysis	The maximum exposure to credit risk at balance date for financial assets is the carrying amount of those assets after allowance for impairment.
Liquidity Risk	Liquidity risk refers to the situation where the Corporation may encounter difficulty in meeting obligations associated with financial liabilities in the normal course of business.	Maturity analysis (refer below for Contract maturity of financial liabilities)	Liquidity risk is managed by monitoring forecast cash flows to ensure the Corporation has sufficient funds available to meet employee and supplier obligations as and when they fall due.
Market Risk	Market risk refers to changes in market prices relating to foreign exchange rates, equity prices and interest rates.	Interest rate sensitivity analysis	The Corporation is only exposed to interest rate risk attributable to future cash flows from variable interest rates on deposits at call with Queensland Treasury Corporation disclosed in note C1. The exposure to interest rate risk is not considered material. No foreign exchange or equity instruments are held.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

The following tables sets out the liquidity risk of financial liabilities held by the Corporation. They represent the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the Consolidated Statement of Financial Position that are based on discounted cash flows.

Financial liabilities	Total	Contractual maturity		
		<1 Year	1-5 Years	> 5 Years
2022	\$'000	\$'000	\$'000	\$'000
Payables	9,873	9,318	555	-
Lease Liabilities	5,326	618	3,927	781
Total	15,199	9,936	4,482	781

Financial liabilities	Total	Contractual maturity		
		<1 Year	1-5 Years	> 5 Years
2021	\$'000	\$'000	\$'000	\$'000
Payables	7,926	7,253	673	-
Lease Liabilities	3,312	695	1,080	1,537
Total	11,238	7,948	1,753	1,537

D5 Commitments

Capital Expenditure

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

	2022	2021
	\$'000	\$'000
Not later than one year	646	625
Total commitments	646	625

There are no other material commitments contracted for but not recognised as a payable at balance date.

D6 Insurance

It is the Corporation's policy to insure against potential liabilities or losses that would materially affect its operations and assets. Primary insurance cover is held with the Queensland Government Insurance Fund.

WorkCover Queensland insurance provides for employee compensation cover.

D7 Contingent Assets and Liabilities

The Corporation may receive notifications from time to time of public liability incidents which could result in claims and litigation. The Corporation however believes that any material liability will be indemnified by the Corporation's insurer or the insurer for the manager of the BCEC.

The Corporation has submitted an interim insurance claim to our insurers for losses incurred in relation to the March floods. A loss assessor has been appointed to assess our claim and their review is on-going. The Corporation has not recognised any income in relation to this claim in the current financial year. Income will be recognised when the final claim has been submitted and approved by the insurer.

There are no other contingent assets or liabilities.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

D8 Events after the Balance Sheet date

No material events have occurred between the reporting date and the signing of these financial statements.

Further grant funds were received from the State by the Corporation in July 2022, being \$4.733M to support the Corporation cash reserves which had been impacted by COVID, and \$3.085M to enable essential safety-related capital works.

D9 New and Revised Accounting Standards

No new or revised accounting standards were applied in the 2021-22 year, and any Australian Accounting Standards and Interpretations with future effective dates were either not applicable to the Corporation's activities or have no material impact on the Corporation.

D10 Flood Impact

In February 2022, the Brisbane River flooded resulting in clean-up costs, lost revenue, and asset impairment. The Commercial assets of the Corporation are covered by a business interruption policy. Costs associated with commercial activities, and lost revenue, are the subject of insurance claims which at the time of this report have not been finalised.

In addition to costs incurred, management has estimated lost total revenue to be \$1.2 million, including rent free periods of approximately two weeks given to all tenancies to assist them in their recovery, cancellation of Convention and Exhibition Centre events, and lost car parking revenue. Lost revenue has not been recognised as income in the financial statements.

A number of Land improvement assets owned by the Corporation were damaged by the March 2022 floods. These assets mainly consist of light and power infrastructure, pits and pipe systems with cabling and water management infrastructure.

The carrying values of the affected assets have been adjusted through the revaluation process in line with the Corporation's fair value accounting policy.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

NOTES ON OUR PERFORMANCE AGAINST BUDGET

E1 Consolidated Statement of Comprehensive Income

	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Variance Favourable/ (Unfavourable) \$'000
Income from Continuing Operations				
User charges and fees		64,577	64,710	133
Interest		60	128	68
Other income	1	-	3,396	3,396
Gain/(loss) on sale/revaluation of assets	2	(1,000)	(8,413)	(7,413)
Total Income from Continuing Operations		63,637	59,821	(3,816)
Expenses from Continuing Operations				
Supplies and services	3	46,740	41,946	4,794
Cost of goods sold	3	4,551	3,592	959
Employee expenses		4,885	4,720	165
Depreciation	4	24,560	27,896	(3,336)
Finance/borrowing costs		80	87	(7)
Other expenses		10,824	10,817	7
Losses on Sale/revaluation of assets		520	-	520
Total Expenses from Continuing Operations		92,160	89,058	3,102
Operating Result from Continuing Operations		(28,523)	(29,237)	(714)

Explanations of Major Variances

The following are explanations of major variances between the actual Consolidated Statement of Comprehensive Income and the 2021-22 budget presented to Parliament.

Note 1 Other income

The Corporation received grant funding from the State in June 2022 that had not been budgeted. This funding was provided to support the cash reserves of the Corporation which had been impacted by COVID.

Note 2 Gain/(Loss) on sale/revaluation of assets

The decrease in market rentals related to the COVID impact had a continued impact in 2022. The loss on revaluation was therefore greater than expected.

Note 3 Supplies and services & Cost of goods sold

The actual costs were lower than budget due to a combination of cost control and cost deferral due to flood delays and supply chain issues during the year.

Note 4 Depreciation

The actual cost figure is higher than the budget due to impact of prior year asset revaluations which increased the actual depreciation expense.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

E2 Consolidated Statement of Financial Position

	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Variance Favourable/ (Unfavourable) \$'000
Current assets				
Cash and cash equivalents	6	20,057	49,194	29,137
Receivables		2,250	1,503	(747)
Inventories		393	303	(90)
Total current assets		22,700	51,000	28,300
Non-current assets				
Property, plant and equipment	7	754,489	787,520	33,031
Total non-current assets		754,489	787,520	33,031
Total assets		777,189	838,520	61,331
Current liabilities				
Payables	8	7,104	9,318	(2,214)
Contract liabilities (deposits held)	9	7,071	15,723	(8,652)
Lease liabilities		618	618	-
Unearned income		32	177	(145)
Accrued employee benefits		469	674	(205)
Total current liabilities		15,294	26,510	(11,216)
Non-current liabilities				
Payables		860	555	305
Lease liabilities		4,781	4,708	73
Accrued employee benefits		282	104	178
Total non-current liabilities		5,923	5,367	556
Total liabilities		21,217	31,877	(10,660)
Net assets		755,972	806,643	50,671
Total equity		755,972	806,643	50,671

Explanations of Major Variances

The following are explanations of major variances between the actual Consolidated Statement of Financial Position and the 2021-22 budget presented to Parliament.

Note 6 Cash and cash equivalents

The actual cash and cash equivalents were higher than budget due to improved trading conditions during the fourth quarter, receipt of \$3.395M grant from the State, increased customer deposits/advance bookings, and reduced operational and capital expenditure with some expenditure deferred to 2022-2023 due to supply chain and flood impact issues.

Note 7 Property, plant and equipment

The actual balance for property plant and equipment was significantly higher than budget due to asset revaluations which increased the value of property, plant and equipment by \$39.7 million.

Note 8 Payables

Actual payables at balance date were higher than budget due to strong trading activity in the last quarter of 2022 and higher working capital requirements of BCEC.

Note 9 Other liabilities

A stronger than expected recovery in advance bookings explains the significant increase in Contract liabilities (deposits held) compared to budget.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

E3 Consolidated Statement of Cash Flows

	Notes	Budget 2022 \$'000	Actual 2022 \$'000	Variance Favourable/ (Unfavourable) \$'000
Cash flows from operating activities				
<i>Inflows:</i>				
User charges, sale of goods and other income	10	68,577	73,284	4,707
Interest		60	128	68
Other	11	4,000	7,174	3,174
<i>Outflows:</i>				
<i>Supplies and services</i>	12	(55,291)	(54,208)	1,083
Employee expenses		(4,885)	(4,914)	(29)
Interest paid		(80)	(87)	(7)
Other	11	(14,824)	(7,383)	7,441
Net cash provided by or used in operating activities		(2,443)	13,994	16,437
Cash flows from investing activities				
<i>Inflows:</i>				
Proceeds on sale of plant & equipment		-	37	37
<i>Outflows:</i>				
Payments for non-financial assets	13	(6,647)	(2,470)	4,177
Net cash provided by or used in investing activities		(6,647)	(2,433)	4,214
Cash flows from financing activities				
<i>Outflows:</i>				
Finance lease payments		(520)	(567)	(47)
Net cash provided by or used in financing activities		(520)	(567)	(47)
Net increase (decrease) in cash and cash equivalents		(9,610)	10,994	20,604
Cash and cash equivalents – opening balance		38,200	38,200	-
Cash and cash equivalents – closing balance		28,590	49,194	20,604

Explanations of Major Variances

The following are explanations of major variances between the actual Consolidated Statement of Cash Flows and the 2021-22 budget presented to Parliament.

Note 10 User charges, sale of goods and other

Favourable variance due to a stronger than expected rebound activity.

Note 11 Inflows / Outflows: Other

While actual payments were below budget, they were broadly in line with prior year actuals. The variance is due to timing differences in GST payment/receipts and conservative budget assumptions.

Note 12 Outflows: Supplies and services

Supplies and services were below budget due to a focus on cost control and cashflow management. This flowed through to higher margins and creditor balances at year end versus budget.

Note 13 Outflows: Payments for non-financial assets

Capital expenditure has been below budget to conserve cash in response to the flood and impact of COVID lockdowns in the prior year.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

OTHER INFORMATION

F1 Key Executive Management Personnel

Key executive management positions that had authority and responsibility for planning, directing, and controlling the activities of the Corporation during the 2021-22 financial year were:

Position	Responsibilities	Date of initial appointment	Date of resignation
Board Chair, • Leon Allen	The Board's responsibilities include the effective governance and strategic management of the Corporation in accordance with the <i>South Bank Corporation Act 1989</i> .	July 2020	-
Board Members:			
• Margaret de Wit OAM		March 2019	June 2022
• Richard Kirk		March 2016	-
• Kyl Murphy		March 2019	-
• Michael Power AM		February 1997	-
• Kieron (Tim) Quinn		March 2016	-
• Marina Vit		March 2019	-
• Stephanie Wyeth		March 2016	-
Board Member as Director-General of the administering department:			
• Damien Walker		November 2020	May 2022
• Mike Kaiser		May 2022	
• Kerry Doss (as Deputy for the Director-General)		March 2019	March 2022
• Natalie Wilde (as Deputy for the Director-General)		March 2022	
Chief Executive Officer, William Delves	The CEO is responsible for the efficient and effective management of the affairs of the Corporation subject to and in accordance with the directions of the Board of Directors.	October 2017	-

The terms of each director ended in February 2022 but each was re-appointed by Governor in Council until December 2022. The reappointments of Michael Power and Margaret de Wit OAM were effective from 26 May 2022.

Remuneration 2021-22

Position	Short Term Employee Base Benefits \$'000	Post-Employment Benefits \$'000	Total Remuneration \$'000
Board Chair: Leon Allen as an employee of the Queensland Government Leon Allen is not remunerated for his role as Chair.			
Board Members:			
• Margaret de Wit OAM	10	1	11
• Richard Kirk	14	1	15
• Kyl Murphy	14	1	15
• Michael Power AM	10	1	11
• Tim Quinn	14	1	15
• Marina Vit	14	1	15
• Stephanie Wyeth	14	1	15
Board Member employed by the Queensland Government:			
• Damien Walker	-	-	-
• Mike Kaiser	-	-	-
Chief Executive Officer			
• William Delves	332	33	365
Total	422	40	462

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

Remuneration 2020-21

Position	Short Term Employee Base Benefits	Post-Employment Benefits	Total Remuneration
	\$'000	\$'000	\$'000
Board Chair: Leon Allen as an employee of the Queensland Government Leon Allen is not remunerated for his role as Chair.			
Board Members			
• Margaret de Wit OAM	14	1	15
• Richard Kirk	14	1	15
• Kyl Murphy	14	1	15
• Michael Power AM	14	1	15
• Tim Quinn	14	1	15
• Caroline Stalker	2	-	2
• Marina Vit	14	1	15
• Stephanie Wyeth	14	1	15
Board Member employed by the Queensland Government:			
• Rachel Hunter	-	-	-
• Damien Walker	-	-	-
Chief Executive Officer			
• William Delves	331	34	365
Total	431	41	472

Remuneration expenses

Remuneration expenses for key management personnel comprises the following components:

- Short-term employee benefits which include salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied the specified position.
- Post-employment benefits include amounts expensed in respect of employer superannuation obligations.

Performance payments

Performance bonuses are not paid under the contracts in place.

The Chair, Board Members and Chief Executive Officer are appointed by the Governor in Council. Further information can be found in the body of the corporation's annual report under the section relating to Executive Management.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

F2 Related Party Transactions

The Corporation is controlled by the State of Queensland, which is the ultimate parent. Its administering Department is the Department of State Development, Infrastructure, Local Government and Planning. Entities controlled by the State of Queensland will therefore meet the definition of related parties.

All material transactions with Government entities are negotiated on terms equivalent to those that prevail in arms-length transactions with the exception of the Corporation's contribution to management of the South Bank Parklands by the Brisbane City Council (refer note B6 Other Expenses). This amount is determined by the Corporation's administering Department.

	2022 \$'000	2021 \$'000
Contribution to management of the South Bank Parklands by the Brisbane City Council	11,340	12,096
Department of State Development, Infrastructure, Local Government and Planning		
• Contribution to the management of South Bank Parklands	326	296
• Grant received from the State to support the cash reserves of the Corporation	3,395	-

There were no other related party transactions during the reporting period.

F3 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 GST and FBT payable to, the Australian Taxation Office are recognised.

F4 Climate Risk Exposure & Sustainability

A whole-of-government approach is being adopted to manage climate risk. Further details of the government's risk response can be found in the Climate Action Plan 2030 and Queensland Sustainability Report.

The Corporation is in the process of developing our new sustainability strategy to enhance our precinct's environmental sustainability performance for the future. An audit of the Corporation's Sustainability Practices was undertaken during the year to assist in developing a roadmap for future initiatives.

The Corporation also undertook a waste audit to identify strategies to improve waste management practices to increase recycling and reduce waste to landfill. The Corporation is also working on a circular economy strategy for the precinct to identify initiatives and projects to valorise materials, increase waste diversion from landfill, and reduce emissions.

The Rain Bank Project has future-proofed the Parklands from long-term drought conditions by capturing, storing, and treating enough water to service up to 85% of the Parklands' water needs. Each year around 77 megalitres of stormwater is harvested and treated.

SOUTH BANK CORPORATION
Notes to the consolidated financial statements
for the year ended 30 June 2022

F5 Prior period errors and adjustments

In preparation of the 2021-22 financial statements, the Corporation identified capital work in progress in the 2020-21 financial statements that should have been expensed. Capital work in progress was overstated by \$2.7 million and other expenses understated by \$2.7 million in the prior year.

Comparative numbers reported in the 2020-21 consolidated statement of financial position, consolidated statement of financial performance and consolidated statement of cash flows have therefore been restated to correct this error. The line items affected are as follows:

Financial statement line items affected	2020-21		
	Published financial statements \$'000	Correction of error \$'000	Restated actuals \$'000
<u>Consolidated statement of comprehensive income</u>			
Other expenses	9,457	2,701	12,158
Total expenses from continuing operations	66,856	2,701	69,557
Operating result from continuing operations	(10,983)	(2,701)	(13,684)
Total Comprehensive Income	19,760	(2,701)	17,059
<u>Consolidated statement of financial position</u>			
Property, plant and equipment	653,721	(2,701)	651,020
Total non-current assets	776,012	(2,701)	773,311
Total assets	817,405	(2,701)	814,704
Net assets	790,594	(2,701)	787,893
Accumulated surplus	250,441	(2,701)	247,740
Total equity	790,594	(2,701)	787,893
<u>Consolidated statement of cash flows</u>			
Supplies and services	(37,518)	(2,701)	(40,219)
Net cash provided by operating activities	22,319	(2,701)	19,618
Payments for property, plant and equipment, and investment property	(11,471)	2,701	(8,770)
Net cash used in investing activities	(11,464)	2,701	(8,763)

**South Bank Corporation
Management Certificate**

MANAGEMENT CERTIFICATE

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

- the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of South Bank Corporation for the financial year ended 30 June 2022 and of the financial position of the Corporation at the end of that year; and

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



Leon Allen
Chair



William Delves
Chief Executive Officer



Louise Edwards
Chief Financial Officer

Date: 25 August 2022

SOUTH BANK CORPORATION

INDEPENDENT AUDITOR'S REPORT

To the Board of South Bank Corporation



INDEPENDENT AUDITOR'S REPORT

To the Board of South Bank Corporation

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of South Bank Corporation (the parent) and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 30 June 2022, and their financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the parent and group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Other information

Other information comprises financial and non-financial information (other than the audited financial report). Those charged with governance are responsible for the other information.

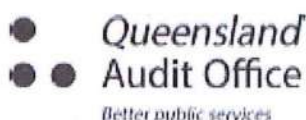
My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

To the Board of South Bank Corporation



Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the parent's and group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the parent or group or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal controls, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the group.
- Conclude on the appropriateness of the parent's and group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent's or group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the parent or group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

To the Board of South Bank Corporation



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

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

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2022:

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

Prescribed requirements scope

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

A handwritten signature in blue ink, appearing to read 'BDeoji'.

30 August 2022

Bhavik Deoji
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

SOUTH BANK CORPORATION

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference page
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister(s)	ARRs – section 7	2
Accessibility	Table of contents	ARRs – section 9.1	1
	Glossary		3
	Public availability	ARRs – section 9.2	3
	Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	3
	Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	3
	Information Licensing	Queensland Government Enterprise Architecture- Information Licensing ARRs – section 9.5	3
General information	Introductory Information	ARRs – section 10	4
Non-financial performance	Government objectives for the community and whole-of-government plans / specific initiatives	ARRs – section 11.1	13
	Agency objectives and performance indicators	ARRs – section 11.2	13
	Agency service areas and service standards	ARRs – section 11.3	13
Financial performance	Summary of financial performance	ARRs – section 12.1	14
Governance – management and structure	Organisational structure	ARRs – section 13.1	15
	Executive management	ARRs – section 13.2	19
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	16
	Public Sector Ethics	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	20
	Human Rights	<i>Human Rights Act 2019</i> ARRS – section 13.5	22
	Queensland public service values	ARRs – section 13.6	5

Summary of requirement		Basis for requirement	Annual report reference page
Governance – risk management and accountability	Risk management	ARRs – section 14.1	20
	External scrutiny	ARRs – section 14.4	20
	Audit and Risk Committee	ARRs – section 14.2	18
	Internal Audit	ARRs – section 14.3	20
	Information systems and recordkeeping	ARRs – section 14.5	20
	Information Security attestation	ARRs – section 14.6	n/a
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	21
	Early retirement, redundancy, and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2	21
Open Data	Statement advising publication of information	ARRs – section 16	22
	Consultancies	ARRs – section 33.1	https://data.qld.gov.au
	Overseas travel	ARRs – section 33.2	22
	Queensland Language Services Policy	ARRs – section 33.3	22
Additional information	Exercise of exclusion powers	SBC Act – section 91	22
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	55
	Independent Auditor's Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	56

ARRs *Annual report requirements for Queensland Government agencies*
 FAA *Financial Accountability Act 2009*
 FPMS *Financial and Performance Management Standard 2019*
 SBC *Act South Bank Corporation Act 1989*