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Chair's Report



The South Bank Business Association pursued its role as 'The Voice of the Precinct' responding constructively to various proposals released by State and City Governments - including the Hale Street Link, the South Brisbane Traffic and Mobility Study and the Local Area Plan whilst also continuing strong relationships with key government authorities.

It has been an exciting year for the Association. We advanced a number of key initiatives including the launch of the SBBA website, cementing alliances with other associations in the surrounding area, continuing our focus on the safety and security of the Precinct and launching the South Bank Sustainability Challenge.

Membership of the Association remains strong and has grown over the year to 90 members. The Association has a strong and diverse support base with members active on the Board or its Committees or supporting the Association through sponsorship either by hosting a function or lunch or by providing cash support to assist with special initiatives.

My term as Chair of the Association has been both fulfilling and challenging. It has given me

the privilege of working with an energetic Board and enthusiastic Committee members who are committed to the South Bank Precinct and success of the SBBA. I also take this opportunity to thank Lois Shuttleworth, Business Manager and Kristy Roberts, Business Coordinator who have worked tirelessly over the year.

At the November AGM I will be standing down as Chair of the Association. I am confident in doing this knowing that the Association is now at a phase in its growth where it is timely that a new Chair is appointed. My commitment to the success and growth of the Association however is firm and I look forward to continuing my representation on the Board and maintaining an active involvement.

Chair
Malcolm Snow

Treasurer's Report



I am pleased to present in this report the Association's Financial Statements for the year ended 30 June 2006, showing a surplus for the year of \$67,313. This result was achieved with both revenue and expenditure being better than budgeted.

The 2005/06 year has been a period of financial consolidation with South Bank Corporation reducing its membership subsidy to fifty cents in the dollar, from the dollar for dollar subsidy in prior years. In the 2006/07 year this financial support will fall to 25 cents in the dollar.

The Corporation has also advised that the financial support it has provided to the Association to date will cease from 30 June 2007.

The Board of the Association is currently considering the future direction of its activities based upon this reduced income stream.

The Association, however, is well placed to achieve its immediate goals and now carries

net assets of \$183,380 in comparison to \$116,067 in the previous year, with cash reserves as at 30 June 2006 of \$233,324 (2005: \$161,094).

I would like to thank all the members, particularly Board and Committee members, for their time and commitment to the Association.

It would be remiss of me to not acknowledge the work of Trevor Marsden (Finance Manager) and the team at South Bank Corporation for the accounting services they provide the Association.

Treasurer
Robert O'Keeffe

Board Members

The South Bank Business Association thanks all Board members, past and present for their ongoing commitment to the Association and their dedication to the future prosperity of the South Bank Precinct.



Malcolm Snow, Chair
Chief Executive Officer, South Bank Corporation

Malcolm has been CEO of South Bank Corporation since June 2005 and is one of Australia's leading urban designers. A qualified town planner and landscape architect, Malcolm has worked on major city projects through Australia, South East Asia and the UK, and has been an advisor to state and local governments on city planning.



Craig McGovern, Vice Chair
Chief Executive, Queensland Performing Arts Centre (QPAC)

Craig has extensive commercial experience in business and the government sector. His experience in the Arts industry has seen him hold positions at the Brisbane Entertainment Centre, Queensland Events Corporation, the Brisbane Biennial Festival of Music, World Expo '88 and the inaugural Out of the Box Festival.



Con Castrisos
Partner, H.Drakos & Co Solicitors

A dynamic individual and raconteur of note. As a lawyer and partner in a successful city law firm, Con has specialised in commercial law. Con is currently the Vice-President of Restaurant and Catering Queensland and Acting President of Restaurant and Catering Australia.



Celina Chang
Public Affairs Manager, Thiess Pty Ltd

Celina has 10 years experience in public relations and is the Public Affairs Manager for Thiess Qld/NT/Pacific – the company's largest business operations. In this position, Celina leads a team of public affairs professionals, providing public affairs advice and support to the company's 17 major projects in the Qld/NT/Pacific region. Celina retired from the Board in December 2005.



Hilarie Dunn

Executive Manager Corporate Affairs & Communications, Thiess Pty Ltd

Having more than 20 years experience in marketing, communications and journalism Hilarie Dunn began her career at newspapers in Queensland and then worked for The Times and The Independent in London. Hilarie was then appointed Manager Corporate Communications at KPMG and head of public relations at Suncorp. In her position at Thiess Hilarie is responsible for the full spectrum of corporate affairs and communications. Hilarie replaced Celina Chang on the Board in January 2006



Dr Ian Galloway

Director, Queensland Museum

Ian has been Director at the Queensland Museum since May 2000 and holds a Doctor of Philosophy Degree in Entomology and a Masters Degree in Management from the University of Queensland. In 1998 Ian attended the prestigious Getty Institute for Museum Management at the University of California at Berkeley. More recently Ian was elected President of the Australian Committee of the International Council of Museums (ICOM) and in 2003 received the Centenary Medal. Ian joined the Board in January 2005.



Don Goode

General Manager, Rydges South Bank Hotel

Don has been in the hospitality industry for more than 25 years and has been with Rydges Hotel Group for over 13 years. He is currently General Manager of Rydges South Bank and has been Rydges Area General Manager for South East Queensland for the past four years.



Paul Hey

Director, Montague Developments Pty Ltd (formerly Property Search)

Paul holds a degree of Bachelor of Architecture from the University of Adelaide and a Masters Degree in Urban and Regional Planning from the University of Queensland.



Norm Jagger

Project Director, Southbank Education & Training Precinct

Norm has more than 26 years experience in the provision of VET (Vocational Education and Training) in Queensland and is a past president of the Baking Industry Association of Queensland.



Rob Kent
Managing Director, Publicis Mojo

Rob is the Managing Partner for Mojo Partners, Publicis Dialog and Optimedia Brisbane. He has a dynamic marketing and advertising background including roles as Marketing Manager for Golden Casket and Elders IXL. Mojo Partners developed the South Bank branding campaign *South Bank Always Creating*.



Paul McLean
Managing Director, Savills (Qld) Pty Limited

Paul is currently Managing Director of FPD Savills in Queensland. FPD Savills is a wholly owned subsidiary of Savills plc, a public company listed on the London Stock Exchange.



Robert (Bob) O'Keeffe, Treasurer
General Manager, Brisbane Convention & Exhibition Centre

Robert holds a Bachelor of Economics degree from the University of Sydney and is a member of the Institute of Chartered Accountants in Australia. Robert took up the position of General Manager of the Brisbane Convention & Exhibition Centre in 1993.



Alison Quinn
State Manager Qld, N.T. – Built Form, Austcorp Management Services

Alison is the State Manager Built Form for the property development company - Austcorp Group Limited. Her 20 year career has focused on the property development, finance and construction industry in South East Queensland.



Professor Peter Roennfeldt
Director, Queensland Conservatorium Griffith University

Peter joined Griffith University in 1986 and is a well known musician, performing both as a pianist and conductor, and undertakes community work as workshop presenter and adjudicator. Peter holds degrees in music from the Universities of Queensland and Adelaide and a Doctorate from the University of Cincinnati USA.



Sean Ryan

Manager, Bank of Queensland, South Bank

Sean has been working in the Finance and Banking Industry for 16 years. In 2003, Sean purchased the Bank of Queensland, South Bank. Sean is involved in Fundraising for Charities including

Annual Highlights

It has been an exciting year for the Association. We advanced a number of key initiatives including the launch of the SBBA website, cementing alliances with other associations in the surrounding area, continuing our focus on the safety and security of the Precinct and launching the South Bank Sustainability Challenge.

The Association continued to move forward with key initiatives including involvement in major Government initiatives, roll out of the South Bank Precinct and SBBA website, cementing alliances with other associations in the surrounding Precinct, continuing the emphasis on ensuring the safety and security in the Precinct and launching the South Bank Sustainability Challenge.

The Associations Government Committee and Communications Reference Group (previously the Marketing Working Group and Communications Committee) were active during the year. Committee members made a considerable contribution to all of the projects outlined below.

Hale Street Link Project

Through out the past 12 months the Association has been involved in the various stages of the proposed Hale Street Link Project by hosting members forums with the Major Projects Infrastructure Team, submitting feedback to the draft Terms of Reference, the Feasibility Study and the Impact Assessment Statement (IAS) as well as attending briefings with the MIPO team.

The proposal continues to be of great interest to the Association and its members. An important role of the SBBA was to keep members well briefed and encourage them to submit individual comments.

The Association, through 2007, will continue to be a key stakeholder for updates on this project and keep members informed.

South Brisbane Precinct Traffic and Mobility Study

This was another major project that the Association sought to keep its members informed. The Association participated in a number of forums to keep up to date with the progress of this Study.

The SBBA has submitted feedback at each stage of the Study and encouraged individual members to have their say.

Rolling out the Websites

In October 2005 the South Bank Business Association released the website www.visitsouthbank.com.au and the Association site www.sbba.com.au in partnership with South Bank Corporation and ourbrisbane.com.

Members have supported the precinct website by keeping their events and activities up to date.

The Association's own website has provided another vehicle to keep members informed on various activities including submissions on government proposals, member functions, media releases and newsletters.

Safety and Security in South Bank

Safety and security continues to be of major importance to the Association. Regular meetings were held with the Queensland Police Service, Queensland Rail and South Bank Corporation.

Members were also invited during the year to attend meetings where safety issues were discussed and improved business security practices were identified.

During the year security audits were conducted at the South Bank railway station and corrective actions taken. Subsequently there has been a reduction in the number of incidents in the Parklands and immediate surrounds. This was due to greater monitoring of anti social behavior and fare evasion. The statistics have continued to be monitored and further security audits will be put in place to address issues that may occur in the future.

Research conducted by Footprints Market Research (commissioned by South Bank Corporation) confirmed that South Bank continues to be perceived as the safest of the central city precincts during the day and night when compared with the CBD, West End and The Valley

Alliance with SBBA, WETA and WBA

The Association was pleased to announce in June 2006 that it had formed a new alliance with the West End Traders Association (WETA) and the Gabba (Woolloongabba) Business Association (GBA).

The need for the alliance emerged out of a recognition that all three Associations are closely linked by geography and common interests. A number of businesses are members of at least two and sometimes all three Associations.

It was agreed when the alliance was formed that while it was important to maintain an independent voice there were occasions when by working together a stronger advocacy could be achieved.

The new alliance known as the 'City South Business Liaison Group' has signed a Terms of Reference and meet quarterly to advance initiatives of interest to all three Associations.



Keeping Members Informed

A key function of the Association is its communication with members and its important stakeholders.

Throughout the year Members were kept well-briefed on key projects impacting on them as well as keeping them up to date on member's activities.

The main sources of information were:

- the SBBA website,
- fortnightly member e-communications,
- monthly newsletters,
- bi-monthly networking functions,
- regular member forums, and
- CEO breakfasts and Board lunches.

Sustainability Challenge

In 2006 the Association launched a new and exciting initiative - the South Bank Sustainability Challenge. The Challenge was launched by The Hon. Anna Bligh Deputy Premier.

Both the Environmental Protection Agency and Brisbane City Council have come on board to support the project.

The purpose of the Challenge is to achieve significant cost savings and environmental benefits through reduced resource consumption and waste generation throughout the South Bank Precinct.

Precinct businesses, who are members of the SBBA, have been invited to participate in the project that will:

- Benchmark the South Bank Businesses and the Precinct's energy and water usage and waste generation (based on agreed measures) and;
- Achieve measurable improvements to the overall usage levels against the benchmarks.

Interest in the Challenge has been very strong with a number of members signing up to the projects in the first two months of the launch.

The two year project will be reviewed at six monthly intervals and will include an annual status report and a final report at the conclusion of the project period.



Deputy Premier Anna Bligh launching the Challenge with Association Chair Malcolm Snow.

South Bank
Sustainability
Challenge



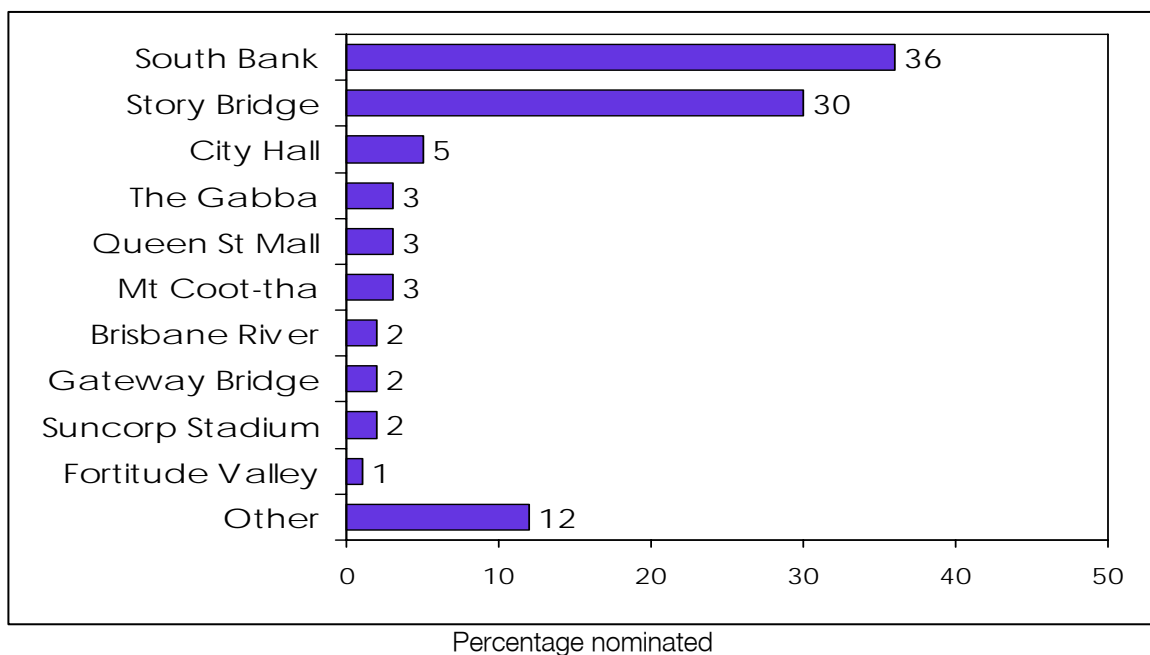
Research confirms South Bank's Iconic Status

Market research conducted in June 2006 by Footprints Market Research for the South Bank Corporation confirmed that the South Bank Precinct is widely recognised by Brisbane residents and key stakeholders as Brisbane's most obvious icon.

Brisbane's Icon

When asked to nominate Brisbane's icon - 36% of Brisbane residents chose South Bank followed by the Story Bridge (nominated by 30%)

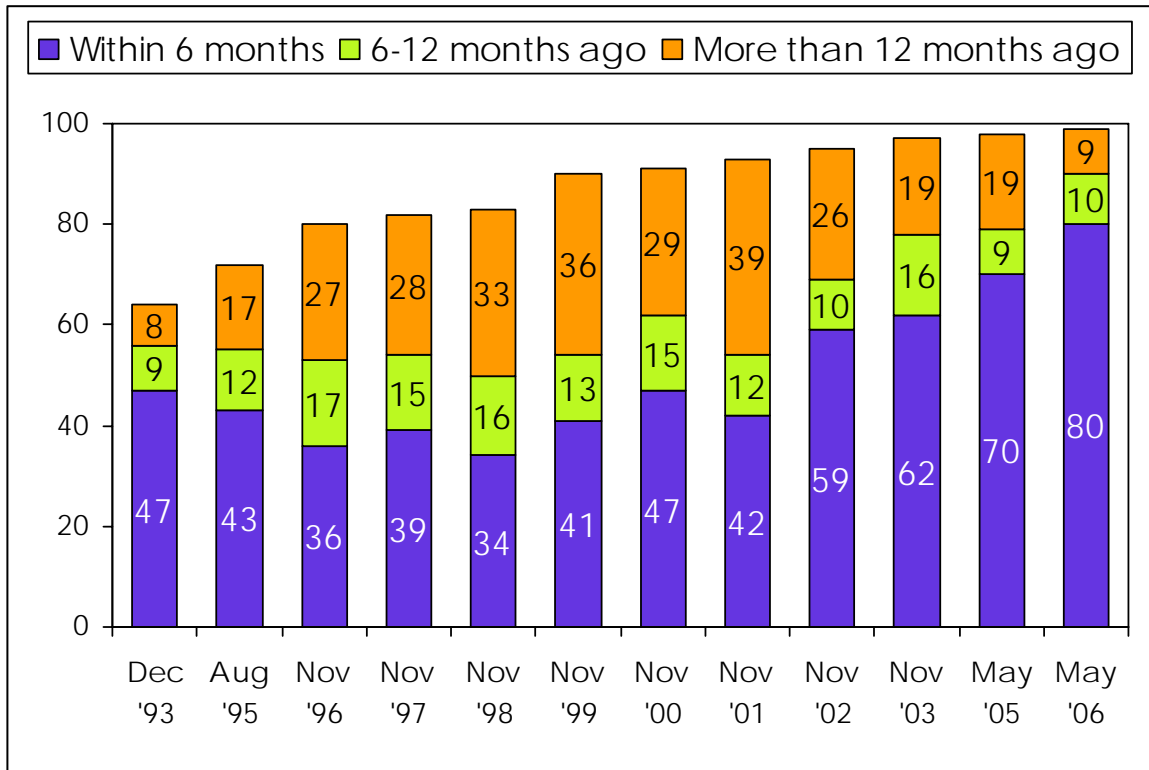
What is Brisbane's Icon? (unprompted mentions)



South Bank – The Place to Be

Nearly all Brisbane residents (99%) have 'ever' visited South Bank with 80% having visited within the last six months.

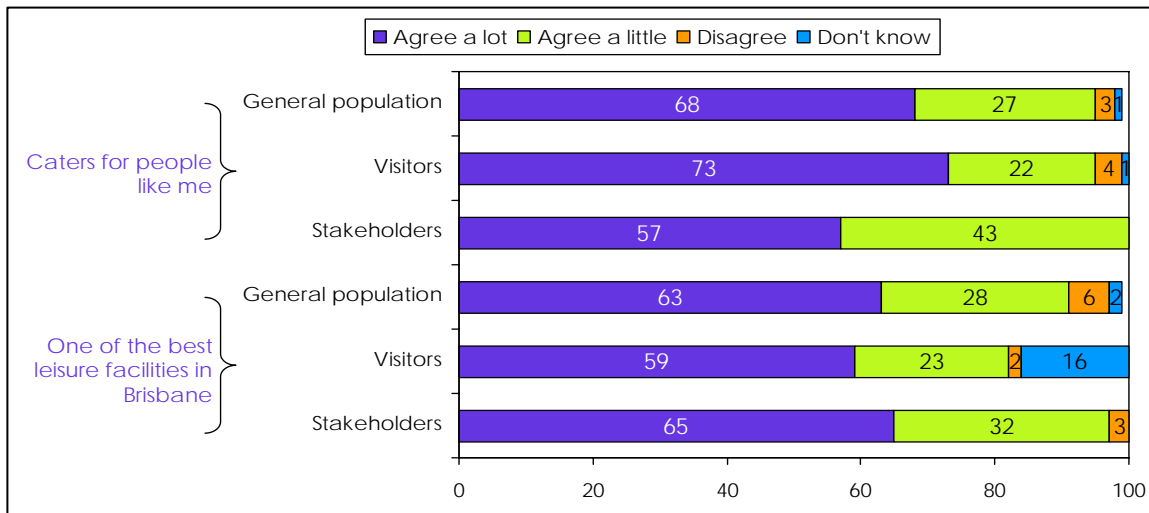
Visitation within Last 6 Months Increases



South Bank Rates Strongly with Visitors

It is widely agreed by Brisbane residents, stakeholders and 'on the day' visitors that South Bank 'caters for people like me' and 'is one of the best leisure facilities in Brisbane'.

Attitudes Towards South Bank



Organisations who helped make it happen

A number of organisations (most of whom are members of the SBBA) have assisted the Association with key projects and events during the year. With a combination of cash, in-kind and technical support these organisations have made a difference. Their support has enabled the Association to be more cost efficient and to achieve results that may not have otherwise been possible.

Those organisations who have generously provided support, acknowledged alphabetically, are:

Brisbane City Council
 Brisbane Convention & Exhibition Centre
 Environmental Protection Agency
 Griffith University
 Mirvac Group Queensland
 Montague Developments Pty Ltd (formerly Property Search)
 ourbrisbane.com
 Queensland Theatre Company

Rydges Hotel South Bank
 Saville Hotel South Bank
 Shalom Business Development
 South Bank Corporation
 Southbank Institute
 Thiess Pty Ltd
 Three Plus
 Urban Strategies



2005/06 Membership List

Full Members

1. Austcorp Management
2. Axion Education Queensland Pty Ltd
3. Brisbane Convention & Exhibition Centre.....Founding Member
4. Savills (Qld) Pty Ltd
5. Griffith University.....Founding Member
6. Insurance Australia Group (IAG)
7. Mirvac Group Queensland.....Founding Member
8. Publicis Mojo Pty Ltd
9. Queensland Performing Arts Centre (QPAC).....Founding Member
10. Rydges Hotel South Bank.....Founding Member
11. South Bank Cinemas
12. South Bank Corporation.....Founding Member
13. Southbank Institute.....Founding Member
14. Spotless
15. Thiess Pty Ltd.....Founding Member
16. Stockland
17. Stockwell

Associate Members

1. Absoe Pty Ltd
2. Aria Property Group
3. Amici's Pizza Café
4. Australia Post
5. Bank of Queensland
6. BBS Public Relations
7. BCTIF
8. Brisbane's Airtrain
9. Brisbane State High School.....Founding Member
10. Café San Marco.....Founding Member
11. Chubb Security
12. Corporate Administration Agency.....Founding Member
13. Diabetes Australia - Queensland
14. Digital Gallery
15. Enduro Fitness (Jan to June 2006)
16. Expotel Executive Travel (Seatem Group)
17. Ginga Japanese Restaurant
18. Greek Orthodox Community
19. H Drakos & Co.....Founding Member
20. Hands on Art
21. Hillcrest Central Apartments.....Founding Member
22. Hire Intelligence
23. Home Ideas Centre
24. Illustration House
25. John Holland Pty Ltd
26. Kookaburra River Queens

27.	Madonna Rigney Optometrists	
28.	Mater Hospital Trust	Founding Member
29.	Members & Education Credit Union Ltd	
30.	Musgrave Park Cultural Centre	Founding Member
31.	Open Learning Institute of TAFE	Founding Member
32.	ourbrisbane.com	
33.	Montague Developments Pty Ltd (formerly Property Search)	Founding Member
34.	Pacific Film & Television Commission	
35.	Plough Inn/Ship Inn	Founding Member
36.	Pradella Developments Pty Ltd	
37.	Precept Communications	
38.	Prop House	
39.	Queensland Art Gallery	Founding Member
40.	Queensland Maritime Museum	Founding Member
41.	Queensland Museum South Bank	Founding Member
42.	Queensland Orchestra.....	Founding Member
43.	Queensland Theatre Company	
44.	Ray White - South Brisbane	
45.	Rhonan O'Brien Architects & Designers	
46.	River Canteen.....	Founding Member
47.	River Connections	
48.	River <i>festiva</i> /Brisbane	
49.	Riverlife Pty Ltd	
50.	Roger Ch Ng and Co.....	Founding Member
51.	Saville Hotel Group	
52.	Shalom Enterprises	
53.	Snap Printing.....	Founding Member
54.	Somerville House	
55.	South Bank Beach News.....	Founding Member
56.	South Bank Indigenous Employment & Training Program.....	Founding Member
57.	South City Physiotherapy Centre	
58.	South Point Body Corporate.....	Founding Member
59.	Gibsons Southbank Fitness Club	
60.	Southbank Pharmacy	
61.	St Laurence's College	
62.	State Library of Queensland	Founding Member
63.	Studio Of Success	
64.	Tell Creative Pty Ltd	
65.	The Arbour Partnership	
66.	The CENTRAL Group	
67.	The Fox Hotel	
68.	The Point Restaurant Bar	
69.	Three Plus	
70.	Urban Climb	
71.	Urban Strategies.....	Founding Member
72.	Wang Dynasty	Founding Member
73.	Yellow Cabs	

Total Membership: 90

Financial Report for Year ended 30 June 2006

The Association is well placed to achieve its immediate goals and now carries significant increased net assets on the previous financial year. The support of member organisations through cash and in-kind support, along with increased membership numbers, has assisted the Association in our challenge of long-term financial security.

- Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement
- Notes to the Financial Statements
- Statement by Board Members
- Independent Audit Report

South Bank Business Association Incorporated
Income Statement
For the Year Ended 30 June 2006

	Note	2006 \$	2005 \$
Income			
Membership Income		112,352	108,475
Membership Subsidy - South Bank Corporation		56,175	108,475
Interest Received		7,865	5,938
Other		97	682
Total income		<u>176,489</u>	<u>223,570</u>
Expenses			
Administration Expenses		470	1,856
Advertising and Marketing		30,021	57,396
Bank Fees		214	287
Computer Internet		-	459
Consultants		5,839	15,860
Depreciation		1,499	1,721
Hospitality		12,410	18,909
Insurance		5,903	5,903
Postage		4,359	5,409
Printing and Stationery		3,121	1,820
Staffing Charge	1(h)	45,340	36,303
Telephones		-	1,467
Total expenses		<u>109,176</u>	<u>147,388</u>
Profit before income tax expense	2	67,313	76,183
Income tax expense	3	-	-
Profit from operations		<u>67,313</u>	<u>76,183</u>

Notes to and forming part of the financial statements are attached.

South Bank Business Association Incorporated

Balance Sheet

As at 30 June 2006

	Note	2006 \$	2005 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	233,324	161,094
Trade and other receivables		<u>2,025</u>	<u>-</u>
Total current assets		<u>235,349</u>	<u>161,094</u>
Non-current assets			
Office equipment	5	<u>-</u>	<u>1,499</u>
Total non-current assets		<u>-</u>	<u>1,499</u>
Total assets		<u>235,349</u>	<u>162,593</u>
LIABILITIES			
Current liabilities			
Trade and other payables		3,969	18,151
Membership fees received in advance		<u>48,000</u>	<u>28,375</u>
Total current liabilities		<u>51,969</u>	<u>46,526</u>
Total liabilities		<u>51,969</u>	<u>46,526</u>
NET ASSETS		<u>183,380</u>	<u>116,067</u>
EQUITY			
Retained earnings		<u>183,380</u>	<u>116,067</u>
TOTAL EQUITY		<u>183,380</u>	<u>116,067</u>

Notes to and forming part of the financial statements are attached.

South Bank Business Association Incorporated
Statement of Changes in Equity
For the Year Ended 30 June 2006

	Retained Earnings	
	2006 \$	2005 \$
Balance at the beginning of the year	116,067	39,884
Profit attributable to members	67,313	76,183
	<hr/>	<hr/>
Balance at the end of the year	<u>183,380</u>	<u>116,067</u>

South Bank Business Association Incorporated
Cash Flow Statement
For the Year Ended 30 June 2006

	Note	2006 \$	2005 \$
Cash flows from operating activities			
<i>Inflows:</i>			
Receipts from members		166,503	217,250
Interest received		4,865	5,938
Other income		97	682
<i>Outflows:</i>			
Payments to suppliers		(102,235)	(135,182)
Net cash from operating activities	6	<hr/> 69,230	<hr/> 88,689
Net increase in cash held		69,230	88,689
Cash at the beginning of the period		<hr/> 161,094	<hr/> 72,405
Cash at the end of the period	4	<u>230,324</u>	<u>161,094</u>

Notes to and forming part of the financial statements are attached.

South Bank Business Association Incorporated
Notes to the Financial Statements
For the Year Ended 30 June 2006

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This report is a general purpose report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporations Act, 1981.

The financial report covers South Bank Business Association Inc. as an individual entity. South Bank Business Association Inc. is an association incorporated in Queensland under the Associations Incorporation Act, 1981.

The financial report of the Association as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AEIFRS) in their entirety.

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

First-time adoption of Australian Equivalents of International Financial Reporting Standards (AEIFRS)

These financial statements have been prepared in accordance with the Australian equivalents to International Financial Reporting Standards (AEIFRSs) from 1 July 2005 and are the first financial statements of the Association to be prepared in accordance with AEIFRS.

In accordance with the requirements of AASB 1 *First-time Adoption of Australian Equivalents to International Financial Reporting Standards*, any adjustments to the accounts resulting from the introduction of AEIFRSs have been applied retrospectively to 2005 comparative figures.

Any reconciliations on the transition from previous Australian Generally Accepted Accounting Policies to AEIFRS have been included in note 11 of this report.

Reporting basis and conventions

The financial report has been prepared on an accrual basis and is based on historical costs, modified, if applicable, by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Accounting Policies

(a) Revenue

Membership income is recorded as revenue on an accruals basis. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

South Bank Business Association Incorporated
Notes to the Financial Statements
For the Year Ended 30 June 2006

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(b) Income Tax

The association adopts the liability method of tax-effect accounting whereby the income tax expense shown in the statement of financial performance is based on the profit from ordinary activities before income tax adjusted for any permanent differences.

Only non-member income of the association is assessable for tax, as member income is excluded under the principle of mutuality. As at 30 June 2006, the association had no tax liability.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount (if any) of GST incurred is not recoverable from the Australian Tax office. In these circumstances the GST is recognised as part of the cost of acquisition or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

(d) Classification of Cash

For the purposes of the Balance Sheet and the Cash Flow Statement, cash includes cash on hand and at bank. Cash flows are presented in the Cash Flow Statement net of GST.

(e) Office Equipment

Office equipment is measured under the cost basis less accumulated depreciation and impairment.

The carrying amount is reviewed annually by the Board to ensure it is not in excess of the recoverable amount of those assets. The recoverable amount is assessed on the basis of expected net cash flows which will be received from the assets employment and subsequent disposal. In assessing the recoverable amount the relevant cash flows have not been discounted to their present value.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period to which they are incurred.

Depreciation

Assets are depreciated over their estimated useful lives using the straight line method, commencing from the time the asset is held ready for use.

The depreciation rate used is:

<i>Class of Fixed Asset</i>	<i>Depreciation rate</i>
Office equipment	40%

South Bank Business Association Incorporated
Notes to the Financial Statements
For the Year Ended 30 June 2006

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Any gains and losses on disposals are determined by comparing proceeds with the carrying amount. The resulting gains or losses are included in the income statement.

(f) Impairment of Assets

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

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

(g) Trade Creditors

A liability is recorded for goods and services received prior to balance date, whether invoiced to the association or not. Trade creditors are normally settled within 30 days.

(h) Employee Entitlements

The Association had no employees at balance date. Staffing is provided to the Association by South Bank Corporation, at cost.

(i) Comparative Information

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

(j) Critical Estimates and Judgements

The board members evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends as obtained both externally and within the Association. There were no key adjustments during the year which required an estimate or judgement.

South Bank Business Association Incorporated
Notes to the Financial Statements
For the Year Ended 30 June 2006

	2006	2005
	\$	\$
NOTE 2 - PROFIT BEFORE TAX		
Expenses include remuneration paid or payable to the auditors in respect of the audit of the financial statements (the auditors received no other benefits).	1,500	1,500
NOTE 3 - INCOME TAX EXPENSE		
The prima facie tax on profit before income tax is reconciled to the income tax as follows:		
Current tax expense	<u>-</u>	<u>-</u>
Prima facie tax payable on profit before income tax at 30%.	20,194	22,855
less:		
Tax effect of principle of mutuality	<u>(20,194)</u>	<u>(22,855)</u>
Income tax attributable to Association	<u>-</u>	<u>-</u>
NOTE 4 - CASH AND CASH EQUIVALENTS		
Cash at bank	83,324	161,094
Term Deposits	<u>150,000</u>	<u>-</u>
	<u>233,324</u>	<u>161,094</u>
Interest is paid at bank rates.		
NOTE 5 - OFFICE EQUIPMENT		
Office Equipment - at cost	4,303	4,303
Less accumulated depreciation	<u>(4,303)</u>	<u>(2,804)</u>
	<u>-</u>	<u>1,499</u>
Movements in carrying amounts		
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:		
Office Equipment:		
Balance at the beginning of the year	1,499	3,220
Depreciation expense	<u>(1,499)</u>	<u>(1,721)</u>
Carrying amount at the end of the year	<u>-</u>	<u>1,499</u>

South Bank Business Association Incorporated
Notes to the Financial Statements
For the Year Ended 30 June 2006

	2006 \$	2005 \$
NOTE 6 - RECONCILIATION OF NET CASH FROM OPERATING ACTIVITIES TO PROFIT AFTER INCOME TAX		
Net profit after income tax	67,313	76,183
<i>Non-cash items:</i>		
Depreciation	1,499	1,721
<i>Changes in assets and liabilities:</i>		
(Increase)/decrease in receivables	(2,025)	300
Increase/(decrease) in trade creditors and accruals	(14,182)	(14,790)
Increase/(decrease) in membership fees received in advance	19,625	25,275
Net cash provided by operating activities	72,230	88,689

NOTE 7 - FINANCIAL INSTRUMENTS

The Association's financial instruments consist of deposits at bank, accounts receivable and payable.

The Association does not have any derivative instruments at 30 June 2006.

The main risk the Association is exposed to through its financial instruments is liquidity risk. It manages liquidity risk by monitoring forecast cash flows.

Interest Rate Exposure

Exposure to interest rate risk and the effective rates of financial assets and financial liabilities are shown in the following table.

	Floating Rate	1 year or less	Non- interest bearing	Total	Weighted average rate
Financial assets					
Cash at bank	83,324	-	-	83,324	3%
Term deposits	-	150,000	-	150,000	6%
	83,324	150,000	-	233,324	
Financial liabilities					
Trade and other payables	-	-	3,969	3,969	-
	-	-	3,969	3,969	

Net Fair Values

It is considered that the net fair value of the financial assets and financial liabilities of the Association closely approximate the carrying values.

South Bank Business Association Incorporated
Notes to the Financial Statements
For the Year Ended 30 June 2006

NOTE 8 - CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Association is not aware of any contingent liabilities or assets.

NOTE 9 - EVENTS AFTER THE BALANCE SHEET DATE

No material post balance sheet events have occurred between the balance sheet date and the signing of these financial statements.

NOTE 10 - CHANGES IN ACCOUNTING POLICY

The Association has adopted the following accounting standards for application on or after 1 January 2005:

- AASB 132 Financial instruments: Disclosure and Presentation
- AASB 139 Financial Instruments: Recognition and Measurement

The changes resulting relate to increased disclosures required under the standards and do not affect the value of amounts reported in the financial statements.

NOTE 11 - FIRST-TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (AEIFRS)

There are no material adjustments to the equity at 1 July 2004 and 30 June 2005 or profit for the year ended 30 June 2005 resulting from the first time adoption of AEIFRS.

NOTE 12 - ASSOCIATION DETAILS

The Association's registered office and principal place of business is Level 3, South Bank House, Stanley Street Plaza, South Bank, Queensland.

NOTE 13 - SEGMENT INFORMATION

The Association's operates predominately in one business and one geographical segment, being that of a Business Association in Australia.

South Bank Business Association Incorporated
Statement by Board Members

In the opinion of the Board the foregoing financial report:

- (a) presents a true and fair view of the financial position of the South Bank Business Association Inc. as at 30 June 2006 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
- (b) at the date of this statement there are reasonable grounds to believe that the South Bank Business Association Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Board and is signed for and on behalf of the Board by:

Malcolm Snow
Chair

Robert O'Keeffe
Treasurer

Dated: 22 September 2006

South Bank Business Association Incorporated
Independent Audit Report

Scope

We have audited the financial report of South Bank Business Association Incorporated for the financial year ended 30 June 2006 as set out on pages 1 to 9. The Board is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Association.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with our understanding of the Association's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of South Bank Business Association Incorporated presents a true and fair view in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia the financial position of South Bank Business Association Incorporated as at 30 June 2006, and the results of its operations and cash flows for the year then ended.

Signed at Brisbane, *5 October* 2006.

WILLIAM BUCK
Chartered Accountants

D. Langdon
Partner