BRONCOS
BRISBANE

Brisbane Broncos Limited
A.B.N. 41 009 570 030

WOW Brisbane Broncos
Telephone: (07) 3858 9111
Facsimile: (07) 3858 9112
Fulcher Road
Red Hill QLD 4059
Australia
www.broncos.com.au

23 February 2009

To: ASX Company Announcements Platform

BRISBANE BRONCOS LIMITED AND CONTROLLED ENTITIES
2008 FINANCIAL RESULTS

Please find attached the following documents in relation to the 2008 financial results for Brisbane Broncos Limited and its controlled entities:

- Earnings Release
- Appendix 4E – Preliminary Final Report
- 2008 Financial Report
- Independent Audit Report and Auditor's Independence Declaration

Yours faithfully

L. Lanigan.

Brisbane Broncos Limited
Louise Lanigan
Company Secretary

WOW Brisbane Broncos

EARNINGS RELEASE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008

Brisbane, 23 February 2009

FINANCIAL PERFORMANCE

The Group recorded an after tax profit for the 31 December 2008 financial year of $1,238,103 compared to the $1,460,593 achieved in 2007. For comparison, the before tax profits for the 2008 and 2007 financial years were $1,838,685 and $2,163,403 respectively.

On the field, the Brisbane Broncos National Rugby League team once again finished in the top eight and the National Youth Competition team competed in the Grand Final, both of which were excellent achievements.

2008 saw the introduction of the National Youth Competition. This new cost of $723,644 significantly affected the financial performance of the Group. However, due to a highly successful year from a sales perspective, the impact was minimised. This competition is the predominant reason why, despite the increase in gross revenue from 2007, the net profit is slightly lower than last year.

The Group recorded gross revenue for the 2008 financial year of $25,620,819, which is an $844,026 increase from 2007. This successful result can be attributed to continued growth in corporate and season membership sales, increased crowd attendances, and additional sponsorship revenue. It should be noted that included in the 2007 gross revenue was $490,398, attributable to 'once-off' income earned from sales in relation to the Broncos 20th Year celebrations.

The Group experienced its most successful year to date in corporate sales. Corporate suites and boxes were completely sold for each home game of the regular season. This had the flow on effect of increasing sales of all other corporate facilities as corporate clients had to pursue entertainment options other than boxes and suites. For one match during the season, clients had to be taken outside of the ground for pre-game dining because Suncorp Stadium was at capacity in the corporate area. This pleasing result followed an already very strong corporate sales position achieved in 2007. Significant growth of 12.7% was experienced in 2008 for all corporate facilities.

The Group had another very successful sponsorship year with total sponsorship revenue achieving a growth of 1.9% from 2007. The potential growth in this category going forward continues to be restricted as all major sponsorship assets are completely sold. Management's focus going forward is on maintaining the existing high levels of sponsorship and creating possibilities for new opportunities to increase sponsorship revenue.

Season membership numbers increased 4.3% from 9,960 in 2007 to 10,389 in 2008 - the highest in the National Rugby League. Crowd attendances continued to improve on the previous year, increasing by 1.6% in 2008 to achieve an average of 33,402 (2007: 32,874). This is the third year in a row that the crowd average has sustained growth and exceeded 30,000 which is an enormous achievement and the highest again in the National Rugby League. Associated gate taking and season membership revenue increased as a result.

Weather conditions were not favourable during the 2008 season as six matches were affected by inclement weather. This has not been experienced for a number of years. In 2007, only one match was affected by rain. A number of clashes with other major Brisbane and Gold Coast events occurred during the season which can have an impact on crowd numbers.

The Broncos were scheduled a home semi final match against the Melbourne Storm on Friday 20 September 2008. This game achieved a crowd in excess of 50,000 patrons. Although the Finals Series matches are owned and administered by the National Rugby League, it did provide the Group with the opportunity to earn commission revenue in relation to sales of corporate facilities.

Total operating expenses were $23,782,134, which is $1,168,744 more than last year. This is predominantly due to an increase in football related expenditure as a result of the costs associated with the operation of the National Youth Competition introduced in the 2008 season. Game day related expenditure also increased which is a direct result of the growth in game day revenue. The Club continues to invest in the future by allocating funds to an elite player development program and player rosters.

Despite another strong financial performance by the Group, the Board consider it prudent not to declare a final dividend for the 2008 financial year due to the uncertainty ahead in relation to the current economic climate.

THE BOARD

On 26 February 2008 Peter Jourdain resigned as a director and was replaced by Lawry Brindle, the Finance Director of Queensland Press Group. Peter was on the Board for five years during which time he contributed very positively to Brisbane Broncos Limited's corporate governance and strategic direction. The Board sincerely thank him for his contribution. Darryl Somerville completed his third full year as Chairman. Donald Jackson, Dennis Watt and Bruno Cullen maintained their directorships for the financial reporting period.

BRISBANE BRONCOS RUGBY LEAGUE TEAM

2008 proved to be a successful but heartbreaking year for the Broncos in what was long serving head coach Wayne Bennett's final year with the Club. Wayne announced in early February that 2008 would be his 21st and last season with the Club after a long and successful reign (including six premierships) as head coach. The 2008 season began on a positive note but then faded with injuries to skipper Darren Lockyer and other key players. The team only just failed to make the top four (finishing fifth by one point) and won an away final against the Sydney City Roosters in the first week of the finals series. The next final was played at Suncorp Stadium against the reigning premiers Melbourne Storm. That game was lost in the dying seconds and the season was over in devastating fashion.

The performance of the team and coaching staff during the year is to be applauded. They played the brand of football which attracted record average attendance throughout the year and contributed substantially to the financial performance of the business.

Despite not achieving a premiership in his final year, Wayne Bennett left the Club with a great legacy and a tradition that generations to come will work hard to maintain.

THE YEAR AHEAD

There is an air of uncertainty about 2009 with the global financial crisis yet to fully impact on the Australian economy. The Broncos will not be immune to the impact the last twelve months have had on Australian businesses and families with perhaps more to come. There are signs already that certain sections of the business may experience some decline. However, management are working diligently to ensure the best possible outcomes for the 2009 financial year.

WOW Brisbane Broncos

BRISBANE BRONCOS LIMITED
(ABN 41 009 570 030)

APPENDIX 4E

PRELIMINARY FINAL REPORT
FOR YEAR ENDED 31 DECEMBER 2008

RESULTS FOR ANNOUNCEMENT TO THE MARKET				
Revenues from ordinary activities ($000)	Up	3%	to	25,621
Profit from ordinary activities before tax attributable to members ($000)	Down	15%	to	1,839
Profit from ordinary activities after tax attributable to members ($000)	Down	15%	to	1,238
Basic earnings per share (cents)	Down	15%	to	1.26 cents
Diluted earnings per share (cents)	Down	15%	to	1.26 cents
Net tangible asset backing per ordinary share (cents)	Up	2%	to	11 cents

DIVIDENDS	Amount per security	Franked amount per security
Final Dividend for 31 December 2008	Nil	Nil
Total amount per share relating to the year ended 31 December 2008	Nil	Nil
Previous corresponding period: Final Dividend for 31 December 2007 (payment date 15 April 2008)	1 cent	100%

AUDIT INFORMATION
The financial statements have been audited and a copy of the independent audit report is attached to the financial statements.

L. Lanigan.

Louise Lanigan
Company Secretary
23 February 2009

Corporate Information

A.B.N. 41 009 570 030

Directors
D C Somerville (Chairman)
B P Cullen (Managing Director)
D S Jackson
D M Watt
L G Brindle

Company Secretary
L A Lanigan

Registered Office and Principal Place of Business
Level 1
92 Fulcher Road
Red Hill 4059
Queensland
Australia

Share Register
Computershare Investor Services
Level 19
307 Queen Street
Brisbane 4000
Queensland
Australia

Brisbane Broncos Limited shares are listed on the Australian Stock Exchange.

Solicitors
Creagh Weightman
Level 19
200 Mary Street
Brisbane 4000
Queensland
Australia

Bankers
Queensland Country Credit Union
Ground Floor
MIM Plaza
410 Ann Street
Brisbane 4000
Queensland
Australia

Auditors
Ernst & Young
1 Eagle Street
Brisbane
Queensland
Australia

Year in review

FINANCIAL PERFORMANCE

The financial result for the year ended 31 December 2008 was down on previous years with a before tax profit of $1,838,685, after the three previous years produced results in excess of $2 million each year. On a positive note however, the result is $742,493 over budget and the outcome of very good performances across the board.

The after tax profit for the year was $1,238,103 (2007 $1,460,593). In a period of uncertain times and financial instability, future outcomes are under pressure. As a result the Board has decided against the payment of a dividend, with this surplus transferred to retained earnings which will assist in further reducing that negative balance.

HIGHLIGHTS

The highlight of the year was the increase in combined income from 2007 by $1,103,928 in the membership, ticketing and corporate sales areas. Record results were achieved in these sections of our business. Total income for the Group was up by $844,026 from the previous year with a drop in revenue from merchandise sales of $490,398 from 2007 impacting on the overall result. The 2007 merchandise figure was boosted to record levels because of the Broncos 20th year celebrations and 'one off' merchandise sales associated with that.

All home games were 'sell-outs' with respect to corporate facilities, including one match where clients were taken outside of the ground for pre-game dining because Suncorp Stadium was at capacity in this area.

Sponsorship remained at a high level and equal to the previous year at $7.3 million. This too was an excellent result considering the economic climate throughout the year.

With record sales across all major categories, corresponding increases were experienced in the expenditure associated with those sales. Overall commercial operations expenditure was up by $555,591 from the previous year. The introduction of the National Youth Competition (Under 20's) also meant that new expenditure of $723,644 had to be accommodated. It is expected over time that this competition will open opportunities for new revenue streams for the Club in sponsorship, but importantly it is a great investment in the future of the Brisbane Broncos.

Game day attendances were another standout with growth in average crowds achieved for the fifth consecutive year. At more than double the NRL average, the Broncos averaged 33,402 per game in 2008. The majority of games exceeded budget with outstanding results for the Nth Queensland Cowboys and Newcastle Knights matches. The latter was the final game of the season and the farewell match for head coach Wayne Bennett and veteran player Tonie Carroll.

BRISBANE BRONCOS RUGBY LEAGUE FOOTBALL TEAM

2008 proved to be a successful but heartbreaking year for the Broncos in what was long serving head coach Wayne Bennett's final year with the Club. Wayne announced in early February that 2008 would be his 21st and last season with the Club after a long and successful reign (including six premierships) as head coach. The 2008 season began on a positive note but then faded with injuries to skipper Darren Lockyer and other key players. However, soon after the State of Origin series finished and the players began returning, the team only just failed to make the top four (finishing fifth by one point). We won an away final against the Sydney City Roosters in the first week of the finals series. This put us in a unique situation of playing the next final at home at Suncorp Stadium against the reigning premiers Melbourne Storm. That game was lost in the dying seconds and the season was over in devastating fashion.

The performance of the team and coaching staff during the year is to be applauded. They played the brand of football which attracted record average attendance throughout the year and contributed substantially to the financial performance of the business.

While not going out a winner, Wayne Bennett left the Club with a great legacy and a tradition that generations to come will work hard to maintain.

BOARD OF DIRECTORS AND MANAGEMENT

On 26 February 2008 Peter Jourdain resigned as a director and was replaced by Lawrence Brindle, the Finance Director of Queensland Press Group. Peter was on the Board for five years during which time he contributed very positively to Brisbane Broncos Limited's corporate governance and strategic direction and we sincerely thank him for that.

Year in Review (continued)

BOARD OF DIRECTORS AND MANAGEMENT (continued)

Darryl Somerville completed his third full year as Chairman while Donald Jackson, Dennis Watt and myself performed our statutory duties as directors for the full term.

Individual director details are listed in the Directors' Report and notes to the financial statements in this publication.

During the year the full Board and senior management team completed a comprehensive strategic planning process with very positive and challenging outcomes. I would like to thank everyone for their contribution to that and also for their wonderful support throughout the year. The contribution by all associated with the running of the business is very much appreciated and the results reflect on the strong work ethic across the organisation.

THE YEAR AHEAD

There is an air of uncertainty about 2009 with the global financial crisis yet to fully impact on the Australian economy. The Broncos will not be immune to the impact the last twelve months have had on Australian businesses and families with perhaps more to come. There are signs already that certain sections of the business may experience some decline, however management are working diligently to ensure the best possible outcomes for the 2009 financial year.

Sponsorship levels have reduced slightly but negotiations continue to fill any void left in that regard. Corporate sales have also been affected but again we are confident of solid results across the board on a game by game basis. Season membership levels are above those achieved in 2008 and if that is reflected in game day sales then the outlook is much brighter.

The Board and management are closely monitoring all expenditure, especially in the first six months of the financial year, to ensure the correct balance is maintained as the year progresses.

In 2009 the Broncos will continue its support of our community benefit fund which has been enormously successful over the past two years. This program brings much relief to many organisations and individuals who generally lack support from government. In association with the Broncos Charities Fund, hundreds of individuals in need of care and assistance receive relief from the Brisbane Broncos and that will continue in even stronger numbers.

I take this opportunity to place on record our sincere thanks to all those associated with WOW Sight and Sound, our principal and naming rights sponsor who have just completed their first year in this position. The partnership was a successful one for all parties and with the added sponsorship of the Broncos playing jersey sleeve, WOW Sight and Sound are truly a fantastic contributor to the Club's financial well being.

I also thank the entire sponsorship family who contribute so much to our success. Many of these companies have been with us for a considerable time and their faith and continued support of the Brisbane Broncos brand and the team is greatly appreciated. I am confident we can have another enjoyable and successful year in partnership together.

Finally, despite the uncertainty that surrounds us all, I am confident that with the plans we have in place, and the dedicated workforce we have to deliver those plans, 2009 will produce the best possible results in the current climate.

Brian Patrick Cullen
Managing Director

Sponsor Overview 2008 and Beyond

A new principal sponsorship reign commenced in 2008 with WOW Sight & Sound becoming the sixth Principal Sponsor in the Club's history. WOW's association commenced in 2004 as a Club signage partner and developed into the Club's principal naming rights partner over four short years. Former Principal Sponsor Ergon Energy decreased their level of sponsorship and remained as a Platinum Sponsor in 2008 after eight years at the helm of the Club's Sponsor Hierarchy.

WOW's upgraded partnership featured their branding on both the front of jersey along with pre-existing branding on the jersey sleeves during the 2008 season. Their existing partnership will see them through to the end of 2011 with an option to renew their current agreement.

Club sponsorship has remained strong in 2008 with many major partners secured long-term. All members of the sponsorship family remained relatively similar in 2008 with only two departing sponsors; Harvey Norman and Elite Fitness. Despite these departures, overall sponsorship revenue increased by 1.9%.

Once again the Broncos reported impressive research results, independently conducted by Repucom. The Club recorded the number one position when benchmarked across all codes (NRL, AFL, Super 14's & A-League) for overall television ratings, with 23.45 million viewers in 2008, a 17% increase. Repucom also undertook an independent evaluation to analyse and benchmark the exposure generated by Australian football sponsors across all codes. Findings specific to Broncos sponsors included; WOW Sight & Sound generated $6.95 million in exposure value, finishing in first position for Major Sponsor Comparison for all inventory. Toyota also finished in first position for Back Jersey Sponsor as did Nike for the Apparel Sponsor Comparison category. The annual Roy Morgan research poll also recorded the Broncos as the most supported NRL team with 1.27 million fans Australia wide.

Club sponsors shared the in unprecedented exposure value of $19.2 million, an increase of 61% from the previous year with match broadcast value also climbing a staggering 71% in 2008. These findings attributed to the greatest research results achieved in the history of the Club. Along with positive membership figures and game day audiences, the Broncos continue to provide the best avenue to existing and prospective sponsors in delivering key messages and providing return on investment.

The end of the 2008 saw long serving and previous principal sponsor Ergon Energy indicate their intentions to turn down their option to renew their Platinum Sponsorship for the 2009 season. Qld Transport was another sponsor to follow suit and relinquish their partnership. We thank both sponsors for their commitment to the Broncos brand and make special mention of Ergon's long standing Principal Sponsorship of eight years, a magnificent achievement in the modern sport sponsorship era. Although a portion of revenue was lost with the departure of these sponsors, 2009 appears optimistic with existing sponsorship levels exceeding that of 2008 and negotiations currently in progress for new partnerships.

We take this opportunity to thank all sponsors for their loyal support and ongoing dedication to our Club and brand.

BRONCOS SPONSORSHIP HIERARCHY 2008

Principal Sponsor
WOW Sight & Sound

Platinum Sponsors
XXXX Bitter, Nike, Coca Cola Amatil, Broncos Leagues Club, Toyota, Ergon Energy, Queensland Transport, NRMA Insurance, Channel 9 & Nova 106.9

Major Sponsors
Queensland Country Credit Union, Bundaberg Rum, Four N Twenty/Streets

Associate Sponsors
Hogs Breath Café, Radio 4BC, Wyndham Estate, New Loan, Musashi, Yellow Cabs, Birch Carroll & Coyle & Australia Post

Official Suppliers / Supporters
Elastoplast Sport, Top Cut Foods Ltd, Hans, AlphaSport, Il Centro Restaurant & Cha Cha Char Restaurant

Sponsor Overview 2008 and Beyond (continued)

PRINCIPAL SPONSOR

WOW Sight & Sound – Electronic giant WOW Sight and Sound, Sleeve and Principal Sponsor for the first time in 2008. WOW's association with the Club has seen them climb the sponsorship hierarchy ladder to rise to Principal Sponsor, this is also mirrored in their business growth and success throughout Australia.

2008 PLATINUM SPONSORS

XXXX Bitter – Queensland's favourite beer continues to support the Broncos as a Platinum Sponsor in 2008. The partnership enables the two celebrated icons to unite as Queensland's most favoured identities.

Nike – sharing strong and common brand values as market leaders, in 1996 the Broncos established a partnership with Nike as our exclusive apparel, accessory and equipment sponsor. Our close working relationship has allowed for many new and exciting Nike product innovations on the football field and beyond.

Coca Cola – another market leader and a longstanding partner of the Broncos, Coca-Cola is the official non-alcoholic drink supplier of the Broncos. Coca Cola continues to dominate the Australian non-alcoholic beverage market share in all categories.

Broncos Leagues Club – sharing our intellectual property and many associated resources, the success of both the Broncos Leagues Club and the Broncos Football Club is of great importance. As such, our partnership is a strong and effective one.

Toyota – the Club's exclusive motor vehicle and lower back of jersey Platinum Sponsor in 2008. Toyota continues to be a significant driving force behind the Broncos and is Australia's market leader in both sales and exports.

Ergon Energy – past Principal Sponsor for an unprecedented eight years remained as a Platinum Major sponsor in 2008. Ergon Energy powers an area covering 97% of Queensland and supplies electricity to over 600,000 customers - from the coast to the outback. Its mission is to deliver sustainable, quality energy solutions to regional Queensland. Its network consists of around 150,000 kilometres of powerlines supported by around one million power poles and a team of over 4,000 people.

Queensland Transport – Queensland Transport and the Broncos were proud to be working together to promote road safety in Queensland.

NRMA Insurance – Part of one of Australia's largest general insurance groups. NRMA Insurance is here to help you uncomplicate, unhassle and unworry. As a provider of motor, home, CTP and a number of other insurance products, they are committed to ensuring Queenslanders can get on with their lives, without worry. Now entering their sixth year as a Major Sponsor of the Brisbane Broncos, they have involved the Club in major advertising campaigns and are proud of their close association with such an iconic Queensland team.

Channel Nine Queensland – Queensland's premier television network, proudly supporting the Broncos and broadcasting all Broncos games to Queenslanders since 1991.

Nova 106.9 – Brisbane's official radio partner of the Broncos, continuing to deliver innovative and exciting promotions while also providing great support to the Club. Nova 106.9 recommends new music first and is the most listened to radio station in Brisbane making their partnership an excellent fit for the Broncos.

2008 MAJOR SPONSORS
Queensland Country Credit Union, Bundaberg Rum, Four'n Twenty/Streets

2008 ASSOCIATE SPONSORS
Hogs Breath Café, Radio 4BC, Wyndham Estate, New Loan, Musashi, Yellow Cabs, Birch Carroll & Coyle & Australia Post

2008 SUPPLIERS / SUPPORTERS
Elastoplast Sport, Top Cut Foods Ltd, Hans, AlphaSport, Elite Fitness, Il Centro Restaurant & Cha Cha Char Bar & Grill

Directors' Report

Your directors submit their report for the year ended 31 December 2008.

DIRECTORS

The names and details of Brisbane Broncos Limited's (the Company) directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Names, qualifications, experience and special responsibilities

Darryl Craig Somerville *Non-Executive Chairman* *Independent*	Mr Somerville was appointed as a director on 24 February 2005. On 29 April 2005 he was elected as Non-Executive Chairman. Prior to his retirement in 2005, Mr Somerville had a long career in the accounting industry. He joined PriceWaterhouseCoopers in 1982 after ten years at the Australian Taxation Office. His tenure at PriceWaterhouseCoopers spanned 23 years including 19 years as partner of which 8 ½ were as Managing Partner. He is a Fellow of both the Institute of Chartered Accountants of Australia and the Australian Society of Certified Practising Accountants and a member of the Australian Institute of Company Directors. During the past three years Mr Somerville was a Director and Chairman of the listed company Devine Limited, a property developer and home builder. He was appointed to the Devine board on 28 September 2005 and completed his term as Chairman and Director on 31 October 2008.
Brian Patrick Cullen *Managing Director* *Executive*	Prior to Mr Cullen's appointment as Managing Director on 6 January 2003 he was employed by Queensland Country Credit Union for 26 years – 12 of those as Chief Executive Officer. He is also Chairman of Queensland Country Credit Union Limited and is Chairman of Brisbane Broncos Leagues Club. Mr Cullen is a member of the Australian Institute of Credit Union Directors.
Donald Stanley Jackson *Non-Executive Director* *Independent*	Mr Jackson was appointed as a director on 20 November 2001. Mr Jackson was employed by Castlemaine Perkins in the liquor industry spanning a period of almost 25 years. He is a member of the Australian Institute of Company Directors. Mr Jackson is Chairman and Managing Director of DCBT Holdings Pty Ltd and director of Brisbane Markets Limited, FOGS Limited, Sunshine Coast Turf Club Limited and Sunshine Coast Helicopter Rescue Service Limited.
Dennis Michael Watt *Non-Executive Director*	Mr Watt was appointed as a director on 11 February 2003. Mr Watt has had a career in print media and for the past nine years he has been general manager of Quest Community Newspapers, which publishes 20 community newspapers from Noosa to Ipswich. He was previously Chief of Staff and Assistant Editor with The Courier Mail.
Lawrence George Brindle *Non-Executive Director* *(Appointed 26-02-08)*	Mr Brindle was appointed as a director on 26 February 2008. Mr Brindle formerly held the position of director of the Company (previously Pacific Sports Entertainment Limited) from 31 January 1996 to 16 November 1998. He is currently the Finance Director of the Queensland Press Group. He has been a director of the Australian Stockman's Hall of Fame and Outback Heritage Centre since 1999 and was formerly director of North Queensland Cowboys Rugby League Football Limited and The Big Pineapple.
Peter William Jourdain Non-Executive Director *(Resigned 26-02-08)*	Mr Jourdain was appointed as a director on 11 February 2003 and resigned on 26 February 2008. Mr Jourdain is a Chartered Accountant and is the Business Development Manager and Company Secretary for the News Limited group of companies.

COMPANY SECRETARY

Louise Anna Lanigan *Company Secretary*	Ms Lanigan has been Company Secretary and Chief Financial Officer since 3 July 2000. She has been a Chartered Accountant for 15 years. Prior to holding this position she was Group Financial Controller of an ASX listed company for two years and worked in the Chartered Accounting industry for eight years.

Directors' Report (continued)

DIRECTORS (continued)

Interests in the shares and options of the company and related bodies corporate

As at the date of this report, Mr Donald Jackson was the only director to hold shares in the Company. The number of shares owned by Mr Jackson and his related parties at this time was 28,500, which has not changed since the previous reporting date. There were no options in the Company issued as at the date of this report.

EARNINGS PER SHARE

	Cents
Basic Earnings Per Share	1.26 cents
Diluted Earnings Per Share	1.26 cents

DIVIDENDS

On 15 April 2008, a final dividend for the 2007 financial year of 1 cent per share franked to 100% at 30% corporate income tax rate was paid to the holders of fully paid ordinary shares. The total amount of the dividend paid was $980,406.31. Refer to note 8 to the financial statements for further details.

No dividends have been declared or recommended in relation to the financial year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The principal activity of the Brisbane Broncos Group ("the Group") during the 2008 financial year was the management and operation of the Brisbane Broncos Rugby League Football Team ("the Broncos"). There were no significant changes in the nature of those activities during the year.

OPERATING AND FINANCIAL REVIEW

Operating results for the year

The directors are very pleased with the financial result achieved in 2008. The Group recorded an after tax profit for the 31 December 2008 financial year of $1,238,103 compared to the $1,460,593 achieved in 2007. For comparison, the before tax profits for the 2008 and 2007 financial years were $1,838,685 and $2,163,403 respectively. Despite another strong financial performance by the Group, the Board consider it prudent not to declare a final dividend for the 2008 financial year due to the uncertainty ahead in relation to the current economic climate.

On the field, the Brisbane Broncos National Rugby League team once again finished in the top eight and the National Youth Competition team competed in the Grand Final, both of which were excellent achievements.

2008 saw the introduction of the National Youth Competition, the cost of which was expected to significantly affect the financial performance of the Group. However, due to a highly successful year from a sales perspective, the impact was minimised. This is the predominant reason why, despite the increase in gross revenue from 2007, the net profit is slightly lower than last year.

Review of operations

Revenue

The Group recorded gross revenue for the 2008 financial year of $25,620,819, which is an $844,026 increase from 2007. This successful result can be attributed to continued growth in corporate and season membership sales, increased crowd attendances, and additional sponsorship revenue. It should be noted that included in the 2007 gross revenue was $490,398, attributable to 'once off' income earned from sales in relation to the Broncos 20th Year celebrations.

The Group experienced its most successful year to date in corporate sales. Corporate suites and boxes were completely sold for each home game of the regular season. This had the flow on effect of increasing sales of all other corporate facilities as corporate clients had to pursue entertainment options other than boxes and suites. This pleasing result followed an already very strong corporate sales position achieved in 2007. Significant growth of 12.7% was experienced in 2008 for all corporate facilities with gross revenue increasing by $403,148.

Directors' Report (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Review of operations (continued)

The Group had another very successful sponsorship year with total sponsorship revenue achieving a growth of $128,426 (1.9%) from 2007. The potential growth in this category going forward continues to be restricted as all major sponsorship assets are completely sold. Management's focus going forward is on maintaining the existing high levels of sponsorship and creating possibilities for new opportunities to increase sponsorship revenue.

Season membership numbers increased 4.3% from 9,960 in 2007 to 10,389 in 2008 - the highest in the National Rugby League. Crowd attendances continued to improve on the previous year, increasing by 1.6% in 2008 to achieve an average of 33,402 (2007: 32,874). This is the third year in a row that the crowd average has sustained growth and exceeded 30,000 which is an enormous achievement and the highest again in the National Rugby League. Together, total gate taking and season membership revenue increased by $465,330 in 2008.

In round three of 2008, the North Queensland Cowboys match attracted a crowd in excess of 50,000. Six further games attracted more than 30,000 patrons with the remaining matches achieving crowds of more than 25,000 people. The Broncos were not scheduled any Monday night matches during the 2008 season. This average crowd result was particularly pleasing considering that nine of the twelve home games were scheduled on a Friday night. The other three matches were held on a Sunday afternoon. Sunday afternoons historically attract the strongest crowds.

Weather conditions were not favourable during the 2008 season as six matches were affected by inclement weather. This has not been experienced for a number of years. In 2007, only one match was affected by rain. A number of clashes with other major Brisbane and Gold Coast events occurred during the season which can have an impact on crowd numbers.

The Broncos were scheduled a home semi final match against the Melbourne Storm on Friday 20 September 2008. This game achieved a crowd in excess of 50,000 patrons. Although the Finals Series matches are owned and administered by the National Rugby League, it did provide the Group with the opportunity to earn commission revenue in relation to sales of corporate facilities.

Expenditure
Total operating expenses were $23,782,134, which is $1,168,744 more than last year. This is predominantly due to an increase in football related expenditure as a result of the costs associated with the operation of the National Youth Competition introduced in the 2008 season. Game day related expenditure also increased which is a direct result of the growth in game day revenue. The Club continues to invest in the future by allocating funds to an elite player development program and player rosters.

Financial Position
The directors believe the Group continues to remain in a sound financial position with $10,759,263 cash assets and $23,249,085 net assets.

Performance indicators

Management and the Board monitor the Group's overall performance from a strategic level through to the operating and financial performance of the Group. They regularly compare actual results of the business to operating plans and financial budgets to assess the Group's overall ongoing performance.

The Board and management have identified key performance indicators (KPIs) that are used together with budgeted targets to measure performance. The Board receives monthly operational and financial reports to enable all directors to actively monitor the Group's performance. These reports provide an operational update of all aspects of the business and a comprehensive financial analysis of actual results compared to budgets, full year forecasts, KPIs and a detailed explanation of all variances.

Risk management

The Group takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Group's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Group believes that it is crucial for all Board members to be a part of this process, and as such the Board addresses these issues through the Audit and Risk Management Committee. The current risk identification and review process is currently being further refined by the Audit and Risk Management Committee.

Directors' Report (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Risk management (continued)

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of KPIs of both a financial and non-financial nature.
- Board approval of a strategic plan completed during the 2008 financial year, which encompasses the Group's vision, mission and strategy statements designed to meet shareholders' needs and manage business risk.
- Annual review of the Group's insurance coverage.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events since balance date.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The directors are hopeful of maintaining the 2008 revenue levels in the 2009 financial year. However, it is uncertain what impact the current economic climate will have on the business. Management believe they have taken appropriate steps to ensure that the Group is in a strong position to cope with these uncertainties and will continue to look at ways to maximise profit and refine costs in 2009.

The directors have excluded from this report any further information on the likely developments in the operations of the Group and the expected results of those operations in future financial years, as the directors believe that it would be likely to result in unreasonable prejudice to one or more entities in the Group.

SHARE OPTIONS

At 31 December 2008, there were no share options granted to directors or relevant officers as part of their remuneration. There are no share options issued by the Company.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND DIRECTORS

Insurance and indemnity arrangements established in the previous year concerning officers of the Group were renewed during 2008. Each of the directors of the Company named earlier in this report and each full-time executive officer, director and secretary of all Group entities are indemnified via insurance cover against any claim or for any expenses or costs which may arise as a result of work performed in their respective capacities. The monetary limit is $10 million for each and every claim and in the aggregate during the policy period.

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director was as follows:

Board or Committee	*Number of Meetings*
Full Board	11
Audit and Risk Management	2

Directors' Report (continued)

DIRECTORS' MEETINGS (continued)

The attendance of the directors at meetings of the Board and of its Committees was:

	Full Board	*Audit & Risk Management Committee*
B P Cullen	11 (11)	2 (2)
D C Somerville	10 (11)	1 (2)
D S Jackson	10 (11)	2 (2)
P W Jourdain	2 (3)	1 (1)
D M Watt	11 (11)	2 (2)
L G Brindle	7 (8)	1 (1)

Where a director did not attend all meetings of the Board or relevant committee (or was not a director for the entire year), the number of meetings for which the director was eligible to attend is shown in brackets. The Board met twice during the 2008 financial year in their capacity as the Audit and Risk Management Committee. Given the size of the Company and the Board, it had been previously resolved that the entire Board comprises the Audit and Risk Management Committee.

REMUNERATION REPORT (audited)

This Remuneration Report outlines the director and executive remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report Key Management Personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing, and controlling major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company, and includes the five executives in the Company and the Group receiving the highest remuneration.

For the purposes of this report, the term 'executive' encompasses the Managing Director, senior executives, secretary of the Company and the Group.

Details of key management personnel

(i) Directors	
D S Somerville	Chairman (Non-Executive)
B P Cullen	Managing Director (Executive)
D S Jackson	Director (Non-Executive)
D M Watt	Director (Non-Executive)
L G Brindle	Director (Non-Executive) – appointed 26 February 2008
P W Jourdain	Director (Non-Executive) – resigned 26 February 2008
(ii) Executive	
L A Lanigan	Chief Financial Officer and Company Secretary

Remuneration committee

Due to the small size of the Board, a separate Remuneration Committee has not been established. The Board as a whole assesses the appropriateness of the nature and the amount of remuneration of key management personnel on a periodic basis by reference to relevant employment market conditions. The overall objective of this process is to ensure maximum stakeholder benefit from the retention of a high quality, high performing Board and executive team. The Board also consider all matters relevant to the nomination of directors. The non-executive directors are responsible for evaluating the performance of the Managing Director, who in turn evaluates the performance of all other senior executives.

Remuneration philosophy

The performance of the Company depends on the quality of its directors and executives. To prosper, the Company must attract, motivate and retain highly skilled directors and executives. To achieve this, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;
- Annual performance reviews to ensure executives are meeting pre-determined performance benchmarks; and
- In depth recruitment program to ensure executives with the appropriate skills and experience are employed.

Directors' Report (continued)

REMUNERATION REPORT (audited) (continued)

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive director remuneration

Objective
The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Structure
The Constitution and ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. An amount not exceeding the determined amount is then divided between the directors as agreed. The latest determination was at the Annual General Meeting held on 20 April 1995 where shareholders approved an aggregate remuneration of $110,000 per year. Each director receives a fixed fee for being a director of the Company. Historically the Company's annual directors' fees paid have been below this limit. The total directors' fees paid for the 2008 financial year were $74,500.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed periodically. The Board considers fees paid to non-executive directors of comparable companies when undertaking the periodical review process.

Each non-executive director receives an annual fee of $20,000 plus statutory superannuation for being a director of the Company, other than the Chairman who receives $30,000 plus statutory superannuation. News Limited employed directors receive $10,000 paid directly to their employer. The non-executive directors do not receive retirement benefits nor do they participate in any incentive program.

The remuneration of non-executive directors for the period ended 31 December 2008 and 31 December 2007 is detailed in Table 1 and 2 respectively of this report.

Executive remuneration

Objective
The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company so as to:

- Reward executives for Company, business unit and individual performance against budgets and targets; and
- Ensure total remuneration is competitive by market standards.

Structure
The non-executive directors are responsible for evaluating the performance of the Managing Director, who in turn evaluates the performance of all other senior executives. In determining the level and composition of executive remuneration, comparable executive roles and individual skill and experience are taken into consideration. The executives of the Company are subject to a formal annual performance review. The results of this performance review, the financial and/or operational performance of the Company and market conditions are all taken into consideration when determining revisions to remuneration.

The Company has entered into a detailed customised employment contract with the Managing Director and a standard contract with other executives. Details of the Managing Director's contract are provided below. Remuneration consists of the following key elements:

- Fixed remuneration
- Variable remuneration

The proportion of fixed remuneration and variable remuneration (potential short term and long term incentives) for each executive is set out in Table 1 and 2 of this report.

Directors' Report (continued)

REMUNERATION REPORT (audited) (continued)

Fixed remuneration

Objective
Fixed remuneration is reviewed annually by the Board. The process consists of a review of companywide, business unit and individual performance, and relevant comparative remuneration in the market and internally. The Board has access to external advice independent of management if required.

Structure
Senior managers and executives are given the opportunity to receive their fixed remuneration in a variety of forms including cash and fringe benefits such as motor vehicles at the discretion of the Managing Director. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

The fixed remuneration component of the Group and Company executives is detailed in Table 1 and 2.

Variable remuneration – Short Term Incentive (STI) and Long Term Incentive (LTI)

Structure
There are no formal STI or LTI payment programs in place for senior management. Senior management may be paid annual bonuses at the Managing Director's discretion with the approval of the Board of directors. The Managing Director considers results of performance reviews, effort, commitment, the financial and/or operational performance of the Company, and market conditions when considering the payment of bonuses.

The Managing Director's employment agreement provides for annual bonuses to be paid at the complete discretion of the Board. In considering this discretionary amount, the Board take into consideration such factors as the Company's overall financial performance, the personal efforts, dedication, commitment and contribution of the Managing Director, and the external conditions prevailing in the economy.

Group Performance
Profit before tax has increased from $996,210 in 2004 to $1,838,685 in 2008. For the three years prior to 2008 the Group generated profit before tax of greater than $2 million however the 2008 financial year result fell just below this figure. Earnings per share for the current year and the past four financial years are shown below:

Year ended	*2008*	*2007*	*2006*	*2005*	*2004*
Profit before tax	$1.84 million	$2.16 million	$2.26 million	$2.32 million	$.99 million
Earnings per share (cents)	1.26	1.49	1.57	2.84	1.41

The share price has moved from 24 cents at 1 January 2008 to 23 cents at 31 December 2008. The directors note that given the large shareholding of Nationwide News Pty Ltd (68.87%) and the low volume of trade, they do not necessarily consider the share price to reflect the true underlying value of the Company.

Employment contracts

Managing Director
The Managing Director, Mr Brian Cullen, is employed under contract which expires on 30 September 2009. At this time the Group may choose to commence negotiation to enter into a new employment contract with Mr Cullen if both parties agree.

Mr Cullen's salary package is reviewed annually as determined by the Board of Directors. The review is based on individual and Group performances, effort, commitment and the market rates for the salary packages of similar packages elsewhere in Australia.

Directors' Report (continued)

REMUNERATION REPORT (audited) (continued)

Employment contracts (continued)

Managing Director (continued)

Details of Mr Cullen's employment contract are as follows:

- Mr Cullen receives fixed remuneration of $270,000 plus 9% superannuation and a fully maintained motor vehicle.
- Mr Cullen is entitled to an increase of his fixed remuneration of at least CPI each year.
- Mr Cullen is entitled to be paid annual bonuses as a result of individual achievement, effort, dedication, commitment and overall Company performance at the discretion of the Board of Directors.
- Mr Cullen may resign from his position and thus terminate his contract by giving three months written notice.
- The Company may terminate the contract immediately following notice given by Mr Cullen providing payment of a minimum three months salary in lieu of the notice period (based on the fixed component of Mr Cullen's remuneration).
- The Company may terminate the contract by giving three months written notice and providing a payment in lieu of three months salary in lieu of the notice period. A payment of not less than six months salary will also be paid in these circumstances. These payments are based on the fixed component of Mr Cullen's remuneration.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Managing Director is only entitled to that portion of remuneration that is fixed, and only up to the date of termination.

Other Executives (standard contracts)
All executives have rolling contracts. The Company may terminate the executive's employment by providing four weeks notice in writing or providing payment in lieu of the notice period (based on the fixed component of the executive's remuneration). The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the executive is only entitled to that portion of remuneration that is fixed, and only up to the date of termination.

Remuneration of key management personnel

Table 1: Remuneration for the year ended 31 December 2008

	Short Term			Post Employment	Total	Performance Related
	Salary & Fees	Cash Bonus	Non Monetary Benefits	Superannuation		
	$	$	$	$	$	%
Non-executive directors						
D C Somerville - Chairman	-	-	-	32,700	32,700	-
D S Jackson - Non-executive	-	-	-	21,800	21,800	-
P W Jourdain - Non-executive (resigned 26/02/08)+	1,566	-	-	-	1,566	-
D M Watt - Non-executive +	10,000	-	-	-	10,000	-
L G Brindle – Non-executive (appointed 26/02/08) +	8,434	-	-	-	8,434	
Sub-total non-executive directors	**20,000**	**-**	**-**	**54,500**	**74,500**	
Executive directors						
B P Cullen – Managing Director	270,000	10,000	20,000	68,800*	368,800	13.56%
Other key management personnel						
L A Lanigan – Company Secretary & Chief Financial Officer	132,000	10,000	20,000	11,880	173,880	5.75%
Sub-total executive KMP	**402,000**	**20,000**	**40,000**	**80,680**	**542,680**	
Totals	**422,000**	**20,000**	**40,000**	**135,180**	**617,180**	

+ Fees for Dennis Watt, Peter Jourdain and Lawrence Brindle are paid directly to their employer.
* Includes a $40,000 bonus that was salary sacrificed as a superannuation payment.

If a person was not employed for the full year, the amounts above reflect the remuneration for the period the individual was employed.

Directors' Report (continued)

REMUNERATION REPORT (audited) (continued)

Remuneration of key management personnel (continued)

Table 2: Remuneration for the year ended 31 December 2007

	Short Term			Post Employment	Total	Performance Related
	Salary & Fees	Cash Bonus	Non Monetary Benefits	Superannuation		
	$	$	$	$	$	%
Non-executive directors						
D C Somerville - Chairman	-	-	-	32,700	32,700	-
D S Jackson - Non-executive	-	-	-	21,800	21,800	-
P W Jourdain - Non-executive +	10,000	-	-	-	10,000	-
D M Watt - Non-executive +	10,000	-	-	-	10,000	-
Sub-total non-executive directors	**20,000**	**-**	**-**	**54,500**	**74,500**	
Executive directors						
B P Cullen – Managing Director	262,500	50,000	15,000	23,625	351,125	14.24%
Other key management personnel						
L A Lanigan – Company Secretary & Chief Financial Officer	126,000	10,000	15,000	11,340	162,340	6.16%
Sub-total executive KMP	**388,500**	**60,000**	**30,000**	**34,965**	**513,465**	
Totals	**408,500**	**60,000**	**30,000**	**89,465**	**587,965**	

+ Fees for Peter Jourdain and Dennis Watt are paid directly to their employer.

If a person was not employed for the full year, the amounts above reflect the remuneration for the period the individual was employed.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Brisbane Broncos Limited support and adhere to where practical the principles of corporate governance. The Company's Corporate Governance Statement is contained in the following section of this annual report.

AUDITOR INDEPENDENCE AND NON-AUDIT SERVICES

The directors received the declaration on page 15 from the auditor of Brisbane Broncos Limited.

NON-AUDIT SERVICES

Details of non-audit services provided by the entity's auditor, Ernst & Young, are included at note 27 of the financial report. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Signed in accordance with a resolution of the directors.

Darryl Somerville
Chairman
Brisbane
23 February 2009

Brian Cullen
Managing Director
Brisbane
23 February 2009

1 Eagle Street
Brisbane QLD 4000 Australia
GPO Box 7878 Brisbane QLD 4001

Tel: +61 7 3011 3333
Fax: +61 7 3011 3100
www.ey.com/au

Auditor's Independence Declaration to the Directors of Brisbane Broncos Limited

In relation to our audit of the financial report of Brisbane Broncos Limited for the financial year ended 31 December 2008, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Ric Roach
Partner
Brisbane
23 February 2009

Corporate Governance Statement

The Board of directors of Brisbane Broncos Limited is responsible for establishing the corporate governance framework of the Group having regard to the ASX Corporate Governance Council (CGC) published guidelines as well as its corporate governance principles and recommendations. The Board guides and monitors the business affairs of the Group on behalf of its shareholders by whom they are elected and to whom they are accountable.

Brisbane Broncos Limited's Corporate Governance Statement is structured with reference to the Corporate Governance Council's principles and recommendations which are as follows:

Principle 1	Lay solid foundations for management and oversight.
Principle 2	Structure the board to add value.
Principle 3	Promote ethical and responsible decision making.
Principle 4	Safeguard integrity in financial reporting.
Principle 5	Make timely and balanced disclosure.
Principle 6	Respect the rights of shareholders.
Principle 7	Recognise and manage risk.
Principle 8	Remunerate fairly and responsibly.

Brisbane Broncos Limited's corporate governance practices were in place throughout the year ended 31 December 2008. Various corporate governance practices are discussed within this statement. For further information on corporate governance policies adopted by Brisbane Broncos Limited, refer to our website: www.broncos.com.au

NON COMPLIANCE WITH BEST PRACTICE RECOMMENDATIONS OF ASX CORPORATE GOVERNANCE COUNCIL

Where practical, the Group has complied with the Best Practice Recommendations suggested by the ASX Corporate Governance Council. However, there are some instances whereby due to the limited size of the Board, or News Limited's substantial shareholding in the Company, it is not considered economical or practical to implement some Recommendations. The Best Practice Recommendations that have not been complied with are disclosed below.

COMPOSITION OF BOARD OF DIRECTORS

Directors of Brisbane Broncos Limited are classified as either executive or non-executive, with the former being those directors engaged in full time employment by the Group. As at the end of the financial year the Board comprised of five members, four non- executive and one executive member being the Managing Director. Of the four non-executive board members, two were independent.

Therefore, ASX Best Practice Recommendation 2.1 "A majority of the Board should be independent directors" is not complied with.

At this point in time, due to the size of the Company, it is considered most practical and economical to limit the size of the Board to five members. As News Limited controls 69% of the Company, it intends to maintain at least two non-executive Board members.

BOARD FUNCTIONS

The Board of Directors and executive management operate in accordance with a Board Charter. The Board oversees the business of the Brisbane Broncos Limited ("the Company") and its controlled entities and is responsible for corporate governance of the Group. The Board establishes broad corporate policies, sets the strategic direction for the Group and oversees management. They are also responsible for guiding and monitoring the Group on behalf of the shareholders.

The Board seeks to identify the expectations of the shareholders, as well as other regulatory and ethical expectations and obligations. In addition the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

The Board is responsible for overseeing the financial position and for monitoring the business and affairs on behalf of the shareholders, by whom the directors are elected and to whom they are accountable. It also addresses issues relating to internal controls and approaches to risk management.

Various information reports are regularly sent to the Board in order to keep them informed of the Group's business. Directors also receive monthly operating and financial reports and have access to senior management at Board and Committee meetings. The Board holds regular meetings (average nine) each year and special meetings if necessary.

Corporate Governance Statement (continued)

BOARD FUNCTIONS (continued)

To ensure the Board is well equipped to discharge its responsibilities it has established guidelines for the nomination and selection of directors and for the operation of the Board.

The responsibility for the operation and administration of the Company is delegated, by the Board, to the Managing Director and the executive team. It is the Board's responsibility to appoint or remove the Managing Director and to ratify the appointment or removal of key executives and Company Secretary. The Board ensures that this executive team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the Managing Director and executive management team. The Board ensures appropriate resources are available to senior executives to enable them to achieve performance objectives.

Due to the limited size of the Board, only one sub-committee has been established being the Audit and Risk Management Committee. The entire Board comprises the membership of this committee. The Board as a whole addresses all other matters of the business that arise as required.

The Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risk identified by the Board. The Board has a number of mechanisms in place to ensure this is achieved including:

- Strategic meetings with executives to discuss initiatives and strategies concerning operations and business improvement recommendations.
- Approval of a strategic plan designed to meet shareholders' needs and manage business risk.
- Monitoring senior executives' performance.
- Implementation of budgets by management and monitoring progress against budget – via the establishment and reporting of both financial and non-financial key performance indicators.
- Reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

Other functions reserved to the Board include:

- Approval of annual and half-yearly financial reports.
- Approving and monitoring progress of major capital expenditure and capital management.
- Ensuring that any significant risks that arise are identified, assessed, appropriately managed and monitored.
- Reporting to shareholders.

STRUCTURE OF THE BOARD

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the Directors' Report. Directors of Brisbane Broncos Limited are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

In the event that a potential conflict of interest may arise, involved directors withdraw from all deliberations concerning the matter and are not permitted to exercise any influence over other Board members or receive relevant Board papers.

There are procedures in place, agreed by the Board, to enable directors in furtherance of their duties to seek independent professional advice at the Company's expense. If appropriate, any advice so received will be made available to all directors.

The term in office held by each director at the date of this report is as follows:

D C Somerville	4 years
B P Cullen	6 years
D S Jackson	7 years
D M Watt	6 years
L G Brindle	1 year

Executive directors do not receive any additional compensation for serving as a director. Non-executive directors receive fees for serving on the Board.

Corporate Governance Statement (continued)

PERFORMANCE EVALUATION OF BOARD AND KEY EXECUTIVES

The performance of the Board and key executives is reviewed regularly against both measurable and qualitative indicators. The Group has a formal, documented process in place for the review and evaluation of all employees, including key executives. This occurs on an annual basis. During the reporting period, the Managing Director conducted written and verbal performance evaluations for all senior executives and managers which involved assessment of each person's performance against specific and measurable qualitative and quantitative performance criteria.

A formal, documented review process is also in place for the Board of Directors. The Board individually and as a whole annually reviews their own performance and that of the Chairman, Managing Director and the Board as a whole. The directors commenced this annual review process during the reporting period, the finalisation of which is still in progress at the reporting date. Directors whose performance is consistently unsatisfactory may be asked to retire.

DISCLOSURES ABOUT DIRECTORS

Details of the directors' remuneration and retirement benefits are disclosed in note 25(b) and in the Directors' Report. Details of the indemnity given to directors are disclosed in the Directors' Report. Details of directors' shareholdings are disclosed in note 25(c) and in the Directors' Report.

AUDIT AND RISK MANAGEMENT COMMITTEE

The entire Board comprises the Audit and Risk Management Committee due to its limited size. The Board addresses all issues that a separate Audit and Risk Management Committee would address and comprehensive processes are in place to ensure the integrity of the Company's financial reporting. However, due to the limited size of the Board and the 69% controlling interest in the Company by News Limited, it is impractical to comply with ASX Best Practice Recommendation 4.2 that recommends the preferred structure of the Audit and Risk Management Committee. The Chairman of the Audit and Risk Management Committee is Mr Lawrence Brindle.

The Audit and Risk Management Committee is responsible for ensuring that an effective internal control network exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information and well as non-financial considerations such as the benchmarking of operational key performance indicators. The full Board as the Audit and Risk Management Committee and management oversee the establishment and implementation of the risk management system, and review at least annually the effectiveness of this system. Due to its size, the Company does not have an internal audit function however it is Company policy for management to regularly conduct an assessment of the following:

- Adequacy, appropriateness and effectiveness of accounting and operating controls.
- Management processes supporting external reporting.
- A continuous improvement program for accounting and operating controls.
- Extent of compliance with Group policies and procedures.
- Accuracy and security over data and information.
- Accountability for Group's assets to safeguard against loss.
- Continual review of the cost structure of the business in an attempt to identify inefficiencies
- Economy and efficiency with which resources are employed.

If deficiencies in any of the above are identified, management will promptly implement a policy to overcome the deficiency.

The Audit and Risk Management Committee are also responsible for monitoring the independence and suitability of the external auditors and all professional advisors.

RISK

The Board acknowledges the *Revised Supplementary Guidance to Principal 7* issued by the ASX in June 2008. The identification and effective management of risk, including calculated risk-taking is viewed as an essential part of the Company's approach to creating long-term shareholder value.

In recognition of this, the Board determines the Company's risk profile and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control. In doing so, the Board has taken the view that it is crucial for all Board members to be a part of this process and as such the entire Board comprises the Audit and Risk Management Committee.

Corporate Governance Statement (continued)

RISK (continued)

The Board oversees the effectiveness of risk management and internal control. The tasks of undertaking and assessing risk management and internal control effectiveness are delegated to management through the Managing Director, including responsibility for the day to day design and implementation of the Company's risk management and internal control system. Management reports to the Board on the Company's key risks and the extent to which it believes these risks are being adequately managed.

The Company's process of risk management and internal compliance and control currently includes:

- Establishing the Company's goals and objectives, and implementing and monitoring strategies and policies to achieve these goals and objectives.
- Preparation of a strategic plan, which encompasses the Company's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk.
- Continuously identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors that affect these risks.
- Formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and controls.
- Monitoring the performance of, and continuously improving the effectiveness of, risk management systems and internal control compliance and controls, including an annual assessment of the effectiveness of risk management and internal compliance and control.

The executive team is currently refining and formalising the Company's risk management strategies and policies.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of KPIs of both a financial and non-financial nature.
- Receipt of detailed monthly board reports assessing actual performance of the Group and potential risks or issues foreseen by management.
- Board approval of a strategic plan completed during the 2008 financial year, which encompasses the Group's vision, mission and strategy statements designed to meet shareholders' needs and manage business risk.
- Annual review of the Group's insurance coverage.

To this end, the risk management practices in place are directed towards achieving the following objectives:

- Effectiveness and efficiency in the use of Company resources.
- Compliance with applicable laws and regulations.
- Preparation of reliable published financial information.

REMUNERATION

It is the Company's objective to provide maximum shareholder benefit from the retention of a high quality Board and executive team by remunerating directors and key executives fairly and appropriately with reference to relevant employment market conditions. For a full discussion of the Company's remuneration philosophy and framework, and the remuneration received by directors and executives in the current period please refer to the Remuneration Report which is contained within the Directors' Report.

There is no scheme to provide retirement benefits to non-executive directors.

Given the size of the Board, separate Nomination and Remuneration Committees have not been established. Therefore, ASX Best Practice Recommendations 2.4 and 8.1 have not been complied with. The full Board deals with nomination and remuneration issues as and when required. There are Board processes in place which raise the issues that would otherwise be considered by a Nomination or Remuneration Committee.

Corporate Governance Statement (continued)

TRADING POLICY

Under the Company's Securities Trading Policy, an executive or director must not trade in any securities of the Company at any time when they are in possession of unpublished, price-sensitive information in relation to those securities. Before commencing to trade, an executive must first obtain approval of the Company Secretary to do so and a director must first obtain approval of the Chairman.

Only in exceptional circumstances will approval be forthcoming outside of the period which is four weeks after:

- One day following the announcement of the half yearly and full year results as the case may be.
- One day following the holding of the Annual General Meeting.
- One day after any other form of earnings forecast update is given to the market.

As required by the ASX listing rules, the Company notifies the ASX of any transaction conducted by directors in the securities of the Company.

CEO AND CFO CERTIFICATION

In accordance with section 295A of the *Corporations Act,* the Chief Executive Officer and the Chief Financial Officer have provided a written statement to the Board that:

- Their view provided of the Company's financial report is founded on a sound system of risk management and internal compliance and control which implements financial policies adopted by the Board.
- That the Company's risk management and internal compliance and control system is operating effectively in all material respects.

The Board agrees with the views of the ASX on this matter and notes that due to its nature, internal control assurance from the CEO and CFO can only be reasonable rather than absolute. This is due to such factors as the need for judgement, the use of testing on a sample basis, the inherent limitations in internal control and because much of the evidence available is persuasive rather than conclusive and therefore is not and cannot be designed to detect all weaknesses in control procedures.

CODE OF CONDUCT FOR THE CHIEF EXECUTIVE AND KEY EXECUTIVES

To further promote ethical and responsible decision making, the Board has established a Code of Conduct for the Managing Director and key executives that is included in the Group's Code of Conduct. The full text of the Code of Conduct is available on the Group's website (www.broncos.com.au).

SHAREHOLDER COMMUNICATION

The Board of Directors aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs. Information is communicated to shareholders through:

- The annual report and interim report.
- Disclosures made to the Australian Stock Exchange.
- Notices and explanatory memoranda of annual general meetings.
- The annual general meeting.
- The Group's website (www.broncos.com.au) which has a dedicated investor relations section.

It is both Company policy and the policy of the auditor for the lead engagement partner to be present at the annual general meeting and to answer questions if necessary about the conduct of the audit and the preparation and content of the Independent Audit Report. Shareholders are invited to raise matters of concern at general meetings.

ETHICAL STANDARDS AND PERFORMANCE

The Board acknowledges the need for and continued maintenance of the highest standards of corporate governance practice and ethical conduct by all directors and employees of the Group. Consistent with its legal obligations, as well as part of its commitment to corporate governance, the Board has implemented an overall framework of internal control and business risk management process, and established a Standards of Business Conduct for directors, officers and employees and a Code of Ethics for the Managing Director and key executives.

Balance Sheet
as at 31 December 2008

	Note	Consolidated		Parent	
		2008	2007	2008	2007
		$	$	$	$
ASSETS					
Current Assets					
Cash and cash equivalents	10	10,759,263	10,644,080	10,345,242	10,319,282
Trade and other receivables	11	2,810,250	2,786,084	558,795	138,606
Inventories	12	2,761	50,000	-	-
Other current assets		574,258	229,834	109,980	93,333
Total Current Assets		**14,146,532**	**13,709,998**	**11,014,017**	**10,551,221**
Non-current Assets					
Other financial assets	15	-	-	5	5
Property, plant and equipment	14	2,314,949	2,282,587	-	-
Intangible assets	16	12,482,580	12,482,580	-	-
Deferred income tax asset	7(c)	-	7,885	-	7,924
Total Non-current Assets		**14,797,529**	**14,773,052**	**5**	**7,929**
TOTAL ASSETS		**28,944,061**	**28,483,050**	**11,014,022**	**10,559,150**
LIABILITIES					
Current Liabilities					
Trade and other payables	17	895,586	693,825	161,993	161,899
Provisions	18	428,461	369,038	141,379	112,313
Income taxes payable	7	64,931	393,446	64,931	393,446
Unearned revenue		4,125,818	3,959,184	-	-
Total current liabilities		**5,514,796**	**5,415,493**	**368,303**	**667,658**
Non-current Liabilities					
Trade and other payables	19	-	-	3,164,045	2,789,500
Provisions	20	99,055	76,169	35,008	21,734
Deferred income tax liability	7(c)	81,125	-	101,853	-
Total non-current liabilities		**180,180**	**76,169**	**3,300,906**	**2,811,234**
TOTAL LIABILITIES		**5,694,976**	**5,491,662**	**3,669,209**	**3,478,892**
NET ASSETS		**23,249,085**	**22,991,388**	**7,344,813**	**7,080,258**
EQUITY					
Equity attributable to equity holders of the parent					
Contributed equity	21	28,991,500	28,991,500	28,991,500	28,991,500
Accumulated losses	22	(5,742,415)	(6,000,112)	(21,646,687)	(21,911,242)
TOTAL EQUITY		**23,249,085**	**22,991,388**	**7,344,813**	**7,080,258**

The above balance sheet should be read in conjunction with the accompanying notes.

Income Statement
for the year ended 31 December 2008

	Note	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
Continuing operations					
Sales revenue		24,770,580	24,089,769	-	-
Dividend revenue		-	-	1,580,981	1,866,303
Interest revenue		803,333	590,734	802,395	590,033
Other revenue		46,906	96,290	33,000	36,028
Revenue	6(a)	25,620,819	24,776,793	2,416,376	2,492,364
Expenses	6(b)	(23,782,134)	(22,613,390)	(1,312,793)	(1,207,843)
Profit/(loss) from continuing operations before income tax		**1,838,685**	**2,163,403**	**1,103,583**	**1,284,521**
Income tax benefit/(expense)	7(a)	(600,582)	(702,810)	141,378	171,887
Net profit/(loss) for the period attributable to members of the Parent		**1,238,103**	**1,460,593**	**1,244,961**	**1,456,408**
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company:					
Basic earnings per share	9	1.26 cents	1.49 cents		
Diluted earnings per share	9	1.26 cents	1.49 cents		

The above income statement should be read in conjunction with the accompanying notes.

Cash Flow Statement
for the year ended 31 December 2008

	Note	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		27,409,815	27,242,865	-	4,723
Payments to suppliers & employees		(26,041,937)	(25,419,434)	(1,706,049)	(1,131,655)
Rent received		33,000	36,000	33,000	36,000
Other revenue received		13,892	147,128	-	28
Interest received		803,333	590,735	802,395	590,033
Income tax paid		(840,087)	(191,226)	(840,087)	(191,226)
Interest and other costs of finance paid		(1,133)	(664)	(1,133)	(639)
Net cash flows from/(used in) operating activities	23	**1,376,883**	**2,405,404**	**(1,711,874)**	**(692,736)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividends received		-	-	1,580,981	1,866,303
Purchase of property, plant and equipment		(281,294)	(1,544,368)	-	-
Net cash flows from/(used in) investing activities		**(281,294)**	**(1,544,368)**	**1,580,981**	**1,866,303**
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		(980,406)	-	(980,406)	-
Payments to controlled entities		-	-	-	(200,317)
Proceeds from controlled entities		-	-	1,137,259	-
Net cash flows from/(used in) financing activities		**(980,406)**	**-**	**156,853**	**(200,317)**
Net increase in cash and cash equivalents		115,183	861,036	25,960	973,250
Cash and cash equivalents at beginning of the period		10,644,080	9,783,044	10,319,282	9,346,032
Cash and cash equivalents at end of period	10	**10,759,263**	**10,644,080**	**10,345,242**	**10,319,282**

The above cash flow statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
for the year ended 31 December 2008

CONSOLIDATED	Note	Attributable to equity holders of the parent: Issued Capital	Retained Profits/ (Accumulated Losses)	Total Equity
At 1 January 2007		28,991,500	(7,460,705)	21,530,795
Profit for the year		-	1,460,593	1,460,593
At 31 December 2007		**28,991,500**	**(6,000,112)**	**22,991,388**
Dividends paid		-	(980,406)	(980,406)
Profit for the year		-	1,238,103	1,238,103
At 31 December 2008	21/22	**28,991,500**	**(5,742,415)**	**23,249,085**

PARENT	Note	Attributable to equity holders of the parent: Issued Capital	Retained Profits/ (Accumulated Losses	Total Equity
At 1 January 2007		28,991,500	(23,367,650)	5,623,850
Loss for the year		-	1,456,408	1,456,408
At 31 December 2007		**28,991,500**	**(21,911,242)**	**7,080,258**
Dividends paid		-	(980,406)	(980,406)
Profit for the year		-	1,244,961	1,244,961
At 31 December 2008	21/22	**28,991,500**	**(21,646,687)**	**7,344,813**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to the financial statements
for the year ended 31 December 2008

1. CORPORATE INFORMATION

The financial report of Brisbane Broncos Limited for the year ended 31 December 2008 was authorised for issue in accordance with a resolution of directors on 23 February 2009.

Brisbane Broncos Limited (the parent) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian stock exchange. The immediate parent of Brisbane Broncos Limited is Nationwide News Pty Ltd which owns 68.87% of the ordinary shares with the ultimate parent being News Limited.

The nature of operations and principal activities of the Group are described in the Directors' Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on a historical cost basis. The financial report is presented in Australian dollars.

(a) Compliance with IFRS

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(b) New accounting standards and interpretations

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the annual reporting period ended 31 December 2008. These are outlined in the table below:

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) New accounting standards and interpretations (continued)

Reference	Title	Summary	Application date of standard	Nature of change to accounting policy	Application date for Group
AASB 8 and AASB 2007-3	Operating Segments and consequential amendments to other Australian Accounting Standards	New standard replacing AASB 114 *Segment Reporting*, which adopts a management reporting approach to segment reporting.	1 January 2009	These amendments are expected to reduce the extent of some disclosures in the Group's financial report.	1 January 2009
AASB 123 (Revised) and AASB 2007-6	Borrowing Costs and consequential amendments to other Australian Accounting Standards	The amendments to AASB 123 require that all borrowing costs associated with a qualifying asset be capitalised.	1 January 2009	The amendments are not expected to have any impact on the Group's financial report as the Group has no borrowing costs associated with qualifying assets.	1 January 2009
AASB 101 (Revised) and AASB 2007-8	Presentation of Financial Statements and consequential amendments to other Australian Accounting Standards	Introduces a statement of comprehensive income. Other revisions include impacts on the presentation of items in the statement of changes in equity, new presentation requirements for restatements or reclassifications of items in the financial statements, changes in the presentation requirements for dividends and changes to the titles of the financial statements.	1 January 2009	The amendments are expected to only affect the presentation of the Group's financial report and will not have a direct impact on the measurement and recognition of amounts under the current AASB 101. The Group has not determined at this stage whether to present the new statement of comprehensive income as a single or two statements.	1 January 2009
AASB 127 (Revised)	Consolidated and Separate Financial Statements	Under the revised standard, a change in the ownership interest of a subsidiary (that does not result in loss of control) will be accounted for as an equity transaction.	1 July 2009	The amendments are not expected to have any impact on the Group's financial report.	1 January 2010
AASB 2008-3	Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	Amending standard issued as a consequence of revisions to AASB 3 and AASB 127.	1 July 2009	The amendments are minor and do not affect the recognition, measurement or disclosure requirements of the standards. Therefore the amendments are not expected to have any impact on the Group's financial report.	1 January 2010

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) New accounting standards and interpretations (continued)

Reference	Title	Summary	Application date of standard	Nature of change to accounting policy	Application date for Group
AASB 2008-7	Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	The main amendments of relevance to Australian entities are those made to AASB 127 deleting the 'cost method' and requiring all dividends from a subsidiary, jointly controlled entity or associate to be recognised in profit or loss in an entity's separate financial statements (i.e., parent company accounts). The distinction between pre- and post-acquisition profits is no longer required. However, the payment of such dividends requires the entity to consider whether there is an indicator of impairment. AASB 127 has also been amended to effectively allow the cost of an investment in a subsidiary, in limited reorganisations, to be based on the previous carrying amount of the subsidiary (that is, share of equity) rather than its fair value.	1 January 2009	The amendments are not expected to have any impact on the Group's financial report.	1 January 2009

(c) Basis of consolidation

The consolidated financial statements comprise the financial statements of Brisbane Broncos Limited and its subsidiaries (as outlined in note 24) as at 31 December each year (the Group).

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

Special purpose entities are those entities over which the Group has no ownership but in effect the substance of the relationship is such that the Group controls the entity so as to obtain the majority of benefits from its operation. There are no special purpose entities in the Group.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies.

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Basis of consolidation (continued)

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries held by Brisbane Broncos Limited are accounted for at cost less any impairment charges in the separate financial statements of the parent entity.

(d) Segment Reporting – refer note 5

A business segment is a distinguishable component of the entity that is engaged in providing products or services that are subject to risks and returns that are different to those of other operating business segments.

(e) Cash and cash equivalents – refer note 10

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. If applicable, bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the balance sheet.

(f) Trade and other receivables – refer note 11

Trade receivables, which generally have 30-90 day terms, are recognised at original invoice amount less an allowance for any uncollectible amounts.

Collectability of trade receivables is reviewed on an ongoing basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is raised when there is objective evidence that the Group will not be able to collect the receivable. Financial difficulties of the debtor, together with lack of payment or commitment following correspondence from the Group's solicitor and debts that are more than 90 days old are considered objective evidence of impairment.

(g) Inventories – refer note 12

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(h) Investments and other financial assets

Investments and financial assets in the scope of AASB 139 *Financial Instruments: Recognition and Measurement* are categorised as either financial assets at fair vale through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated each financial year end, but there are restrictions on reclassifying to other categories. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Investments and other financial assets (continued)

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category 'financial assets as fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term with the intention of making a profit. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on financial assets held for trading are recognised in profit or loss and the related assets are classified as current assets in the balance sheet.

(ii) Loans and receivables – refer note 11 and 13

Loans and receivables including loan notes and loans to key management personnel are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired. These are included in current assets, except for those with maturities greater than 12 months after balance date which are classified as non-current.

(iii) Available-for-sale securities

Available-for-sale investments are those non-derivative financial assets, principally equity securities that are designated as available-for-sale or are not classified as any of the preceding categories. After initial recognition available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

(i) Property, plant and equipment – refer note 14

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

Depreciation is calculated on a diminishing value basis for plant and equipment and straight line basis for leasehold improvements over the estimated useful life of the asset as follows:

Plant and equipment – over 4 to 8 years
Leasehold improvements – over 10 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year-end.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Leases – refer note 26

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

(i) Group as lessee
Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term.

(k) Impairment of non-financial assets other than goodwill – refer note 16

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Brisbane Broncos Limited conducts an annual internal review of asset values which is used as a source of information to assess for any indicators of impairment. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair vale less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

(l) Intangible assets – refer note 16

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. There are no intangible assets with a finite life in the Group. Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed at each report period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to definite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

A summary of the policies applied to the Group's intangible asset is as follows:

	Sporting Franchise
Useful life	Indefinite
Method used	No amortisation
Internally generated/acquired	Acquired
Impairment testing	Annually and more frequently where an indication of impairment exists

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Intangible assets (continued) – refer note 16

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(m) Trade and other payables – refer note 17

Trade payables and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) Interest–bearing loans and borrowings

All loans and borrowings are initially recognised at fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Group has unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs
Borrowing costs are recognised as an expense when incurred.

(o) Provisions and employee leave benefits – refer note 18 and 20

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Income Statement net of any reimbursement.

Provisions are measured at the present value of managements' best estimate of the expenditure required to settle the present obligation at balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

Employee leave benefits

(i) Wages, salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within twelve months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at amounts expected to be paid when the liabilities are settled. The Group does not accumulate sick leave. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long service leave
The liability for long service leave is recognised and measured as present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Contributed equity – refer note 21

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Revenue recognition – refer note 6

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sponsorship revenue
Sponsorship revenue is recognised evenly on a monthly basis wholly within the financial year to which it relates.

Game day related revenue
Revenue relating to Brisbane Broncos home games is recognised in the period in which the game is held. Revenues received in advance of a playing season are deferred as unearned income in the balance sheet and brought to account over the relevant sporting seasons.

NRL grant revenue
NRL grant revenue is recognised evenly on a monthly basis over the course of the year to which the grant relates.

Prize money
Prize money is recognised in the financial year in which it is earned.

Interest
Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rental income
Rental income is accounted for in the period in which it is earned.

(r) Income tax and other taxes – refer note 7

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss; or

- when the taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, and the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Income tax and other taxes (continued)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax assets and unused tax losses can be utilised except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- when the deductible temporary differences is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation
Brisbane Broncos Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation as of 1 January 2004.

Brisbane Broncos Limited and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the stand-alone taxpayer approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, Brisbane Broncos Limited also recognises the current tax liabilities (or assets) and the deferred tax assts arising from unused tax losses and unused tax credits assumed from the controlled entities in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Group. Details of the tax funding agreement are disclosed in note 7(e).

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned consolidated entities.

Other Taxes

Revenues, expenses, assets and liabilities are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables are stated with the amount of GST included.

Notes to the financial statements (continued)
for the year ended 31 December 2008

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Income tax and other taxes (continued)

Other Taxes (continued)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(s) Earnings per share – refer note 9

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to include any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and short-term deposits. The Group has various other financial assets and liabilities such as trade receivables and trade payables which arise directly from operations. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements. The Group does not have any exposure to foreign exchange movements.

The financial risk management policies of the parent are consistent with the Group's.

Risk exposures and responses

Interest rate risk

The Group has minimal exposure to market interest rates due to its debt free status. As at balance date, the only financial assets or liabilities exposed to Australian Variable interest rate risk were cash and cash equivalents outlined below:

	Consolidated		**Parent**	
	2008	2007	2008	2007
	$	$	$	$
Cash at bank and in hand	2,759,263	5,160,563	2,345,242	4,835,765
Short-term deposit	8,000,000	5,483,517	8,000,000	5,483,517
	10,759,263	10,644,080	10,345,242	10,319,282

The Group invests its cash in short-term deposits earning interest at an average rate of 6.75% (2007: 6.25%) per annum. It is reasonably possible that movements in interest rates (+ 1%, - 3%) will not have any material effect on net profit or equity of the consolidated Group or parent entity for the year ended 31 December 2008.

Credit Risk

The Group is exposed to minimal risk from its financial instruments as a result of its debt free status. Therefore the main risk affecting the Group is credit risk. To minimise credit risk exposure, the Group trades only with recognised, creditworthy third parties. It is Group policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Notes to the financial statements (continued)
for the year ended 31 December 2008

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk exposures and responses (continued)

Liquidity Risk
The Group's objective is to maintain sufficient funds to finance its current operations and to ensure its long term survival. The Group currently maintains sufficient cash reserves to meet this objective. The Group has $450,989 (2007: $251,350) financial liabilities with six months or less contractual maturity. The contractual maturities of the parent's financial liabilities are $99,807 (2007: $87,127) with six months or less and $3,164,045 (2007: $2,789,500) with 1 – 5 years.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

(i) Significant accounting judgements

Impairment of non-financial assets
The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists the recoverable amount of the asset is determined. This involves the value in use calculations, which incorporate a number of key estimates and assumptions.

Taxation
Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised in the balance sheet. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future income and expenditure levels, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised in the balance sheet and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the income statement.

(ii) Significant accounting estimates and assumptions

Impairment of intangibles with indefinite lives
The Group determines whether intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units using a value in use discounted cash flow methodology to which the intangibles with indefinite useful lives are allocated. The assumptions used in this estimation of recoverable amount and the carrying amount of intangibles with indefinite useful lives are discussed in note 16.

Long service leave provision
As discussed in note 2(o), the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect to all employees at balance date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

Notes to the financial statements (continued)
for the year ended 31 December 2008

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

(ii) Significant accounting estimates and assumptions (continued)

Estimate of useful lives of assets

The estimation of useful lives of assets has been based on historical experience. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful life are made when considered necessary. Depreciation charges are included at note 6.

5. SEGMENT INFORMATION

The principal activity of the Group during the 2008 financial year was the management and operation of the Brisbane Broncos Rugby League Football Team. There were no significant changes in the nature of those activities during the year. The Group operates in Australia only.

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
6. REVENUE AND EXPENSES				
(a) Revenue				
Sales revenue	21,403,913	20,823,102	-	-
Dividend revenue	-	-	1,580,981	1,866,303
Grant received from National Rugby League	3,366,667	3,266,667		-
Interest revenue	803,333	590,734	802,395	590,033
Rent revenue	33,000	36,000	33,000	36,000
Other revenue	13,906	60,290	-	28
	25,620,819	24,776,793	2,416,376	2,492,364
(b) Expenses				
Administration expense	2,532,005	2,352,337	1,311,660	1,207,204
Stadium operations expense	2,045,056	1,890,935	-	-
Corporate sales and ticketing expense	5,361,477	5,334,173	-	-
Marketing, sponsorship and advertising expense	3,331,839	3,082,186	-	-
Football related expense	10,510,624	9,953,095	-	-
Borrowing costs	1,133	664	1,133	639
	23,782,134	22,613,390	1,312,793	1,207,843
Included in the above expenses are the following:				
Lease payments – operating leases	2,010,634	1,966,177	-	-
Depreciation of property, plant and equipment	248,933	190,482	-	-
Provision for employee benefits	306,763	232,575	74,009	60,398
Provision for doubtful debts	-	(3,045)	-	-
Provision for obsolescence	55,071	73,223	-	-
Salary and wage expense	8,007,223	7,414,843	667,010	680,008

Notes to the financial statements (continued)
for the year ended 31 December 2008

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$

7. INCOME TAX

(a) Income tax expense

	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
The major components of income tax expense/(benefit) are:				
Income Statement				
Current income tax				
Current income tax charge/(benefit)	511,572	584,671	(251,155)	(285,244)
Deferred income tax				
Relating to origination and reversal of temporary differences	89,010	8,090	109,777	3,308
Recoupment of losses	-	110,049	-	110,049
Income tax expense/(benefit) reported in the Income Statement	600,582	702,810	(141,378)	(171,887)

(b) Numerical reconciliation between aggregate tax expense recognised in the income statement and tax expense calculated per the statutory income tax rate

A reconciliation between tax expense and the product of accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:

	Consolidated 2008 $	Consolidated 2007 $	Parent 2008 $	Parent 2007 $
Accounting profit/(loss) before tax from continuing operations	1,838,685	2,163,403	1,103,583	1,284,521
At the Group's statutory income tax rate of 30% (2007: 30%)	551,606	649,020	331,075	385,356
Expenditure not allowed for income tax purposes	85,093	68,812	15,391	4,429
Prior year losses recouped	-	(110,049)	-	(110,049)
Other deductible items	(125,127)	(23,112)	(123,327)	(5,089)
Inter-company dividend	-	-	(474,294)	(559,891)
	511,572	584,671	(251,155)	(285,244)
Deferred tax asset utilised	89,010	118,139	109,777	113,357
Aggregate income tax expense/(benefit)	600,582	702,810	(141,378)	(171,887)

Notes to the financial statements (continued)
for the year ended 31 December 2008

7. INCOME TAX (continued)

(c) Recognised deferred tax assets and liabilities

Deferred income tax at 31 December relates to the following:

	Balance Sheet		Income Statement	
	2008	2007	2008	2007
	$	$	$	$
CONSOLIDATED				
(i) Deferred tax assets/(liabilities)				
Unearned revenue	(217,942)	(105,265)	(112,677)	(3,971)
Doubtful debts	30,000	30,000	-	(914)
Employee benefits	80,942	61,568	19,374	(9,030)
Prepayments	(1,675)	(1,807)	132	(77)
Accruals	19,081	16,343	2,738	212
Expenses capitalised for income tax purposes	8,469	7,046	1,423	5,690
Losses available for offset against future taxable income	-	-	-	(110,049)
Deferred tax assets/(liabilities)	(81,125)	7,885		
Deferred tax income/(expense)			(89,010)	(118,139)
PARENT				
(ii) Deferred tax assets/(liabilities)				
Unearned revenue	(162,592)	(39,265)	(123,327)	(4,694)
Employee benefits	47,931	37,776	10,155	5,191
Prepayments	(202)	(202)	-	9
Accruals	9,874	8,490	1,384	(4,305)
Expenses capitalised for income tax purposes	3,136	1,125	2,011	491
Losses available for offset against future taxable income	-	-	-	(110,049)
Deferred tax assets/(liabilities)	(101,853)	7,924		
Deferred tax income/(expense)			(109,777)	(113,357)

(d) Tax losses

The Group has no carry forward tax losses arising in Australia as at the reporting date (2007: $0).

(e) Tax Consolidation

(i) Members of the tax consolidated group and the tax sharing arrangement

Brisbane Broncos Limited and its 100% owned Australian resident subsidiaries (except Brisbane Broncos Rugby League Club Limited) have formed a tax consolidated group with effect from 1 January 2004. Brisbane Broncos Limited is the head entity of the tax consolidated group. Members of the group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

Notes to the financial statements (continued)
for the year ended 31 December 2008

7. INCOME TAX (continued)

(e) Tax Consolidation (continued)

(ii) Tax effect accounting by members of the consolidated group

Measurement method adopted under UIG 1052 *Tax Consolidation Accounting*
The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the separate taxpayer within group approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group. The current and deferred tax amounts are measured in a systematic manner that is consistent with broad principles in AASB 112 *Income Taxes.* The nature of tax funding agreement is discussed further below.

Nature of tax funding agreement
Members of the tax consolidated group have entered into a tax funding agreement under which the wholly owned entities compensate the head entity for any current tax payable assumed and are compensated by the head entity for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to the head entity under the tax consolidation legislation. The funding amounts are determined by reference to the current and deferred tax amounts recognised by the controlled entities.

The tax funding agreement requires payments to/from the head entity to be recognised via an inter-entity receivable (payable) which is at call. The amounts receivable or payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments. The terms and conditions for these transactions are disclosed in note 24.

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
8. DIVIDENDS PAID AND PROPOSED				
(a) Recognised Amounts				
Paid during the year:				
Final franked dividend for 2007: 1 cent	980,406	-	980,406	-
(b) Unrecognised Amounts				
Dividends on ordinary shares:	-	-	-	-
Final franked dividend for 2007: 1 cent	-	980,406	-	980,406

(c) Franking Account Balance

The amount of franking credits available for the subsequent financial year are:	2008	2007
- franking account balance as at the end of the financial year at 30% (2007: 30%)	831,991	412,087
- franking credits that will arise from the payment of income tax payable as at the end of the financial year	64,931	393,446
- franking debits that will arise from the payment of dividends as at the end of the financial year	-	(420,174)
	896,922	385,359

Notes to the financial statements (continued)
for the year ended 31 December 2008

9. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

No dilution factors need to be taken into consideration for Brisbane Broncos Limited. The following reflects the income and share data used in the basic earnings per share computation:

	Consolidated	
	2008	2007
Net profit from continuing operations attributable to equity holders of the parent	$1,238,103	$1,460,593
Weighted average number of ordinary shares for basic earnings per share	98,040,631	98,040,631

There have been no transactions involving ordinary shares since the reporting date and before the completion of these financial statements.

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
10. CURRENT ASSETS - CASH AND CASH EQUIVALENTS				
Cash at bank and in hand	2,759,263	5,160,563	2,345,242	4,835,765
Short-term deposit	8,000,000	5,483,517	8,000,000	5,483,517
	10,759,263	10,644,080	10,345,242	10,319,282

Cash at bank earns interest at fixed rates based on the Group's bank deposit rates.

Excess cash is placed on short-term deposit for varying periods depending on the immediate cash requirements of the Group and earn interest at the Queensland Country Credit Union's short term deposit rate.

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
11. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES				
Trade receivables	1,808,905	2,200,146	-	-
Allowance for impairment loss (a)	-	-	-	-
	1,808,905	2,200,146	-	-
Other receivables	1,001,345	585,938	558,795	138,606
Carrying amount of trade and other receivables	2,810,250	2,786,084	558,795	138,606

(a) Allowance for impairment loss

Trade receivables are non-interest bearing and are generally on 30-90 day terms. An allowance for impairment loss is recognised when there is objective evidence that a trade receivable is impaired.

(b) Fair value and credit risk

Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Group's policy to transfer (on-sell) receivables to special purpose entities.

Notes to the financial statements (continued)
for the year ended 31 December 2008

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$

12. CURRENT ASSETS - INVENTORIES

Merchandise – at cost	131,055	123,223	-	-
Provision for net realisable value write down	(128,294)	(73,223)	-	-
Total inventories at the lower of cost and net realisable value	2,761	50,000	-	-

13. NON-CURRENT ASSETS - RECEIVABLES

Receivables from controlled entities	-	-	13,900,000	13,900,000
Provision for non-recovery	-	-	(13,900,000)	(13,900,000)
	-	-	-	-

(a) Related party receivables

For terms and conditions of related party receivables refer to note 24.

Notes to the financial statements (continued)
for the year ended 31 December 2008

14. NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

(a) Reconciliation of carrying amounts at the beginning and end of the period

	CONSOLIDATED		
	Plant and Equipment	*Leasehold Improvements*	*Total*
	$	*$*	*$*
Year ended 31 December 2008			
At 1 January 2008 net of accumulated depreciation and impairment	451,880	1,830,707	2,282,587
Additions	281,295	-	281,295
Depreciation charge for year	(128,337)	(120,596)	(248,933)
At 31 December 2008 net of accumulated depreciation and impairment	604,838	1,710,111	2,314,949
At 1 January 2008			
Cost	1,658,428	2,175,577	3,834,005
Accumulated depreciation and impairment	(1,206,548)	(344,870)	(1,551,418)
Net carrying amount	451,880	1,830,707	2,282,587
At 31 December 2008			
Cost	1,469,875	1,906,506	3,376,381
Accumulated depreciation and impairment	(865,037)	(196,395)	(1,061,432)
Net carrying amount	604,838	1,710,111	2,314,949
Year ended 31 December 2007			
At 1 January 2007 net of accumulated depreciation and impairment	371,953	556,751	928,704
Additions	181,501	1,362,864	1,544,365
Depreciation charge for year	(101,574)	(88,908)	(190,482)
At 31 December 2007 net of accumulated depreciation and impairment	451,880	1,830,707	2,282,587
At 1 January 2007			
Cost	1,476,928	812,712	2,289,640
Accumulated depreciation and impairment	(1,104,975)	(255,961)	(1,360,936)
Net carrying amount	371,953	556,751	928,704
At 31 December 2007			
Cost	1,658,428	2,175,577	3,834,005
Accumulated depreciation and impairment	(1,206,548)	(344,870)	(1,551,418)
Net carrying amount	451,880	1,830,707	2,282,587

During the year the consolidated Group derecognised $469,849 of fully depreciated assets that were either obsolete or scrapped.

Notes to the financial statements (continued)
for the year ended 31 December 2008

14. NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Reconciliation of carrying amounts at the beginning and end of the period (continued)

	PARENT Plant and Equipment $
Year ended 31 December 2008	
At 1 January 2008 net of accumulated depreciation and impairment	-
Additions	-
Depreciation charge for year	-
At 31 December 2008 net of accumulated depreciation and impairment	-
At 1 January 2008	
Cost at fair value	15,729
Accumulated depreciation and impairment	15,729
Net carrying amount	-
At 31 December 2008	
Cost at fair value	-
Accumulated depreciation and impairment	-
Net carrying amount	-
Year ended 31 December 2007	
At 1 January 2006 net of accumulated depreciation and impairment	-
Additions	-
Depreciation charge for year	-
At 31 December 2007 net of accumulated depreciation and impairment	-
At 1 January 2007	
Cost at fair value	15,729
Accumulated depreciation and impairment	15,729
Net carrying amount	-
At 31 December 2007	
Cost at fair value	15,729
Accumulated depreciation and impairment	15,729
Net carrying amount	-

During the year the parent entity derecognised $15,729 of fully depreciated assets that were either obsolete or scrapped.

	Consolidated		**Parent**	
	2008 $	2007 $	2008 $	2007 $
15. NON-CURRENT ASSETS - OTHER FINANCIAL ASSETS				
Unlisted				
Shares in controlled entities – at cost	-	-	130,005	130,005
Provision for diminution	-	-	(130,000)	(130,000)
	-	-	5	5

Further information regarding shares in controlled entities is shown in note 24.

Notes to the financial statements (continued)
for the year ended 31 December 2008

16. NON-CURRENT ASSETS - INTANGIBLE ASSETS

(a) Reconciliation of carrying amounts at the beginning and end of the period

	Consolidated		Parent
	Sporting Franchise $	Total $	Total $
At 31 December 2008			
Sporting franchise – at cost	13,382,857	13,382,857	-
Accumulated impairment	(900,277)	(900,277)	-
Net carrying amount	12,482,580	12,482,580	-
At 31 December 2007			
Sporting franchise – at cost	13,382,857	13,382,857	-
Accumulated impairment	(900,277)	(900,277)	-
Net carrying amount	12,482,580	12,482,580	-

(b) Description of Group's intangible assets

The Sporting Franchise is considered to have an indefinite useful life as based on an analysis of all relevant factors. There is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group. The licence granted by the National Rugby League may be renewed indefinitely at no cost and has been renewed recently until 2012. The Club Agreement signed between the Group and the National Rugby League provides that termination can only take place if the Club becomes insolvent or breaches any provisions of the Club Agreement. Management are confident that these conditions necessary to obtain renewal will continue to be met on an ongoing basis. The Sporting Franchise is subject to annual impairment testing.

(c) Impairment testing of intangibles with indefinite lives

The Group's tangible and intangible assets are all used in the operation and management of the Brisbane Broncos Rugby League Football Team and all revenue streams are dependent and reliant upon theses operations i.e. gate takings, season tickets, corporate sponsorship, signage, corporate sales and National Rugby League grant monies. It is therefore considered that the cash generating unit to which the Sporting Franchise belongs is the Group and its operations, and as such the future maintainable earnings of the Group, excluding interest income, has been used to support the recoverable amount of the Group's net assets and therefore the Sporting Franchise.

For the purpose of determining whether the carrying amount of the Sporting Franchise is impaired, management has considered the future maintainable earnings of the Group based on financial budgets and forecasts. Factors considered in the calculation of future maintainable earnings were:

- the success of the Brisbane Broncos Rugby League Team since its inception, the long term tenancy at Suncorp Stadium
- the level of current sponsorship and signage sales
- the growth trend of crowd attendances, gate takings and season memberships
- the probability of the Group to renew its rugby league licence
- the new television rights deal recently negotiated by the National Rugby League

An annual growth rate of 3% has been used in the future maintainable earnings calculation and a pre-tax discount rate of 12% (2007: 12%) has been applied to the cash flow projections.

Budgets and forecasts have been prepared based on the above factors and trends, and the assumption that there will be no major events or changes in circumstances that will significantly affect the revenue streams or financial performance of the Group on a go forward basis. There is no present indication that these factors will change in the foreseeable future. As a result, management is of the opinion that the future maintainable earnings calculation can be justified based on these assumptions.

Notes to the financial statements (continued)
for the year ended 31 December 2008

16. NON-CURRENT ASSETS - INTANGIBLE ASSETS (continued)

(c) Impairment testing of intangibles with indefinite lives (continued)

As at 31 December 2008 the present value of the cash flow projections supported the carrying value of the cash generating unit and there is therefore no impairment.

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
17. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES				
Trade payables	450,989	251,350	99,807	87,127
Other payables	444,597	442,475	62,186	74,772
	895,586	693,825	161,993	161,899

(a) Fair value

Trade payables are non-interest bearing and are normally settled on 30-day terms. Other payables are non-interest bearing and have an average term of three months. Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.

(b) Financial guarantees

The Group has not provided any financial guarantees on these payables.

(c) Related party payables

For terms and conditions relating to related payables, refer to note 24.

(d) Interest rate risk

Information relating to interest rate risk is set out in note 3.

18. CURRENT LIABILITIES - PROVISIONS

Fringe benefits tax	79,815	64,187	16,616	8,126
Annual leave	224,134	197,306	83,468	69,830
Long service leave	124,512	107,545	41,295	34,357
	428,461	369,038	141,379	112,313

19. NON-CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

Related party payables - amounts payable to controlled entities	-	-	3,164,045	2,789,500

For terms and conditions related to related party payables refer to note 24.

Notes to the financial statements (continued)
for the year ended 31 December 2008

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$

20. NON-CURRENT LIABILITIES – PROVISIONS

Long service leave	99,055	76,169	35,008	21,734
	99,055	76,169	35,008	21,734

(a) Long Service Leave

Refer to note 2(o) for the relevant accounting policy and a discussion of the estimations and assumptions applied in the measurement of this provision.

21. CONTRIBUTED EQUITY

Ordinary shares - issued and fully paid	28,991,500	28,991,500	28,991,500	28,991,500
Number of ordinary shares on issue	98,040,631	98,040,631	98,040,631	98,040,631

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

22. ACCUMULATED LOSSES

Balance 1 January	(6,000,112)	(7,460,705)	(21,911,242)	(23,367,650)
Net profit	1,238,103	1,460,593	1,244,961	1,456,408
Dividends	(980,406)	-	(980,406)	-
Balance 31 December	(5,742,415)	(6,000,112)	(21,646,687)	(21,911,242)

Notes to the financial statements (continued)
for the year ended 31 December 2008

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
23. CASH FLOW STATEMENT RECONCILIATION				
Reconciliation of net profit after tax to net cash flows from operations				
Net profit/(loss)	1,238,103	1,460,593	1,244,961	1,456,408
Adjustments for:				
Depreciation and amortisation	248,933	190,482	-	-
Amounts recovered from subsidiaries under tax funding agreement	-	-	(762,728)	(869,916)
Doubtful debts provision	-	(3,045)	-	-
Write down of inventory	55,071	73,223	-	-
Dividends classified as investment cash flow	-	-	(1,580,981)	(1,866,303)
Employee benefits provisions	66,718	4,578	33,849	21,210
Changes in assets and liabilities				
(Increase)/decrease in inventories	(7,832)	106,625	-	-
(Increase)/decrease in trade and other receivables	(306,028)	(393,643)	(433,600)	34,548
(Increase)/decrease in deferred tax asset	89,010	118,140	109,777	113,358
(Decrease)/increase in current tax liability	(328,515)	393,446	(328,515)	393,446
(Decrease)/increase in creditors and accruals	139,169	(585,437)	(3,127)	27,939
(Decrease)/increase in unearned revenue	166,624	1,059,201	-	-
(Decrease)/increase in provisions	15,630	(18,759)	8,490	(3,426)
Net cash from/(used in) operating activities	1,376,883	2,405,404	(1,711,874)	(692,736)

Notes to the financial statements (continued)
for the year ended 31 December 2008

24. RELATED PARTY DISCLOSURE

(a) Subsidiaries

The consolidated financial statements include the financial statements of Brisbane Broncos Limited and the subsidiaries listed in the following table:

Name of Controlled Entity	Country of Incorporation		% of shares held 2008	2007
Brisbane Broncos Corporations Trust	Australia		100	100
Brisbane Broncos Corporation Pty Ltd (Trustee)	Australia		100	100
Brisbane Broncos Management Corporation Pty Ltd	Australia	(i)	100	100
Brisbane Broncos Rugby League Club Ltd	Australia	(ii)	n/a	n/a
Queensland Entertainment Services Pty Ltd	Australia	(i)	100	100
Laurelgrove Pty Ltd	Australia	(i)	100	100
Pacific Sports International Pty Ltd	Australia	(i)	100	100
Brisbane Bandits Pty Ltd	Australia		100	100
Brisbane Bullets Trust	Australia		100	100
Pacific Sports Holdings Pty Ltd (Trustee)	Australia	(i)	100	100
Brisbane Professional Sports Investment Pty Ltd	Australia		100	100
Broncos Insurance Agencies Pty Ltd	Australia		100	100
AH BR Pty Ltd	Australia		100	100

The financial years of all controlled entities are the same as that of the parent entity.

All controlled entities were incorporated in Australia, have only issued ordinary share capital, and are controlled either directly or through its subsidiaries by the parent entity.

(i) These companies have entered into a deed of cross guarantee with Brisbane Broncos Limited which provides that all parties to the deed will guarantee to each creditor payment in full of any debt of each Company participating in the deed on winding up of that company. Closed group disclosures are not presented as no company within the closed group is required to avail itself of the relief from preparation of financial statements granted by ASIC Class Order 98/1418.

(ii) Brisbane Broncos Rugby League Club Ltd is a company limited by guarantee, is owned by its members but has been consolidated as a controlled entity under *UIG Interpretation 112 Consolidation – Special Purpose Entities*.

(b) Key management personnel

Details relating to key management personnel, including remuneration paid, are included in note 25.

(c) Transactions with related parties

The following table provides the total amount of transactions that were entered into with related parties for the relevant financial year (for information regarding outstanding balances at year-end, refer to note 19).

		Sales to related parties $	*Grants from related parties $*	*Purchases from related parties $*
CONSOLIDATED				
Major shareholder				
News Limited	2008	66,978	-	153,635
	2007	40,818	-	147,099
Other				
National Rugby League Limited	2008	852,296	3,366,667	264,680
	2007	213,916	3,266,667	-

Notes to the financial statements (continued)
for the year ended 31 December 2008

24. RELATED PARTY DISCLOSURE (continued)

(c) Transactions with related parties (continued)

Inter-group loans and advances
During the financial year, loans were advanced and repayments received on inter-company accounts between Brisbane Broncos Limited and its subsidiaries. The contractual maturity amount is the same as the carrying amount as it is non-interest bearing. These are shown as non-current liabilities as the subsidiaries have agreed not to call on these loans within twelve months.

Majority shareholder
News Limited owned 68.87% of the Group as at 31 December 2008. News Limited and its related entities provided the Group with sponsorship income during the financial year. Advertising and other services were also provided during the financial year by News Limited and its related entities to the value of $153,635 (2007: $147,099).

Other
The licence held by the Group is provided by the National Rugby League Limited which is 50% owned by News Limited. This licence entitles the Group to receive an annual grant from the National Rugby League Limited. Further advertising grants and merchandise royalty income were also provided to the Group during the financial year. Various amounts were paid to the National Rugby League by the Group during the year relating to tickets to rugby league matches and other functions, insurances, fines, travel and other miscellaneous game day related items.

25. KEY MANAGEMENT PERSONNEL

(a) Details of Key Management Personnel

(i) Directors

D C Somerville	Chairman (Non-Executive)
B P Cullen	Managing director (Executive)
D S Jackson	Director (Non-Executive)
D M Watt	Director (Non-Executive)
L G Brindle	Director (Non-Executive) (appointed 26 February 2008)
P W Jourdain	Director (Non-Executive) (resigned 26 February 2008)

(ii) Executives

L A Lanigan	Company Secretary and Chief Financial Officer

(b) Compensation of Key Management Personnel

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Short-term employee benefits	482,000	498,500	482,000	498,500
Post-employment	135,180	89,465	135,180	67,665
	617,180	587,965	617,180	566,165

Brisbane Broncos Limited has applied the option under *Corporations Legislation Amendments (Simpler Regulatory System) Act 2007* to transfer key management personnel remuneration disclosures required by AASB 124 *Related Party Disclosures* paragraphs Aus 25.4 to Aus 25.7.2 to the Remuneration Report section of the Directors' Report. These transferred disclosures have been audited.

Notes to the financial statements (continued)
for the year ended 31 December 2008

25. KEY MANAGEMENT PERSONNEL (continued)

(c) Shareholdings of Key Management Personnel (Consolidated)

Shares held in Brisbane Broncos Limited (number):

	Balance 1 Jan 2008	Granted as Remuneration	On Exercise of Options	Net Change Other	Balance 31 Dec 2008
Directors					
B P Cullen	-	-	-	-	-
D C Somerville	-	-	-	-	-
D S Jackson	28,500	-	-	-	28,500
D M Watt	-	-	-	-	-
L G Brindle	-	-	-	-	-
Executives					
L A Lanigan	-	-	-	-	-
Total	**28,500**	**-**	**-**	**-**	**28,500**

All equity transactions with key management personnel are entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

(d) Other transactions and balances with Key Management Personnel

D M Watt and L G Brindle are employees of News Limited which is a related party of the Group. Transactions conducted with News Limited and its related entities are disclosed in note 24 of this report.

26. COMMITMENTS AND CONTINGENCIES

(a) Commitments

(i) Leasing Commitments

Operating lease commitments – Group as lessee
The Group has entered into commercial leases on various items of plant and machinery. These leases have an average life of between two and three years with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases as at 31 December are as follows:

	Consolidated		Parent	
	2008 $	2007 $	2008 $	2007 $
Within one year	103,040	143,733	-	-
After one year but not more than five years	216,619	293,310	-	-
After more than five years	30,000	60,000		
Total minimum lease payments	349,659	497,043	-	-

Included above as an operating lease commitment is the minimum amount payable under the Hiring Agreement with Suncorp Stadium. Additional amounts payable under this agreement are based on proceeds from sales of corporate facilities, signage, ticket sales, and other revenue per game which cannot be reliably forecast.

Notes to the financial statements (continued)
for the year ended 31 December 2008

26. COMMITMENTS AND CONTINGENCIES (continued)

(a) Commitments (continued)

(ii) Player Contract Commitments

Commitments for the payment of player contracts in existence at the reporting date but not recognised as liabilities are:

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Within one year	4,750,060	4,808,685	-	-
After one year but not more than five years	5,000,400	5,224,980	-	-
	9,750,460	10,033,665	-	-

(iii) Affiliate Club Commitments

Commitments for the payment of affiliate club grant contracts in existence at the reporting date but not recognised as liabilities are:

	Consolidated		Parent	
	2008	2007	2008	2007
	$	$	$	$
Within one year	270,000	-	-	-
After one year but not more than five years	380,000	-	-	-
	650,000	-	-	-

(iv) Management Remuneration Commitments

Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities are:

Within one year	329,015	314,300	329,015	314,300
After one year but not more than five years	-	314,300	-	314,300
	329,015	628,600	329,015	628,600

Amounts disclosed as remuneration commitments include commitments arising from the Managing Director's employment agreement that expired on 6 January 2006 and was renegotiated until 30 September 2009. The amounts include cash salary, superannuation and the provision of a motor vehicle. The Managing Director is the only employee with which the Group has entered into an employment agreement.

(b) Contingencies

No contingencies exist as at the reporting date.

Notes to the financial statements (continued)
for the year ended 31 December 2008

27. AUDITORS' REMUNERATION

The auditor of Brisbane Broncos Limited is Ernst & Young.

Amounts received, or due and receivable, by Ernst & Young (Australia) for:				
• an audit or review of the financial report of the entity and any other entity in the consolidated group	75,000	70,000	67,500	62,900
• other services in relation to the entity and any other entity in the consolidated group				
– taxation services	-	5,850	-	5,850
	75,000	75,850	67,500	68,750
Amounts received, or due and receivable, by non Ernst & Young audit firms for:				
• Taxation services	7,450	5,800	7,450	5,800

28. EVENTS AFTER BALANCE DATE

There have been no significant events since balance date.

Directors' Declaration

In accordance with a resolution of the directors of Brisbane Broncos Limited, I state that:

1. In the opinion of the directors:

   (a) the financial statements, notes and the additional disclosures included in the directors' report designated as audited, of the Company and of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

      (i) giving a true view of the Company's and consolidated entity's financial position as at 31 December 2008 and of their performance for the year ended on that date; and

      (ii) complying with Accounting Standards and Corporations Regulations 2001; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration is made after receiving the declarations required to be made to the directors in accordance with sections 295A of the Corporations Act 2001 for the financial period ending 31 December 2008.

On behalf of the Board

Darryl Somerville
Chairman
Brisbane
23 February 2009

Brian Cullen
Managing Director
Brisbane
23 February 2009

ERNST & YOUNG

1 Eagle Street
Brisbane QLD 4000 Australia
GPO Box 7878 Brisbane QLD 4001

Tel: +61 7 3011 3333
Fax: +61 7 3011 3100
www.ey.com/au

Independent auditor's report to the members of Brisbane Broncos Limited

Report on the Financial Report

We have audited the accompanying financial report of Brisbane Broncos Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2 (a), the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards and International Standards on Auditing. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have met the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report.

Auditor's Opinion

In our opinion:

1. the financial report of Brisbane Broncos Limited is in accordance with the *Corporations Act 2001*, including:

   i giving a true and fair view of the financial position of Brisbane Broncos Limited and the consolidated entity at 31 December 2008 and of their performance for the year ended on that date; and

   ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

2. The financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 14 of the directors' report for the year ended 31 December 2008. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Brisbane Broncos Limited for the year ended 31 December 2008, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Ric Roach
Partner
Brisbane

23 February 2009

ASX Additional Information

Additional information required by the Australian Stock Exchange Ltd and now shown elsewhere in this report is as follows. This information is current as at 16 February 2009.

(a) Distribution of equity securities

98,040,631 fully paid ordinary shares are held by 550 individual shareholders. All issued shares carry one vote per share and carry the rights to dividends.

The number of shareholders, by size of holding in each class are as follows:

Size of holding	Ordinary Shareholders	Ordinary share option-holders
1 – 1000	51	-
1001 – 5000	268	-
5001 – 10000	108	-
10001 – 100000	108	-
100001 – OVER	15	-
	550	-
Holding less than a marketable parcel	150	-

(b) Substantial shareholders

Ordinary Shareholders	Fully Paid Shares	Percentage
Nationwide News Pty Ltd	67,521,089	68.87%
BXBX Pty Ltd	9,598,685	9.79%
Lake Morepeth Pty Ltd	6,600,000	6.73%
	83,719,774	85.39%

ASX Additional Information (continued)

(c) Twenty largest holders of quoted equity securities

Ordinary shareholders	Number of ordinary shares	Percentage Held
Nationwide News Pty Limited	67,521,089	68.87%
Ognis Pty Ltd*	9,598,685	9.79%
Lake Morpeth Pty Ltd	6,600,000	6.73%
Clonakilty Pastoral Company	3,255,925	3.32%
Drenside Pty Ltd	2,618,753	2.67%
Scanlon Group Holdings Pty Ltd	1,422,883	1.45%
AEG Ogden Pty Ltd	631,666	.64%
Miengrove Pty Ltd	310,000	.32%
Moonton Pty Ltd	301,750	.31%
W F M Motors Pty Ltd	300,000	.31%
Rosedayl Pty Ltd	144,075	.15%
Mr Adrian Charles Vos	133,536	.14%
Ms Joan Ann Mary Enever	110,000	.11%
Mr Raymond John Balkin and Mrs Ethel Moya Balkin	104,627	.11%
Lonestar Pty Ltd	104,000	.11%
Bushfly Air Charter Pty Ltd	100,000	.10%
George Enever Pty Ltd	100,000	.10%
Mr Sean Ryan and Mrs Julia Ryan	100,000	.10%
ACT Demo Pty Ltd	83,333	.08%
Mr Arthur Harold Laundy	80,000	.08%
	93,620,322	**95.49%**