



BRISBANE
RACING CLUB
EAGLE FARM & DOOMBEN

2010
ANNUAL
REPORT

ANNUAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2010 TO BE
PRESENTED TO THE MEMBERS AT THE ANNUAL
GENERAL MEETING TO BE HELD AT DOOMBEN
RACECOURSE, ASCOT IN THE SACHEL ROOM
AT 5.30PM ON WEDNESDAY 29 SEPTEMBER 2010.

Brisbane Racing Club Limited
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CHAIRMAN'S REPORT

It is with great pleasure that, on behalf of the Directors, I present the 2nd Annual Report of Brisbane Racing Club Limited. The year has been one of development of the company through some very difficult economic times. Outlined below are some of the highlights and initiatives of the Club in this year.

FINANCIAL PERFORMANCE

The Club recorded an overall profit of \$89.426 million in the year ended 30 June 2010. This profit was largely driven by the accounting entries necessary to recognise the assets acquired during the amalgamation of the two former companies operated by Queensland Turf Club and Brisbane Turf Club. However, underlying this result is an operating deficit of \$3.171 million.

This result was below expectations and reflects the difficult environment the Club faced both in terms of the general economic climate and the inequitable industry funding model. Although delivering over \$1 million in cost savings compared to the operating results of the individual clubs in the previous year, the club still faced significant financial hurdles associated with ageing facilities and diminishing raceday attendances. In addition, in the past there has been a heavy reliance on investment earnings to produce earnings surplus. In this last year interest and other investment returns have been at record lows. This combined with the company's strategy of facilities upgrade and the resultant reduction in cash reserves, has minimised investment returns.

Whilst attendances over our carnival were above forecasts, attendances at race meetings remain our biggest challenge. The industry issues of the last few years that damaged attendances are well documented, and over the last 2 years we have seen some return. However, the number attending has not yet recovered to the levels experienced 4 to 5 years ago. The BRC must continue to make the venues as attractive as an entertainment venue as possible to continue building crowd numbers. This will necessitate some continued capital spending of cash reserves in this coming year.

Despite the past years result, the outlook for next year looks positive as the effects of a new broadcast agreement and efficiencies started in 2010 are realised. Looking further into the future, the Club must undertake fundamental change over the next 2 or 3 years to establish a firm base for the future. The nature of these changes will be primarily driven by the outcome of a number of key activities surrounding the company, especially the outcome of our Master Plan development application, and the continuing changes to the funding arrangements provided by Racing Queensland Limited.

MASTER PLAN PROGRESS

This year has seen some very significant and exciting progress in Master Planning activities. As we further shape our Master Plan, it is becoming clear that the company's reliance on the outcome of these activities is increasing.

During the year, in association with our development partner Watpac, we have moved closer to being in a position to lodge our applications to the Brisbane City Council. This work has involved the engagement of a large number of consultants to prepare the detail necessary to lodge such applications. These consultants cover a wide range of disciplines including town planning, traffic, transport, environment, landscape, heritage and economic feasibility. In addition, in conjunction with the BCC, we have engaged in an extensive neighbourhood consultation process.

Whilst the eventual outcome of this process will be dependent on the deliberations of the BCC, the Master Plan is continuing to evolve, and the plan that is likely to be submitted for approval has become even more exciting and advantageous to the company than was presented in the original Concept Master Plan. We expect to be lodging our applications in the October/November 2010 timeframe.

ACQUISITION OF HAMILTON BOWLS CLUB

On 1 June 2010, the BRC acquired the Hamilton Bowls Club and the Brisbane Racing Sports and Social Club (BRSSC) was born. After bedding down the acquisition operationally, it is planned to proactively develop the BRSSC into a vibrant facility that will provide an alternative revenue stream for the organisation and a place for members to gather and enjoy some great hospitality.

In addition, work continues to expand the membership and gaming capacity of the BRSSC through establishing a relationship with the Queensland Bookmakers Club. Finally, the BRSSC will be a key part of the overall master plan for the racing precinct, with a new clubhouse facility improving even further the attractiveness of this venue as a member and community gathering place.

DOOMBEN MEMBERS AND MOUNTING YARD DEVELOPMENT

In early 2010, a \$2 million project was undertaken to upgrade the Doomben members' area, create a betting ring complete with "rails bookmaking" and relocate and revitalise the Doomben mounting yard. All who have seen the new facilities agree the transformation of the Doomben racecourse has been outstanding, and the new facilities add to the enjoyment of a day at the races for both members and general public alike.

This project, completed in just 72 days, has demonstrated the unique atmosphere and feel of the Doomben facility. It is our intention to ensure that further improvements to each of our venues are undertaken in a way that emphasises the unique character of each venue.

GALLERY BAR

The Club identified a need for a more easily accessed food and beverage outlet for members enjoying the racing action from the members' stand viewing deck at Eagle Farm, especially on bigger race days. As such the Gallery Bar was constructed and was able to open in time for Oaks Day. The bar takings on the two carnival days indicate a high acceptance level by members of this new facility, with it performing at a similar level to the traditional ground level members' Derby Bar. The Club continues to look for developments that can be undertaken without impacting the integrity of the Master Plan, but delivering early benefits for members and raceday patrons.

SUNDAY MARKETS

In late 2010, the BRC expects to introduce Sunday Markets in the St Leger precinct of Eagle Farm Racecourse. Development work, approvals and operational requirements are well progressed and this initiative is planned to be operational by November 2010 pending BCC approvals. The markets will be an exciting addition to the local community, and be a place where Members and local residents will be able to access fresh produce, coffee, breakfast and a range of entertainment each Sunday morning. With our ability to handle large numbers of visitors, and provide very substantial off street parking, the markets will be easily accessible and provide a pleasant and comfortable outing.

COMMUNITY SPORTS, EQUESTRIAN AND POLO FIELD

In mid 2010, work began on establishing a championship standard equestrian and polo field in the centre of the Doomben racecourse. The field will also be available year round for community sports. As part of this development, BRC has secured the rights to host two polo tournaments. "Polo in the City" will be held on 23 October 2010 and the Australian Open Polo Championship is scheduled for late February 2011. We are also in discussion with other major equestrian event organisations.

Along with other developments undertaken by the Club, the community sports field development is part of the overall master plan for the racing precinct and is key to our ability to return usable green space to the community.

OTHER CORPORATE ACTIVITY

Although not always visible to Club Members, a range of behind-the-scenes corporate initiatives were completed over the course of the year to establish Brisbane Racing Club Limited as a functional company after the merger. New information and technology systems were implemented including consolidated event and financial management software and an upgrade to payroll systems. In addition, online membership renewal and event bookings were also introduced.

FIRST CONSOLIDATED BRISBANE RACING CARNIVAL

The Club is proud that 2010 saw the largest Winter Racing Carnival attendance results for many years, with total attendance over the five days up 21% to a total of 57,000. This reversed the trend set by other racing carnivals around Australia in this year. Total prizemoney for the carnival was nearly \$8 million with 31 of the 40 races carrying Black Type, and seven races being run at Group One level.

AAMI Stradbroke Day undoubtedly confirmed its position as Queensland's biggest Carnival race day with attendance at 23,980, with an estimated 2,000 visitors from interstate and overseas. AAMI Stradbroke Day alone had three Group One races and all the other races carried Black Type. There were 19 individual winners of Group One races competing over the five days of high quality racing including Australia's highest rated racehorse, Whobegotyou. The excitement on AAMI Stradbroke Day was completed by Black Piranha winning for the second year in a row.



This year saw us begin to broaden the reach of the carnival to sectors of the community that have not had involvement in the past. In one such activity, tremendous community engagement was achieved through the AAMI Stradbroke Primary Schools Art Competition with schools participating from Chinchilla to Beaudesert and right across metro Brisbane. The resultant “painted horses” generated a valuable connection between our premier event and the community.

We were privileged to have two international superstars, Takeover Target and Rough Habit, visit us during the carnival. Both provided racegoers the rare opportunity to get “up close and personal” with racing equine superstars.

Our Sponsors and Business Partners play a key role in the BRC’s ability to provide a vibrant carnival. Major sponsors AAMI, Channel 7, Sky Channel, Queensland Events, Brisbane Marketing, Conrad Treasury, Bundaberg Red Rum, Kirks, Carlton United Breweries, and Austereo, all provided exceptional corporate and marketing support.

For the first time, the AAMI Stradbroke and Channel 7 Queensland Derby were covered live to air by Channel 7, with popular Seven personality Sophie Formica being a wonderful ambassador for the Carnival.

Industry experts, punters and pundits appreciate that Brisbane Racing Carnival is often the launch pad for a successful spring carnival revealing the horses to watch. The two previous Brisbane Carnivals have produced the last two winners of the Melbourne Cup – Viewed (2008) and Shocking (2009). The quality of the horses that competed this year would seem to make it inevitable that some will go on to further success this year. A snapshot of those poised for success may be our Group One winners:

Group One Winners	
AAMI Stradbroke Handicap	Black Piranha
Channel 7 Queensland Derby	Dariana
Conrad Treasury Queensland Oaks	Miss Keepsake
Racetree T J Smith	Pressday
Carlton Mid Doomben 10000	Hot Danish
Kirks Doomben Cup	Metal Bender
Bundaberg Red Rum BTC Cup	Albert the Fat

MEMBERS

There were 4,866 members as at 30 June 2010 across a range of categories. Almost 400 new racing members joined the Club over the year which was well ahead of expectations. In addition there were a significant number of new social club members who joined us from the Hamilton Bowls Club.

Category	FY10
Life	26
Full Member (35yrs+ as a member)	320
Full Member (Age 30+ years)	1,900
Full Member (Age 18-29 years)	189
Senior Member (Age 65+ years)	581
New Full Member (Age 30+ years)	330
New Full Member (Age 18-29 years)	64
Corporate Members	32
Partner Member	119
Absentee	19
Widow	34
Honorary	26
BRSSC Social/Bowling Members	1,226
Total	4,866

QUEENSLAND RACING LIMITED

The racing control body, Queensland Racing Limited ceased to exist on June 30, 2010 and was replaced, effective July 1, 2010 by a new control body Racing Queensland Limited (RQL).

This new body, formed under legislation passed through parliament in May 2010, provides regulatory control over all three codes of racing, namely Thoroughbreds, Harness and Greyhound racing. At the time of this report, the strategies of RQL were still to be completed. As such, we will watch for these to be announced and will develop appropriate responses as we understand any changes to the regulatory landscape.

Of significant importance to us will be the strategies to be employed regarding the continuing operational and capital funding of Race Clubs in Queensland, and in particular the Brisbane Racing Club. The operation of a viable racing industry relies on achieving the correct balance between a small number of stake-

holder groups who provide the funding, and ensuring the appropriate investment return to those groups.

In simple terms, three major stakeholder groups provide funding streams to this industry. These groups are the Owners, Race Clubs, and Wagering. Each provides an input of funds generated from their own activities.

In Queensland the wagering portion is provided through the mechanism of distribution by RQL, but it should be remembered that RQL generates only insignificant funds, outside of wagering receipts, from its own activities.

For each of the three groups – Owners, Race Clubs and Wagering Operators – to remain viable, then each must receive appropriate returns for their investment, and no one or more groups should be overburdened with the cost responsibility.

Currently, this balance does not exist in our industry. It is well documented that returns to owners have fallen to levels which threatens the sustainability of this group. It is further well reported that Race Clubs around Australia are in loss making situations as a result of the spiralling costs of providing racing facilities. This in turn makes the contribution of wagering funding most critical.

In Queensland, it would appear that the allocation of funds originating from wagering that are directed toward meeting the costs of normal operations is grossly insufficient. The previous RQL employed strategies which diverted these funds to a number of capital projects and/or asset acquisition endeavours where the whole-of-industry benefit was unclear.

The BRC will be looking to RQL to ensure that the funding imbalance, in which Owners and Clubs are paying a disproportionate share of industry costs, is corrected, and that the appropriate level of funding of operations is restored, rather than using these funds for asset acquisition.

BRC in its capacity as an industry participant contributes to the cost of production of the racing product that racegoers and punters see on race day. This cost includes contributions to the cost of horse preparation (training) as well as providing first class racing and training surfaces, in addition to providing services and facilities to ensure the correct functioning of the race day itself. Queensland Racing Limited (now RQL) then provides BRC with a subsidy payment which reflects their contribution toward these costs. Any shortfall in funding then must be made up by BRC through normal operations such as admission fees, catering and bar sales, sponsorship and other associated revenues.

The below table outlines the estimated yearly financial contribution of individual activities conducted by the BRC to allow the racing product to be produced:

Activity	FY10 (\$000)
Training (Eagle Farm and Doomben-net of fees)	(755)
Track Management (Eagle Farm and Doomben)	(2,915)
Facility Management (Eagle Farm and Doomben)	(3,786)
Raceday functions (Starters, Integrity, Judging etc)	(1,484)
Total Cost	(8,940)
QRL (RQL) Subsidy	926
Costs met by BRC normal operations	(8,014)

A key issue for the Club is that tracks and facilities are large fixed cost activities which do not change regardless of raceday attendance. The costs of training, racetracks and racing are incurred by BRC to generate the wagering product for the TAB. Despite incurring the costs of generating the wagering product, all off course wagering revenue is paid to RQL. In addition, all nomination, acceptance and other fees paid by owners to race their horses are retained by RQL.

It is therefore our view that the cost sharing regarding the costs of producing product are disproportionately shared between BRC and the recipient of the major revenue stream in RQL. This imbalance must be urgently addressed.

In regard to the stewarding functions provided by the control body to our racedays, we commend Chief Steward Wade Birch and his steward’s panel for their efforts and expertise in controlling racing during the year. On many occasions, the stewards were faced with difficult decisions but they unerringly maintain the integrity of racing. The stewards’ panel continually enhances the image of the Brisbane Racing Club through their professionalism.

Whilst the BRC and RQL will no doubt continue to disagree on occasion, we have a viable working relationship, and we find that each organisation freely makes its Board and staff available to each other to ensure the smooth conduct of the industry. We look forward to this healthy relationship continuing.

TRAINING

On average, 480 horses were in work at BRC. Of these, 230 horses were stabled on course at Eagle Farm with the remaining 250 horses being floated or walked in each day. BRC provided 3 of the top four trainers in the Brisbane premiership, namely Robert Heathcote (1st), Liam Birchley (2nd) and Kelly Schweida (4th). The strong results of these trainers are evidence of the quality of training facilities at BRC.

BRC continues to heavily subsidize owners and trainers for the cost of training. To achieve approximately \$200,000 in cost savings, in June 2010 the Board resolved to centralise all "day to day" training at Eagle Farm. The cinders track at Doomben will be decommissioned but the grass training surfaces retained for special purpose training such as grass gallops, barrier trials and jump outs.

The contribution of BRC to horse training is estimated to be \$755,000 per year, and is outlined below:

Item	\$000
Revenues	
- Trainer fees	790
- Government grant	315
- QRL subsidy	120
- Trial Nominations	43
Total Revenue	1,268
Costs	(2,023)
Surplus/(Deficit)	(755)

OUR PARTNERS

We would like to thank the following principal and major partners of the BRC for their support and efforts over the past year. Without their support the club would not be able to provide the current levels of racing entertainment.

PRINCIPAL PARTNERS

- AAMI
- Channel 7

MAJOR PARTNERS

- Ambassador Travel
- Bollinger
- Brisbane Marketing
- Carlton United Breweries
- Castlemaine Perkins
- Coca Cola
- Conrad Treasury
- Diageo
- Fosters
- Queensland Events
- Racetree

COMMUNITY SUPPORT

The Club continues to be a keen supporter of community based activities. We are pleased to have been able to provide support to a number of community activities in the last year including the following organisations:

- Tangalooma Island
- Bernborough Club
- Brothers Junior Rugby Club
- St Joseph's College
- UQ
- UQ Clubs
- QUT
- Qld Racehorse Owners Association
- Brisbane Broncos
- Mothers of Boys
- Padua College

- CMA Brisbane
- Montrose Access
- St Vincent's Brisbane
- Craigslea State Primary School
- Our Lady Help of Christians
- Burns Survivors Network
- Ascot State School
- St Joseph's Gregory Terrace
- Royal Children's Hospital Foundation
- Mater Foundation
- McGrath Foundation
- Holy Spirit Primary School
- St Kevin's Primary School

The Club also has very good relationships with the Council and Parliamentary officials elected to represent the community in which the BRC operates and also the racing industry as a whole:

- Lord Mayor Campbell Newman
- The Hon. Wayne Swan MP, Federal Member for Lilley
- The Hon. Tim Nicholls MP, State Member for Clayfield
- The Hon. Peter Lalor MP, Minister for Racing
- The Hon. Ray Stevens MP, Shadow Minister for Racing
- Cr. David McLachlan, Councillor for Hamilton Ward

We thank them for their support of the Club and their interest in its activities.

APPRECIATION

Finally, I would like to express my appreciation to the Board, Management and staff of the Brisbane Racing Club for their dedication and hard work over the last year. We have seen this new company come from its formation on 1 July 2009 to a well run, integrated organisation just one year later. The conduct of the Winter Carnival, and its unprecedented five day program, seamlessly building throughout the five weeks, across two venues, demonstrates the great strides the BRC has taken in its first year.

I am confident that the basis for the club's future has now been established. We will now approach the next couple of years with the knowledge that your Club will be in the best position possible to understand the developments in the industry and respond appropriately to them.



KEVIN DIXON

CHAIRMAN

Statistical Information

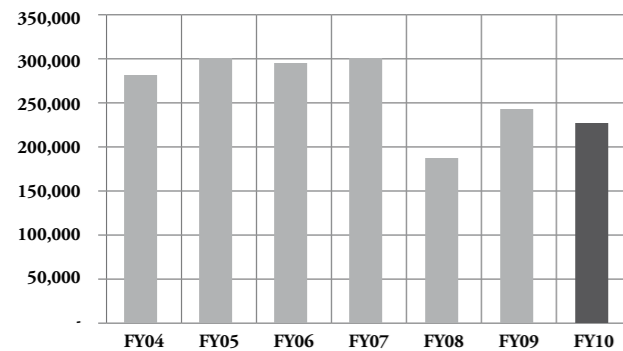
Statistic	FY04*	FY05*	FY06*	FY07*	FY08**	FY09*	FY10
	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Attendance	278,329	299,538	294,737	299,585	191,483	244,421	226,563
Catering Sales	6,321,691	7,588,571	8,106,687	9,258,567	7,372,019	10,469,134	11,124,321
Race Meetings	94	92	93	91	60	90	84
Prizemoney	24,358,420	26,929,723	30,691,000	30,704,000	23,390,900	31,110,100	31,581,500
On Course Totalisator	31,176,950	32,489,099	31,120,023	31,604,868	22,760,913	28,648,810	25,818,705
Bookmaker Turnover	107,154,272	92,197,575	90,219,849	85,395,673	78,418,373	102,561,062	88,352,677

* Totals represent the sum of QTC and BTC

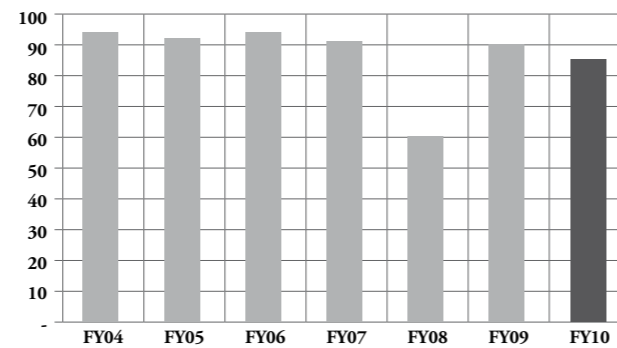
+ Equine influenza closure

DIRECTORS' REPORT

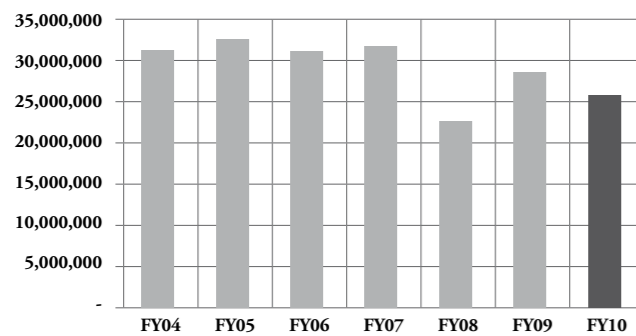
ATTENDANCE



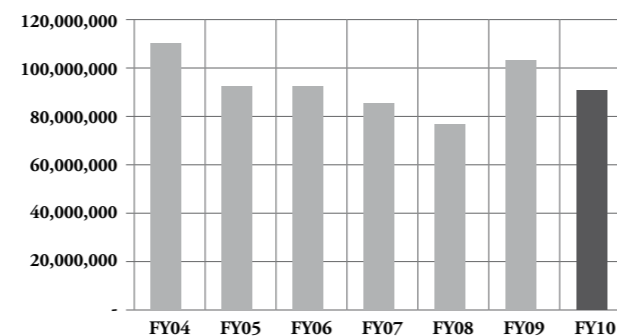
RACE MEETINGS



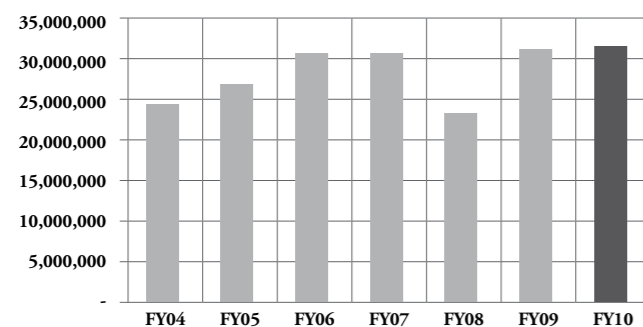
ON COURSE TOTALISATOR
TURNOVER



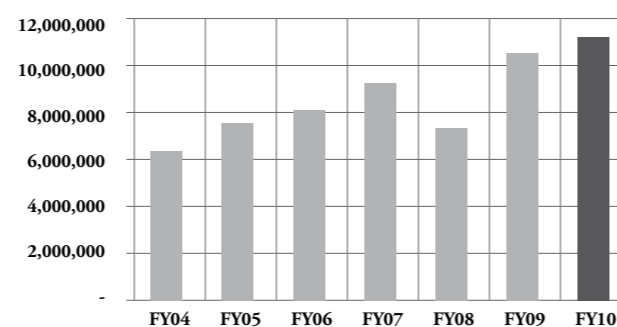
BOOKMAKERS' TURNOVER



PRIZE MONEY



CATERING SALES



Your Directors submit the financial report of the Group, being the Company and its controlled entity for the financial year ended 30 June 2010.

DIRECTORS

The names of Directors in office at the date of this report are:

Name

K J Dixon

E A Kann

S G Adams (appointed 10 August 2009)

N D Bell

D J Dawson

W J Sexton

P G Tighe

P R Williams

Directors have been in office since 1 July 2009 to the date of this report unless otherwise stated above.

The qualifications and experience of the Directors are outlined later in this report.

COMPANY SECRETARY

The Company Secretary at year end was Mr Stephen Ferguson whose qualifications include a Bachelor of Social Science and Master of Business Administration. He has twenty four years' experience in racing administration.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year to 30 June 2010 were the operation of thoroughbred horse racing activities for members, guests and other clients. As part of its operations, the Company also owns and operates a licensed club.

OPERATING RESULTS

The net profit from ordinary activities of the Company for the year amounted to \$89,426,008 (2009 \$1,089,121 loss). This profit has been inflated due to the requirement to account for the acquisition of Queensland Turf Club Limited ('QTC') and Brisbane Turf Club Limited ('BTC') through the consolidated statement of comprehensive income for \$92,596,527.

DIVIDENDS PAID OR RECOMMENDED

By virtue of the Constitution, the income and property of the Company whencesoever derived, shall be applied solely towards the promotion of the objectives of the Company and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise, to the members of the Company.

REVIEW OF OPERATIONS

Details of the activities of the Company for the year have been outlined in the previous pages of the Annual Report. Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

ENVIRONMENTAL ISSUES

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the financial year, Brisbane Racing Club Limited acquired the net assets of Hamilton Bowls Club Inc. ('HBC')

AFTER BALANCE DATE EVENTS

No matters or circumstance have arisen since 30 June 2010 that have significantly affected, or may significantly affect:

- (a) the Company's operations and results in future financial years, or
- (b) the Company's state of affairs in future financial years.

INFORMATION ON DIRECTORS

Kevin Dixon (age 52)

Qualifications and experience – Kevin spent 30 years with Accenture, a global management consulting company. In 2004 he founded Racetree Stud and owns a number of racehorses. Kevin was part of the negotiations regarding the formation of the Brisbane Racing Joint Venture

Special Responsibilities – Chairman and Chairman of Master Planning Sub Committee

Eddie Kann (age 66)

Qualifications and experience – Eddie is Chief Executive Counsel for commercial law firm ClarkeKann. Life member of the Urban Development Institute of Australia and a former Director Queensland Turf Club Ltd 2006-2009 (Vice Chairman 2007-2009)

Special Responsibilities – Vice Chairman and Chairman of Finance and Governance Sub Committee

Samuel Adams (age 30)

Qualifications and experience – Samuel is a qualified solicitor who specialises in large scale real estate and banking and finance transactions. He is a senior associate with Clayton Utz, previously being employed in the London offices of Clifford Chance.

Special Responsibilities – Member of Master Planning Sub Committee

Neville Bell (age 62)

Qualifications and experience – Neville is the proprietor of Kilty Park Stud and Agistment Farm located at Caboolture. Neville was also a former Director of Queensland Turf Club Ltd 1998-2009.

Special Responsibilities – Member of Master Planning Sub Committee

David Dawson (age 63)

Qualifications and experience – David was the Chief Scientist Prince Charles Hospital before retirement. He is a consultant to the World Health Organization and a former Director of the Queensland Turf Club 2005-2009 (Treasurer 2007-2009)

Special Responsibilities – Member of Finance and Governance Sub Committee

Bill Sexton (age 66)

Qualifications and experience – Bill is a Company Director and Qualified Accountant. Director of Queensland Turf Club Ltd 1978-2009 and held the positions of Treasurer 1993-2002, Vice Chairman 2002-2005 and Chairman 2005-2009. Bill has extensive thoroughbred breeding and racing interests

Special Responsibilities – Member of Finance and Governance Sub Committee

Peter Tighe (age 51)

Qualifications and experience – Peter is a Director of a number of private companies with interests in fruit and vegetable marketing and wholesaling with some 30 years experience. For the past 20 years he has been the Managing Director of J.H. Leavy & Co, one of the largest and most successful wholesaling businesses in the Brisbane market. He is currently on the Boards of both Brisbane Markets Limited and Brismark. For over fifteen years both Peter and his wife Patricia have raced horses in the eastern states of Australia as well as Singapore.

Special Responsibilities – Member of Special Projects and the Brisbane Racing and Sports Social Club ('BRSSC') Sub Committee

Paul Williams (age 46)

Qualifications and experience – Paul has twenty years experience as a commercial lawyer and was previously a partner of the Brisbane legal firm Hopgood Ganim. He is currently general counsel to a large Japanese coal mining group, Mitsui Coal Holdings. In late 2005 he also joined the Board of Directors of the Brisbane Lions Football Club and was a director of Brisbane Turf Club prior to the merger with Queensland Turf Club. He and his wife Jill have many horse racing and breeding interests in Queensland and New South Wales.

Special Responsibilities – Chair of Special Projects and BRSSC Sub Committee

MEETINGS OF DIRECTORS

Name	Directors Meetings		Finance and Government Committee		Special Projects and BRSSC Committee		Master Planning Committee	
	A	B	A	B	A	B	A	B
K J Dixon	15	15	-	-	-	-	6	6
E A Kann	15	13	8	8	-	-	-	-
S G Adams	14	14	-	-	-	-	6	6
N D Bell	15	15	-	-	-	-	6	6
D J Dawson	15	13	8	7	-	-	-	-
W J Sexton	15	14	8	7	-	-	-	-
P G Tighe	15	13	-	-	5	5	-	-
P R Williams	15	12	-	-	5	5	-	-

A = Number Meetings Eligible to Attend
B = Number Attended

OFFICERS' AND AUDITORS' INDEMNIFICATION

The Company has not, during or since the financial year, in respect of any person who is, or has been, an officer or auditor of the Company or of a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings; with the exception of the following:

During or since the financial year the Company has paid premiums to insure each of the Directors and the Company Secretary against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director or Company Secretary of the Company, other than conduct involving a wilful breach of duty in relation to the Company. Further details are prohibited by a confidentiality clause.

Signed in accordance with a resolution of the Directors made pursuant to Section 298(2) of the Corporations Act 2001 on behalf of the Directors.



K J D I X O N
Director

Dated this 26th day of August 2010



E A K A N N
Director

2010 ANNUAL REPORT

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AUDITOR'S INDEPENDENCE DECLARATION

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

UNDER SECTION 307C OF
THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF BRISBANE RACING
CLUB LIMITED AND ITS CONTROLLED ENTITY

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2010 there have been:

- (i) no contraventions of the auditor independence declaration requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Bentleys Brisbane (Audit) Pty Ltd

Chartered Accountants



by Robert Forbes – Director

Brisbane

26 August 2010

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

	Note	2010 \$	2009 \$
Revenue from ordinary activities	2	118,234,172	59
Expenses from ordinary activities	3	(28,808,164)	(1,089,180)
Profit/(Loss) from ordinary activities		\$ 89,426,008	(\$1,089,121)
Other comprehensive income		-	-
Total comprehensive income/(deficit) for the year		\$ 89,426,008	(\$1,089,121)

The accompanying notes to the financial statements form part of this financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

	Note	2010 \$	2009 \$
CURRENT ASSETS			
Cash and cash equivalents	6	7,464,709	943,587
Trade and other receivables	7	1,398,377	-
Inventories	8	526,114	-
Other current assets	9	63,792	15,595
TOTAL CURRENT ASSETS		9,452,992	959,182
NON-CURRENT ASSETS			
Property, plant & equipment	10	82,341,047	296,012
Investment properties	11	3,141,750	-
Intangible assets	12	315,648	-
TOTAL NON-CURRENT ASSETS		85,798,445	296,012
TOTAL ASSETS		95,251,437	1,255,194
CURRENT LIABILITIES			
Trade and other payables	13	3,881,381	1,598,014
Employee entitlements	14 (a)	1,134,841	-
Provisions	15 (a)	187,621	-
Other current liabilities	16	1,065,784	746,301
TOTAL CURRENT LIABILITIES		6,269,627	2,344,315
NON-CURRENT LIABILITIES			
Employee entitlements	14 (b)	44,923	-
Provisions	15 (b)	600,000	-
TOTAL NON-CURRENT LIABILITIES		644,923	-
TOTAL LIABILITIES		6,914,550	2,344,315
NET ASSETS		\$ 88,336,887	(\$1,089,121)
EQUITY			
Members' funds		88,336,887	(1,089,121)
Asset revaluation reserve		-	-
TOTAL EQUITY		\$ 88,336,887	(\$1,089,121)

The accompanying notes to the financial statements form part of this financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

	Members' Funds \$	Asset Revaluation Reserve \$	Total
Opening Balance 13 October 2008	-	-	-
Profit/(Loss) for the period	(1,089,121)	-	(1,089,121)
Revaluation increments/ (decrements)	-	-	-
Transfers to and (from) reserves	-	-	-
Balance at 30 June 2009	(1,089,121)	-	(1,089,121)
Opening Balance 1 July 2009	(1,089,121)	-	(1,089,121)
Profit/(Loss) for the year	89,426,008	-	89,426,008
Revaluation increments/ (decrements)	-	-	-
Transfers to and (from) reserves	-	-	-
Balance at 30 June 2010	\$ 88,336,887	-	\$ 88,336,887

MEMBERS' FUNDS

Members' Funds represents the accumulation of profit and members' equity since the incorporation of the Company.

ASSET REVALUATION RESERVE

The asset revaluation reserve records revaluations of non-current assets.

The accompanying notes to the financial statements form part of this financial report

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from QTC and BTC as start up funding		-	1,384,649
Cash receipts from customers		25,128,511	746,301
Payments to suppliers and employees		(24,695,339)	(891,410)
Interest received		442,963	59
Net Cash Provided By/ (Used In) Operating Activities	18	876,135	1,239,599
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		(5,688,636)	(296,012)
Acquisition of QTC and BTC net of cash acquired		11,687,642	-
Acquisition of HBC net of cash acquired		(354,019)	-
Net Cash Provided By/ (Used In) Investing Activities		5,644,987	(296,012)
NET INCREASE/(DECREASE) IN CASH HELD		6,521,122	943,587
Cash at beginning of financial year		943,587	-
CASH AT END OF FINANCIAL YEAR		\$ 7,464,709	\$ 943,587
CASH AT END OF FINANCIAL YEAR			
Cash at bank and on hand		1,205,301	543,587
Deposits at call		6,259,408	400,000
Cash held at end of financial year	6	\$ 7,464,709	\$ 943,587

The accompanying notes to the financial statements form part of this financial report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Corporations Act 2001 and the Racing Act 2002. Brisbane Racing Club Limited is an unlisted public company limited by guarantee, incorporated and domiciled in Australia.

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

BASIS OF PREPARATION

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

ACCOUNTING POLICIES

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of the entities controlled by Brisbane Racing Club Limited at the end of the reporting year. A controlled entity is any entity over which Brisbane Racing Club Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 23 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

(b) Income Tax

No provision is made for income tax, as Brisbane Racing Club Limited is exempt from income tax.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to inventories on the basis of last cost for beverages, food and maintenance materials.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (ie trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- i. the amount at which the financial asset or financial liability is measured at initial recognition;
- ii. less principal repayments;
- iii. plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- iv. less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

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

Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investment would be tainted and reclassified as available-for-sale.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the consolidated statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability, which is extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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(e) Property, Plant and Equipment

Each class of Property, plant and equipment are brought to account at cost or fair value, less, where applicable, any accumulated depreciation and impairment losses.

All Property, plant and equipment transferred from the acquisition of QTC and BTC have been brought to account using valuations by an independent valuer, AON Global, conducted on 30 June 2009. The basis of the valuations was determined on either current market price, based on comparable market evidence, or depreciated replacement cost. These values have been recognised in the Company at cost.

The costs of fixed assets constructed by the Company includes the cost of materials, direct labour, borrowings costs and an appropriate portion of fixed and variable overheads.

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

Depreciation

The depreciable amount of all fixed assets, excluding land, is depreciated on a straight line basis over their useful lives to the Company commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Racetracks	1%
Buildings	2.5%-50%
Plant & Equipment	10-33%
Furniture & Fittings	10-20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the consolidated statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to Members' funds.

Impairment of Assets

At each reporting date, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset is compared to the asset's carrying value. The recoverable amount is assessed on the basis of the expected cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts. Any excess of the asset's carrying value over its recoverable amount is expensed to the consolidated statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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(f) Investment Property

Investment property, comprising rental properties, is held to generate long term rental yields. All tenant leases are on an arm's length commercial basis. Investment property is depreciated on a straight line basis at a depreciation rate of 2.5% per annum. Changes to fair value are recorded in the consolidated statement of comprehensive income. All investment property was transferred from the acquisition of QTC and brought to account using valuations by an independent valuer, AON Global, conducted on 30 June 2009. The basis of the valuations was determined on the current market price based on comparable market evidence. These values have been recognised in the Company as cost.

(g) Intangible Assets

Intangible assets, which comprise of the Licences for the operation of gaming machines are carried at its fair value. The valuations are determined by the Directors on the basis of open market value by reference to the going rate of the sale of a gaming machine licence in Queensland. The Licences have an infinite life and are assessed annually for impairment.

(h) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Defined Benefit Plan

In respect of defined benefit plans, the cost of providing the benefits is determined using generally accepted actuarial practices and methods. Actuarial gains and losses are amortised over the expected average remaining working lives of the participating employees in the scheme. Gains or losses on the curtailment or settlement of a defined benefit plan are recognised in the consolidated statement of comprehensive income when the Company is demonstrably committed to the curtailment or settlement. Actuarial valuations are conducted every three years, with interim valuations performed on an annual basis. Consideration is given to any event that could impact the funds up to reporting date where the interim valuation is performed at an earlier date.

(i) Cash And Cash Equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents includes:

- (i) cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and
- (ii) investments in money market instruments

(j) Provisions

Provisions are recognised when the Company has a legal and constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(k) Revenue

Revenue from the sale of goods is recognised upon the delivery of goods to members, guests and other clients. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Revenue from the rendering of a service is recognised upon delivery of the service to members, guests and other clients.

(l) Goods Services Tax ('GST')

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

(m) Prize money

From July 2005, Racing Queensland Limited introduced a scheme regarding the funding of prize money and the payment of an administration subsidy. Racing Queensland Limited has instructed the Club that funding and payment of prize money paid on races conducted by the Company be excluded from revenue and expenditure. Total prize money paid on BRC races is disclosed on Note 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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(n) Comparatives

Brisbane Racing Club Limited was incorporated on 13 October 2008 and, accordingly, the comparatives for 2009 are only for the period between the date of incorporation to 30 June 2009. Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(o) Critical Accounting Estimates and Judgements

There were no critical accounting estimates and judgements in respect of the 2010 Financial Report.

(p) Adoption of New and Revised Accounting Standards

During the current year the Company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of the Company.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Company's financial statements.

Disclosure impact

Terminology changes — The revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity — The revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income — The revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Company's financial statements now contain a statement of comprehensive income.

Other comprehensive income — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

(q) New Standards and Interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 30 June 2010, but have not been applied in preparing this financial report.

- AASB 9 Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013). These standards are applicable retrospectively and amend the classification and measurement of financial assets. The Company has not yet determined the potential impact on the financial statements.
- AASB 2009-14: Amendments to Australian Interpretation — Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011). This standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.

The Company does not anticipate early adoption of any of the above Australian Accounting Standards.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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	2010 \$	2009 \$
2. REVENUE		
Operating Activities		
- Racing Queensland Limited subsidy	863,000	-
- catering and admissions revenue	12,839,940	-
- broadcast, television rights and sponsorship	5,679,015	-
- wagering and gaming revenue	1,956,546	-
- stable, track and barrier trial fees	2,215,719	-
- other operating revenue	-	-
Total operating revenue	23,554,220	-
Non-Operating activities		
- profit on acquisition of QTC and BTC	92,596,527	-
- member subscriptions and entrance fees	874,347	-
- rental, interest and other income	1,209,078	59
Total non-operating revenue	94,679,952	59
Total revenue	\$ 118,234,172	\$ 59
3. PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
Profit/(Loss) from ordinary activities has been determined after:		
Racing and Non Racing Expenses		
- catering and race day salaries and associated costs	8,084,149	-
- equipment hire	1,515,554	-
- trophies	110,982	-
- totalisator expenses (Note 4)	1,479,216	-
- racing service providers	2,423,175	-
- gaming and sports club expenses	8,727	-
- other expenses	253,135	-
Total Racing and Non Racing expenses	13,874,938	-
Maintenance Expenses		
- materials and services	3,203,597	-
- salaries, contractors and associated costs	3,450,341	-
- other maintenance expenses	239,240	-
Total Maintenance expenses	6,893,178	-
Administration Expenses		
- salaries and associated costs	1,969,552	223,493
- legal and compliance expenses	302,569	282,107
- marketing, promotions and branding	1,306,109	226,342
- information technology expenses	269,042	42,891
- other administration expenses	1,415,885	314,347
Total Administration expenses	5,263,157	1,089,180
Depreciation		
- Depreciation expense	2,058,938	-
Total Depreciation expense	2,058,938	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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	2010 \$	2009 \$
Movement in Provisions		
- employee entitlements	490,224	-
Net expense from movement in provisions	490,224	-
Excess of HBC purchase consideration over net assets acquired now written off	227,729	-
Total expenses (excluding finance costs)	\$ 28,808,164	\$ 1,089,180
4. TOTALISATOR COMMISSION		
Gross Commission	1,267,365	-
Total Expenses	(1,479,216)	-
Net Profit/(Loss)	(\$ 211,851)	\$ -
5. AUDITORS' REMUNERATION		
Remuneration of the auditors for the Company for:		
- auditing or reviewing the financial report	57,500	11,000
	\$ 57,500	\$ 11,000
6. CASH AND CASH EQUIVALENTS		
Cash on hand (Secutor Securities)	425,686	200,000
Cash at bank	779,615	343,587
Deposits at call	6,259,408	400,000
	\$ 7,464,709	\$ 943,587
7. TRADE AND OTHER RECEIVABLES		
Trade debtors	1,266,136	-
Provision for impairment	(2,740)	-
	1,263,396	-
Other receivables	134,981	-
	\$ 1,398,377	\$ -
8. INVENTORIES		
Catering food and beverage – at cost	456,418	-
Maintenance materials – at cost	69,696	-
	\$ 526,114	\$ -
9. OTHER CURRENT ASSETS		
Prepayments	\$ 63,792	\$ 15,595

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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	2010 \$	2009 \$
10. PROPERTY, PLANT AND EQUIPMENT		
Freehold Land		
At cost	29,500,000	-
Total Freehold Land	\$ 29,500,000	-
Racetracks		
At cost	10,090,900	-
Less Accumulated Depreciation	(99,750)	-
Total Racetracks	\$ 9,991,150	-
Buildings		
At cost	39,852,792	-
Less Accumulated Depreciation	(1,080,057)	-
Total Buildings	\$ 38,772,735	-
Plant and Equipment		
At cost	3,706,301	-
Less Accumulated Depreciation	(725,014)	-
Total Plant And Equipment	\$ 2,981,287	-
Furniture and Fittings		
At cost	813,639	-
Less Accumulated Depreciation	(145,867)	-
Total Furniture and Fittings	\$ 667,772	-
Capital Works in Progress		
At cost	428,103	296,012
Total Capital Works in Progress	\$ 428,103	\$ 296,012
Total Property, Plant and Equipment	\$ 82,341,047	\$ 296,012

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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Movements in Carrying Amounts

Movement in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Freehold Land	Racetracks	Buildings	Plant and Equipment	Furniture and Fittings	Capital Works in Progress	Total
Balance at beginning of year	-	-	-	-	-	296,012	296,012
Additions through acquisitions	29,500,000	9,975,000	34,434,000	3,091,900	710,600	731,761	78,443,261
Additions	-	115,900	4,542,770	318,389	103,039	608,538	5,688,636
Transfers	-	-	876,022	296,012	-	(1,172,034)	-
Disposals	-	-	-	-	-	(36,174)	(36,174)
Revaluation increments/ (decrements)	-	-	-	-	-	-	-
Depreciation expense	-	(99,750)	(1,080,057)	(725,014)	(145,867)	-	(2,050,688)
Carrying amount at the end of the year	29,500,000	9,991,150	38,772,735	2,981,287	667,772	428,103	82,341,047



NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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	2010 \$	2009 \$
11. INVESTMENT PROPERTIES		
Balance at beginning of year	-	-
Transfer from QTC	3,150,000	-
Revaluation increments/(decrements)	-	-
Depreciation	(8,250)	-
Balance at year end	\$ 3,141,750	\$ -
12. INTANGIBLE ASSETS		
Gaming Machine Licences		
At cost	315,648	-
Total Gaming Licences	\$ 315,648	\$ -
Balance at beginning of year		
	-	-
Additions through acquisitions	315,648	-
Amortisation charge	-	-
Balance at year end	\$ 315,648	\$ -

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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	2010 \$	2009 \$
13. TRADE AND OTHER PAYABLES		
Trade Creditors	2,670,833	1,384,649
Other Creditors	1,210,548	213,365
	\$ 3,881,381	\$ 1,598,014
14. EMPLOYEE ENTITLEMENTS		
(a) Current		
Annual Leave	619,079	-
Long Service Leave	515,762	-
	\$ 1,134,841	\$ -
(b) Non-Current		
Long Service Leave	44,923	-
	\$ 44,923	\$ -
15. PROVISIONS		
(a) Current		
- Provision for Deferred Settlement (Note 23(c))	175,000	-
- Other Provisions	12,621	-
	187,621	-
(b) Non Current		
- Provision for Deferred Settlement (Note 23(c))	600,000	-
	600,000	-
Total Provisions	\$ 787,621	\$ -

	Provision for Deferred Settlement \$	Other Provisions \$	Total \$
Beginning of the year	-	-	-
Additional Provisions	775,000	12,621	787,621
Amounts Used	-	-	-
End of the year	\$ 775,000	\$ 12,621	\$ 787,621

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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	2010 \$	2009 \$
16. OTHER CURRENT LIABILITIES		
Income Received in Advance	1,065,784	746,301
	\$ 1,065,784	\$ 746,301

17. EQUITY

The Company is limited by guarantee by members of the Company. If the Company is wound up, the articles of association state that each member of the Company is required to contribute a maximum of \$10 each towards meeting any outstanding obligations. At 30 June 2010 the number of members of the Company was 4,866 (2009: 8 members being the founding Directors).

	2010 \$	2009 \$
18. CASH FLOW INFORMATION		
Reconciliation of cash flow from operations with profit		
from ordinary activities:		
Profit/(Loss) from ordinary activities	89,426,008	(1,089,121)
Non-cash flows in operating profit:		
Depreciation and amortisation	2,058,938	-
Excess of HBC purchase consideration over net assets acquired now written off	227,729	-
Net gain on disposal of property, plant and equipment	36,174	-
Cash flows excluded from profit attributable to operating profit:		
Profit on acquisition	(92,596,527)	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	127,201	-
(Increase)/decrease in prepayments	56,213	(15,595)
Increase/(decrease) in inventories	285,599	-
Increase/(decrease) in trade payables and accruals	1,158,210	1,598,014
Increase/(decrease) in provisions and other liabilities	96,590	746,301
Cash flows from operations	\$ 876,135	\$ 1,239,599

The Company has no credit stand-by or financing facilities in place.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

19. FINANCIAL RISK MANAGEMENT

The financial instruments of the Company consist mainly of cash and cash equivalents and trade receivables and payables. There are no complex financial instruments nor derivatives. All assets and liabilities are denominated in Australian dollars and there is no foreign currency risk either in terms of the consolidated statement of comprehensive income and consolidated statement of financial position.

Financial Risk Management Policies

The Finance and Governance Committee has been delegated responsibility by the Board of Directors for, amongst other issues, to monitor the Company's financial performance and review the accounting function and effectiveness of internal controls. The committee meets at least every two months and minutes of the committee are reviewed by the Board.

Specific Financial Risk Exposures and Management

(a) Credit Risk

Credit risk relates largely to trade and other receivables included in note 7 to the financial report and the risk is that a loss would be recognised if counter-parties failed to perform as contracted. The credit risk on financial assets of the Company, which have been recognised in the consolidated statement of financial position, is the carrying value net of any provision for impairment. The Company is not materially exposed to any individual third party except for cash and cash equivalents with bank and financial institutions. These institutions all have an investment grade credit rating from a recognised rating agency.

The following table details the Company's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Company.

	Gross Amount \$	Past Due and Impaired \$	Past Due but Not Impaired				Within Initial Trade Terms \$
			< 30 \$	31-60 \$	61-90 \$	> 90 \$	
2010							
Trade receivables	1,266,136	2,740	179,093	162,995	61,065	56,213	804,030
Other receivables	134,981	-	-	-	-	-	134,981
Total	1,401,117	2,740	179,093	162,995	61,065	56,213	939,011
2009							
Trade receivables	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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(a) Market Risk

No assets or liabilities of the Company bear interest except for cash and cash equivalents. The interest rate (market) risk regarding these assets is monitored by the Directors to ensure the best possible financial returns. At 30 June 2010 the weighted average effective interest rate in relation to cash and cash equivalents was 6.20% (2009 – 0%) with the interest rate being entirely represented by fixed rates. In terms of interest rate sensitivity analysis, a 2% increase/decrease in interest rates would cause the net profit before tax and equity of the Company to increase/decrease by \$125,188 annually assuming all other variables remain constant.

(c) Liquidity Risk

The Company manages liquidity risk by monitoring cash flow and ensures that sufficient cash is available to meet all liabilities on a timely basis. This management includes the timing and quantum of capital expenditure.

The Directors consider that the carrying amount of financial assets and liabilities approximate their respective net fair values. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates. The table below reflect an undiscounted contractual maturity analysis for financial assets and liabilities.

Financial Liability and Financial Asset Maturity Analysis

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets								
Cash and cash equivalents	7,464,709	943,587	-	-	-	-	7,464,709	943,587
Trade and other receivables	1,398,377	-	-	-	-	-	1,398,377	-
Total expected inflows	\$8,863,086	\$943,587	-	-	-	-	\$8,863,086	\$943,587
Financial Liabilities								
Trade and other payables	3,881,381	1,598,014	-	-	-	-	3,881,381	1,598,014
Total expected outflows	\$3,881,381	\$1,598,014	-	-	-	-	\$3,881,381	\$1,598,014
Net inflows/ (outflows) on financial instruments	\$4,981,705	(\$654,427)	-	-	-	-	\$4,981,705	(\$654,427)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

20. DIRECTORS AND EXECUTIVE DISCLOSURES

The following disclosures are presented regarding the Directors and Executives of the Company during the financial year:

Non-Executive Directors

K J Dixon

E A Kann

S G Adams (appointed 10 August 2009)

N D Bell

D J Dawson

W J Sexton

P G Tighe

P R Williams

Executive Management

Chief Executive Officer
S A Ferguson

Chief Operating Officer
D R W Condon

Chief Financial Officer
A J Moore

General Manager Venues and Risk (resigned 11 December 2009)
W Williams

Related Party Disclosures

All Directors act in an honorary capacity and receive no remuneration for their services. Directors may be reimbursed for expenditure incurred in the conduct of their official duties. During the financial year, the Company has agreed to pay premiums for insurance for the personal legal liability of the Directors and officers of the Company arising out of a breach of statutory and other obligations. Further details are prohibited by a confidentiality clause.

Directors either individually or through related entities may participate in the thoroughbred racing industry by means of sponsorship and /or ownership of racehorses. This involvement is on terms and conditions no more favourable than other participants in the thoroughbred racing industry.

Samuel Adams is an employee of the legal firm Clayton Utz. Legal fees of \$3,850 (2009: nil) were paid during the year to Clayton Utz for advice relating to the master plan. The transaction was conducted on normal commercial terms and conditions no more favourable than those available to other persons or companies.

An investment property owned by the Company was rented to the Chief Executive Officer from the period July 2009 to December 2009 on an arms length basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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Key Management Compensation

Management compensation is included in the consolidated statement of comprehensive income and consolidated statement of financial position and is outlined below:

	2010 (a) \$	2009 (b) \$
Short Term Benefits	835,760	186,613
Post Employment Benefits	68,818	15,079
Termination Benefits	76,388	-
Total	\$ 980,966	\$ 201,692

(a) General Manager Venues and Risk resigned 11 December 2009

(b) Only reflects benefits for part of the initial year of the Company

21. SEGMENT REPORTING

The Company operates in the thoroughbred racing sector providing facilities to its members, guests and the general public within Australia.

22. ECONOMIC DEPENDENCY

The Company is economically dependent on Racing Queensland Limited for the funding of prize money and other distributions. Total prize money paid on races conducted by the Company in 2009/10 totalled \$31,581,500 which included \$1,285,500 in the Queensland Thoroughbred Investment Scheme ('QTIS') prize money and \$384,000 in QTIS 600 prize money.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

23. CONTROLLED ENTITIES

(a) Controlled Entities Consolidated

	Country of Incorporation	Percentage Owned	
		2010	2009
BRC Venue Management Services Pty Ltd	Australia	100	0

The Company has established a commercial relationship with BRC Venue Management Services Pty Ltd to assist with the management of BRC's venues and the further development of the racing precinct master plan. This relationship is in the form of a mortgage and a charge over all the assets of BRC and an intellectual property licence between the two companies.

(b) Parent Entity Results

The parent entity's values for assets, liabilities, revenues, expenses and equity are the same as the consolidated entity.

(c) Acquisition of Hamilton Bowls Club

During the period, the Company acquired the operations of the Hamilton Bowls Club ('HBC'). The transaction was based on a purchase price of \$750,000 consisting of an initial payment of \$350,000 and four (4) further payments of \$100,000. In addition, five (5) support payments of \$75,000 will be made over the next five years. These future payments were expensed in the accounting for the acquisition and have been provided for in the consolidated statement of financial position on the following basis:

	2010 \$	2009 \$
Provision for Current Deferred Settlement Liability	175,000	-
Provision for Non Current Deferred Settlement Liability	600,000	-

24. RETIREMENT BENEFIT OBLIGATIONS

Defined Benefit Plan

For some former QTC employees the Company participated in an employer sponsored defined benefit superannuation plan during the year.

The benefits provided by this plan are based on the length of service of the member at retirement. Employees contribute various percentages of their gross income to the plan. Under the current Benefit Certificate issued on 22 July 2010, effective as at 30 June 2010 by the current Actuary, Ms Saffron Sweeney, the employer is contributing at varying rates of the employee's gross income.

At 30 June 2010, the deficiency in the plan was \$92,509 (2009: \$56,670 deficiency). The Company is making additional payments to extinguish this deficiency.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
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The most recent financial report of the superannuation plan available to the Company as at 30 June 2010 can be summarised as follows (comparatives relate to QTC):

	2010 \$	2009 \$
Unrecognised consolidated statement of financial position asset for:		
Superannuation benefits	291,642	250,745
	291,642	250,745
Statement of comprehensive income charge:		
Superannuation benefits	91,150	75,314
	91,150	75,314
The amounts recognised are as follows:		
Present value of funded obligations	1,292,266	1,160,372
Fair value of plan assets	(1,199,757)	(1,103,612)
	92,509	56,760
Unrecognised actuarial gains (losses)	(384,151)	(307,505)
Net asset not recognised in consolidated statement of financial position	(291,642)	(250,745)
Reconciliation of movements in the funded obligations are as follows:		
Beginning of the year	1,160,372	1,231,549
Current service cost	88,440	78,075
Interest cost	62,594	75,882
Contributions by plan participants	35,136	37,971
Actuarial (gains)/losses	124,840	(131,378)
Benefits paid	(131,201)	(94,217)
Other	(47,915)	(37,510)
End of the year	1,292,266	1,160,372
Reconciliation of movement in the fair value of plan assets is as follows:		
Beginning of the year	1,103,612	1,317,157
Expected return on plan assets	110,099	(191,880)
Employer contributions	130,026	72,091
Contributions by plan participants	35,136	37,971
Benefits paid and other expenses	(179,116)	(131,727)
End of the year	1,199,757	1,103,612
Discount rate	5.1%	5.5%
Anticipated return on plan assets	6.3%	7.2%
Expected future salary increases	4.2%	4.3%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

The anticipated return on plan assets is based on market expectations, at the beginning of the reporting period, for returns over the entire life of the related obligation. The anticipated returns on plan assets is a weighted average of the major categories of plan assets shown below. The decline in the return of 0.9% during the current financial year is a result of declines in the overseas equity market.

	2010 %	2009 %
The percentage contribution of each major category of total plan assets comprises:		
Australian shares	30	30
International shares	30	30
Property	6	6
Alternative Investments (Growth)	4	4
Alternative Investments (Defensive)	5	5
Fixed Interest	20	20
Cash	5	5
	100%	100%

Historical Analysis of Defined Benefit Obligation	2010	2009	2008	2007	2006
Present value of the defined benefit obligation	1,292,266	1,160,372	1,231,549	1,186,098	1,844,364
Fair value of plan assets	1,199,757	1,103,612	1,317,157	1,442,844	1,954,958
Surplus/(deficit) of the plan	(92,509)	(56,760)	85,608	256,746	110,594

The Company expects to contribute \$62,500 to the plan for the year ending 30 June 2011.

Defined Contribution Plan

For those employees who are not members of the Defined Benefit Plan, the Company participated in an employer sponsored defined contribution plan during the year. The total contribution made was \$536,910 (2009: \$ 0)

Employees contribute various percentages of their gross income and the Company contributes at the rate necessary to satisfy its superannuation guarantee contribution obligations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

25. RACING ACT

- (a) No payments of principal, interest, rent or lease payments were made to members during the year; and
- (b) All amounts expended by the Company in providing entertainment whether for its members or for other Persons, are considered reasonable and were incurred solely for the purposes of encouraging racing in Queensland. All expenditure for attendances by members at conferences is subject to the prior approval of the Board, and for the purposes specified in Section 112(3).

Specific disclosures required by Racing Queensland Limited in relation to the Club's Board and Executive Staff are as follows:-

	Board \$	Executive \$	Total \$
Entertainment	6,754	1,103	7,857
Travel & Accommodation	4,126	14,348	18,474
Telephone	-	1,575	1,575
Total	10,880	17,026	27,906

26. CAPITAL COMMITMENTS

Capital commitments as at 30 June 2010 amounted to \$310,683 (2009: \$0). All capital commitments are expected to be expended in the year to 30 June 2011.

27. AFTER BALANCE DATE EVENTS

There are no after balance date events to be included in this report.

The financial report was authorised for issue on 26 August 2010 by the Board of Directors.

28. CONTINGENT LIABILITY

If the master plan for the Brisbane racing precinct were not to proceed as planned, Brisbane Racing Club Limited would be obliged to fund 50% of the expenses incurred to date for both the concept and feasibility development stages estimated to be \$497,459 (2009: \$162,500).

29. COMPANY DETAILS

The registered office of the company is:

Level 8
Waterfront Place
1 Eagle Street
Brisbane QLD 4000

The principal place of business of the company is:

Eagle Farm Racecourse
230 Lancaster Road
Ascot QLD 4007

DIRECTORS' DECLARATION

BRISBANE RACING CLUB LIMITED AND ITS CONTROLLED ENTITY
ABN 80 133 679 786

The Directors of the Company declare that:

1. The financial statements and notes thereto are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards in Australia and the Corporations Regulations 2001;
 - (b) give a true and fair view of the Company's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



K J DIXON

Director



E A KANN

Director

26 August 2010

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRISBANE RACING CLUB LIMITED

We have audited the accompanying financial statements of Brisbane Racing Club Limited and its controlled entity (the consolidated entity), which comprises the consolidated statement of financial position as at 30 June 2010, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

THE RESPONSIBILITY OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 statements.

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 complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Brisbane Racing Club Limited on 26 August 2010 would be in the same terms if provided to the directors as at the date of this auditor's report.

AUDITOR'S OPINION

In our opinion the financial statements of Brisbane Racing Club Limited and its controlled entity is in accordance with the Corporations Act 2001, including

- (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants



Robert Forbes – Director

Brisbane

26 August 2010



THE BRISBANE RACING CLUB PROUDLY ACKNOWLEDGES THE OUTSTANDING SUPPORT OF ITS PARTNERS

PRINCIPAL PARTNERS



MAJOR PARTNERS



RACEDAY PARTNERS

All Hallow's School
Australian Special Metals
Austereo
Blackwoods
BMag
Childhood Cancer Support
Commercial Plumbing & Insulation Supplies
Cleanevent
Darley
Fine Wine Partners
Fujitsu
Game on International
Glenlogan Park Stud
Guvera
Hardy Brothers Jewellers
Hidden Dragon
Indooroopilly Shopping Centre
John Holland Group
Kedron Wavell Services Club
Kirks

Lend Lease
LIA
Livestock Transport
Lyndhurst Stud
Men of League
Mimiki Foundation
Mirvac Hotels & Resorts
Mitty's
MontroseAccess
Mt Gravatt AFC
Mullins Lawyers
MYER
North Brisbane Rugby Club
Ormiston College
Our Lady Help of Christians
Padua College
Panasaes Group
Patinack Farm
Poolrite
QLD Asbestos Related Disease Support Society

QLD Hotels Association
Queensland Reds
Racetree
Race-Tech Australia
Sita Environmental
Sky Racing
St Margaret's Anglican Girls School
St Vincent's Brisbane
Stanton Mienert
Style Magazines
Subiaco
The Courier-Mail
The Good Guys
TCL Electronics
Toyota
UNITAB
Urban Brisbane
Winning Edge Presentations
Woolworths
Zig Zag Foundation

CORPORATE MEMBERS

Aon Risk Services Australia Ltd
Australian Traffic Network
Best Security Pty Ltd
Bolack Publications
Cardno (QLD) Pty Ltd
Castlemaine Perkins
CBS Air Conditioning
Comfurn Design
Cox Rayner Architects
Downer EDI Works

Garrards Veterinary Practice
Greenwood Signs And Graphics
Hopgood Ganim Lawyers
Jasol Australia
JC & AT Searle Pty Ltd
Kedron Wavell Services Club
Moreton Hire
Nathan Lawyers
Netbi Pty Ltd
Nova 106.9 Pty Ltd

Novotel Brisbane Airport
Pacific Thoroughbreds
Race Zone
Scantech Ltd
Secutor Securities Pty Ltd
Selley's Pty Ltd
Urban Air & Electrical Pty Ltd
Urbis Pty Ltd
Watpac Specialty Services Pty Ltd
WSP Lincolne Scott