Level 1, 92 Fulcher Rd,
Red Hill, QLD 4059
T: 07 3858 9111
F: 07 3858 9112
E: info@broncos.com.au
www.broncos.com.au
A.B.N. 41 009 570 030

NRMA INSURANCE
Principal Sponsor

BRONCOS
BRISBANE

25 March 2015

To: ASX Company Announcements Platform

BRISBANE BRONCOS LIMITED
2014 ANNUAL REPORT, NOTICE OF ANNUAL GENERAL MEETING AND PROXY FORM

The directors of Brisbane Broncos Limited release the following attached documents:

- 2014 Annual Financial Statements and Reports
- Notice of Annual General Meeting and Explanatory Notes
- Proxy Form for Annual General Meeting and Instructions

As advised in the enclosed Notice, the details of the Annual General Meeting of Brisbane Broncos Limited are as follows:

Date:	Thursday 30 April 2015
Time:	10am
Place:	Broncos Leagues Club 92 Fulcher Road Red Hill QLD 4059

Yours faithfully

L. Lanigan

Brisbane Broncos Limited
Louise Lanigan
Company Secretary

2014 ANNUAL FINANCIAL STATEMENTS & REPORTS

BRISBANE BRONCOS LIMITED AND ITS CONTROLLED ENTITIES

BRONCOS
BRISBANE

2014 PLAYER AWARD WINNERS

NRL

Player of the Year
Ben Hunt

Best Forward
Josh McGuire

Best Back
Ben Hunt

Most Consistent
Alex Glenn

Play of the Year
Ben Barba

Players' Player
Ben Hunt

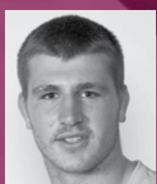
XXXX Fan Player of the Year
Ben Hunt

NYC

NYC Player of the Year
Joe Ofahengaue

NYC Best Forward
Aaron Rockley

NYC Best Back
Ashley Taylor



NYC Players' Player
Jai Arrow

CONTENTS

CORPORATE INFORMATION

A.B.N. 41 009 570 030

DIRECTORS

D M Watt (Chairman)
K S Bickford
J D Harvie
A J Joseph
D J Lockyer

COMPANY SECRETARY

L A Lanigan

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 1, 92 Fulcher Road
Red Hill Queensland 4059

SECURITIES REGISTER

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne Victoria 3001

Telephone: (within Australia) 1300 850 505; (outside Australia) +61 3 9415 4000
Facsimile: +61 3 9473 2500
Website: www.computershare.com.au

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

SOLICITORS

Creagh Weightman
Level 1, 179 Mary Street
Brisbane Queensland 4000

BANKERS

Queensland Country Credit Union
85 Patrick Street
Aitkenvale Queensland 4814

AUDITORS

Ernst & Young
111 Eagle Street
Brisbane Queensland 4000

YEAR IN REVIEW

FINANCIAL PERFORMANCE

The Brisbane Broncos Limited and its Controlled Entities ("the Group") achieved a profit before tax for the financial year ended 31 December 2014 of $1,322,000 (2013: $3,005,000), down 56% on the previous year. The net profit after tax for the year decreased 59% to $831,700 (2013: $2,032,000). The 2014 result was significantly impacted by a number of one-off costs predominantly related to the football department, including a change of head coach and playing roster restructuring.

The underlying performance of the commercial business remained strong with total revenue growth of 8%, increasing from $35.0 million to $37.8 million. Expenditure increased by $4.5 million to $36.5 million.

The Board has approved a fully franked dividend payment of half of one cent per share (2013: 0.5 cent).

Revenue was boosted by the increased Club Grant as well as by growth in sponsorship, membership, casual gate income and in-house merchandise sales. As well as the football department restructuring, increased costs included higher player salaries in line with the increased salary cap; and also an investigation into potential salary cap breaches. Information received by the club and assessed by Deloittes was reported to the NRL which subsequently found no evidence of breaches after a six-month investigation.

Traditional revenue streams (excluding the grant) grew by 10.3% with strong Game Day revenues reflecting a favourable draw and differential gate pricing. Home game attendance was up 10.2% on last year, averaging 33,355 (2013: 30,258) reflecting a 19.6% increase in average casual gate attendance and 1.7% in season member attendance. Corporate Sales revenue grew 4.2%, inclusive of cost recovery revenue for catering packages, however corporate attendances were down 8.5%. Membership numbers increased to 28,517 (2013: 26,366). Ticketed membership numbers grew to 18,492 (2013: 18,326).

During the year, negotiations were conducted to renew the Suncorp Stadium hiring agreement with the original ten-year agreement expiring at the end of the 2014 season. The renewed agreement is for an eight-year term with a review date at four years. The Board and management thank stadium operators AEG Ogden, the State Government and the NRL for their support in working collaboratively to agree on a commercial outcome which incentivises all stakeholders to grow attendances at Broncos home games.

Sponsorship revenues strengthened with 9% growth on the prior year inclusive of website and Broncos TV Insider sponsorship. Sponsorship renewals included our Principal sponsor, NRMA Insurance, for a further three-year term as well as Premier sponsors, Coca-Cola Amatil and Sportingbet (rebranded to William Hill effective February 2015) also for an additional three years. New sponsorship agreements included Premier sponsor Pirtek who appear on the lower back of the club's NRL jersey. In the Platinum tier, both News Queensland and the Institute of Urban Indigenous Health's Deadly Choices programme grew their partnerships with the Brisbane Broncos to step up to this level for first time.

Our merchandise operation generated 10.5% growth in trading revenue during the financial year. Non-trading merchandise revenues dropped 2.3% with royalty shortfalls related to a reduced consumer demand for the playing uniform.

Interest revenue decreased by 16.4% to $0.6 million (2013: $0.7 million) due to a reduction in average interest rates and a lower average principal amount being invested.

OPERATIONS

Brisbane Broncos Rugby League Football Team

The NRMA Insurance Brisbane Broncos NRL team has a proud history with a high benchmark set from past success. The on-field performance of the 2014 team, highlighted by several close losses, did not reach the benchmark and whilst making the finals, we did not proceed beyond the first week. It was another tough year which ultimately led to replacement of the head coach, Anthony Griffin, and other coaching and player restructuring.

Foundation coach, Wayne Bennett, has returned to the role after six years coaching St George and Newcastle. Anthony was honoured at the club's end-of-season presentation function for his dedicated seven-year commitment to the Broncos, including four years in the demanding role of head coach. Anthony's legacy includes a core of young players, now seasoned NRL competitors, whom he helped identify and develop, not just as footballers but as fine young men of character.

OPERATIONS (CONTINUED)

Brisbane Broncos Rugby League Football Team (continued)

The Board and management are confident that the decisions made in 2014 will lead to on-field success and establish a solid foundation for the future.

While our players were disappointed with their on-field results, their off-field commitment to the community has been a dedicated one and they continue to work hard to connect with fans, supporters and aspiring young players.

National Youth Competition (NYC) Under 20 Team

The NYC team once again enjoyed success in the 2014 season making their way to the Grand Final, losing in a tight contest. In common with many clubs, we see selection in the NYC team as a part of the player development process. The 2014 NYC side's success reflected the maturity of the team with 23 of the overall squad having been together from the previous year. Twelve players from the Grand Final team will be eligible to play NYC again in 2015. We have also been rewarded by our investment in young players with the bulk of our 2015 NYC squad coming through the club's Elite Player Development system.

Development

The Broncos' commitment to the Intrust Super Cup, junior rugby league and junior development has continued in 2014. Supporting and promoting this development path is at the core of our football department's philosophy and is vital to the ongoing health of our game.

The Broncos have continued partnerships with Intrust Super Cup clubs Redcliffe, Wynnum, Norths, Central Queensland and Ipswich and we are delighted to have now joined with another rugby league stronghold in Souths Logan Magpies.

The club has development officers based at South Brisbane (Michael Hancock), East Brisbane (Michael De Vere), Brisbane North (Fletcher Holmes), Gympie/South Burnett/Dalby (Darren Burns) and Brisbane West (Simona Vavega). The Broncos appreciate the support of Greenbank RSL, Arana RLFC, Carina Leagues Club, Aspley Leagues Club, Gympie Junior Rugby League, Dalby Leagues Club and all levels of Government.

Supporting rugby league

The club once again joined with the Former Origin Greats organisation (FOGS) in conducting its regional dinner programme in support of the Queensland rugby league community. Three functions were held during the year in association with local clubs in Roma, Rockhampton and Gladstone, lifting the profile of the local league community and raising a total of $14,000 to support junior rugby league.

In addition to the regional dinner programme, the Broncos game development department conducted regional tours to Atherton, Bundaberg, Cairns, Clermont, Dalby, Emerald, Gladstone, Gold Coast, Gympie, Hervey Bay, Mackay, Middlemount, Moranbah, Moura, Muswellbrook, Rockhampton, St George, Singleton, South Burnett, Sunshine Coast, Toowoomba, Warwick, Wide Bay and Weipa.

Broncos Insider

Broncos Insider, the 30-minute lifestyle and club information programme produced by the club, again enjoyed commercial and ratings success. It was first aired in 2012 on Channel Nine in Brisbane. The programme was run for eight episodes in 2014 (2013: 12 episodes).

Training, Administration and Community Facility

In November 2013, the Board approved a plan to develop a high performance and administration facility, the Training, Administration and Community Facility ("TACF"), after having received confirmation from the State Government of the intended granting of a 99-year lease of land adjacent to the current Broncos Leagues Club in Fulcher Road. The facility is considered a 'stay-in-business' investment as our existing football department building, gym and training fields, whilst 'fit for purpose,' are falling behind the facilities and amenities of many of our competitors. In addition to the needs of our football department, our administration and commercial functions have also outgrown their current operating space, impacting longer term growth and operating efficiency. The new facility will allow both the football and administration operations to be housed together for the first time within the one building.

OPERATIONS (CONTINUED)

Training, Administration and Community Facility (continued)

The Board has appointed Brisbane-based architects, Populous, who bring internationally recognised expertise in designing and building elite sports training facilities to the project, along with DMA Partners as development and project managers.

The project has progressed to Development Application ("DA") lodgement stage with a planned timeframe, contingent on approval, for completion before the start of the 2017 NRL season. The Federal Government has committed $5 million towards the project and the Board is exploring other avenues for funding assistance.

Once the DA approval has been received and a full funding proposal is in place, the Board will then be in a position to consider approval of the project to completion.

The Board expresses its gratitude to both the State and Federal Governments for helping not only ensure the success of the project but also through their commitments recognising the positive impact the Broncos have on the wider community. In addition, the club is grateful to the National Rugby League who have indicated their financial backing of the project.

The new development will incur incremental operating costs for maintaining and running a larger facility and incremental depreciation in addition to interest costs (both foregone and new expense). The Board and management continue to pursue opportunities to commercialise the new facility and to partially offset these additional costs.

Talks will continue with the incoming State Government to help ensure that the Broncos remain at our spiritual home of Red Hill and to enhance our work with community in game development, health, welfare and education.

Capital management

The Board has considered the Company's capital structure in relation to the possible funding requirements of the Training, Administration and Community Facility and believes that even though borrowings may be required a dividend payout ratio of approximately 59% is appropriate in the short term.

BOARD OF DIRECTORS, MANAGEMENT AND STAFF

Individual director details are listed in the Directors' Report and Notes to the Financial Statements in this publication.

The Board recognises the dedicated efforts of the executive management team led by Chief Executive Officer, Paul White; General Manager Marketing and Commercial Operations, Terry Reader; General Manager External Relations and Corporate Strategy, Jeff Van Groningen; Chief Financial Officer, Shirley Moro and Salary Cap Manager and Company Secretary, Louise Lanigan.

We also recognise the dedicated efforts of Anthony Griffin while welcoming Wayne Bennett back into the role of head coach.

Our outstanding team of employees continues to perform at a high level in keeping with the Broncos goal to become the premier sporting business in the country.

THE YEAR AHEAD

As part of the club's five-year strategy, the Broncos aim to be a top four club, where on-field success, aided by strong memberships, sponsorship, merchandise and home crowds, drives value for all shareholders and stakeholders.

In recent years, there has been a successful focus on building the front-office capability of the business and while our on-field efforts have been brave and determined we have not had the results we need to drive the overall business as we would wish. Even so, last year we recorded record revenues; record merchandise; record sponsorship; record membership and an average gate attendance, which at 10.2% on the previous year, remains the best in the game.

Decisions made last year, including bringing back the game's premier coach, Wayne Bennett, and investing in the squad he needs to best represent the Broncos in 2015, were in keeping with our top four aspirations.

YEAR IN REVIEW (CONTINUED)

THE YEAR AHEAD (CONTINUED)

To the same end, there will remain a strong focus during the year on funding and delivering the proposed new Training, Administration and Community Facility. It is a major project in the life of the club and presents its challenges but those challenges are far less than those we will face if competitor clubs continue to outpace us in providing the facilities required to attract, recruit and retain the best staff, coaches and players.

As the club with the biggest fan base in a world of dramatic and increasing competition for the entertainment dollar, we are also mindful of our coveted role in the game and within the community. Both need us to be successful.

We are proud and mindful that the Broncos scheduling adds value to the game's media rights with broadcaster Channel 9 insisting on a regular Friday night timeslot for our NRL team so as to maximise their return for their investment. In turn, this money flows to our fellow NRL clubs and to the entirety of the game, including the resource-starved grassroots. We continue to work closely with the NRL to help ensure rugby league is seen universally as the country's premier winter sport.

To the Broncos, winning in itself is not an end. It is about powering the business and the brand so that we can be a positive force wherever we operate so that all who invest in us, whether financially or emotionally, can share the rewards.

On behalf of the Board

Dennis Watt
Chairman
26 February 2015

SPONSOR OVERVIEW

The Brisbane Broncos again enjoyed outstanding results in our sponsorship efforts in 2014, despite a market of ongoing challenges across the industry. Continuing to set the benchmark for the NRL in total sponsorship revenue, we recorded growth of 9% over the previous year across our suite of traditional, digital and television assets.

Among the highlights was the renewal of NRMA Insurance as our principal sponsor for a further three-year term for 2014-2016, along with the addition of fluid transfer solutions providers Pirtek as Premier Sponsor for the first time. Pirtek's logo appears on the lower back position of the club's playing jersey for all NRL games as part of our agreement, with both agreements reflecting the value that the Broncos can offer to both existing and new commercial partners.

In addition, foundation sponsor Coca-Cola Amatil and Sportingbet (rebranded to William Hill effective February 2015) renewed in the Premier category for an additional three years, where they and Pirtek were joined by long-term partners XXXX and Nike, both of whom have relationships with the Broncos of around two decades, plus Firstmac and Arrow Energy.

In our Platinum tier of sponsorship, both News Queensland and the Institute of Urban Indigenous Health's Deadly Choices programme grew their partnerships with the Brisbane Broncos to step up to this level for first time. Also in the Platinum category were continuing partners Nova 106.9, Hyundai, Channel Nine, Brisclean and the Broncos Leagues Club.

Other new partners of note included Optimum Nutrition and Construction Skills Queensland, both in the Support Sponsor category.

Although conservative spending in the Australian sponsorship industry is likely to continue into 2015, the Broncos are still confident that we will still see strong results going forward. The club's long history of success, our national popularity and off-field changes heading into 2015 ensure we will continue to offer outstanding brand and engagement opportunities for our partners.

As always, we would like to take this opportunity to thank all of our partners for their loyal support and continued dedication to our club and brand, in particular, Principal Sponsors, NRMA Insurance, with who we have been privileged to work with for more than ten years.

2014 PRINCIPAL SPONSOR

NRMA Insurance – part of one of Australia's largest general insurance groups Insurance Australia Group (IAG). As a provider of motor, home and a number of other insurance products, they are committed to ensuring Queenslanders can get on with their lives.

2014 PREMIER SPONSORS

XXXX – Queensland's favourite beer is proud to continue its partnership of more than 20 years with the Brisbane Broncos as a Premier Sponsor. 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.

Firstmac – Firstmac is a wholly Australian-owned financial institution with over 30 years' experience in home and investment loans. It has a range of financial products including general insurance and term deposits. Firstmac manages $5 billion in mortgages and $150 million in cash investments through offices in Sydney, Melbourne, Brisbane, the Gold Coast and Singapore.

Sportingbet – is one of the world's most well-known online gaming operators. Founded in 1998 they have been listed on the London Stock Exchange since 2001. With over two million customers in 30 markets across Europe, Australia, Canada, South America and South Africa, Sportingbet now offer more than 8,000 different betting opportunities every single day. Sportingbet became the Brisbane Broncos' back of jersey apparel sponsor in 2010.

Arrow Energy– Arrow Energy is an integrated coal seam gas company safely and sustainably delivering a world class coal seam gas to liquefied natural gas project.

Coca Cola – Coca-Cola Amatil is Australia's largest premium branded beverage and food company and one of the top five Coca-Cola bottlers in the world. A proud partner of the Brisbane Broncos since inception of the club in 1988, Coke is the longest serving major sponsor of the Brisbane Broncos. Major brands like Powerade, Coke Zero and Mount Franklin Spring Water hydrate the Broncos and their fans every day.

Pirtek – Proudly and uniquely Australian, Pirtek are the market leader in providing our diverse group of customers with a comprehensive portfolio of fluid transfer solution products and services. We build long-term relationships with our current and potential customers by consistently providing proven high quality products and services, wherever they are needed.

BRONCOS SPONSORSHIP HIERARCHY 2014

Principal Sponsor	NRMA Insurance
Premier Sponsors	XXXX, Nike, Firstmac, Sportingbet, Arrow Energy, Pirtek, Coca-Cola Amatil
Platinum Sponsors	News Queensland, Deadly Choices, Nova 106.9, Hyundai, Channel 9, Brisclean, Broncos Leagues Club
Associate Sponsors	Anglo American, Streets, Jacob's Creek, Four'n Twenty, HOSTPLUS, Radio 4BC, Telstra
Support Sponsors	Optimum Nutrition, Hog's Breath Café, Hans, Construction Skills Queensland, Yellow Cabs, Canon, Event Cinemas

DIRECTORS' REPORT

Your directors submit their report for the year ended 31 December 2014.

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

Dennis Michael Watt Non-Executive Chairman	Mr Watt was appointed as Chairman on 23 July 2013 and has previously been a director since 11 February 2003. Mr Watt, a News Corporation Australia employee, is the former General Manager of Rugby League for News Limited (2010-2013). His previous career was in print media, as the former General Manager of Queensland Newspapers, publishing The Courier-Mail and The Sunday Mail. Mr Watt had earlier been General Manager of Quest Community Newspapers. Mr Watt is a member of the Australian Institute of Company Directors.
Katie Skye Bickford Non-Executive Director Independent	Mrs Bickford was appointed as a director on 23 May 2011. Mrs Bickford has more than 25 years' experience in executive management across both public and private sectors. Her experience includes advising on corporate governance, strategy, stakeholder and business engagement, risk and reputation management, strategic positioning and change management. Mrs Bickford is also a director of the Brisbane Transport Board and the Sunshine Coast Economic Futures Board. Mrs Bickford has held board roles in the past, the most recent, as director on the Australian Baseball Federation (ABF) Board, a position she held for more than seven years. Sport has been part of Mrs Bickford's life. For more than 17 years she was an accredited equestrian coach, judge and competitor at national and international level. Mrs Bickford is an Australian Institute of Management Fellow and member of the Australian Institute of Company Directors.
Anthony John Joseph Non-Executive Director Independent	Mr Joseph was appointed as a director on 22 February 2011. Mr Joseph is a director of a number of private companies and is Managing Director of Alfred E Chave Pty Ltd. He is Chairman of Brisbane Markets Limited and Vice Chairman of Brismark (Brisbane Markets Wholesale Members Organisation). Mr Joseph has been involved on a number of government committees and reviews of the marketing sector and has served on the Queensland State Government Horticultural Industrial Development Council. Mr Joseph has been passionately involved in Queensland Rugby League since the Brisbane Broncos formed in 1988, currently serving as a committee member of the Men of League (Queensland) and was previously a committee member of the Queensland Surf Lifesaving Foundation. Mr Joseph was appointed a director of Brisbane Broncos Leagues Club on 20 November 2014. Mr Joseph is a member of the Australian Institute of Company Directors and is a registered Commissioner of Declarations.

Jeffery David Harvie
Non-Executive Director

Mr Harvie was appointed as a director on 23 July 2013 and Chairman of the Audit Committee on 8 August 2013. Mr Harvie is the Chief Financial Officer of Goodstart Early Learning, the largest provider of early childhood education in Australia with centres in every state and territory. Previously, Mr Harvie worked for News Corporation Australia as General Manager Finance, Queensland. Mr Harvie has more than 25 years working in finance and accounting in both the private and public sectors. He has also lived and worked in both New Zealand and the United Kingdom, as well as working across operations in a number of countries across Asia. Mr Harvie gained a Bachelor of Business degree from Massey University in New Zealand, completing his accounting studies at UTS in Sydney and has completed a number of management courses with AGSM. He has been a qualified CPA for over 20 years, is a member of Australian Institute of Company Directors and is a registered Commissioner of Declarations.

Darren James Lockyer
Non-Executive Director

Mr Lockyer was appointed as a director on 30 October 2013. Mr Lockyer's credentials as a rugby league player are unprecedented. He is the most capped Australian, Queensland and Brisbane Broncos player. He captained the club for seven years from 2005 to 2011, and remains the longest serving player in Broncos' history. Throughout his career, Mr Lockyer continuously engaged with the club's stakeholders, staff, members and supporters. His appointment to the Board will enable him to have a greater involvement in the delivery of key variables to the club's loyal supporter base. Since retiring from rugby league in 2011, Mr Lockyer has established himself as a successful sports commentator, has worked as an ambassador for several large corporate entities, and has pursued a number of personal business interests. These post-career undertakings have provided him with relevant expertise which in addition to his invaluable rugby league insight will be of significant benefit to the Brisbane Broncos. Mr Lockyer is a member of the Australian Institute of Company Directors.

COMPANY SECRETARY

Louise Anna Lanigan
Company Secretary and Salary Cap Manager

Ms Lanigan was appointed Company Secretary and Chief Financial Officer on 3 July 2000. On 28 April 2011, Ms Lanigan resigned as Chief Financial Officer and continues in her new dual role as Salary Cap Manager and Company Secretary. Ms Lanigan has been a Chartered Accountant for 21 years. Prior to holding these positions, she was Group Financial Controller of an ASX listed company for two years and worked in the Chartered Accounting industry for eight years. Ms Lanigan is a Graduate of the Australian Institute of Company Directors.

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

As at the date of this report, one director holds shares in the Company as disclosed in note 25 to the financial statements. There were no options in the Company issued as at the date of this report.

EARNINGS PER SHARE

	Cents
Basic Earnings Per Share	0.85 cents
Diluted Earnings Per Share	0.85 cents

DIVIDENDS

On 26 February 2015, the Board of Directors declared a final dividend of half of one cent per share franked to 100% at the 30% corporate income tax rate to the holders of fully paid ordinary shares for the financial year ended 31 December 2014. The financial effect of this dividend has not been brought into account in the financial statements for the year ended 31 December 2014 and will be recognised in the subsequent financial report.

On 16 April 2014, a 2013 final dividend of one half of one cent per share franked to 100% at the 30% corporate income tax rate was paid to shareholders totalling $490,203. This dividend was shown as declared but unrecognised in the 2013 financial report. Refer to note 8 to the financial statements for further details.

PRINCIPAL ACTIVITIES

The principal activity of the Brisbane Broncos Group ("the Group") during the 2014 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 Group recorded a 59% decrease in profits after tax for the 31 December 2014 financial year to $831,700 (2013: $2,032,000). Profits before tax for the 2014 and 2013 financial years were $1,322,000 and $3,005,000 respectively.

Notwithstanding a tough year, the financial result reflects an underlying robust commercial business and with the strong cash position of the Group, the Board are pleased to announce a dividend of half of one cent per share, such dividend to be 100% franked to holders of fully paid ordinary shares.

Review of operations

Revenue

The Group recorded gross revenue for the 2014 financial year of $37,836,348 which is an 8.1% increase on 2013.

Revenue was boosted by the increased Club Grant as well as growth in sponsorship, membership, casual gate income and in-house merchandise sales. Traditional revenue streams (excluding the grant) grew by 10.3% with strong Game Day revenues reflecting a favourable draw and differential gate pricing. Corporate Sales revenue grew 4.2% inclusive of cost recovery revenue for catering packages however corporate attendances were down 8.5%. Home game attendance was up 10.2% on last year, averaging 33,355 (2013: 30,258) reflecting a 19.6% increase in average casual gate attendance and 1.7% in season member attendance.

Membership numbers increased to 28,517 (2013: 26,366). Ticketed membership numbers grew to 18,492 (2013: 18,326). Sponsorship revenues strengthened with 9% growth on the prior year inclusive of website and Broncos TV Insider sponsorship.

During the year, negotiations were conducted to renew the Suncorp Stadium hiring agreement with the original ten-year agreement expiring at the end of the 2014 season. The renewed agreement is for an eight-year term with review date at four years. Management thank AEG Ogden, State Government and the NRL for their support in working collaboratively to agree a commercial outcome which incentivises all stakeholders to grow attendances at Broncos home games.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Review of operations (continued)

Our merchandise operation generated 10.5% growth in trading revenue during the financial year. Non-trading merchandise revenues dropped 2.3% with royalty shortfalls related to a reduced consumer demand for the player uniform.

Interest revenue decreased by 16.4% to $0.6 million (2013: $0.7 million) due to a reduction in average interest rates and a lower average principal amount being invested.

Expenditure

Total Group expenditure for the 2014 year was $36,514,348, an increase of $4,529,153 (14.2%) over 2013. A dissection of total expenditure is listed in note 6 to the financial statements.

Increased costs included higher player salaries in line with the increased salary cap; costs incurred as part of the investigation into the previously reported allegations regarding possible salary cap irregularities and also football department and playing roster restructuring costs.

Capital Expenditure

Expenditures on capital equipment were down 49% on last year reflecting normal day to day replacement of assets. In the prior year, outlays were incurred in relation to office space for coaching staff, a new office server and a transit van for the merchandise operations.

Financial Position

The directors believe the Group continues to remain in a sound financial position with $15,747,226 cash assets and $27,304,551 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.

Dynamics of the business

The Group achieved a solid result in 2014 despite the restructuring costs incurred for both coaching staff and players and a below par performance by the NRL team. Season membership and sponsorship revenue continues to grow with increased revenue from casual gate takings reflecting favourable match scheduling, weather and differential pricing.

The Brisbane Broncos remain the most financially successful National Rugby League franchise with one of the highest supporter bases in the game. Your Board believes that the Company has more opportunities to achieve international sports industry best practice to grow our business organically.

Management believes they have taken appropriate steps to ensure that the Group is in a strong position to deal with current economic uncertainties and capitalise on future profit making opportunities.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

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 Committee. The risk identification and review process is currently being further refined by the Audit Committee.

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.
- Annual detailed review and update of the business' 2008 strategic plan completed during the 2014 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.
- Detailed review and identification of Group's risks and documentation of appropriate responses to these risks.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 4 February 2015, the renewed Hiring Agreement between Brisbane Broncos and AEG Ogden (Brisbane Stadium Management) Pty Ltd as agent for Stadiums Queensland was signed. The terms of the renewed agreement incentivise the parties to grow game day attendances and are more favourable for the Group than the terms of the original agreement.

On 6 February 2015, the NRL advised that the ARLC had approved a one-off cash grant to assist towards the funding of the proposed Training, Administration and Community Facility. Management and the Board will continue to work with the NRL to secure further funding assistance in respect of the facility.

On 26 February 2015, the Board of Directors declared a final dividend on ordinary shares in respect of the 2014 financial year. The total amount of the dividend is $490,203 which represents half of one cent dividend franked to 100% per share. The dividend has not been provided for in the 31 December 2014 financial statements.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

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. The Group expects to focus on improving its on-field performance in the NRL and grow off-field revenues and results. The longer term focus of the Group will be on the development and utilisation of the Training, Administration and Community Facility.

SHARE OPTIONS

At 31 December 2014, 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 the 2014 financial year. 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.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

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	10
Audit and Risk Management	2

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

	Full Board	Audit & Risk Management Committee
D M Watt	10 (10)	2 (2)
K S Bickford	10 (10)	1 (1)
J D Harvie	10 (10)	2 (2)
A J Joseph	10 (10)	2 (2)
D J Lockyer	9 (10)	0 (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 2014 financial year in their capacity as the Audit Committee. Given the size of the Company and the Board, it had been previously resolved that the entire Board comprises the Audit Committee however the size of the Audit Committee was reduced to three members prior to the second Audit Committee meeting of the year.

REMUNERATION REPORT (AUDITED)

This Remuneration Report for the year ended 31 December 2014 outlines the remuneration arrangements of the Company and the Group in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The Remuneration Report details the remuneration arrangements for Key Management Personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the Parent company, and includes the five executives in the Parent and the Group receiving the highest remuneration.

For the purposes of this report, the term 'executive' encompasses the Chief Executive Officer, executive directors, senior executives, general managers and secretary of the Parent and the Group and the term 'director' refers to non-executive directors only.

The remuneration report is presented under the following sections:

1. Individual key management personnel disclosures
2. Board oversight of remuneration
3. Non-executive director remuneration arrangements
4. Executive remuneration arrangements
5. Company performance and the link to remuneration
6. Executive contractual arrangements

1. Individual key management personnel disclosures

Details of KMP of the Parent and Group are set out below.

Key Management Personnel

(i) Directors

D M Watt	Chairman (Non-Executive)
K S Bickford	Director (Non-Executive)
J D Harvie	Director (Non-Executive)
A J Joseph	Director (Non-Executive)
D J Lockyer	Director (Non-Executive)

(ii) Executive

P M White	Chief Executive Officer
A D Gee	General Manager – Football Operations (resigned 16 June 2014)
L A Lanigan	Salary Cap Manager and Company Secretary
S A Moro	Chief Financial Officer
T M Reader	General Manager – Marketing and Commercial Operations
J B Van Groningen	General Manager – External Relationships & Corporate Strategy (appointed 3 March 2014)

There were no changes to KMP after reporting date and before the date the financial report was authorised for issue.

REMUNERATION REPORT (AUDITED) (CONTINUED)

2. Board oversight of remuneration

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 non-executive directors and executives 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 Chief Executive Officer, who in turn evaluates the performance of all other senior executives.

Remuneration approval process

The Board approves the remuneration arrangements for the Chief Executive Officer and other executives. The Board also sets the aggregate remuneration of non-executive directors which is then subject to shareholder approval.

Remuneration philosophy

The performance of the Company depends on the quality of its directors and executives. Brisbane Broncos Limited's strategy is designed to attract, motivate and retain highly skilled employees and non-executive directors by identifying and rewarding high performers and recognising the contribution of each employee to the continued growth and success of the Group.

To this end, key objectives of the Company are to ensure that its remuneration practices:

- Are aligned to the Group's business strategy;
- Offer competitive remuneration benchmarked against the external market;
- Provide a strong link between individual and Group performance and rewards;
- Incorporate annual performance reviews to ensure executives are meeting pre-determined performance benchmarks; and
- Feature an in depth recruitment programme to ensure executives with the appropriate skills and experience are employed.

Remuneration structure

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

3. Non-executive director remuneration arrangements

Remuneration Policy

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.

The Company's constitution and ASX Listing Rules specify that the non-executive director fee pool 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 13 May 2010 where shareholders approved an aggregate remuneration of $220,000 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 2014 financial year were $118,391.

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.

The Board will not seek any increase for the non-executive director pool at the 2014 Annual General Meeting.

REMUNERATION REPORT (AUDITED) (CONTINUED)

3. Non-executive director remuneration arrangements (continued)

Structure

Effective 1 October 2011, directors received a fee increase of 3.5%. No increases were received during 2014. Accordingly each non-executive director receives an annual fee of $20,700 plus statutory superannuation for being a director of the Company, other than the Chairman who receives $31,050 plus statutory superannuation. The News Corporation Australia employed director received $5,175 paid directly to his employer whilst employed by News Corporation. The News Corporation Australia employed Chairman received $33,961 paid directly to his employer. The non-executive directors do not receive retirement benefits nor do they participate in any incentive programme.

The remuneration of non-executive directors for the period ended 31 December 2014 and 31 December 2013 is detailed in Table 1 and 2 respectively of this report.

4. Executive remuneration arrangements

Remuneration levels and mix

The Group 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 Chief Executive Officer, 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 Group 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 a detailed customised employment contract with the Chief Executive Officer and the General Manager External Relations & Corporate Strategy and a standard contract with other executives. Details of the Chief Executive Officer's contract and the General Manager External Relations & Corporate Strategy'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.

Fixed remuneration

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

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 Chief Executive Officer. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. Executive contracts do not include any guaranteed base pay increases.

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

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

There are no formal STI or LTI payment programmes in place for senior management. Senior management may be paid annual bonuses at the Chief Executive Officer's discretion with the approval of the Board of Directors. The Chief Executive Officer 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 Chief Executive Officer is incentivised for annual bonuses to be paid upon achievement of budgeted profit, membership growth targets and football team performance. In the event of these targets not being met, it is also open to the Board to consider a discretionary bonus based on overall company performance and Mr White's personal efforts.

REMUNERATION REPORT (AUDITED) (CONTINUED)

5. Group Performance

Profit before tax has decreased to $1,322,000 in 2014. The 2014 before tax profit result is a 56% decrease on the 2013 financial year. Earnings per share for the current year and the past four financial years are shown below:

Year ended	2014	2013	2012	2011	2010
Profit before tax	$1.32 million	$3.01 million	$3.17 million	$2.02 million	$1.46 million
Earnings per share (cents)	0.85	2.07	2.19	1.39	1.00
Share Price	26 cents	25 cents	23 cents	24.5 cents	32 cents

The share price has moved from 25 cents at 1 January 2014 to 26 cents at 31 December 2014. 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.

6. Executive contractual arrangements

Chief Executive Officer

Mr Paul White's employment contract was renewed for a three year period which expires on 31 December 2016. Prior to expiry, the Group may choose to commence negotiations to enter into a new contract with Mr White.

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

- In the first year of the renewed contract (2014-2016), Mr White received fixed remuneration of $400,000 per annum plus statutory superannuation and a fully maintained motor vehicle.
- Mr White's salary package is reviewed annually by the Chairman and the Board of Directors. In its review, the Board considers overall company performance, Mr White's personal effort and commitment and market rates and salary packages for similar roles in Australia.
- Mr White is incentivised to be paid an annual bonus as a result of achievement of budgeted profit, membership growth targets and football team performance. In the event of these targets not being met, the Board may also consider a discretionary bonus based on overall company performance and Mr White's personal efforts.
- Mr White may resign from his position and thus terminate his contract by providing six months' written notice.
- The Company may terminate the contract immediately following written notice given by Mr White by providing payment of six months' salary in lieu of the notice period (based on the fixed component of Mr White's remuneration).
- The Company may terminate the contract by giving six months' written notice and providing a payment in lieu of six 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 White's remuneration.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Chief Executive Officer is only entitled to that portion of remuneration that is fixed, and only up to the date of termination.

General Manager External Relations & Corporate Strategy

Mr Jeff Van Groningen's employment contract is for a three year period which expires on 31 December 2016.

Details of Mr Van Groningen's employment contract are as follows:

- Mr Van Groningen is entitled to be paid an annual bonus as a result of individual achievement, effort, dedication, commitment and the overall Group performance at the discretion of the Chief Executive Officer.
- Mr Van Groningen may resign from his position and thus terminate his contract by providing reasonable notice.

REMUNERATION REPORT (AUDITED) (CONTINUED)

6. Executive contractual arrangements (continued)

Other KMP

All other KMP, excluding Mr White and Mr Van Groningen, have rolling contracts. The Company may terminate the KMP'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 KMP's remuneration). The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the KMP 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 2014

		Short Term*			Post Employment	Long Term Benefits	Total	Performance Related
	Salary & Fees $	Cash Bonus $	Allowances $	Non Monetary Benefits $	Superannuation $	Long Service Leave $	$	%
Non-executive directors								
D M Watt - Non-executive +	33,961	-	-	-	-	-	33,961	-
K S Bickford – Non-executive	20,700	-	-	-	1,941	-	22,641	-
J D Harvie – Non-executive ++	15,689	-	-	-	819	-	16,508	-
A J Joseph – Non-executive	20,700	-	-	-	1,941	-	22,641	-
D J Lockyer – Non-executive	20,700	-	-	-	1,941	-	22,641	-
Sub-total non-executive directors	**111,750**	**-**	**-**	**-**	**6,641**	**-**	**118,391**	
Other key management personnel								
P M White – Chief Executive Officer	400,000	-	-	20,000	37,500	32,422	489,922	0.0%
A D Gee – General Manager Football Operations (resigned 16 June 2014)	88,375	-	9,900	-	7,784	-	106,059	0.0%
L A Lanigan – Company Secretary & Salary Cap Manager	86,500	7,000	-	-	8,774	4,508	106,782	6. 6%
S A Moro – Chief Financial Officer	147,000	12,000	-	20,000	14,921	8,633	202,554	5.9%
T M Reader – General Manager Commercial Operations	196,000	18,000	-	20,000	20,085	31,891	285,976	6.3%
J B Van Groningen – General Manager External Relations & Corporate Strategy (appointed 3 March 2014)	104,167	6,000	14,000	-	10,362	-	134,528	4.5%
Sub-total executive KMP	**1,022,042**	**43,000**	**23,900**	**60,000**	**99,426**	**77,454**	**1,325,822**	
Totals	**1,133,792**	**43,000**	**23,900**	**60,000**	**106,067**	**77,454**	**1,444,213**	

* Short term allowances cover incidental administrative expenses

\+ Fees for Mr Watt were paid directly to his employer

++ Fees for Mr Harvie were paid directly to his employer up until 31 July 2014 and subsequently directly to Mr Harvie

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

REMUNERATION REPORT (AUDITED) (CONTINUED)

Remuneration of key management personnel (continued)

Table 2: Remuneration for the year ended 31 December 2013

	Short Term*				Post Employment	Long Term Benefits	Total	Performance Related
	Salary & Fees $	Cash Bonus $	Allowances $	Non Monetary Benefits $	Superannuation $	Long Service Leave $	$	%
Non-executive directors								
D M Watt - Non-executive +	21,467	-	-	-	-	-	21,467	-
K S Bickford – Non-executive	20,700	-	-	-	1,889	-	22,589	-
J D Harvie – Non-executive +	4,563	-	-	-	-	-	4,563	-
A J Joseph – Non-executive	20,700	-	-	-	1,889	-	22,589	-
D J Lockyer – Non-executive	3,506	-	-	-	324	-	3,830	-
L G Brindle – Non-executive (retired 8 August 2013)	18,780	-	-	-	1,698	-	20,478	-
Sub-total non-executive directors	**89,716**	**-**	**-**	**-**	**5,800**	**-**	**95,516**	
Other key management personnel								
P M White – Chief Executive Officer	350,000	50,000	-	20,000	36,563	9,593	466,156	10.7%
A D Gee – General Manager Football Operations	174,000	10,000	21,600	-	16,803	4,883	227,286	4.4%
L A Lanigan – Company Secretary & Salary Cap Manager	83,500	5,500	-	-	8,128	1,402	98,530	5.6%
S A Moro – Chief Financial Officer	129,250	12,000	-	20,000	20,270	2,470	183,990	6.5%
T M Reader – General Manager Commercial Operations	186,000	20,000	-	20,000	18,823	6,097	250,920	8.0%
Sub-total executive KMP	**922,750**	**97,500**	**21,600**	**60,000**	**100,587**	**24,445**	**1,226,882**	
Totals	**1,012,466**	**97,500**	**21,600**	**60,000**	**106,387**	**24,445**	**1,322,398**	

* Short term allowances cover incidental administrative expenses

\+ Fees for Mr Watt and Mr Harvie 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.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Shareholdings of Key Management Personnel (Consolidated)

Shares held in Brisbane Broncos Limited (number):

	Balance 1 Jan 2014	Granted as Remuneration	On Exercise of Options	Net Change Other	Balance 31 Dec 2014
Directors					
D M Watt	-	-	-	-	-
K S Bickford	-	-	-	-	-
J D Harvie	-	-	-	-	-
A J Joseph *	60,000	-	-	-	60,000
D J Lockyer	-	-	-	-	-
Executives					
P M White	-	-	-	-	-
A D Gee	-	-	-	-	-
L A Lanigan	-	-	-	-	-
S A Moro	-	-	-	-	-
T M Reader	-	-	-	-	-
J B Van Groningen	-	-	-	-	-
Sub-total executive KMP	**60,000**	**-**	**-**	**-**	**60,000**

* Mr Joseph held 53,141 ordinary shares on appointment date and subsequently acquired 3,000 ordinary shares on 9 March 2011 and 3.859 ordinary shares on 14 March 2011. His total shareholding has not changed in 2014 and as at reporting date is 60,000 ordinary shares.

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. No shares were held by the above listed personnel in the 2014 financial year other than Mr Joseph as noted in the footnote above.

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 24 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.

Dennis Watt
Chairman
Brisbane
26 February 2015

Ernst & Young
111 Eagle Street
Brisbane QLD 4000 Australia
GPO Box 7878 Brisbane QLD 4001

Tel: +61 7 3011 3333
Fax: +61 7 3011 3100
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 2014, 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

Brad Tozer

Brad Tozer
Partner
26 February 2015

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Brisbane Broncos Limited ('the Company') 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.

The information in this statement is current as at 26 February 2015 and has been approved by the Board.

Where practical, the Group has complied with the ASX CGC Principles and Recommendations. However, there are some instances whereby due to the size of the Board, or News Corporation's substantial shareholding in the Company, it is not considered economical or practical to implement particular Recommendations. The Principles and Recommendations that have not been complied with are disclosed below.

RECOMMENDATION		Comply Yes/No

Principle 1 – Lay solid foundations for management and oversight

1.1	Companies should establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	Yes
1.2	Companies should disclose the process for evaluating the performance of senior executives.	Yes
1.3	Companies should provide the information indicated in the guide to reporting on Principle 1.	Yes

Principle 2 - Structure the Board to add value

2.1	A majority of the Board should be independent directors.	No
2.2	The Chair should be an independent director.	No
2.3	The roles of Chair and Chief Executive Officer (CEO) should not be exercised by the same individual.	Yes
2.4	The Board should establish a Nomination Committee.	No
2.5	Companies should disclose the process for evaluating the performance of the Board, its committees and individual directors.	Yes
2.6	Companies should provide the information indicated in the guide to reporting on Principle 2.	Yes

Principle 3 – Promote ethical and responsible decision making

3.1	Companies should establish a Code of Conduct and disclose the Code of Conduct or a summary of the code as to: › The practices necessary to maintain confidence in the Company's integrity; › The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and › The responsibility and accountability of individuals for reporting and investigation reports of unethical practices.	Yes
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity for the Board to assess annually both the objectives and progress in achieving them.	Yes
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them.	Yes
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the Board.	Yes
3.5	Companies should provide the information indicated in the guide to reporting on Principle 3.	Yes

Principle 4 – Safeguard integrity in financial reporting

4.1	The Board should establish an Audit Committee.	Yes
4.2	The Audit Committee should be structured so that it: › Consists only of non-executive directors; › Consists of a majority of independent directors; › Is chaired by an independent chair, who is not the Chair of the Board; and › Has at least three members.	No
4.3	The Audit Committee should have a formal charter.	Yes
4.4	Companies should provide the information indicated in the guide to reporting on Principle 4.	Yes

RECOMMENDATION		Comply Yes/No
Principle 5 – Make timely and balanced disclosure		
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	Yes
5.2	Companies should provide the information indicated in the guide to reporting on Principle 5.	Yes
Principle 6 – Respect the rights of shareholders		
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	Yes
6.2	Companies should provide the information indicated in the guide to reporting on Principle 6.	Yes
Principle 7 – Recognise and manage risk		
7.1	Companies should establish policies for oversight and management of material business risks and disclose a summary of those policies.	Yes
7.2	The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and to report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	Yes
7.3	The Board should disclose whether it has received assurance from the CEO (or equivalent) or the Chief Financial Officer (CFO) (or equivalent) that the declaration provided in accordance with section 295A of the *Corporations Act 2001* is founded on a system of risk management and internal control and that the system is operating effectively in all material aspects in relation to financial reporting risk.	Yes
7.4	Companies should provide the information indicated in the guide to reporting on Principle 7.	Yes
Principle 8 – Remunerate fairly and responsibly		
8.1	The Board should establish a Remuneration Committee.	No
8.2	The Remuneration Committee should be structured so that it: › Consists of a majority of independent directors; › Is chaired by an independent chair; and › Has at least three members.	No
8.3	Companies should clearly distinguish the structure of non-executive director's remuneration from that of executive directors and senior executives.	Yes
8.4	Companies should provide the information indicated in the guide to reporting on Principle 8.	Yes

Brisbane Broncos Limited's corporate governance practices were in place throughout the year ended 31 December 2014. Various corporate governance practices are discussed within this statement. For further information on corporate governance policies adopted by the Company, refer to the corporate section of our website: www.broncos.com.au.

BOARD FUNCTIONS

The Board of Directors and executive management operate in accordance with a Board Charter which outlines the Board's role and responsibilities. A copy of this document is available on the corporate section of the Brisbane Broncos website www.broncos.com.au. The Board oversees the business of the Company and its controlled entities and is responsible for corporate governance of the Group. The Board provides leadership, 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. It also addresses issues relating to internal controls and approaches to risk management.

To ensure that 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 documented procedures for the nomination, selection and appointment of directors are available on the corporate section of the Company's website www.broncos.com.au.

BOARD FUNCTIONS (CONTINUED)

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.

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 10) each year and special meetings if necessary.

The responsibility for the operation and administration of the Group is delegated, by the Board, to the CEO and the executive management team. It is the Board's responsibility to appoint or remove the CEO and to ratify the appointment or removal of key executives and the 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 CEO and executive management team. The Board ensures appropriate resources are available to senior executives to enable them to achieve performance objectives.

As the current Board comprises only five directors, it is considered logical and more practical that the Board as a whole addresses all matters of the business in relation to Risk, Nomination, Remuneration and Finance. Accordingly, it is not considered necessary to establish separate committees for these functions. However, a specialist Project Control sub-committee has been established to oversee the preliminary research, due diligence and ongoing management of the proposed Training, Administration and Community Facility. Further information regarding this proposed development is detailed in the Directors' Report.

During the financial year, the Board decided that it would be more efficient to reduce the size of the Audit Committee from the entire Board (five) to three members. To support the Group's Corporate Governance focus, the Audit Committee operates in accordance with an Audit Committee Charter. A copy of this document is available on the corporate section of the Brisbane Broncos website www.broncos.com.au. Further information in relation to the operation and composition of the Audit Committee is outlined below.

The Board's execution of its role and responsibilities ensure 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:

- Monitoring the effectiveness of the Company's governance practices.
- Board approval and ongoing development and monitoring of the strategic plan designed to meet stakeholders' needs and manage business risk.
- Strategic meetings with executives to discuss initiatives and strategies concerning operations and business improvement recommendations.
- Overseeing management's implementation of the Group's strategic objectives and its performance generally.
- Approving initiatives and strategies designed to ensure the continued growth and success of the Group.
- Monitoring the employee performance management system including detailed and customised Performance Contracts for all staff members incorporating formalised and measurable targets, objectives, development strategies and KPIs to achieve results that align with the Group's core business values.
- Ongoing monitoring senior executives' performance.
- Approval and appointment of the CEO.
- Approving the appointment, and when necessary, the replacement of senior executives.
- Ensuring the Group has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate.
- Reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.
- Ensuring that any significant risks that arise are identified, assessed, appropriately managed and monitored.
- Monitoring the financial performance and integrity of the Group's accounting and corporate reporting system and liaising with the external auditor.
- Approval of and overseeing the implementation of budgets by management and monitoring progress against budget – via the establishment and reporting of both financial and non-financial key performance indicators.
- Approval of annual and half-yearly financial reports.
- Approving and monitoring progress of major capital expenditure and capital management.
- Oversees the effectiveness of management processes and approval of major corporate initiatives.
- Reporting to and communicating with shareholders.
- Enhancing and protecting the reputation of the Brisbane Broncos.

STRUCTURE OF THE BOARD

As at the date of this report, there are five directors on the Board whose names, skills, experience and expertise are included in the Directors' Report. There were no changes to the composition of the Board during the reporting period. Two directors are considered independent being Mrs Katie Bickford and Mr Tony Joseph. 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.

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. At the date of this report, the all Board members are non-executive being Mr Dennis Watt as Chair, Mr Tony Joseph, Mrs Katie Bickford, Mr Jeff Harvie and Mr Darren Lockyer.

The Board recognises the Corporate Governance Council's recommendation that the Chair should be an independent director. Non-executive director Mr Dennis Watt was appointed as Chair of the Group following Mr Lawry Brindle's retirement from the position on 23 July 2013. Mr Watt continues to be employed by News Corporation Australia (a 68.87% shareholder in the Company) where he most recently held the role of General Manager Rugby League until June 2013. Accordingly he is not considered independent. Hence, Principle 2.2 'The Chair should be an independent director' is not complied with. Mr Watt was elected and remains as Chair of the Board as the directors believe he has the most relevant experience, skill and expertise to fulfil the role and brings the highest quality of leadership and decision making to all relevant issues falling within the scope of the role of Chair.

Non-executive director Mr Jeff Harvie ceased his employment as General Manager Finance QLD for News Corporation Australia in July 2014. Despite this, the Board is of the opinion that insufficient time has passed as at reporting date for Mr Harvie to be considered independent. Mr Harvie has been a qualified CPA for over 20 years and has extensive experience in the finance and accounting industry in both the public and private sector. He brings significant value to the Board and the directors believe his contribution provides substantial benefits to the Group as a result of his long standing financial experience and skills.

Mr Darren Lockyer was a professional rugby league player employed by the Brisbane Broncos Group for 17 years from 1995 until his retirement in 2011 – captaining the club from 2005. His credentials as a rugby league player are unprecedented. Since 2011, Mr Lockyer has been engaged in a promotional role and assisted with coaching and leadership programmes for the organisation. He was elected as a director in October 2013. His original commercial promotional agreement with the Brisbane Broncos expired as at 31 October 2014 and subsequently a new commercial promotional agreement has been entered into on 17 February 2015 for a three year term. Given only three years have passed since his retirement and taking into account his history with the Brisbane Broncos and involvement since 2011, the Board do not consider Mr Lockyer independent as at reporting date. This will be reassessed during the 2015 financial year. Mr Lockyer is an established and successful sports commentator, has worked as an ambassador for several large corporate entities and has pursued a number of personal business interests. Despite Mr Lockyer's current classification as non-independent, the Board believe that his post career undertakings, his profile and his unparalleled rugby league insight provide rare and invaluable benefit to the operation of Brisbane Broncos Limited Board and the Group as a whole.

As outlined previously, two of the five directors being Mr Tony Joseph and Mrs Katie Bickford are considered independent. Therefore, ASX Best Practice Recommendation 2.1 "A majority of the Board should be independent directors" has not been complied with during the reporting period. However for reasons explained above, the Board considers that individually and collectively, the directors have an appropriate mix of skills, experience and expertise to successfully fulfil its role and responsibilities and meet stakeholders' needs.

Mr Paul White has been Chief Executive Officer of the Group since 1 January 2011. He is not a director of the Company.

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

D M Watt	12 years
K S Bickford	3 years 9 months
A J Joseph	4 years
J Harvie	1 year 7 months
D Lockyer	1 year 4 months

STRUCTURE OF THE BOARD (CONTINUED)

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.

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

For additional details regarding Board appointments, please refer to our website www.broncos.com.au.

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 CEO conducted written and verbal performance evaluations for all senior executives and managers assessing their results against individualised Performance Contracts. These documents also address the personal development of employees and assess how well staff have demonstrated adherence to Brisbane Broncos Core Values whilst performing their roles. This process occurs in November and December each year and is extensively documented. It involves assessment of personalised measurable key targets, objectives and performance indicators, and comparing these to results achieved by reviewing qualitative and quantitative performance criteria.

A formal, documented review process is also in place for the Board of Directors. The directors annually review their own individual and collective performance and that of the Chairman and CEO. The performance criteria against which directors and executives are assessed is aligned with the financial and non-financial objectives of the Group. The Board evaluation process was completed in December 2014/January 2015. Directors whose performance is consistently unsatisfactory may be asked to retire.

As mentioned previously, 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 non-executive directors and executives on a periodic basis by reference to relevant employment market conditions.

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 the Directors' Report.

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 from the Company Secretary to do so and a director must first obtain approval of the Chairman. They must advise of their intention to trade in securities, confirm that they do not hold inside information and confirm there is no reason to preclude the trading in the Company's securities.

Executives, directors and officers are prohibited from trading in the Company's securities during the following specific 'closed periods':

- Midnight 30 June until the half-year results are released; and
- Midnight 31 December until after the full-year results are released.

As required by the ASX listing rules, the Company notifies the ASX of any transaction conducted by directors in the securities of the Company. The Company's Securities Trading Policy is available on the Brisbane Broncos website www.broncos.com.au.

AUDIT COMMITTEE

The Board has established an Audit Committee, which operates under a Charter approved by the Board. As mentioned above, the composition of the Audit Committee changed during the reporting period. Previously the entire Board assumed the role and function typically performed by the Audit Committee. However, the Board believed the Committee would operate more efficiently and effectively if it were reduced to three members (from five) being Mr Jeff Harvie (Chair), Mr Dennis Watt and Mr Tony Joseph – all non-executive directors. Accordingly, two are non-independent and one is independent (Mr Tony Joseph).

It is the Board's responsibility to ensure that an effective internal control framework 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 as well as non-financial considerations. The Board has delegated responsibility for establishing and maintaining a framework of internal control and ethical standards to the Audit Committee. The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports.

Mr Jeff Harvie is the Chair of the Audit Committee. The Board recognises the CGC's recommendation in Principle 4.2 which stipulates the Chair of the Audit Committee should be an independent director. However, the Board acknowledge that Mr Harvie is the most appropriate director to fill this position as he brings the most relevant experience, skill and qualifications to the role. He has extensive knowledge of the finance and accounting sector as outlined above and is the only current Board member with such specialised expertise.

The directors also recognise the CGC's recommendation in Principle 4.2 which specifies that the majority of the Audit Committee should consist of a majority of independent directors, however the Board believe the current composition is the optimal structure taking into consideration the individual skills and relevant experience of the directors. Mr Joseph currently serves on the Audit Committee of Brisbane Markets Limited. Mr Watt was considered the most suitable third member of the Audit Committee due to his long history with the Brisbane Broncos and extensive knowledge of rugby league club administration and operations.

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 programme 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 Committee is also responsible for monitoring the independence and suitability of the external auditors and all professional advisors. For additional details regarding the Audit Committee, including a copy of its charter, please refer to the Brisbane Broncos website www.broncos.com.au. For the names, qualifications and skills of the members of the Audit Committee (i.e. the entire Board) and the number of meetings attended, please refer to the Directors' Report.

RISK

The Board has continued its proactive approach to risk management. The identification and effective management of risk, including calculated risk-taking is viewed as an essential part of the Group'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 has not established a separate Risk Management Committee.

During the reporting period, the Board engaged an external specialist facilitator and together with management conducted a comprehensive and detailed review of the risk management systems and strategies. This process involved an all-day workshop to review and identify risks and update the Group's risk register, preparation of a risk matrix, update of the risk management policy, and action plans for the most significant risks identified. This review process is in the final stages of being completed and documented.

The Board oversees a periodic assessment of 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 CEO, including responsibility for the day to day design and implementation of the Company's risk management and internal control systems. Management reports to the Board though regular formal and informal Board reporting processes 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.
- Board approval of a strategic plan which encompasses the Company's vision, mission and strategy statements designed to meet stakeholders' needs and manage business risk.
- Review and monitoring of the Group's strategic plan.
- 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.
- Review of risk register, matrix and action plans to ensure they remain relevant and up to date.
- Formulating and reviewing 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 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.
- Monitoring the strategic plan 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.

CEO AND CFO CERTIFICATION

In accordance with section 295A of the Corporations Act, the CEO and the CFO have provided a written statement to the Board that:

- Their view provided on 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.

REMUNERATION

It is the Group'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 Group'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.

The Board is responsible for determining and reviewing compensation arrangements for the directors themselves, the CEO and executive team. The Board believes it is important for all directors to be involved in nomination and remuneration issues so 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.

CONTINUOUS DISCLOSURE POLICY

Principle 5.1 stipulates that companies should establish written policies designed to ensure ASX Listing Rule disclosure requirements to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies. A copy of the Company's Continuous Disclosure Policy is available on the Group's website www.broncos.com.au.

CODE OF ETHICS AND CONDUCT FOR THE CEO AND KEY EXECUTIVES

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. To further promote ethical and responsible decision making, 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 CEO and executives. The full text of the Code of Ethics and Conduct is available on the Group's website www.broncos.com.au.

SHAREHOLDER COMMUNICATION POLICY

Pursuant to Principle 6, Brisbane Broncos Limited's objective is to promote effective communication with its shareholders at all times.

Brisbane Broncos Limited is committed to:

- Ensuring that shareholders and the financial markets are provided with full and timely information about Brisbane Broncos Limited's activities in a balanced and understandable way.
- Complying with continuous disclosure obligations contained in the ASX listing rules and the Corporations Act in Australia.
- Communicating effectively with its shareholders and making it easier for shareholders to communicate with Brisbane Broncos Limited.

The Company seeks to provide balanced communication to existing and potential shareholders. Company announcements are factual and produced in plain language. To promote effective communication with shareholders, and encourage effective participation at general meetings, information is communicated to shareholders in the following ways:

- Any price sensitive information is released to the market via the Australian Securities Exchange (ASX) and subsequently posted immediately on the Company's website;
- The distribution of the annual report, interim report and Notices of Annual General Meeting;
- The Explanatory Memoranda of the Annual General Meetings which provides additional information concerning the resolutions and business of the meeting;
- The Annual General Meeting at which shareholders are provided with the opportunity to ask questions regarding the Company's governance and business matters;
- The external auditor attends the Annual General Meeting who is available to receive questions from shareholders;
- Through letters and other forms of communication directly to shareholders; and
- By posting relevant information and ASX releases on the Group's website.

The Brisbane Broncos' website www.broncos.com.au has a dedicated corporate section for the purpose of publishing all important Company information and relevant announcements made to the ASX. A copy of the Company's Shareholder Communication Policy is available on the website www.broncos.com.au.

DIVERSITY AT BRISBANE BRONCOS

The Group recognises the value contributed to the organisation by employing people with varying skills, cultural backgrounds, ethnicity and experience. The Brisbane Broncos believes a diverse workforce is the key to its continued growth, improved productivity and performance.

The Brisbane Broncos actively values and embraces the diversity of its employees and is committed to creating an inclusive workplace where everyone is treated equally and fairly, and where discrimination, harassment and inequity are not tolerated. While the Brisbane Broncos are committed to fostering diversity at all levels, gender diversity has been and continues to be a priority for the Group.

To this end, the Group supports and complies with the recommendation contained in ASX Corporate Governance Principles and Recommendations. The Group has established a diversity policy outlining the Board's measurable objectives for achieving diversity. This is assessed annually to measure the progress towards achieving those objectives. The diversity policy is available in the corporate section of the Group's website www.broncos.com.au.

Outlined below are the measurable objectives established by the Board to achieve diversity, the steps taken during the year to achieve these objectives and the outcomes.

DIVERSITY AT BRISBANE BRONCOS (CONTINUED)

Monitor the number of females in the workplace, including senior management positions and at Board level

The Group has three females in senior positions as at the reporting date:

Mrs Katie Bickford	Non-executive Director
Ms Shirley Moro	Chief Financial Officer
Ms Louise Lanigan	Company Secretary and Salary Cap Manager

As at reporting date, women represented 30% of the Group's total workforce (excluding football players), 50% in senior management positions and 20% at Board level. The Board are extremely comfortable with this position given the male concentrated industry of professional rugby league in which the Brisbane Broncos operates within. To avoid distorting the true composition of the proportion of females working at the Brisbane Broncos, the quoted percentages exclude the professional rugby league footballers employed by the organisation whom by the nature of their role must be male.

Mrs Katie Skye Ann Bickford was appointed in May 2011 as the first female director of Brisbane Broncos Limited.

Create development opportunities for men and women that develop skills and experience for advancement to prepare them to take on senior positions

Employees are encouraged to undertake professional development and skill enhancement training each year. All reasonable requests are approved by the CEO. The Group allocates funds in its financial budgets annually to meet the cost of these training programmes.

Provide flexible workplace arrangements including part time positions and other incentives to be assessed on a case by case basis

During the 2014 financial year, the Group continued to approve flexible and part time positions on a case by case basis. The Brisbane Broncos will continue to do this where practical.

Provide employment opportunities for people with disabilities

The Group ensures the workplace is free of discrimination and accommodates employees with disabilities. As at reporting date, the Brisbane Broncos workforce includes employees with disabilities.

Promote an inclusive culture that treats the workforce with fairness and respect

The Brisbane Broncos has a zero tolerance policy against discrimination of employees at all levels. The Company also encourages employees to voice their concerns and encourages them to report any discrimination. No cases of discrimination were reported during the year.

Review gender gaps on an annual basis

The Board will continue to review gender gaps on an annual basis and are currently comfortable with the percentage of females in the workplace.

Provide career development opportunities for every employee, irrespective of any cultural, gender or other differences

All employees are encouraged to undertake personal development and skill enhancement training each year. All reasonable requests are approved by the CEO. The Group allocates funds in its financial budgets annually to meet the cost of these training programmes.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	Consolidated		Parent	
		2014 $	2013 $	2014 $	2013 $
ASSETS					
Current Assets					
Cash and cash equivalents	10	15,747,226	16,489,265	14,642,796	15,704,695
Trade and other receivables	11	1,986,814	2,282,766	152,298	207,225
Inventories	12	176,717	248,477	-	-
Income tax receivable	8	535,356	-	535,356	-
Other current assets		628,747	807,029	25,598	23,649
Total Current Assets		**19,074,860**	**19,827,537**	**15,356,048**	**15,935,569**
Non-current Assets					
Other financial assets	15	-	-	5	5
Property, plant and equipment	14	3,187,448	2,447,050	1,004,919	100,989
Deferred income tax asset	7(c)	82,266	68,652	18,910	5,865
Intangible assets	16(a)	12,602,957	12,668,617	-	-
Other non-current assets		204,167	391,944	-	-
Total Non-current Assets		**16,076,838**	**15,576,263**	**1,023,834**	**106,859**
TOTAL ASSETS		**35,151,698**	**35,403,800**	**16,379,882**	**16,042,428**
LIABILITIES					
Current Liabilities					
Trade and other payables	17	1,764,987	1,918,368	233,030	232,236
Provisions	18	659,003	575,233	150,614	129,087
Income taxes payable	7	-	277,117	-	277,117
Unearned revenue		5,249,141	5,466,464	-	-
Total Current Liabilities		**7,673,131**	**8,237,182**	**383,644**	**638,440**
Non-current Liabilities					
Trade and other payables	19	-	-	4,458,614	4,253,818
Provisions	20	174,016	203,564	79,993	47,841
Total Non-current Liabilities		**174,016**	**203,564**	**4,538,607**	**4,301,659**
TOTAL LIABILITIES		**7,847,147**	**8,440,746**	**4,922,251**	**4,940,099**
NET ASSETS		**27,304,551**	**26,963,054**	**11,457,631**	**11,102,329**
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	(1,686,949)	(2,028,446)	(17,533,869)	(17,889,171)
TOTAL EQUITY		**27,304,551**	**26,963,054**	**11,457,631**	**11,102,329**

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	Consolidated		Parent	
		2014 $	2013 $	2014 $	2013 $
Continuing operations					
Sale of goods		1,454,276	1,316,125	-	-
Rendering of services		28,256,590	25,809,593	-	-
Grant received from National Rugby League		7,503,333	7,125,000	-	-
Dividend revenue		-	-	1,991,388	2,909,143
Interest revenue		596,746	713,480	596,652	713,327
Other revenue		25,403	25,997	-	4,510
Revenue		37,836,348	34,990,195	2,588,040	3,626,980
Expenses	6	(36,514,348)	(31,985,195)	(2,232,468)	(1,953,338)
Profit from continuing operations before income tax		**1,322,000**	**3,005,000**	**355,572**	**1,673,642**
Income tax benefit/(expense)	7(a)	(490,300)	(973,000)	489,933	369,027
Net profit and comprehensive income for the period attributable to members of the Parent		**831,700**	**2,032,000**	**845,505**	**2,042,669**

Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the company:			
Basic earnings per share	9	0. 85 cent	2.07 cents
Diluted earnings per share	9	0. 85 cent	2.07 cents

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	Consolidated		Parent	
		2014 $	2013 $	2014 $	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		40,694,935	37,392,513	-	-
Payments to suppliers & employees		(38,867,634)	(34,143,870)	(2,168,162)	(1,931,559)
Other revenue received		416,883	502,413	-	4,510
Inventories		(767,887)	(846,952)	-	-
Interest received		639,869	762,144	639,797	761,991
Income tax paid		(1,316,387)	(1,185,931)	(1,316,387)	(1,185,931)
Net cash flows from/(used in) operating activities	23	**799,779**	**2,480,317**	**(2,844,752)**	**(2,350,989)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividends received		-	-	1,991,388	2,909,143
Purchase of property, plant and equipment		(1,051,615)	(391,061)	(903,929)	(100,989)
Net cash flows from/(used in) investing activities		**(1,051,615)**	**(391,061)**	**1,087,459**	**2,808,154**
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		(490,203)	(1,715,712)	(490,203)	(1,715,712)
Proceeds from / (payments to) controlled entities		-	-	1,185,597	1,221,917
Net cash flows from/(used in) financing activities		**(490,203)**	**(1,715,712)**	**695,394**	**(493,795)**
Net increase in cash and cash equivalents		(742,039)	373,544	(1,061,899)	(36,630)
Cash and cash equivalents at beginning of the period		16,489,265	16,115,721	15,704,695	15,741,325
CASH AND CASH EQUIVALENTS AT END OF YEAR	10	**15,747,226**	**16,489,265**	**14,642,796**	**15,704,695**

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	Attributable to equity holders of the Parent		
		Contributed Equity	(Accumulated Losses)	Total Equity
CONSOLIDATED				
At 1 January 2013		28,991,500	(2,344,734)	26,646,766
Dividends paid	8(a)	-	(1,715,712)	(1,715,712)
Total comprehensive income for the year		-	2,032,000	2,032,000
At 31 December 2013		**28,991,500**	**(2,028,446)**	**26,963,054**
Dividends paid	8(a)	-	(490,203)	(490,203)
Total comprehensive income for the year		-	831,700	831,700
AT 31 DECEMBER 2014	21/22	**28,991,500**	**(1,686,949)**	**27,304,551**

	Note	Attributable to equity holders of the Parent		
		Contributed Equity	(Accumulated Losses)	Total Equity
PARENT				
At 1 January 2013		28,991,500	(18,216,128)	10,775,372
Dividends paid	8(a)	-	(1,715,712)	(1,715,712)
Total comprehensive income for the year		-	2,042,669	2,042,669
At 31 December 2013		**28,991,500**	**(17,889,171)**	**11,102,329**
Dividends paid	8(a)	-	(490,203)	(490,203)
Total comprehensive income for the year		-	845,505	845,505
AT 31 DECEMBER 2014	21/22	**28,991,500**	**(17,533,869)**	**11,457,631**

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

1. CORPORATE INFORMATION

The financial report of Brisbane Broncos Limited for the year ended 31 December 2014 was authorised for issue in accordance with a resolution of directors on 26 February 2015.

Brisbane Broncos Limited (the Parent) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities 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 Corporation.

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

The Group's financial statements are presented in Australian dollars, which is the functional currency.

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 and going concern basis. The financial report is presented in Australian dollars. The financial report has been prepared under ASIC Class Order 10/654.

The accounting policies and methods of computation are consistent with those adopted in the 2013 financial report.

(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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) New accounting standards and interpretations

The Group has adopted the following new and amended Australian Accounting Standards and AASB Interpretations as of 1 January 2014, none of which had a material impact on the financial position or performance of the Group:

- AASB 1053 - *Application of Tiers of Australian Accounting Standards*
- AASB 2011-4 - *Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]*
- AASB 2012-3 - *Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities*
- AASB 1031 - *Materiality*

The following standards and interpretations have been issued by the AASB but are not yet effective for the period ending 31 December 2014. Adoption of these standards and interpretations is not likely to have a material impact on the financial position or performance of the Group:

- ASB 9 – *Financial Instruments*
- AASB 2014-1 *Part A - Annual Improvements 2010–2012 Cycle - Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2010–2012 Cycle*
- AASB 2014-1 *Part A - Annual Improvements 2011–2013 Cycle - Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2011–2013 Cycle*
- AASB 2014-4 - *Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)*
- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*
- AASB 2015-3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality*

The assessment and impact of IFRS 15 - *Revenue from Contracts with Customers* has not yet been assessed by the Company.

(c) Basis on 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 financial statements of subsidiaries are prepared for the same reporting period as the parent company using consistent accounting policies. In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis on consolidation (continued)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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) Operating segments – refer note 5

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Operating segments have been identified based on the information and internal reports provided to the chief operating decision maker being the Chief Executive Officer.

(e) Cash and cash equivalents – refer note 10

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits convertible to cash within 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 statement of cash flows, 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 Statement of Financial Position.

(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 which consist of finished goods are valued at the lower of cost and net realisable value. Cost reflects the weighted average cost of each item. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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 value 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 or originated. Designation is re-evaluated each reporting date, 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.

Recognition and derecognition

All regular purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or when the entity transfers substantially all the risks and rewards of the financial assets. If the entity neither retains nor transfers substantially all of the risks and rewards, it derecognises the assets if it has transferred control of the assets.

Subsequent measurement

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

Financial assets classified as held for trading are included in the category ‘financial assets at 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 Statement of Financial Position.

(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 rate 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.

The method of depreciation is straight line basis over the estimated useful lives of the assets as follows:

Plant and equipment – over 4 to 8 years

Leasehold improvements – over 10 to 15 years

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Costs are capitalised into Construction in Progress during the planning, design and construction phase and will be recognised as Property, Plant and Equipment on completion.

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 derecognition 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.

(j) Leases – refer note 26

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date 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, even if that right is not explicitly specified in the arrangement.

(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 Statement of Comprehensive Income on a straight-line basis over the lease term.

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

Non-financial assets other than goodwill and indefinite life intangibles 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. External factors such as changes in expected future processes, technology and economic conditions are also monitored to assess for 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 value less costs to sell and value in use. For the purpose 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 for groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed.

There is no goodwill with a finite life within the Group. During the 2011 financial year, the Group acquired intangible assets with a deemed finite life of five years as discussed at note 16.

(l) Goodwill and intangibles – 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 recognised in profit or loss in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Goodwill and intangibles (continued)

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income as the expense category that is consistent with the function of the intangible assets.

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	Merchandise Licence Rights
Useful life	Indefinite	5 years
Method used	No amortisation	Amortisation
Internally generated/acquired	Acquired	Acquired
Impairment testing	Annually and more frequently where an indication of impairment exists	Reviewed annually

Gains or losses arising from derecognition 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.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. The difference in the respective carrying amounts is recognised in the income statement.

(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 reporting date.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) are capitalised as part of the cost of that asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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 Statement of Comprehensive Income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of 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 12 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. 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.

(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 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 Statement of Financial Position 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. Any one-off amounts are recognised in the year to which they relate.

Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions have been complied with. Government grants are recognised as revenue over the period to match the costs that it is intended to recover.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Revenue recognition – refer note 6 (continued)

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 reporting 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 difference is 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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Tax consolidation legislation

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

The head entity, 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 assets 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.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows 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.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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	
	2014 $	2013 $	2014 $	2013 $
Cash at bank and in hand	2,997,226	1,989,265	1,892,796	1,204,695
Short-term deposit	12,750,000	14,500,000	12,750,000	14,500,000
	15,747,226	**16,489,265**	**14,642,796**	**15,704,695**

The Group invests its cash in short-term deposits earning interest at an average rate of 3.88% (2013: 4.66%) per annum. It is reasonably possible that movements in interest rates (+ 1%, - 1%) would impact interest revenue by approximately $136,582 (2013: $142,486) and not have any material effect on net profit or equity of the consolidated group or parent entity for the year ended 31 December 2014.

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 by regular assessment for impairment of balances aged greater than 90 days with the result that the Group's exposure to bad debts is not significant.

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 $630,890 (2013: $565,021) financial liabilities with six months or less contractual maturity and has no (2013: $nil) financial liabilities with greater than six months to five years contractual maturity. The contractual maturities of the Parent's financial liabilities are $93,384 (2013: $45,599) with six months or less contractual maturity and no financial liabilities with greater than six months to five years contractual maturity.

Capital Risk

The Board has considered the Company's capital structure in relation to the possible funding requirements of the proposed new Training, Administration and Community Facility and believes that, even though borrowings may be required, a dividend payout ratio of approximately 59% is appropriate in the short term. In the longer term this ratio may fall to adequately service debt.

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.

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

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 Statement of Financial Position. 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 Statement of Financial Position 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 Statement of Comprehensive Income.

Consolidation of Brisbane Broncos Rugby League Club Limited

As disclosed in Note 24(a)(ii), the Group consolidates the results and position of Brisbane Broncos Rugby League Club Limited ("BBRLC"). BBRLC is a company limited by guarantee and has no share capital. Through operating and other arrangements, the Group has the ability to control BBRLC. The Group holds power over BBRLC through these agreements and is exposed to and has rights over the returns from BBRLC. All Board members of BBRLC are directors of the Group and the Group's approval is required for all operational and financial decisions by BBRLC. Based on these facts and circumstances, management determined that, in substance, the Group controls BBRLC with no non-controlling interests.

(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.

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 2014 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.

Revenue from one customer amounted to $8,806,055 arising from sales and grants in respect of the 2014 financial year (2013: $8,407,585).

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
6. EXPENSES				
Cost of sales	839,647	768,989	-	-
Administration expense	4,046,244	3,560,967	2,232,468	1,953,338
Stadium operations expense	5,888,001	5,234,646	-	-
Corporate sales, merchandise and ticketing expense	4,263,115	3,922,181	-	-
Marketing, community, sponsorship and advertising expense	4,068,370	3,899,798	-	-
Development and indigenous programme costs	869,138	998,917	-	-
Football and restructuring related expenses	16,539,833	13,599,697	-	-
	36,514,348	**31,985,195**	**2,232,468**	**1,953,338**

Included in the above expenses are the following:				
Lease payments – operating leases	2,316,249	1,987,677	-	-
Depreciation of property, plant and equipment	311,217	316,105	-	-
Amortisation of intangibles	65,660	65,660	-	-
Provision for employee benefits	571,230	489,150	134,228	117,580
Provision for doubtful debts	-	55,000	-	-
Salary and wage expense	16,258,477	13,715,514	1,248,595	1,214,440

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
7. INCOME TAX				
(a) Income tax expense				
The major components of income tax expense/(benefit) are:				
Statement of Comprehensive Income				
Current income tax				
Current income tax charge/(benefit)	503,914	1,041,064	(476,888)	(339,269)
Deferred income tax				
Relating to origination and reversal of temporary differences	(13,614)	(68,064)	(13,045)	(29,758)
Income tax expense/(benefit) reported in the statement of comprehensive income	**490,300**	**973,000**	**(489,933)**	**(369,027)**
(b) Numerical reconciliation between aggregate tax expense recognised in the statement of comprehensive income 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:				
Accounting profit/(loss) before tax from continuing operations	**1,322,000**	**3,005,000**	**355,572**	**1,673,642**
At the Group's statutory income tax rate of 30% (2013: 30%)	396,600	901,500	106,672	502,093
Expenditure not allowed for income tax purposes				
Entertainment	73,831	51,892	965	1,713
Amortisation of intangibles	19,698	19,698	-	-
Inter-company dividend	-	-	(597,417)	(872,743)
Other	171	(90)	(153)	(90)
Aggregate income tax expense/(benefit)	**490,300**	**973,000**	**(489,933)**	**(369,027)**

	Statement of Financial Position		Statement of Comprehensive Income	
	2014 $	2013 $	2014 $	2013 $
7. INCOME TAX (CONTINUED)				
(c) Recognised deferred tax assets and liabilities				
Deferred income tax at 31 December relates to the following:				
CONSOLIDATED				
(i) Deferred tax assets/(liabilities)				
Unearned revenue	(80,990)	(87,720)	6,731	58,205
Doubtful debts	33,140	36,750	(3,610)	11,462
Employee benefits	143,642	121,455	22,187	14,172
Prepayments	(4,067)	(4,209)	142	189
Fixed assets	(30,366)	(12,368)	(17,998)	(12,368)
Accruals	20,381	13,863	6,518	(3,587)
Expenses capitalised for income tax purposes	526	881	(356)	(9)
Deferred tax assets/(liabilities)	**82,266**	**68,652**		
Deferred tax income/(expense)			**13,614**	**68,064**
PARENT				
(ii) Deferred tax assets/(liabilities)				
Unearned revenue	(42,190)	(55,134)	12,944	14,598
Employee benefits	-	51,461	(51,461)	15,359
Prepayments	(547)	(576)	29	(122)
Accruals	77,783	9,860	67,924	177
Fixed assets	(16,136)	-	(16,136)	-
Expenses capitalised for income tax purposes	-	254	(254)	(254)
Deferred tax assets/(liabilities)	**18,910**	**5,865**		
Deferred tax income/(expense)			**13,046**	**29,758**

(d) Tax losses

The Group has no carry forward tax losses arising in Australia as at the reporting date (2013: $nil).

(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.

7. INCOME TAX (CONTINUED)

(e) Tax Consolidation (continued)

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

Measurement method adopted under AASB Interpretation 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 the tax funding agreement is discussed further below.

Nature of the 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	
	2014 $	2013 $	2014 $	2013 $
8. DIVIDENDS PAID AND PROPOSED				
(a) Recognised Amounts				
Paid during the year:				
Final franked dividend for 2013: 0.5 cent paid in 2014 (2013: for 2012 1.75 cents paid in 2013)	490,203	1,715,712	490,203	1,715,712
(b) Unrecognised Amounts				
Dividends on ordinary shares:				
Final franked dividend for 2014: 0.5 cent (2013: final franked dividend for 2013 0.5 cent)	490,203	490,203	490,203	490,203
(c) Franking Account Balance				
The amount of franking credits available for the subsequent financial year are:				
› franking account balance as at the end of the financial year at 30% (2013: 30%)			3,869,613	2,763,313
› franking debits that will arise from the refund of income tax as at the end of the financial year			(535,356)	277,117
› franking debits that will arise from the payment of dividends proposed or declared before the financial report was authorised for issue but not recognised as a distribution to equity holders during the period			(210,087)	(210,087)
			3,124,170	**2,830,343**

(d) Tax Rates

The tax rate at which paid dividends have been franked is 30% (2013: 30%). Dividends proposed will be franked at the rate of 30% (2013: 30%).

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	
	2014 $	2013 $
Net profit from continuing operations attributable to equity holders of the parent	$831,700	$2,032,000
Weighted average number of ordinary shares for basic earnings per share	98,040,631	98,040,631

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

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
10. CURRENT ASSETS - CASH AND CASH EQUIVALENTS				
Cash at bank and in hand	2,997,226	1,989,265	1,892,796	1,204,695
Short-term deposit	12,750,000	14,500,000	12,750,000	14,500,000
	15,747,226	**16,489,265**	**14,642,796**	**15,704,695**

Cash at bank earns interest at variable 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 Westpac and Queensland Country Credit Union's short term deposit rate.

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
11. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES				
Trade receivables	1,331,154	1,708,322	-	-
Allowance for impairment loss (a)	(55,000)	(55,000)	-	-
	1,276,154	**1,653,322**	**-**	**-**
Other receivables	710,660	629,444	152,298	207,225
Carrying amount of trade and other receivables	**1,986,814**	**2,282,766**	**152,298**	**207,225**

Other receivables for the Group include GST receivable of $337,353 (2013: $238,808), interest receivable on term deposits of $140,632 (2013: $183,778) and NRL Merchandise Royalties receivable of $76,000 (2013: $108,624). Other receivables for the Parent include GST receivable of $11,666 (2013: $23,447) and interest receivable on term deposits of $140,632 (2013: $183,778).

11. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES (CONTINUED)

(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. The majority of trade receivables at 31 December 2014 are aged within the 30-90 day terms with $528,191 (2013: $784,447) of trade receivables past due but not considered impaired.

	Consolidated	
	2014 $	2013 $
Allowance for impairment loss		
Balance as at 1 January	55,000	8,056
Amount charged to the Statement of Comprehensive Income	-	55,000
Amount written back to the Allowance for Impairment Loss	-	(8,056)
Balance as at 31 December	**55,000**	**55,000**

(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.

12. CURRENT ASSETS - INVENTORIES

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
Finished goods – at cost	176,717	248,477	-	-
Provision for net realisable value write down	-	-	-	-
Total inventories at the lower of cost and net realisable value	**176,717**	**248,477**	**-**	**-**

On 1 November 2011, the Group commenced its in-house merchandise operations when it acquired the rights to sell Broncos merchandise on home game days at the game venue. Inventories recognised as an expense for the year ended 31 December 2014 totalled $839,647 (2013: $768,989) for the Group. This expense has been included in the cost of sales line item as a cost of inventories.

13. NON-CURRENT ASSETS - RECEIVABLES

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
Receivables from controlled entities	-	-	13,900,000	13,900,000
Provision for non-recovery	-	-	(13,900,000)	(13,900,000)
	-	**-**	**-**	**-**

Related party receivables

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

14. NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amounts at the beginning and end of the period

	CONSOLIDATED			
	Plant and Equipment $	Leasehold Improvements $	Construction in Progress $	Total $
Year ended 31 December 2014				
At 1 January 2014 net of accumulated depreciation and impairment	1,051,637	1,294,424	100,989	2,447,050
Additions	120,012	27,673	903,930	1,051,615
Depreciation charge for year	(237,891)	(73,326)	-	(311,217)
At 31 December 2014 net of accumulated depreciation and impairment	**933,758**	**1,248,771**	**1,004,919**	**3,187,448**
At 31 December 2014				
Cost	1,964,780	2,277,101	1,004,919	5,246,800
Accumulated depreciation and impairment	(1,031,022)	(1,028,330)	-	(2,059,352)
Net carrying amount	**933,758**	**1,248,771**	**1,004,919**	**3,187,448**
Year ended 31 December 2013				
At 1 January 2013 net of accumulated depreciation and impairment	1,053,793	1,318,301	-	2,372,094
Additions	239,100	50,972	100,989	391,061
Depreciation charge for year	(241,256)	(74,849)	-	(316,105)
At 31 December 2013 net of accumulated depreciation and impairment	**1,051,637**	**1,294,424**	**100,989**	**2,447,050**
At 31 December 2013				
Cost	1,866,264	2,249,429	100,989	4,216,682
Accumulated depreciation and impairment	(814,627)	(955,005)	-	(1,769,632)
Net carrying amount	**1,051,637**	**1,294,424**	**100,989**	**2,447,050**

The parent entity Property, Plant and Equipment balances represent Construction in Progress only and present as shown above for the consolidated entity in 2014 and 2013.

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
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.

	Consolidated			Parent
	Sporting Franchise $	Merchandise Licence Rights $	Total $	Total $
16. NON-CURRENT ASSETS - INTANGIBLE ASSETS				
(a) Reconciliation of carrying amounts at the beginning and end of the period				
At 31 December 2014				
Cost	13,382,857	328,300	13,711,157	-
Accumulated amortisation and impairment	(900,277)	(207,923)	(1,108,200)	-
Net carrying amount	**12,482,580**	**120,377**	**12,602,957**	**-**
At 31 December 2013				
Cost	13,382,857	328,300	13,711,157	-
Accumulated amortisation and impairment	(900,277)	(142,263)	(1,042,540)	-
Net carrying amount	**12,482,580**	**186,037**	**12,668,617**	**-**

There have been no acquisitions of intangible assets during the year. Amortisation expense has been recorded for the merchandise licence rights for the year (2013: 12 months' amortisation).

(b) Description of Group's intangible assets

Effective 10 February 2012, Brisbane Broncos Limited became a member of the Australian Rugby League Commission Limited ("ARLC"), as a Licensee. The ARLC was established to be, amongst other things, the single controlling body and administrator of the game of rugby league football in Australia. National Rugby League Limited is a wholly controlled entity of the ARLC. As a Licensee, the Group enjoys the benefits from competing in the NRL competition. The Sporting Franchise is considered to have an indefinite useful life 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 until 2018. The Club Agreement signed between the Group and the National Rugby League provides that termination can only take place if an Insolvency Event occurs, or if the Licensee commits a material breach or commits persistent breaches of any provision of the Club Agreement. Management is confident that the conditions necessary to obtain renewal will continue to be met on an ongoing basis.

On 1 November 2011, the Group acquired the rights to sell Broncos merchandise on home game days at the game venue. The consideration paid and payable to the third party above the value of inventory acquired and other services provided has been booked as an intangible. The intangible is deemed to be of fixed life equivalent to the vendor's licence renewal period of five years and accordingly is being amortised over that time. Associated with this acquisition was an amount of $287,500 of deferred consideration which was paid during the year ended 31 December 2012.

Intangible assets are 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 these 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.

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

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

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:

- market research results on brand recognition
- 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 and receive grants under this licence

An annual growth rate of 3% has been used in the future maintainable earnings calculation and a pre-tax discount rate of 12% (2013: 12%) has been applied to the cash flow projections. Value in use has been calculated using a five year model with a terminal value (based on continued 3% terminal growth).

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, financial performance of the Group or key assumptions that would cause the carrying value of the cash generating unit to materially exceed its recoverable amount.

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.

As at 31 December 2014, 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	
	2014 $	2013 $	2014 $	2013 $
17. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES				
Trade payables	630,890	565,021	93,384	45,599
Other payables	1,134,097	1,353,347	139,646	186,637
	1,764,987	**1,918,368**	**233,030**	**232,236**

(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 external 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.

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
18. CURRENT LIABILITIES - PROVISIONS				
Fringe benefits tax	100,858	65,757	9,884	5,390
Annual leave	330,298	285,491	107,425	93,495
Long service leave	227,847	223,985	33,305	30,202
	659,003	**575,233**	**150,614**	**129,087**

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
19. NON-CURRENT LIABILITIES - TRADE AND OTHER PAYABLES				
Related party payables - amounts payable to controlled entities	-	-	4,458,614	4,253,818
	-	**-**	**4,458,614**	**4,253,818**

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

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
20. NON-CURRENT LIABILITIES – PROVISIONS				
Long service leave	174,016	203,564	79,993	47,841
	174,016	**203,564**	**79,993**	**47,841**

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.

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
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. When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns and the creation of long-term shareholder value.

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
22. ACCUMULATED LOSSES				
Balance 1 January	(2,028,446)	(2,344,734)	(17,889,171)	(18,216,128)
Net profit	831,700	2,032,000	845,505	2,042,669
Dividends	(490,203)	(1,715,712)	(490,203)	(1,715,712)
Balance 31 December	**(1,686,949)**	**(2,028,446)**	**(17,533,869)**	**(17,889,171)**

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
23. CASH FLOW STATEMENT RECONCILIATION				
Reconciliation of net profit after tax to net cash flows from operations				
Net profit/(loss)	831,700	2,032,000	845,505	2,042,669
Adjustments for:				
Depreciation and amortisation	376,877	381,765	-	-
Doubtful debts expense	-	55,000	-	-
Sundry provision reversal	(12,032)	(11,165)	-	-
Employee benefits provisions	19,124	50,896	49,184	51,197
Amounts recovered from subsidiaries under tax funding agreement	-	-	(980,802)	(1,380,333)
Dividends classified as investment cash flow	-	-	(1,991,388)	(2,909,143)
Changes in assets and liabilities				
(Increase)/decrease in trade and other receivables	915,645	(423,100)	178,030	44,507
(Increase)/decrease in inventories	71,760	(77,985)	-	-
(Increase)/decrease in deferred tax asset	(13,614)	(68,064)	(13,045)	(29,758)
(Decrease)/increase in current tax liability	(812,473)	(144,867)	(812,473)	(144,867)
(Decrease)/increase in creditors and accruals	(388,761)	296,727	(124,257)	(21,726)
(Decrease)/increase in unearned revenue	(223,547)	438,521	-	-
(Decrease)/increase in provisions	35,101	(49,411)	4,494	(3,535)
Net cash from/(used in) operating activities	**799,779**	**2,480,317**	**(2,844,752)**	**(2,350,989)**

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	
			2014	2013
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 Broncos (Licencee) Pty Ltd	Australia		100	100
A.C.N. 067 052 386 Pty Ltd	Australia		100	100
Pacific Sports Holdings Pty Ltd (Trustee)	Australia	(i)	100	100
Brisbane Professional Sports Investment 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 AASB 10 *Consolidated Financial Statements*.

24. RELATED PARTY DISCLOSURE (CONTINUED)

(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 Corporation	2014	186,894	-	275,214
	2013	108,608	-	134,978
Other				
National Rugby League Limited	2014	716,767	7,989,288	150,655
	2013	752,835	7,654,750	73,341

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 Corporation owned 68.87% of the Group as at 31 December 2014 (2013: 68.87%). News Corporation and its related entities provided the Group with sponsorship and commercial income during the financial year. Advertising and other services were also provided during the financial year by News Corporation and its related entities to the value of $275,214 (2013: $134,978).

Other

The licence held by the Group during the year was provided by National Rugby League Limited. The licence entitles the Group to receive an annual grant from 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) Compensation of Key Management Personnel

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
Short-term employee benefits	1,260,692	1,191,566	843,625	759,966
Post-employment benefits	106,067	106,387	67,836	70,761
Other long-term benefits	77,454	24,445	45,463	13,465
	1,444,213	**1,322,398**	**917,619**	**844,192**

(b) Shareholdings of Key Management Personnel (Consolidated)

	Consolidated	
	2014	2013
Shares held in Brisbane Broncos Limited (number)	60,000	60,000
Balance as at 31 December	**60,000**	**60,000**

(c) Other transactions and balances with Key Management Personnel

Mr Watt is an employee of News Corporation Australia which is a related party of the Group. Mr Harvie was an employee of News Corporation Australia up until 31 July 2014. Transactions conducted with News Corporation Australia and its related entities are disclosed in note 24 of this report.

A Licence and Endorsement Agreement existed between Mr Lockyer and a subsidiary of Brisbane Broncos Limited up until October 2014. The purpose of the agreement was for Mr Lockyer to provide promotional services and intellectual property access to the Brisbane Broncos. The term of this agreement was three years which commenced on 1 November 2011 and expired on 31 October 2014. The Licence Fee payable in relation to this agreement was $80,000, $100,000 and $120,000 (GST exclusive) per annum. In accordance with the agreement, payments totalling $100,000 (2013: $103,333) were made to Mr Lockyer in consideration for services provided during the financial year. Mr Lockyer did not receive payment for any other services during the year (2013: $1,500 in respect of memorabilia signing property rights).

On 17 February 2015, a new Licence and Endorsement Agreement was entered into between Mr Lockyer and a subsidiary of Brisbane Broncos Limited up until December 2017. The purpose of the agreement is for Mr Lockyer to provide promotional services and intellectual property access to the Brisbane Broncos. The term of this agreement is three years which commenced on 1 January 2015 and expiry on 31 December 2017. The Licence Fee payable in relation to this agreement is $80,000 (GST exclusive) per annum.

26. COMMITMENTS AND CONTINGENCIES

(a) Commitments

(i) Leasing Commitments

Operating lease commitments – Group as lessee

The Group has entered into commercial leases of property. No motor vehicles leases are held in the current or prior year.

The property lease for the stadium had an initial term of ten years with a renewable option included in the contract. This lease expired at the end of the 2014 season and has subsequently been renegotiated with an eight-year term including review anniversary at four years and a renewal option.

The property lease for the administration facilities is being renewed on an annual basis whilst the proposed new Training, Administration and Community Facility is in its development stages.

There are no restrictions placed upon the lessee by entering into these leases. Equipment rentals have an average life of three years.

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

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
Within one year	115,460	124,243	-	-
After one year but not more than five years	67,002	2,836	-	-
After more than five years	-	-	-	-
Total minimum lease payments	**182,462**	**127,079**	**-**	**-**

Included above as an operating lease commitment is the minimum amount payable (GST exclusive) 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. Refer to note 6(b) for amounts actually paid.

(ii) Football Related Commitments

Commitments for the payment of coaching staff and player contracts and affiliate club commitments in existence at the reporting date but not recognised as liabilities are:

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
Within one year	9,441,376	7,951,920	-	-
After one year but not more than five years	14,539,608	10,215,900	-	-
	23,980,985	**18,167,820**	**-**	**-**

(iii) Key Management Personnel 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:

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
Within one year	675,550	457,500	-	-
After one year but not more than five years	715,763	1,002,563	-	-
	1,391,313	**1,460,063**	**-**	**-**

26. COMMITMENTS AND CONTINGENCIES (CONTINUED)

(a) Commitments (continued)

(iii) Key Management Personnel Remuneration Commitments (continued)

Mr Paul White was appointed as Chief Executive Officer on 1 January 2011. Amounts disclosed as 2013 and 2014 remuneration commitments include commitments arising from Mr White's employment agreements, the original which expired on 31 December 2013 and renewed agreement which expires on 31 December 2016. The amounts include cash salary, superannuation and the provision of a motor vehicle.

Mr Van Groningen was appointed as General Manager External Relations & Corporate Strategy on 3 March 2014. Amounts disclosed as 2014 remuneration commitments include commitments arising from Mr Van Groningen's employment agreement which expires on 31 December 2016. The amounts include cash salary, superannuation and a motor vehicle allowance and a telephone allowance.

(iv) Merchandise Order Commitments

Commitments for the purchase of merchandise at the reporting date but not recognised as liabilities are:

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
Within one year	349,606	293,245	-	-
After one year but not more than five years	-	-	-	-
	349,606	**293,245**	**-**	**-**

Forward orders are placed in respect of stock deliveries required for the 2015 season.

(b) Contingencies

No contingencies exist as at the reporting date.

27. AUDITORS' REMUNERATION

The auditor of Brisbane Broncos Limited is Ernst & Young.

	Consolidated		Parent	
	2014 $	2013 $	2014 $	2013 $
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	94,000	92,700	85,200	84,100
› other services in relation to the entity and any other entity in the consolidated group				
› taxation services	-	-	-	-
› other	29,100	17,809	29,100	17,809
	123,100	**110,509**	**114,300**	**101,909**
Amounts received, or due and receivable, by non Ernst & Young audit firms for:				
› Taxation services	5,700	5,700	5,700	5,700

28. EVENTS AFTER BALANCE DATE

On 4 February 2015, the renewed Hiring Agreement between Brisbane Broncos and AEG Ogden (Brisbane Stadium Management) Pty Ltd as agent for Stadiums Queensland was signed. The terms of the renewed agreement incentivise the parties to grow game day attendances and are more favourable for the Group than the terms of the original agreement.

On 6 February 2015, the NRL advised that the ARLC had approved a one-off cash grant to assist towards the funding of the proposed Training, Administration and Community Facility. Management and the Board will continue to work with the NRL to secure further funding assistance in respect of the facility.

On 26 February 2015, the Board of Directors declared a final dividend on ordinary shares in respect of the 2014 financial year. The total amount of the dividend is $490,203 which represents half of one cent dividend franked to 100% per share.

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 2014 and of their performance for the year ended on that date; and

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

   (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2(a),

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

   (d) as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in Note 24 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

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 ended 31 December 2014.

On behalf of the Board

Dennis Watt
Chairman
Brisbane
26 February 2015

Ernst & Young
111 Eagle Street
Brisbane QLD 4000 Australia
GPO Box 7878 Brisbane QLD 4001

Tel: +61 7 3011 3333
Fax: +61 7 3011 3100
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 statement of financial position as at 31 December 2014, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration of the Company and 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 of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2 (a), the Directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers 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 complied with 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.

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working world

Opinion

In our opinion:

a. 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 Company's and consolidated entity's financial positions as at 31 December 2014 and of their performance for the year ended on that date; and

   ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2(a).

Report on the remuneration report

We have audited the Remuneration Report included in pages 16 to 22 of the Directors' report for the year ended 31 December 2014. 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.

Opinion

In our opinion, the Remuneration Report of Brisbane Broncos Limited for the year ended 31 December 2014, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Brad Tozer

Brad Tozer
Partner
Brisbane
26 February 2015

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Ltd and now shown elsewhere in this report is as follows. This information is current as at 5 February 2015.

(a) Distribution of equity securities

98,040,631 fully paid ordinary shares are held by 765 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 is as follows:

Size of Holding	Ordinary Shareholders	Ordinary Share Option-holders
1 – 1000	58	-
1001 – 5000	433	-
5001 – 10000	139	-
10001 – 100000	122	-
100001 – OVER	13	-
	765	**-**
Holding less than a marketable parcel	**87**	

(b) Substantial shareholders

Ordinary Shareholders	Fully Paid Shares	Percentage
Nationwide News Pty Ltd	67,521,089	68.87%
BGM Projects Pty Ltd	21,620,972	22.05%
	89,142,061	**90.92%**

(c) Twenty largest holders of quoted equity securities

Ordinary shareholders	Number of ordinary shares	Percentage Held
Nationwide News Pty Ltd	67,521,089	68.87%
BGM Projects Pty Ltd	21,620,972	22.05%
AEG Ogden Pty Ltd	631,666	0.64%
Mr Sean Ryan and Mrs Julia Ryan	388,464	0.40%
Bartlett Management Pty Ltd	325,000	0.33%
Mr James Dyer and Mrs Kellyanne Dyer	317,490	0.32%
Meingrove Pty Ltd	300,000	0.31%
W F M Motors Pty Ltd	300,000	0.31%
Moonton Pty Ltd	288,550	0.29%
Mr Adrian Charles Vos	132,536	0.14%
Mr D'Wayne Wigley and Mrs Lynne Wigley	120,853	0.12%
Ms Joan Ann Mary Enever	110,000	0.11%
Mr Raymond John Balkin	104,627	0.11%
Bushfly Air Charter Pty Ltd	100,000	0.10%
George Enever Pty Ltd	100,000	0.10%
Mr John James Nuell	86,000	0.09%
ACT Demo Pty Ltd	83,333	0.08%
Martehof Pty Ltd	78,863	0.08%
Mr David Neil Holland	78,000	0.08%
W13 ODF Pty Ltd	61,050	0.06%
	92,748,493	**94.60%**


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NOTICE OF ANNUAL GENERAL MEETING

Registered Office: Level 1, Broncos Leagues Club, Fulcher Road, Red Hill QLD 4059.

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Shareholders of BRISBANE BRONCOS LIMITED will be held at the Broncos Leagues Club, 92 Fulcher Road, Red Hill QLD 4059 on Thursday 30 April 2015 commencing at 10.00 am.

BUSINESS

Item 1 – Financial Statements and Reports

To receive and consider the Annual Financial Report of Brisbane Broncos Limited and its controlled entities together with the Directors' Report and Auditor's Report for the financial year ended 31 December 2014.

Item 2 – Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"To adopt the Remuneration Report for Brisbane Broncos Limited and its controlled entities for the year ended 31 December 2014."

(Note: The vote on this resolution is advisory only and does not bind the directors of Brisbane Broncos Limited).

Voting Exclusion Statement

For all resolutions that are directly or indirectly related to the remuneration of a director, officer or a member of the Key Management Personnel ('KMP') of the Company (being item 2), the *Corporations Act 2001* restricts KMP and their closely related parties from voting in some circumstances. Closely related party is defined in the Corporations Act and includes spouse, dependants, and certain other close family members, as well as any companies controlled by the directors, officers or KMPs.

The Company will disregard any votes cast on item 2 by or on behalf of the directors, officers or KMPs (and their closely related parties) named in the Remuneration Report. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or if it is cast by the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance with the directions of the Proxy Form.

Item 3 Re-election of Director – Mrs Katie Bickford

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That Mrs Katie Bickford, who retires by rotation in accordance with Clause 75 of the Company's Constitution and being eligible offers herself for re-election, be re-elected as a director of Brisbane Broncos Limited."

Voting Entitlements

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001*, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of shareholders as at 7.00 pm (Brisbane time) on Tuesday, 28 April 2015. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitlements to attend and vote at the Annual General Meeting.

On a show of hands, every shareholder present has one vote. On a poll, shareholders have one vote for every fully paid ordinary share held. All items will be determined on a show of hands unless a poll is duly called on an item.

Corporate Representatives

Any corporate shareholder or corporate proxy appointed by a shareholder, which has appointed an individual to act as the shareholder's or proxy's corporate representative at the Annual General Meeting should provide the person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share register in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative. An appointment of Corporate Representative form is available by contacting the Company's share registry Computershare Investor Services Pty Limited on 1300 552 270 during business hours.

By order of the Board of BRISBANE BRONCOS LIMITED

L. Lanigan

Ms Louise Lanigan
Company Secretary
25 March 2015

EXPLANATORY NOTES

Registered Office: Level 1, Broncos Leagues Club, Fulcher Road, Red Hill QLD 4059.

1. INTRODUCTION

These Explanatory Notes have been prepared for the information of shareholders in connection with the resolutions to be considered by them at the Annual General Meeting to be held at the Broncos Leagues Club, 92 Fulcher Road, Red Hill QLD 4059 on Thursday 30 April 2015 commencing at 10.00 am.

The purpose of the Explanatory Notes is to provide shareholders with the information known to the Company that the Board considers material to their decision on whether to approve the resolutions in the accompanying Notice of Meeting. This document is important and should be read in conjunction with all of the information included in the Notice of Meeting and Annual Report.

2. BUSINESS

Item 1 – Financial Statements and Reports

As required by section 317 of the *Corporations Act 2001 (Cth)* (the 'Act'), the Financial Report, Directors' Report and Auditor's Report of Brisbane Broncos Limited and its controlled entities for the most recent financial year will be laid before the meeting.

These reports are contained in the Company's 2014 Annual Report. Shareholders can access a copy of the Annual Report on the corporate section of the Brisbane Broncos website www.broncos.com.au. A printed copy of the Company's 2014 Annual Report has been sent to all shareholders.

Neither the *Corporations Act 2001* nor the Company's Constitution requires a vote of shareholders at the Meeting on such reports or statements, however shareholders will be provided with the opportunity to ask questions with respect to these reports or about the Broncos generally at the Annual General Meeting.

Item 2 – Remuneration Report

It is a requirement under the *Corporations Act 2001* that the Annual Report for the financial year ended 31 December 2014 contains a Remuneration Report, which forms part of the Directors' Report and sets out the remuneration policy for the Company and its controlled entities and reports on the remuneration arrangements in place for directors, officers and senior executives.

The *Corporations Act 2001* requires listed companies to put an annual non-binding resolution to shareholders to adopt the Remuneration Report. In line with the legislation, this vote is advisory only and does not bind the directors or the Company. However, directors will have regard to the outcome of the vote and any discussion when setting the remuneration policies in future years. Shareholders will have the opportunity to ask questions about the Brisbane Broncos Limited Remuneration Report at the Annual General Meeting.

A voting exclusion statement applies to this item of business as set out in the Notice of Meeting.

The directors unanimously recommend that members vote in favour of adopting the Remuneration Report. The Chairman of the meeting intends to vote all available proxies ***in favour*** *of this Resolution.*

Item 3 – Re-election of Director – Mrs Katie Bickford

Pursuant to Clause 75 of the Company's Constitution, Mrs Katie Bickford must retire by rotation from the Board. In accordance with Clause 75, Mrs Katie Bickford, being eligible, offers herself for re-election at the Meeting. Mrs Bickford, because of her interest, makes no recommendation in relation to this resolution.

Mrs Bickford's qualifications and experience are detailed in the Directors' Report included in the Annual Report.

The Board recommends the election of Mrs Bickford. The Chairman of the Meeting intends to vote all available proxies ***in favour*** *of this Resolution*

PROXY FORM –
BRISBANE BRONCOS LIMITED 2015 ANNUAL GENERAL MEETING

STEP 1 APPOINT A PROXY TO VOTE ON YOUR BEHALF

I/WE

Name(s) of Individual or Corporate Holder(s)

OF

Address of shareholder(s) as shown on the register of members

A member of BRISBANE BRONCOS LIMITED (ABN 41 009 570 030) hereby appoint

The Chairman of the Meeting (mark with an 'X')

OR

Leave this box blank if you are selecting the Chairman

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate you are appointing as your proxy. Do not insert your own name.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Brisbane Broncos Limited to be held at the Broncos Leagues Club, 92 Fulcher Road, Red Hill, Brisbane on Thursday 30 April 2015 at 10.00 am (Brisbane time), and at any adjournment of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 2** (except where I/we have indicated a different voting intention below) even though **Item 2** is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 2** by marking the appropriate box in step 2 below.

STEP 2 ITEMS OF BUSINESS – PLEASE MARK 'X' TO INDICATE YOUR DIRECTIONS

ORDINARY BUSINESS		For	Against	Abstain*
Item 2	Remuneration Report			
Item 3	Re-election Director – Mrs Katie Bickford			

*If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority.

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention an any resolution, in which case an ASX announcement will be made.

SIGN THIS SECTION *MUST* BE SIGNED IN ACCORDANCE WITH THE INSTRUCTIONS OVERLEAF TO ENABLE YOUR DIRECTIONS TO BE IMPLEMENTED

Individual or Shareholder 1	Shareholder 2	Shareholder 3
Individual/Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

Return Proxy Forms

Proxy forms must be received at our Registered Office no later than 48 hours before the commencement of the Annual General Meeting. Proxy forms can be delivered or mailed to Brisbane Broncos Limited, Level 1, Broncos Leagues Club, Fulcher Road, Red Hill, Queensland, 4059, or faxed to (07) 3858 9112.

Voting Entitlement

A shareholder's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of shareholders as at 7.00 pm (Brisbane time) on 28 April 2015. Accordingly, shares transferred after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

PROXY FORM – BRISBANE BRONCOS LIMITED 2015 ANNUAL GENERAL MEETING

1. YOUR ADDRESS

This is your address as it appears on the Company's share register.

2. APPOINTMENT OF PROXY

Please write the name of your proxy where indicated in Step 1. If you wish to appoint the Chairman of the Meeting as your proxy, mark the box on the left in Step 1. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. Please do not write the name of the Company or the registered shareholder in the space provided.

Voting 100% of your holding

Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding

Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. The sum of the percentages allocated to each proxy must not exceed 100%. When appointing a second proxy, write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

3. VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any one item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as they choose. If you mark more than one box on an item, your vote on that item will be invalid unless the marks are a number or percentage of shares. If you attempt to vote in excess of your shareholding on the register, whether by one proxy or two, your vote will be invalid. **The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.**

4. SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual:	Where the holding is in one name, the shareholder must sign.
Joint Holding:	Where the holding is in more than one name, all of the shareholders should sign.
Companies:	Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this from must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place. Delete titles as applicable.

If a representative of a corporate shareholder or proxy is to attend the Meeting, the appropriate 'Certificate of Appointment of Corporate Representative' should be produced prior to admission.

5. LODGEMENT OF PROXY FORM

This Proxy Form must be received no later than 10.00 am (Brisbane time) on Tuesday 28 April 2015. Any Proxy Form received after that time will not be valid for the scheduled meeting. Proxy forms can be delivered or mailed to Brisbane Broncos Limited, Level 1, Broncos Leagues Club, Fulcher Road, Red Hill, Queensland, 4059, or faxed to (07) 3858 9112.

NRMA INSURANCE BRONCOS

BRISBANE BRONCOS Level 1, 92 Fulcher Rd, Red Hill QLD 4059 | **T:** 07 3858 9111 **F:** 07 3858 9112

ABN 41 009 570 030 | **www.broncos.com.au**