UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): November 17, 2004

CHURCHILL DOWNS
INCORPORATED

(Exact name of registrant as specified in its charter)

Kentucky	0-1469	61-0156015
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)

700 Central Avenue, Louisville, KY 40208
(Address of principal executive offices)
(Zip Code)

(502) 636-4400
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

CHURCHILL DOWNS INCORPORATED

INDEX

Item 2.02. Results of Operations and Financial Condition.

A copy of the news release issued by Churchill Downs Incorporated (the "Company") on November 17, 2004 describing the restatement of certain financial results for the fiscal years ended December 31, 2003 and December 31, 2002 is attached hereto as Exhibit 99.1.

Item 2.06. Material Impairments.

On November 17, 2004, in connection with the preparation of the Company's third quarter financial statements, the Company determined that a $6.2 million investment in the Company's Ellis Park Facility was impaired. The impairment charges were triggered as a result of Ellis Park's poor live race meet performance during the third quarter of 2004. Management's review, based on consideration of current fiscal year operating results and the forecasted operating results of the facility, indicated that the estimated future cash flows were insufficient to recover the carrying value of long-lived assets. Accordingly, the carrying value of these long-lived assets, including grandstands and building ($3,549,000), furniture and fixture ($85,000), equipment ($217,000), improvements ($512,000) and goodwill ($1,839,000) were adjusted to management's estimated fair value, resulting in non-cash impairment charges of $6.2 million. The impairment charges are included in the Company's condensed consolidated statements of net earnings (loss) for the three and nine months ended September 30, 2004. The Company anticipates that the current carrying value of Ellis Park will be supported by ongoing operations, however, should the Company's plans for expected operating results at Ellis Park not be realized, an additional write down of these assets could occur. For additional information, reference is made to the Company's quarterly report on Form 10-Q filed November 17, 2004.

Item 4.02. Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.

(a) In its Form 10-Q for the third quarter and nine months ended September 30, 2004, filed November 17, 2004, the Company revised its consolidated financial statements to correct an accounting error for purse overpayments. Purse overpayments are created when, at the end of a race meeting, the purses paid to horsemen exceed the purses generated from pari-mutuel operations during the race meeting. In accordance with industry practice, the Company has historically recorded these overpayments as receivables, subject to any necessary valuation allowances. The contractual arrangements that exist between the horsemen's organizations at the Company's various racetracks provide that if an overpayment exists at the end of the meeting, such overpayment may be recovered through reductions of purses otherwise paid in the subsequent race meeting(s). With the corrected accounting treatment, any overpayment position will be expensed to operations as incurred, and overpayments will be reflected as a credit to future purse expenses. Accordingly, the Company will restate its financial statements as previously reported in its Annual Report on Form 10-K for the years ended December 31, 2003 and 2002.

On November 16, 2004, the Company's Audit Committee Chairman and senior management discussed the matters disclosed in this item with the Company's independent registered public accounting firm, PricewaterhouseCoopers, LLP. On November 16, 2004, the Company decided to restate its financial statements as described above. Investors should look to the revised financial information regarding the restatement in the Company's Form 10-Q for the quarter ended September 30, 2004, filed November 17, 2004, and to the restated financial statements for the fiscal years ended 2003 and 2004, to be filed by amendment to the Company's 10-K for the fiscal year ended December 31, 2003.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

99.1 Press release dated November 17, 2004 issued by Churchill Downs Incorporated.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CHURCHILL DOWNS INCORPORATED

November 17, 2004

/s/Michael E. Miller
Michael E. Miller
Executive Vice President and
Chief Financial Officer
(Principal Financial and Accounting Officer)

FOR IMMEDIATE RELEASE

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CHURCHILL DOWNS INCORPORATED FILES 10-Q AND CORRECTS ACCOUNTING TREATMENT FOR 'PURSE OVERPAYMENTS'

LOUISVILLE, Ky. (Nov. 17, 2004) – In filing its Form 10-Q for the third quarter and nine months ended Sept. 30, 2004, Churchill Downs Incorporated (Nasdaq: CHDN) ("CDI" or "Company") today revised its consolidated financial statements to correct an accounting error for "purse overpayments." The revised accounting treatment will serve to reduce 2002 and 2003 pre-tax earnings by $2.2 million and approximately $1 million, respectively, and is currently estimated to have a minimal impact on 2004 earnings.

Purse overpayments occur when the purses paid to horsemen exceed the purses generated from pari-mutuel operations during the race meeting. In accordance with industry practice, the Company has historically recorded purse overpayments as receivables to be recovered through reductions of purses otherwise paid in subsequent race meetings.

With this correction, any overpayment position will now be expensed to operations as incurred. The recovery of these overpayments will be reflected as a credit to future purse expenses. Accordingly, the Company adjusted its accounting practices and revised its Sept. 30, 2004, consolidated financial statements in today's filing.

The revised accounting serves to delay the recognition of the recovery of purse overpayments until the period in which they are actually recovered. Historically, the Company has successfully recovered any such overpayments as allowed through its contractual agreements with horsemen's groups.

Michael E. Miller, the Company's chief financial officer, stated, "Other than slightly delaying our third quarter 10-Q filing, this adjustment will have minimal impact for the full year of 2004. Additionally, we do not anticipate the change in accounting will have a material impact going forward."

Churchill Downs Incorporated, headquartered in Louisville, Ky., owns and operates world-renowned horse racing venues throughout the United States. The Company's seven racetracks in California, Florida, Illinois, Indiana, Kentucky and Louisiana host 123 graded-stakes events and many of North America's most prestigious races, including the Kentucky Derby and Kentucky Oaks, Hollywood Gold Cup and Arlington Million. CDI racetracks have hosted nine Breeders' Cup World Thoroughbred Championships – more than any other North American racing company. CDI also owns off-track betting facilities and has interests in various television production, telecommunications and racing services companies that support CDI's network of simulcasting and racing operations. CDI trades on the Nasdaq National Market under the symbol CHDN and can be found on the Internet at www.churchilldownsincorporated.com.

This news release contains forward-looking statements made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The reader is cautioned that such forward-looking statements involve risks and uncertainties that could cause our actual operating results and financial condition to differ materially. Forward-looking statements are typically identified by the use of terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "might," "plan," "predict," "project," "should," "will," and similar words, although some forward-looking statements are expressed differently. Although we believe that the expectations reflected in such forward-looking statements are reasonable we can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from our expectations include: the effect of global economic conditions; the effect (including possible increases in the cost of doing business) resulting from future war and terrorist activities or political uncertainties; the economic environment; the impact of increasing insurance costs; the impact of interest rate fluctuations; the financial performance of our racing operations; the effect of any change in the Company's accounting policies or practices; the impact of gaming competition (including lotteries and riverboat, cruise ship and land-based casinos) and other sports and entertainment options in those markets in which we operate; the impact of live racing day competition with other Florida and California racetracks within those respective markets; costs associated with our efforts in support of alternative gaming initiatives; costs associated with our Customer Relationship Management initiatives; a substantial change in law or regulations affecting our pari-mutuel and gaming activities; a substantial change in allocation of live racing days; litigation surrounding the Rosemont, Illinois, riverboat casino; changes in Illinois law that impact revenues of racing operations in Illinois; a decrease in riverboat admissions subsidy revenue from our Indiana operations; the impact of an additional racetrack near our Indiana operations; our continued ability to effectively compete for the country's top horses and trainers necessary to field high-quality horse racing; our continued ability to grow our share of the interstate simulcast market; our ability to execute our acquisition strategy and to complete or successfully operate planned expansion projects; our ability to adequately integrate acquired businesses; market reaction to our expansion projects; any business disruption associated with our facility renovations; the loss of our totalisator companies or their inability to keep their technology current; our accountability for environmental contamination; the loss of key personnel and the volatility of our stock price.