Financial Report

For the financial year ended 30 June 2017

CRICKET AUSTRALIA

ABN 53 006 089 130

Contents

The financial report was authorised for issue by the directors on 8 September 2017.

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS

The directors present their report on the results of Cricket Australia for the year ended 30 June 2017.

Principal activities
The principal activity of Cricket Australia is to promote and administer the game of cricket in Australia.

Form of entity and place of business
Cricket Australia, incorporated in Victoria, is a company limited by guarantee. Under its constitution, the liability of members is limited to $1,000 per member. At the date of this report, Cricket Australia's registered office – and principal place of business - is located at 60 Jolimont Street, Jolimont, Victoria.

Review of operations and results
Under the Australian Cricket Financial Model, Cricket Australia receives all gate and signage revenue from international matches and distributes revenue to States under the minimum guarantee. This simplified model derisks States against volatile movements in gate revenue due to the timing and duration of matches, weather and the competitiveness of touring teams. Similar to previous years, the basis of operations of Cricket Australia did not alter significantly during the 2016/2017 year with the underlying revenue streams and subsequent expenditure from operating activities both down on prior year, mainly due to reduced international media rights revenue (is highly variable as it is dependent on the touring teams, as stipulated by the International Cricket Council Future Tours Programme), meaning that subsequently the players share of revenue was down on prior year also. Significantly in the past year Cricket Australia has embraced a One Team transformation focus across Australian Cricket, leading to additional information technology spend for example, compared to 2016, as a result of technology upgrades across Australian Cricket.

With its vision to be Australia's favourite sport, a sport for all Australians, Cricket Australia continued to promote and administer the game of cricket in Australia, including the men's and women's Australian Cricket Teams, the Bupa Sheffield Shield, the Matador BBQs One-Day Cup, the KFC Big Bash League and rebel Women's Big Bash League, and was also responsible for the development and marketing of the game in Australia.

The net result of operations for the year ended 30 June 2017, after distributions to State Associations of $112,242,699 (2016: $106,259,550) was a net loss of $50,820,002 (2016: surplus $9,701,628). The reduction in net result for the year ended 30 June 2017 was in line with Management and budgetary expectations and the Long Range Plan (LRP) four year planning cycle projections.

Significant changes in state of affairs
There were no significant matters affecting the state of affairs of Cricket Australia which occurred during the financial year.

Events after end of financial year
During 2017 the Cricket Australia Board endorsed the process to develop a revised Australian Cricket strategic plan for 2017 to 2022, focusing on the biggest challenges and opportunities for cricket over the next five years. The strategy is set to be approved and launched in late 2017.

Post 30 June 2017, a Heads of Agreement was agreed with the Australian Cricketers' Association, providing the basis for a full Memorandum of Understanding for the five year period 2017-2022.

Outside of these events, there is at the date of this report no other matters or circumstances which has arisen since 30 June 2017 that has significantly affected, or may significantly affect the operations of Cricket Australia, the results of those operations, or the state of affairs of Cricket Australia in financial years subsequent to 30 June 2017.

Future developments and results
The directors are not aware of any likely developments at this time that would affect the operations of Cricket Australia.

Environmental regulation
The operations of Cricket Australia are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

REPORT OF THE DIRECTORS (continued)

Information on directors

The following persons held office as directors of Cricket Australia at any time during the year and up to the date of this report.

Director	Cricket Australia Director Experience	Special Responsibilities
T T Harrison (appointed 11 October 2002)	15 Years	People & Culture Committee
M A Taylor AO (appointed 3 June 2013, first tenure 13 September 2004 to 25 September 2012)	12 Years	
E R Eddings (appointed 1 September 2008)	9 Years	People & Culture Committee Audit and Risk Committee
J C Hey (appointed 25 October 2012)	5 Years	Audit and Risk Committee
D A Peever (appointed 25 October 2012)	5 Years	Cricket Australia, Deputy Chairman (appointed 2 May 2014) Cricket Australia, Chairman (appointed 29 October 2016) People & Culture Committee, Chair Nominations Committee, Chair
M K Tredenick (appointed 18 November 2015)	1 year, 7 Months	Audit and Risk Committee People & Culture Committee Nominations Committee
R L Every AO (appointed 20 November 2015)	1 year, 7 Months	Audit and Risk Committee
J Harnden AM (appointed 15 April 2016)	1 year, 2 Months	
M S Kasprowicz (appointed 8 December 2016, first tenure 9 August 2011 to 18 May 2016)	5 Years, 6 Months	

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (continued)

Meetings of Directors

The number of Directors' meetings held (including meetings of Committees and Directors) and the number of meetings attended (while a Director) by each of the Directors of Cricket Australia during the financial year are:

	Full meeting of Directors (incl teleconferences)		Audit and Risk Committee[1]		Nominations Committee		People & Culture Committee	
Meetings held (H) whilst a Director and attended (A)	H	A	H	A	H	A	H	A
D A Peever (appointed Chairman 29 October 2015)	11	11			1	1	4	4
R Every AO	11	11	2	2				
E R Eddings	11	11	5	5			4	3
T T Harrison	11	11					4	4
J C Hey	11	11	5	5				
M S Kasprowicz	8	8						
J Harnden AM	11	11						
M A Taylor AO	11	11						
M Tredenick	11	11	5	4	1	1	4	3

The role of the Audit & Risk Committee is providing advice and assurance on the financial statements and the audit process, and oversight of the effectiveness of the system of corporate governance and risk management.

The purpose of the Nominations Committee is to consider and recommend to the Board of Directors candidates to be elected as Directors of CA in accordance with the Constitution.

The role of the People & Culture Committee, previously the Remuneration Committee, is to review the remuneration packages and policies applicable to executives of the Company, and to implement an appropriate Human Resource Strategy to enable it to execute the Australian Cricket Strategy.

Company Secretary

The Company Secretary is Ms Christine Harman, General Counsel & Company Secretary.

1 Mr John Davies is Chair of the Audit and Risk Committee and is an independent consultant and non-director.

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (continued)

Insurance of Officers

During the financial year, Cricket Australia paid a premium to insure certain officers of Cricket Australia. The insurance policy covers any director or officer of the Company including past, present and future directors, Company Secretary, Chief Executive Officer and employees of Cricket Australia. The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as officers of Cricket Australia.

Auditor independence

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Signed in Melbourne this 8th day of September, 2017, in accordance with a resolution of the Directors.

D A Peever
Chairman, Cricket Australia

R L Every AO
Director, Cricket Australia

Auditor's Independence Declaration

As lead auditor for the audit of Cricket Australia for the year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

Andrew Cronin
Partner
PricewaterhouseCoopers

Melbourne
8 September 2017

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

INCOME STATEMENT
For the year ended 30 June 2017

	Notes	2017 $'000	2016 $'000
Revenue from continuing operations	**4**	303,490	333,862
Other income	**4**	9,515	5,925
Total Revenue		313,005	339,787
Expenditure from operating activities			
Players and Umpires		(49,242)	(57,499)
Team Performance		(30,275)	(28,863)
Game & Market Development		(16,763)	(13,735)
Media, Broadcasting & Marketing		(28,257)	(21,475)
Operations		(62,404)	(56,676)
Administration		(28,303)	(26,611)
Digital & Technology		(25,105)	(16,938)
Strategic Partnership Funding		(11,233)	(2,029)
		(251,582)	(223,826)
Surplus from continuing operations		61,423	115,961
Distributions to State Associations	**25**	112,243	106,259
(Deficit)/surplus for the year		(50,820)	9,702

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

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2017

	Notes	2017	2016
		$'000	$'000
(Deficit)/surplus for the year		(50,820)	9,702
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Changes in the fair value of cash flow hedges		(475)	26,025
		(475)	26,025
Total comprehensive income/(loss) for the year		(51,295)	35,727

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

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
As at 30 June 2017

	Notes	2017 $'000	2016 $'000
CURRENT ASSETS			
Cash and cash equivalents	**6**	135,954	198,859
Trade and other receivables	**7**	15,473	12,766
Inventories	**8**	1,668	1,801
Other	**9**	4,470	16,532
Forward foreign exchange contracts	**11**	11,940	3,190
Total current assets		169,505	233,148
NON-CURRENT ASSETS			
Trade and other receivables	**10**	8,000	4,000
Forward foreign exchange contracts	**11**	15,734	17,651
Investments	**12**	77,790	72,728
Intangible assets	**13**	4,392	5,468
Investment property	**14**	1,525	1,525
Property, plant and equipment	**15**	40,771	36,892
Total non-current assets		148,212	138,264
TOTAL ASSETS		317,717	371,412
CURRENT LIABILITIES			
Trade and other payables	**16**	22,877	22,039
Provisions	**17**	89,029	81,210
Revenue received in advance	**18**	32,740	28,470
Total current liabilities		144,646	131,719
NON-CURRENT LIABILITIES			
Provisions	**19**	20,925	20,685
Revenue received in advance	**20**	53,546	69,113
Total non-current liabilities		74,471	89,798
TOTAL LIABILITIES		219,117	221,517
NET ASSETS		98,600	149,895
MEMBERS' FUNDS			
Hedging reserves	**21**	20,163	20,638
Accumulated funds	**23**	78,437	129,257
TOTAL MEMBERS' FUNDS		98,600	149,895

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

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2017

	Notes	Hedging Reserve $'000	Accumulated Funds $'000	Total Equity $'000
Balance at 1 July 2015		(5,387)	119,555	114,168
Changes in the fair value of cash flow hedges		26,025	-	26,025
Net income recognised directly into equity		26,025	-	26,025
Surplus/(Deficit) for year		-	9,702	9,702
Total recognised income and expense for the year		26,025	9,702	35,727
Balance at 30 June 2016	**21 & 23**	20,638	129,257	149,895

	Notes	Hedging Reserve $'000	Accumulated Funds $'000	Total Equity $'000
Balance at 1 July 2016		20,638	129,257	149,895
Changes in the fair value of cash flow hedges		(475)	-	(475)
Net income recognised directly into equity		(475)	-	(475)
Surplus/(Deficit) for year		-	(50,820)	(50,820)
Total recognised income and expense for the year		(475)	(50,820)	(51,295)
Balance at 30 June 2017	**21 & 23**	20,163	78,437	98,600

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

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
For the year ended 30 June 2017

	Notes	2017	2016
		$'000	$'000
Cash Flows from Operating Activities			
Receipts from spectators, media, sponsors and customers		338,441	512,259
Payments to suppliers, players and employees		(268,179)	(229,555)
Payments to members		(123,468)	(116,886)
Interest received		3,716	4,165
Net cash (outflow)/inflow from operating activities	**27**	(49,490)	169,983
Cash Flows from Investing Activities			
Payments for plant, equipment and assets under construction		(8,292)	(8,026)
Payments for derivative financial instruments		(5,123)	-
Payments for investments		-	(40,000)
Loan provided to related party		-	(4,000)
Net cash (outflow) from investing activities		(13,415)	(52,026)
Net (decrease) / increase in cash held		(62,905)	117,957
Cash at the beginning of the financial year		198,859	80,902
Cash at the end of the financial year	**6**	135,954	198,859

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for Cricket Australia (the Company).

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Cricket Australia is a not-for-profit entity for the purpose of preparing the financial statements.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Equivalent of International Financial Reporting Standards (AIFRS) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

(b) Income Tax

The Company is exempt from Australian income tax pursuant to Section 50-45 of the Income Tax Assessment Act 1997.

(c) Rounding of amounts

The amounts in the financial statements have been rounded off in accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 to the nearest thousand dollars.

(d) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Australian dollars, which is Cricket Australia's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as hedges of the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 11. Movements in the hedging reserve in shareholders' equity are shown in Note 21. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income within other income or other expense.

Amounts accumulated in equity are recycled in the statement of comprehensive income in the periods when the hedged item affects profit or loss (for instance when the forecast media income that is hedged takes place).

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of comprehensive income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(f) Acquisition of assets

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus costs incidental to the acquisition.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of the acquisition. The discount rate used is the rate at which a similar borrowing could be obtained under comparable terms and conditions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Revenue recognition

Revenue is measured for the major business activities as follows:

i) International Media income is recognised, after allowance for commission and charges, on the completion of the relevant matches covered by the underlying contract. Domestic media income is brought to account on an accruals basis;

ii) Gate takings are recognised as the relevant percentage of gross takings received for all international matches forwarded by State Associations or venues;

iii) Investment revenue is recognised on an accruals basis using the effective interest rate method except for managed funds which are discussed in Note 1(u);

iv) Sponsorships are brought to account on an accruals basis;

v) Dividends and distributions are brought to account at the date of entitlement.

(h) Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company has complied with the attached conditions.

(i) Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of trade receivables is raised where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the assets carrying value and the present value of the estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the statement of income statement in other expenses.

(j) Other loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in trade and other receivables (Notes 7 and 10) in the balance sheet.

(k) Inventories

All inventories, which consist of uniforms and cricket equipment are finished goods. Inventories are based on purchase price using the ‘first in, first out’ method and are stated at the lower of cost and net realisable value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(m) Intangible assets

Assets that are identifiable non-monetary without physical substance are recognised as intangible assets. The Company estimates the useful life of the internally generated software to be 5 years based on the expected technical obsolesence of such assets. However, the actual useful life may be shorter or longer than 5 years, depending on future technological innovations.

(n) Investment property

The investment property is a two story semi detached Victorian dwelling adjacent to the current business premises and is held for long term organisational growth. The investment property is carried at historical cost less depreciation. The building was fully depreciated by 30 June 2011, with the remainder attributed to land at a cost of $1,525,000. Rental revenue is recognised on a straight line basis over the term of the lease agreement.

(o) Depreciation of property, plant and equipment

Depreciation is calculated on a diminishing value basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life to the Company. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The depreciation rates are as follows:

Buildings	2.5%
Plant & Equipment	20% to 30%
Freehold Improvements	20%

(p) Leasehold improvements

The cost of improvements to or on leasehold properties is amortised over the remaining period of the lease or the estimated useful life of the improvement, whichever is the shorter. Leasehold improvements being held at balance date are amortised using a diminishing value rate of 20%.

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually payable within 30 days of recognition.

(r) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events. It is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Employee benefits

(i) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Long service leave

The liability for long service leave and annual leave, which is not expected to be settled within 12 months after the end of the period in which the employees render the related service, is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period 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 end of the reporting period on corporate bond rates with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Player payments adjustments

A liability is recognised and is measured as the expected future payments to be made to players in relation to entitlements arising for service up to balance date, determined in accordance with the 2012-2017 Memorandum of Understanding. The player payment adjustment in any relevant contract year will represent any shortfall in the Player Payments Pool (PPP) that has arisen due to actual Australian Cricket Revenue (ACR) exceeding the Australian Cricket Revenue Estimate, less any excess in the PPP that has arisen in any relevant contract year due to the ACR Estimate exceeding actual ACR.

(t) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes deposits at call which are readily convertible to cash on hand and are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts.

(u) Investments

(i) Managed funds

Investments in managed funds are designated at “fair value through profit or loss” on initial recognition and are initially recognised at fair value, being the cost of acquiring units in the managed funds. At balance date, the investment is revalued to its fair value, which reflects the redemption price of units held. Movements in the fair value are included in the income statement.

(ii) Bank bills, bonds and deposits

Investments in bank bills, bonds and deposits are classified as “held to maturity” on initial recognition and are initially recognised at fair value, being the cost of acquiring the investment, including transaction costs. At balance date, the investment is carried at amortised cost with interest income recognised using the effective interest rate method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Retirement schemes

The Company operates a defined benefit scheme (Australian Cricketers' Retirement Account) and a post-employment plan (Players' and Umpires' Retirement Benefits Schemes). Liabilities are recognised based on set rates and the relevant player's or umpire's service to the Company and State Associations. The portion of entitlements expected to be paid within 12 months is recognised as a current liability.

(i) Players' and Umpires' Retirement Benefits Schemes

This scheme covers player service up to 2001 and umpires. Payment of the benefit is entirely at the discretion of the Company and occurs after retirement. When payment is made, interest at commercial bank bill rates is applied for the period between retirement and payment. On 1 July 2001 the Players' and Umpires' Retirement Benefits Scheme (P&URBS) was replaced by the Australian Cricketers' Retirement Account (ACRA). All entitlements accrued up until 30 June 2001 under this scheme remain payable. The Company will determine the umpire's value of credits to be made for specified cricket matches annually and will confirm those matches which will qualify for credits. Umpire's benefits scheme payouts are based on accrued value credits earned until retirement from umpiring.

(ii) Australian Cricketers' Retirement Account

This scheme covers player service since 1 July 2001. Contributions from the PPP are made to the Australian Cricketers' Retirement Account (ACRA) in order to fund entitlements and the balance of the account is recorded as restricted cash and investments in the balance sheet. Interest earned on the account is recognised as income in the income statement. The liability is measured as the present value of expected future payments to be made in respect of entitlements earned up to the reporting date, giving consideration to expected timing of retirements, with expected future payments discounted using corporate bond yields. The increase/decrease in the present value of future entitlements is included in the income statement.

(w) Distributions

Distributions are made to the members of the Company for state player payments and game development. Distributions are recognised as an expense to the extent that payment is required by virtue of the By Laws. Clause 3 of the By Laws of the Company permits the distribution from time to time of surplus funds (over and above the obligations under the By Laws) provided it is for the purposes of promoting and developing the game of cricket. Such discretionary distributions are recognised directly as adjustments against accumulated funds.

(x) Leased assets

The Company has entered into various leases which have been treated as operating leases as the lessor effectively retains substantially all risks and benefits of ownership. Operating lease payments are charged to the income statement on a straight line basis over the lease term.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flow.

(z) New Accounting Standards

AASB 9 *Financial Instruments* replaces the exisiting guidance in AASB 139 *Financial Instruments: Recognition and Measurement*. AASB 9 becomes mandatory for the Company's financial statements for the period beginning on or after 1 January 2018 and could change the classification and measurement of financial assets, and the measurement of impairment on financial instruments. The new standard also introduces expanded disclosure requirements and changes in presentation. The Company does not expect the new standard to have a significant impact on the classification and measurement of its financial assets and liabilities. Expanded disclosures will be required in future periods.

AASB 15 *Revenue from Contracts with Customers* establishes a comprehensive framework based on the principle that revenue is recognised when control of a good or service transfers to a customer. It replaces exisiting revenue recognition guidance including AASB 118 *Revenue*, and becomes mandatory for the Company's financial statements for the period beginning on or after 1 January 2018. The Company does not plan to adopt this standard early and the extent of the impact has not been determined, with a more detailed assessment of the impact to be made over the next 12 months.

AASB 16 *Leases* introduces a single lessee accounting model under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals as recognised for all assets with a term of more than 12 months, unless the underlying asset is short-term and of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. This standard is applicable for financial years commencing on or after 1 January 2019. Management have not yet assessed the impact of adopting this standard for the Company's operating leases.

2. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risk's, market risk (including foreign exchange risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments such as foreign exchange forward contracts and foreign exchange call options to hedge certain risk exposures.

Risk management is carried out by the Hedging Management Committee and Finance & Procurement department under policies approved by the Audit and Risk Committee and Board of Directors. The Hedging Committee and the Finance & Procurement department identifies, evaluates and hedges financial risks in close cooperation with the Company’s operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as mitigating foreign exchange, interest rate and credit risks, use of derivative financial instruments and investing excess liquidity.

Market risk

Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity’s functional currency.

The Company operates internationally and is exposed to foreign exchange risk arising from currency exposures due to the sale of international media rights and tours overseas. These exposures occur primarily in US dollars and Great British Pounds. The Company’s risk management policy is measued by determining the sensitivity of cashflows to changes in the foreign exchange rate, with the volume of risk determined by contracts and estimated revenues.

The Company has entered into an agreement with the Company’s banker to manage foreign exchange risk that permits the Company to take out individual forward exchange contracts or call options that match the specific arrangements at an agreed exchange rate. The agreement is non-transferable and contains no minimum or maximum level of forward exchange rates contracts or call options that can be entered into. External foreign exchange contracts are designated as hedges of foreign exchange risk on specific assets, liabilities or future transactions on a gross basis.

2. FINANCIAL RISK MANAGEMENT (continued)

The carrying amounts of the Company's financial assets and liabilities are denominated in Australian dollars except as set out below:

	30/06/2017			30/06/2016		
	$USD $'000	**£GBP** $'000	**€EUR** $'000	**$USD** $'000	**£GBP** $'000	**€EUR** $'000
Trade Debtors	-	-	-	-	-	-
Accrued Income	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
Forward Exchange Contracts	6,256	21,418	-	(1,196)	22,036	-
Investments	2,066	119	469	2,447	276	366

Based on the financial instruments held at 30 June 2017, had the Australian dollar weakened/ strengthened by 100 basis points against the US dollar and Great British Pound with all other variables held constant, the Company's surplus for the year would have not changed, mainly as a result of no exposure to foreign exchange gains / losses on translation of foreign currency instruments as detailed in the above table. Equity would have been $2,515,797 lower/$2,767,376 higher (2016: $1,894,600 lower/$2,084,060 higher) had the Australian dollar weakened/ strengthened by 100 basis points against the US dollar and Great British Pound, arising mainly from foreign exchange contracts designated as cash flow hedges.

A sensitivity of 100 basis points was selected following a review of historic trends.

Credit risk

The credit risk on financial assets of the Company which have been recognised on the Balance Sheet is generally the carrying amount, net of any provisions for impairment. Credit risk arises from the potential failure of counterparties to meet their obligations under the relevant contracts at maturity. An exposure therefore exists with respect to the forward exchange contracts discussed above, as these are all held with the Company's banker.

For all bank deposits, only independently rated parties with a minimum rating of 'AA' are accepted. Managed fund investments are only held with independently related parties with a minimum of three stars.

Apart from this, the Company has no significant concentrations of credit risk. The Company has policies in place to ensure that licensing and sponsorship arrangements are made to organisations with an appropriate credit history.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

Amounts recognised in profit or loss

During the year, the following gains/(losses) were recognised in profit or loss in relation to impaired receivables.

	2017 $'000	**2016** $'000
Impairment losses		
- individually impaired receivables	-	-
- movement in provision for impairment	-	-
Reversal of previous impairment losses	-	-

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS, RECLASSIFICATIONS

(a) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for Employee Entitlements - ACRA

The Company raises a provision annually for future ACRA entitlements based on calculations performed by a qualified actuary, in accordance with the accounting policy stated in Note 1(v). These calculations require the use of assumptions in relation to the expected timing of retirements and discounting of the future cash flows. Refer Note 19 for details of the key actuarial assumptions.

Provision for Employee Entitlements – Player payment adjustments

The Company recognises a provision for the expected long-term benefits arising under a revenue share agreement with the Australian Cricketers' Association. To the extent that actual revenue varies from current forecasts over the agreed term, the ultimate amount payable will vary. Refer Note 17 for further details.

(b) Critical judgements

No critical judgements were made in applying the entity's accounting policies for the year ended 30 June 2017.

(c) Reclassification of Financial Information

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures. The impact of these reclassifications is not material, and has not resulted in any change to surplus / (deficit) or net assets.

2. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet commitments associated with financial instruments. The Company manages liquidity risk through the preparation of cash projections and monthly review of investments, including cash funds.

Interest rate risk

With the exception of cash and cash equivalents, the assets and liabilities of the Company are non-interest bearing. Details of interest rate exposure are contained in the relevant notes. In addition, discount rates used in the determination of provisions for employee entitlements may be impacted by changes in interest rate.

Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

As of 1 July 2009, the Company has adopted the amendment to AASB 7 Financial Instruments: Disclosures which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2) and;

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3). Includes fair value estimate for investment property, derived using the sales comparison approach, the demand if the property was offered to the market for sale. The key inputs under this approach are the dollar value per square metre equivalent from current year sales of comparable lots of land in the area (location and size).

The following tables present the Company's assets and liabilities measured and recognised at fair value.

	At 30 June 2017			At 30 June 2016		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Assets / (Liabilities)						
Derivatives used for hedging	-	27,674	-	-	20,841	-
Investments	60,219	17,571	-	68,934	3,794	-
Investment property - 62 Jolimont Street, Jolimont	-	-	1,525	-	-	1,525
Total Assets / (Liabilities)	60,219	45,245	1,525	68,934	24,635	1,525

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the end of the reporting period. These instruments are included in level 2 and comprise debt investments and derivative financial instruments. In the circumstances where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are included in level 3.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2017

	2017 $'000	2016 $'000
4. REVENUE		
From continuing operations		
Sales revenue		
Rendering of services	297,477	327,604
	297,477	327,604
Other revenue		
Royalties	2,274	2,090
Interest from financial assets not at fair value through profit and loss	3,652	4,081
Rental income from investment property	87	87
	6,013	6,258
Total revenue from continuing operations	303,490	333,862
Other income		
Government grants	4,452	4,065
Net gain on market value of managed funds	5,063	1,860
	9,515	5,925
Total Revenue	313,005	339,787

(a) Government Grants

Government Grants relate primarily to monies received from the Australian Sports Commission which are required to be expended on game development. There are no unfulfilled conditions or other contingencies attached to these grants.

5. NET RESULT

The net result includes the following specific items:

	2017 $'000	2016 $'000
Expenses		
Depreciation and amortisation		
Intangibles	3,247	2,718
Buildings	560	574
Freehold improvements	156	199
Office equipment	1,526	960
Leasehold improvements	-	22
Total depreciation and amortisation expense	5,489	4,473
Fixed Asset Write Offs	-	1,083
Employee benefits expense	78,915	80,340
Unrealised (gain) on derivative financial instruments	(2,184)	(4,641)

As discussed in Note 1(b), the Company is exempt from tax and no tax is applicable to these items.

6. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2017 $'000	2016 $'000
Cash at bank and on hand	35,235	4,660
Restricted Cash - ACRA, Live Streaming & Past Player Accounts	37,657	38,817
Interest bearing deposits	63,062	155,382
	135,954	198,859

Interest bearing deposits have a weighted average interest rate of 0.93% (2016: 1.01%).

As at 30 June 2017, if interest rates had changed by -/+ 100 basis points from the year-end rates with all other variables held constant, surplus for the year would have been $1,359,540 lower/higher (2016 change of 100 basis points: $1,988,593 lower / higher) mainly as a result of higher / lower interest income from cash and cash equivalents based on the year end balances.

7. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	2017 $'000	2016 $'000
Debtors	10,815	10,491
Receivable from related party	1,079	1,110
Other receivables	3,579	1,165
	15,473	12,766

(a) Past due but not impaired

As of 30 June 2017, trade receivables of $6,250,477 (2015: $6,087,131) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2017 $'000	2016 $'000
Not past due	4,565	4,404
Past due 0- 30 days	1,924	6,036
Past due 31- 60 days	3,566	39
Past due 61- 90 days	716	12
Past due 91 days or more	44	-
	10,815	10,491

(b) Foreign exchange and interest rate risk

Information about the entity's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in Note 2.

(c) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to Note 2 for more information on the risk management policy of the entity and the credit quality of the entity's trade receivables.

(d) Receivable from related party

As at 30 June 2017, receivable from related party includes an advance on distributions to Queensland Cricket of $1,038,938.

(e) Receivables due from Members

As at 30 June 2017, debtors include amounts receivable from Members of $1,675,754 (2016: $232,557).

	2017	2016
	$'000	$'000
8. CURRENT ASSETS - INVENTORIES		
Inventory - cost	2,751	2,336
Inventory - provision for obsolescence	(1,083)	(535)
	1,668	1,801
9. CURRENT ASSETS - OTHER		
Prepayments	2,878	3,413
Accrued Income	1,592	13,119
	4,470	16,532

(a) Fair value and credit risk
Due to the short-term nature of these assets, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of assets mentioned above. Refer to Note 2 for more information on the risk management policy of the entity and the credit quality of the entity's trade receivables.

	2017	2016
10 NON CURRENT ASSETS - TRADE AND OTHER RECEIVABLES		
Receivable from related party	4,000	4,000
Other receivables	4,000	-
	8,000	4,000

As at 30 June 2017, the receivable from related party relates to a strategic loan made to Cricket Tasmania in December 2015, with repayments commencing on 1 November 2018.

11. DERIVATIVE FINANCIAL INSTRUMENTS

	2017 $'000	2016 $'000
Current Assets		
Forward foreign exchange contracts and purchased foreign exchange options	11,940	3,190
Non - current assets		
Forward foreign exchange contracts and purchased foreign exchange options	15,734	17,651

In the year ended 30 June 2017, a unrealised gain of $2,184,133 (2016: $4,640,723 gain) in forward exchange contracts was transferred to the income statement. Additional financial instruments purchased during 2017 totalled $5,123,704 (2016: $0).

From time to time, the Company enters into derivative financial instrument contracts to mitigate foreign exchange risk in respect to overseas revenues in accordance with the Company's financial risk management policies (refer to Note 2). The Company has assessed the contracts for hedge effectiveness with the deferred gain in relation to those contracts assessed as effective hedges recognised in the hedging reserve at balance date, in accordance with accounting policy Note 1(e). The contracts are timed to mature when revenues are due to be received and are treated as cash flow hedges. At balance date, the details of outstanding derivative financial instrument contracts are:

	2017 $'000	2016 $'000
Sell US dollars		
Maturing in less than one year	22,206	8,672
Maturing between 1 - 2 years	50,016	-
Maturing between 2 - 5 years	149,137	-
	221,359	8,672
Sell British Pounds		
Maturing in less than one year	53,650	26,970
Maturing between 1 - 2 years	21,132	54,398
Maturing between 2 - 5 years	40,637	67,959
	115,419	149,327

12. NON CURRENT ASSETS - INVESTMENTS

Investments at fair value through profit or loss include the following:

	2017 $'000	2016 $'000
Australian listed equity securities	53,719	62,298
International listed equity securities	24,071	10,430
	77,790	72,728

The majority of the company's listed equity securities are publicly traded and are included either in the ASX 200 Index or the NYSE international 100 Index.

Based on the assumption that the value of the Company's investments in managed funds correlate to movements in the ASX 200 Index and the NYSE international 100 Index, had the ASX 200 Index and the NYSE international Index increased / decreased by 100 basis points (2016:100 basis points) the Company's net assets would have increased / decreased by $7,779,016 (2016: $7,272,788) based on the year end balances.

(a) Risk exposure
Information about the entity's exposure to credit risk, foreign exchange and price risk is provided in Note 2.

	2017	2016
	$'000	$'000

13. NON CURRENT ASSETS - INTANGIBLE

At cost	12,519	10,348
Less amortisation	(8,127)	(4,880)
	4,392	5,468

(a) Movements in intangible assets

	Internally generated software	TOTAL
	$	$
At 1 July 2016	5,468	5,468
Transfer from Property, Plant & Equipment	2,171	2,171
Disposals	-	-
Amortisation Expense	(3,247)	(3,247)
at 30 June 2017	**4,392**	**4,392**

Intangible assets consists of capitalised software development costs being an internally generated intangible asset.

	2017	2016
	$'000	$'000

14. NON-CURRENT ASSETS - INVESTMENT PROPERTY

At cost	1,852	1,852
Less accumulated depreciation	(327)	(327)
	1,525	1,525

(a) Movements in investment properties are set out below:

Carrying amount at start of year	1,525	1,525
Less depreciation	-	-
Carrying amount at end of year	1,525	1,525

Rental income on the investment property is disclosed in Note 4.

(b) Fair value of investment property

The investment property was purchased during the year ended 30 June 2010 and is recognised at cost. The indicative fair value was $2,650,000 based on independent assessments made by a member of the Australian Property Institute at 30 June 2017, up from the $2,200,000 independent assessment made on 30 June 2015. The next independent assessment is due on 30 June 2019.

(c) Leasing Arrangements

The investment property lease expired on 14 February 2017, with the lease of the investment property from this date being on a month by month basis.

Minimum lease payments receivable are as follows:

Within one year	49	49
	49	49

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2017

15. NON-CURRENT ASSETS - PROPERTY

	2017 $'000	**2016** $'000
PLANT AND EQUIPMENT		
Land and Buildings		
Land - cost	7,205	7,205
Building - cost	25,270	25,270
Less accumulated depreciation	(3,441)	(2,881)
	21,829	22,389
Total Land and Buildings	29,034	29,594
Plant and Equipment		
Office equipment - cost	11,134	4,113
Less accumulated depreciation	(3,455)	(1,929)
Total Office Equipment	7,679	2,184
Freehold improvements	4,304	4,305
Less accumulated depreciation	(3,681)	(3,526)
Total Freehold Improvements	623	779
Total Plant and Equipment	8,302	2,963
Assets Under Construction	3,435	4,335
	40,771	36,892

Reconciliations of the carrying amount of each class of property, plant and equipment at the beginning and end of the year are set out below.

	Assets Under Construction	**Freehold Land**	**Buildings**	**Freehold Improvements**	**Office Equipment**	**Leasehold Improvements**	**TOTAL**
	$	**$**	**$**	**$**	**$**	**$**	**$**
At 1 July 2016	4,335	7,205	22,389	779	2,184	-	36,892
Additions	5,606	-	-	-	2,686	-	8,292
Fixed asset write offs	-	-	-	-	-	-	-
Transfer to Intangible Assets	(2,171)	-	-	-	-	-	(2,171)
Transfers	(4,335)	-	-	-	4,335	-	-
Depreciation Expense	-	-	(560)	(156)	(1,526)	-	(2,242)
at 30 June 2017	**3,435**	**7,205**	**21,829**	**623**	**7,679**	**-**	**40,771**

	Assets Under Construction	**Freehold Land**	**Buildings**	**Freehold Improvements**	**Office Equipment**	**Leasehold Improvements**	**TOTAL**
		$	**$**	**$**	**$**	**$**	**$**
At 1 July 2015	-	7,205	22,963	997	3,867	113	35,145
Additions	7,768	-	-	-	280	-	8,048
Fixed asset write offs	-	-	-	(19)	(1,064)	-	(1,083)
Transfer to Intangible Assets	(3,433)	-	-	-	(30)	-	(3,463)
Transfers	-	-	-	-	91	(91)	-
Depreciation Expense	-	-	(574)	(199)	(960)	(22)	(1,755)
at 30 June 2016	**4,335**	**7,205**	**22,389**	**779**	**2,184**	**-**	**36,892**

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2017

	Notes	2017 $'000	2016 $'000
16. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES			
Trade payables		22,877	22,039

As at 30 June 2017, trade payables include amounts due to Members of $803,518 (2016: $916,149).

	Notes	2017 $'000	2016 $'000
17. CURRENT LIABILITIES - PROVISIONS			
Annual leave		2,390	1,923
Long service leave		1,054	1,003
Provision for player payments		71,185	65,017
Past Player Program Fund		9,695	10,468
Australian Cricketers' Retirement Account (ACRA) entitlements	**1 (v)**	2,548	2,799
Other		2,157	-
		89,029	81,210

(a) Player payments adjustment

Cricket Australia entered into an arrangement with the Australian Cricketers' Association which entitles professional cricketers to a certain share of Australian Cricket Revenue (ACR) over a five year period to 30 June 2017.

This share consists of a guaranteed percentage plus a performance percentage. The combination of these two must not exceed an agreed percentage cap over the 5 year period.

To the extent that ACR exceeds an agreed estimate, Cricket Australia is required to pay an adjustment to players. A provision for player payments is recognised at 30 June 2017.

Post 30 June 2017, a Heads of Agreement was agreed with the Australian Cricketers' Association, providing the basis for a full Memorandum of Understanding for the five year period 2017-2022.

	Notes	2017 $'000	2016 $'000
18. CURRENT LIABILITIES - REVENUE RECEIVED IN ADVANCE			
Revenue received in advance - National Cricket Centre Development		1,245	1,217
Revenue received in advance - Media Rights, Sponsorship, Grants & Other		31,495	27,253
		32,740	28,470

	Notes	2017 $'000	2016 $'000
19. NON CURRENT LIABILITIES - PROVISIONS			
Long service leave		325	271
Australian Cricketers' Retirement Account (ACRA) entitlements	**1 (v)**	20,417	20,231
Players' and Umpires' Retirement Benefits Scheme (P&URBS) entitlements	**1 (v)**	183	183
		20,925	20,685

	2017	2016
	$'000	$'000

19. NON CURRENT LIABILITIES - PROVISIONS (continued)

ACRA and P&URBS

As disclosed in Note 1(v), the ACRA, P&URBS employee entitlements are defined benefit scheme and post-employment plans respectively.

The reconciliation of the movement in the present value of the plans is as follows:

	2017 $'000	2016 $'000
Carrying amount at start of year	23,214	11,274
Amounts recognised in the income statement		
Current service cost	2,192	2,067
Interest cost	747	335
Special Contribution allocation, payable under the MoU	-	10,750
Actuarial (gains)	(667)	(148)
	25,486	24,278
Less Benefits paid	2,338	1,064
Carrying amount at end of year	23,148	23,214

Although neither scheme has plan assets as defined by AASB119: *Employee Benefits*, under an agreement with the Australian Cricketers' Association, Cricket Australia is required to hold restricted assets to fund ACRA. No restricted funds are held for P&URBS. The current portion of the liability is determined based on expected retirements in the next financial year.

	2017 $'000	2016 $'000
Carrying amount of ACRA	22,965	23,030
Investments held in relation to ACRA	26,458	26,038
Net (surplus)	(3,493)	(3,008)

The level of contribution to ACRA is reviewed annually by a qualified actuary with the purpose of ensuring that ACRA is fully funded. The contribution levels are based on the actuarial assumptions identified below.

	2017 $'000	2016 $'000
Contribution in current year, including Special Contribution allocation	2,277	12,989
Expected contribution for next financial year	1,904	2,277

The principal actuarial assumptions used in estimating the present value of the defined benefit obligations and contribution levels for ACRA are:

	2017	2016
Investment earnings rate	3.22%	2.97%
Annual growth in value of ACRA entitlements (both match and contract)		
- Cricket Australia contracted players	3.00%	3.00%
- State contracted players	3.00%	3.00%
- Rookie players	3.00%	3.00%
- BBLT20	3.00%	3.00%
Average retirement age		
- Cricket Australia contracted players	35	35
- State contracted players	30	30

	2017	2016
	$'000	$'000

20. NON CURRENT LIABILITIES - OTHER

	2017 $'000	2016 $'000
Revenue received in advance - National Cricket Centre	19,489	20,762
Revenue received in advance - Media Rights, Sponsorship, Grants & Other	34,057	48,351
	53,546	69,113

21. HEDGING RESERVE

Movements:	2017 $'000	2016 $'000
Balance 1 July	20,638	(5,387)
Transfer to net surplus	(2,184)	(4,641)
Revaluation	1,709	30,666
Balance 30 June	20,163	20,638

The Hedging Reserve is used to record the deferred gains on effective cash flows as described in Note 1(e).

22. CAPITAL

Cricket Australia is incorporated in Victoria as a company limited by guarantee. Under its constitution, the liability of members is limited to $1,000 per member and the Board cannot declare a dividend to members, however grants may be made in accordance with the By Laws.

23. ACCUMULATED FUNDS

Movements:	2017 $'000	2016 $'000
Balance 1 July	129,257	119,555
Net surplus for the financial year	(50,820)	9,702
Balance 30 June	78,437	129,257

Distributions paid to Members have been recognised in accordance with the accounting policy disclosed in Note 1(w). As Cricket Australia is exempt from income tax (refer Note 1(b)), distributions are unfranked and no franking account is maintained.

24. AUDITOR'S REMUNERATION

Total amounts received/receivable by PwC Australia for:

	2017 $'000	2016 $'000
Remuneration for audit of the statutory financial report of Cricket Australia	86	77
Other audit related services	-	-
Other assurance services	5	5
Other Services	67	51
	158	133

Other assurance services represents:	2017 $'000	2016 $'000
Agreed upon procedures	5	5
	5	5

25. RELATED PARTIES

The names of each person who were Directors of Cricket Australia at any time during the financial year are as follows:

E R Eddings, T T Harrison, J C Hey, M S Kasprowicz, D A Peever, M A Taylor AO, R L Every AO, J Harnden AM, and M K Tredenick

(i) Key management personnel compensation

Key management personnel compensation for the years ended 30 June 2017 and 2016 is set out below. The key management personnel are all the Directors of the Company and the executives with the authority for the strategic direction and management of the Company.

	2017 $'000	2016 $'000
Short-term benefits	5,868	5,459
Post-employment benefits	235	215
	6,103	5,674

(ii) Payments to and from members

In accordance with Cricket Australia's By Laws, payments are made to Members to assist with their costs. The levels of distributions are made to States to reflect equal general funding, and additional funding, recognising profits States would have generated from individual activities.

	2017 $'000	2016 $'000
Distributions from current earnings	75,516	72,827
State Player Payments	36,727	33,432
	112,243	106,259

Cricket Australia undertook transactions with each of the Members during the year in the normal course of business.

Under the current By Laws, Cricket Australia has committed to provide distributions to the States in the 2017/18 financial year, forecast as $117,000,000 (2017: $108,000,000) at balance date.

	2017 $'000	2016 $'000
Amounts receivable from Members at balance date	6,714	5,335
Amounts payable to Members at balance date	804	916

(iii) Usage Agreement Queensland Cricket Association

During the year ended 30 June 2010, Cricket Australia signed an agreement with the Queensland Cricket Association for use of facilities at the National Cricket Centre, Brisbane. Details of payments anticipated under this agreement are included in Notes 18 & 20.

	2017	**2016**
	$'000	$'000
26. COMMITMENTS AND CONTINGENT LIABILITIES		

Cricket Australia has no commitments or contingent liabilities at 30 June 2017.

27. RECONCILIATION OF NET SURPLUS/(DEFICIT) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2017 $'000	2016 $'000
Net (deficit)/surplus	(50,820)	9,702
Depreciation, amortisation, loss on disposal and fixed asset write offs	5,489	5,556
Unrealised (gain) in market value of managed funds	(5,063)	(1,860)
Unrealised (gain) in fair value of derivative financial instruments	(2,184)	(4,641)
(Increase) / decrease in current receivables	(2,707)	48,867
Decrease / (increase) in inventories	133	(869)
Decrease in other current assets	12,062	43,863
(Increase) in non-current receivables	(4,000)	(4,000)
Increase / (decrease) in accounts payable	838	(13,227)
Increase in current provisions	7,819	14,168
Increase in other current liabilities	4,270	16,563
Increase in non-current provisions	240	10,066
(Decrease) / increase in other non-current liabilities	(15,567)	45,795
Net cash inflow / (outflow) from operating activities	**(49,490)**	**169,983**

28. SUBSEQUENT EVENTS

As the Australian Cricket Revenue (ACR) over the five year period to 30 June 2017 exceeded the agreed estimate of guaranteed percentage plus a performance percentage, detailed in the Memorandum of Understanding between Cricket Australia and the Australian Cricketers' Association, Cricket Australia is now required to pay an adjustment to the players. The payment, recognised as provision at 30 June 2017, will be paid in October 2017.

The directors are not aware of any other matter or circumstance not otherwise dealt with in this report that has significantly or may significantly affect the operations of Cricket Australia.

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

DIRECTORS' DECLARATION

In the Directors' opinion:

a) the financial statements and notes set out on pages 7 to 33 are in accordance with the *Corporations Act 2001, including:*

- complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

- giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the financial year ended on that date; and

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

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

D A Peever
Chairman, Cricket Australia

R L Every AO
Director, Cricket Australia

8 September 2017
Melbourne

Independent auditor's report

To the members of Cricket Australia

Our opinion

In our opinion:

The accompanying financial report of Cricket Australia (the Company) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the balance sheet as at 30 June 2017
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the cash flow statement for the year then ended
- the income statement for the year then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

Independence

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report comprises the Director's Report included in the Financial Report , but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors 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 *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers

Andrew Cronin
Partner

Melbourne
8 September 2017