CRICKET AUSTRALIA

A.C.N 006 089 130

Financial Report

For the Financial Year Ended 30 June 2014

CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

The financial report was authorised for issue by the directors on 16 September 2014.

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 2014.

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
As part of the new Financial Model approved by Members at the October 2012 Annual General Meeting, as of July 2013 Cricket Australia now receives all gate and signage revenue from international matches and States receive guaranteed revenue (subject to there being no adverse movement in Cricket Australia's projected revenue). This has resulted in a simplified model and derisks States against volatile movements in gate revenue due to the timing and duration of matches, weather and the competitiveness of touring teams. Other than this, the basis of operations of Cricket Australia did not change during the year. Cricket Australia continued to promote and administer the game of cricket in Australia, including the men and women's Australian Cricket Teams, the Sheffield Shield, the Ryobi Cup and the Big Bash League. It was also responsible for the development and marketing of the game in Australia.

The net result of operations for the year ended 30 June 2014, after distributions to State Associations of $92,167,244 (2013: $65,163,410) was a net surplus of $9,946,535 (2013: deficit $34,642,355).

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
There is at the date of this report no matter or circumstance which has arisen since 30 June 2014 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 2014.

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.

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 Experience	Special Responsibilities
W J Edwards (appointed 20 September 1996)	18 Years	Cricket Australia Chairman (appointed 28 October 2011) Remuneration Committee (Chairman) Media Rights Sub-committee Nominations Committee
J C Bannon AO (appointed 25 November 2008)	6 Years	National Indigenous Cricket Advisory Committee (NICAC) (Co-Chairman)
E R Eddings (appointed 1 September 2008)	6 Years	Audit and Risk Committee Remuneration Committee
T T Harrison (appointed 11 October 2002)	12 Years	Remuneration Committee Diversity Council
J C Hey (appointed 25 October 2012)	2 Years	Audit and Risk Committee Diversity Council Media Rights Sub-committee
M S Kasprowicz (appointed 9 August 2011)	3 Years	National Indigenous Cricket Advisory Committee (NICAC)
D A Peever (appointed 25 October 2012)	2 Years	Remuneration Committee Cricket Australia Deputy Chairman (appointed 2 May 2014) Media Rights Sub-committee
K J Roberts (appointed 25 October 2012)	2 Years	Audit and Risk Committee
M A Taylor AO (appointed 3 June 2013, first tenure 13 September 2004 to 25 September 2012)	9 Years	

CRICKET AUSTRALIA
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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]		NICAC		Nominations Committee[2]		Media Rights Sub-committee		Remuneration Committee	
Meetings held (H) whilst a Director and attended (A)	H	A	H	A	H	A	H	A	H	A	H	A
W J Edwards (Chairman)	10	10									2	2
J C Bannon AO	10	10										
E R Eddings	10	9	10	10							2	2
T T Harrison	10	9									2	2
J C Hey	10	10	10	9								
M S Kasprowicz	10	10										
D A Peever	10	9									2	2
K J Roberts	10	10	10	10								
M A Taylor AO	10	10										

Company Secretary

The Company Secretary is Mr D Kino, General Manager, Legal and Business Affairs.

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

2 Don Argus is Chair of the Nominations Committee and is an independent consultant and non-director

3 Tony Hodgson is a member of the Nominations Committee and is an independent consultant and non-director

CRICKET AUSTRALIA
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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, 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 16th day of September, 2014, in accordance with a resolution of the Directors.

W J Edwards
Chairman, Cricket Australia

E R Eddings
Deputy Chairman, Audit & Risk Committee

Auditor's Independence Declaration

As lead auditor for the audit of Cricket Australia for the year ended 30 June 2014, 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.

Chris Dodd
Partner
PricewaterhouseCoopers

Melbourne
16 September 2014

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CRICKET AUSTRALIA
(COMPANY LIMITED BY GUARANTEE)

INCOME STATEMENT
For the year ended 30 June 2014

	Notes	2014 $	2013 $
Revenue from continuing operations	**4**	292,021,048	164,303,311
Other income	**4**	3,876,772	4,089,455
Total Revenue		295,897,820	168,392,766
Expenditure from operating activities			
Players and Umpires		54,321,797	37,370,171
Team Performance		20,968,033	14,299,675
Game & Market Development		12,265,864	11,479,002
Media, Marketing & Communication		29,119,751	20,664,087
Operations		47,799,793	25,902,538
Administration		29,308,803	28,156,238
		193,784,041	137,871,711
Surplus from continuing operations		102,113,779	30,521,055
Distributions to State Associations	**24**	92,167,244	65,163,410
Surplus / (deficit) for the year		9,946,535	(34,642,355)

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 2014

	Notes	2014 $	2013 $
Surplus / (deficit) for the year		9,946,535	(34,642,355)
Other Comprehensive Income			
Items that may be reclassified to profit or loss			
Changes in the fair value of cash flow hedges		8,581,813	(23,813,310)
		8,581,813	(23,813,310)
Total Comprehensive income for the year		18,528,348	(58,455,665)

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 2014

	Notes	2014 $	2013 $
CURRENT ASSETS			
Cash and cash equivalents	**6**	84,718,667	67,654,475
Trade and other receivables	**7**	8,737,150	15,574,370
Inventories	**8**	1,157,477	1,194,851
Other	**11**	5,876,025	8,930,768
Total current assets		100,489,319	93,354,464
NON-CURRENT ASSETS			
Forward foreign exchange contracts	**10**	156,960	-
Intangible assets	**12**	2,167,450	-
Investment property	**13**	1,525,000	1,525,000
Property, plant and equipment	**14**	36,342,189	24,537,718
Total non-current assets		40,191,599	26,062,718
TOTAL ASSETS		140,680,918	119,417,182
CURRENT LIABILITIES			
Forward foreign exchange contracts	**10**	927,030	2,634,521
Trade and other payables	**15**	14,128,993	20,905,518
Provisions	**16**	42,990,550	26,349,684
Revenue received in advance	**17**	14,866,076	10,668,096
Total current liabilities		72,912,649	60,557,819
NON-CURRENT LIABILITIES			
Forward foreign exchange contracts	**10**	-	2,724,272
Provisions	**18**	9,790,633	8,651,567
Revenue received in advance	**19**	31,302,068	39,336,304
Total non-current liabilities		41,092,701	50,712,143
TOTAL LIABILITIES		114,005,350	111,269,962
NET ASSETS		26,675,568	8,147,220
MEMBERS' FUNDS			
Hedging reserves	**20**	5,785,716	(2,796,097)
Accumulated funds	**22**	20,889,852	10,943,317
TOTAL MEMBERS' FUNDS		26,675,568	8,147,220

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 2014

	Notes	Hedging Reserve $	General Reserve $	Accumulated Funds $	Total Equity $
Balance at 1 July 2012		21,017,213	-	45,585,672	66,602,885
Changes in the fair value of cash flow hedges		(23,813,310)	-	-	(23,813,310)
Net income recognised directly into equity		(23,813,310)	-	-	(23,813,310)
Surplus/(Deficit) for year		-	-	(34,642,355)	(34,642,355)
Total recognised income and expense for the year		(23,813,310)	-	(34,642,355)	(58,455,665)
Balance at 30 June 2013	**20 & 22**	(2,796,097)	-	10,943,317	8,147,220

	Notes	Hedging Reserve $	General Reserve $	Accumulated Funds $	Total Equity $
Balance at 1 July 2013		(2,796,097)	-	10,943,317	8,147,220
Changes in the fair value of cash flow hedges		8,581,813	-	-	8,581,813
Net income recognised directly into equity		8,581,813	-	-	8,581,813
Surplus/(Deficit) for year		-	-	9,946,535	9,946,535
Total recognised income and expense for the year		8,581,813	-	9,946,535	18,528,348
Balance at 30 June 2014	**20 & 22**	5,785,716	-	20,889,852	26,675,568

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

CRICKET AUSTRALIA
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CASH FLOW STATEMENT
For the year ended 30 June 2014

	Notes	2014 $	2013 $
Cash Flows from Operating Activities			
Receipts from spectators, media, sponsors and customers		300,774,482	211,657,522
Payments to suppliers, players and employees		(175,213,557)	(139,384,035)
Payments to members		(92,167,244)	(65,163,410)
Interest received		1,870,473	3,524,079
Net cash inflow / (outflow) from operating activities	**26**	35,264,154	10,634,156
Cash Flows from Investing Activities			
Payments for plant and equipment		(18,199,962)	(7,686,034)
Net cash (outflow) from investing activities		(18,199,962)	(7,686,034)
Cash Flows from Financing Activities			
Payments to members from accumulated funds		-	-
Net cash (outflow) from financing activities		-	-
Net increase / (decrease) in cash held		17,064,192	2,948,122
Cash at the beginning of the financial year		67,654,475	64,706,353
Cash at the end of the financial year	**6**	84,718,667	67,654,475

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

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, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.*

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 (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.

Income Statement presentation

The presentation of the Income Statement and related notes to the financial statements have been amended, for the year ended 30 June 2014 and 30 June 2013, to align with the Group's internal reporting of operations.

(b) Income Tax

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

(c) 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)

(d) 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 10. Movements in the hedging reserve in shareholders' equity are shown in Note 20. 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.

(e) 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)

(f) 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;
- 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(t);
- iv) Sponsorships are brought to account on an accruals basis;
- v) Dividends and distributions are brought to account at the date of entitlement;
- vi) Agency transactions revenue are recognised on the basis of commissions earned.

(g) 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.

(h) 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. Cashflows 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.

(i) 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 (Note 7) in the balance sheet.

(j) 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)

(k) 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).

(l) Intangible assets

Assets that are identifiable non-monetary without physical substance are recognised as intangible assets. The intangible assets recognised related to internally generated software and is amortised on a straight-line basis across five years.

(m) 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. Given the Company's intentions of converting the building in to office space in the near future, the decision was made to depreciate at a rate of 50% per annum. 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.

(n) 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	7.5% to 30%
Freehold Improvements	20%

(o) 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%.

(p) 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.

(q) 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)

(r) 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 national government bonds 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 Memorandum of Understanding. The player payment adjustment in any relevant contract year will represent any shortfall in the Player Payments Pool that has arisen due to actual Australian Cricket Revenue exceeding the Australian Cricket Revenue Estimate, less any excess in the Player Payments Pool that has arisen in any relevant contract year due to the ACR Estimate exceeding actual ACR.

(s) 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.

(t) 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)

(u) 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' Retirement Benefits Scheme was replaced by the Australian Cricketers' Retirement Account. 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. Payout's may be made on retirement under certain conditions in the absolute and uncontrolled discretion of Cricket Australia, to Umpires who have qualified, in accordance with the Rules of the Scheme.

(ii) Australian Cricketers' Retirement Account

This scheme covers player service since 1 July 2001. Contributions from the Player Payment Pool 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. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows. The increase/decrease in the present value of future entitlements is included in the income statement.

(v) 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 Memorandum of Association 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.

(w) 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)

(x) 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. 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 Australian Taxation Office 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 Australian Taxation Office, are presented as operating cash flow.

(y) New Accounting Standards

The Company has not applied any Australian Accounting Standards interpretations that have been issued as at balance date but are not yet operative for the year ended 30 June 2014 ("the inoperative standards"). The impact of the inoperative standards has been assessed and the impact has been identified as not being material. The Company only intends to adopt the inoperative standards at the date at which their adoption becomes mandatory.

AASB 119 Employee Benefits resulted in changes to the entity's accounting policy (effective 1 July 2013)

As the revised standard must be adopted retrospectively, adjustments to the retirement benefit obligations need to been recognised at the beginning of the earliest period presented (1 July 2012). This did change the measurement of these obligations, as the entire obligation is now measured on a discounted basis and no longer split into a short-term and a long-term portion. However, this doesn't impact Cricket Australia, as retirement benefit obligations were already measured on a discounted basis.

2. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risk's, market risk (including currency 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 European foreign exchange call options to hedge certain risk exposures.

Risk management is carried out by the Business & Advisory Services department under policies approved by the Audit and Risk Committee and Board of Directors. Business & Advisory Services 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 British pounds. The Company’s risk management policy is to hedge all specific arrangements greater than AUD $1 million once the amount and timing of the inflows are known and highly probable.

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:

	30/06/2014		30/06/2013	
	$USD	**£GBP**	**$USD**	**£GBP**
Trade Debtors	-	-	71,247	16,531
Accrued Income	-	-	-	-
Trade Payables	-	-	-	-
Forward Exchange Contracts	-	-	(2,357,863)	(3,000,930)

Based on the financial instruments held at 30 June 2014, had the Australian dollar weakened/ strengthened by 10% 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 US dollar instruments as detailed in the above table. Equity would have been $70,006 higher/ $77,007 lower (2013: $535,789 lower/ $487,163 higher) had the Australian dollar weakened/ strengthened by 10% against the US dollar and Great British Pound, arising mainly from foreign exchange contracts designated as cash flow hedges.

A sensitivity of 10% 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.

	2014 $	2013 $
Impairment losses		
- individually impaired receivables	-	-
- movement in provision for impairment	(76,000)	-
Reversal of previous impairment losses	-	-

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, Cricket Australia 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).

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

	At 30 June 2014			At 30 June 2013		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Assets / (Liabilities)						
Derivatives used for hedging	-	(770,070)	-	-	(5,358,793)	-
Total Assets / (Liabilities)	-	(770,070)	-	-	(5,358,793)	-

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.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

(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(t). These calculations require the use of assumptions in relation to the expected timing of retirements and discounting of the future cash flows. Refer Note 18 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 16 for further details.

(b) Critical judgements

No critical judgements were made in applying the entity's accounting policies for the year ended 30 June 2014.

4. REVENUE

	2014 $	2013 $
From continuing operations		
Sales revenue		
Rendering of services	287,147,320	158,517,602
	287,147,320	158,517,602
Other revenue		
Royalties	2,908,998	1,950,146
Interest from financial assets not at fair value through profit and loss	1,909,332	3,599,802
Net gain on market value of managed funds	-	190,300
Rental income from investment property	55,398	45,461
	4,873,728	5,785,709
Total revenue from continuing operations	292,021,048	164,303,311
Other income		
Government grants (Note (a))	3,876,772	4,089,455
	3,876,772	4,089,455
Total Revenue	295,897,820	168,392,766

(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:

	2014 $	2013 $
Expenses		
Depreciation and amortisation		
Intangibles	541,862	-
Buildings	427,996	87,540
Freehold improvements	284,925	341,856
Office equipment	1,220,465	685,723
Leasehold improvements	34,572	96
Total depreciation and amortisation expense	2,509,820	1,115,215
Minimum lease payments	-	110,776
Employee benefits expense	71,078,743	50,211,015
Unrealised (gain) / loss on derivative financial instruments	3,993,089	(4,323,411)

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

	2014 $	2013 $
Cash at bank and on hand	5,450,310	2,678,721
Restricted Cash - ACRA & Live Streaming	11,625,722	20,106,596
Interest bearing deposits	67,642,635	44,869,158
	84,718,667	67,654,475

Interest bearing deposits have a weighted average interest rate of 3.09% (2013: 3.22%).

As at 30 June 2014, 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 $847,187 lower/higher (2013 change of 100bps: $676,545 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

	2014 $	2013 $
Debtors	5,483,441	12,733,408
Receivable from related party	1,133,721	1,075,723
Other Receivables - other	2,119,988	1,765,239
	8,737,150	15,574,370

(a) Past due but not impaired

As of 30 June 2014, trade receivables of $1,570,366 (2013: $2,500,289) 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:

	2014 $	2013 $
Not past due	3,913,075	10,223,119
Past due 0- 30 days	882,066	2,144,766
Past due 31- 60 days	430,004	165,898
Past due 61- 90 days	256,404	115,993
Past due 91 days or more	1,892	73,632
	5,483,441	12,733,408

(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) Other Receivables

As at 30 June 2014, the other receivables are split between related parties and third parties. Related parties consists of an advance on distributions to Queensland Cricket.

8. CURRENT ASSETS - INVENTORIES

	2014 $	2013 $
Inventory - cost	1,428,052	1,356,121
Inventory - provision for obsolescence	(270,575)	(161,270)
	1,157,477	1,194,851

9. CURRENT ASSETS - INVESTMENTS

	2014 $	2013 $
Investments at fair value through profit or loss		
Restricted managed funds - ACRA - market value	-	-
	-	-

Changes in fair value of financial assets through profit or loss are recorded in other income or Finance and Administration expense in the income statement (Notes 4 and 5 respectively).

Based on the assumption that the value of the Company's investments managed funds correlate to movements in the ASX 200 index, had the ASX 200 index increased / decreased by 10% (2013: 10%) the Company's other income would have increased / decreased by $0 (2013:$0) 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.

10. DERIVATIVE FINANCIAL INSTRUMENTS

	2014 $	2013 $
Current Assets/(Liabilities)		
Forward foreign exchange contracts and purchased foreign exchange options	(927,030)	(2,634,521)
Non - current assets/(Liabilities)		
Forward foreign exchange contracts and purchased foreign exchange options	156,960	(2,724,272)

In the year ended 30 June 2014, a loss of $3,993,089 (2013: $4,323,411 gain) in forward exchange contracts was transferred to the income statement.

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(d). 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:

	2014 $	2013 $
Sell US dollars		
Maturing in less than one year	123,390,534	16,599,663
Maturing between 1 - 2 years	79,908,262	83,797,427
	203,298,796	100,397,090
Sell British Pounds		
Maturing in less than one year	16,193,741	42,170,819
Maturing between 1 - 2 years	5,441,325	16,193,741
	21,635,066	58,364,560

11. CURRENT ASSETS - OTHER

	2014 $	2013 $
Accrued Income	2,982,550	4,758,820
Prepayments	2,893,475	4,171,948
	5,876,025	8,930,768

(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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

12. NON CURRENT ASSETS - INTANGIBLE

	2014 $	2013 $
At cost	2,709,312	-
Less amortisation	541,862	-
	2,167,450	-

(a) Movements in intangible assets

	Internally generated software $	TOTAL $
At 1 July 2013	-	-
Additions	2,709,312	2,709,312
Disposals	-	-
Amortisation Expense	(541,862)	(541,862)
at 30 June 2014	**2,167,450**	**2,167,450**

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

13. NON-CURRENT ASSETS - INVESTMENT PROPERTY

	2014 $	2013 $
At cost	1,852,388	1,852,388
Less accumulated depreciation	327,388	327,388
	1,525,000	1,525,000

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

	2014 $	2013 $
Carrying amount at start of year	1,525,000	1,525,000
Less depreciation	-	-
Carrying amount at end of year	1,525,000	1,525,000

Details of the amounts recognised in the profit and loss for investment property are disclosed in Notes 4 and 5.

(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 at 30 June was $1,950,000 based on independent assessments made by a member of the Australian Property Institute at 30 June 2012. The next independent assessment is due on 30 June 2015.

(c) Leasing Arrangements

The investment property lease was renegotiated on the 4 July 2014 for 6 months, expiring 27 January 2015.

Minimum lease payments receivable are as follows:

	2014 $	2013 $
Within one year	47,976	47,976
	47,976	47,976

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

14. NON-CURRENT ASSETS - PROPERT

PLANT AND EQUIPMENT

	2014 $	2013 $
Land and Buildings		
Land - cost	7,205,339	7,205,339
Building - cost	25,270,144	4,711,772
Building - WIP	-	10,224,113
Less accumulated depreciation	1,725,751	1,297,756
	23,544,393	13,638,129
Total Land and Buildings	30,749,732	20,843,468
Plant and Equipment		
Office equipment - cost	9,130,100	5,760,099
Less accumulated depreciation	4,826,581	3,606,117
Total Office Equipment	4,303,519	2,153,982
Leasehold improvements	753,024	753,024
Less accumulated depreciation	614,744	580,172
Total Leasehold Improvements	138,280	172,852
Freehold improvements	4,374,127	4,305,960
Less accumulated depreciation	3,223,469	2,938,544
Total Freehold Improvements	1,150,658	1,367,416
Total Plant and Equipment	5,592,457	3,694,250
	36,342,189	24,537,718

Reconciliations

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.

	Freehold Land $	Buildings $	Freehold Improvements $	Office Equipment $	Leasehold Improvements $	TOTAL $
At 1 July 2013	7,205,339	13,638,129	1,367,416	2,153,982	172,852	24,537,718
Additions	-	10,334,260	68,167	3,370,002	-	13,772,429
Disposals	-	-	-		-	-
Depreciation Expense	-	(427,996)	(284,925)	(1,220,465)	(34,572)	(1,967,958)
at 30 June 2014	**7,205,339**	**23,544,393**	**1,150,658**	**4,303,519**	**138,280**	**36,342,189**

	Freehold Land $	Buildings $	Freehold Improvements $	Office Equipment $	Leasehold Improvements $	TOTAL $
At 1 July 2012	7,205,339	5,712,710	1,709,272	2,062,660	-	16,689,981
Additions	-	8,012,959	-	777,045	172,948	8,962,952
Disposals	-	-	-		-	-
Depreciation Expense	-	(87,540)	(341,856)	(685,723)	(96)	(1,115,215)
at 30 June 2013	**7,205,339**	**13,638,129**	**1,367,416**	**2,153,982**	**172,852**	**24,537,718**

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

	Notes	2014 $	2013 $
15. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES			
Trade payables		14,128,993	20,905,518
16. CURRENT LIABILITIES - PROVISIONS			
Annual leave		1,516,886	1,482,285
Long service leave		798,264	681,763
Provision for player payments		39,763,502	22,975,633
ACRA entitlements	**1 (u)**	890,011	1,087,152
Players' and Umpires' Retirement Benefits Scheme (P&URBS)	**1 (u)**	21,887	122,851
		42,990,550	26,349,684

Refer Note 17 for further details.

(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 2014.

	Notes	2014 $	2013 $
17. CURRENT LIABILITIES - REVENUE RECEIVED IN ADVANCE			
Revenue received in advance - National Cricket Centre (previously COE) Development		1,085,047	429,416
Revenue received in advance - Media Rights/Sponsorship		13,781,029	10,238,680
		14,866,076	10,668,096
18. NON CURRENT LIABILITIES - PROVISIONS			
Players' and Umpires' Retirement Benefits Scheme (P&URBS)	**1 (u)**	200,404	186,167
ACRA Entitlements	**1 (u)**	9,436,047	8,294,509
Long service leave		154,182	170,891
		9,790,633	8,651,567

18. NON CURRENT LIABILITIES - PROVISIONS (CONTINUED)

ACRA and P&URBS

As disclosed in Note 1(u), 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:

	2014 $	2013 $
Carrying amount at start of year	9,690,679	9,013,109
Amounts recognised in the income statement		
Current service cost	1,871,835	1,790,383
Interest cost	301,380	232,538
Actuarial (gains) / losses	(285,447)	(337,391)
	11,578,447	10,698,639
Less Benefits paid	1,030,099	1,007,960
Carrying amount at end of year	10,548,348	9,690,679

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.

	2014	2013
Carrying amount of ACRA	10,326,057	9,381,662
Investments held in relation to ACRA	11,370,032	10,496,732
Net surplus (deficiency)	1,043,975	1,115,070

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.

	2014	2013
Contribution in current year	2,078,000	1,906,000
Expected contribution for next financial year	2,000,000	2,078,000

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

	2014	2013
Investment earnings rate	2.99%	3.11%
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

19. NON CURRENT LIABILITIES - OTHER

	2014	2013
Revenue received in advance - National Cricket Centre (previously COE)	23,224,944	23,549,046
Revenue received in advance - Media Rights/Sponsorship	8,077,124	15,787,258
	31,302,068	39,336,304

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

	2014 $	2013 $
20. HEDGING RESERVE		
Movements:		
Balance 1 July	(2,796,097)	21,017,213
Transfer to net surplus	3,993,089	(4,323,411)
Revaluation	4,588,724	(19,489,899)
Balance 30 June	5,785,716	(2,796,097)

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

21. 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.

22. ACCUMULATED FUNDS		
Movements:		
Balance 1 July	10,943,317	45,585,672
Net surplus/(deficit) for the financial year	9,946,535	(34,642,355)
Balance 30 June	20,889,852	10,943,317

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2014

23. AUDITOR'S REMUNERATION

Total amounts received/receivable by PwC Australia for:

	2014 $	2013 $
Remuneration for audit of the statutory financial report of Cricket Australia	70,855	78,500
Other audit related services	-	12,000
Other assurance services	4,080	-
Other Services	12,000	80,000
	86,935	170,500

	2014 $	2013 $
Other assurance services represents:		
Agreed upon procedures	4,080	-
	4,080	-

24. RELATED PARTIES

The names of persons who were directors of Cricket Australia at any time during the financial year were as follows:

J C Bannon AO, W J Edwards, E R Eddings, T T Harrison, J C Hey, M S Kasprowicz, D A Peever, K J Roberts, M A Taylor AO

(i) Key management personnel compensation

Key management personnel compensation for the years ended 30 June 2014 and 2013 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.

	2014 $	2013 $
Short-term benefits	4,882,245	4,712,127
Post-employment benefits	189,898	170,020
	5,072,143	4,882,147

(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. The increase for the year ended 30 June 2014 is due to implementation of the new financial model.

	2014 $	2013 $
Distributions from current earnings	65,063,295	41,510,745
State Player Payments	27,103,949	23,652,665
	92,167,244	65,163,410

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

	2014 $	2013 $
Amounts receivable from Members at balance date	342,274	2,486,305
Amounts payable to Members at balance date	1,880,645	1,606,964

(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 17 & 19.

25. COMMITMENTS FOR EXPENDITURE

Lease Commitments
Commitments relating to leases contracted at reporting date but not recognised as liabilities payable:

	2014 $	2013 $
Within one year	-	110,776
Later than one year but not later than five years	-	-
	-	110,776

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

	2014 $	2013 $
Net surplus/(deficit)	9,946,535	(34,642,355)
Depreciation, amortisation and loss on disposal	2,509,820	1,115,215
Unrealised loss / (gain) in market value of managed funds	-	840,896
Unrealised loss / (gain) in fair value of derivative financial instruments	3,993,089	(4,323,411)
Decrease / (increase) in current receivables	6,837,220	48,263,147
Decrease / (increase) in inventories	37,374	838,176
Decrease / (increase) in other current assets	3,054,743	(8,486,698)
Increase / (decrease) in accounts payable	(6,776,525)	(6,280)
Increase / (decrease) in current provisions	16,640,866	6,130,309
Increase / (decrease) in other current liabilities	4,197,980	(9,887,114)
Increase / (decrease) in non-current provisions	1,139,066	338,462
Increase / (decrease) in other non-current liabilities	(6,316,014)	10,453,809
Net cash inflow / (outflow) from operating activities	**35,264,154**	**10,634,156**

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 2014 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.

W J Edwards
Chairman, Cricket Australia

Earl Eddings
Deputy Chairman,
Audit & Risk Committee

16 September 2014
Melbourne

Independent auditor's report to the members of Cricket Australia

Report on the financial report

We have audited the accompanying financial report of Cricket Australia (the company), which comprises the balance sheet as at 30 June 2014, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

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 control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, 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 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 judgement, 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 control 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial 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*.

PricewaterhouseCoopers, ABN 52 780 433 757
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Auditor's opinion

In our opinion:

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

(i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

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

(b) the company's financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

PricewaterhouseCoopers

PricewaterhouseCoopers

Chris Dodd
Partner

Melbourne
16 September 2014