

THE INTERNATIONAL CRICKET COUNCIL
AND ITS SUBSIDIARIES

**CONSOLIDATED
FINANCIAL STATEMENTS**

31 DECEMBER 2014

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The Directors take pleasure in presenting their report together with the audited consolidated financial statements for the year ended 31 December 2014 which comprise the results of The International Cricket Council (ICC) and its subsidiary companies ICC Development (International) Limited, ICC Business Corporation FZ-LLC, ICC (Events) Limited, International Cricket Council FZ-LLC, IDI Mauritius Limited and IDI Hungary KFT, hereafter referred to as the 'ICC Group'.

BUSINESS ACTIVITIES

During the year the ICC Group conducted such business activities as were necessary to manage international cricket. These activities included the provision of Match Officials and other regulatory functions and services for bilateral international cricket, the staging of the ICC World Twenty20 2014, ICC U19 Cricket World Cup 2014 and the ICC Cricket World Cup Qualifier 2014, and the development programme activities to promote and develop the game globally.

CONSOLIDATED FINANCIAL RESULTS

The net surplus for the year before taxation amounted to USD 128.1M. Key features include:

- Total revenue amounted to USD 205.3M, which includes USD 195.8M from events revenue and USD 7.5M from the ICC Group's commercial and other activities. Interest and other financial income totalled USD 2M.
- Operating costs amounted to USD 77.2M, which includes events cost of USD 44.8M. General and administrative and other expenses relating to the management of the global game of cricket totalled USD 32.4M.

During the year, Members were paid dividends amounting to USD 52.5M.

CAPITAL AND RESERVES

- Capital and Reserves amount to USD 162.5M, represented by Reserves of USD 43.5M and Surplus (Allocable and Retained) of USD 119M.

INSURANCE OF DIRECTORS AND OFFICERS

During the year the ICC Group paid premiums to insure all Directors and Officers of the ICC Group. The insurance policy covers any Director or Officer of the ICC Group including past Directors, the Chairman, Chief Executive, Company Secretary and employees of the ICC Group. The liabilities insured against include claims and costs that may be incurred in defending any proceedings that may be brought against any Director or Officer when acting in their capacity as a Director/ Officer of the ICC Group.

AUDITORS

A resolution to re-appoint Ernst & Young as auditors for the ensuing year will be put to the members of the Annual General Meeting.

For and on behalf of the ICC Board of Directors



N Srinivasan
Chairman
16 April 2015

GROUP DIRECTORY

AT 31 DECEMBER 2014

GENERAL INFORMATION

THE INTERNATIONAL CRICKET COUNCIL (“ICC”)

The ICC is primarily responsible for all aspects of the day to day running and the development of international cricket. This extensive remit includes management of the ICC Code of Conduct and the playing conditions relevant to the international game, provision of qualified and independent Match Officials for Tests, One Day and Twenty20 Internationals and initiating and implementing key policy decisions for the benefit of the game. The ICC is a company registered in the BVI, is limited by guarantee and does not have share capital.

The ICC currently has 105 Members located worldwide.

The address of the company's registered office is as follows:

Craigmuir Chambers,
P.O. Box 71, Road Town,
Tortola,
Territory of the British Virgin Islands

ICC BUSINESS CORPORATION FZ-LLC (“IBC”)

IBC was incorporated in the United Arab Emirates in August 2014 in order to stage, organise and commercially exploit the ICC Events that are to be held in the eight-year period from 1 July 2015.

IBC is a wholly owned subsidiary of ICC.

The address of the company's registered office is as follows:

Office No ED13d, Bldg # 2
Second Floor
Dubai Media City
Dubai
United Arab Emirates

ICC DEVELOPMENT (INTERNATIONAL) LIMITED (“IDI”)

IDI was incorporated in the British Virgin Islands in 1993 and is principally responsible for:

- (i) Managing ICC cricket events;
- (ii) Managing the commercial rights to cricket events;
- (iii) Managing the ICC Development Program; and
- (iv) Providing such administration and other services as are required by the ICC.

IDI is a wholly owned subsidiary of ICC.

The address of the company's registered office is as follows:

P.O. Box 3161
Road Town,
Tortola,
Territory of the British Virgin Islands

INTERNATIONAL CRICKET COUNCIL FZ-LLC (“FZ LLC”)

FZ LLC was incorporated in the United Arab Emirates in May 2005 in order to provide administrative support services to IDI Group. FZ LLC is a wholly owned subsidiary of IDI.

The address of the company's registered office is as follows:

Office No 28, Bldg # 2
Second Floor
Dubai Media City
Dubai
United Arab Emirates

ICC (EVENTS) LIMITED (“IEL”)

IEL was incorporated in the Republic of Cyprus in May 2004 in order to manage certain commercial rights of IDI. IEL is a wholly owned subsidiary of IDI.

The address of the company's registered office is as follows:

Diomidous , 10,
Alphamega-Akropolis Building, Office No 401
3rd Floor, PC 2024, Nicosia
Cyprus

IDI MAURITIUS LIMITED (“IML”)

IML was incorporated in Mauritius in April 2009 to manage certain commercial rights of IDI. IML is a wholly owned subsidiary of IDI.

The address of the company's registered office is as follows:

4th Floor, Les Jamalacs Bldg
Vieux Conseil Street
Port Louis
Mauritius

IDI HUNGARY KFT (“IHK”)

IHK was incorporated in Hungary in May 2009 to manage certain commercial rights of IDI. IHK is a wholly owned subsidiary of IDI.

The address of the company's registered office is as follows:

H-2724, Ujlengyel,
Petöfi Sandor U, 40,
Hungary

GROUP DIRECTORY

AT 31 DECEMBER 2014

ICC BOARD DIRECTORS

Director		Director Since
N Srinivasan	Chairman and Full Member representative, India *	2011
Mustafa AHM Kamal	President	2009
David Richardson	Chief Executive	2012
Wally Edwards	Full Member representative, Australia *	2012
Nazmul Hassan	Full Member representative, Bangladesh *	2012
Giles Clarke	Full Member representative, England *	2007
Greg Barclay	Full Member representative, New Zealand *	2014
Shaharyar Khan	Full Member representative, Pakistan *	2014
Chris Nenzani	Full Member representative, South Africa *	2013
Jayantha Dharmadasa	Full Member representative, Sri Lanka *	2013
Dave Cameron	Full Member representative, West Indies *	2013
Wilson Manase	Full Member representative, Zimbabwe *	2014
Neil Speight	Associate Member representative, Bermuda +	2008
Imran Khwaja	Associate Member representative, Singapore +	2008
Francois Erasmus	Associate Member representative, Namibia +	2014

* Full Member representatives are nominated by the National Cricket Federation in their respective country.

+ The three Associate Member representatives are elected for a two year term by the Associate Members and the representatives of the Affiliate members at the Annual Meeting of the Associates.

The following Directors served during the period until their resignation or expiry of their term in office:

Director	Designation	Resigned/Term ended
Alan Isaac	Chairman	June 2014
Peter Chingoka	Full Member representative, Zimbabwe	July 2014
Najam Sethi	Full Member representative, Pakistan	August 2014
Keith Oliver	Associate Member representative, Scotland	June 2014
Martin Snedden	Full Member representative, New Zealand	September 2014
Zaka Ashraf	Full Member representative, Pakistan	April 2014



Iain Higgins
General Counsel & Company Secretary
16 April 2015

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INTERNATIONAL CRICKET COUNCIL

We have audited the accompanying consolidated financial statements of The International Cricket Council and its subsidiaries (together the "ICC Group"), which comprise the consolidated statement of financial position as at 31 December 2014 and the consolidated statement of comprehensive income, consolidated statement of changes in Members' funds and consolidated statement of cash flows for the year and then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

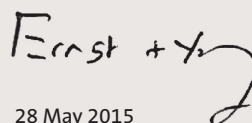
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the ICC Group as at 31 December 2014, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

EMPHASIS OF MATTER

We draw attention to Note 23 to the consolidated financial statements which describe in detail a legal action against ICC. Our opinion is not qualified in respect of this matter.



28 May 2015
Dubai

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2014

	Notes	2014 USD'000	2013 USD'000
Event related activities			
Revenue from ICC Events	3	195,816	110,927
Costs relating to ICC Events	4	(44,810)	(33,383)
Net surplus relating to ICC Events		151,006	77,544
Other activities			
Other revenue	5	7,543	14,875
Interest and investment income – net	6	1,330	1,008
General and administrative expenses	7.1	(32,434)	(27,886)
Foreign exchange gain (loss) – net	7.2	593	(825)
Net gain on financial asset at fair value through profit or loss	12	51	61
Net loss from other activities		(22,917)	(12,767)
Net surplus before taxation		128,089	64,777
Taxation	8	(17)	(130)
NET SURPLUS FOR THE YEAR		128,072	64,647
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Reclassification adjustment relating to realised loss on sale of available-for-sale investments		171	384
Unrealised gain (loss) on revaluation of available-for-sale investments		493	(1,520)
Other comprehensive income (loss) for the year	11	664	(1,136)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		128,736	63,511

The attached notes 1 to 28 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2014

	Notes	2014 USD'000	2013 USD'000
ASSETS			
Non-current assets			
Property and equipment	10	6,617	6,968
Available-for-sale investments	11	116,398	44,871
Financial asset at fair value through profit or loss	12	19,861	5,479
Loan to Members	13a	6,662	3,712
Event related prepayments	13a	99	26,025
		149,637	87,055
Current assets			
Receivables and prepayments	13a	154,702	47,281
Advance to Members	13b	106,667	44,386
Short term deposits, current accounts and cash	14	52,701	25,383
		314,070	117,050
Total assets		463,707	204,105
LIABILITIES			
Non-current liabilities			
Employees' end of service benefits	15	4,348	3,453
Advances received	16	95,500	15,935
		99,848	19,388
Current liabilities			
Advances received	16	170,503	65,816
Bank overdraft	17	-	1,055
Short term loan	18	10,013	5,000
Accounts payable, accruals and provisions	19	14,556	7,575
Surplus in cricket development funds	20	6,337	7,411
		201,409	86,857
Total liabilities		301,257	106,245
Net assets		162,450	97,860
REPRESENTED BY			
Members' Funds			
Share capital	21	-	-
Reserves	22	43,455	44,972
Allocable surplus		118,995	52,495
Retained surplus		-	393
		162,450	97,860

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 16 April 2015 and were signed on its behalf by:



N Srinivasan
Chairman



David Richardson
Chief Executive

The attached notes 1 to 28 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' FUNDS

YEAR ENDED 31 DECEMBER 2014

	Allocable surplus USD'000	Retained surplus USD'000	Total surplus USD'000	Reserves (Note 22) USD'000	Total USD'000
At 1 January 2013	86,740	3,214	89,954	36,424	126,378
Net surplus for the year	64,647	-	64,647	-	64,647
Other comprehensive loss	-	-	-	(1,136)	(1,136)
Total comprehensive income for the year	64,647	-	64,647	(1,136)	63,511
<i>Appropriations</i>					
Dividend to Members	(85,423)	-	(85,423)	-	(85,423)
Allocation to ICC Global Cricket Development Programme	(6,606)	-	(6,606)	-	(6,606)
Transfer (Note 22)	(6,863)	(2,821)	(9,684)	9,684	-
At 31 December 2013	52,495	393	52,888	44,972	97,860
Net surplus for the year	128,072	-	128,072	-	128,072
Other comprehensive income	-	-	-	664	664
Total comprehensive income for the year	128,072	-	128,072	664	128,736
<i>Appropriations</i>					
Dividend to Members	(52,496)	-	(52,496)	-	(52,496)
Allocation to ICC Global Cricket Development Programme	(11,650)	-	(11,650)	-	(11,650)
Transfer (Note 22)	2,574	(393)	2,181	(2,181)	-
At 31 December 2014	118,995	-	118,995	43,455	162,450

The attached notes 1 to 28 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 USD'000	2013 USD'000
OPERATING ACTIVITIES			
Net surplus before tax		128,089	64,777
Adjustments to reconcile net surplus to net cash flows:			
Depreciation	10	1,178	1,234
Provision for employees' end of service benefits	15	996	905
Interest and investment income – net	6	(1,330)	(1,008)
Net gain (loss) (including unrealised foreign exchange loss (gain)) on financial asset at fair value through profit or loss		631	(610)
Exchange loss on available-for-sale-investments	11	-	1,076
		129,564	66,374
Working capital adjustments:			
Receivables and prepayments		(84,445)	(2,494)
Advance to Members		(62,281)	30,670
Accounts payable, accruals and provisions		6,981	(17,563)
Advances received		184,252	29,453
		174,071	106,440
Employees' end of service benefits paid	15	(101)	(192)
Income tax paid	8	(17)	(130)
Net cash flows from operating activities		173,953	106,118
INVESTING ACTIVITIES			
Purchase of property and equipment	10	(827)	(751)
Purchase of available-for-sale investments	11	(78,952)	(35,473)
Purchase of financial asset classified at fair value through profit or loss	12	(15,013)	-
Proceeds from sale of available-for-sale investments	11	8,089	26,646
Term deposits having maturity after 3 months		(38,842)	(1,150)
Interest and other financial income received	6	1,330	1,008
Net cash flows used in investing activities		(124,215)	(9,720)
FINANCING ACTIVITIES			
Short term loan obtained during the year	18	10,013	5,000
Short term loans repaid during the year	18	(5,000)	(6,020)
Net amount utilised for ICC Global Cricket Development Programme		(12,724)	(10,128)
Dividend to Members	9	(52,496)	(85,423)
Net cash flows used in financing activities		(60,207)	(96,571)
DECREASE IN CASH AND CASH EQUIVALENTS		(10,469)	(173)
Cash and cash equivalents at 1 January		22,814	22,987
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	14	12,345	22,814

The attached notes 1 to 28 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

1 ACTIVITIES

The International Cricket Council (the “Company” or “ICC”) is a company limited by guarantee and does not have a share capital and incorporated in the British Virgin Islands. The registered office of ICC is at Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, British Virgin Islands. There are currently 105 Members.

The International Cricket Council (“ICC”) is the governing body for Test Match, One-Day and Twenty20 cricket. The ICC is primarily responsible for all aspects of the day to day running and the development of international cricket. This extensive remit includes management of the ICC Code of Conduct, the playing conditions and all other regulatory functions and services relevant to the international game, provision of qualified and independent Match Officials for Tests, One Day and Twenty20 Internationals and initiating and implementing key policy decisions for the benefit of the game.

2 SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements are prepared under the historical cost convention, modified to include the measurement at fair value of available-for-sale investments and financial asset at fair value through profit or loss.

The consolidated financial statements have been presented in US Dollars, which is the functional currency of the Group. All values are rounded to the nearest thousand (USD’000) except otherwise stated.

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements as at 31 December 2014 of the ICC and its following subsidiaries (“the ICC Group”):

Name of the subsidiary	Country of incorporation	Percentage Shareholding		Principal activities
		2014	2013	
ICC Business Corporation FZ LLC	United Arab Emirates	100%	-	To manage the commercial rights relating to cricket events of ICC.
ICC Development (International) Limited (IDI)	British Virgin Islands	100%	100%	To manage the commercial rights relating to cricket events of ICC. Also manages the ICC Development Program and provides administration services as are required by the ICC.
The following are the Subsidiaries of IDI				
International Cricket Council FZ-LLC	United Arab Emirates	100%	100%	To provide administrative services to IDI.
ICC (Events) Ltd	Cyprus	100%	100%	To manage certain commercial rights of IDI.
IDI Hungary Kft	Hungary	100%	100%	To manage certain commercial rights of IDI.
IDI Mauritius Ltd	Mauritius	100%	100%	To manage certain commercial rights of IDI.

The ICC Group’s principal place of business is at Street 69, Dubai Sports City, Sheikh Mohammad Bin Zayed Road, P.O. Box 500070, Dubai, United Arab Emirates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF CONSOLIDATION (continued)

During the year the ICC board agreed a restructuring plan for the ICC group of companies. This resulted in the incorporation in Dubai in August 2014 of the ICC Business Corporation FZ-LLC, and the preparation of the consolidated group accounts at the ultimate parent company level (the International Cricket Council). The process of restructuring the entity set up will continue during 2015 and at this stage management does not expect this to impact the ongoing operations of the group or have a bearing on the 2015 business or results.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the ICC Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the ICC Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted are consistent with those of the previous financial year, except for the following amendments to IFRS and IFRIC Interpretations:

New standards and interpretations effective after 1 January 2014

- Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) – Exception to the Consolidation Requirement for Investment Entities;
- Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32 Financial Instruments: Presentation;
- Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36 Impairment of Assets;

- Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39 Financial Instruments: Recognition and Measurement;
- IFRIC 21 Levies;
- Annual Improvements 2010-2012 Cycle:
 - Amendments to IFRS 13 Fair Value Measurement – Immaterial Effect of Discounting of Short-Term Receivables and Payables;
- Annual Improvements 2011-2013 Cycle:
 - Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards – Application of a Current Standard or a New Standard that is not yet mandatory.

The adoption of the above new and amended standards did not have any impact on the accounting policies, consolidated financial position or performance of the Group.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective are disclosed below. These standards and interpretations will become effective for annual periods beginning on or after the dates as respectively mentioned there against. The Group intends to adopt these standards, if applicable, when they become effective.

- IFRS 9 Financial Instruments (1 January 2018);
- IFRS 14 Regulatory Deferral Accounts (1 January 2016);
- Amendments to IAS 19 Defined Benefit Plans: Employee Contributions (1 July 2014);
- Annual Improvements 2010-2012 Cycle (1 July 2014), includes:
 - IFRS 2 Share-based Payment;
 - IFRS 3 Business Combinations;
 - IFRS 8 Operating Segments;
 - IAS 16 Property, Plant and Equipment;
 - IAS 38 Intangible Assets;
 - IAS 24 Related Party Disclosures;
- Annual Improvements 2011-2013 Cycle (1 July 2014), includes:
 - IFRS 3 Business Combinations;
 - IFRS 13 Fair Value Measurement;
 - IAS 40 Investment Property;
- IFRS 15 Revenue from Contracts with Customers (1 January 2017);
- Amendments to IFRS 11 Joint Arrangements (1 January 2016);
- Amendments to IAS 16 Property, Plant and Equipment (1 January 2016);
- Amendments to IAS 38 Intangible Assets (1 January 2016);
- Amendments to IAS 41 Agriculture (1 January 2016); and
- Amendments to IAS 27 (1 January 2016).

The Group is currently assessing the impact of these standards in the future consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

USE OF ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that may affect the reported amount of assets and liabilities, revenues, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about several factors and actual results may differ from reported amounts.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty, and critical judgements in applying accounting policies (that have the most significant effect on the amount recognised in the consolidated financial statements) are discussed in Note 27.

REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the ICC Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Event related activities

Revenue from cricket events is recognised as earned at the time when respective cricket events are concluded. Receipts generated from such cricket events are held as advances received in the consolidated statement of financial position.

Commercial revenue

Revenue is recognised on an accrual basis in accordance with the contractual terms.

Interest and investment income

Interest income is recognised as the interest accrues.

EVENT COSTS

The ICC Group recognises event expenditure when the revenues from that event are recognised. In the interim, expenses incurred on cricket events to the extent that they are recoverable are held as prepaid expenses in the consolidated statement of financial position.

TAXES

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the ICC Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of comprehensive income.

PROPERTY AND EQUIPMENT

Property and equipment comprises ICC Headquarters Building, furniture, fixtures, equipment and vehicles. Property and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation is calculated on a straight line basis over the estimated useful lives of the assets as follows:

Building	over 20 years
Fixture, furnitures, equipment and vehicles	over 2 to 5 years

No depreciation is charged on the Cricket World Cup trophy because management believes that its residual value is not less than its carrying value.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of comprehensive income in the year the asset is derecognised.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in the statement of consolidated comprehensive income as the expense is incurred.

An item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of comprehensive income when the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted prospectively, if appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

IMPAIRMENT AND UNCOLLECTIBILITY OF FINANCIAL ASSETS

An assessment is made at each statement of financial position date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognised in the statement of comprehensive income. Impairment is determined as follows:

- a) For assets carried at fair value, impairment is the difference between cost and fair value; less any impairment loss previously recognised in the statement of comprehensive income;
- b) For assets carried at cost, impairment is the difference between carrying value and the present value of future cash flows discounted at the current market rate of return for a similar financial asset; and
- c) For assets carried at amortised cost, impairment is the difference between carrying amount and the present value of future cash flows discounted at the original effective interest rate.

FINANCIAL INSTRUMENTS - INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

FINANCIAL ASSETS

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The ICC Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the ICC Group commits to purchase or sell the asset.

The ICC Group's financial assets include cash and short-term deposits, trade and other receivables, loans and other receivables, quoted and unquoted financial instruments and derivative financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as described below:

FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial asset at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments as defined by IAS 39.

Financial asset at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented in the income statement.

Financial assets designated upon initial recognition at fair value through profit or loss are designated at their initial recognition date and only if the criteria under IAS 39 are satisfied.

DERIVATIVE FINANCIAL INSTRUMENTS

The ICC Group uses derivative financial instruments (forward currency contracts) to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The ICC Group uses these derivatives for strategic hedging, which do not qualify for special hedge accounting and these derivatives are therefore accounted for as financial asset at fair value through profit or loss, and any realised and unrealised gain or loss arising from a change in fair value is included in the income statement.

Derivatives are classified as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the consolidated statement of comprehensive income. The losses arising from impairment are recognised in the consolidated statement of comprehensive income in finance costs for loans or operating expenses for receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

AVAILABLE-FOR-SALE FINANCIAL INVESTMENTS

Available-for-sale financial investments include equity investments and debt securities. Equity investments classified as available-for-sale are those that are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those that are intended to be held for an indefinite period of time and that may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with unrealised gains or losses recognised as other comprehensive income and credited in the available-for-sale reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the available-for-sale reserve to the consolidated statement of comprehensive income. Interest earned whilst holding available-for-sale financial investments is reported as interest income using the EIR method.

DERECOGNITION

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired
- The ICC Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the ICC Group has transferred substantially all the risks and rewards of the asset, or (b) the ICC Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the ICC Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognised to the extent of the ICC Group's continuing involvement in the asset. In that case, the ICC Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the ICC Group has retained.

FINANCIAL LIABILITIES

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The ICC Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The ICC Group's financial liabilities include trade and other payables and short term borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as described below:

LOANS AND BORROWINGS

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the consolidated statement of comprehensive income.

OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

DERECOGNITION

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments that are traded in active markets at each reporting date are determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

ACCOUNTS RECEIVABLE

Accounts receivable are stated at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

CASH AND CASH EQUIVALENTS

Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

EMPLOYEES' END OF SERVICE BENEFITS

The ICC Group provides end of service benefits to its employees. The entitlement to these benefits is usually based upon the employees' salary and length of service subject to completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

ACCOUNTS PAYABLE AND ACCRUALS

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

LEASES

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

PROVISIONS

Provisions are recognised when the ICC Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the ICC Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

CONTINGENCIES

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

FOREIGN CURRENCIES

Transactions in foreign currencies are recorded by the ICC Group at the currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date. All differences arising on settlement or translation of monetary items are taken to the consolidated statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

DIVIDEND TO MEMBERS'

Dividend to Members' represent those amounts that are determined by the Board of Directors as due to the Members' of ICC at the conclusion of the cricketing event in accordance with the established policies of the ICC Group. The Company does not operate a bank account and dividend to members' is paid through a subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

3 REVENUE FROM ICC EVENTS

	2014 USD'000	2013 USD'000
ICC World Twenty20 2014	190,767	-
ICC U19 CWC 2014*	3,407	-
ICC CWC Qualifier 2014*	1,642	-
ICC Champions Trophy 2013	-	109,541
ICC World Twenty20 Qualifier 2013*	-	1,386
	195,816	110,927

*ICC Group considers these as minor events.

4 COST RELATING TO ICC EVENTS

	2014 USD'000	2013 USD'000
ICC World Twenty20 2014	33,254	-
ICC U19 CWC 2014	4,475	-
ICC CWC Qualifier 2014	4,486	-
ICC Champions Trophy 2013	-	25,330
ICC World Twenty20 Qualifier 2013	-	3,797
ICC Awards	296	302
	42,511	29,429
Annual Ranking Awards	686	686
Umpires and Referees	5,879	5,994
	49,076	36,109
Net shortfall for minor events allocated to Cricket Development Funds (Note 20)	(4,266)	(2,726)
	44,810	33,383

- a) ICC events are held in various tax jurisdictions. ICC Group's commercial arrangements with its constituents are tax protected through a combination of tax exemptions obtained from Government of host nations, indemnity obtained from host cricket boards and tax protected commercial agreements. In respect of ICC events held to date the directors believe that the exemptions received to date are adequate and certain formalisations are currently in progress. As such, the directors believe that the ICC Group is protected in all the event jurisdictions from any incremental tax liability.
- b) The Group had entered into an agreement dated 30 July 2013 with The Board of Control for Cricket in India (the "Host" or "BCCI") to host the ICC Women's World Cup 2013 (the "Tournament") in Mumbai and Cuttack from 31 January to 17 February 2013. According to the arrangement, the Group had granted the rights to organise, host, stage and promote the Tournament to the Host. As a consequence, all commercial rights belong to, accrued to, and vested ab initio with the BCCI. Further, the Host was solely responsible for the operational costs associated with organising, hosting, promoting and staging the Tournament.

5 OTHER REVENUE

	2014 USD'000	2013 USD'000
Other commercial revenue	3,775	4,618
Match fines, fees and others	3,215	1,918
Excess provisions written back*	553	8,339
	7,543	14,875

*This balance mainly includes unutilised tournament accruals written back on various previously held ICC tournaments (2013: this balance includes unutilised tournament accruals written back for a previously held ICC tournament amounting to USD 6,876 thousand).

6 INTEREST AND INVESTMENT INCOME - NET

	2014 USD'000	2013 USD'000
Interest income from short term deposits	146	101
Interest on loan to Members	354	223
Income from available-for-sale investments	830	684
	1,330	1,008

7.1 GENERAL AND ADMINISTRATIVE EXPENSES

	2014 USD'000	2013 USD'000
Staff and consultants' related cost	10,391	9,568
Travel related costs	2,014	2,433
Special projects	996	301
Meetings and annual conference	2,339	1,954
Depreciation	1,178	1,234
Legal and professional costs	900	737
Utilities and other premises related costs	438	425
Targeted assistance performance programme grants	4,798	4,893
ICC Ranking expenses	1,020	950
Receivables written off and settlement discount (Note 13a)	2,665	-
Others	6,923	6,748
	33,662	29,243
Development department cost allocated to Cricket		
Development Funds (Note 20)	(1,228)	(1,357)
	32,434	27,886

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

7.2 FOREIGN EXCHANGE GAIN (LOSS) - NET

	2014 USD'000	2013 USD'000
Exchange (loss) gain relating to unrealised foreign exchange forward contracts (Note 12)	(682)	549
Exchange loss on foreign currency available-for-sale investments (Note 11)	-	(1,076)
Exchange gain relating to realised foreign exchange forward contracts	1,286	-
Others	(11)	(298)
	593	(825)

8 INCOME TAX

	2014 USD'000	2013 USD'000
Corporation tax - subsidiaries	17	130

9 DIVIDEND TO MEMBERS AND ALLOCATION TO ICC GLOBAL CRICKET DEVELOPMENT PROGRAMME

	2014 USD'000	2013 USD'000
<i>Dividend to Members</i>		
ICC World Twenty20 2014*	-	-
ICC Champions Trophy 2013	52,496	-
ICC World Twenty20 2012	-	85,423
Sub-total	52,496	85,423
<i>Allocation to ICC Global Cricket Development Programme (Note 20)</i>		
ICC World Twenty20 2014	11,351	-
ICC U19 CWC 2014	201	-
ICC CWC Qualifier 2014	98	-
ICC Champions Trophy 2013	-	6,523
ICC World Twenty20 Qualifier 2013	-	83
Sub-total	11,650	6,606
Total	64,146	92,029

* The dividend to Members in respect of the ICC World Twenty20 2014 will be declared after the event accounts are finalised (also see Note 13b).

Allocation to the ICC Global Cricket Development Programme represents the amount set aside for the development of the Associate and Affiliate Members. The amounts unspent at year end are recognised as a liability (see Note 20).

The Company does not operate a bank account and dividend to members' is paid through a subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

10 PROPERTY AND EQUIPMENT

	ICC Headquarters Building USD'000	Furniture, fixtures, equipment & vehicles USD'000	Total USD'000
Cost:			
At 1 January 2014	6,796	6,982	13,778
Additions during the year	-	827	827
At 31 December 2014	6,796	7,809	14,605
Accumulated depreciation:			
At 1 January 2014	1,594	5,216	6,810
Depreciation charge for the year	339	839	1,178
At 31 December 2014	1,933	6,055	7,988
Net book value:			
At 31 December 2014	4,863	1,754	6,617
Cost:			
At 1 January 2013	6,796	6,231	13,027
Additions during the year	-	751	751
At 31 December 2013	6,796	6,982	13,778
Accumulated depreciation:			
At 1 January 2013	1,237	4,339	5,576
Depreciation charge for the year	357	877	1,234
At 31 December 2013	1,594	5,216	6,810
Net book value:			
At 31 December 2013	5,202	1,766	6,968

ICC Headquarters Building

The building was constructed by International Cricket Council FZ-LLC on land granted free of charge in Dubai Sports City. The land registered in the name of a subsidiary, International Cricket Council FZ-LLC, has been recorded in the financial statements at a nominal value of USD 1, as allowed by International Financial Reporting Standards.

Property and equipment includes assets costing USD 3.9 million (2013: USD 3 million) which are fully depreciated but are still in active use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

11 AVAILABLE-FOR-SALE INVESTMENTS

	2014 USD'000	2013 USD'000
At 1 January	44,871	38,256
Additions during the year	78,952	35,473
Disposals during the year	(8,089)	(26,646)
Change in fair values	664	(1,136)
Exchange loss on foreign currency instruments (Note 7.2)	-	(1,076)
At 31 December	116,398	44,871
<i>Available-for-sale investments are made up of as follows:</i>		
Instruments – cost	116,583	45,720
Cumulative fair value reserve (see Note 22)	(185)	(849)
At the end of the year	116,398	44,871

Included in available-for-sale investments are debt and equity instruments and term deposits with carrying value amounting to USD 116.4 million (2013: USD 44.9 million) which are under lien against the overdraft facility and short term loan availed by the ICC Group (see Note 17 and 18).

12 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

Movements in the financial asset at fair value through profit or loss in the consolidated statement of financial position were as follows:

	2014 USD'000	2013 USD'000
At 1 January	5,479	4,869
Addition during the year	15,013	-
Exchange (loss) gain relating to unrealised foreign exchange forward contracts (Note 7.2)	(682)	549
Change in fair value	51	61
At 31 December	19,861	5,479

The above represents an investment of USD 19,994 thousand (2013: USD 4,930 thousand) and unrealised fair value loss on foreign exchange forward contracts held at 31 December 2014, amounting to USD (133) thousand (2013: gain of USD 549 thousand) (see note below).

Financial asset at fair value through profit or loss amounting to USD Nil (2013: USD 4,930 thousand) is under lien against the overdraft facility availed by the ICC Group (Note 17).

As at 31 December 2014, the ICC Group was a party to foreign exchange forward contracts which were to manage foreign exchange risks arising or expected to arise from the ICC Group's contracted or anticipated commitments under contract for the ICC CWC 2015 and ICC Global Cricket Development Programme. These foreign exchange forward contracts settlement dates end on 15 October 2015. For the year ended 31 December 2014, the ICC Group has recorded an unrealised fair value change on its foreign exchange forward contracts in the consolidated statement of comprehensive income of USD (682) thousand (2013: USD 549 thousand) (Note 7.2).

	2014	2013
Notional value of foreign exchange forward contract:		
Purchase- Australian Dollar (AUD'000)	2,130	26,896
Purchase- New Zealand Dollar (NZD'000)	620	19,870
Purchase- Great Britain Pound (GBP'000)	1,090	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

13a RECEIVABLES AND PREPAYMENTS

	2014 USD'000	2013 USD'000
Advances – ICC Global Cricket Development Programme	478	829
Receivables for sale of media and commercial rights	43,152	21,610
Staff advances	850	810
Interest receivable	581	207
Loan to Associate Member	169	354
Loan to Full Members	11,304	6,458
Amounts due from Full Members	1,493	2,875
Amounts due from Associate Members	56	-
Associate Member Fund	1,684	4,429
Events related prepayments	98,590	37,290
Prepaid expenses and other receivables	3,106	2,156
	161,463	77,018
<i>Non-current portion</i>		
Loan to Full Members	(6,662)	(3,549)
Loan to Associate Member	-	(163)
Total non-current loans to members	(6,662)	(3,712)
Event related prepayments (non-current portion)	(99)	(26,025)
	154,702	47,281

Loan to Associate Member represents loan advanced to an Associate Member, which carries interest at three month LIBOR plus 3%. This loan will be repaid from dividends projected to be distributed from cricketing events to be held in future years. An amount of USD Nil (2013: USD 163 thousand) advanced to Associate Member Board is classified as non-current as it is due twelve months after the date of consolidated statement of financial position.

Loan to Full Members represents loans advanced to two Full Members, which carry interest at three month LIBOR plus 3%. These loans will be repaid from dividends projected to be distributed from cricketing events to be held in future years. An amount of USD 6.7 million (2013: USD 3.5 million) advanced to a Full Member Board is classified as non-current as it is due twelve months after the date of consolidated statement of financial position.

Associate Member Fund represents the advances paid to Members in respect of the prospective dividend for ICC World Twenty20 2014 event.

Event related prepayments in respect of the future ICC events amounting to USD 99 thousand (2013: USD 26,025 thousand) are classified as non-current in the consolidated statement of financial position.

As at 31 December, the ageing of unimpaired receivables is as follows:

	Total USD'000	Neither past due nor impaired USD'000	Past due but not impaired			
			1-30 days USD'000	31-90 days USD'000	91-180 days USD'000	>180 days USD'000
2014	43,152	2,154	21,598	15,173	14	4,213
2013	21,610	4,405	10,299	363	3,068	3,475

The ICC Group's credit period is 30 days after which trade receivables are considered to be past due. Unimpaired receivables are expected, on the basis of past experience, to be fully recoverable. It is not the practice of the ICC Group to obtain collateral over receivables and the vast majority are, therefore, unsecured.

During the year, the Group has given a settlement discount to a commercial partner and written off long outstanding receivable balances amounting to USD 2,250 thousand and USD 415 thousand respectively (Note 7).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

13b ADVANCE TO MEMBERS

This amount is the advance paid to Members in respect of the prospective dividend for the ICC World Twenty20 2014 (2013: this amount is the advance paid to members in respect of the prospective dividend for the ICC Champions Trophy 2013).

14 SHORT TERM DEPOSITS, CURRENT ACCOUNTS AND CASH

	2014 USD'000	2013 USD'000
Current accounts and cash	12,345	23,869
Short term bank deposits (maturity over 3 months)	40,356	1,514
Short term deposits, current accounts and cash	52,701	25,383

Depending on the cash requirements of the ICC Group, short term deposits are made for varying periods up to twelve months.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the following amounts:

	2014 USD'000	2013 USD'000
Cash and short term deposits	52,701	25,383
Short term bank deposits (maturity over 3 months)	(40,356)	(1,514)
Bank overdraft (Note 17)	-	(1,055)
Cash and cash equivalents	12,345	22,814

15 EMPLOYEES' END OF SERVICE BENEFITS

Movements in the provision recognised in statement of financial position are as follows:

	2014 USD'000	2013 USD'000
Provision as at 1 January	3,453	2,740
Provided during the year	996	905
Paid during the year	(101)	(192)
Provision as at 31 December	4,348	3,453

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

16 ADVANCES RECEIVED

	2014 USD'000	2013 USD'000
Commercial and event related advances	266,003	81,751
<i>Classified in the consolidated statement of financial position as:</i>		
Non-current position	95,500	15,935
Current position	170,503	65,816
	266,003	81,751

17 BANK OVERDRAFT

	2014 USD'000	2013 USD'000
Bank overdraft	-	1,055

The ICC Group has in place an overdraft facility up to a maximum of USD 45 million (2013: USD 15 million). The facility carries interest at commercial rates and is secured by lien over financial asset at fair value through profit or loss (see Note 12) and available-for-sale investments (Note 11) with the same banks.

18 SHORT TERM LOAN

	2014 USD'000	2013 USD'000
Short term loan	10,013	5,000

The short term loan carries interest at commercial rates and is secured by lien over available-for-sale investments with the same bank (see Note 11).

19 ACCOUNTS PAYABLE, ACCRUALS AND PROVISIONS

	2014 USD'000	2013 USD'000
Amounts due to Full Members	3,180	231
Amounts due to Associate Members	1,443	459
Accruals	3,774	4,527
Others	6,159	2,358
	14,556	7,575

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

20 CRICKET DEVELOPMENT FUNDS

a) Movements in the amount managed for the ICC Global Cricket Development Programme recognised in the consolidated statement of financial position are as follows:

	2014 USD'000	2013 USD'000
Surplus at 1 January	7,411	10,933
Allocated during the year (Note 9)	11,650	6,606
Allocations including transfer from Associate Member Fund	6,335	5,613
Utilised during the year (see note below)	(14,418)	(12,458)
Allocation of general and administrative expenses (Note 7 and see note below)	(1,228)	(1,357)
Net shortfall for events expensed against the Fund (Note 4 and see note below)	(4,266)	(2,493)
Net shortfall for events allocated to Asian Cricket Council	853	567
Surplus at 31 December	6,337	7,411
Utilised and allocated (general and administrative expense) during the year represents:		
	2014 USD'000	2013 USD'000
Region		
Asia	6,255	5,886
Europe	1,853	1,616
Africa	1,520	1,224
Americas	1,311	1,113
East Asia-Pacific	1,010	751
	11,949	10,590
Cricket Development costs incurred centrally	3,697	3,225
	15,646	13,815
Net shortfall for events expensed against the fund is as follows:		
	2014 USD'000	2013 USD'000
ICC CWC Qualifier 2014	2,943	-
ICC U19 CWC 2014	1,323	-
ICC World Twenty20 Qualifier 2013	-	2,493
	4,266	2,493

21 SHARE CAPITAL

The International Cricket Council is a Company limited by guarantee and does not have a share capital.

22 RESERVES

This includes general reserve and cumulative fair value reserve in respect of available-for-sale investments (see Note 11).

General reserve amounts to USD 43.7 million (2013: USD 45.8 million).

Cumulative changes in fair value of available-for-sale investments amounted to USD (0.2) million (2013: USD (0.8) million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

23 COMMITMENTS AND CONTINGENCIES

Capital commitments

Estimated capital expenditure contracted for at the consolidated statement of financial position date but not provided for:

	2014 USD'000	2013 USD'000
Future expenditure - contracted at the consolidated statement of financial position date	240	480

All of the above commitments are expected to be settled within one year.

Contingencies

	2014 USD'000	2013 USD'000
Bank guarantees - for customs	14	14

It is anticipated that no material liabilities will arise from the above contingencies which arise in the ordinary course of business.

LITIGATION

In 2007, Essel Sports Pvt Ltd initiated a lawsuit against the Board of Control for Cricket in India ('BCCI') in the Delhi High Court, claiming that the BCCI's decision not to recognise the Indian Cricket League ('ICL') and to take certain actions against those involved with the ICL was unlawful (the 'Indian Action'). The Indian Action is at an advanced stage.

A suit has also been filed in England (against ICC, and the England and Wales Cricket Board 'ECB') and served upon the ICC and the ECB (the 'English Action'). As part of the defence to the English Action, and because of the substantial overlap between the issues raised in the English and Indian Actions, the BCCI, ICC and ECB sought an anti-suit injunction from the Indian courts, preventing ICL from taking any further steps in the English Action (against all of those three parties) until the Indian Action has been dealt with. Such an injunction was granted, although it has been appealed by Essel Sports to the Supreme Court, in India, and is next scheduled to be heard in April 2015. In addition, in 2010, the court in England has granted a stay on hearing this matter until the Indian Action is resolved and this remains the case.

External lawyers have been appointed to act collectively for the ICC, ECB and BCCI in defending the English Action (including pursuit of and challenge to the anti-suit injunction in India). The advice received from those lawyers is that the ICC and its Members will be able to mount a robust defence of the English Action and consequently no provision has been made in the consolidated financial statements in this respect.

Related to these actions, the ICC Board has agreed to provide an indemnity to members in relation to all costs, damages and awards that might be made against any of them as a result of the English Action.

Despite various attempts, the parties have been unable to arrive at mutually agreeable terms for the settlement of this matter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

24 RELATED PARTY TRANSACTIONS

Related parties represent ICC Members, Directors and key management personnel of the ICC Group. Other than as stated below, none of the Non-Executive Directors received any remuneration except for the reimbursement of expenses incurred in connection with ICC meeting/ events. Member transactions and balances are disclosed elsewhere in these consolidated financial statements.

	2014 USD'000	2013 USD'000
Remuneration of key personnel:		
Executive	2,241	2,113
Non-Executive	150	180

25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The ICC Group's principal financial liabilities comprise short term loan and accounts payable. The ICC Group has various financial assets such as receivables from sale of media and commercial rights, amounts due from Full and Associate Members, cash and bank balances and available-for-sale investments, financial asset at fair value through profit or loss and term deposits, which arise directly from its operations.

The main risks arising from the ICC Group's financial instruments are interest rate risk, credit risk, liquidity risk and currency risk.

INTEREST RATE RISK

Interest rate risk arises from the possibility that changes in interest rates will affect future profitability or the fair values of financial instruments. The ICC Group is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities that mature or reprice in a given period.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the ICC Group's surplus and equity.

Increase in basis points	Impact on surplus 2014 USD'000	Impact on equity 2014 USD'000	Impact on surplus 2013 USD'000	Impact on equity 2013 USD'000
	100	625	2,397	243

The sensitivity of the surplus of USD 625 thousand (2013: USD 243 thousand) is the effect of the assumed changes in interest rates on the net interest income for one year based on the floating rate financial assets and financial liabilities held at the year end. The sensitivity of equity of USD 2,397 thousand (2013: USD 1,685 thousand) is calculated by revaluing fixed rate available-for-sale at year-end for the effect of assumed changes in interest rates. The total sensitivity is based on the assumption that there are parallel shifts in the yield curve.

CREDIT RISK

The ICC Group has policies that limit the amount of credit exposure to any one financial institution and investments are only made in high quality financial institutions or financial products. Further, the ICC Group has policies in place to ensure that sales of commercial rights are only made to counterparties with an appropriate credit history. With respect to credit risk arising from the financial assets of the ICC Group, including cash and cash equivalents, the ICC Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

The table below summarises the maturities of the ICC Group's undiscounted financial liabilities at the year end, based on contractual and/or anticipated payment dates and current market interest rates.

At 31 December 2014	Less than 3 months USD'000	3 to 12 months USD'000	Sub total USD'000	1 to 5 years USD'000	>5 years USD'000	Total USD'000
Accounts payable and others payables	8,275	2,507	-	-	-	10,782
Amount managed (on behalf of the Members of ICC) for the ICC Global Cricket Development Programme	6,337	-	-	-	-	6,337
Short term loan	10,238	-	-	-	-	10,238
Total	24,850	2,507	-	-	-	27,357
At 31 December 2013	Less than 3 months USD'000	3 to 12 months USD'000	Sub total USD'000	1 to 5 years USD'000	>5 years USD'000	Total USD'000
Accounts payable and others payables	231	2,817	3,048	-	-	3,048
Amount managed (on behalf of the Members of ICC) for the ICC Global Cricket Development Programme	7,411	-	7,411	-	-	7,411
Short term loan	2,045	3,067	5,112	-	-	5,112
Bank overdraft	1,079	-	1,079	-	-	1,079
Total	10,766	5,884	16,650	-	-	16,650

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

CURRENCY RISK

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The ICC Group's foreign currency exposure arises mainly from its monetary assets and liabilities denominated in foreign currencies other than UAE Dirhams or USD. These assets mainly include foreign currency available-for-sale investments and financial asset at fair value through profit or loss. Sensitivity of the statement of comprehensive income to reasonable possible changes in foreign currencies conversion rate, after taking into account foreign exchange forward contracts classified as financial asset at fair value through profit or loss, is demonstrated below.

	Change in foreign currencies rate to USD %	Effect on surplus for the year USD'000
31 December 2014		
AUD	+ 5	124
AUD	- 5	(124)
GBP	+ 5	122
GBP	- 5	(122)
NZD	+ 5	1
NZD	- 5	(1)
31 December 2013		
AUD	+ 5	1,501
AUD	- 5	(1,501)
NZD	+ 5	1,151
NZD	- 5	(1,151)

As the UAE Dirham is currently pegged to the US Dollar, balances in UAE Dirham are not considered to represent a significant currency risk.

CAPITAL MANAGEMENT

The primary objective of the ICC Group's capital management is to ensure that it maintains sufficient funds in order to support its activities and maximise Members' value.

The ICC Group manages its capital structure and makes adjustments to it in light of changes in operating conditions. No changes were made in the objectives, policies or processes during the current or prior year. Capital comprises reserves and surplus (allocable and retained), and is measured at USD 162.5 million (2013: USD 97.9 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

26 FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities.

Financial assets consist of short term deposits, bank balances and cash, receivables, loan to Members, available-for-sale investments and financial asset at fair value through profit or loss. Financial liabilities consist of payables, Cricket Development funds and short term loan.

The fair values of financial instruments are not materially different from their carrying values as presented in the statement of financial position due to their short term nature.

FAIR VALUE HIERARCHY

At 31 December, the ICC Group held the following financial instruments measured at fair value:

The ICC Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Assets measured at fair value	31 Dec 2014 USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000
Available-for-sale investments	116,398	116,398	-	-
Financial asset at fair value through profit or loss	19,861	-	19,861	-
	31 Dec 2013 USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000
Available-for-sale investments	44,871	44,871	-	-
Financial asset at fair value through profit or loss	5,479	-	5,479	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

27 KEY SOURCES OF JUDGEMENTS AND ESTIMATION UNCERTAINTY

SIGNIFICANT ESTIMATIONS AND ASSUMPTIONS

Classification of investments

Management decides on acquisition of an investment whether it should be classified as held to maturity, held for trading, carried at fair value through profit or loss or available-for-sale.

For those investments deemed to be held to maturity, management ensures that the requirements of IAS 39 are met and, in particular that the ICC Group has the intention and ability to hold these to maturity.

The ICC Group classifies investments as trading if they are acquired primarily for the purpose of making a short term profit.

Classification of investments as fair value through profit or loss depends on how management monitors the performance of these investments. When they are not classified as trading but have readily available reliable fair values and the changes in fair values are reported as part of income statement in the management accounts, these are classified as fair value through profit or loss.

All other investments are classified as available-for-sale.

Impairment of receivables

An estimate of the receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due.

At the reporting date, receivables from sale of media and commercial rights were USD 43.2 million (2013: USD 21.6 million) and the allowance for impairment against doubtful debts amounted to USD Nil (2013: Nil). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated statement of comprehensive income.

Useful lives of property and equipment

The ICC Group's management determines the estimated useful lives of its property and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impairment of the available-for-sale financial assets

For the available-for-sale financial assets, the ICC Group assesses at each reporting date whether there is objective evidence that an investment or group of investment is impaired.

Objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. The determination of what is "significant" or "prolonged" requires considerable judgement. The ICC Group evaluates a number of factors, including the amount of decline and the length of period of the decline, the normal volatility in prices of quoted securities and the future cash flows and the discount factors for unquoted securities.

SIGNIFICANT ACCOUNTING JUDGMENTS

In the process of applying the ICC Group's accounting policies management has used the following judgments, apart from those involving estimates, which have the most significant effect on the amount recognised in the statement of comprehensive income.

Completion of event

Revenue from cricket events is recognised as earned at the time when respective cricket events are completed. As revenue relating to individual matches of a cricket tournament cannot be reliably measured, management have concluded that revenue should be recognised on conclusion of the tournament.

Allocation to ICC Global Cricket Development Programme

Allocations to ICC Global Cricket Development Programme are distributed to the Regional Development Program for development of cricket in respect of regions or are used to meet deficits in organizing minor events for the development of cricket. Amounts retained by the ICC Group on behalf of Members in this respect are classified as a liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2014

28 COMMERCIAL RIGHTS CYCLE YEAR 2015 TO 2023

In November 2014, the ICC announced cricket's biggest-ever global broadcast partnership by jointly awarding its audio-visual rights for ICC Events from Year 2015 to 2023 to Star India and Star Middle East (STAR). The decision followed a robust tender, bidding and evaluation process, which started in July 2014. During the process, which involved two rounds of bidding, the ICC received 17 competitive bids from various broadcasters across different territories for its audio-visual rights. The final value of the rights fee agreed is significantly in excess of the ICC's previous commercial deals and the cash and bank balances include an amount received as a deposit from STAR in accordance with the terms of the contract.

The current cycle has seen ESPN Star Sports hold the audio-visual rights until the contract expires at the end of the ICC Cricket World Cup 2015.

Included in the new eight-year period are 18 ICC tournaments, including two ICC Cricket World Cups (2019 and 2023), two ICC Champions Trophy tournaments (2017 and 2021) and two ICC World Twenty20 tournaments (2016 and 2020).

