ICC Development (International) Ltd.

ICC DEVELOPMENT (INTERNATIONAL) LTD
AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2012

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The Directors take pleasure in presenting their report together with the audited consolidated financial statements for the year ended 31 December 2012.

BUSINESS ACTIVITIES

During the year IDI conducted such business activities as were necessary to manage international cricket. These activities included the provision of Match Officials for bilateral international cricket and staging the ICC World Twenty20 2012 and the ICC U19 CWC 2012. The development programme continued with its activities to promote and develop the game globally.

CONSOLIDATED FINANCIAL RESULTS

The surplus for the year amounted to USD 101.3M (2011: USD 203.8M). Key features include:-

- Total revenue amounted to USD 161.7M (2011: USD 353.8M), which includes USD 20.7M (2011: USD 24.1M) from Members subscriptions, USD 131.9M (2011: USD 321.2M) from event revenue and USD 5.7M (2011: USD 5.9M) from ICC's commercial and other activities. Interest and other financial income totalled USD 3.4M (2011: USD 2.6M).
- Operating costs amounted to USD 60.4M (2011: USD 149.9M), which includes event cost of USD 37.1M (2011: USD 121.9M). General and administrative expenses relating to the management of the global game of cricket totalled USD 23.3M (2011: USD 28M).

During the year, Members were paid an advance of USD 75.1 million in relation to the estimated surplus expected from ICC World Twenty20 2012 event. Any further payments will be made after the event accounts are finalised.

During the year, Members were paid dividends amounting to USD Nil (2011: USD 180M).

CAPITAL AND RESERVES

- Capital and Reserves amount to USD 126.4M (2011: USD 33.6M), represented by Reserves of USD 36.3M (2011: USD 29 million) and Surplus (Allocable and Retained) of USD 90.1M (2011: USD 4.6M).

INSURANCE OF DIRECTORS AND OFFICERS

During the year the Group paid premiums to insure all Directors and Officers of the Group. The insurance policy covers any Director or Officer of the Group including past Directors, the Chairman, Managing Director, Secretary and employees of the Group. The liabilities insured 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 Group.

AUDITORS

A resolution to appoint the Group's auditors for the forthcoming year will be put to the Annual General Meeting.

For and on behalf of the Board

Alan Isaac
Chairman
17 April 2013

GROUP DIRECTORY

AT 31 DECEMBER 2012

The consolidated financial statements comprise the results of ICC Development (International) Limited (the Company) and its subsidiary companies ICC (Events) Limited, International Cricket Council FZ-LLC, IDI Mauritius Limited and IDI Hungary KFT, hereafter referred to as the "Group".

The Group is owned by International Cricket Council for the benefit of all its Members.

GENERAL INFORMATION

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, does not have share capital and undertakes no transactions.

The ICC currently has 106 Members located worldwide.

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:

Craigmuir Chambers,
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 and to the 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,
Petofi Sandor U, 40,
Hungary

DIRECTORS

Executive Director

David Richardson	Managing Director	Appointed 2012

Non-Executive Directors

Director		Director Since
Alan Isaac	Chairman	2008
Mustafa AHM Kamal	Vice-Chairman	2009
Wally Edwards	Full Member representative, Australia*	2012
Nazmul Hassan	Full Member representative, Bangladesh*	2012
Giles Clarke	Full Member representative, England*	2007
N Srinivasan	Full Member representative, India*	2011
Chris Moller	Full Member representative, New Zealand*	2010
Zaka Ashraf	Full Member representative, Pakistan*	2012
Chris Nenzani	Full Member representative, South Africa*	2013
Upali Dharmadasa	Full Member representative, Sri Lanka*	2012
Dave Cameron	Full Member representative, West Indies*	2013
Peter Chingoka	Full Member representative, Zimbabwe*	1997
Neil Speight	Associate Member representative, Bermuda+	2008
Imran Khwaja	Associate Member representative, Singapore+	2008
Keith Oliver	Associate Member representative, Scotland+	2010

* *Full Member representatives are the President/Chairman of the National Cricket Federation in their respective country or the designated representative of that National Cricket Federation.*

\+ *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
Sharad Pawar	Chairman	2012
Haroon Lorgat	Managing Director	2012
AK Khan	Full Member Representative, South Africa	2012
Julian Hunte	Full Member Representative, West Indies	2013
Willie Basson	Full Member Representative, South Africa	2013

No Director held an interest in the shares of the Company during the year.

Iain Higgins
Company Secretary
17 April 2013

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INTERNATIONAL CRICKET COUNCIL

We have audited the accompanying consolidated financial statements of ICC Development (International) Limited (the "Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2012 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.

AUDITOR'S 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 auditor's judgment, 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 for 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 Group as of 31 December 2012 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

EMPHASIS OF MATTER PARAGRAPH

We draw attention to note 22a to the consolidated financial statements, which describes in detail a threatened legal action against the Group. Our opinion is not qualified in respect of this matter.

Ernst + Young

17 April 2013
Dubai

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2012

	Notes	**2012 USD'000**	2011 USD'000
Event related activities			
Revenue from ICC Events	3	**131,906**	321,192
Cost relating to ICC Events	4	**(37,121)**	(121,921)
Net surplus relating to ICC Events		**94,785**	199,271
Other activities			
Subscription and other revenue	5	**26,402**	29,932
Interest and investment income – net	6	**3,420**	2,643
General and administrative expenses	7	**(23,271)**	(27,307)
Foreign exchange gain / (loss), net		**10**	(676)
Net income from other activities		**6,561**	4,592
Net surplus before taxation		**101,346**	203,863
Taxation	8	**(15)**	(23)
NET SURPLUS FOR THE YEAR		**101,331**	203,840
Other comprehensive income			
Realised loss on sale of available-for-sale investments		**(1,239)**	-
Unrealised gain / (loss) on revaluation of available-for-sale investments		**572**	(402)
Other comprehensive loss for the year		**(667)**	(402)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**100,664**	203,438

The attached notes 1 to 27 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2012

	Notes	2012 USD'000	2011 USD'000
ASSETS			
Non-current assets			
Property and equipment	10	**7,451**	6,740
Available-for-sale investments	11	**43,125**	36,578
Loan to Full Members	12	**6,000**	5,500
		56,576	48,818
Current assets			
Receivables and prepayments	12	**143,580**	62,657
Short term deposits, current accounts and cash	13	**23,371**	55,522
		166,951	118,179
Total assets		**223,527**	166,997
LIABILITIES			
Non-current liabilities			
Employees' end of service benefits	14	**2,740**	2,275
Advances received	15	**23,378**	27,207
		26,118	29,482
Current liabilities			
Advances received	15	**28,920**	6,689
Bank overdraft	16	**20**	1,401
Short term loan	17	**6,020**	6,004
Accounts payable, accruals and provisions	18	**25,138**	76,789
Surplus in cricket development funds	19	**10,933**	13,004
		71,031	103,887
Total liabilities		**97,149**	133,369
Net assets		**126,378**	33,628
REPRESENTED BY			
Members' Funds			
Share capital	20	**-**	-
Reserves	21	**36,293**	29,059
Allocable surplus		**86,871**	-
Retained surplus		**3,214**	4,569
		126,378	33,628

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 17 April 2013 and were signed on its behalf by:

Alan Isaac
Chairman

David Richardson
Managing Director

The attached notes 1 to 27 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' FUNDS

YEAR ENDED 31 DECEMBER 2012

	Allocable surplus USD'000	Retained surplus USD'000	Total surplus USD'000	Reserves (note 21) USD'000	Total USD'000
At 1 January 2011	-	9,565	9,565	19,896	29,461
Net surplus for the year	203,840	-	203,840	-	203,840
Other comprehensive loss	-	-	-	(402)	(402)
Total comprehensive income for the year	203,840	-	203,840	(402)	203,438
Appropriations					
Dividend to Members	(199,271)	-	(199,271)	-	(199,271)
Transfer	(4,569)	(4,996)	(9,565)	9,565	-
At 31 December 2011	-	4,569	4,569	29,059	33,628
Net surplus for the year	101,331	-	101,331	-	101,331
Other comprehensive loss	-	-	-	(667)	(667)
Total comprehensive income for the year	101,331	-	101,331	(667)	100,664
Appropriations					
Allocation to ICC Global Cricket Development Programme	(7,914)	-	(7,914)	-	(7,914)
Transfer	(6,546)	(1,355)	(7,901)	7,901	-
At 31 December 2012	**86,871***	**3,214**	**90,085**	**36,293**	**126,378**

*This is the provisional surplus for the ICC World Twenty20 2012 event (see note 9 and 12).

The attached notes 1 to 27 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 USD'000	2011 USD'000
OPERATING ACTIVITIES			
Surplus before tax		**101,346**	203,863
Adjustments to reconcile surplus to net cash flows:			
Depreciation	10	**1,272**	1,125
Provision for employees' end of service benefits	14	**1,007**	439
Interest and other investment income	6	**(3,420)**	(2,643)
		100,205	202,784
Working capital adjustments:			
Receivables and prepayments		**(81,423)**	47,395
Accounts payable, accruals and provisions		**(51,651)**	69,957
Advances received		**18,402**	(115,522)
		(14,467)	204,614
Employees' end of service benefits paid	14	**(542)**	(190)
Income tax		(15)	(23)
Net cash flows (used in) from operating activities		**(15,024)**	204,401
INVESTING ACTIVITIES			
Purchase of property and equipment	10	**(1,983)**	(394)
Purchase of available-for-sale investments	11	**(46,048)**	(9,673)
Proceeds from sale of available-for-sale investments		**38,766**	-
Term deposits having maturity after 3 months		**9,627**	(9,991)
Interest and other financial income received		**3,488**	2,483
Net cash flows from (used in) investing activities		**3,850**	(17,575)
FINANCING ACTIVITIES			
Short term loan obtained during the year	17	**6,020**	36,004
Short term loans repaid during the year	17	**(6,004)**	(30,000)
Net amount utilised for ICC Global Cricket Development Programme		**(9,985)**	(5,645)
Dividend to Members	9	**-**	(180,000)
Net cash flows used in financing activities		**(9,969)**	(179,641)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(21,143)**	7,185
Cash and cash equivalents at 1 January	13	**44,130**	36,945
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	13	**22,987**	44,130

The attached notes 1 to 27 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2012

1 ACTIVITIES

ICC Development (International) Limited (the "Company" or "IDI") is a limited liability company registered and incorporated in the British Virgin Islands. IDI is owned by International Cricket Council ("ICC") for the benefit of all its Members. There are currently 106 Members of the ICC.

IDI is principally responsible for:

(i) Managing ICC cricket events;

(ii) Managing the commercial rights to cricket events;

(iii) Managing the ICC Development Programme; and

(iv) Providing such administrative and other services as are required by the ICC.

The registered head office of IDI is at Craigmuir Chambers, Road Town, Tortola, Territory of the British Virgin Islands.

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.

The consolidated financial statements have been presented in US Dollars, which is the functional currency of the Company. 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 2012 of the IDI and its following subsidiaries ("the Group").

Name of the subsidiary	Country of incorporation	Percentage Shareholding		Principal activities
		2012	2011	
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 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 2012

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF CONSOLIDATION (CONTINUED)

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the 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 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:

- IAS 12 Income Taxes (Amendment) – Deferred Taxes: Recovery of Underlying Assets
- IFRS 1 First-Time Adoption of International Financial Reporting Standards (Amendment) – Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters IFRS 7 Financial Instruments: Disclosures (Amendments)
- IFRS 7 Financial Instruments : Disclosures – Enhanced Derecognition Disclosure Requirements

The adoption of the new and amended IFRS and IFRIC interpretations with effect from 1 January 2012 has no effect on the consolidated financial statements of the Group.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of standards and interpretations have been issued, but not yet effective, up to the date of issuance of the Group's financial statements. The Group intends to adopt these standards when they become effective. Management of the Group believe that none of these standards and interpretations would have any effect on the consolidated financial statements except for the following:

IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1

The amendments to IAS 1 change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or 'recycled') to profit or loss at a future point in time (for example, actuarial gains and losses on defined benefit plans and revaluation of land and buildings) would be presented separately from items that will never be reclassified (for example, net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets). The amendment affects presentation only and has no impact on the Group's financial position or performance. The amendment becomes effective for annual periods beginning on or after 1 July 2012, and will therefore be applied in the Group's first annual report after becoming effective.

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard was initially effective for annual periods beginning on or after 1 January 2015. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Group's financial assets, but will not have an impact on classification and measurements of financial liabilities. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

IFRS 13 Fair Value Measurement

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The Group is currently assessing the impact that this standard will have on the financial position and performance. This standard becomes effective for annual periods beginning on or after 1 January 2013.

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 26.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2012

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the 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. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised.

Event related activities

Revenue from cricket events is recognised as earned at the time when respective cricket events are concluded. The interim collections for 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.

Members' subscriptions

Revenue from Members subscriptions are recognised over the period to which they relate.

Interest and investment income

Interest income is recognised as the interest accrues using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Income from investments is recognised when right to receive is established.

Grants

Grants are recognised as income over the period necessary to match them with the related costs which they are intended to compensate.

EVENT COSTS

The 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 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. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2012

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TAXES (CONTINUED)

Deferred tax (continued)

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or in profit or loss.

PROPERTY AND EQUIPMENT

Property and equipment comprises the 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 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 plant and equipment. All other expenditure is recognized in the statement of 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 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.

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 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 Group commits to purchase or sell the asset.

The 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 overleaf:

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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 and in cost of sales or other operating expenses for receivables.

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 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 in finance costs. Interest earned whilst holding available-for-sale financial investments is reported as interest income using the EIR method.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets and management's intention to do so significantly changes in the foreseeable future, the Group may elect to reclassify these financial assets. Reclassification to loans and receivables is permitted when the financial assets meet the definition of loans and receivables and the Group has the intent and ability to hold these assets for the foreseeable future or until maturity. Reclassification to the held-to-maturity category is permitted only when the entity has the ability and intention to hold the financial asset accordingly.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the consolidated statement of comprehensive income.

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 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the 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 Group's continuing involvement in the asset. In that case, the 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 Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

FINANCIAL LIABILITIES

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified 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 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 Group's financial liabilities include trade and other payables, bank overdrafts and loans and 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.

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2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 Group provides end of service benefits to its employees. The entitlement to these benefits is usually based upon the employees' gross 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.

PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, 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.

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 consolidated statement of comprehensive income on a straight-line basis over the lease term.

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 initially recorded by the Group at the currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated 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 as 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' at the conclusion of the cricketing event in accordance with the established policies of the Group.

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.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial instruments that are traded in active markets at each reporting date is 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2012

3 REVENUE FROM ICC EVENTS

	2012 USD'000	2011 USD'000
ICC World Twenty20 2012	**128,755**	-
ICC U19 CWC 2012	**3,151**	-
ICC Cricket World Cup 2011	**-**	321,192
	131,906	321,192

4 COST RELATING TO ICC EVENTS

	2012 USD'000	2011 USD'000
ICC World Twenty20 2012	**29,141**	-
ICC U19 CWC 2012	**5,075**	-
ICC Awards 2012	**733**	-
ICC Awards 2011	**-**	830
ICC Cricket World Cup 2011	**-**	121,091
	34,949	121,921
Annual Ranking Awards	**500**	-
Umpires and Referees	**3,785**	-
	39,234	121,921
Allocated to Cricket Development Funds (note 19)	**(2,113)**	-
	37,121	121,921

ICC events are held in various tax jurisdictions. ICC'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 formalizations are currently in progress. As such, the directors believe that the ICC is protected in all the event jurisdictions from any incremental tax liability.

5 SUBSCRIPTION AND OTHER REVENUE

	2012 USD'000	2011 USD'000
Member subscriptions	**20,660**	24,072
Other commercial revenue	**3,543**	3,365
Match fines, fees and others	**2,199**	2,495
	26,402	29,932

6 INTEREST AND INVESTMENT INCOME - NET

	2012 USD'000	2011 USD'000
Interest income from short term deposits	**594**	1,091
Interest on loan to Members	**314**	137
Income from available-for-sale investments	**2,512**	1,415
	3,420	2,643

7 GENERAL AND ADMINISTRATIVE EXPENSES

	2012 USD'000	2011 USD'000
Staff and consultants' related cost	**11,410**	13,642
Travel related costs	**1,749**	2,202
Special projects	**582**	2,109
Meetings and Annual Conference	**1,636**	1,814
Depreciation	**1,272**	1,125
Annual Ranking awards*	**-**	500
Utilities and other premises related costs	**426**	406
Other expenses	**7,353**	5,509
	24,428	27,307
Allocated to Cricket Development Funds (note 19)**	**(1,157)**	-
	23,271	27,307

* During the year, Annual Ranking award expenses have been funded by an allocation from event revenues (note 4).

** During the year, general and administrative expenses relating to cricket development department have been allocated to the Cricket Development Funds (note 19).

8 INCOME TAX

	2012 USD'000	2011 USD'000
Corporation tax - subsidiaries	**15**	23

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

	2012 USD'000	2011 USD'000
Dividend to Members		
ICC World Twenty 20 2012*	**-**	-
ICC Cricket World Cup 2011	**-**	180,000
Sub-total	**-**	180,000
Allocation to ICC Global Cricket Development Programme (note 19)		
ICC World Twenty20 2012	**7,725**	-
ICC U19 CWC 2012	**189**	-
ICC Cricket World Cup 2011	**-**	19,271
Sub-total	**7,914**	19,271
Total	**7,914**	199,271

* The dividend to Members in respect of the ICC World Twenty20 2012 will be declared after the event accounts are finalised (also see note 12).

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 19).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2012

10 PROPERTY AND EQUIPMENT

	ICC Headquarters Building USD'000	Furniture, fixtures, equipment & vehicles USD'000	Total USD'000
Cost:			
At 1 January 2012	6,787	4,257	11,044
Additions during the year	9	1,974	1,983
At 31 December 2012	**6,796**	**6,231**	**13,027**
Accumulated depreciation:			
At 1 January 2012	880	3,424	4,304
Depreciation charge for the year	357	915	1,272
At 31 December 2012	**1,237**	**4,339**	**5,576**
Net book value:			
At 31 December 2012	**5,559**	**1,892**	**7,451**
Cost:			
At 1 January 2011	6,738	3,912	10,650
Additions during the year	49	345	394
At 31 December 2011	6,787	4,257	11,044
Accumulated depreciation:			
At 1 January 2011	543	2,636	3,179
Depreciation charge for the year	337	788	1,125
At 31 December 2011	880	3,424	4,304
Net book value:			
At 31 December 2011	5,907	833	6,740

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. After 1 January 2015, the Group can exercise a "put option" to sell the land and building to Dubai Sports City at the cost of construction and fit out which it had initially incurred.

Property and equipment includes assets costing USD 2.7 million (2011: USD 0.8 million) which are fully depreciated but are still in active use

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2012

11 AVAILABLE-FOR-SALE INVESTMENTS

	2012 USD'000	2011 USD'000
At 1 January	**36,578**	27,599
Additions during the year	**46,048**	9,673
Disposals during the year	**(38,766)**	-
Change in fair values	**(667)**	(402)
Amortisation of premium on acquisition	**(68)**	(292)
At 31 December	**43,125**	36,578
Available-for-sale investments are made up of as follows:		
Debt instruments – cost after amortisation	**42,900**	35,686
Cumulative fair value reserve (see note 21)	**225**	892
At the end of the year	**43,125**	36,578

Included in available-for-sale investments are debt instruments with carrying value amounting to USD 43.1 million (2011: USD 36.6 million) which are under lien against the overdraft facility and short term loan availed by the Group (see note 16 and 17).

12 RECEIVABLES AND PREPAYMENTS

	2012 USD'000	2011 USD'000
Advances – ICC Global Cricket Development Programme	**67**	1,535
Receivables for sale of media and commercial rights	**41,824**	49,630
Staff advances	**1,044**	995
Interest receivable	**415**	927
Loan to an Associate Member	**-**	112
Loans to Full Members	**8,543**	9,729
Amounts due from Full Members	**1,065**	-
Amounts due from Associate Members	**177**	74
Events related prepayments	**14,913**	2,332
Prepaid expenses and other receivables	**6,476**	2,823
Advance to Members*	**75,056**	-
	149,580	68,157
Loan to Full Members (non-current portion)	**(6,000)**	(5,500)
	143,580	62,657

*This amount is the advance paid to Members in respect of the prospective dividend for the ICC World Twenty20 2012 event (also see note 9).

Loans 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 million (2011: USD 5.5 million) advanced to Full Member Boards is classified as non-current as it is due twelve months after the date of consolidated statement of financial position.

Event related prepayments are mainly in respect of the ICC Cricket World Cup 2015.

12 RECEIVABLES AND PREPAYMENTS (CONTINUED)

As at 31 December 2012, receivables for sale of media and commercial rights of an initial value of USD Nil (2011: USD 40 thousand) were impaired. Movements in the allowance for impairment of receivables were as follows:

	2012 USD'000	2011 USD'000
At 1 January	**40**	40
Amount written off	**(40)**	-
At 31 December	**-**	40

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

			Past due but not impaired			
	Total USD'000	Neither past due nor impaired USD'000	1-30 days USD'000	31-90 days USD'000	91-180 days USD'000	>180 days USD'000
2012	**41,824**	**17,232**	**23,680**	**561**	**116**	**235**
2011	49,630	45,454	10	1,576	746	1,844

The 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 Group to obtain collateral over receivables and the vast majority are, therefore, unsecured.

13 SHORT TERM DEPOSITS, CURRENT ACCOUNTS AND CASH

	2012 USD'000	2011 USD'000
Current accounts and cash	**8,007**	5,472
Short term bank deposits (maturity of 3 months or less)	**15,000**	40,059
Short term bank deposits (maturity over 3 months)	**364**	9,991
Short term deposits, current accounts and cash	**23,371**	55,522

Depending on the cash requirements of the Group, short term deposits are made for varying periods of between fifteen days and six months and earn interest at the prevailing short-term deposit rates.

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

	2012 USD'000	2011 USD'000
Cash and short term deposits	**23,371**	55,522
Short term bank deposits (maturity over 3 months)	**(364)**	(9,991)
Bank overdraft (note 16)	**(20)**	(1,401)
Cash and cash equivalents	**22,987**	44,130

14 EMPLOYEES' END OF SERVICE BENEFITS

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

	2012 USD'000	2011 USD'000
Provision as at 1 January	**2,275**	2,026
Provided during the year	**1,007**	439
Paid during the year	**(542)**	(190)
Provision as at 31 December	**2,740**	2,275

15 ADVANCES RECEIVED

	2012 USD'000	2011 USD'000
Commercial and event related advances	**52,298**	33,896
Classified in the consolidated statement of financial position as:		
Non-current position	**23,378**	27,207
Current position	**28,920**	6,689
	52,298	33,896

16 BANK OVERDRAFT

	2012 USD'000	2011 USD'000
Bank overdraft	**20**	1,401

The Group has in place an overdraft facility up to a maximum of USD 8.75 million (2011: USD 10 million). The facility carries interest at commercial rates and is secured by lien over available-for-sale investment (see note 11) with the same bank.

17 SHORT TERM LOAN

	2012 USD'000	2011 USD'000
Short term loan	**6,020**	6,004

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

18 ACCOUNTS PAYABLE, ACCRUALS AND PROVISIONS

	2012 USD'000	2011 USD'000
Amounts due to Full Members	**298**	45,316
Amounts due to Associate Members (including Associate Member Fund)	**8,014**	18,487
Accruals	**14,758**	10,449
Others	**2,068**	2,537
	25,138	76,789

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2012

19 CRICKET DEVELOPMENT FUNDS

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

	2012 USD'000	2011 USD'000
Surplus / (deficit) at 1 January	**13,004**	(622)
Allocated during the year (note 9)	**7,914**	19,271
Allocations including transfer from Associate Member Fund	**5,907**	4,823
Utilised during the year	**(13,045)**	(10,468)
Allocation of general and administrative expenses (note 7)	**(1,157)**	-
Net shortfall for ICC U19 CWC 2012 expensed against the Fund (note 4)	**(2,113)**	-
Net shortfall for ICC U19 CWC 2012 allocated to Asian Cricket Council	**423**	-
Surplus at 31 December	**10,933**	13,004

Utilised and allocated (general and administrative expense) during the year represents:

	2012 USD'000	2011 USD'000
Region		
Asia	**6,290**	3,835
Europe	**1,665**	1,606
Africa	**1,317**	1,325
Americas	**1,162**	1,428
East Asia-Pacific	**748**	904
Cricket Development costs incurred centrally	**3,020**	1,370
	14,202	10,468

20 SHARE CAPITAL

	Authorised		Issued and fully paid	
	2012 USD	2011 USD	**2012 USD**	2011 USD
50 thousand shares of USD 1	**50,000**	50,000		
1 bearer share of USD 1			**1**	1

The bearer share is held by ICC for the benefit of all its Members.

21 RESERVES

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

General reserve amounts to USD 36.1 million (2011: USD 28.2 million).

Cumulative changes in fair value of available-for-sale investments amounted to USD 0.2 million (2011: USD 0.9 million).

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22 COMMITMENTS AND CONTINGENCIES

Capital commitments		
Estimated capital expenditure contracted for at the statement of financial position date but not provided for:		
	2012 USD'000	2011 USD'000
Future expenditure - contracted at the statement of financial position date	**720**	-

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

	2012 USD'000	2011 USD'000
Contingencies		
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

a) 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 the ICC and England and Wales Cricket Board 'ECB') and served upon the ICC and 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 have 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 scheduled to be heard in October 2013.

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. 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.

Related to these actions, the ICC Executive Board has agreed to provide an indemnity to the ECB in relation to all costs, damages and awards that might be made against it 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.

b) IDI has also provided a conditional indemnity (of up to USD 1 million) to a Member in relation to its legal costs in respect of proceedings brought against that Member.

23 RELATED PARTY TRANSACTIONS

Related parties represent ICC Members, Directors and key management personnel of the 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.

	2012 USD'000	2011 USD'000
Remuneration of key management personnel:		
Executive	**1,239**	888
Non-Executive	**270**	410

24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise bank overdraft, short term loan and accounts payable. The 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 term deposits, which arise directly from its operations.

The main risks arising from the 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 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 Group's surplus and equity.

Increase in basis points	**Impact on surplus 2012 USD'000**	**Impact on equity 2012 USD'000**	Impact on surplus 2011 USD'000	Impact on equity 2011 USD'000
100	**264**	**(1,810)**	449	(768)

The sensitivity of the surplus 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 is calculated by revaluing fixed rate available-for-sale financial assets 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 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 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 Group, including cash and cash equivalents, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

24 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 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 2012	**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 accruals	**8,014**	**2,366**	**10,380**	**-**	**-**	**10,380**
Amount managed (on behalf of the Members of ICC) for the ICC Global Cricket Development Programme	**10,933**	**-**	**10,933**	**-**	**-**	**10,933**
Short term loan	**6,055**	**-**	**6,055**	**-**	**-**	**6,055**
Bank overdraft	**21**	**-**	**21**	**-**	**-**	**21**
Total	**25,023**	**2,366**	**27,389**	**-**	**-**	**27,389**

At 31 December 2011	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 accruals	21,024	45,316	66,340	-	-	66,340
Amount managed (on behalf of the Members of ICC) for the ICC Global Cricket Development Programme	13,004	-	13,004	-	-	13,004
Bank overdraft	1,401	-	1,401	-	-	1,401
Short term loan	6,017	-	6,017	-	-	6,017
Total	41,446	45,316	86,762	-	-	86,762

24 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 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. Sensitivity of the statement of comprehensive income and expenditure to reasonable possible changes in foreign currencies conversion rate is demonstrated below.

	Change in foreign currencies rate to USD %	Effect on surplus for the year USD'000
31 December 2012		
GBP	**+5**	**-**
GBP	**-5**	**-**
AUD	**+5**	**477**
AUD	**-5**	**(477)**

	Change in foreign currencies rate to USD %	Effect on surplus for the year USD'000
31 December 2011		
GBP	+ 5	(12)
GBP	- 5	12
AUD	+ 5	698
AUD	- 5	(698)

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 Group's capital management is to ensure that it maintains sufficient funds in order to support its activities and maximise Members' value.

The 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 share capital, reserves and surplus (allocable and retained), and is measured at USD 126.4 million (2011: USD 33.6 million).

25 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 Full Members and available-for-sale investments. Financial liabilities consist of payables, Cricket Development funds, bank overdraft 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 Group held the following financial instruments measured at fair value:

The 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 2012 USD'000**	**Level 1 USD'000**	**Level 2 USD'000**	**Level 3 USD'000**
Available-for-sale investments	**43,125**	**38,255**	**4,870**	**-**
	31 Dec 2011 USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000
Available-for-sale investments	36,578	36,578	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2012

26 KEY SOURCES OF ESTIMATION UNCERTAINTY

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 Group has the intention and ability to hold these to maturity.

The 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 41.8 million (2011: USD 49.7 million) and the allowance for impairment against doubtful debts amounted to USD Nil (2011: USD 0.04 million). 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 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 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 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 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 and expenditure.

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 Group on behalf of Associate and Affiliate Members in this respect are classified as a liability.

27 EVENTS AFTER THE END OF THE REPORTING PERIOD

Cyprus and the Eurogroup reached an agreement on 25 March 2013 on a package of measures intended to restore the viability of the financial sector and sound public finances over the coming years. Cyprus and the Troika (i.e. the EU, the International Monetary Fund and the European Central Bank) reached an agreement on the final terms of a memorandum of understanding in order to implement the agreement. The financial assistance that Cyprus will be receiving is subject to a bank restructuring program. The memorandum of understanding ("MOU") was approved on 12 April 2013 and, is subject to the completion of national procedures, the first inflow of funds will be in mid May. The package of measures is aimed to restore the soundness of the Cypriot banking sector, to correct the general government deficit, to increase the efficiency of public spending, to improve the functioning of the public sector and to support competitiveness and sustainable and balanced growth.

As of 31 December 2012, the Group's assets domiciled in Cyprus (specifically bank balance totalling USD 0.058 million as at 31 December 2012) are not significant. On this basis, management does not anticipate any material impact on the future recovery of the Group's assets from the implementation of the agreed measures.

There were no other material events after the reporting date that affects the consolidated financial statements for the year ended 31 December 2012.

ICC Development
(International) Ltd.