THE INTERNATIONAL CRICKET COUNCIL
AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2017

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors take pleasure in presenting their report together with the audited consolidated financial statements for the year ended 31 December 2017 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, IDI Hungary KFT and ICC Americas, 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 Champions Trophy 2017 and the ICC Women's World Cup 2017 as well as development programme activities to promote and develop the game globally.

CONSOLIDATED FINANCIAL RESULTS

The net surplus for the year before taxation amounted to USD 201M. Key features include:

- Total revenue amounted to USD 313.5M, which includes USD 193M from events revenue and USD 9.6M from the ICC Group's commercial and other activities and USD 107.6M from the reversal of contribution cost and test cricket fund. Interest and other financial income totalled USD 3.2M.
- Costs amounted to USD 112.6M, which includes events cost of USD 70M. General and administrative and other expenses relating to the management of the global game of cricket totalled USD 42.6M.

As of 31 December 2017, members were paid advances amounting to USD 206.8M (of which USD 27.8M is payable to associate members). These will be treated as dividends after due ratification by the members.

CAPITAL AND RESERVES

- Capital and Reserves amount to USD 350.6M, represented by Reserves of USD 67.4M and Allocable surplus of USD 283.2M.

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 appoint auditors for the ensuing year will be put to the Members at the Annual General Meeting.

For and on behalf of the ICC Board of Directors

Manohar

Shashank Manohar
Chairman
20 May 2018

GROUP DIRECTORY

AT 31 DECEMBER 2017

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 104 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 (during the period up until 30 June 2015) 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 and the ICC 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:

St Louis Business Centre
Cnr Desroches & St Louis Streets
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

ICC AMERICAS ("ICCA")

ICCA was incorporated in Colorado Springs, USA as a not for profit Company in July 2016 to administer, develop, coordinate and promote cricket worldwide and more particularly in the Americas region.

There are no shares in ICCA but ICC is the sole member.

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

1631 Messa Avenue, Suite E
Colorado Springs 80906 – 2960
United States of America.

GROUP DIRECTORY

AT 31 DECEMBER 2017

ICC BOARD DIRECTORS

Director		Director Since
Shashank Manohar	Independent Chairman	2015
David Richardson	Chief Executive	2012
David Peever	Full Member representative, Australia *	2015
Nazmul Hassan	Full Member representative, Bangladesh *	2012
Giles Clarke	Full Member representative, England *	2007
Greg Barclay	Full Member representative, New Zealand *	2014
Chris Nenzani	Full Member representative, South Africa *	2013
Thilanga Sumathipala	Full Member representative, Sri Lanka *	2016
Dave Cameron	Full Member representative, West Indies *	2013
Tavengwa Mukuhlani	Full Member representative, Zimbabwe *	2015
Ross McCollum	Full Member representative, Ireland*	2016
Imran Khwaja	Associate Member representative, Singapore +	2008
Francois Erasmus	Associate Member representative, Namibia +	2014
Shukrullah Atif Mashal	Full Member representative, Afghanistan*	2017
Amitabh Choudhary	Full Member representative, India*	2017
Najam Sethi	Full Member representative, Pakistan *	2017
Mahinda Vallipuram	Associate Member representative, Malaysia +	2017

* 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 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
Anurag Thakur	Full Member representative, India *	2017
Shaharyar Khan	Full Member representative, Pakistan *	2017

Iain Higgins
Chief Operating Officer, General Counsel & Company Secretary
20 May 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE INTERNATIONAL CRICKET COUNCIL

OPINION

We have audited the consolidated financial statements of The International Cricket Council ("ICC" or the "Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position of the Group as at 31 December 2017, and the consolidated statement of comprehensive income, consolidated statement of changes in members' funds and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2017, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

We draw attention to Note 23 (c) to the consolidated financial statements which describes in detail a legal action against ICC. Our opinion is not modified in respect of this matter.

RESPONSIBILITY OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and in compliance with the applicable provisions of the Company's Memorandum of Association, 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.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's consolidated financial reporting process.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE INTERNATIONAL CRICKET COUNCIL

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

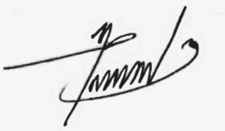
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For Ernst & Young



Signed by:
Ali Eltilib
Partner
Registration number: 1118

20 May 2018
Dubai, United Arab Emirates

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	**2017 USD'000**	2016 USD'000
Event related activities			
Revenue from ICC Events	3	**193,043**	290,387
Reversal of Contribution cost	19.1	**94,515**	-
Costs relating to ICC Events	4	**(70,048)**	(160,812)
Net surplus relating to ICC Events		**217,510**	129,575
Other activities			
Reversal of Test Cricket fund	20	**13,125**	-
Other revenue	5	**9,603**	8,612
Interest and investment income – net	6	**2,790**	2,117
General and administrative expenses	7.1	**(42,490)**	(45,792)
Foreign exchange loss – net		**(96)**	(1,563)
Net gain/(loss) on financial assets	7.2	**410**	(918)
Net loss from other activities		**(16,658)**	(37,544)
Net surplus before taxation		**200,852**	92,031
Taxation	4,8 & 27	**-**	-
NET SURPLUS FOR THE YEAR		**200,852**	92,031
Other comprehensive income			
Other comprehensive income to be reclassified subsequently to profit or loss			
Reclassification of cumulative changes in fair value of available-for-sale-investments to income statement		**(410)**	(515)
Changes in fair value of available-for-sale investments	10	**618**	666
Other comprehensive income for the year		**208**	151
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**201,060**	92,182

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2017

	Notes	2017 USD'000	2016 USD'000
ASSETS			
Non-current assets			
Property and equipment	9	**5,572**	5,728
Available-for-sale investments	10	**72,012**	69,678
Financial assets at fair value through profit or loss	11	**-**	5,005
Loan to Members	12a	**8,609**	10,140
Event related prepayments and advances	12a	**575**	527
		86,768	91,078
Current assets			
Receivables and prepayments	12a	**151,351**	158,898
Advance to Members	12b	**206,817**	133,334
Cash and cash equivalents	13	**61,401**	45,129
		419,569	337,361
Total assets		**506,337**	428,439
LIABILITIES			
Non-current liabilities			
Employees' end of service benefits	14	**5,493**	4,825
Deposits received	16	**95,000**	95,000
		100,493	99,825
Current liabilities			
Advances from sponsors	15	**10,830**	13,410
Bank overdraft	13	**4,910**	1,276
Accounts payable and accruals	17	**21,894**	15,647
Cricket Development fund	18.1	**-**	550
Associate Member fund	18.2	**17,619**	49,310
Contribution cost	19.1	**-**	94,515
Test Cricket fund	20	**-**	4,375
		55,253	179,083
Total liabilities		**155,746**	278,908
Net assets		**350,591**	149,531
REPRESENTED BY			
Members' Funds			
Share capital	21	**-**	-
Allocable surplus		**283,240**	94,546
Reserves	22	**67,351**	54,985
		350,591	149,531

The consolidated financial statements were authorised for issue by the Board of Directors on 20 May 2018 and were signed on their behalf by:

Shashank Manohar 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

FOR THE YEAR ENDED 31 DECEMBER 2017

		Reserves (Note 22)		
	Allocable surplus USD'000	General reserve USD'000	Available for-sale reserve USD'000	Total USD'000
At 1 January 2016	11,647	46,487	(785)	57,349
Net surplus for the year	92,031	-	-	92,031
Other comprehensive income	-	-	151	151
Total comprehensive income for the year	92,031	-	151	92,182
Transfers	(9,132)	9,132	-	-
At 31 December 2016	94,546	55,619	(634)	149,531
Net surplus for the year	200,852	-	-	200,852
Other comprehensive income	-	-	208	208
Total comprehensive income for the year	200,852	-	208	201,060
Transfers	(12,158)	12,158	-	-
At 31 December 2017	**283,240**	**67,777**	**(426)**	**350,591**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 USD'000	2016 USD'000
OPERATING ACTIVITIES			
Net surplus before tax		**200,852**	92,031
Adjustments to reconcile net surplus to net cash flows:			
Depreciation	9	**1,128**	1,325
Provision for employees' end of service benefits	14	**1,054**	892
Interest and investment income – net	6	**(2,790)**	(2,117)
Net gain on financial assets		**(410)**	(579)
		199,834	91,552
Working capital adjustments:			
Receivables and prepayments		**7,999**	(138,157)
Accounts payable and accruals		**6,247**	6,523
Advances received		**(2,580)**	3,685
Contribution cost		**(94,515)**	90,674
Contingency reserve		**2,500**	1,000
Test Cricket fund		**(4,375)**	8,750
		115,110	64,027
Contingency reserve paid	19.2	**(2,500)**	(1,000)
Employees' end of service benefits paid	14	**(386)**	(472)
Income tax paid	8	**-**	(18)
Net cash flows from operating activities		**112,224**	62,537
INVESTING ACTIVITIES			
Purchase of property and equipment	9	**(972)**	(1,084)
Purchase of available-for-sale investments	10	**(38,555)**	(54,215)
Proceeds from disposal of available-for-sale investments	10	**36,839**	91,933
Interest and other financial income received		**2,790**	2,117
Proceeds from financial assets at fair value through profit or loss – net		**5,005**	-
Net cash flows from investing activities		**5,107**	38,751
FINANCING ACTIVITIES			
Short term loans to members repaid during the year		**1,031**	-
Amount utilised for ICC Global Cricket Development Programme		**(436)**	(11,446)
Advance to members		**(79,000)**	(100,000)
Associate Member fund		**(26,288)**	(26,034)
Amount paid for Test Cricket fund		**-**	(8,750)
Net cash flows used in financing activities		**(104,693)**	(146,230)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**12,638**	(44,942)
Cash and cash equivalents at 1 January		**41,856**	3,086
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	13	**54,494**	41,856

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2017

1 ACTIVITIES

The International Cricket Council (the "Company" or "ICC") is a company limited by guarantee and does not have a share capital, it is 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 104 Members.

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.

The International Cricket Council ("ICC") is the international governing body for International Test Match, International One-Day and International Twenty20 cricket. The ICC is primarily responsible for all aspects of the day-to-day operations 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.

New financial model: 2015-2023 cycle

In June 2017, the members approved a new financial model for the period 2015-2023 whereby the Group, amongst others, retrospectively discontinued the contribution fund and test cricket fund, and replaced it with a new model of distribution of surplus (i.e. dividends) to the members. As a result, management has reversed the liabilities towards the contribution fund and test cricket fund to the income statement and reflected the amounts paid to members as per the new financial model as advances to members. These advances will be eventually offset against the surplus distributed to members during the period 2015-2023. The impact of the change in financial model is reflected in the notes 12b, 18.1, 18.2, 19.1 and 20 to the consolidated financial statements.

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 assets at fair value through profit or loss.

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 2017 of the ICC and its following subsidiaries (together the "Group" or "ICC Group"):

Name of the subsidiary	Country of incorporation	Percentage Shareholding 2017	Percentage Shareholding 2016	Principal activities
ICC Business Corporation FZ LLC (IBC)*	United Arab Emirates	**100%**	100%	To manage the commercial rights relating to cricket events of ICC from 1 July 2015.
ICC Development (International) Limited (IDI)*	British Virgin Islands	**100%**	100%	To manage the commercial rights relating to cricket events of ICC up until 30 June 2015. It also manages the ICC Development Program.
ICC Americas	United States of America	**No shares issued. ICC is the sole member.**	-	To administer, develop, co-ordinate and promote the sport of cricket throughout the Americas region.
International Cricket Council FZ-LLC**	United Arab Emirates	**100%**	100%	To provide administrative services to ICC group companies.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF CONSOLIDATION (continued)

The following are the Subsidiaries of IDI:

Name of the subsidiary	Country of incorporation	Percentage Shareholding		Principal activities
		2017	2016	
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.

*Following a formal review of the business requirements and the corporate structure of the ICC, the ICC Board of Directors have resolved that IDI and its subsidiaries in Cyprus, Hungary and Mauritius will be liquidated. The closure process is underway and is expected to be completed by end of 2018. These entities do not carry out any significant commercial transactions.

**As part of the restructuring exercise, 100% ownership of International Cricket Council FZ-LLC has been transferred by IDI to the ICC. International Cricket Council FZ-LLC will continue to provide administrative and support services to the ICC group of companies.

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.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the income statement from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in non-controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in income statement. Any investment retained is recognised at fair value.

If the Group retains any interest in the previous subsidiary, then such interests is measured at fair value at the date that the control is lost. Subsequently it is accounted for an equity accounted investee or as an available for sale financial asset depending on the level of influence retained.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted are consistent with those of the previous financial year, except for the following new standards, amendments and interpretations:

IASB new standards, amendments and interpretations issued, effective, and adopted by the Group

The accounting policies used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2016. The following new accounting standards, amendments and interpretations to accounting standards, which have been adopted from 1 January 2017, did not have any impact on the Group's consolidated financial statements.

Amendments to IAS 7 – Disclosure initiative (issued in January 2016), effective for annual periods beginning on or after 1 January 2017. The amendments require companies to provide information about changes in their financing liabilities to help investors better understand changes in a company's debt. The amendments will further help investors to evaluate changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. The Group has disclosed such changes in financial liabilities in Note 25 to the consolidated financial statement.

Amendment to IAS 12 – Recognition of deferred tax assets for unrealised losses (issued in January 2016), effective for annual periods beginning on or after 1 January 2017.

Annual improvements to IFRSs (2014-2016) (issued in December 2016). The document contains amendments to IFRS 12 that are effective for annual periods beginning on or after 1 January 2017.

IASB new standards, amendments and interpretations issued but not yet effective and not early adopted by the Group

The Group has not adopted the following new accounting standards, amendments and interpretations that have been issued as at 31 December 2017 and are not yet effective.

- **IFRS 15** – Revenue from contracts with customers (issued in May 2014), effective for annual periods beginning on or after 1 January 2018, with early adoption permitted.
- **Clarifications to IFRS 15** – Revenue from contracts with customers (issued in April 2016), effective for annual periods beginning on or after 1 January 2018. The amendments clarify how to identify a performance obligation in a contract, how to determine whether a company is a principal or an agent and how to determine whether the revenue from granting a license should be recognised at a point in time or over time. In addition to the clarifications, the amendments include two additional reliefs to reduce cost and complexity for a company when it first applies the new Standard. The Group is still in the process of quantifying the implications of this standard and the financial impact is not yet reasonably estimable.
- **IFRS 9** – Financial instruments (issued July 2014), effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.
- **IFRS 16** – Leases (issued in January 2016), effective for annual periods beginning on or after 1 January 2019, with early adoption permitted only with the adoption of IFRS 15 Revenue from Contract with Customers.
- **IFRS 17** – Insurance contracts (issued in May 2017), effective for annual periods beginning or after 1 January 2021, with early adoption permitted only with the adoption of both IFRS 9 Financial instruments: classification and measurement and IFRS 15 Revenue from Contract with Customers. IFRS 17 will replace IFRS 4 Insurance Contracts. The new standard establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the standard.
- **Amendments to IFRS 2** – Share-based payments (issued in June 2016), effective for annual periods beginning on or after 1 January 2018. The amendments clarify how to account for certain types of share-based payment transactions.
- Annual improvements to IFRSs (2014-2016) (issued in December 2016). The document contains amendments to IFRS 1 and IAS 28 that are effective for annual periods beginning on or after 1 January 2018.
- **IFRIC 22** – Foreign Currency Transactions and Advance Consideration (issued in December 2016), effective for annual periods beginning on or after 1 January 2018. The interpretation provides requirements about which exchange rate to use in reporting foreign currency transactions (such as revenue transactions) when payment is made or received in advance.
- **IFRIC 23** – Uncertainty over income tax treatments (issued in June 2017), effective for annual periods beginning on or after 1 January 2019. The interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, and on the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances.

Other than impact of adoption of IFRS 9 and IFRS 15, as indicated below, management is currently assessing the impact of adopting these standards and interpretations on the Group's consolidated financial statements in the period of their initial application. The Group intends to adopt these standards, if applicable, when they become effective.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

IFRS 9 Financial Instruments

In July 2014, the IASB completed its project to replace IAS 39, Financial Instruments: Recognition and Measurement by publishing the final version of IFRS 9, Financial Instruments. IFRS 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets.

The new standard must be applied for financial years commencing on or after 1 January 2018. The Group will apply the new rules from 1 January 2018, with the practical expedients permitted under the standard, which allow the comparative information for prior periods not to be restated.

During 2017, the Group has performed a preliminary assessment of adoption of IFRS 9. The Group has reviewed its financial assets and liabilities and does not expect the new guidance to significantly affect the classification and measurement of these financial assets and liabilities.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit and loss and the Group does not have such liabilities. The derecognition rules have been transferred from IAS 39 and have not been changed.

The new impairment model requires the recognition of impairment provisions based on expected credit losses (ECL) rather than only incurred credit losses as is the case under IAS 39. It applies to financial assets measured at amortised cost or fair value through OCI (FVOCI) and to contract assets under IFRS 15 Revenue from Contracts with Customers. Based on the assessment undertaken to date, the Group does not expect any significant impact on the consolidated financial statements as a result of adoption of IFRS 9.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the extent of the Group's disclosures about its financial instruments particularly in the year of adoption of the new standard.

IFRS 15 Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued which established a single comprehensive model for entities to use in accounting for revenues arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

In addition to revenue, the standard also applies to:

- The costs to fulfil the contract; and
- The incremental costs of obtaining a contract.

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

Amendments to IFRS 15 Revenue from Contracts with Customers were made to clarify three aspects of the standard (identifying performance obligations, principal versus agent consideration, and licensing) and to provide some transition relief for modified contracts and completed contracts.

The Group plans to adopt the new standard on the required effective date using the modified retrospective approach, i.e., the contracts that are not complete by 1 January 2018 will be accounted for as if they had been recognised in accordance with IFRS 15 from the very beginning. Prior-year comparatives will not be adjusted; instead, the Group will provide an explanation of the reasons for the changes in items in the consolidated statement of financial position and in the consolidated statement of income for the current period as a result of applying IFRS 15 for the first time. The cumulative effect arising from the transition will be recognised as an adjustment of the opening balance of equity in the year of initial application, i.e. 1 January 2018.

The Group manages the commercial rights relating to cricket events. Revenue is generated by the Group from sale of media and sponsorship rights for ICC events.

The Group's assessment of adoption of IFRS15 and the related impact on the consolidated financial statements are described below in detail:

a) Event related activities:

For contracts with Sponsors and Commercial partners, revenue used to be recognised based on the terms specified by the underlying contractual agreements and in accordance with the distribution pattern of the events conducted by the Group and usually deferred until the completion of respective events. Similarly, costs were deferred and only expensed at the time of the event completion.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

The adoption of IFRS 15 is not expected to have any impact on the Groups' current revenue recognition policy (including related costs, as indicated above) as it has been assessed and concluded that the Group will continue with similar revenue recognition and cost principles. Upon adoption of IFRS 15, the Group expects the revenue recognition to occur at completion of the event at which time the Group would have discharged its performance obligations in respect of the events. These performance obligations include certain other contractual rights such as access to media archives, ICC 360 and to use ICC marks and composite logos that, although they can be availed at any point in time during the contract term, have been included as part of the same performance obligation of the event and is simultaneously discharged towards the completion of such events.

b) Commercial Revenue: Sale of digital clips:

For contracts with customers where the sale of the digital clips is generally expected to be the only performance obligation, adoption of IFRS 15 is not expected to have any impact on revenue. Revenue will continue to be recognised on an accrual basis in line with underlying contractual terms. The Group expects the revenue recognition to occur at the point in time when the ICC provides the customers with the access to those digital clips.

c) Variable consideration:

(i) Value In Kind (VIK)

Certain contracts with Sponsors and Commercial Partners provide for value in kind i.e. goods or services are provided by Sponsors and Partners for free (without any monetary value attributed those goods or services) as part of the underlying contractual agreement with the Group. Currently the Group does not recognise the non-cash consideration or the value in kind received in terms of the contracts. IFRS 15 requires that the fair value of such non-cash considerations received or expected to be received be included in the transaction price.

The Group has concluded that the adoption of IFRS 15 will have an effect on the accounting for the Value in kind.

For the year ended 31 December 2017, the impact of Value in kind from Sponsors and Commercial Partners is as follows:

Consolidated statement of comprehensive income

	As reported USD'000	IFRS 15 impact USD'000	Post IFRS 15 adjustments USD'000
Revenue from ICC Events	193,043	25,782	218,825
Costs relating to ICC Events	(70,048)	(25,782)	(95,830)

It has been concluded that there will not be any impact to profit and loss and members' funds as a result of recognition of revenue from VIK.

If the revenue cannot be reliably measured, the Group defers revenue recognition until the uncertainty is resolved. Such provisions give rise to variable consideration under IFRS 15, and will be required to be estimated at contract inception and updated thereafter. As at the reporting date, there are no such contracts where revenue cannot be reliably measured.

(ii) Sale or Usage based Royalties:

The agreement with certain Sponsors and Commercial Partners includes a fixed rights acquisition fee and sales or usage based royalty (includes minimum guaranteed amount and variable consideration) granting the Sponsors and Commercial Partners the licensing right to produce, market and sell products over the period of the contract. The Group recognises revenue from the fixed right acquisition fee and the minimum guarantee at the time of the completion of the event. The pattern of revenue recognition is in line with the allocation schedule in the contract. The adoption of IFRS15 will result in no impact on the Group's consolidated statement of income as the current policy for recognition of revenue arising from fixed rights acquisition fee and minimum guarantee is consistent with the requirements of IFRS15.

The Group recognises consideration from a license of intellectual property that is based on future sales or usage by the customer only when the subsequent sale of usages occur.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

The Group is entitled to a variable component of sales or usage based royalties if royalties exceed the minimum guarantee threshold as per the contract. At each reporting period, the Group will estimate the variable consideration using the most likely approach. For the year ended 31 December 2017, it has been determined that no significant adjustment is required for the variable consideration as it is unlikely that Group will exceed the minimum guarantee threshold.

d) Advances and Non-refundable deposits received:

For certain contracts, the Group receives short and long term deposits from the Sponsors and Commercial Partners in exchange for the rights granted to them over the period of the respective contract. As per the current accounting policies, no interests is accrued on the long term deposits.

Under IFRS15, Group has determined that short term deposits are not subject to financing as the period between the Group delivering a performance obligation and the payment of deposit by the Sponsors and Commercial Partners for the rights associated with an event is less than a year. For those deposits paid by the Sponsors and Commercial Partners to the Group for rights granted beyond a year, it has been assessed that there is an implicit financing component because of the timing difference between the payment of deposit and the performance of obligations which usually spans for more than 12 months.

As at 31 December 2017, the impact of discounting such long term deposits received from Sponsors and Commercial Partners is determined as follows:

Consolidated statement of financial position

	As reported USD'000	IFRS 15 impact USD'000	Post IFRS 15 adjustments USD'000
Current liabilities	55,253	2,492	57,745
Non-current liabilities	100,493	(3,076)	97,417
Members' funds	350,591	584	351,175

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 disclosed in Note 27.

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 disclosed 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 income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2017

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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.

Capital work-in-progress is not depreciated.

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 income statement 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 income statement 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 income statement 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.

FINANCIAL INSTRUMENTS – INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

FINANCIAL ASSETS

Initial recognition and measurement

Financial assets are classified, at initial recognition, 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 below:

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

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 consolidated 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 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 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 income statement. The losses arising from impairment are recognised in the income statement.

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 the income statement, or the investment is determined to be impaired, when the cumulative loss is reclassified from the available-for-sale reserve to the income statement. 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 income statement.

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, or
- 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.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

IMPAIRMENT OF FINANCIAL ASSETS

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original EIR. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as finance income in the income statement. Loans and advances together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the income statement.

CASH AND CASH EQUIVALENTS

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances and demand deposits, net of outstanding bank overdrafts and restricted deposits.

TRADE AND OTHER RECEIVABLES

Contract and trade receivables 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.

Where payment plans exceed one year from the consolidated statement of financial position date, these are reclassified as non-current.

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 Group determines the classification of its financial liabilities at initial recognition.

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

The Group's financial liabilities include accounts payable and accruals, deposits received, advances received, cricket development fund, associate member fund, contribution cost and test cricket fund.

Subsequent measurement

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

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 income statement.

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 income statement 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 income statement.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Management also compares the changes in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of their nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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' final 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 income statement on a straight-line basis over the lease term.

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 income statement 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AT 31 DECEMBER 2017

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

FOREIGN CURRENCIES

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional 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 rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in the income statement with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time, the cumulative amount is reclassified to the income statement. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other 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 translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the 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 income statement are also recognised in other comprehensive income or income statement, respectively).

TRANSACTIONS ELIMINATED ON CONSOLIDATION

Intra-group balances and transactions, and any unrealised income and expense arising from intra-group transactions are eliminated in preparing these consolidated financial statements.

DIVIDEND TO MEMBERS

Dividend to Members represents those amounts that are determined by the Board of Directors as due to the Members of ICC.

3 REVENUE FROM ICC EVENTS

	2017 USD'000	2016 USD'000
ICC Champions Trophy 2017	185,943	-
ICC Women's World Cup 2017*	7,100	-
ICC World Twenty20 2016	-	283,534
ICC U19 World Cup 2016*	-	6,853
	193,043	290,387

*ICC Group considers these as other commercial events.

4 COSTS RELATING TO ICC EVENTS

	2017 USD'000	2016 USD'000
Commercial events		
ICC Champions Trophy 2017	42,771	-
ICC Women's World Cup 2017*	17,648	-
ICC World Twenty20 2016	-	55,781
ICC U19 World Cup 2016*	-	9,662
Regional and development events		
Intercontinental Cup and World Cricket League Championship**	1,792	749
Women's Cricket World Cup – Qualifier**	771	-
World Cricket League – Div 1***	673	-
U19 Cricket World Cup Qualifier – Div 1***	650	-
World Cricket League – Div 5***	390	306
World Cricket League – Div 3***	358	-
Women's World Twenty20 Qualifier**	279	-
Women's Cricket World Cup Qualifier – Div 1***	205	-
ICC Women Championship**	211	-
World Cricket League – Div 4**	-	371
World Cricket League – Div 2**	-	100
U19 Cricket World Cup Qualifier – Div 2***	-	240
Women's Cricket World Cup Qualifier – Div 1***	-	119
Others	-	10
	65,748	67,338
Annual ranking awards	1,800	1,800
	67,548	69,138
Allocation to contribution cost (Note 19.1)	-	90,674
Allocation to contingency reserve – net (Note 19.2)	2,500	1,000
	70,048	160,812

*ICC Group considers these as other commercial events.

**ICC Group considers these global pathway events.

***ICC Group considers these as regional pathway events.

With the commencement of the new rights cycle on 1 July 2015, all expenditure towards regional and development events form part of ICC events budget (see Note 18.1).

ICC events are held in various tax jurisdictions and Group's commercial arrangements with its constituents are tax protected through a combination of tax exemptions obtained from the Government of host nations, indemnity obtained from host cricket boards/contractual obligations on host cricket boards and tax protected commercial agreements. In respect of ICC events held to date the Directors believe that the tax exemptions received to date and contractual agreements entered with the host cricket boards are adequate to cover and mitigate any unforeseen tax liabilities. As such, the Directors believe that the ICC Group is protected in all the event jurisdictions from any incremental tax liability (see Note 27).

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5 OTHER REVENUE

	2017 USD'000	2016 USD'000
Other commercial revenue	**6,400**	5,295
Match fines, fees and others	**2,188**	1,821
Excess provisions written back	**1,015**	1,496
	9,603	8,612

6 INTEREST AND INVESTMENT INCOME - NET

	2017 USD'000	2016 USD'000
Income from available-for-sale investments	**1,905**	1,594
Interest income from demand deposits	**416**	318
Interest on loan to Members (Note 24)	**469**	205
	2,790	2,117

7.1 GENERAL AND ADMINISTRATIVE EXPENSES

	2017 USD'000	2016 USD'000
Staff and consultant related costs	**22,155**	19,353
Travel related costs	**4,115**	2,362
Special projects*	**1,867**	1,931
Meetings and annual conference	**1,716**	2,170
Depreciation (Note 9)	**1,128**	1,325
Legal and professional costs	**1,413**	798
Utilities and other premises related costs	**554**	560
Allocation to Test Cricket fund (Note 20)	**-**	8,750
Other development related expenses	**1,746**	1,705
Others	**7,796**	6,838
	42,490	45,792

*Special projects mainly include expenses incurred for security expenses in respect of PSL Final and World XI series against Pakistan. Additionally, included are costs for other services provided to members.

7.2 NET GAIN/(LOSS) ON FINANCIAL ASSETS

	2017 USD'000	2016 USD'000
Net gain on disposal of available-for-sale financial assets	**410**	515
Net loss on financial instrument at fair value through profit or loss forward contracts	**-**	(1,497)
Net gain on financial assets at fair value through profit or loss structured investments	**-**	64
	410	(918)

8 INCOME TAX

	2017 USD'000	2016 USD'000
Corporation tax – subsidiaries	**-**	-

Movements in the income tax payable is as follows:

	2017 USD'000	2016 USD'000
At 1 January	**-**	18
Tax charge for the year	**-**	-
Paid during the year	**-**	(18)
At 31 December	**-**	-

9 PROPERTY AND EQUIPMENT

	ICC Headquarters building USD'000	Furniture, fixtures equipment and vehicles USD'000	Capital work-in-progress USD'000	Total USD'000
Cost:				
At 1 January 2017	6,796	9,474	100	16,370
Additions during the year	15	768	189	972
Transfers during the year	100	-	(100)	-
At 31 December 2017	**6,911**	**10,242**	**189**	**17,342**
Accumulated depreciation:				
At 1 January 2017	2,607	8,035	-	10,642
Charge for the year (Note 7.1)	342	786	-	1,128
At 31 December 2017	**2,949**	**8,821**	**-**	**11,770**
Net book value:				
At 31 December 2017	**3,962**	**1,421**	**189**	**5,572**
Cost:				
At 1 January 2016	6,796	8,490	-	15,286
Additions during the year	-	984	100	1,084
At 31 December 2016	6,796	9,474	100	16,370
Accumulated depreciation:				
At 1 January 2016	2,270	7,047	-	9,317
Charge for the year (Note 7.1)	337	988	-	1,325
At 31 December 2016	2,607	8,035	-	10,642
Net book value:				
At 31 December 2016	4,189	1,439	100	5,728

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 5.7 million (2016: USD 3.8 million) which are fully depreciated but are still in active use.

Capital work-in-progress mainly comprises the development of database for ICC Americas operations.

10 AVAILABLE-FOR-SALE INVESTMENTS

	2017 USD'000	2016 USD'000
At 1 January	**69,678**	106,730
Additions during the year	**38,555**	54,215
Disposals during the year	**(36,839)**	(91,933)
Change in fair values, net	**618**	666
At 31 December	**72,012**	69,678
Available-for-sale investments are made up of as follows:		
Available-for-sale investments	**72,438**	70,312
Available-for-sale reserve	**(426)**	(634)
At the end of the year	**72,012**	69,678

Available for sale investments mainly includes investments in debt and equity instruments which are predominantly denominated in USD.

11 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

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

	2017 USD'000	2016 USD'000
At 1 January	**5,005**	4,941
Disposals during the year	**(5,005)**	-
Changes in fair value	**-**	64
At 31 December	**-**	5,005

Financial assets at fair value through profit or loss includes structured investments with a floating coupon rate of 2%-5% (guaranteed minimum interest of 2% per annum). These investments were fully disposed off during the year 2017.

12a RECEIVABLES AND PREPAYMENTS

	2017 USD'000	2016 USD'000
Receivables for sale of media and commercial rights	**53,951**	90,570
Unbilled receivable for sale of media and commercial rights	**43,300**	18,574
Tax receivable (i)	**23,750**	23,750
Amounts due from Full Members (Note 24)	**14,642**	1,004
Events related prepayments and advances	**11,031**	21,114
Loan to full members (Note 24)	**10,609**	11,640
Prepaid expenses and other receivables	**1,508**	1,132
Staff advances	**978**	818
Interest receivable	**579**	618
Prepayments – Global Development Events	**187**	-
Advances – ICC Global Cricket Development Programme (Note 18.1)	**-**	205
Amounts due from Associate Members (Note 24)	**-**	140
	160,535	169,565
Non-current portion		
Loan to full members (ii)	**(8,609)**	(10,140)
Event related prepayments and advances	**(575)**	(527)
	151,351	158,898

Event related prepayments and advances in respect of the future ICC events amounting to USD 575 thousand (2016: USD 527 thousand) are classified as non-current in the consolidated statement of financial position.

As at 31 December, the ageing of unimpaired receivables are 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
2017	**53,951**	**52,672**	**271**	**441**	**8**	**559**
2016	90,570	86,595	30	3,603	202	140

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.

(i) This represents amount withheld in lieu of taxation in respect of a sponsorship agreement. The Group is confident that this amount is fully recoverable.

(ii) As of 31 December 2017, loan to full members represent loan advanced to full members, which carries interest at three month LIBOR plus 3%. Their loans will be repaid from advances/dividends projected to be distributed from cricketing events to be held in future years. Loan of USD 8.6 million (2016: USD 10.1 million) advanced to full member boards are classified as non-current as it is due twelve months after the date of statement of financial position.

See note 25 on credit risk of receivables which explains how the Group manages and measures credit quality of receivables that are neither past due nor impaired.

12b ADVANCE TO MEMBERS

	2017 USD'000	2016 USD'000
Advance paid to Full Members	**179,000**	100,000
Advance transferred to Associate Members	**27,817**	33,334
	206,817	133,334

As of 31 December 2017, these amounts were the advances paid to Full Members and amounts transferred to the Associate Member pool in respect of the prospective dividend for the Rights cycle 2015-2023.

13 CASH AND CASH EQUIVALENTS

	2017 USD'000	2016 USD'000
Cash at bank and on hand	**2,182**	7,066
Demand deposits	**59,219**	38,063
	61,401	45,129

Depending on the cash requirements of the ICC Group, demand deposits are made for varying periods up to twelve months and earn interest at the respective rate stipulated by the underlying deposit certificates.

Demand deposits include restricted deposits secured against corporate credit cards amounting to USD 2 million for the year ended 31 December 2017 and 2016.

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

	2017 USD'000	2016 USD'000
Cash and demand deposits	**61,401**	45,129
Restricted deposits	**(1,997)**	(1,997)
Bank overdraft	**(4,910)**	(1,276)
Cash and cash equivalents	**54,494**	41,856

Restricted deposits relates to demand deposits placed with a financial institution as a lien against the limits availed by the Group for corporate credit cards.

Interest is charged on the bank overdraft at prevailing market rates. Bank overdraft is secured against the Group's demand deposits.

14 EMPLOYEES' END OF SERVICE BENEFITS

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

	2017 USD'000	2016 USD'000
At 1 January	**4,825**	4,405
Provided during the year	**1,054**	892
Paid during the year	**(386)**	(472)
At 31 December	**5,493**	4,825

15 ADVANCES FROM SPONSORS

Advances from sponsors relate to the amounts collected and billed in advances as per the underlying contractual agreements with the respective sponsor.

16 DEPOSIT RECEIVED

During the year ended 31 December 2014, the ICC Group had received a deposit of USD 95 million from a commercial partner in accordance with an agreement and this deposit will be repaid in January 2023.

17 ACCOUNTS PAYABLE AND ACCRUALS

	2017 USD'000	2016 USD'000
Amounts due to Full Members (Note 24)	**8,174**	5,074
Amounts due to Associate Members (Note 24)	**2,681**	2,174
Accruals including payables*	**10,886**	8,262
Others	**153**	137
	21,894	15,647

*Accruals mainly relates to staff related accruals, event accruals and event production cost accruals.

18.1 CRICKET DEVELOPMENT FUNDS

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

	2017 USD'000	2016 USD'000
At 1 January	**550**	23,692
Transfer to the Associate Member Fund (Note 18.2)	**(114)**	(11,696)
Utilised during the year (Note b)	**(436)**	(3,560)
Committed cost to Asia region	**-**	(7,914)
Others	**-**	28
At 31 December	**-**	550

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

	2017 USD'000	2016 USD'000
Region		
Asia	**-**	1,997
Cricket Development costs incurred centrally by the Group	**436**	1,563
	436	3,560

With the commencement of the new rights cycle on 1 July 2015, the 6% allocation to Cricket Development Funds has been discontinued. Instead effective from 1 January 2017, all expenditure towards Cricket Development, whether incurred centrally or regionally, now form part of the ICC Central administrative budget. In other words, all Cricket Development administrative activities and expenses have been integrated with other ICC operations and there are no earmarked funds for Development administration. Consequently, all remaining funds have been transferred to the Associate Member Fund.

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18.2 ASSOCIATE MEMBER FUND

The ICC Group acts as a custodian of the Associate Member Fund to ensure proper utilisation of fund distribution for the benefit of game and members. Global direct funding is distributed from the ICC Head Office and includes, amongst others, scorecard grants and competition grants.

Movements in the Associate Member Fund recognised in the statement of financial position are as follows:

	2017 USD'000	2016 USD'000
At 1 January	**49,310**	30,314
Transfer from Cricket Development Fund (Note 18.1)	**114**	11,696
Allocation during the year	**12,189**	33,334
Reversal of prior year allocations (Note 1)	**(17,706)**	-
Global direct funding to associate members	**(27,755)**	(26,384)
Others	**1,467**	350
At 31 December	**17,619**	49,310

As a result of the introduction of the new financial model, the allocation to associate members has been adjusted retrospectively to reflect the changes required by the model. Refer Note 1 for further details.

19.1 CONTRIBUTION COST

Movements in contribution cost recognised in statement of financial position are as follows:

	2017 USD'000	2016 USD'000
At 1 January	**94,515**	3,841
Allocated during the year (Note 4)	**-**	90,674
Written back during the year (Note 1)	**(94,515)**	-
At 31 December	**-**	94,515

As indicated in Note 1, contribution cost has been discontinued with retrospective effect. Accordingly, the liability amounting to USD 94,515 thousand has been written back to the consolidated statement of comprehensive income.

19.2 CONTINGENCY RESERVE

Movements in contingency reserve recognised in statement of financial position are as follows:

	2017 USD'000	2016 USD'000
Allocated during the year	**5,000**	5,000
Paid during the year – allocation to event costs (Note 4)	**(2,500)**	(1,000)
	2,500	4,000
Excess written back	**(2,500)**	(4,000)
At 31 December	**-**	-

The Board of Directors have resolved to allocate a predetermined amount over the new commercial cycle as a contingency reserve to be utilised for the development of cricket.

20 TEST CRICKET FUND

Movements in Test Cricket Fund recognised in statement of financial position are as follows:

	2017 USD'000	2016 USD'000
At 1 January	**4,375**	4,375
Allocated during the year (Note 7.1)	**-**	8,750
Disbursements during the year	**-**	(8,750)
Written back during the year (Note 1)	**(4,375)**	-
As at 31 December	**-**	4,375

As indicated in Note 1, test cricket fund has been discontinued with retrospective effect. Accordingly, the liability amounting to USD 4,375 thousand has been written back to the consolidated statement of comprehensive income. Further, as per the new financial model, management has also reflected the USD 8,750 thousand paid during the year 2016 as a receivable from the members as at the reporting date. Such receivables will be adjusted against the future dividends to be paid to members as per the new financial model during the financial period remaining until 2023.

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 available-for-sale reserve in respect of available-for-sale investments (see Note 10).

General reserve is available for use and distribution at the discretion of the Board of Directors.

23 COMMITMENTS AND CONTINGENCIES

(a) Capital commitments

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

	2017 USD'000	2016 USD'000
Future expenditure - contracted at the consolidated statement of financial position date	**40**	578

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

(b) Contingencies

	2017 USD'000	2016 USD'000
Bank guarantees	**2,010**	2,010

Guarantees are fully secured by demand deposits placed with financial institutions. It is anticipated that no material liabilities will arise from the above contingencies which arise in the ordinary course of business.

(c) Litigation

Essel Sports Pvt Ltd

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 with the parties in the midst of making their final arguments.

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. The Supreme Court of India subsequently permitted Essel to proceed with an appeal against the anti-suit injunction granted by the Divisional Bench of the Delhi High Court preventing it from suing the BCCI/ECB/ICC in England pending trial of the underlying Indian action. On 1 September 2017, however, as the underlying suit (namely 'Indian Action') was in the final stages of being heard, the Supreme Court dismissed the special leave petitions and directed that the District Court should hear and decide the underlying suit within three months of the date of the order, without any interference from the Supreme Court. The appeal proceedings have therefore effectively been dismissed and come to an end. While the ICC is not, itself, directly involved in the underlying 'Indian Action', we understand that the matter is next listed for hearing on 24 April 2018.

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 addition, in 2010, the court in England granted a stay on hearing this matter until the Indian action is resolved and this remains the case.

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.

Further to discussions between the ICC and the BCCI administration, there appears to be some momentum from the BCCI towards settling these proceedings in a way that is satisfactory to all, but this remains within the power of the BCCI and, as yet, the ICC is not aware of any substantive progress made in this regard.

24 RELATED PARTY TRANSACTIONS

Related parties represent ICC Members, Directors and key management personnel of the ICC Group. Significant member balances are disclosed in notes 12a, 12b and 17 to these consolidated financial statements. 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.

Significant transactions with members other than those disclosed elsewhere in the consolidated financial statements are as follows:

	2017 USD'000	2016 USD'000
Revenue		
Anti-Corruption Unit Services rendered to members	**492**	482
Interest on loan to Members (Note 6)	**469**	205
	961	687
Remuneration of key personnel:		
Executive	**2,510**	2,595
Non-Executive	**100**	125

25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The ICC Group's principal financial liabilities include accounts payable and accruals, bank overdraft, deposits received, advances received, cricket development funds, associate member fund, contribution cost and test cricket fund. The ICC Group has various financial assets such as cash and short-term deposits, trade and other receivables, loans and other receivables, quoted and unquoted financial instruments.

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 2017 USD'000	Impact on equity 2017 USD'000	Impact on surplus 2016 USD'000	Impact on equity 2016 USD'000
100	**565**	**2,786**	514	2,766

The sensitivity of the surplus of USD 565 thousand (2016: USD 514 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 2.8 million (2016: USD 2.8 million) 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.

25 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

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.

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 2017	**Less than 3 months USD'000**	**3 to 12 months USD'000**	**1 to 5 years USD'000**	**>5 years USD'000**	**Total USD'000**
Accounts payable, accruals and others payables	**21,894**	**-**	**-**	**-**	**21,894**
Associate Member Fund	**-**	**17,619**	**-**	**-**	**17,619**
Deposits received	**-**	**-**	**-**	**95,000**	**95,000**
Bank overdraft	**4,910**	**-**	**-**	**-**	**4,910**
Total	**26,804**	**17,619**	**-**	**95,000**	**139,423**

At 31 December 2016	Less than 3 months USD'000	3 to 12 months USD'000	1 to 5 years USD'000	>5 years USD'000	Total USD'000
Accounts payable, accruals and others payables	15,647	-	-	-	15,647
Amount managed (on behalf of the Members of ICC) for the ICC Global Cricket Development Programme	-	550	-	-	550
Associate Member Fund	-	27,600	21,710	-	49,310
Deposits received	-	-	-	95,000	95,000
Contribution Cost	-	94,515	-	-	94,515
Test Cricket Fund	4,375	-	-	-	4,375
Bank overdraft	1,277	-	-	-	1,277
Total	21,299	122,665	21,710	95,000	260,674

Changes in liabilities arising from financial activities:

Particulars	**1 January 2017 USD'000**	**Cash flows USD'000**	**Others (i) USD'000**	**31 December 2017 USD'000**
Cricket Development Fund	**550**	**(436)**	**(114)**	**-**
Associate Member Fund	**49,310**	**(26,288)**	**(5,403)**	**17,619**
Total	**49,860**	**(26,724)**	**(5,517)**	**17,619**

(i) Amounts reflected under others include the following:

a) Transfer of amount from Cricket Development Fund to the Associate Member Fund (Refer Note 18.1).

b) Allocation to Associate Member Fund and reversals of prior year allocations to Associate Member Fund (Refer Note 18.2).

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. As at the year end, the ICC Group does not have monetary assets and liabilities denominated in foreign currencies other than UAE Dirhams or USD. 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 allocable surplus is measured at USD 350.6 million (2016: USD 149.5 million).

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 fund, associate member fund, contribution cost, test cricket fund and bank overdraft.

Available-for-sale investments are measured and carried at fair value in the consolidated statement of financial position. Fair value of loans to members and bank overdraft approximates its carrying amount as at the reporting date as these loans carry interest based on a benchmark rate that gets repriced at regular intervals. The fair values of other financial instruments are not materially different from their carrying values as these are part of the Group's operating cycle and hence classified as current in nature as at the reporting date.

FAIR VALUE HIERARCHY

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 2017 USD'000**	**Level 1 USD'000**	**Level 2 USD'000**	**Level 3 USD'000**
Available-for-sale investments	**72,012**	**66,728**	**5,284**	**-**
	31 Dec 2016 USD'000	Level 1 USD'000	Level 2 USD'000	Level 3 USD'000
Available-for-sale investments	69,678	64,823	4,855	-
Financial asset at fair value through profit or loss	5,005	-	5,005	-

Other than available-for-sale investments and financial assets carried at fair value through profit or loss which are categorised in Level 1 and Level 2 hierarchy at 31 December 2017 and 2016, the Group does not hold any financial assets and financial liabilities measured at fair value to be categorised in either Level 1 or 2 hierarchy.

During the year, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

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 53,951 thousand (2016: USD 90,570 thousand) and there was no provision required for doubtful debts. Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the income statement.

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.

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 income statement.

Completion of event

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

Taxation

The Group is subject to tax in a number of jurisdictions and judgment is required in determining the provision for income taxes and such provisions are based upon management's assessment of exposures.

Uncertainties exist with respect to the interpretation of complex tax regulations, tax residency status, changes in tax laws, and the amount and timing of future taxable income. The Group has assessed that it does not have a permanent establishment in the countries where the events have taken place. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded (Note 8). As the Directors have assessed the probability of additional tax claims being raised or litigation in respect of taxes (resulting in consequent cash outflow) being remote, no contingent liability in this respect has been recognised as of 31 December 2017 and as of 31 December 2016.

28 COMPARATIVES

Certain comparative information has been reclassified to confirm to current year presentation and classification. There is no impact on the Group's equity as a result of such reclassification.