

**CRICKET WEST INDIES INC.**

Financial Statements

September 30, 2017



**CRICKET WEST INDIES INC.**

Table of Contents

	<i>Pages</i>
Independent Auditors' Report to the Shareholders	1 - 3
Statement of Financial Position	4
Statement of Comprehensive Income	5
Statement of Changes in Shareholders' Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 33

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**KPMG**

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**INDEPENDENT AUDITORS' REPORT**

To the Shareholders of Cricket West Indies Inc.

**Report on the Audit of the Financial Statements**

*Opinion*

We have audited the financial statements of Cricket West Indies Inc. ("the Company"), which comprise the statement of financial position as at September 30, 2017, the statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

*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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Antigua and Barbuda, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **INDEPENDENT AUDITORS' REPORT** *(cont'd)*

To the Shareholders of Cricket West Indies Inc.

### *Emphasis of Matter*

We draw attention to Note 2 in the financial statements, which describes that the Company's revenue is cyclical in nature and depends on the popularity of the various reciprocal tours undertaken by the West Indies Team. In 2018, where less popular tours are scheduled, the Company has projected a shortfall in working capital. Note 2 provides additional information on the initiatives that have been formulated which in management's view will provide proper coverage for this shortfall, along with other information relevant to the use of the going concern basis in the preparation of the financial statements. Our opinion is not modified in respect of this matter.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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.



## **INDEPENDENT AUDITORS' REPORT** *(cont'd)*

To the Shareholders of Cricket West Indies Inc.

### *Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)*

- 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 Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

A handwritten signature of the KPMG firm, written in black ink.

Chartered Accountants  
Antigua and Barbuda  
January 31, 2018

**CRICKET WEST INDIES INC.**

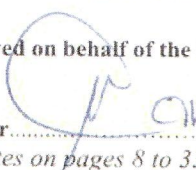
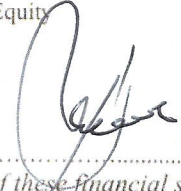
Statement of Financial Position

As at September 30, 2017

*(Expressed in United States Dollars)*

	<u>Notes</u>	2017	2016
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	\$ 10,231,329	918,618
Accounts receivable	8	6,121,323	9,287,568
Prepayments and other assets		638,378	1,656,406
Due from territorial boards, cricket associations and franchises	9	19,623	70,200
Loans receivable	10	-	42,939
<b>Total Current Assets</b>		<u>17,010,653</u>	<u>11,975,731</u>
<b>Non-current Assets</b>			
Loans receivable	10	-	-
Property and equipment	11	692,056	648,516
<b>Total Non-current Assets</b>		<u>692,056</u>	<u>648,516</u>
<b>Total Assets</b>		<u>\$ 17,702,709</u>	<u>12,624,247</u>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Bank overdraft	12	\$ -	4,600,837
Accounts payable and accruals	13	5,022,706	3,621,852
Deferred revenue	14	183,800	571,500
Current portion of ICC loan payable	15	720,378	-
Due to territorial boards, cricket associations and franchises	9	2,025,167	901,895
<b>Total Current Liabilities</b>		<u>7,952,051</u>	<u>9,696,084</u>
<b>Non-current Liabilities</b>			
Long term portion of ICC loan payable	15	5,500,000	-
Deferred revenue	14	1,216,000	1,349,800
<b>Total Non-current Liabilities</b>		<u>6,716,000</u>	<u>1,349,800</u>
<b>Shareholders' Equity</b>			
Share capital	16	17	17
Accumulated surplus		3,034,641	1,578,346
<b>Total Shareholders' Equity</b>		<u>3,034,658</u>	<u>1,578,363</u>
<b>Total Liabilities and Shareholders' Equity</b>		<u>\$ 17,702,709</u>	<u>12,624,247</u>

Approved on behalf of the Board

Director  Director   
 The notes on pages 8 to 33 are an integral part of these financial statements.

**CRICKET WEST INDIES INC.**

## Statement of Comprehensive Income

For the year ended September 30, 2017

*(Expressed in United States Dollars)*

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	<u>Notes</u>	<u>2017</u>	<u>2016</u>
<b>Revenue</b>	20	\$ 41,788,505	36,522,613
<b>Expenses:</b>			
Expenses from tours and tournaments	21	(27,617,810)	(23,090,863)
Operating expenses	23	(12,778,266)	(9,720,822)
		(40,396,076)	(32,811,685)
<b>Income from operations</b>		<u>1,392,429</u>	<u>3,710,928</u>
<b>Other Income/(Expenses):</b>			
Interest income		49	3,359
Finance Expense		(351,156)	(352,814)
Other Income	25	414,973	229,753
		<u>63,866</u>	<u>(119,702)</u>
<b>Net Income</b>		<u>1,456,295</u>	<u>3,591,226</u>
<b>Total Comprehensive Income</b>		<u>\$ 1,456,295</u>	<u>3,591,226</u>

*The notes on pages 8 to 33 are an integral part of these financial statements.*

**CRICKET WEST INDIES INC.**

Statement of Changes in Shareholders' Equity

For the year ended September 30, 2017

*(Expressed in United States Dollars)*

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	<u>Share Capital</u>	<u>Accumulated Surplus</u>	<u>Total</u>
<b>Balance at September 30, 2015</b>	\$ 17	(2,012,880)	(2,012,863)
Net income for the year	-	3,591,226	3,591,226
<b>Balance at September 30, 2016</b>	17	1,578,346	1,578,363
Net income for the year	-	1,456,295	1,456,295
<b>Balance at September 30, 2017</b>	\$ 17	3,034,641	3,034,658

*The notes on pages 8 to 33 are an integral part of these financial statements.*



## CRICKET WEST INDIES INC.

### Statement of Cash Flows

For the year ended September 30, 2017

*(Expressed in United States Dollars)*

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
<b>Cash flows from operating activities</b>			
Net Income		\$ 1,456,295	3,591,226
<b>Adjustments for:</b>			
Interest expense		351,156	352,814
Interest income		(49)	(3,359)
Gain on disposal of property and equipment		(7,500)	-
Bad debts		456,754	-
Amortization of deferred revenue		(571,500)	-
Depreciation	11	85,028	111,808
<b>Operating income before changes in working capital</b>			
		1,770,184	4,052,489
Change in accounts receivable and prepayments		3,727,519	1,287,908
Change in due from territorial boards and cricket associations		50,577	3,374
Change in accounts payable and accruals		1,400,854	238,922
Change in deferred revenue		50,000	(6,056,849)
Change in due to territorial boards and cricket associations		1,123,272	(58,758)
Change in loans receivable		42,939	40,374
<b>Cash from (used in) operations:</b>			
		8,165,345	(492,540)
Interest paid		(130,778)	(352,814)
Interest received		49	3,359
<b>Net cash from (used in) operating activities</b>			
		8,034,616	(841,995)
<b>Cash flows from investing activities</b>			
Proceeds on disposal of property and equipment		7,500	-
Additions to property and equipment	11	(128,568)	(50,463)
<b>Net cash used in investing activities</b>			
		(121,068)	(50,463)
<b>Cash flows from financing activities</b>			
Proceeds from ICC loan payable		9,300,000	3,500,000
Repayment of ICC loan payable		(3,300,000)	(3,500,000)
<b>Net cash from financing activities</b>			
		6,000,000	-
<b>Increase (decrease) in cash and cash equivalents</b>			
		13,913,548	(892,458)
Cash and cash equivalents, beginning of year		(3,682,219)	(2,789,761)
<b>Cash and cash equivalents, end of year</b>			
		\$ 10,231,329	(3,682,219)
<b>Represented by:</b>			
Cash in hand and at bank	7	10,231,329	846,480
Short-term deposit	7	-	72,138
		10,231,329	918,618
Bank overdraft		-	(4,600,837)
		\$ 10,231,329	(3,682,219)

*The notes on pages 8 to 33 are an integral part of these financial statements.*

## **CRICKET WEST INDIES INC.**

Notes to the Financial Statements

September 30, 2017

*(Expressed in United States Dollars)*

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### **1. Reporting Entity:**

The West Indies Cricket Board Inc. (“the Board”) was incorporated on November 27, 1998 under the International Business Companies Act, Cap. 291 of the British Virgin Islands (BVI).

The Company was also registered in Antigua and Barbuda on April 25, 2000 under the Companies Act of 1995.

The Board was re-registered in the BVI under the BVI Business Companies Act, 2004 on January 1, 2007 and effective February 23, 2017, has changed its name to Cricket West Indies Inc. (“the Company”). The registered office is located at Simmond’s Building, 30 De Castro Street, Road Town, Tortola, British Virgin Islands. The administrative and executive offices of the Company are located in St. John’s, Antigua and Kingston, Jamaica.

The Company is owned jointly by six (6) regional territorial boards as follows:

- Leeward Islands Cricket Association
- Jamaica Cricket Association
- Trinidad and Tobago Cricket Board
- Windward Islands Cricket Board of Control
- Barbados Cricket Association
- Guyana Cricket Board.

The Company employed forty-six (49) persons at the year end (2016: 48).

The Company is responsible for the administration of domestic and international cricket within the Caribbean region.

### **2. Going Concern:**

In determining the appropriate basis of preparation of the financial statements, the Board of Directors is required to consider whether the Company can continue in operational existence for the foreseeable future.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes that the Company will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations. If the going concern assumption were not appropriate, then adjustments would be necessary to the carrying values of assets and liabilities, the reported revenues and expenses, and the balance sheet classifications used.

The Company’s revenue is cyclical in nature and depends on the popularity of the various reciprocal tours undertaken by the West Indies Team. In 2018, where less popular tours are scheduled, the Company has pursued plans to collect receivables and is negotiating increased revolving lines of credit with lenders among other operating initiatives which in management’s view will provide proper coverage for the projected shortfall in working capital needs.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

(*Expressed in United States Dollars*)

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### 2. **Going Concern: (cont'd):**

In addition, the Company has taken steps to ensure the long-term viability of the entity by launching its Five (5) Year Strategic Plan 2018-2023. It has identified its requirements over the next five (5) years and created a financial presentation which will be used to sell its needs. Additional sources of income designed to generate increased cash flow have been the focus of a restructured Commercial Unit headed by a Commercial Director with support from Marketing Advisors.

Based on these plans and initiatives, the Company has projected positive cash flows over the next three (3) years. The Directors have therefore concluded that there are no remaining material uncertainties, which may cast significant doubt upon the Company's ability to continue as a going concern. The Directors are aware that some risk remains as there is a degree of uncertainty as to the level of results that will be achieved in the year ahead, commitments are not guaranteed, and the success of the strategic plan depends on several projects being implemented timely and effectively. However, having carefully considered all factors, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable

### 3. **Basis of Preparation:**

(a) *Statement of Compliance:*

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standard Board (IASB).

These financial statements were approved for issuance on January 31, 2018.

(b) *Basis of Measurement:*

These financial statements have been prepared on the historical cost basis.

(c) *Functional and Presentation Currency:*

These financial statements are presented in United States Dollars, which is the Company's functional and presentation currency. All financial information presented in United States Dollars has been rounded to the nearest dollar.

(d) *Use of Estimates and Judgments:*

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the statement of financial position date and the income and expenses for the year then ended. Actual amounts could differ from these estimates.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 3. **Basis of Preparation:** (*cont'd*)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

In particular, significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect in the amounts recognised in the financial statements are as follows:

- |   |                   |
|---|-------------------|
| 1. Estimated useful lives of property and equipment | Note 4 (c) and 11 |
| 2. Impairment losses on accounts receivable         | Note 8            |

(e) *New Standards and Interpretation of and Amendments to existing standards effective during the year:*

Certain new IFRS and interpretations of, and amendments to, existing standards, which were in issue and were relevant to the Company, came into effect for the current financial year. None of these pronouncements had a material effect on the financial statements.

(f) *New Standards, and Interpretations not yet adopted:*

Standards Issued But Not Yet Adopted

A number of new standards and amendments to standards are effective for annual periods beginning after October 1, 2016. The Company has not early adopted the following new or amended standards in preparing these financial statements.

***Effective January 1, 2018***

IFRS 15, 'Revenue from Contracts with Customers' establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

The new standard is to be applied for annual periods beginning on or after January 1, 2018 with early adoption permitted.

The Company is assessing the potential impact on its financial statements resulting from the application of IFRS 15.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 3. **Basis of Preparation:** (*cont'd*)

(f) *New Standards, and Interpretations not yet adopted: (cont'd)*

#### ***Effective January 1, 2018***

IFRS 9 *Financial Instruments (2015)*. IFRS 9 (2015) replaces IAS 39 *Financial Instruments: Recognition and Measurement* and supersedes the previously published versions of IFRS 9 that introduced new classifications and measurement requirements (in 2009 and 2010) and a new hedge accounting model (in 2014). IFRS 9 includes revised guidance on the classification and measurement of financial assets, including a new expected credit loss model for calculating impairment, guidance on own credit risk on financial liabilities measured at fair value and supplements the new general hedge accounting requirements published in 2014. IFRS 9 incorporates new hedge accounting requirements that represent a major overhaul of hedge accounting and introduces significant improvements by aligning the accounting more closely with risk management.

The new standard is to be applied for annual periods beginning on or after January 1, 2018 with early adoption permitted.

The Company is assessing the potential impact on its financial statements resulting from the application of IFRS 9.

#### ***Effective January 1, 2019***

IFRS 16 *Leases*. The accounting treatment of leases by lessees will change fundamentally. IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead there is a single, on-balance sheet accounting model that is similar to current finance lease accounting. Lessor accounting remains similar to current practice, i.e. lessors continue to classify leases as finance or operating leases. The Company is assessing the potential impact on its financial statements resulting from the application of IFRS 16.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 4. Summary of Significant Accounting Policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Revenue Recognition:*

Revenue is recognised in profit or loss upon the occurrence of a particular cricket event according to media rights contracts, sponsorship contracts, licensing contracts, tour guarantees, and ticket sales. In the case of the ICC's Targeted Assistance and Performance Programme, the grants received are recognized in the period in which they are received.

(b) *Cash and Cash Equivalents:*

Cash and cash equivalents comprise cash in hand, bank overdraft, deposits held on call with banks and other short-term highly liquid investments with original maturities of three (3) months or less.

(c) *Property and Equipment:*

i. *Recognition and Measurement:*

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Initially, an item of plant and equipment is measured at its cost, which comprises its purchase price and any directly attributable costs of bringing the asset to the location and condition for its intended use. Gain or loss on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of the property and equipment and are recognized net within "other income" in profit or loss.

Subsequent costs that can be measured reliably are added to the carrying amount of the asset when it is probable that future economic benefits associated with the asset will flow to the Company. The costs of the day-to-day servicing of an asset are recognised in the period in which it is incurred.

ii. *Depreciation:*

Depreciation is provided on plant and equipment using the straight-line method at rates considered adequate to write off the cost of this depreciable plant and equipment, less residual value, over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

Items of plant and equipment are depreciated from the date that they are installed and ready for use.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 4. Summary of Significant Accounting Policies: (*cont'd*)

The annual rates used are as follows:

Leasehold improvements	10% - 33 1/3% per annum or term of lease, whichever is shorter
Office furniture and equipment	10% - 33 1/3% per annum
Computer equipment	33 1/3% per annum
HPC Team equipment	20% per annum
Motor vehicles	25% - 33 1/3% per annum

(d) *Accounts Receivable and Prepayments:*

Accounts receivable and prepayments are stated at cost less impairment losses.

An allowance for impairment of these receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the contract.

(e) *Expenses from Tours and Tournaments:*

Expenses from tours and tournaments are recognised in profit or loss on an accrual basis as they are incurred.

(f) *Impairment:*

i. *Financial assets:*

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generated unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 4. Summary of Significant Accounting Policies: (*cont'd*)

#### (f) *Impairment (cont'd):*

##### ii. *Non-financial assets:*

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

#### (g) *Financial Instruments:*

##### i *Non-derivative financial instruments:*

Non-derivative financial instruments comprise, accounts receivable, cash and cash equivalents, loans receivable, due to/due from territorial boards and cricket associations and franchises, accounts payable and accruals and ICC loan payable.

Non-derivative financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Cash and cash equivalents comprise cash balances at bank and on hand and bank overdraft.



## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 4. Summary of Significant Accounting Policies: (*cont'd*)

(g) *Financial Instruments: (cont'd)*

ii *Accounts receivable:*

Accounts receivable are carried initially at fair value and subsequently measured at amortised cost less a provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivable. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

iii *Accounts payable and accruals:*

Liabilities for accounts payable and accruals are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the Company.

iv *Borrowing Costs:*

Borrowing costs are recognised in the period in which they are incurred and charged to profit or loss.

(h) *Foreign Currency Transactions:*

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to United States Dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss. Nonmonetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to United States Dollars at foreign exchange rates ruling at the dates the values were determined.

(i) *Provisions:*

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 4. Summary of Significant Accounting Policies: (*cont'd*)

(j) *Employee Benefits:*

*Pension Benefits:*

The Company's contributions to a defined contribution pension plan (Provident Fund) are charged to profit or loss in the period to which the contributions relate. The Provident Fund is externally funded (note 17).

Obligations for contributions to the Social Security Fund and Medical Benefits Scheme are recognised as an expense in profit or loss as incurred.

(k) *Share Capital:*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(l) *Leased Assets:*

Leases of property and equipment where the Company has substantially all risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding.

The corresponding rental obligations, net of finance charges, are included in accounts payable and accruals. The interest element of the finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 5. Determination of Fair Values:

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) *Accounts receivable:*

The fair value of accounts receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

(ii) *Non-derivative Financial Liabilities:*

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

The fair value of cash and cash equivalents, accounts receivable and prepayments, due from territorial boards, cricket associations and franchises, accounts payable and accruals, and due to territorial boards, cricket associations and franchises, are not materially different from their carrying amounts due to their short-term period to maturity.

### 6. Financial Risk Management:

(a) *Financial Risk Factors*

The Company has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and it also assesses financial and control risks to the Company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

(*Expressed in United States Dollars*)

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### 6. Financial Risk Management (*cont'd*):

#### (b) Financial Risk Factors

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company's Audit, Risk & Compliance Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

#### (b) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

##### i. Accounts receivable:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the country in which customers operate, has less of an influence on credit risk. Geographically there is no concentration of credit risk.

##### ii. Cash and Cash Equivalents:

Cash and cash equivalents are held with established financial institutions.

The maximum exposure to credit risk at the reporting date was:

	<b>2017</b>	<b>2016</b>
Cash and cash equivalents	\$ 10,231,329	918,618
Accounts receivable	6,121,323	9,287,568
Prepayments and other assets	638,378	1,656,406
Due from Territorial Boards and Cricket Associations	19,623	70,200
Loans receivable – current	-	42,939
Loans receivable – non-current	-	-
	<u>\$ 17,010,653</u>	<u>11,975,731</u>

Credit risk in respect of accounts receivable, due from territorial boards, cricket associations and franchises and loans receivable is limited as these balances are shown net of provision for doubtful debts. Cash and cash equivalents are held with financial institutions which represent minimum risk of default.

**CRICKET WEST INDIES INC.**Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)***6 Financial Risk Management:** (*cont'd*)*(c) Liquidity Risk:*

Liquidity risk is that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that, as far as possible, it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial assets and liabilities excluding the impact of the netting arrangement.

<b>September 30, 2017</b>	<b>Carrying Amounts</b>	<b>Contractual Cash Flows</b>	<b>6 months or less</b>	<b>6-12 Months</b>	<b>More than 1 Year</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 10,231,329	10,231,329	10,231,329	-	-
Accounts receivables	6,121,323	6,121,323	6,121,323	-	-
Prepayments and other assets	638,378	638,378	638,378	-	-
Due from territorial boards, cricket association and franchises	19,623	19,623	19,623	-	-
	<u>\$ 17,010,653</u>	<u>17,010,653</u>	<u>17,010,653</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>					
Accounts payable and accruals	\$ 5,022,706	5,022,706	4,422,706	600,000	-
ICC Loan payable	6,220,378	6,220,378	-	720,378	5,500,000
Due to territorial boards, cricket association and	2,025,167	2,025,167	2,025,167	-	-
Deferred Revenue	1,399,800	1,399,800	-	183,800	1,216,000
	<u>\$ 14,668,051</u>	<u>14,668,051</u>	<u>6,447,873</u>	<u>1,504,178</u>	<u>6,716,000</u>
<b>Liquidity gap</b>	<u>\$ 2,342,602</u>	<u>2,342,602</u>	<u>10,562,780</u>	<u>(1,504,178)</u>	<u>(6,716,000)</u>
<b>Cumulative liquidity gap</b>	<u>\$ 2,342,602</u>	<u>2,342,602</u>	<u>10,562,780</u>	<u>9,058,602</u>	<u>2,342,602</u>

**CRICKET WEST INDIES INC.**Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)***6. Financial Risk Management: (cont'd)***(c) Liquidity Risk:*

<b>September 30, 2016</b>	<b>Carrying Amounts</b>	<b>Contractual Cash Flows</b>	<b>6 months or less</b>	<b>6-12 Months</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 918,618	918,618	918,618	-
Accounts receivables	9,287,568	9,287,568	9,287,568	-
Prepayments and other assets	1,656,406	1,656,406	1,656,406	-
Due from related parties	70,200	70,200	70,200	-
Loan receivables	42,939	42,939	20,000	22,939
	<u>\$ 11,975,731</u>	<u>11,975,731</u>	<u>11,952,792</u>	<u>22,939</u>
<b>Liabilities</b>				
Accounts payable and	\$ 3,621,852	3,621,852	3,621,852	-
Due to related parties	901,895	901,895	901,895	-
Bank overdraft	4,600,837	4,600,837	4,600,837	-
	<u>\$ 9,124,584</u>	<u>9,124,584</u>	<u>9,124,584</u>	<u>-</u>
<b>Liquidity gap</b>	<u>\$ 2,851,147</u>	<u>2,851,147</u>	<u>2,828,208</u>	<u>22,939</u>
<b>Cumulative liquidity gap</b>	<u>\$ 2,851,147</u>	<u>2,851,147</u>	<u>2,828,208</u>	<u>2,851,147</u>

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 6. Financial Risk Management: (*cont'd*)

(d) *Market Risk:*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and price risk will affect the value of the Company's assets, the amount of its liabilities and/or income. Market risk arises from fluctuations in the value of liabilities and the value of investments held. The Company is exposed to market risk on certain of its financial assets.

(i) *Interest Rate Risk:*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Interest rate risk is affected where there is a mismatch between interest earning assets and interest bearing liabilities, which are subject to interest rate adjustments within a specified period. The Company's exposure to interest rate risk is disclosed in note 7 and 15.

(ii) *Currency Risk:*

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not face any such risk since it transacts its operations in United States Dollars, which is its functional currency. The United States Dollar, in which the Company also transacts business, is fixed in relation to the United States Dollar.

(e) *Fair Values of Financial Instruments:*

The fair values of cash and cash equivalents, accounts receivable, loan receivable, accounts payable and accruals are not materially different from their carrying amounts due to their short-term to maturity.

Because there are no fixed terms of repayment, it is not practicable to determine the fair value of the amount due from/(to) territorial boards, cricket associations and franchises.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

(*Expressed in United States Dollars*)

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### 6. Financial Risk Management: (*cont'd*)

(f) *Capital Management:*

It is the Company's policy to maintain a strong capital base so as to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as total shareholders' equity. The Company is not subject to externally imposed capital requirements and there were no changes in the Company's approach to capital management during the year.

### 7. Cash and Cash Equivalents:

	<b>2017</b>	<b>2016</b>
Cash in hand and at bank	\$ 10,231,329	846,480
Short-term deposit	-	72,138
	<u>\$ 10,231,329</u>	<u>918,618</u>

Cash at bank earns interest at the respective bank deposit rates. Funds placed on short-term deposit are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

### 8. Accounts Receivable:

	<b>2017</b>	<b>2016</b>
Accounts receivable	\$ 7,076,451	9,863,402
<b>Less:</b> Allowance for doubtful accounts	(955,128)	(575,834)
	<u>\$ 6,121,323</u>	<u>9,287,568</u>



## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 9. Related Party Balances and Transactions:

#### (a) Related Party

A related party is a person or entity that is related to the Company.

- a) A person or a close member of that person's family is related to a reporting entity if that person:
  - i) has control or joint control over the Company;
  - ii) has significant influence over the Company; or
  - iii) is a member of the key management personnel of the Company, or of a parent of the Company.
- b) An entity is related to the Company if any of the following conditions applies:
  - i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - iii) Both entities are joint ventures of the same third party.
  - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
  - vi) The entity is controlled, or jointly controlled by a person identified in (a).
  - vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - viii) The Company is exempt from the disclosure requirements of IAS 24.18 in relation to related party transactions and outstanding balances, including commitments, with:
    - a) a government that has control or joint control of, or significant influence over, the Company; and
    - b) another entity that is a related party because the same government has control or joint control of or significant influence over, both the Company and the other entity.
  - ix) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

**CRICKET WEST INDIES INC.**Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)***9. Related Party Balances and Transactions: (*cont'd*)***(b) Balances with Territorial Boards, Cricket Associations and Franchises:*

	<b>2017</b>	<b>2016</b>
<b>Due from territorial boards, cricket associations and franchises</b>		
Barbados Cricket Association	\$ 19,623	7,375
Trinidad and Tobago Cricket Board	-	62,378
Dominica Cricket Association	-	447
	<u>\$ 19,623</u>	<u>70,200</u>

	<b>2017</b>	<b>2016</b>
<b>Due to territorial boards, cricket associations and franchises</b>		
Barbados Cricket Association	\$ 658,752	267,874
Jamaica Cricket Association	135,687	7,560
Dominica Cricket Association	48,625	-
St. Lucia National Cricket Association	69,568	1,132
Trinidad and Tobago Cricket Board	106,146	202,108
Antigua and Barbuda Cricket Association	17,500	-
St. Kitts Cricket Association	27,142	24,652
St. Vincent & Grenadines Cricket Association	525	-
Guyana Cricket Board	118,924	48,750
Grenada Cricket Association	2,200	1,192
Cricket Franchise of Barbados	379,968	171,857
Cricket Guy Inc.	134,539	48,621
Red Force T 7 T Inc.	114,786	54,829
Leeward Cricket Development Inc.	76,122	12,288
Leeward Islands Cricket Association	21,258	-
Windward Cricket Inc.	54,766	7,484
Windward Islands Cricket Board of Control	17,293	-
Jamaica Franchise Development Inc.	41,366	24,797
Nevis Cricket Association	-	28,751
	<u>\$ 2,025,167</u>	<u>901,895</u>

These amounts are interest free, unsecured and without any fixed terms of repayment.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

(*Expressed in United States Dollars*)

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### 9. Related Party Balances and Transactions: (*cont'd*)

(c) *Transactions with Territorial Boards, Cricket Associations and Franchises:*

The transactions with territorial boards, cricket associations and franchises comprise advances made to cover the cost of hosting regional first class matches and international matches involving ICC Full Member Countries touring the West Indies as well as to cover franchise operating expenses under the Professional Cricket League which was launched in October 2014. Territorial cricket boards and cricket associations earn host management fees in relation to the hosting of international matches.

(d) *Key management personnel compensation comprises:*

	<b>2017</b>	<b>2016</b>
Short-term employee benefits	\$ 674,995	606,868

### 10. Loans Receivable:

	<b>2017</b>	<b>2016</b>
Long-term loan of US\$200,000 granted to the Jamaica Cricket Association. The loan was repayable over a period of five (5) years with fixed payments of \$40,000 per annum at an interest rate of 5.25%, and was secured by way of an assignment of the Jamaica Cricket Association's present and future rights, title and interest to development grants which became payable by the Cricket West Indies Inc. from September 30, 2017.	\$ -	42,939
	-	42,939
<b>Less: Current Portion</b>	\$ -	(42,939)
	\$ -	-

**CRICKET WEST INDIES INC.**

Notes to the Financial Statements (*cont'd*)

September 30, 2017

(Expressed in United States Dollars)

**11. Property and Equipment:**

	<u>Leasehold Improvements</u>	<u>Office Furniture and Equipment</u>	<u>Computer Equipment</u>	<u>HPC Team Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
<b>Cost:</b>						
<b>At September 30, 2015</b>	\$ 617,956	725,506	579,151	15,100	122,144	2,059,857
Additions	10,442	16,282	19,914	3,825	-	50,463
Disposals	-	-	-	-	-	-
<b>At September 30, 2016</b>	\$ 628,398	741,788	599,065	18,925	122,144	2,110,320
Additions	12,718	19,132	96,718	-	-	128,568
Disposals	-	-	-	-	(105,655)	(105,655)
<b>At September 30, 2017</b>	\$ 641,116	760,920	695,783	18,925	16,489	2,133,233
<b>Depreciation:</b>						
<b>At September 30, 2015</b>	\$ 126,759	603,206	517,019	5,880	97,132	1,349,996
Charge for the year	12,444	40,545	36,189	1,819	20,811	111,808
Written back on disposals	-	-	-	-	-	-
<b>At September 30, 2016</b>	\$ 139,203	643,751	553,208	7,699	117,943	1,461,804
Charge for the year	12,867	34,027	32,114	1,819	4,201	85,028
Written back on disposals	-	-	-	-	(105,655)	(105,655)
<b>At September 30, 2017</b>	\$ 152,070	677,778	585,322	9,518	16,489	1,441,177
<b>Carrying Value:</b>						
<b>At September 30, 2017</b>	\$ 489,046	83,142	110,461	9,407	-	692,056
<b>At September 30, 2016</b>	\$ 489,195	98,037	45,857	11,226	4,201	648,516

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

(Expressed in United States Dollars)

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### 12. Bank Overdraft:

The Company previously maintained a Standby Credit Facility with United Bank Limited, United Kingdom. This facility was repaid during the year.

### 13. Accounts Payable and Accruals:

	<b>2017</b>	<b>2016</b>
Accounts payable	\$ 2,718,066	3,618,595
Accruals	2,304,640	3,257
	<u>\$ 5,022,706</u>	<u>3,621,852</u>

### 14. Deferred Revenue:

	<b>2017</b>	<b>2016</b>
Sony	\$ 1,349,800	1,921,300
ICC	50,000	-
	<u>1,399,800</u>	<u>1,921,300</u>
<b>Less: Current portion</b>	<b>(183,800)</b>	<b>(571,500)</b>
	<u>\$ 1,216,000</u>	<u>1,349,800</u>

The deferred revenue from Sony (formerly Taj Television Limited) is derived from the New Media Rights Agreement established with Taj Television on October 22, 2012. The Company granted Sony the exclusive right and license to record and transmit footage of all matches forming part of the tours hosted by the WICB covered under the agreement. The agreement covers a period of seven (7) years from January 2013. The amount amortized annually represents the value of the tours occurring in any given year.

The deferred revenue from the International Cricket Council (ICC) is an advance payment for the ICC Women's World T20 matches to be held in November 2018 and represents the first 5% of the host fee.

### 15. ICC Loan Payable:

On Friday 14<sup>th</sup> October 2016, the International Cricket Council approved a general purpose loan of \$6,000,000 at an interest rate of 3.00% above the average of the deposit rates earned on their fixed deposits. This loan was disbursed in full on Tuesday 15<sup>th</sup> November 2016. This loan is repayable in three (3) instalments, commencing July 2018 and concluding January 2020.

**CRICKET WEST INDIES INC.**Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)***15. ICC Loan Payable: (cont'd)**

	<b>2017</b>	<b>2016</b>
Loan amount disbursed	\$ 6,000,000	-
Add: Accrued interest payable	220,378	-
	<u>6,200,378</u>	-
Less: current portion	(720,378)	-
Long term portion	<u>\$ 5,500,000</u>	<u>-</u>

**16. Share Capital:**

	<b>2017</b>	<b>2016</b>
<b>Authorised:</b>		
20,000 Class "A" voting shares of US\$1.00 each	\$ 20,000	20,000
10 Class "AP" voting shares of US\$1.00 each	10	10
10,000 Class "B" non-voting shares of US\$1.00 each	10,000	10,000
10,000 Class "C" non-voting shares of US\$1.00 each	10,000	10,000
	<u>\$ 40,010</u>	<u>40,010</u>
<b>Issued:</b>		
12 Class "A" voting shares of US\$1.00 each	\$ 12	12
3 Class "C" voting shares of US\$1.00 each	3	3
2 Class "AP" voting shares of US\$1.00 each	2	2
	<u>\$ 17</u>	<u>17</u>

**17. Provident Fund:**

The Company operates a defined contribution provident fund for players and employees. The fund is being administered by Zurich International Life Limited (formerly Eagle Star International Life).

The provident fund expense for the year amounted to US\$459,052 (2016: US\$441,288). This fund does not form part of these financial statements.

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

(Expressed in United States Dollars)

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### 18. Lease Commitment:

An operating lease for the premises presently occupied by the Company has been executed by the Government of Antigua and Barbuda, which provides for a term of fifty (50) years from September 1, 1996 at a total amount of US\$148,148 (EC\$400,000). This amount was paid. The lease also offers an option to a further forty nine (49) years at a yearly rental of US\$37 (EC\$100).

### 19. Taxation:

The Company has been granted exemption from income taxes in Antigua and Barbuda and the British Virgin Islands.

### 20. Revenue:

	<b>2017</b>	<b>2016</b>
ICC Distributions	\$ 9,524,991	10,330,985
Media rights	22,501,292	16,099,810
Sponsorship fees	5,388,115	5,714,503
Rights and licenses	1,388,500	1,382,500
Ticketing revenue	1,660,275	482,281
ICC Targeted Assistance & Performance Program	134,223	250,000
Merchandise	6,406	12,419
Release fees	526,143	921,730
UNICEF	58,560	78,385
Contribution to International Tours	600,000	-
ICC Test Match Fund	-	1,250,000
	<u>\$ 41,788,505</u>	<u>36,522,613</u>

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

(*Expressed in United States Dollars*)

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### 20. Revenue: (*cont'd*)

The revenues of the Company are cyclical in nature as per the bilateral tour arrangements by which international cricket is organised and planned. Each Full Member of the ICC is able to sell the rights associated with their respective international home tours with the value of those rights fluctuating depending on the tour content and on which country is visiting the West Indies.

The ICC Revised Financial Model was approved at the ICC Annual Meeting held in June 2017. It provides for a significant improvement in the overall expected distributions payable to Cricket West Indies over the eight year cycle 2015-2023.

This is premised on the ICC Revenues generated from the sale of rights for the next eight (8) years covering the ICC Events scheduled to take place from 2015 to 2023. These events include two (2) ICC Cricket World Cups, two (2) ICC World Twenty20 events and two (2) ICC Champions Trophy events.

### 21. Expenses from Tours and Tournaments:

	Notes	2017	2016
Players' payments	22	\$ 8,414,310	8,646,690
Hosting fees paid to Territorial Boards		7,605,500	5,478,462
Accommodation		2,402,862	1,910,462
Airfares		2,131,006	1,805,957
Professional Cricket League Franchise		900,000	902,421
Other direct costs		1,161,685	790,099
Meal allowances		853,731	745,562
Training		1,035,017	527,640
Team management fees		637,876	507,726
Selectors' costs		336,814	409,211
Balls and gear		726,456	359,318
Umpires costs		671,840	348,462
Insurance		164,618	155,042
President's box		163,630	143,274
Prize money		234,615	167,050
Medical		78,021	88,712
In transit flights		40,945	67,019
Contingency float and visas		58,884	37,756
		<u>\$ 27,617,810</u>	<u>23,090,863</u>



**CRICKET WEST INDIES INC.**Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)***22. Players' Payments:**

		<b>2017</b>	<b>2016</b>
Match fees	\$	4,503,312	4,034,384
Franchise retainers		1,980,000	1,980,000
International retainers		1,531,000	1,976,615
Provident fund		357,398	392,678
Other payments		-	234,483
Captain's Allowances		38,000	28,530
Injury payments		4,600	-
	\$	<u>8,414,310</u>	<u>8,646,690</u>

**23. Operating Expenses:**

	<b>Notes</b>		<b>2017</b>	<b>2016</b>
Personnel expenses	24	\$	4,189,714	3,157,448
Development expenses			1,085,215	1,314,400
Kiddy Cricket			1,177,079	905,944
Release Fees			572,548	762,040
Materials, equipment, third party fees			469,429	730,638
Meeting expenses			494,190	484,376
High Performance Centre			761,127	386,931
Television and audio production costs			977,194	419,584
Grant to West Indies Players Association			381,606	411,091
Marketing, communication and publications			357,108	237,274
Ambassadorship Programme			96,750	-
Travel and representation			364,732	256,549
Grassroots Development Programmes			231,227	227,774
IT and telecommunication			227,350	224,282
Professional Fees			558,955	195,954
Directors' fees			136,500	137,326
Depreciation			85,028	111,808
Foreign exchange differences			81,311	57,916
Player programmes			22,663	23,460
Courier/Donations			51,786	-
Bad debts			456,754	(323,973)
		\$	<u>12,778,266</u>	<u>9,720,822</u>

## CRICKET WEST INDIES INC.

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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### 23. Operating Expenses: (*cont'd*)

i) *High Performance Centre*

The High Performance Centre (HPC) commenced operations on June 01, 2010 at the University of the West Indies, Cave Hill, Barbados. During the current year, until its closure on January 31, 2017, the HPC employed five (5) persons and their emoluments amounted to US\$142,857 (2016: US\$239,875) and these have been included in HPC expenses for the year.

### 24. Personnel Expenses:

	<b>2017</b>	<b>2016</b>
Salaries and wages	\$ 2,374,194	2,344,563
Payroll related costs	1,815,520	812,885
	\$ 4,189,714	3,157,448
Average number of employees	49	48

### 25. Other Income:

Other income is comprised of writebacks of provisions brought forward from prior years in relation to operational matters.

### 26. Contingencies:

There are no material lawsuits pending against the Company. Except for those claims already provided for in the financial statements, final determination of the amounts to be settled, if any, cannot be made at this time. Any settlement resulting from such proceedings will be charged or credited to income of the period in which the settlement occurs.

### 27. Disputed Claims:

The Company has received a claim from a statutory organization in Antigua and Barbuda in respect of amounts which it considers to be exempt under its Headquarters agreement with the Government. In Barbados, the company is in discussion with another statutory authority in respect of income taxes. Both of these matters are ongoing and the outcome cannot be ascertained at this time. In the event there is a final determination that the Company is liable to the two statutory authorities, the respective amounts would be recognized in the year of occurrence and charged against income for that year.

**CRICKET WEST INDIES INC.**

Notes to the Financial Statements (*cont'd*)

September 30, 2017

*(Expressed in United States Dollars)*

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**28. Subsequent Events:**

During the year ended September 30, 2017, a Memorandum of Understanding was established between the Government of Antigua & Barbuda and Cricket West Indies in relation to the joint acquisition of the Restaurant Facility and Cricket Ground at Coolidge. The sale/purchase agreement and lease agreement between the respective parties and the Liquidator of Stanford Development Company Limited was approved by a sitting of the Parliament on Thursday 9<sup>th</sup> November 2017.

**29. Comparatives:**

Certain of the comparative figures have been reclassified to conform to the current year's financial statement presentation.