



Business of Cricket

Objective: Whilst preserving the core values of the game, optimise revenue creation through effective management and exploitation of commercial rights, marketing strategies, product development and intellectual property.

Highlights

- Strengthening of financial operations
- Expansion of investment portfolio
- Inaugural ICC Finance Forum
- Event management of ICC U/19 CWC
- Strengthening ICC event identities
- Re-launch of ICC Cricket World TV show

The past 12 months has marked a period of steady growth, targeted financial efficiency and strengthening and expansion of the ICC's financial and commercial base - all key objectives in effectively managing the financial and commercial operations that make up the business of cricket.

Financial performance of the organisation

The ICC's consistent financial progress and performance in 2003-04 was in-line with forecasted expectations and planning, with prudent management of finances within the framework, budgets and resources allocated to the ICC by its Board and Members.

During the year, the ICC continued to expand its key financial operations, whilst working to preserve and protect the assets of its Members and seeking to create further financial and business opportunities.

The ICC Group's gross income for 2003-04 was US \$12.7 million, a decrease from the previous year's total of US \$227 million. This significant difference is due to the revenues from two of the ICC's largest events - the ICC Cricket World Cup 2003 and ICC Champions Trophy 2002 - falling within the 2002-03 financial year.

The ICC's balance sheet remains strong, with total assets of US \$94.9 million. During the year there was a net cash outflow of US \$79.5 million - primarily representing distributions to Members following the ICC Cricket World Cup 2003.

At year end, the ICC's cash position is healthy with US \$79 million in cash and investments. Members' equity is US \$14.9 million, out of which US \$9.4 million has been earmarked for the ICC Development Program. The IDI reserves at year end are US \$5.5 million.

The ICC's main source of revenue in 2003-04 was through Member subscriptions. These subscriptions represent the contributions by Members towards the ICC's operating costs.

A significant portion of the ICC's expenditure is allocated to funding the ICC's Development Program. During the year, US \$8.2 million was spent on cricket development-related activities including the successful staging of the ICC U/19 Cricket World Cup 2004 in Bangladesh at a cost of US \$1.9 million.

The ICC is committed to developing its key financial priorities to enhance Member returns and increase stakeholder value.

Moving forward, the ICC will try to identify new and high quality sources of income for its Members and continue to maintain best practice financial policies and expense controls across the organisation.

Streamlining financial operations

Several initiatives and activities were undertaken during the year to help the ICC achieve greater financial and operating efficiency.

As part of its corporate structure review, the ICC established a new operating company - ICC Cricket Management S.A.M, a company domiciled in Monaco. This company provides administrative and event management support services to its parent company, ICC Development (International) Ltd.

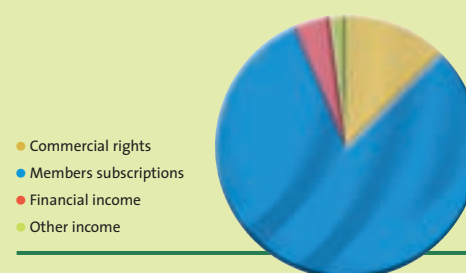
During the year, the ICC Finance team completed on-going reviews and analysis of the organisation's cash flows, administrative structures and resources.

Part of this included a preliminary analysis of the most suitable location for the ICC's future administrative headquarters, to understand whether a more financially efficient and practical operating structure exists elsewhere - particularly as the organisation currently operates from split locations in London and Monaco.



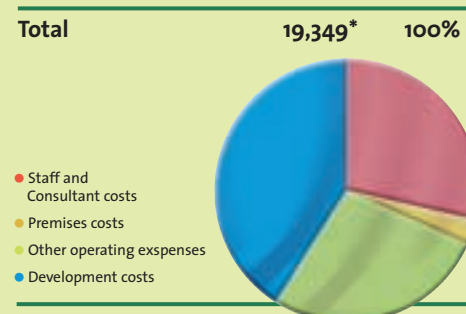
ICC Revenues 2003-04

Commercial rights	2016	15.91%
Members subscriptions	9662	76.25%
Financial income	741	5.85%
Other income	252	1.99%
Total	12,671*	100%



ICC Total expenses 2003-04

Staff and consultant costs	5399	27.90%
Premises costs	360	1.86%
Other operating expenses	5350	27.65%
Development costs	8240	42.59%
Total	19,349*	100%



* US \$ '000



Significant funds were dedicated to staging the successful ICC U/19 CWC 2004.

Inaugural Finance Forum

The inaugural ICC Finance Forum was staged in London in June 2003.

The Chief Financial Officers from nine of the 10 Full Member countries attended the forum, along with Associate Member representatives and other cricket-related finance professionals. The two-day forum involved presentations from ICC management, Member boards and external consultants.

The purpose of the forum was for the attendees to gain a deeper understanding of the finances and structures of the ICC and of each other, and to engage in open, honest and meaningful discussion on common areas of interest.

Presentations and discussion covered a range of financial issues affecting Member countries including risk management and insurance, auditing, commercial operations, Member board finances and the financial impact of the Future Tours Program.



Financial planning and budgeting

The year saw the continued streamlining of the ICC's Management Information Systems, the physical implementation of the revised budget processes developed previously, and the maintenance of close working associations with Members to offer advice and support on various financial matters.

A new Group financial policy manual was introduced to standardise expense and other financial policies across the organisation.

The formalisation of policies included guidance on expense management, audit requirements, budget processes and the creation of various financial templates for use within the organisation.

As a result, groundwork has been laid to ensure a robust budgeting process is in place which is supported by appropriate planning and tracking systems.

The budget, accounts and audit of the ICC U/19 Cricket World Cup was successfully managed with a new budget process specifically developed for managing events, and will be rolled out for all future ICC events.

Expanding the investment portfolio

As a governing body, the ICC is charged with managing international cricket's global finances and delivering adequate returns to its Members to help develop the game around the world.

Global economic forces including low interest rates and a weakening US dollar impacted on the ICC over the course of the year. In order to enhance yields for its Members, the ICC embarked on a controlled, limited and low-risk non-cash investment program in 2003-04.

As a result the ICC was able to increase yields on that portion of its investments whilst maintaining the large part of its funds in cash instruments and maintaining an overall conservative investment strategy.

'The value of the ICC Finance Forum to the WICB was significant. It offered the opportunity to learn about the structures and frameworks in place in other countries to manage finances, and to deal with the on-going issues arising in cricket. The meeting was open, uninhibited and the contacts developed with other CFO's will assist me greatly in the future.'

Barry Thomas, Chief Finance Officer, West Indies Cricket Board

Emirates Airline gains significant exposure through the sponsorship of ICC umpires and referees.

As cricket's finances are securely managed, the ICC's commercial arm plays a significant role in delivering the other end of the business spectrum: optimising the organisation's commercial assets and corporate identity to help build the financial base that supports cricket growth and development around the world.

Event management

Following the overwhelming success of the ICC Cricket World Cup 2003, a full report on the event was completed by the ICC's Commercial Department.

The report analysed the event operations and made recommendations on all aspects of the tournament including planning, logistics, media, sponsorship, ground operations, resources and security.

It also assisted in the development of a comprehensive ICC Event Management Manual that will be used as a future resource tool by all Member countries hosting ICC events.



Commercial partner servicing

The ICC enjoys a strong relationship with its commercial partners, whose financial contributions are vital in supporting cricket at all levels.

Global Cricket Corporation

The Global Cricket Corporation (GCC) is the commercial rights holder (sponsorship and broadcast) for the ICC's major cricket events until 2007. The partnership is significant for cricket, providing financial security for the ICC and its Members to help invest in the development of the game, whilst also seeking to maximise the ICC's commercial interests and opportunities. GCC is responsible for contracting broadcast and commercial partners for ICC events, including international sponsors LG Electronics, Pepsico and Hutchison.



Emirates Airline

Emirates Airline is the official naming rights sponsor of the Emirates Elite Panel of ICC Umpires and Referees. It is also the official airline of the ICC, transporting ICC staff, directors, committees and officials during the year, as well as carrying all international teams to ICC tournaments and events.



Getty Images

Getty Images continued its long-standing partnership with the ICC in 2004 as the organisation's official photographer and supplier of images. It also manages the ICC's extensive archive of images and provides a commercial service to media agencies and third parties eager to obtain cricket imagery captured around the world.



Octagon CSI

Octagon CSI is responsible for the management of the ICC's audio-visual footage archive. This includes logging, management, archiving and promotion of event footage through the ICC's integrated media platform.



AJ Sports Ltd

AJ Sports Ltd is the official clothing supplier to the ICC. It supplies a range of apparel including on-field clothing for the Emirates Elite Panel of ICC Umpires and Referees and clothing for the ICC Development Program and its coaches.



Sportsbrand Media Group

Sportsbrand Media Group joined the ICC's business partner program in February 2004. It has the official rights to produce, distribute and commercially market the ICC's weekly television show, ICC Cricket World.





Broadcasting the ICC U/19 Cricket World Cup to the world

The ICC U/19 Cricket World Cup 2004 in Bangladesh was the most successful event ever at this level from a television broadcast perspective, with more viewers than ever before tuning in to watch the event. The tournament telecast was taken by eight separate broadcasters with parts of the event screened to over 50 countries around the world.

As well as the unparalleled spectator audiences for the ICC U/19 Cricket World Cup, the event broadcasting included more televised matches than any preceding ICC U/19 tournament.

Audience reach of the ICC U/19 Cricket World Cup 2004

Broadcaster	Territories	Programming
SET	India	Nine matches live + 1 hour highlights of the semi-finals and the final
SLRC	Sri Lanka	Tape of the semi-finals and final
BTV	Bangladesh	Nine matches live
Sky Sports New Zealand	New Zealand	Tape of India v New Zealand, the two semi-finals and the final
Fox Sports Middle-East	Algeria, Bahrain, Chad, Cyprus, Djibouti, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Senegal, Somalia, Sudan, Syria, Tunisia, Turkey, United Arab Emirates, Yemen	Tape of the semi-finals and final
BSkyB	United Kingdom	Nine matches live
SABC	African continent	1 hour highlights of the semi-finals and the final
Echostar	United States of America	Semi-finals and final live

ICC Cricket World reaches new audiences

The year heralded the re-launch of the ICC's weekly television show, ICC Cricket World, after its successful debut series the year before.

In January, the ICC joined with international sports marketing company Sportsbrand Media Group in a new four-year agreement to produce and distribute the show worldwide.

Keeping cricket fans around the world in touch with the latest cricket news, the weekly 24-minute show covers recent cricket action including all Test and One-Day International matches, as well as exclusive off-field features and interviews.

Helping to achieve the ICC's objective to promote cricket globally, the show was televised by 10 different broadcasters in 110 countries reaching a global audience of 95 million households.

The most popular viewer areas included India (30 million households), United Kingdom (25 million), South America (10 million) and Canada (9 million).



TV partners help bring cricket to fans around the world.

The 110 countries which received broadcast of ICC Cricket World

- **South America (13)**
Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Falkland Islands, French Guyana, Paraguay, Peru, Suriname, Uruguay, Venezuela.
- **Central America (7)**
Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Mexico.
- **Caribbean (24)**
Anguila, Aruba, Bahamas, Barbados, Bermuda, Bonaire, Cayman Islands, Cuba, Curacao, Dominica, Dominican Republic, Grenada, Guadeloupe, Haiti, Jamaica, Martinique, Montserrat, Nevis, St Kitts, St Lucia, St Marten, Tortola, Trinidad, Tobago.
- **Pacific Rim (3)**
Australia, New Zealand, Pacific Islands.
- **Other (63)**
Africa (43), Bangladesh, Bhutan, Canada, India, Maldives, Middle East (10), Nepal, Pakistan, Saudi Arabia, Sri Lanka, United Kingdom.

The list of broadcasters and territory reach of ICC Cricket World

Broadcaster	Territory
BSkyB	United Kingdom
Channel 4	United Kingdom
Caribbean Media Corporation	Caribbean
ESPN International	Africa, Latin America, Middle East, Pacific Rim
SABC 3	Pan African
Saudi TV Channel 3	Saudi Arabia
Ten Sports	Bhutan, Bangladesh, India, Maldives, Nepal, Pakistan, Sri Lanka
SKY Network Television	New Zealand
ART Television	Sri Lanka
Fox Sports World	Canada

Strengthening cricket's identity

Following the successful launch of the ICC's corporate brand in October 2001, the year saw the expansion of the ICC's brand family with the introduction of new logos for the ICC U/19 Cricket World Cup 2004, the ICC Six Nations Challenge and the ICC Intercontinental Cup.

Significant work has been undertaken by the ICC's commercial team to create and build a consistent look for the ICC's corporate identity and create strong brand values and associations for the organisation. This work included the development of a comprehensive corporate style guide outlining the appropriate use of ICC logos, corporate colours and imagery.



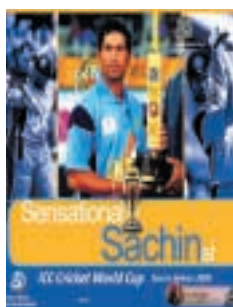
All of the ICC logos enhance the strength of the ICC brand.

ICC Merchandising

During the course of the year, the ICC continued to leverage its intellectual property and royalty rights from the successful ICC Cricket World Cup 2003 through the sale of memorabilia items, library footage and images.

In addition, the ICC - in conjunction with commercial partner GCC - released a series of promotional and highlights videos which included the following popular titles:

- The Official Review of ICC CWC 2003
- The Winners Review of ICC CWC 2003
- India v Pakistan from ICC CWC 2003
- Ian Botham's Cricket Top Ten
- ICC CWC 2003 'Sensational Sachin'



The ICC released a series of highlights videos from its major events.



Looking ahead

Like many organisations, the ICC will face challenges over the next 12 months to secure new sources of quality funding in a global market which forecasts a general downturn.

Ensuring the ICC's financial and commercial elements remain solid and prosperous is one of the ICC's strategic priorities.

The organisation relies directly upon this foundation to secure its future financial security and its ability to promote and strengthen the game globally.

Prudent financial and investment strategies are essential, and current policies will continue to be reviewed by the ICC's Financial Control group.

Commercially, planning for future ICC events - including the ICC Cricket World Cup 2007 and the proposed ICC Super Series competition - is of primary importance.

The year ahead will also see continued product development and the consolidation of the ICC's brand strategy.