

» 2013

**A YEAR OF BRINGING  
PEOPLE TOGETHER**

**NRL ANNUAL REPORT**



Excellence

Inclusiveness

Courage

Teamwork

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# SUCCESS ON AND OFF THE FIELD

**IN 2013 THE NRL ENJOYED GREAT SUCCESS BOTH LOCALLY AND ON THE INTERNATIONAL STAGE. OUR KANGAROOS AND JILLAROOS WERE BOTH VICTORIOUS IN THEIR WORLD CUPS - WITH BOTH TEAMS LIKELY TO BE REMEMBERED AS TWO OF THE BEST EVER.**

At the domestic level, the NRL Telstra Premiership culminated in one of the best Grand Final weeks in years, with the victorious Sydney Roosters defeating the Manly Warringah Sea Eagles to win the Provan Summons Trophy. The Holden State of Origin Series, won by Queensland for the eighth consecutive time, once again attracted record-breaking crowds and television ratings.



## » A YEAR OF BUILDING A STRONG FUTURE OFF THE FIELD

### A new strategic approach

Off the field, the NRL refined the whole-of-game strategic agenda as we worked to grow the game at every level and create a bigger Rugby League community - one that even more Australians are proud to belong to.

### Building a secure future

A series of targeted initiatives throughout 2014 and 2015 will help deliver a better football experience, increase participation and build a stronger fan and membership culture. We've also put in place important financial and governance platforms across the game. In addition, we've taken steps to maximise the opportunities accompanying our broadcast rights deal.

### Responding to challenges

The game has taken decisive action regarding issues raised in the Australian Crime Commission Organised Crime and Drugs in Sport report - and the subsequent anti-doping investigation conducted by ASADA. With our Integrity and Compliance Unit, we have implemented stronger risk management practices to better protect the game in future.

### Where we're headed

Rugby League is in a uniquely strong position. With whole of game leadership from the Commission and a unified strategic focus we have put stronger foundations in place. We are working effectively with our Clubs and State Leagues as we enter a new era of growth that will make the game the strongest and healthiest it has ever been.



# ENGAGING AND RESPECTED



**JOHN GRANT** | ARLC CHAIRMAN

**THE VISION SET BY THE AUSTRALIAN RUGBY LEAGUE COMMISSION TO BE THE MOST ENTERTAINING, ENGAGING AND RESPECTED SPORT IN AUSTRALIA STARTED TO BECOME A REALITY IN 2013.**

It is now two years since the 16 NRL Clubs and State Leagues made the courageous decision to restructure the administration of Rugby League and establish the Commission under which they believed our game could best prosper and secure its future.

Having boosted revenue significantly through the biggest media rights agreement in the game's history and with strong growth in non-broadcast revenues, steps have been taken to put the whole of game on a strong footing for the future.

Under the stewardship of the Commissioners and CEO Dave Smith, we hope our stakeholders are already seeing the NRL become a more professional, competent and transparent organisation.

In 2013, Dave's focus has been on pursuing the performance targets we'd set, meeting our challenges consistently and transparently, bringing together the right team of

people to lead the administration of the game, and putting in place the longer term strategic foundations necessary to support our great game into the future.

The quality and excitement of Rugby League, from the NRL Telstra Premiership right through to the Rugby League World Cup, which Australia won convincingly, surpassed the expectations of most of us.

And we're getting smarter about connecting with our fans. Whether that's through club memberships, social media, participation or television audiences, we are engaging new markets and broadening our supporter base.

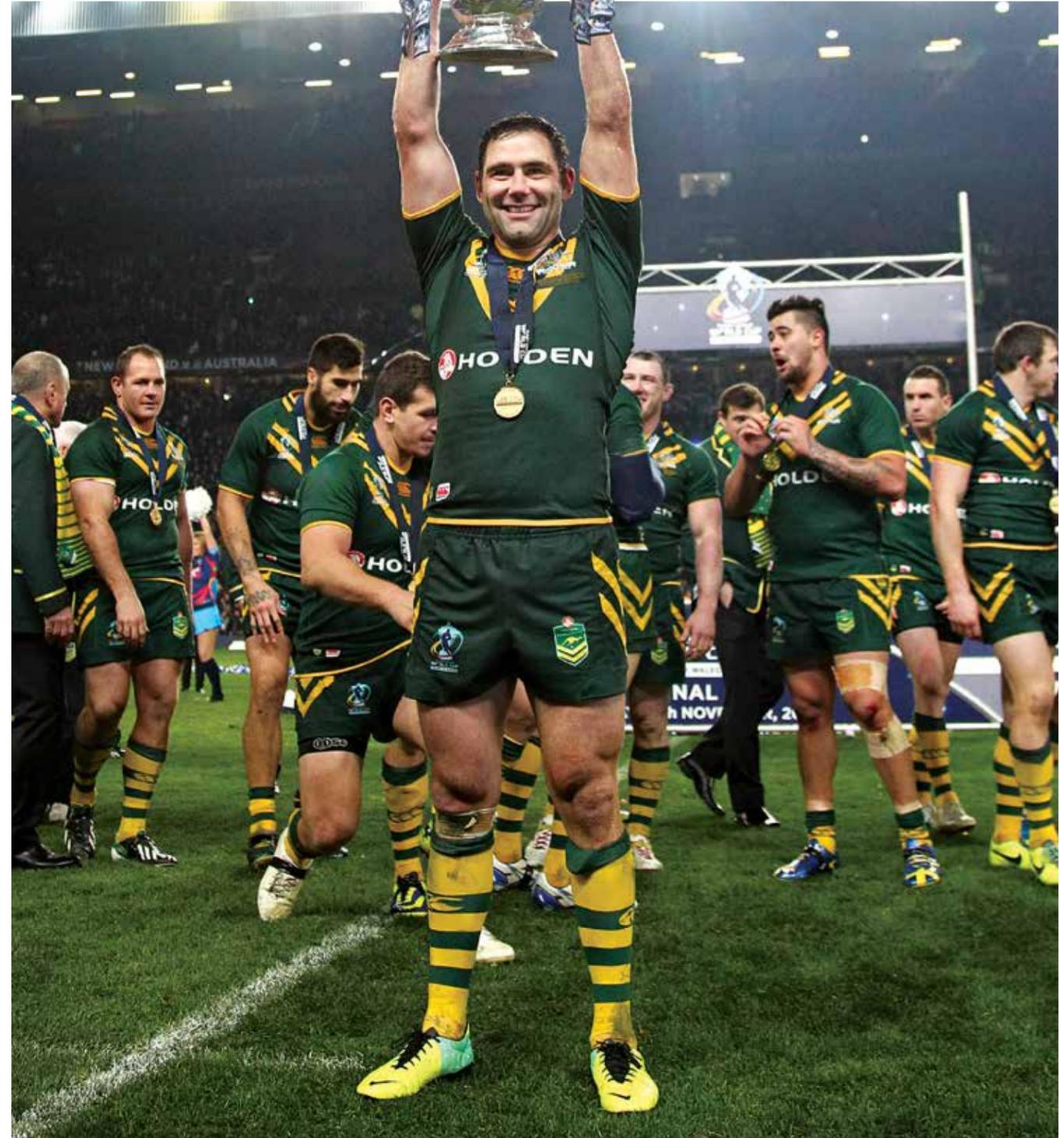
Equally, we're starting to see the critical importance of the game's reputation with stakeholders and partners. The new Integrity and Compliance Unit has strengthened the game's risk management capabilities and continues to conduct fair and

transparent deliberations on issues on and off the field. This is our commitment to align our values with the community's values.

While it's true that more time and sustained focus is required to achieve the targets set through our strategic plan, the Commission has every confidence they can be achieved.

I want to thank all our Commissioners for the way in which they've applied their experience, expertise and knowledge to assist Dave and his team meet the challenge of delivering the best possible future for the Game. I also want to thank the 16 NRL Clubs and the State Leagues, for their support and the robust engagement needed to ensure the best outcomes.

Wherever I go people want to talk about Rugby League and we want their experience to be in line with the vision we have. Our job is to make this the reality.



## Australian Rugby League Commission



Ian Elliot



Peter Gregg



Catherine Harris  
AO PSM



Wayne Pearce  
OAM



Graeme Samuel



Dr. Chris Sarra



Jeremy Sutcliffe

# POSITIONED FOR GROWTH



**DAVE SMITH** | NRL CHIEF EXECUTIVE

**2013 HAS SEEN US TAKE SIGNIFICANT STRIDES TOWARDS OUR GOALS OF SECURING A STRONGER FUTURE FOR RUGBY LEAGUE AND ENSURING OUR STAKEHOLDERS SHARE IN THE SUCCESS OF THE GAME. WITH NEW GOVERNANCE AND FUNDING MODELS, TOGETHER WITH A CLEARER SET OF STRATEGIC PRIORITIES, RUGBY LEAGUE IS NOW TRULY POSITIONED FOR GROWTH.**

The media rights deal delivered a fundamental shift to the game's financial position. For the first time we are in a position to invest in the game at all levels, to work more effectively with the NRL Clubs and State Leagues to strengthen and grow their businesses, to increase the proportion of our non-broadcast revenues to provide resilience and security into the future, and to invest in the capabilities of the NRL team so that we can take advantage of the significant opportunities the game has for the future.

We have cemented our new funding model which ensures that all revenue generated by the media rights deal will be wholly invested back into the game: into NRL Clubs; into State Leagues; into Game Development activities in schools and local communities; and into the game's strategic priorities.

One of the first steps we took was to agree a new Collective Bargaining Agreement with the Rugby League Players Association to make sure that players were recognised for the skills and entertainment they provide on the field.

We also increased funding for the State Leagues and, for the first time, NRL funding for the 16 NRL Clubs was greater than the agreed salary cap – a dynamic that is unique across sporting codes in Australia. Strategically, this funding arrangement provides clubs with a firmer foundation upon which to build the value of their businesses.

A Club and State Services Unit has been established with the aim of providing the Clubs and State Leagues with access to best-practice in business, governance and strategy, allowing us to collectively build initiatives to share costs and ideas that help us work towards a more sustainable future.

Game development remains at the core of our plans and we continue to make a strong investment into supporting growth at the grassroots level with \$22.6 million spent developing the game in local communities this year.

We've also invested in growing non broadcast revenues, capability and governance, including measures such as establishing the new Integrity and Compliance Unit.

The growth in revenue in 2013, after funding, expenses and the increase in grants to the Clubs and State Leagues resulted in \$49.6 million available for strategic investment in the future of the game. Investments are managed through a strategic priorities fund and are targeted at the delivery of our strategic priorities over the next four years and to provide security for the game in the long run.

To further capitalise on the opportunities ahead, we have improved our operational capability and put in place more appropriate governance frameworks to support greater accountability and

transparency. We strengthened our executive functions and established a highly competent team with clearer lines of responsibility. Together the new team refined the game's strategic agenda and will drive a dedicated focus on three key areas:

- » football and participation;
- » fans and members; and
- » financial security and governance.

Over the next four years our investments will be targeted across these three important areas. Whilst the full investment strategy will emerge in 2014, we have now spent or committed to investments more than \$25 million to: grow fans and members; support and develop elite pathways; and strengthen the capabilities of our Clubs and State Leagues.

But this is just the start, we have an ambitious target to become the largest sporting community in Australia and our growth targets by 2017 are:

- » double club membership to 400,000;
- » see average premiership match crowds grow to 20,000;
- » have more than 700,000 players and more than 1.65 million people engaged in Rugby League experiences;
- » expand our social media reach to over 5 million;



## POSITIONED FOR GROWTH



- » have more than 1.8m people engaged in community programs and 84% NRL players in education or career training;
- » double our non-broadcast revenue;
- » build central revenue of over \$300m; and
- » make \$200m available in growth fund investments throughout the period

Meeting these targets will require commitment at every level of the game, and as you will see in the following pages of this report, much has already been achieved this year.

We've seen growth in participation numbers, significantly improved our financial performance and undertaken a number of initiatives to talk directly with our fans. We have formed a strategic alliance with Touch Football Australia and delivered more exciting major events, drawing more people to our game.

The NRL brought a total audience of three million fans to NRL Telstra Premiership matches last year plus more than 200,000 at State of Origin and other representative fixtures.

An audience of more than 100 million viewed matches on television in Australia and New Zealand last year, including the 12 million viewers across the 3 State of Origin matches.

These are results to celebrate, but we also experienced a slight drop in crowds attending our premiership

matches this year. This is an area that we are heavily focused on in 2014. We've recognised that the game day experience must improve at all levels. With our Clubs, stadium operators, government and broadcast partners we are working to ensure that we have the right game in the right venues, and that our draw and scheduling enables fans and members to more easily plan their year ahead.

We have some of the most exciting matches in world sport and an incredibly close competition but we must ensure the experience from home to the game and back again improves, and we're proactively working with our partners across government and stadium operators to ensure our premium stadiums get adequate investment.

Equally, in a game of this size, there have been some challenges we've met along the way. On field and off the field we will continue to drive for consistent standards that are in line with the game's core values and what our fans expect. Nothing else will do.

The ongoing ASADA investigation has attracted widespread attention and we are continuing to work through the issues that have been raised in a fair and thorough process. As we continue to establish the facts, our responsibility is to ensure that Clubs are providing safe environments for our players and that there is no place for drugs in our game.

Progress against game plan targets		
2012	2013	TARGET
205k	228k	400k Club Members
2.9m	4.8m	5.8m social media reach
536k	555,266	700k players
64%	70%	84% players actively engaged in education or career training
\$182m	\$314.3m	\$300m Central Revenue
Nil	\$49.6m available for investment	\$200m Growth Fund Investments

We've learned a lot from the investigation, and with the subsequent establishment of the new Integrity and Compliance Unit, we will see Rugby League emerge stronger and in a better position to deal with any issues that may arise in the future. We have strengthened our risk management procedures and our fans and supporters should feel confident that the game they believe in has a renewed focus on values and integrity.

While much has been achieved this year, my first season has also been a time of listening and learning. I've worked closely with the 16 NRL Clubs and State Leagues and spent many hours visiting Rugby League communities to meet with the participants at all levels of the game. Along the way I have come to understand that Rugby League is more than just a sport – it's a way of life and brings local communities together.

I would like to thank the members of the Commission, the 16 NRL Clubs and State Leagues and all the players, administrators, officials, volunteers, participants, fans and members I have met along the way for their continued support of Rugby League.

As we look to keep growing the game we're confident and excited that we have the plans, focus and determination to take advantage of the unique opportunity that sits in front of us.



# DYNAMIC AND FAST FOOTBALL

WE'RE ATTRACTING STRONG CROWDS, TELEVISION VIEWER NUMBERS, PARTICIPANTS AND VOLUNTEERS. OUR SKILLED ATHLETES ALWAYS MAKE IT EXCITING TO WATCH – AND ONGOING IMPROVEMENTS WILL MAKE THE GAME EVEN MORE APPEALING.



The NRL brought a total of 3 million fans to NRL Telstra Premiership matches last year – plus more than 200,000 at State of Origin and other representative fixtures.



An audience of more than 100 million viewed matches on television in Australia and New Zealand last year, including the 12 million viewers across the 3 State of Origin matches.



Our crowds and audiences were slightly down this year and there is always room for improvement. We need to ensure the game continues to evolve to satisfy the demands of the players, fans, members and stakeholders to reach our 2017 targets.

## DYNAMIC AND FAST FOOTBALL

### TIMESLOTS: NEW CERTAINTY FOR FANS

In 2013, the NRL introduced a fixed schedule and the first 20 rounds of the competition were released before the start of the season. This gave our fans and members certainty about where their team was playing, enabling them to plan their year ahead.

This change proved a success – and has been retained for 2014.

### MORE MATCHES, WITH EVEN MORE NRL ACTION

We also made a spectacular start to 2013, with the opening four rounds starting with Thursday Night Football. Plus, there were new Sunday evening timeslots, and fans could watch matches over five days – Thursday to Monday.

The initiative drew remarkable ratings, averaging nearly 1.2 million viewers for the Thursday night games. In 2014, our Thursday night matches will have even more prominence. We'll stage them in the weeks leading up to the finals.

Of course, we have dedicated fans right across Australia and New Zealand. So we took NRL trial and competition matches to places like Mudgee, Cairns, Perth, Gosford, Goulburn, Tamworth, Mackay, Coffs Harbour, Waikato, Wellington and Dunedin.



### GREATLY REDUCED ON-FIELD VIOLENCE

The NRL is taking a strong stance on this issue. In particular, it insisted on a firm and consistent approach against punching, with offenders to be automatically sin-binned. The move resulted in an immediate reduction in punching incidents.

### NO MORE SHOULDER CHARGES

We also made a decision to ban the shoulder charge – despite some saying it was a mistake to take away a spectacular but dangerous part of our game. However, the Commission has a responsibility for the safety of players – from the grassroots through to the elite NRL level – and we couldn't tolerate the risk of serious injury when a shoulder charge goes wrong. This ban resulted in a drop in judiciary charges for direct forceful contact to the head by shoulder charges in 2013. We expect the figures to improve even further in 2014.

The rule change has since been adopted by the Rugby League International Federation.

These actions have been taken to protect player safety and the reputation of our game. Overall they have met with community support.

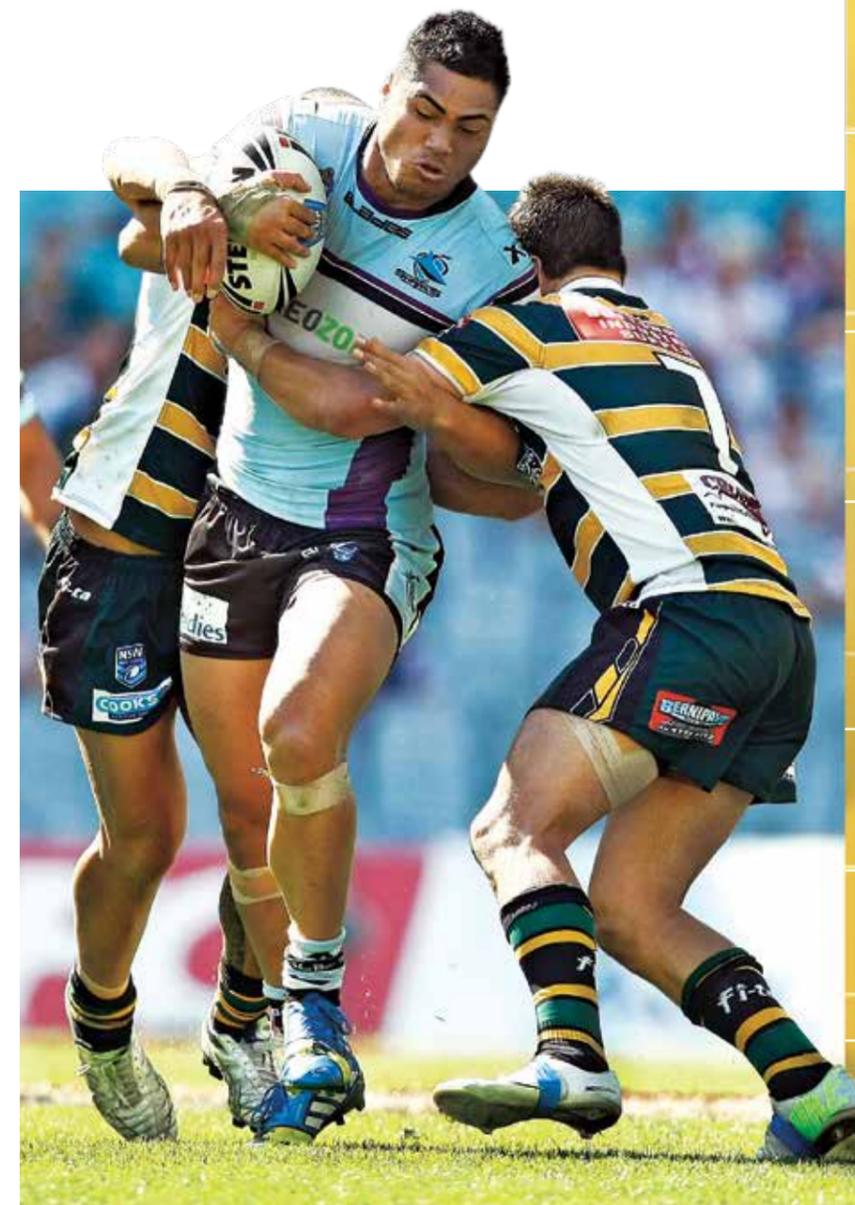


### REFINEMENTS TO REFEREEING

We're continually adopting new technologies to help our officials make the right decisions.

The video referee system has been changed to give fans and players more confidence in calls made on the field. Referees now make their own call about whether a try has been scored – before referring it to the video referee for review if appropriate.

Late in 2013, trials were also undertaken with audio of the video referee explaining each decision. This move proved popular with both fans and players – who are more willing to accept a referee's call if they can see it's been a fair and transparent process.



### NEW CHANGES COMING IN 2014

More continuous play and a continued focus on player safety are some of the additional changes that have been developed for season 2014. Restarts in play will be faster, there are new rules to reduce time wasting and to encourage more continuous play and measures to deter unnecessary third man tackles and crusher tackles will be in place.

### SUPPORTING PLAYERS AT EVERY STAGE

We're committed to supporting our players by offering opportunities at each stage of their development. After a recent pathways review, a \$10.8m investment will be directed over three years towards NSW and Queensland State League Clubs. Our State Leagues will now be more aligned with the NRL in terms of rules, judiciary, refereeing and welfare and education. Draws will

### PLAYER PATHWAY INITIATIVES

#### Enhance the State Cup Competitions

- » Single competition with 2 regional conferences, with Grand Final playoff

#### Enhance Whole of Game Welfare and Education Strategy

- » Welfare and Education continuity where it is most required

#### Develop Women's Pathway

- » Continue to support the Jillaroos and link into broader Women in League strategy

#### Whole of Game Match Official Alignment

- » Consider extending the scope of the current NRL Match Official squad to include the State Leagues

#### Create Formal Club Affiliations

- » Link all State League clubs to NRL Clubs

#### Increase Pathway Funding

- » \$3.6m annual pathway sustainability grant for the next three years

also be more aligned with the NRL Telstra Premiership Draw, and winners of the NSW and QLD Cups will play off for the new NRL Championship – as a curtain raiser to the Grand Final.

The Holden Cup (Under 20s) remains a key pathway towards the NRL. But Greater recognition is being given to the State League competitions as the immediate stepping stone for most players. The pathways review has also incorporated stronger pathways for girls, women and officials.

# DYNAMIC AND FAST FOOTBALL



St George-Illawarra Dragons NRL team captain Ben Creagh graduated from Wollongong University with a Commerce Degree in December 2013.

## EDUCATION: SKILLS AND VALUES BEYOND THE FIELD

We want our elite players to develop beyond their on-field Rugby League experience, and we actively encourage our players to seek further education.

Rugby League has 44 full-time welfare and education staff, including career advisors, to help players plan for life after football. In 2013, 66 per cent of NRL players had completed or were engaged in further education and career planning. For our young Holden Cup players, the figure is an even more impressive 74 per cent. We have also implemented a Graduates of League program aimed at increasing university entry and further studies by Rugby League players.

In terms of welfare – we're now in the fourth year of our game-wide Alcohol Management Strategy and we have annual rookie, Indigenous and Pasifika player leadership camps.

**50** Over 50 Indigenous NRL players took part in the first Indigenous Players Leadership Camp in February 2013

**1,500** Since 2008, over 1500 NYC players have attended the annual Rookie Camps

**100** Over 100 former NRL players attended events for retired players maintaining their connection with the game

**200k**  
Community Carnival Tackle Bullying campaign involved 400 NRL players, reaching 200k children across 4 countries in 27 days

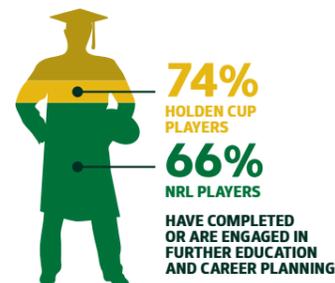
**31,493 HRS**  
NRL players and One Community Ambassadors spent 31,493 hours working in the community

**\$1.1M RAISED**  
Through donations of signed merchandise, over \$1.1m was raised for charity

**Learn Earn Legend!**  
Learn Earn Legend! School to Work program has 770 students, delivered by 8 NRL clubs

**V**  
voice against violence  
More than 1200 clubs and referee associations have been engaged through the Voice Against Violence Program

**750** community members from Western Sydney participated in the League in Harmony program



## ONE COMMUNITY: MAKING A DIFFERENCE

The profile and reach of Rugby League gives us the opportunity to promote social good and our One Community programs are designed to make a positive difference in people's lives.

In the last 12 months close to a million people were able to take part in One Community programs. Our players and ambassadors work across the community delivering anti-bullying, mental health awareness and healthy lifestyle initiatives and social inclusion and Indigenous programs.

## OVER \$1.1 MILLION RAISED FOR CHARITY

Over 9,000 NRL community appearances took place, with more than 31,000 hours spent reaching out across four countries. In the process, more than \$1.1 million was raised for charity.

Each NRL Club is also uniquely delivering important community programs.



2013 NRL-RLPA Academic Team of the Year.

# NEW LEVELS OF PARTICIPATION

THE NRL IS MOVING TO BECOME AUSTRALIA'S LARGEST SPORTING COMMUNITY. WE HAVE NEW OPPORTUNITIES TO ENCOURAGE MORE PLAYERS TO TAKE UP THE GAME – FROM THE GRASSROOTS LEVEL TO THE ELITE.



The composition of Rugby League players will change dramatically over the coming years as we welcome more women, young people and seniors to our game.



The NRL reached more than 1.365 million people through school assembly visits, clinics and other Rugby League experiences during the year.



There were more than 555,000 registered Rugby League players in clubs and schools. Some of these will go on to play the game at the highest level.

## NEW LEVELS OF PARTICIPATION



**PARTICIPATION AT MASTERS LEVEL (OVER 35s)**



**EARLY CHILDHOOD PROGRAM DELIVERED TO OVER 26,000 CHILDREN AGED BETWEEN FOUR AND SIX**



**STRATEGIC PARTNERSHIP WITH TOUCH FOOTBALL AUSTRALIA WILL CREATE AUSTRALIA'S LARGEST EVER SPORTING COMMUNITY WITH OVER 1M PARTICIPANTS**



### REACHING OUT WITH TOUCH FOOTBALL

If our game is to thrive, we have to attract more players to the game: players of all standards, playing all forms of our game. That is why the NRL and Touch Football Australia created a new strategic alliance that brings more than 500,000 recreational participants into the Rugby League community. After all, Touch Footballers are playing a form of Rugby League – so it makes sense that we bring them into the wider League community.

### WOMEN, GIRLS AND MINI-FOOTBALL

In 2013, Rugby League participation by women and girls rose by more than 20 per cent. The Jillaroos' recent World Cup success will undoubtedly encourage many more. Our new Early Childhood program attracted 45,234 students and our entry-level mini-football competitions attracted 42,000 players. That is in addition to the 810,000 girls and boys who currently take part in NRL Development programs each year. Even our Masters programs, aimed at those over the age of 35, saw a 14 per cent rise in participation this year.



### REAL DIVERSITY IN THE GAME

- 5.8% of registered Rugby League players are Indigenous.
- 11% of NRL players are Indigenous.
- 8% of Holden Cup players are Indigenous.
- 5 out of the 17 players representing Australia at the World Cup were Indigenous.
- 37% of NRL players are of Pacific heritage.
- 38% of Holden Cup players are of Pacific heritage.

About 140 NRL players competed in the World Cup, not just for Australia but for Italy, England, New Zealand, Samoa, Tonga and other nations.

### OUR VOLUNTEERS ARE AT THE HEART OF OUR GAME – THANK YOU

Players also need the support of officials and volunteers to help get them on the field, and pleasingly, we're seeing more people want to become officials and give back to their communities. This year we had close to 90,000 volunteers involved in the game.

- 4,035 More referees and referee coaches
- 4,070 New coaches
- 5,423 New trainers

UP  
21.8%

**7,076 FEMALE PARTICIPANTS**



# STATE LEAGUES LEADING THE WAY



## STATE LEAGUES LEADING THE WAY



### TRANSFORMATION IN ACTION – NSWRL

The NSWRL is embarking upon a structured transformation program. Appointed were a new Chairman (Dr George Peponis OAM) and two new board members; including the first ever female board member (Assoc. Prof Deborah Healey). In addition, long serving General Manager Geoff Carr retired and was replaced by David Trodden as Chief Executive. A new Constitution was also adopted.

### A NEW ROADMAP FOR THE FUTURE

Helping navigate the transformation is the newly developed 'NSWRL Corporate Strategy'. Its overarching intent being to ensure that the Game plays a pivotal role in community development, through goodwill and the generation of social capital.

### NEW TELEVISION VIEWERS

The first year of Fox Sports covering live VB Cup games every Saturday was a huge success with average TV audience of 53,042 and the VB Cup Grand Final delivered a ratings result of 524,724 viewers.

### FULL VOTING FOR THE JRLA

2013 also saw the formalisation of the NSW Junior Rugby League Association Inc, with a constitutional change allowing it to be a full voting member of the NSWRL. Three of its five Directors are women – Jenny Webster, Julie Luke and Yvonne Purtell – reflecting the contribution women continue to make in NSW.



### MORE TEAMS, MORE SUCCESSES

There was an increase in the number of teams within two of the three open age pathway competitions, with the Ron Massey Cup expanding from ten teams to twelve and the Sydney Shield fielding an additional three teams as it grew from seven teams to ten. NSW continued to dominate in national junior competitions with the U16, U18, U20 all victorious and participation is strong with over 4,000 players competing over three days at the State All Schools Carnival which will celebrate its 70th Anniversary in 2014.

### AN INCLUSIVE FOCUS

The NSW State Government continued to fund programs focussing on Indigenous health and education. Strong Indigenous involvement was celebrated with the first underage (U16) all-Indigenous team to tour France and England – and the staging of the 43rd Annual Koori Knockout held at Lakeside Oval, Raymond Terrace.



### BOOSTING THE NUMBERS

In line with Rugby League's whole of game strategy, the QRL worked hard to boost participation numbers. There were 62,003 registered junior and senior players in 2013. Female participation accounted for the biggest growth area, with a 21.4% increase on 2012 figures.

This significant increase reflects the hard work of the many volunteers on the ground, along with the incredible success of the Queensland women's representative team which this year won a 15th straight Interstate Challenge over New South Wales.

### QRL – STATE OF ORIGIN WINNERS YET AGAIN

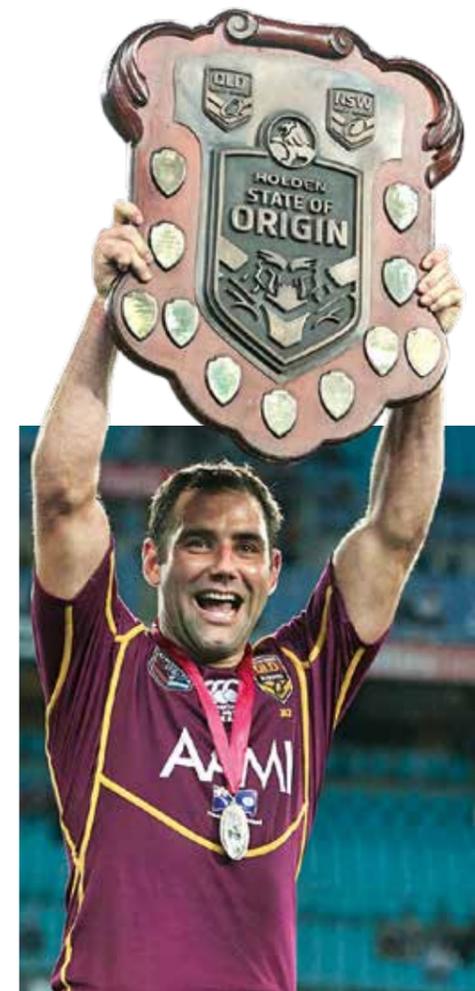
An eighth-straight State of Origin Series victory, with a breathtaking finish to the Intrust Super Cup season captured the headlines for QRL in 2013. Away from the spotlight, Rugby League thrived throughout the state.

Fans are growing to love Maroon Memberships. From humble beginnings – with a few hundred inaugural members in 2011 – it is now thriving with 9186 tickets sold via Maroon Membership before Christmas. Membership brings the fans closer to the Maroons and offers a range of incentives and products. Furthermore, membership assists with the game's development as revenue is directed back into growing Rugby League.

### INTRUST SUPER CUP

Off the field, pathway reviews, research and membership were among the key developments. The findings from the Elite Pathways Review provided a timely boost for the Intrust Super Cup, with the NRL highlighting its intention to ensure the sustainability of the competition and clubs. These findings paved the way for the expansion of the competition with the exciting inclusion of a team from Papua New Guinea.

The average television audience across Intrust Super Cup games was 71,064.



### RESEARCH AND DEVELOPMENT

In an effort to raise the bar once more, the QRL launched a number of research projects with a concerted focus on the analysis of its own development programs. These state-based projects will be rolled out into national research studies in the future.

### TAKING PRIDE IN REMOTE COMMUNITIES

Once again, heart-warming stories surfaced at grounds right across the state. One of these included taking NRL CEO Dave Smith on QRL's annual 'Cape York Blitz'. Dave saw first-hand the outstanding work of the Northern Pride's award-winning Take Pride Program. Dave gained an intimate understanding of the challenges – not to mention the deep passion and commitment to the game – in the most northerly inhabited island in Australia. Some players travelled over six hours by dinghy to play in the Torres Strait Cup.



**THE FIRST YEAR OF FOX SPORTS COVERING LIVE VB CUP GAMES EVERY SATURDAY WAS A HUGE SUCCESS**

## STATE LEAGUES LEADING THE WAY



### CRL – FLOURISHING IN THE BUSH

Country Rugby League celebrated another great season, both on and off the field – with over 50,000 registered League participants and 569 clubs across 6 regions. Much of this is to do with the incredible CRL staff, working in partnership with NRL Development Staff, Groups and Clubs.

They are boosting the profile and reach of Rugby League; assisting clubs and group administration with support and finances. Their close working relationships are an invaluable asset in local communities.



### TAKING ON THE RHINOS

Showing commitment to continued player development and providing opportunities for the representative players, the Country Firsts team embarked on a ground breaking tour of South Africa, taking on a Combined Clubs representative team and the National side, the ‘Rhinos’ in their two game trip.



### REAL QUALITY ON THE FIELD

The AAMI Country v City Origin match was played at BCU International Sports Stadium in Coffs Harbour. While the crowd was smaller than expected, the quality of the football was outstanding and Country emerged victorious.

The 2013 Senior Championships were played in a two-tiered format (Regional and Group Championships) while the Under 16s age groups were welcomed to the Regional format, playing alongside the Under 18s. The finals of all four tiers were played in Dubbo.

### CRL ON THE ROAD

In its sixth year, the Country Bulls team travelled to Perth to take on the Western Australian representative team and play as a pre-cursor to the South Sydney v NZ Warriors NRL match. The Country 18s and 16s embarked on a two-game tour, first coming up against the might of Queensland in Lismore before travelling to NZ to take on the NZ Upper Central Zone.

### GRASSROOTS PROMOTION

Country Rugby League ambassadors and staff continue their tireless efforts to promote the game by appearing at gala days, fundraisers and events. NRL player education and welfare officers worked with the CRL to deliver the third annual Country to City Education Camp. This assisted young players from regional areas in their development.

**The NRL wishes to acknowledge the recent passing of CRL Chairman Mr Wayne ‘Jock’ Colley OAM and the outstanding contribution he made to Rugby League.**

## » GROWING BEYOND OUR TRADITIONAL STATES

It’s encouraging to see how Rugby League is evolving into a national sport. Growth in participation was experienced in Victoria, Western Australia and Tasmania during the year. Through the hard work of these smaller organisations, Rugby League is developing a much stronger reach in its non-traditional areas.



### VIC RUGBY LEAGUE

Victorian Rugby League increased their club registrations for the ninth straight year. Victoria won Pool B of the national Under 18 Schoolboys Championships. A full-time Game Development Officer was placed in the Sunraysia area and a record 240 boys and girls teams took part in the Billy Slater Shield.

PLAYERS	TEAMS	CLUBS
2,860	140	24



### TAS RUGBY LEAGUE

The Tasmanian Rugby League competition is now state-wide, and includes teams from the South, North and North West. Accreditation courses were available for local volunteers with the support of Victoria; and Tasmanian Coordinators were appointed for coaching, refereeing and first aid.

PLAYERS	TEAMS	CLUBS
140	5	5



### SA RUGBY LEAGUE

Once again, the South Australia Rugby League hosted the Affiliated States Championships. A detailed study of the local club structure was conducted, and an expansion of the Nunga Tag Carnival delivered education and lifestyle programs to Indigenous participants.

PLAYERS	TEAMS	CLUBS
1,036	32	13



### NT RUGBY LEAGUE

The Northern Territory Rugby League continues to expand competitions into remote areas. There was a big boost for the Game, with the Northern Territory Government entering into a four-year agreement with the Parramatta Eels to play trial and competition games in the Territory. A successful NRL competition game was held in Darwin, and a major highlight of the year was Katherine’s improved performance in the Darwin senior competition.

PLAYERS	TEAMS	CLUBS
2,112	102	15



### WA RUGBY LEAGUE

The Western Australia Rugby League increased club registrations by 19% this year. They also impressed on the field, winning the Affiliated States Championships in both the Senior Men and Women’s League Tag. Moreover, thirteen Western Australian players made Affiliated States representative teams in 2013. A full-time Game Development Officer was placed in Karratha to cover the Pilbara region. NRL games in Perth continued to receive strong crowds and good local media coverage.

PLAYERS	TEAMS	CLUBS
3,260	136	25

# ENGAGING OUR FANS

SUCCESS IS IMPOSSIBLE WITHOUT THE ABILITY TO ENGAGE AND ENTERTAIN FANS. WE ARE DETERMINED TO WORK WITH CLUBS TO BROADEN RUGBY LEAGUE'S PROFILE AND REACH.



Our aim is to engage closely with both new and avid fans to drive a live attendance culture, grow Club Membership and improve the match day experience.



This transformation will require strategies to retain existing attendees and drive deeper engagement with avid fans often not attending live games.



We need to broaden the reach and appeal of NRL to attract new audiences.

# ENGAGING OUR FANS

2013

3.3M AVID FANS

2012

3.1M AVID FANS

## ACKNOWLEDGING OUR MEMBERS' COMMITMENT

Membership is the pinnacle of a fan's commitment to their Club. At every level, we must recognise and value this commitment. To achieve our 2017 target of 400,000 members, we must retain our existing members – while also attracting new ones.

## RETAINING AND ATTRACTING

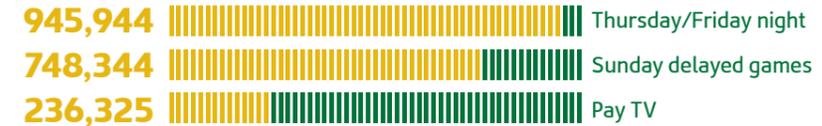
Member retention will be achieved via valued exclusive benefits, along with more regular and effective communications, recognition and servicing. We will attract new members by supporting Clubs in reaching out to the extensive fan base and converting to membership.

## UNDERSTANDING OUR FANS, AND CONNECTING WITH THEM, WHEREVER THEY ARE

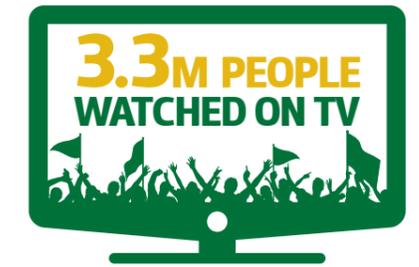
In 2013, we commenced a five-year digital media joint venture with Telstra. Via mobile and online channels – fans can enjoy 24x7 access to the latest in Rugby League action, debate and entertainment.

For the first time in the game's history, fans were able to watch matches on their mobile and tablet devices. The NRL Digital Pass provided fans the opportunity to watch matches on their terms, anywhere, anytime. It also provided a seven-day calendar of digital content.

## TV Ratings



## Grand final



## RECORD ATTENDANCES FUELLED BY ON-FIELD DRAMA

The Queensland Maroons held a record-breaking winning streak, and the VB Blues had desperate wish to break it. This made the Holden State of Origin Series a spectacular success with both record crowds and television audiences.

Both of the ANZ Stadium matches were sold out – a first in the history of State of Origin. The live event experience at ANZ with the sea of 12,000 blue-wigged Blatchy's Blues supporters is now recognised as one of the great live event experiences (even rivalling the legendary Suncorp Stadium cauldron).

## SHOWCASE EVENTS

This year, two of Australia's biggest sporting events grew to a new level – the Holden State of Origin Series and the NRL Telstra Premiership Grand Final. These are truly pinnacle events: they deeply engage existing fans and provide an opportunity to attract new audiences.

## STAR-STUDED EVENTS: CROWE, MARTIN AND MAUBOY

With its epic match won by the Sydney Roosters, Grand Final Week has morphed into a suite of new and improved events. The traditional Grand Final breakfast was moved to lunchtime and attracted 1000 people – the NRL's biggest-ever corporate event.

The Dally M Awards at the Star Event Centre was transformed by its move to Grand Final Week. Over 800 people attended the function – hosted by South Sydney owner, Russell Crowe.

With increased revenue from tickets, the NRL was able to invest in the match day experience.

Superstars Ricky Martin and Jessica Mauboy provided the pre-game entertainment.

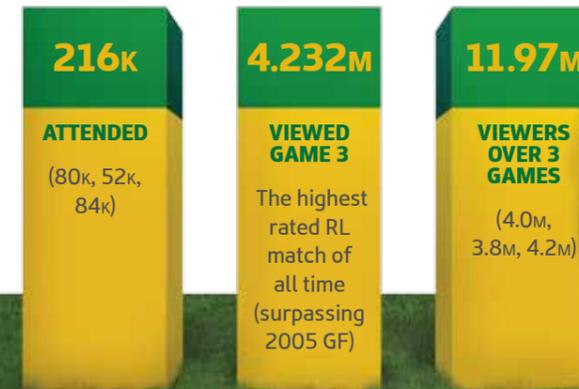


» 33 NRL GAMES WITHIN TOP 100 PAY TV PROGRAMS IN 2013

» 3 OF TOP 5 FREE TO AIR TV PROGRAMS IN 2013 WERE RUGBY LEAGUE GAMES, AND 4 OF THE TOP 10



## State of Origin



## ENGAGING OUR FANS



### WE NEED TO DRIVE MATCH ATTENDANCE

Every fan who attends a live match is a membership prospect: the quality of their game experience is key to ensuring repeat attendance and membership growth. The NRL is working with Clubs to continue to develop more marquee matches, grow feature rounds and promote premiership attendance.

Our overall attendances and television ratings fell slightly this year. Some of this can be attributed to the relationship between popular clubs' on-field performances and attendance numbers.

We're working with Sydney clubs to maximise the number and quality of matches played in the city's two main arenas – ANZ and Allianz while maintaining matches in traditional venues.

### GOOD NEWS – TWO MATCHES BROKE ATTENDANCE RECORDS

Bulldogs v Rabbitohs (51,686) traditional Good Friday match.

Rabbitohs v Roosters (59,708) traditional Round 26 rivalry game.

Other key rounds that were successful included Men of League Heritage Round, Women in League Round and Rivalry Round.

In 2013, the NRL broke attendance records with two matches

	VS.		<b>51,686</b> ATTENDED	GOOD FRIDAY MATCH
	VS.		<b>59,708</b> ATTENDED	ROUND 26 RIVALRY GAME

## LEVERAGING OUR SOCIAL MEDIA PRESENCE

The exponential growth of social media is giving us more ways to engage with our fans. We set up a Mission Control room during the Holden State of Origin series and the NRL Telstra Premiership Grand Final. This was a pop-up style social media command centre, complete with world-class digital monitoring tools and software. It empowered our teams, players and celebrities to engage directly with fans. We're really expanding our local and global reach.



## NEW TWITTER AND FACEBOOK FOLLOWERS

The initiative helped achieve over 2 billion impressions on Twitter alone, broke the NRL's weekly and single day reach across Facebook and drew over 125,000 new fans to the game.



Achieved with the help of the mission control initiative.



# FINANCIALS AND GOVERNANCE

**2013 SAW SIGNIFICANT REVENUE GROWTH AND WITH IT, A DOUBLING OF INVESTMENT IN THE CLUBS, SIGNIFICANT INVESTMENT INCREASES INTO THE STATE LEAGUES, AND THE GENERATION OF \$49.6M AVAILABLE FOR INVESTMENT IN THE GAMES' STRATEGIC PRIORITIES.**

**WE ARE NOW IN THE POSITION WHERE 100% OF BROADCAST REVENUE IS INVESTED IN THE GAME AND WHERE NON-BROADCAST REVENUE CAN COVER ALL CENTRAL OPERATING EXPENSES AND GENERATES A SURPLUS TO REINVEST BACK INTO THE GAME.<sup>1</sup>**



<sup>1</sup> Please refer to the ARLC Ltd Concise Financial Report Year ending 31 October 2013



George Kapitelli (GM Holden Chief Financial Officer) Karen Stewart (Holden Monster Raffle 2nd prize winner), Jaime Spence (1st prize winner)



NRL CEO Dave Smith at 2013 One Community Awards

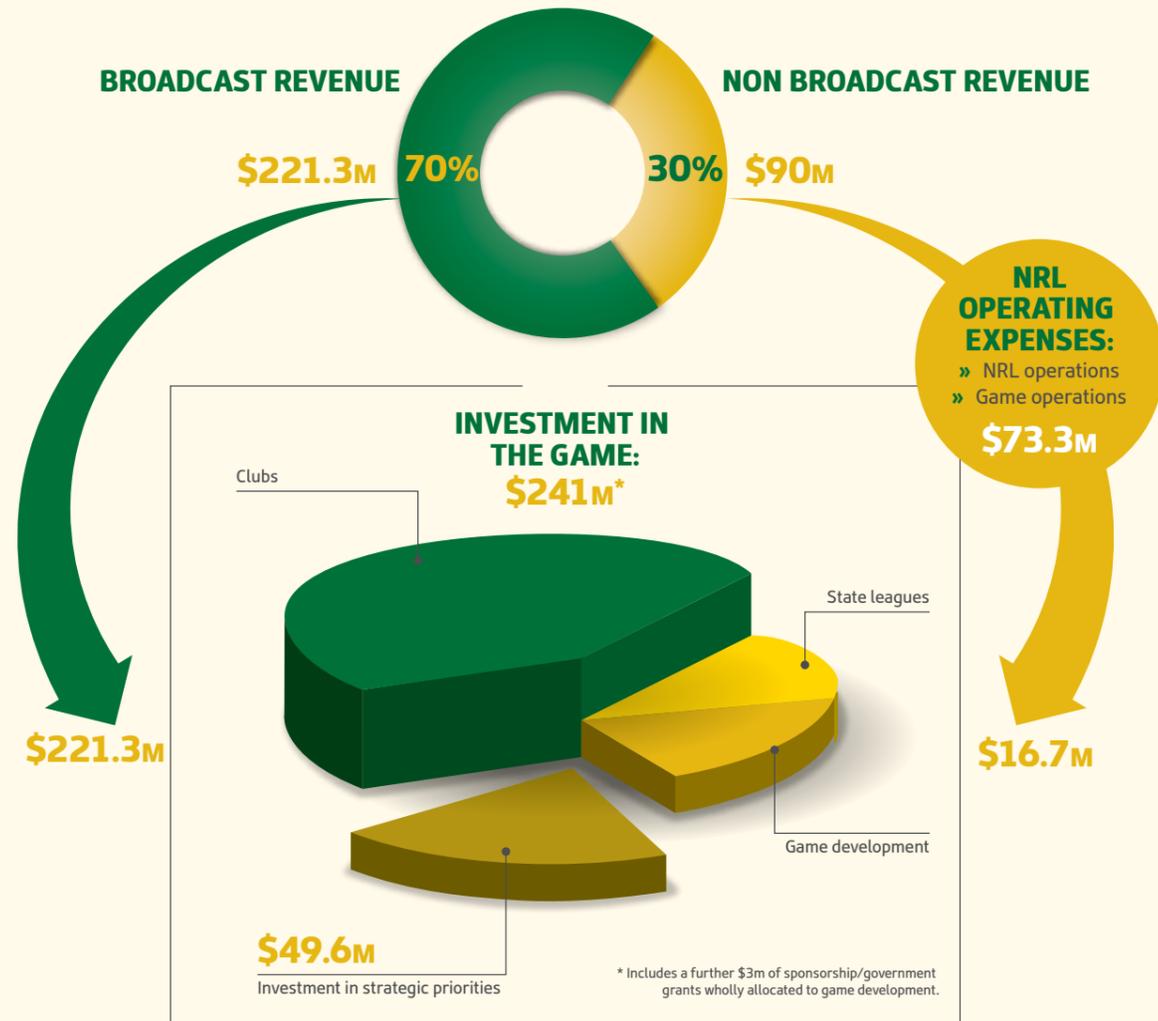


Telstra NRL Grand Final Ring Bearers from the Starlight Children's Foundation

# FINANCIALS AND GOVERNANCE

## CENTRAL REVENUE

**2017 TARGET: \$300M**  
**2013 RESULT: \$314.3M**



## HOW THE GAME IS FUNDED

### DELIVERING INVESTMENT BACK INTO THE GAME

**Our operations now have a very clear structure and accountability:**

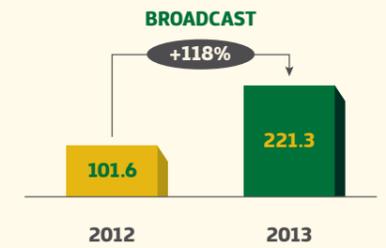
- » All revenue generated by the media rights deal is wholly invested into the game: into NRL Clubs; into State Leagues; into Game Development activities with grassroots and schools; and into the game's strategic priorities.
- » Central business expenses are self-funded by non-broadcast revenue, and all surplus funds all fully invested back into the game.

During 2013, we have delivered significant uplift of broadcast and non-broadcast revenues creating funds specifically for investment in our strategic priorities. We're investing more in the game than ever before.

## 2013 FINANCIAL PERFORMANCE: BROADCAST REVENUE

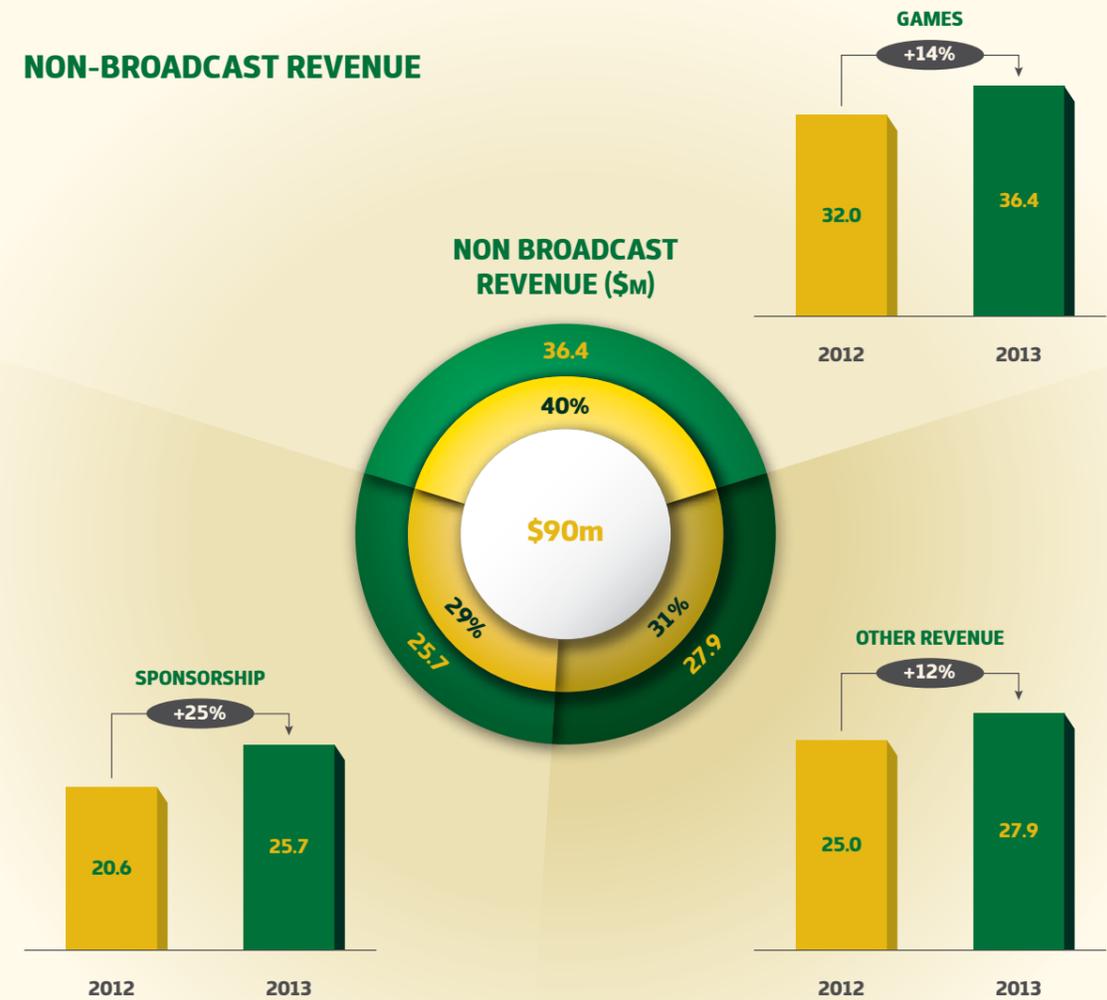
### A DOUBLING OF BROADCAST INCOME

Our broadcast income more than doubled from 2012, delivering over \$221m to the game from our deals with Pay and Free-To-Air TV, radio and international media.



## 2013 FINANCIAL PERFORMANCE: NRL CENTRAL

### NON-BROADCAST REVENUE



\* Excludes \$3m of non broadcast income generated through Game Development sponsorship and government grants.

### An uplift across diverse resources

For any business, deep and diverse revenue sources provide protection and financial strength. Our goal, therefore, is for non-broadcast revenue to provide 50% of the game's total income; with our new media rights deal, 2013 non-broadcast revenue provides 30% of total revenue. 2013 saw a significant uplift across all of our key revenue streams, and we have made strong progress in growing non-broadcast revenue from \$77m to \$90m (+16%).

# FINANCIALS AND GOVERNANCE

## NON-BROADCAST REVENUE: SPONSORSHIP

### Continued success with 25% growth

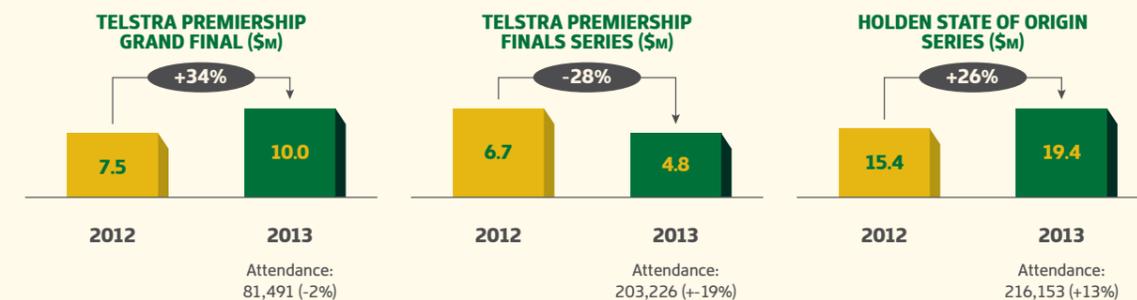
The NRL sponsorship program experienced continued success, growing by 25% to almost \$26m in 2013. Targeted engagement plans resulted in a number of iconic brands joining the NRL family, and the renewal of a number of long-term partnerships that delivered the game significant sponsorship revenue growth.

We formed a new partnership with Holden and renewed our naming rights agreement with Telstra for the 17th year – cementing the most successful commercial partnership in Australian sport.

## NON-BROADCAST REVENUE: MAJOR EVENTS

### 14% growth and a new ticketing strategy

Game revenue in 2013 grew to \$36.4m (+14%). Ticket pricing strategy for major events was brought into line with similar national sporting and entertainment events. We introduced 'Silver' and 'Bronze' seating categories to ensure a large quantity of tickets were made available at an affordable price point – plus premium seating to attract additional returns for the game. Diamond category tickets sold out in minutes for all three Holden State of Origin games and the Telstra Premiership Grand Final, demonstrating NRL's ongoing appeal to the corporate and premium market.



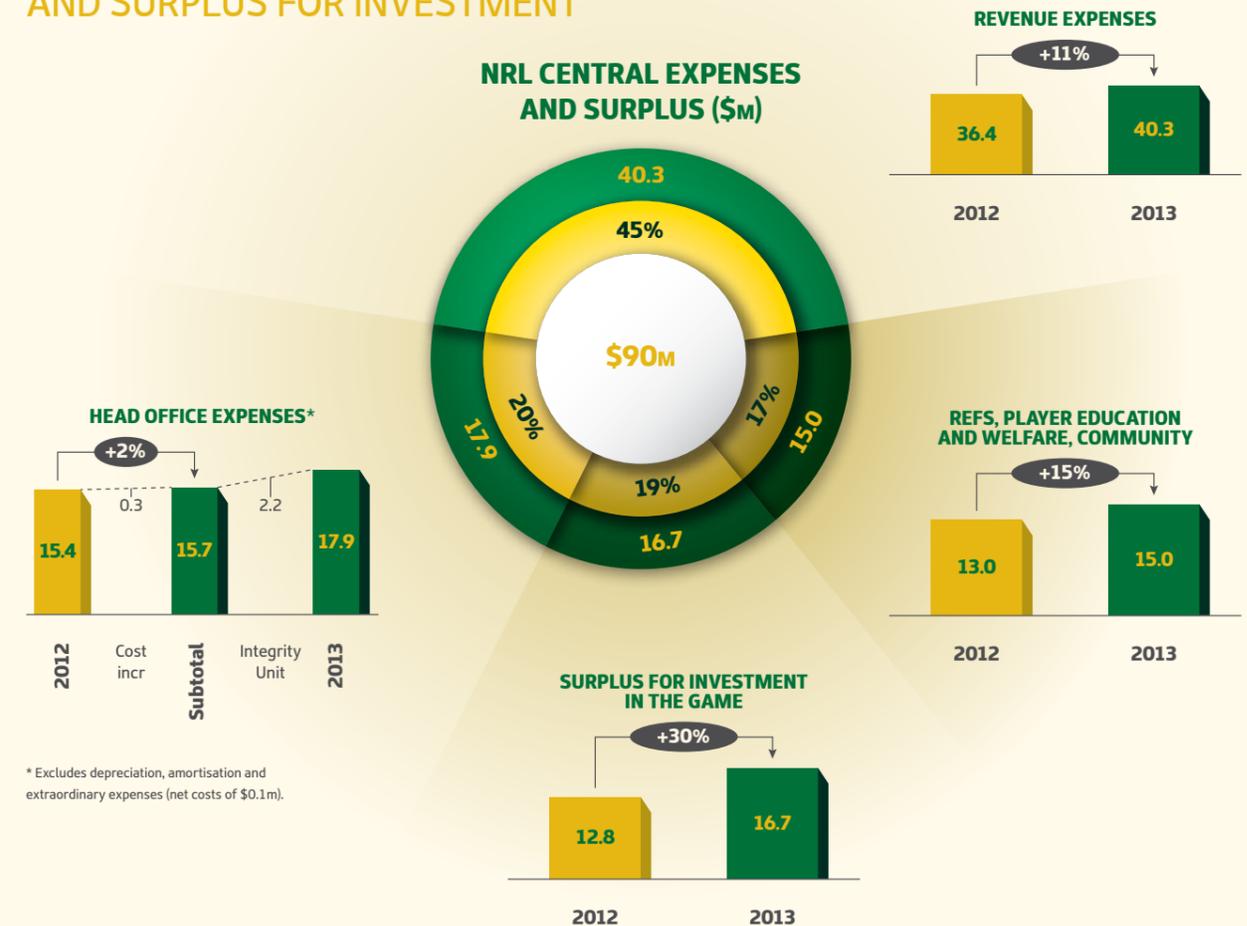
Outside of our major success stories, attendances and revenue for the Telstra Premiership Finals Series were down on 2012, in part due to the introduction of 'double headers' designed to give more value back to the ticket holder. Of our other major games, we enjoyed a successful All Stars game which earned revenue of \$1.3m (+30%).

## NON-BROADCAST REVENUE: OTHER INCOME

### A bright picture overall

Strong growth was also achieved in many traditional revenue categories, including \$4.5m licensing revenue (+6%) and support from state and federal governments for our community focused initiatives of \$8.1m (+22%). We also saw revenue increasing to \$4.4m (+19%) from wagering operators through amendments made to the product fee agreements, and \$2.8m (+\$2.4m) of interest income driven by the higher average cash balances that accompany strong improvements in revenue.

## NRL CENTRAL: OPERATING EXPENSES AND SURPLUS FOR INVESTMENT



In order to capitalise on the new media rights deal, it is vital we have leading commercial, operational and strategic capabilities – with strong governance frameworks to ensure accountability and transparency.

### We have invested in growing our revenue

As non-broadcast revenues were increased, we made sure that the associated cost increases required to support that revenue growth were effectively managed so we could maximise the returns for the game. For example, a 25% increase in sponsorship revenue resulted in an increase in our sponsor servicing costs of 13%, rising to \$5.2m. Similarly, the costs of our major games increased by 9% to \$24.6m, but supported a 14% increase in game revenue.

### A fresh team brings new expertise

During 2013, the NRL executive team was expanded to bring in expertise in a number of areas including marketing and digital, media relations, legal, football and operations. This has resulted in a 2% increase in administration costs to \$15.7m and an additional \$2m in player education and welfare, community and referee costs.

We will retain our focus on cost management in the head office and look for opportunities to drive efficiencies into operations. This focus, combined with appropriate investment in revenue-generating activities where the business case is sound, will maximise the returns available for investment in the game.

### Revised governance is bringing benefits

Additionally, we have invested \$2.2m in new governance measures, including the Integrity and Compliance Unit, to deliver a state of the art drug-testing regime, police the NRL Rules and manage the salary cap. We are already seeing the early benefits of this investment through both the improved revenue generated in the game, and more importantly the robust governance approach taken with ASADA and behaviour challenges our game faced during the year.

## FINANCIALS AND GOVERNANCE

### NRL CENTRAL: OPERATING SURPLUS FOR INVESTMENT IN THE GAME

We delivered an operating surplus from the central NRL business of \$16.7m in 2013, with strong non-broadcast revenue performance supporting our investments in core capabilities and improving the overall margin after expenses from 17% to 19%. These returns, along with broadcast revenue of \$221.3m, were invested into the game.

### 2013 FINANCIAL PERFORMANCE: INVESTMENT IN THE GAME

2013 saw a significant increase in direct investment into the game of Rugby League in Australia – into NRL Clubs and State Leagues, and into Game Development within grassroots and schools. Our games first investment capability is designed to support the strategic investments driving growth into the future.

#### INVESTMENT IN THE GAME: CLUBS AND STATE LEAGUES

One of the earliest actions following the media rights deal was to agree a new Collective Bargaining Agreement with the Rugby League Players' Association. This made sure our players were rewarded accordingly for the entertainment they provide on the field.

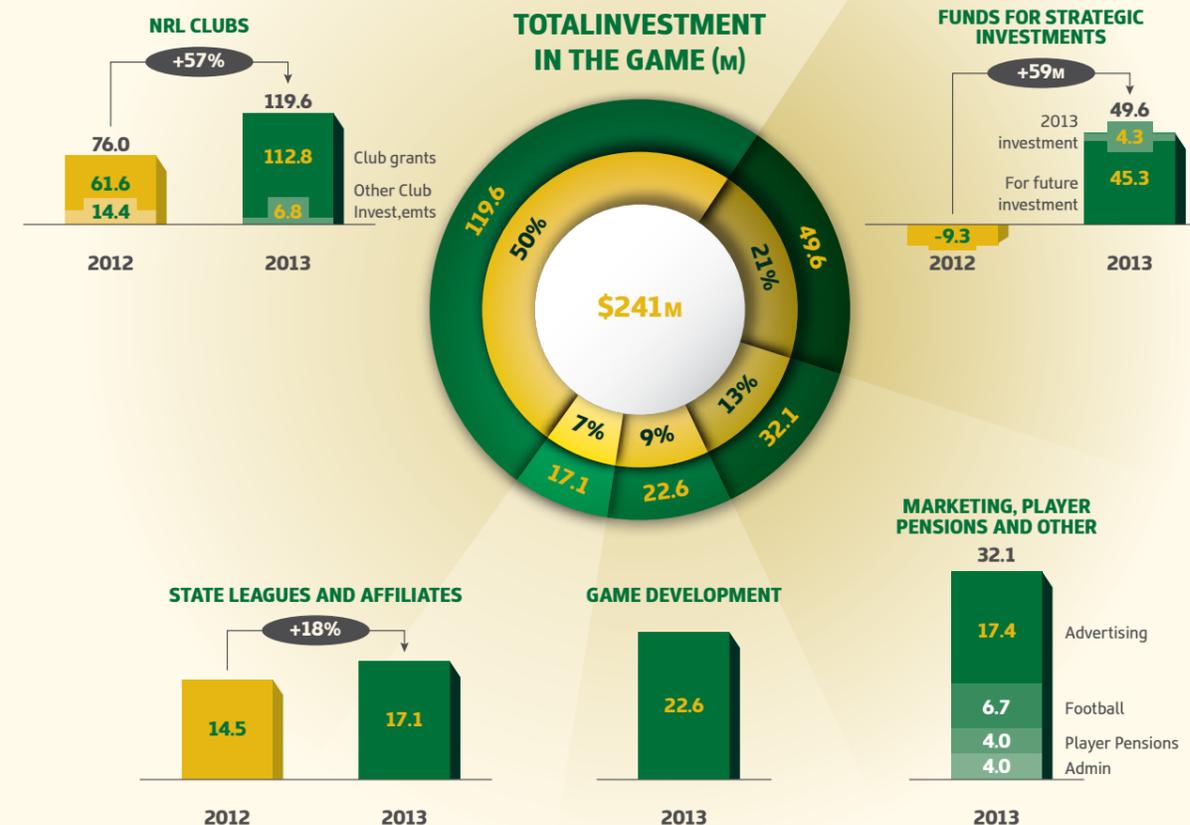
2013 saw direct investments in the NRL Clubs increased significantly – from \$76m in 2012 to almost \$120m this year – ensuring that, for the first time, NRL club funding was greater than the agreed salary cap – a dynamic that is unique across sporting codes in Australia. We also increased investment into our State Leagues, with \$17.1m invested into those bodies during the year directed towards NSWRL (+\$1.3m), QRL (+\$1.0m) and CRL (+\$0.4m).

##### A firmer foundation for all

Strategically, this funding arrangement provides both clubs and states with a firmer foundation upon which to build the value of their businesses. NRL clubs are not all the same, and whilst a number have established thriving businesses, the range of environments means many are facing challenges off the field – whilst striving for a competitive edge on the field.

##### A dedicated unit to support our clubs

Our goal is to enable all clubs to operate sustainable, competitive businesses that allow them to deliver the best on-field product, and during 2013 we made investments in the creation of a Club and State Services Unit to support this goal. The Club and State Services Unit has been established with the aim of providing the Clubs and State Leagues with access to best-practice in business, governance and strategy, allowing us to collectively build initiatives to share costs and share ideas that help us work towards a more sustainable future.



#### INVESTMENT IN THE GAME: DEVELOPMENT RESOURCES

At the end of 2012, all Game Development resources from NSWRL, QRL, CRL and ARLD were consolidated into a single team within the NRL. 2013 saw a total spend of \$22.6m in Game Development activity across the country, employing 350 Game Development Officers to deliver Rugby League programs to schools and promote the community of grassroots clubs around the nation.

#### INVESTMENT IN THE GAME: MARKETING AND OTHER

The media rights deal included advertising and media space to the value of \$17.4m in 2013 as payments-in-kind. We used this to deliver new NRL advertising campaigns in Australia and New Zealand, as well as setting up broadcasting arrangements for the Queensland Intrust Super Cup.

Additionally, Game investments include football operating costs (\$6.7m), admin costs including supporting game broadcasting (\$4m), and an annual contribution to the Rugby League players retirement account (\$4m).

## FINANCIALS AND GOVERNANCE

### INVESTMENT IN THE GAME: OUR STRATEGIES

#### A substantial investment pool

The growth in revenue in 2013, after funding and expenses, delivered \$49.6m for strategic investment in the future of the game. In addition to this, further funds generated by the business over the next few years will provide a substantial pool for investment.

#### Protecting against future shocks

To provide financial protection, over the next four years \$80m of these funds will be set aside to form a 'sustainability fund' and invested to generate a commercial return, with target annual growth in excess of CPI. In essence, we are creating reserves that can be drawn upon in the event of any future financial shock.

#### Investing for continued growth

A strategic priorities fund, in excess of \$120m, will be used to invest directly in the strategic priorities of the game, from grassroots to NRL clubs, fans and members to stadia and infrastructure, and commercial operations that generate more returns for investment.

Already during 2013, growth fund investments of \$4.3m were made in Fans and Members, Player Education and Welfare and other areas, and we have made commitments totalling over \$12m to invest in key programs in 2014 and beyond, including:

- » \$2m to drive our 2014 programs for fans and members;
- » More than \$10m over the next 3 years to support the clubs playing in the State Leagues Cups.

**Note: Against our consolidated, statutory accounts, an end year surplus of \$45.3m is shown. This is equal to the \$49.6m of funds for strategic investment, less the \$4.3m of investments already made.**

## INTEGRITY AND COMPLIANCE UNIT

### CHALLENGES AND OPPORTUNITIES

2013 presented the NRL with significant challenges to our values and image. But with these challenges, we took the opportunity to look closely at what we stood for. A major catalyst for change was the Australian Crime Commission's (ACC) report into Organised Crime and Drugs in Sport. This led to ASADA investigating the alleged supply and use of prohibited substances within sports.

### SENDING A CLEAR MESSAGE

In responding to these issues, the NRL made one of the most significant decisions of 2013: the establishment of a new Integrity and Compliance Unit (ICU). This sent a clear message that more effective risk management processes would be implemented. For the first time the ICU provides the game with dedicated resources focused on integrity threats and the capacity to ensure that any decisions made under the NRL Rules are based on fact and due process.

### LESSONS ARE BEING LEARNT

Whilst the ASADA investigation remains ongoing, it has to date resulted in the issuing of an infraction notice against a player. Separately, an ICU investigation culminated in preliminary findings against the Cronulla-Sharks Football Club – and associated coaching and football personnel – for governance failings that risked the health and well-being of players. *(At the time of print, the final decision and determination of any penalties was being assessed).*

### NEW MECHANISMS PUT IN PLACE

In addition to responding to direct challenges we have built capability and introduced mechanisms to protect the integrity of the game and its participants. In 2013 we:

- » Registered almost 1,000 personnel who have a direct relationship with players, including coaches, medical and other support staff.
- » Introduced a pre-employment probity service for all Clubs.
- » Implemented a sophisticated new drug testing program, including an Athlete Biological Passport program, and overseas testing for Human Growth Hormone (HGH) and peptides.

In 2014 the ICU will:

- » Centralise illicit drug testing, with greater coordination and engagement across the clubs.
- » Improve Club integrity and compliance procedures (effective from 2014), including requirements that a supplement committee is in place – inclusive of the Club doctor and responsible to the CEO – overseeing all supplements given to players.

The ICU also ensures game participants adhere to expectations regarding off-field behaviour – including the NRL's Code of Conduct and the games rules in relation to gambling. Importantly the ICU has established clear and transparent processes for Clubs and States Leagues to communicate instances of non-compliance.

### PENALTIES HAVE BEEN IMPOSED

The ICU investigated a number of issues regarding the conduct of players and officials. In doing so, significant penalties were imposed for off-field behavioural breaches such as drink driving, violence and assault. These decisions have sent a strong message that the game has the same expectations as the community of our participants. In addition to taking disciplinary action, the ICU initiated significant education and awareness programs across the Clubs.

## INTEGRITY AND COMPLIANCE UNIT

### REVIEW OF THE NRL SALARY CAP

Since its introduction in 1998, the salary cap system has maintained the evenness that is the NRL's hallmark. The closeness of our competition is a key commercial asset – and greatly valued by our fans.

2013 represented the sixteenth year of the salary cap – and in this time, all sixteen clubs have finished in the top four. However, the NRL operates in a competitive environment, so the system needs to meet the dynamic challenges of the modern marketplace. For this reason, 2013 also saw a comprehensive review of the salary cap system.

The review has looked beyond the NRL – to salary cap systems at major sports nationally and globally. Thousands of our fans were surveyed – along with corporate partners, media, players, coaches, clubs and player agents. All were engaged in an unprecedented program of consultation across the game's stakeholders.

#### Four principles guiding proposed reforms:

- 1) delivering competitive balance through talent equalisation;
- 2) promoting financial sustainability;
- 3) attracting and retaining talent to the game; and
- 4) observing sound governance and efficient administration.

#### A key driver of our success

The integrity of the salary cap system is paramount to the integrity of the competition. The reform program will be proposed for implementation ahead of the 2015 season. This will ensure the NRL competition continues to set the benchmark for competitive balance, for our fans and for our future commercial success.

## CORPORATE GOVERNANCE

### NRL EXECUTIVE TEAM



Dave Smith  
CEO



Jim Doyle  
Chief Operating Officer



Todd Greenberg  
Head of Football



Mark Wilson  
Chief Financial Officer



Lewis Pullen  
Head of Marketing, Content and Digital



Nick Weeks  
General Manager Integrity and General Counsel



Paul Kind  
Head of Commercial



Sandy Olsen  
Head of Media and Communications



Shane Mattiske  
Head of Strategy and Investment



Tony Crawford  
Head of Club and State Services Unit

The Commission – which is the Board of Directors of the Australian Rugby League Commission Limited (ARLC) – is broadly responsible for ensuring that the people, culture, strategic plans and governance structures of the organisation are appropriate to achieve the vision and objectives of the game.

The ARLC is a public, not-for-profit company, limited by guarantee. The members of the Company are the NRL Clubs, the NSWRL, the QRL, and the eight Commissioners. The ARLC is the sole member of the National Rugby League Limited.

### THE ROLE OF THE COMMISSION

The Constitution of the ARLC specifies its primary objects are to:

- » be the single controlling body and administrator of the game;
- » foster, develop, extend and provide adequate funding for the game from the junior to elite levels and generally to act in the best interests of the game;
- » liaise with and delegate appropriate functions to governing bodies of the game in the States and Territories of Australia, including the NSWRL and QRL;
- » organise and conduct all State of Origin and Australian representative games, recognising that the selection and management of the State of Origin teams representing NSW and QLD shall be the responsibility of the NSWRL and the QRL;
- » organise and conduct the NRL Competition;

- » foster the NRL Competition;
- » liaise with the Rugby League International Federation Limited and organisations controlling the game in other countries in fostering the game of Rugby League throughout the world;
- » promote and encourage either directly or indirectly the physical, cultural and intellectual welfare of young people in the community and in particular, the rugby league community; and
- » promote and encourage either directly or indirectly sport and recreation, particularly rugby league football, in the interests of the social welfare of young persons.

### COMPOSITION OF THE COMMISSION

The Commission comprises eight persons who are not officers or employees of a Licensee (NRL Club), QRL, NSWRL, NRL, or of any related body corporate. Each Commissioner in one of the Commissioner groups must retire from office, and is entitled to stand for re-election. Each year, the Commissioners elect one of their number as Chairman. The eight Commissioners are also the Directors of the ARLC and the National Rugby League Limited.

The Commissioners are John Grant (Chairman), Catherine Harris AO, Dr Chris Sarra, Ian Elliot, Jeremy Sutcliffe, Peter Gregg, Wayne Pearce, Gary Pemberton AC (resigned 31 October 2013), and Graeme Samuel AC (appointed 1 November 2013).

### CONFLICT OF INTEREST

Prior to their appointment, a prospective Commissioner must demonstrate that they do not have any actual or potential conflicting interests with the ARLC or NRL.

### COMMISSION COMMITTEES

The Commission has established two Committees – the Risk and Audit Committee and the Remuneration Committee – to assist the Commission in the discharge of the Commissioners' roles and responsibilities. Other Committees have, from time to time, been established – but are currently dormant.

### CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is not a Commissioner and is not a Director of the Board. The appointment of the Chief Executive Officer is by the Commissioners, for such period and on such terms as they think fit, and, subject to the terms of any agreement, may revoke such appointment.

### NRL EXECUTIVE

Dave Smith (CEO), Jim Doyle, Todd Greenberg, Lewis Pullen, Mark Wilson, Nick Weeks, Paul Kind, Sandy Olsen, Shane Mattiske, Tony Crawford.

## DIRECTORS' REPORT

The Directors present their report for the Australian Rugby League Commission Limited ('ARLC' or 'the Company') for the year ended 31 October 2013.

### DIRECTORS

The names and details of the company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

#### **John Grant BE (Hons) (Chairman)**

Mr Grant is the Managing Director of Data#3 Limited and a Director of the Australian Information Industry Association.

#### **Catherine Harris AO PSM BCom FAICD**

Ms Harris is the Chair of Harris Farm Markets and a Director of the National Gallery, The Australian Ballet, The University of New South Wales Foundation and the Australian School of Business Advisory Board and a Governor of The University of Notre Dame. Ms Harris is the Chair of the People, Workplace Culture and Remuneration Committee.

#### **Dr Chris Sarra Dip Ed Bed MEd Ph.D EMPA AICD**

Dr Sarra is a Director of the Stronger Smarter Institute.

#### **Gary Pemberton AC BSc ATSE (Resigned 31 October 2013)**

Mr Pemberton is a former Chairman of Qantas, TAB Limited, Racing NSW and the Sydney Olympic Organising Committee.

#### **Ian Elliot MAICD**

Mr Elliot is a director of Hills Holdings Limited and Salmat Limited. Mr Elliot is the Chair of the Broadcast Committee.

#### **Jeremy Sutcliffe LLB (Hons) OAMP MAICD**

Mr Sutcliffe is Chairman of CSR Limited, a Director of Amcor Limited and former Managing Director and CEO of SimsMetal Management Limited.

#### **Peter Gregg BEc**

Mr Gregg is an Executive Director, the Deputy Chief Executive and the Chief Financial Officer of Leighton Holdings Limited. Mr Gregg is the Chair of the Audit and Risk Committee.

#### **Wayne Pearce BSc Dip Ed OAM**

Mr Pearce is a former Kangaroos Captain and Coach of the New South Wales Origin side. Mr Pearce is the Chair of the Collective Bargaining Agreement Committee.

#### **Graeme Samuel AC (Appointed 1 November 2013)**

Mr Samuel is a former head of the Australian Competition and Consumer Commission, a lawyer, business consultant and a founding AFL Commissioner.

## COMPANY SECRETARIES

### **Nick Weeks (Legal Counsel)**

Mr Nick Weeks has been the company secretary of the National Rugby League Limited since 15 July 2013. Prior to his appointment, Shane Mattiske had been Company Secretary since 5 June 2012.

## PRINCIPAL ACTIVITY

The principal activity of the Company during the course of the financial year was the fostering and propagation of the game of Rugby League Football throughout the States and Territories of Australia and internationally. The short and long term objectives of the Australian Rugby League Commission are to foster, develop, extend and adequately fund the game from grassroots to elite level; conduct State Of Origin and Australian representative matches; organise, conduct and foster the NRL competition; liaise with the Rugby League International Federation on the international game and to promote and encourage sport, recreation and the general welfare of young people in the community. The success of the Company's performance of these objectives is indicated by the growing awareness and participation in Rugby League.

## REVIEW OF OPERATIONS

2013 was the first full year of operations under the New Members Agreement which was effective from 10 February 2012. Due to this significant change in the structure of the Company, the 2013 and 2012 financial information included in the financial report is not directly comparable. The 2013 consolidated results include full year results for ARLC, Australia Rugby League Development ('ARLD') and NRL. The 2012 consolidated results include the full year results of ARLC and ARLD and from 10 February 2012 the NRL results.

## FINANCIAL RESULTS

The Group's net surplus was \$45,341,125 (2012: \$4,675,845). The net surplus includes significant expense items of \$8,350,659, (2012: \$nil) relating to the strategic investment in growth initiatives for the NRL competition. The Group's operating surplus (comprising earnings before interest, tax, depreciation, amortisation and significant items) was \$51,749,175 (2012: \$6,450,728).

## DIVIDENDS

No dividends have been paid, declared, or recommended by the company during the financial year.

## SIGNIFICANT EVENTS AFTER THE YEAR END

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the organisation, to affect significantly the operations of the organisation and the state of affairs in future financial years.

## LIKELY DEVELOPMENTS AND FUTURE RESULTS

The Directors are not aware of any other particular changes in the operations of the Company which will materially affect the results in subsequent years.

# ARLC CONCISE FINANCIAL REPORT

## ENVIRONMENTAL ISSUES

The Company operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

## DIRECTORS INTERESTS AND BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit because of a contract made by the Company or a related body corporate with a Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial interest.

## INDEMNIFICATION OF OFFICERS

The Group paid an insurance premium of \$96,439 (2012: \$50,478) in respect of a contract insuring the Directors of the Company named earlier in this report and each full-time executive officer, against liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law, up to the policy limit.

## MEMBERS' GUARANTEE

The Company is a company limited by guarantee. If the company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company. At 31 October 2013 the number of members was 26 (2012: 26).

## BOARD MEETINGS

The number of Board Meetings held during the year and the number of meetings attended by each Director was as follows:

DIRECTORS	BOARD MEETINGS	
	ELIGIBLE TO ATTEND	ATTENDED
John Grant (Chairman)	11	10
Catherine Harris AO PSM	11	9
Dr Chris Sarra	11	10
Gary Pemberton AC	11	10
Ian Elliot	11	10
Jeremy Sutcliffe	11	10
Peter Gregg	11	10
Wayne Pearce OAM	11	11

## REGISTERED OFFICE

The registered office of Australian Rugby League Commission Limited is located at:  
Rugby League Central, Driver Avenue Moore Park NSW Australia.

## CORPORATE STRUCTURE

Australian Rugby League Commission Limited is a public, not-for-profit company, limited by guarantee. The domicile of the Company is Sydney, Australia.



Ernst & Young  
850 George Street  
Sydney NSW 2000 Australia  
GPO Box 2046 Sydney NSW 2001

Tel: +61 2 9248 5555  
Fax: +61 2 9248 5939  
ey.com/au

## Auditor's Independence Declaration to the Directors of Australian Rugby League Commission Limited

In relation to our audit of the concise financial report of Australian Rugby League Commission Limited for the financial year ended 31 October 2013, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.

Ernst & Young

Christopher George  
Partner

Sydney  
21 January 2014

A member firm of Ernst & Young Global Limited  
Liability limited by a scheme approved under Professional Standards Legislation

Signed in accordance with a resolution of the Directors.

John Grant  
Chairman

Peter Gregg  
Director  
Sydney  
21 January 2014

## STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

YEAR ENDED 31 OCTOBER 2013	NOTES	2013 (\$)	2012 (\$)
Broadcast revenue		221,344,493	101,563,667
Funding from National Rugby League Partnership (NRLP)		-	4,890,034
Other income		92,968,563	79,215,172
	2a	<b>314,313,056</b>	<b>185,668,873</b>
Operational expenses		(72,035,104)	(56,044,565)
Marketing and media expenses		(36,209,274)	(14,730,317)
Administration expenses		(14,301,060)	(16,967,720)
Community, education and welfare expenses		(7,668,421)	(5,182,535)
National Rugby League club grants		(112,800,000)	(46,200,000)
Other club assistance		(6,807,040)	(5,005,529)
One off club grant		-	(8,000,000)
Funding provided to other rugby league bodies		(17,050,672)	(18,363,650)
Depreciation and amortisation		(2,029,835)	(1,683,167)
Interest expense		(70,525)	(91,716)
Loan amount forgiven		-	2,500,000
Share of NRLP profit/(loss)		-	(11,223,829)
		<b>(268,971,931)</b>	<b>(180,993,028)</b>
<b>SURPLUS</b>		<b>45,341,125</b>	<b>4,675,845</b>
Income tax expense		-	-
<b>NET SURPLUS</b>		<b>45,341,125</b>	<b>4,675,845</b>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO MEMBERS OF ARLC LIMITED</b>		<b>45,341,125</b>	<b>4,675,845</b>

The Consolidated Statement of Comprehensive Income is to be read in conjunction with the discussion and analysis below.

### Discussion and analysis of the Consolidated Statement of Comprehensive Income

Consolidated net surplus increased by \$36.6m to \$45.3m.

Consolidated revenue increased by \$128.6m to \$314.3m. The main reasons for this were:

- » An increase in annual broadcast fees totalling \$119.8m.
- » An increase in sponsorship revenue totalling \$6.7m.

Consolidated expenditure increased by \$88.0m to \$269.0m. The main reasons for this were:

- » An increase in distributions to clubs totalling \$58.6m. (Note NRL distributions to clubs increased by \$43.2m from \$69.6m to \$112.8m. However, only 9 months of NRL results are consolidated in 2012 hence the larger increase shown).
- » An increase of \$21.2m in marketing and media expenses, \$17.4m of which was advertising contra placement costs.
- » Increased expenditure on initiatives to strategically grow the game of rugby league of \$4.3m

## STATEMENT OF CONSOLIDATED FINANCIAL POSITION

AS AT 31 OCTOBER 2013	NOTES	2013 (\$)	2012 (\$)
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		117,066,226	43,595,880
Trade receivables		18,180,925	7,531,182
Prepayments and other receivables		14,770,968	22,813,275
Inventory		436,497	485,056
<b>TOTAL CURRENT ASSETS</b>		<b>150,454,616</b>	<b>74,425,393</b>
<b>NON CURRENT ASSETS</b>			
Intangibles		395,866	130,573
Property, plant and equipment		21,539,898	22,046,887
Other receivables		15,683,996	14,137,442
Investment in associates		-	-
<b>TOTAL NON CURRENT ASSETS</b>		<b>37,619,760</b>	<b>36,314,902</b>
<b>TOTAL ASSETS</b>		<b>188,074,376</b>	<b>110,740,295</b>
<b>CURRENT LIABILITIES</b>			
Trade payables		11,937,935	9,020,930
Other payables		84,850,495	52,487,994
Provisions		3,875,120	2,667,811
<b>TOTAL CURRENT LIABILITIES</b>		<b>100,663,550</b>	<b>64,176,735</b>
<b>NON CURRENT LIABILITIES</b>			
Payables		22,120,077	26,727,894
Provisions		599,748	485,790
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>22,719,825</b>	<b>27,213,684</b>
<b>TOTAL LIABILITIES</b>		<b>123,383,375</b>	<b>91,390,419</b>
<b>NET ASSETS</b>		<b>64,691,001</b>	<b>19,349,876</b>
<b>EQUITY</b>			
Reserves		2,227,781	2,227,781
Retained surplus brought forward		62,463,220	17,122,095
<b>TOTAL EQUITY</b>		<b>64,691,001</b>	<b>19,349,876</b>

The Statement of Consolidated Financial Position is to be read in conjunction with the discussion and analysis.

### Discussion and analysis of the Statement of Consolidated Financial Position

Consolidated total assets increased by \$77.3m to \$188.0m. The movement in total assets principally comprised:

- » An increase in cash and cash equivalents of \$73.5m
- » An increase in current trade receivable and current and non-current prepayments and other receivables of \$4.2m

Consolidated total liabilities increased by \$32.0m to \$123.4m. The movement in total liabilities principally comprised:

- » An increase in trade and other payables of \$35.3m
- » A decrease in non-current payables of \$4.6m

## STATEMENT OF CONSOLIDATED CASH FLOWS

YEAR ENDED 31 OCTOBER 2013	NOTES	2013 (\$)	2012 (\$)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Revenue from ordinary operations		365,558,215	238,360,035
Payments to suppliers and employees		(176,292,895)	(154,881,937)
Grants to NRL Clubs		(112,800,000)	(46,200,000)
Interest received		2,821,083	338,574
Interest paid		(70,525)	(91,716)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>79,215,878</b>	<b>37,524,956</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash transferred on acquisitions		-	5,270,884
Payments for property plant and equipment		(1,374,921)	(2,058,770)
Payments for intangibles		(436,361)	(86,060)
Proceeds from sale of plant and equipment		-	145,199
Issue of loans and cash advances		(4,045,833)	(111,583)
Proceeds from loans and cash advances		111,583	-
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>		<b>(5,745,532)</b>	<b>3,159,670</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>73,470,346</b>	<b>40,684,626</b>
<b>CASH AT THE BEGINNING OF THE PERIOD</b>		<b>43,595,880</b>	<b>2,911,254</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>117,066,226</b>	<b>43,595,880</b>

The Statement of Consolidated Cash Flows is to be read in conjunction with analysis below.

There was a net increase in cash holdings of the consolidated entity, during the year, totalling \$73.5m. The major reason for the increase in cash during the year was:

» Funds provided by operating activities totalling \$79.2m, that includes funds received in advance of services being provided to broadcasters during the year of \$43m

Offset against these were payments during the year being:

» Issue of loans and cash advances to clubs of \$4.0m

## STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

### Year ended 31 October 2013

	RESERVES (\$)	RETAINED SURPLUS (\$)	TOTAL (\$)
As at 1 November 2012	2,227,781	17,122,095	19,349,876
Surplus for the year	-	45,341,125	45,341,125
Other comprehensive income for the year	-	-	-
<b>As at 31 October 2013</b>	<b>2,227,781</b>	<b>62,463,220</b>	<b>64,691,001</b>

	RESERVES (\$)	RETAINED SURPLUS (\$)	TOTAL (\$)
As at 1 November 2011	2,227,781	12,446,250	14,674,031
Surplus for the year	-	4,675,845	4,675,845
Other comprehensive income for the year	-	-	-
<b>As at 31 October 2012</b>	<b>2,227,781</b>	<b>17,122,095</b>	<b>19,349,876</b>

## NOTES TO THE CONCISE FINANCIAL STATEMENTS

### Year ended 31 October 2013

#### 1. BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The requirements of AASB 1039 Concise Financial Reports do not have mandatory applicability to Australian Rugby League Commission Limited. However the Directors of the Company have prepared the concise financial report, in accordance with the presentation and disclosure requirements of AASB 1039 Concise Financial Reports for distribution to the members. This financial report does not substitute nor is it intended to replace the mandatory requirements applicable to Australian Rugby League Commission Limited under the Corporations Act 2001.

The financial statements and specific disclosures required by AASB 1039 have been derived from the consolidated entity's full financial report for the financial year. Other information included in the concise financial report is consistent with the consolidated entity's full financial report. The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position, and financing and investing activities of the consolidated entity as the full financial report. A full financial report is available to the members, upon request to the Company free of charge.

This concise financial report has been prepared using the historical cost convention. All amounts in the concise financial report are in Australian dollars.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts. A full description of accounting policies adopted by the consolidated entity may be found in the consolidated entity's full financial report.

NOTES	2013 (\$)	2012 (\$)
<b>2A. INCOME</b>		
Broadcast revenue	221,344,493	101,563,667
Funding from National Rugby League Partnership (NRLP)	-	4,890,034
<b>Other income</b>		
Game receipts	36,442,250	30,260,954
Sponsorship	25,726,950	19,078,936
Government incentives	9,781,011	8,036,452
Gain on derecognition of media rights deferred revenue	-	2,748,691
Other income	21,018,352	19,090,139
<b>Total other income</b>	<b>92,968,563</b>	<b>79,215,172</b>
<b>Total income</b>	<b>314,313,056</b>	<b>185,668,873</b>
2012 Other income lines for Game receipts, Sponsorship and Other income have been reclassified to ensure consistent treatment with 2013. There is no change to Total Other Income.		
<b>2B. SIGNIFICANT ITEMS</b>		
The following items are included in the Net Surplus		
Investment in Growth Initiatives	4,307,690	-
<b>Total Significant Items</b>	<b>4,307,690</b>	<b>-</b>

### 3. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the organisation, to affect significantly the operations of the organisation and the state of affairs in future financial years.

## Directors' Declaration

In accordance with a resolution of the directors of Australian Rugby League Commission Limited, we state that:

In the opinion of the directors:

(a) the financial statements and notes of the Company has been prepared in accordance with AASB 1039 Concise Financial Reports; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



John Grant  
Chairman



Peter Gregg  
Director

Sydney  
21 January 2014

# ARLC CONCISE FINANCIAL REPORT

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN RUGBY LEAGUE COMMISSION LIMITED

### REPORT ON THE CONCISE FINANCIAL REPORT

We have audited the accompanying concise financial report of Australian Rugby League Commission Limited which comprises the statement of consolidated financial position as at 31 October 2013, the statement of consolidated comprehensive income, the statement of consolidated changes in equity and the statement of consolidated cash flows for the year then ended and related notes, derived from the audited financial report of Australian Rugby League Limited for the year ended 31 October 2013. The concise financial report also includes discussion and analysis and the directors' declaration. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

#### Directors' Responsibility for the Concise Financial Report

The Directors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and for such internal controls as the directors determine are necessary to enable the preparation of the concise financial report.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with ASA 810 Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Australian Rugby League Commission Limited for the year ended 31 October 2013. We expressed an unmodified audit opinion on the financial report in our report dated 21 January 2014. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the concise financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of audit evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with AASB 1039 Concise Financial Reports and whether the discussion and analysis complies with the requirements laid down in AASB 1039 Concise Financial Reports. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Independence

In conducting our audit, we have met the independence requirements of the Australian professional accounting bodies.



#### Opinion

In our opinion, the concise financial report (including the discussion and analysis and the directors' declaration) of Australian Rugby League Commission Limited for the year ended 31 October 2013 complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

Ernst & Young

Christopher George  
Partner

Sydney  
21 January 2014

## APPENDIX: LINKING TO THE ANNUAL REPORT

This section links the commentary in the body of the Annual Report to the Concise Financial Report for the Australian Rugby League Commission Limited for the year ended 31 October 2013. The commentary describes how the game is funded, the financial performance of the NRL, and how funds are invested in the game. Because of the dissolution of the NRL Partnership and the creation of the Commission in February 2012, the statutory financial statements do not provide like-for-like comparisons of income and expenditure between 2012 and 2013. In order to provide meaningful comparisons, management has prepared ProForma 2012 accounts by making a number of adjustments to the statutory 2012 financials:

- » Income and expenses incurred by the NRL Partnership for the first 3 months of the year (Nov 2011 to Feb 2012) have been aggregated with the ARLC results for the following nine months to create a 12 month view
- » Balancing adjustments in the Statutory Accounts that occurred with the dissolution of the NRL Partnership have been excluded
- » A number of expense and revenue items have been reclassified to provide a meaningful comparison to the 2013 business, accounting for:
  - Game Development operations moving to the ARLC in the year
  - A number of non-recurring items that are specific to 2012

A summary of these adjustments and a ProForma income statement showing the split of 2013 accounts in line with Broadcast and Non-Broadcast revenues is shown below.

### 2012 STATUTORY ACCOUNTS TO PROFORMA ACCOUNTS RECONCILIATION (\$M)

LINE ITEM	STATUTORY ACCOUNTS	PRO FORMA ACCOUNTS	RECONCILIATION		
			3 MONTH	NRLP DISSOLUTION	RECLASS
<b>REVENUE</b>					
NRLP Income	4.9	0		(4.9)	
Other Income	79.2	80.4	3.0	1.6	(3.4) <sup>a</sup>
<b>EXPENSE</b>					
Operating Expenses	(56.0)	(64.1)	(3.3)		(4.9) <sup>b</sup>
Marketing and Media	(14.7)	(16.7)	(2.0)		
Administration	(17.0)	(12.4)	(0.6)	0.5	4.7 <sup>c</sup>
Community, Player Ed and Welfare	(5.2)	(6.9)	(1.5)		(0.2) <sup>b</sup>
Club Grants	(46.2)	(61.6)	(15.4)		
Other Club	(5.0)	(6.4)	(1.4)		
Funding to State Leagues and Affiliates	(18.4)	(14.5)		(1.2)	(5.1) <sup>b</sup>
NRLP Profit/Loss	(11.2)	0		11.2	
Loan Forgiveness	2.5				(2.5) <sup>d</sup>
Non-Recurring Items	0	1.2			3.4 <sup>a</sup> , (4.7) <sup>c</sup> , 2.5 <sup>d</sup>

**Notes – reclassification:**

- a) Government funding received in 2012, to be shown as non-recurring
- b) Development officers transferred from State Leagues funding to NRL expense
- c) 2012 administration formation costs, to be shown as non-recurring
- d) Loan forgiven as part of partnership dissolution, to be shown as non-recurring

### PROFORMA INCOME STATEMENT (\$M)

	2013			2012	DIFFERENCE	
	NRL	GAME	TOTAL	TOTAL	\$(M)	%
<b>REVENUE</b>						
Broadcast revenue	-	221.3	221.3	101.6	119.7	118
Non broadcast revenue	90.0	3.0*	93.0	80.4	12.6	16
- Sponsorship	25.7	-	25.7	20.6	5.1	25
- Game receipts	36.4	-	36.4	32.0	4.4	14
- Government incentives	8.1	1.7	9.8	8.0	1.8	23
- Wagering	4.4	-	4.4	3.7	0.7	19
- Merchandise royalties	4.5	-	4.5	4.3	0.2	5
- Interest received	2.8	-	2.8	0.4	2.4	600
- Digital	5.7	-	5.7	5.9	(0.2)	(3)
- Other income	2.6	1.1	3.7	5.5	(1.8)	(33)
<b>Total revenue</b>	<b>90.0</b>	<b>224.3</b>	<b>314.3</b>	<b>182.0</b>	<b>132.3</b>	<b>73</b>
<b>EXPENSES</b>						
Operating expenses	(30.4)	(37.3)	(67.7)	(64.1)	(3.6)	6
Administration	(14.2)	-	(14.2)	(12.4)	(1.8)	15
Marketing and media	(18.8)	(17.4)	(36.2)	(16.7)	(19.5)	117
Community, player education and welfare	(7.7)	-	(7.7)	(6.9)	(0.8)	12
Club funding	-	(119.6)	(119.6)	(76.0)	(43.6)	57
- Base grants	-	(112.8)	(112.8)	(61.6)	(51.2)	83
- Bonus grant	-	-	-	(8.0)	(8.0)	100
- Other club assistance	-	(6.8)	(6.8)	(6.4)	(0.4)	6
State league and affiliate funding	-	(17.1)	(17.1)	(14.5)	(2.6)	18
Depreciation and amortisation	(2.1)	-	(2.1)	(1.8)	(0.3)	17
Interest expenses	(0.1)	-	(0.1)	(0.1)	-	0
<b>Total expenses</b>	<b>(73.3)*</b>	<b>(191.4)</b>	<b>(264.7)</b>	<b>(192.5)</b>	<b>(72.2)</b>	<b>38</b>
<b>OPERATING SURPLUS</b>						
Surplus	16.7	32.9	49.6	(10.5)	60.1	(572)
<b>OTHER</b>						
Investment in strategic priorities	-	(4.3)	(4.3)	-	(4.3)	
Other non recurring items	-	-	-	1.2		
<b>NET SURPLUS</b>						
Net surplus/(deficit)	16.7	28.6	45.3	(9.3)	54.6	

\* Totals affected by rounding to one decimal place.

# PARTNERS

THE AUSTRALIAN RUGBY LEAGUE COMMISSION WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK THE GAME'S COMMERCIAL PARTNERS FOR THEIR SUPPORT AND COMMITMENT TO RUGBY LEAGUE



together we can make a difference



Australian Government



The new state of business



Queensland Government





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