

Sydney Cricket & Sports Ground Trust

2012/13 ANNUAL REPORT

For the Financial Year of 1 March 2012 – 28 February 2013



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This annual report is available on the Trust website:

www.scgt.nsw.gov.au
www.sydneycricketground.com.au

LETTER OF SUBMISSION



June 2013

The Hon Graham Annesley MP
Minister for Sport & Recreation
Level 33 Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

**Letter of submission
2012/13 ANNUAL REPORT
SYDNEY CRICKET & SPORTS GROUND TRUST**

The Trust is pleased to submit the Annual Report of the Sydney Cricket and Sports Ground Trust for the year ended 28 February 2013 for presentation to Parliament.

The Annual Report has been prepared in accordance with requirements of the *Annual Reports (Statutory Bodies) Act 1984*, the *Annual Reports (Statutory Bodies) Regulation 2010* and the *Public Finance and Audit Act 1983*.

Yours sincerely

JAMIE BARKLEY
Chief Executive Officer

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MINISTER'S FOREWORD

I congratulate the Trust on another outstanding performance during 2012/2013 in what has been a challenging local, national, and international financial environment.

Maintaining the venues and facilities to world-class standard is one of the key responsibilities of the Trust and is also an essential element of the state's ability to continue to attract major events that deliver significant economic benefits to NSW.

With that in mind, I am pleased the Trust has invested nearly \$10 million for general maintenance and refurbishments at the SCG and Allianz Stadium during the past 12 months.

This investment is in addition to the major capital work currently underway on the magnificent new SCG grandstand which is on track to be operational for the Ashes Test next January.

The new state-of-the-art spectator facilities will significantly enhance the overall comfort and ambiance of the ground whilst maintaining its outstanding cultural and historical authenticity.

During the year more than 1.4 million people attended the SCG and Allianz Stadium for sport events, concerts, tours or to use the Stadium Fitness Centre.

The Trust added to its already impressive schedule with sell-out events for the Wallabies v Wales Rugby Test and two Coldplay concerts.

This was in addition to existing partnerships with the Sydney Roosters, Wests Tigers, Sydney Swans, NSW Waratahs, Sydney FC, Sydney Sixers, and the NSW Blues.

And if that isn't enough, 2012 saw the SCG reach the great milestone of 100 Test matches when Australia

played India. This significant achievement was recently recognised internationally winning the prestigious Sports Event of the Year Award at the global Stadium Business Awards in the UK.

The merit of this award was further exemplified by the fact that Super Bowl XLVI and the 2012 London Olympic Games 'Super Saturday' were also contenders.

The popularity of SCG and Allianz Stadium events during the year, coupled with sound financial management, has pleasingly seen the Trust return an operating surplus (before grants) of more than \$420,000 and reduce its capital debt by \$7 million.

The Trust also deserves great credit for its on-going support of several community and charity events including the Jane McGrath Day during the Sydney Test match, the SCG Country Cup, the Marathon Cricket event hosted in association with the Primary Club, and the traditional ANZAC Day NRL match at Allianz Stadium.

On behalf of the State Government and the people of NSW, I congratulate everyone at the Trust for their diligence and professionalism in ensuring one of Australia's greatest sporting and entertainment precincts continues to grow and prosper.

The Hon Graham Annesley MP
Minister for Sport and Recreation





CHAIRMAN'S REPORT

THE TRUST EXISTS TO SERVE THE GLORY OF SPORT. WITH THESE WORDS, I BEGIN MY FOREWORD EACH YEAR. WE ARE IN THE BUSINESS OF GROWING GRASS IN THE KNOWLEDGE THAT THE PLAYING SURFACE IS THE ESSENCE OF A SUCCESSFUL SPORTS GROUND. IF THE CONTEST DOES NOT TAKE PLACE ON A FIELD THAT IS FAIR AND TRUE, THE CONTEST IS A LESSER OCCASION. THE SURFACE WILL NOT ENTER THE CONSCIOUSNESS OF PLAYERS IF THE PLAYERS TAKE ITS TRUENESS FOR GRANTED – AS THEY SHOULD.

For a ground authority, nothing can be taken for granted. The Members of these grounds certainly take nought for granted: they come to each event in expectation of the highest standards. In being Members, they have been coming for a long time, they have seen the best and the worst. The public shares those expectations.

A sports ground puts in its own appearance. It is unheralded, largely back of house, and a job that is both completed before the gates open and which begins in earnest when the gates open. The job is not one that finishes when the gates close. A sports ground cannot go into mothballs.

In this foreword I am paying tribute to our curators – Tommy Parker at the Sydney Cricket Ground and Michael Finch at Allianz Stadium. If you are at the grounds early, Tommy, Michael and crews are at work. They are back on the grounds as soon as the contest is over. I have never accepted it is boring to watch grass grow, not given the fascination of visitors in staring at our fields. It is the opposite of boring to watch the grounds staff set about preparing a wicket or a football field, to observe their cooperation, silent language, occasional signals, and their dedication to the task. I dips me lid to them.

Regulating admission, with safety the first priority, is an area where the Trust is always open to suggestion. On the first days of a Test or a major game, there will be queues. Unless events are tickets only, there will be queues. In the Members Reserve, the Trust has experimented with its approach, its first and last line of advice being what Members say they prefer.

An ethos of making welcome should pervade every member of the staff. The Trust is so very fortunate to have employees who have decades of experience.



There is now no doubt, if ever there was, that every person who decides to make a visit to the grounds, rather than enjoy the comforts of staying at home, deserves being made welcome. Those who attend events are our lifeblood.

The year under review has seen good progress on the construction of the stand at the northern end of the SCG. Members lost so much of their reserve; temporary seating without cover was installed behind the wicket; the Trust bought back seats in the Brewongle and Churchill stands. Members showed forbearance about the inconveniences because they knew that building far better facilities required demolition and a short-term sacrifice. Stage 2 will be operational in time for the Ashes. Members will appreciate the difference.

The Test itself, said to be of no consequence in a dead rubber, proved to be absorbing. But for the lack of discipline of the Sri Lankan batsmen on the third day, Australia may have faced a fourth innings total that might have challenged them. Remarkable how often the finest batsmen will forget that success at the crease depends on keeping the ball on the ground and taking a run only when it is there to be taken.

The other pages of this report deal with the events on our grounds, the successes and otherwise of the teams that have made here home. Congratulations to the Sydney Swans for winning the AFL grand final in a close result. To win such a victory revealed tremendous character.

I extend my thanks to all those on staff who undertook the business of the Trust by moving paper and connecting with the world by digital means.

I especially want to thank my fellow Trustees for their dedication to the deliberations of the Trust and the tasks between meetings.

During the period of review John McCarthy QC, a Trustee since 1996, resigned to take up his appointment as Australian Ambassador to the Holy



See. John was an inspiration and tower of strength during the difficult negotiations in the years before the 2000 Olympics. More than anyone, he secured Commonwealth funding for Stage 2 in 2011.

Maurice Newman replaced John. Maurice brings a love of the sacred soil, serious knowledge about cricket and valuable practical experience from a career in stockbroking and public service. He has fitted in well with a Trust that consists of high achievers united by their devotion to the welfare of our grounds. I thank them all. My deputy, John Cloney, has also been a tower of strength. One can only wish that there was always a John Cloney beside you.

Rodney Cavalier AO
Chairman



OUR VISION & GOALS

WHO WE ARE

The Sydney Cricket and Sports Ground Trust is responsible for managing two of Australia's special sports venues – the Sydney Cricket Ground and Allianz Stadium.

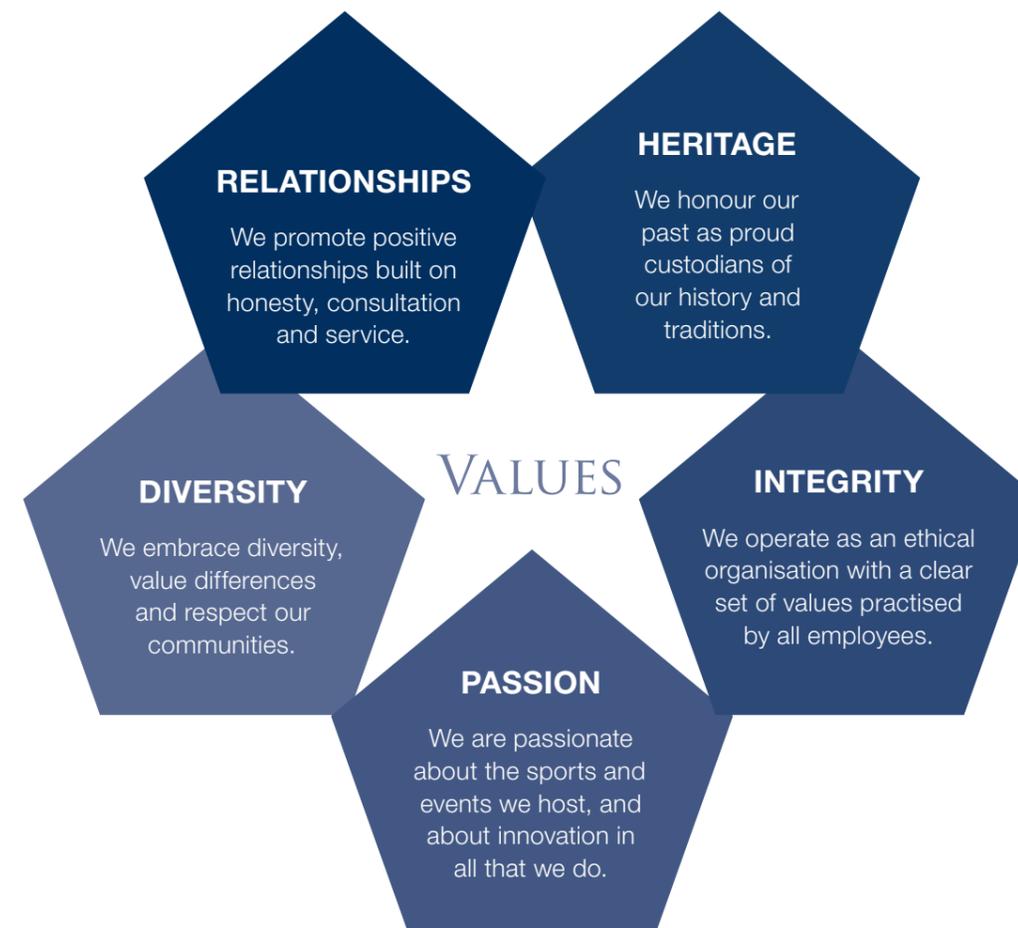
Together these two grounds form a central sports precinct of international standing that includes a sports museum, fitness centre, club facilities and the headquarters of several major sporting clubs and codes including rugby league, rugby, football, cricket and AFL.

We host nearly 100 sport and concert events and attract approximately 1.5 million visitors each year.



VISION

To celebrate sport, create history, enhance entertainment and share the experience.



Our goals and the strategies for achieving them are based on a foundation of five core values that define us as an organisation. They underpin our key decisions, actions and response to challenges and new opportunities.

GOALS





KEY OUTCOMES AND PROGRESS ACHIEVED DURING 2012/13

The following actions planned in the Trust's *Corporate Plan 2012-16* were achieved during the past year.

HERITAGE GOAL

Being an effective custodian of the heritage and traditions of our grounds and the sports they support.

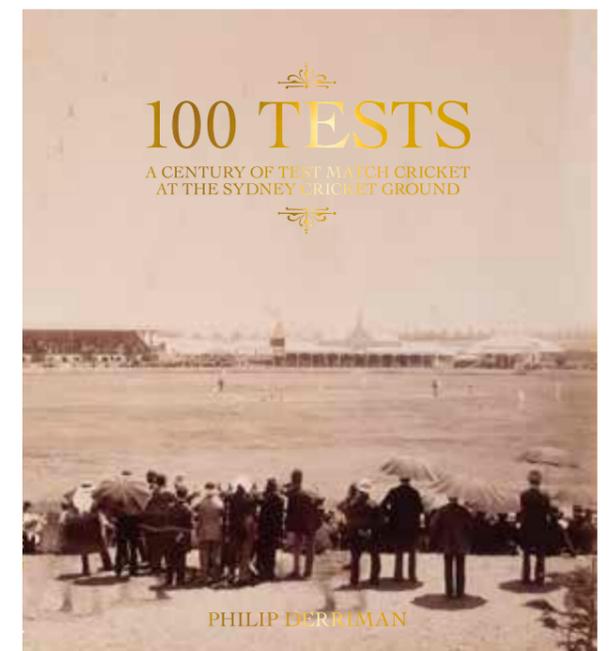
Five Year Strategy Outlined in Corporate Plan

- Be an effective custodian of our heritage and traditions
- Implement museum and archive plans
- Investigate opportunities for developing targeted publications for all stakeholders

Key Achievements in the Past Year

- Noble Stand clock tower retained as proposed in the Heritage Impact Statement for the SCG Stage 2 development
- Created an educational audio tour of the precinct's sports sculptures that can be accessed as a smartphone app or a web download
- SCG Museum created two major exhibitions to commemorate important sports milestones – 'Celebrating 100 SCG Tests' and 'Thirty Years of Sydney Swans at the SCG' – while expanding the 'Memories Project' and installing a new permanent museum exhibition

- Expanded the 'Oral Histories Project' with a minimum of 10 new interviews, which have been transcribed for the website and linked to relevant objects and images from the museum collection
- Cricket Art Prize opening night and exhibition hosted in the Members Pavilion and calendar produced from a Trust selection of finalists
- Produced and published *100 Tests*, a limited edition book commemorating 100 SCG cricket Tests
- Developed a new Trust brand strategy with style guides
- Worked with sports partners to develop new tour and activity packages, which were added to the range of public, corporate and group venue tours tailored to suit market segments
- Heritage Asset Management Strategy reviewed, with a feasibility study to upgrade the Members Pavilion change rooms completed





KEY OUTCOMES AND PROGRESS ACHIEVED DURING 2012/13

FACILITIES GOAL

Developing and presenting our venues to the highest standard of safety, comfort and facilities.

Five Year Strategy Outlined in Corporate Plan

- Strategically invest in grounds and facilities through the annual capital works program and the Trust Master Plan
- Increase cooperation and collaboration between the Trust, sports partners and key stakeholders

Key Achievements in the Past Year

- The Trust's precinct Master Plan progressed with construction commencing on SCG Stage 2, the ground's new northern stand, on track to be operational by January 2014
- Further design, budgeting and planning work was undertaken with government and sports partners to prepare for potential future stages of development at the SCG and Allianz Stadium over the next 10 years
- Market research undertaken on Member, patron and partner perceptions of their event experience at the SCG and Allianz Stadium. Findings were assessed and action taken as appropriate.
- Annual Capital Works Program undertaken, including the redevelopment of Allianz Stadium Level 3, creation of the new Diamond Lounge, widening and upgrading the SCG's O'Reilly Tunnel and completion of the Allianz Stadium forecourt refurbishment

- SCG and Allianz Stadium playing fields maintained in premium condition for scheduled events, with annual turf management plans implemented
- Total Asset Management Plan works undertaken within specified budget, time and quality. A new plan was reviewed and approved by the Trust's Grounds and Event Services Committee
- Relocation of the SCG's telecommunications operations from the Bradman and Noble stands to the Victor Trumper Stand
- A new composting unit became operational which converts most food waste from the site to garden compost, reducing our landfill and environmental emissions by 40%
- Discussions undertaken with our caterers and suppliers about methods of increasing recycling and use of recycled material across the four key WRAPP areas (paper products, office equipment and components, food and vegetation material, and construction and demolition material)
- Cosmetic improvements completed to modernise hospitality areas
- Continued to meet standards required under the Trust's liquor license
- Conducted risk assessments of IT security and systems to ensure compliance with legislation, and applied findings to all critical areas
- Created and launched a new Trust smartphone app, including an Android version
- Expanded the Trust's use of web and social media, including launching new SCG and Allianz Stadium specific Facebook and Twitter accounts, in line with the new marketing and communications plan





KEY OUTCOMES AND PROGRESS ACHIEVED DURING 2012/13

SERVICE GOAL

Ensuring our Member, partner, staff and customer experience is valued and recognised as best practice.

Five Year Strategy Outlined in Corporate Plan

- Strengthen ability to identify, understand and respond to Member, staff, partner and customer needs
- Continually review and enhance the value of products and services
- Ensure satisfaction with the quality of maintenance, facilities, programs and services

Key Achievements in the Past Year

- Developed a Patron Service Charter, with input from casual and permanent staff, that was integrated into staff training and reward programs



- Developed and circulated a Disability Access Plan
- Promotion of milestones and landmark events and the Trust's brand through digital and print advertising
- Strategies developed to support site media operations and activities on event and non-event days
- Gained media input into AFL SCG media centre upgrade and SCG Stage 2 cricket media centre development
- Implemented marketing strategies with sports and entertainment business partners to maximise attendances at home games and events
- Promoted awareness of new opportunities that could add value to partnerships and hospitality packages by creating new innovative products and services and a regular program of functions and events. We communicated these regularly to clients via a range of print, electronic and digital means, including e-newsletters and web updates.
- Liaised with government agencies and other stakeholders with event meetings and joint communications plans and press releases
- Maximised efficiency of transport and pedestrian options by contributing to the government's working group for the development of light rail and infrastructure improvement in Moore Park and liaising with police and Moore Park Events and Operations Group (MEOG) to ensure traffic management plans are in place for all relevant events
- Ensured agreed catering quality standards through contracted KPIs, comparative analysis of similar operations and reaching agreement with contractors for capital expenditure
- Continual web development to enable new online services for Members, hirers, partners and staff
- Conducted annual audit and risk assessment of corporate information systems

COMMERCIAL GOAL

Ensuring the continued commercial viability of the Trust.



Five Year Strategy Outlined in Corporate Plan

- Increase and diversify the Trust's revenue base
- Negotiate strong long-term hiring deals with sports partners and tenants
- Review, enhance and grow key supplier and sponsorship deals
- Review the optimal membership category mix and investigate other membership opportunities
- Continue to develop and improve record management
- Review, enhance and grow the corporate hospitality, Gold and Platinum membership sales programs

Key Achievements in the Past Year

- Increased commercial revenue from \$17.8 million to \$18.3 million through improved Gold and Platinum membership sales and advertising and sponsorship rights, to overcome a flat hospitality market
- Reduced capital debt from \$35.3 million to \$28.1 million
- Renegotiated the venue catering agreement for the Azure cafe at the Stadium Fitness Centre
- Conducted a needs and cost benefit analysis of implementing optimum ticketing program for both venues, before agreeing a new multi-year contract with Ticketek
- Completed a brand audit and developed strategies to better understand the strengths and weaknesses of the Trust's hospitality operations and products compared to our competitors
- Increased digital traffic to our hospitality web pages through SEO (search engine optimisation), corporate blogs, and website review
- Improved the quality of our customer marketing data to help increase the sales success rate. This was achieved by measures including conducting a tender to license an appropriate Customer Relationship Management system for the storage and tracking of clients and prospects, instigating data capture on website and incorporating the importance of accurate and rich data collection
- Built tools for corporate clients to assist them in better utilising suites and signage products and measuring their return on investment



MANAGING THE EVENTS

AFL

Sydney Swans

The Sydney Swans celebrated their 30th year at the SCG with a premiership-winning season. They played nine home games at the SCG in 2012, winning seven and losing two to set up one of the best grand finals seen in decades, when they defeated Hawthorn.

The Trust congratulates the club on the result, The Sydney Swans is seen as a genuine chance to repeat the achievement in 2013.

The average attendance for Swans games was 22,933, with the largest crowd of the season being 31,167 in round 25 against Hawthorn. Total crowd attendance for the year was 206,401, which was slightly up on the previous year despite construction of the new northern stand.



RUGBY UNION

Wallabies v Wales

International rugby made a popular return to Allianz in June 2012, with nearly 43,000 fans setting a stadium record for this code.

The return was a victorious one for the home team, with Australia winning by a point in a nail-biting finish.

NSW Waratahs

The Waratahs did not make the finals of the Super Rugby competition in 2012. The team achieved two victories from their six games at their home ground, Allianz Stadium.

Average match attendance at the Waratahs' home fixtures was 18,763 with a total attendance of 112,579 for the season. The team kicked off their 2013 presence at Allianz Stadium on 14 February with a pre-season trial match against Canterbury Crusaders.



FOOTBALL

Sydney FC

The Sky Blues had a mixed 2011/12 A-League season, finishing fifth at the completion of the home and away rounds. Sydney FC went down to Wellington Phoenix 3-2 in week 1 of the semi-finals.



The club's pre-season got off to a high-profile start when they announced the signing of Italian star Alessandro Del Piero. The value of this marquee signing was vindicated with him breaking the Sydney FC season goal-scoring record and generating significant increases in match attendances.

More than 35,000 fans came to see the team play their first home game at Allianz Stadium. Average attendance was up more than 50% on the previous season, with 180,101 spectators attending the 10 Sydney FC home games.

RUGBY LEAGUE

NRL ANZAC Cup

The ANZAC spirit was kept alive when 40,164 fans turned out on ANZAC Day to witness the rivalry continue between the Sydney Roosters and the St George Illawarra Dragons. The Dragons were able to overcome the Roosters in a tight match 28-24.

The event was a major success and played in terrific weather conditions. As well as an opportunity to witness a match that has become a popular highlight on the NRL calendar, it allowed fans and the Trust to recognise the services of men and women in our defence forces.

Sydney Roosters

The 2012 season saw the Roosters play 11 games at Allianz Stadium resulting in four wins and seven losses. The Roosters finished 13th at the completion of the home and away rounds.

The 11 matches drew 139,782 attendees at an average of 12,707.

West's Tigers

The West's Tigers played four of their home matches at Allianz Stadium in the 2012 NRL season, resulting in one win and three losses. They finished 10th at the completion of the home and away rounds.

The four matches drew 70,363 attendees at an average of 17,590.

NRL Finals

Allianz Stadium hosted one NRL finals match during September. The first qualifying final was played between the Sea Eagles and the Cowboys on 14 September, before a crowd of 16,678. The Sea Eagles prevailed, 22-12.





MANAGING THE EVENTS

CRICKET

Sri Lanka Test Match

The SCG Trust worked closely with Cricket Australia and Cricket NSW on the successful staging of the third Test between Australia and Sri Lanka commencing 3 January 2013.

Despite Sri Lanka losing the first two matches in the series, the SCG Test attracted healthy crowds for the first three days. The game was played against the backdrop of the new northern stand construction works and while this reduced the overall capacity of the ground, patrons and fans were well provided for with temporary facilities and a temporary stand put in place for Members.

It was also a very special occasion on-field with Michael Hussey playing his final international Test match.



The Sydney Test continues to be a key event in raising awareness of breast cancer through the work of the McGrath Foundation. A range of activities were held particularly on day three, or affectionately known as Jane McGrath Day, including the Jane McGrath High Tea and the sale of various types of pink merchandise. The 2013 Sydney Pink Test raised more than \$475,000.

Trust Operations staff developed highly detailed event plans and policies, and managed their implementation. They also played a key role in overseeing off-field entertainment activities for the Trust and cricket sponsors. Staff worked closely with the NSW Police, MEOG and NSW Transport. Their hard work resulted in an incident free event, and upheld the Trust's desire to be the benchmark in Australian event management.

The SCG welcomed nearly 88,000 cricket fans over the four days of the January Test. Day 1 recorded 26,365 spectators through the turnstiles.

Australia was able to secure a well earned victory within four days with new pace bowler, Jackson Bird turning in a Man of the Match performance.

One Day Internationals

The SCG hosted two One Day International matches over the 2012/13 summer. The game against Sri Lanka attracted 22,521 spectators with the match against West Indies attracting 18,161 spectators.

Twenty20 Big Bash League – Sydney Sixers

The second season of Big Bash League saw the SCG host four games for the Sydney Sixers. The Sixers won one game and lost three. The defending champions were disappointed in some of their performances which resulted in them not making the finals.

Crowds for the four home games averaged 13,290 with the highest crowd of 17,801 at the fixture against Melbourne Renegades on 9 Jan.



Domestic Cricket

The NSW Blues had a fluctuating season finishing third in the Sheffield Shield and fourth in the One Day Cup series.

The NSW Breakers finished first in the Women's National Cricket League. The Breakers claimed an unprecedented eighth consecutive 50-over title by defeating the Queensland Fire in the final by 15 runs at the SCG. A week later they finally won their first T20 national title, becoming the first team to win both major championships in the one season.

SCG Country Cup Final

The SCG Trust once again proudly supported the growth of country cricket in NSW through its sponsorship of the SCG Country Cup during the 2012/13 season.

More than 60 teams participated in the knock-out competition throughout regional NSW and the ACT. In a one sided affair on 3 February 2013, Newcastle-based Merewether defeated Albury-Wodonga by 117 runs to win the trophy for the fourth time.

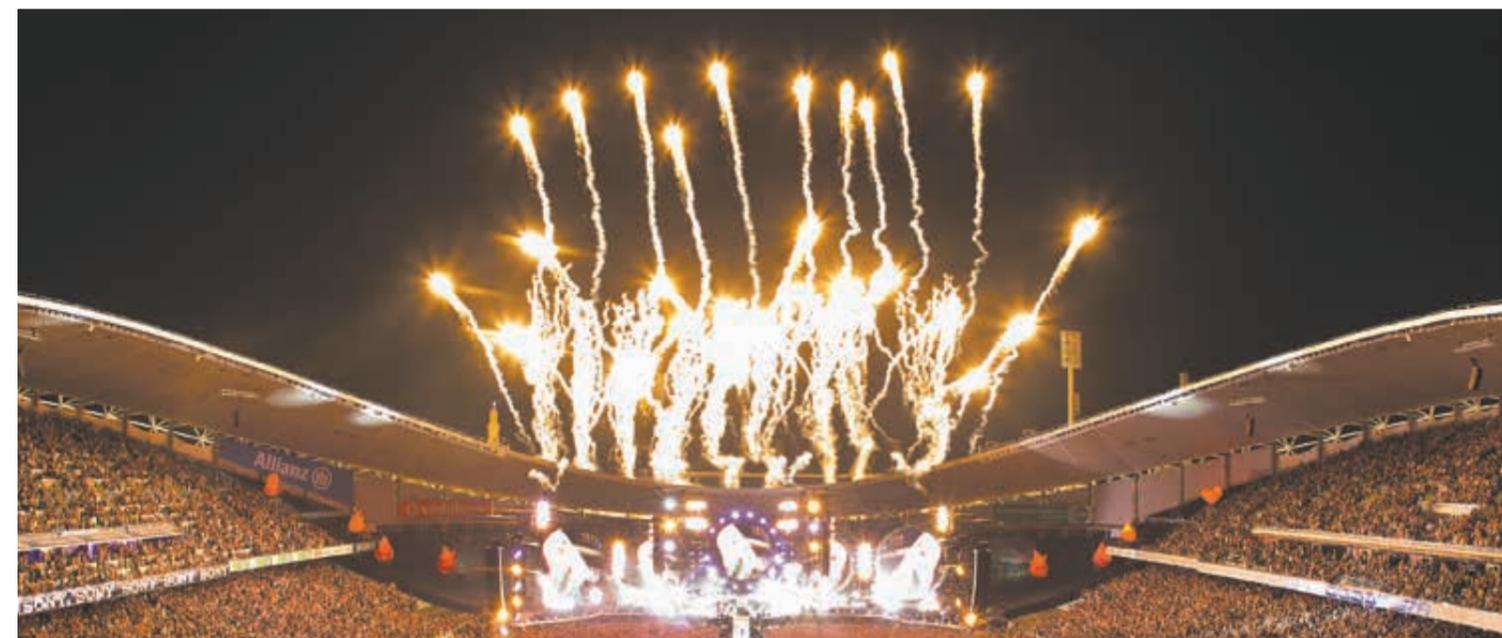
While the match was played in a competitive spirit, it is likely that the memories of the experience of playing on the SCG will outlast those of the result for the finalists.

Sports Event of the Year Award

The Sydney Cricket Ground's 100th cricket Test held in January 2012 was recently awarded the prestigious Sports Event of the Year Award at the global 2013 Stadium Business Awards.

The Test, played between Australia and India, overcame the Super Bowl XLVI, the 2012 NBA All-Star game, the 2012 London Olympics Games 'Super Saturday', the Opening Game of EURO 2012 in Poland and the Emerald Isle Classic in Dublin to win the award.

Special measures undertaken by the SCG Trust to celebrate the 100th Test included commissioning an expert panel to nominate the 10 most significant SCG Tests and the best Australian XI and World XI teams; using these to create fan debate through traditional and social media; 'dressing' the ground with historical photos and large video screens playing footage from a range of eras; creating a special exhibition in the SCG Museum and commissioning 12 artists create works in public view that captured special aspects of the on-field action or the atmosphere of the historic milestone. The Trust also designed a bespoke 100th Test logo that featured on special merchandise, publications, and on the commemorative cap that was presented to players and officials on both sides, and published a 100 Tests coffee-table book documenting the greatest moments in SCG Test history.





MANAGING THE EVENTS

OPERATIONS

Catering

The Trust's contracted caterers, Delaware North, completed their second full year of operations in 2012. While there were some early challenges related to moving offices and losing some facilities due to the SCG's new stand development, the overall feedback received from our partners was positive. The Trust continues to work closely with Delaware North to provide the best possible venue food and beverage experience for patrons.



The Trust continues to maintain its position of competitive pricing in line with other major stadia in Australia.

With the support of Delaware North, a program of capital works continued through 2012 including an upgrade to facilities on the eastside of Level 3 of Allianz Stadium, equipment acquisition and general upgrade of some food and bar outlets.

Stadium Events

Stadium Events has become a well recognised event business associated with the Trust, the SCG and Allianz Stadium. They offer use of stadia facilities for private and corporate functions on non-event days. The year-on-year financials have continued to grow under the management of Delaware North.

CONCERTS & SPECIAL EVENTS

Coldplay

Allianz Stadium hosted two Coldplay concerts on 17 and 18 November. Both concerts were sold out performances with more than 90,000 patrons in attendance. The shows were visually spectacular and were considered by many to be the best concerts seen at the stadium.

They also attracted critical acclaim, winning the *Sydney Morning Herald's* 'Metro M Award for Live Act of the Year'. They were voted by readers as winners of the 'People's Choice Award for Best Live Act', capturing 21 per cent of the vote.

Marathon Cricket

The Primary Club of Australia, in association with the SCG Trust and Cricket NSW, held the Marathon Cricket event at the SCG in January.

Club and corporate teams participated in matches across 30 hours to raise funds for sports and recreational equipment and facilities for people with disabilities.

The inclement weather did not dampen the enthusiasm at the annual Marathon of Cricket dinner which was held in the SCG's Steve Waugh Room on the final evening of competition.

Regular hosts Richie Benaud and Jim Maxwell kept guests thoroughly entertained.

Azure Catering

Azure catering operated throughout 2012/13 in the first year of an extended contract period to provide catering services to Members in the Stadium Fitness Centre. They continue to provide excellent product and service to Members.

Security and Access

Maintaining secure venues for patrons, onsite tenants and staff is an ongoing process. Tightening of procedures in several areas has occurred and we continually review infrastructure and systems for improvement.

Risk Management

The Trust consults with the Treasury Managed Fund and third party claim representative Proclaim Management Services for insurance claims and activities.

Risk management is an ongoing review process with sports partners, onsite tenants and contractors to ensure that workplace health and safety is maintained at a high standard.

Car Parking

Moore Park East car parks are operated by the Trust under license from Centennial Park and Moore Park Trust on event days. The Trust manages the MP1 car park on event and non-event days for use by Members and precinct staff. The Trust will install boom gates for the eastern pod of MP1 to improve management and prevent unauthorised use. Work is expected to commence in the second half of 2013.

Ticketing

Ticketing services for both venues is provided by Ticketek who continue to provide a strong distribution network and innovative features.

Merchandising

The incumbent merchandise rights holder at the SCG and Allianz Stadium, is Playbill Pty Ltd. They operate the Stadium Store and outlets in the grounds.

Playbill work closely with many of our venue sports partners with the goal of maximising sales for the benefit of all parties.

Event Attendances - 1 March 2012 to 28 February 2013

Event		Attendees
ODI	AUSTRALIA V SRI LANKA	22,521
	AUSTRALIA V WEST INDIES	18,161
TEST CRICKET	AUSTRALIA V SRI LANKA	87,797
OTHER INTERNATIONAL CRICKET	AUSTRALIA A V ENGLAND LIONS	278
	AUSTRALIA A V SOUTH AFRICA	3,790
TWENTY20	SYDNEY SIXERS	52,990
DOMESTIC CRICKET	SPEEDBLITZ BLUES	2,099
	WNCL BREAKERS	300
	SCG COUNTRY CUP	225
	MARATHON OF CRICKET	400
ARU	WALLABIES V WALES	42,889
SUPER RUGBY	NSW WARATAHS	112,579
A-LEAGUE	SYDNEY FC	180,101
NRL	SYDNEY ROOSTERS	139,782
	WESTS TIGERS	70,363
	ST GEORGE ILLAWARRA DRAGONS	40,164
	FINAL SERIES	16,678
AFL	SYDNEY SWANS	206,401
CONCERTS	COLDPLAY	90,011

SCG & ALLIANZ STADIUM TOTAL 1,087,529

STADIUM FITNESS CENTRE VISITS 334,989

SCG TOUR EXPERIENCE 8,776

TOTAL 1,431,294



MANAGING THE ASSETS

CAPITAL WORKS PROGRAM

The Trust's capital works program budget for 2012/13 was \$7.369 million, comprising works from the Total Asset Management Plan totalling \$2.726 million and new projects totalling \$4.643 million. Actual expenditure was nearly \$10.4 million.

The over expenditure can be attributed to the addition of Level 2 works into the Allianz Stadium Level 3 eastside redevelopment, the unbudgeted Master Plan progress for future redevelopment at the SCG and Allianz Stadium, and 2011/12 completed projects falling into the 2012/13 budget year.

The 2012/13 capital works program only consisted of 11 projects. Two of these, the Allianz Stadium eastside redevelopment and the O'Reilly Stand Tunnel reconstruction totalled \$5.653 million.

Construction of the SCG's new northern stand is not included in this program budget.



Total Asset Management Plan

The Trust's Total Asset Management Plan was reviewed late 2012 and submitted to NSW Treasury.

It contained a small number of projects and asset improvements in the past year including:

- improving the MP1 car park with new line markings and signage
- plant, equipment and machinery acquisitions
- SCG Members Pavilion painting and maintenance

Allianz Stadium Forecourt

The forecourt is the main spectator entrance to Allianz Stadium. Over the past couple of years, it has been updated with a series of redevelopment works to improve presentation, practicality and atmosphere.

The project was completed in three stages. The first two – installation of the 45m² LED video screen above the main entrance and expanding the Stadium Store by moving the ticket box to the Venue Services Office – were completed in 2011.

The final stage was completed for Anzac Day 2012 and comprised:

- widening the pedestrian route from the Members' MP1 car park into the forecourt
- widening the forecourt on the southern side by the removal of the existing landscape bed and the planting of new tuckeroo trees
- installing power bollards to both sides of the forecourt to accommodate temporary event structures and facilities
- laying a new pavement finish, consisting of concrete borders, pavers and asphalt
- installing stainless steel and glass balustrades to both sides of the forecourt



MANAGING THE ASSETS

Allianz Stadium Level 3 Eastside Redevelopment

The redevelopment of the eastside of Level 3 of the stadium was completed and operational for the Australia v Wales rugby Test in June 2012.

The project included:

- a complete strip-out of existing obsolete facilities
- increasing the floor plate by filling four floor voids with concrete
- fitting six new toilets and an accessible toilet in compliance with the Building Code of Australia
- building two new corporate box kitchens
- installing two new bars and one food retail catering outlet
- fitting six new power bollards for mobile food and beverage carts
- installing a second new lift which can be accessed from the ground floor turnstile area
- creating the new Diamond Lounge on Level 2, with new seats fitted in the eastern deck

The original scope of the project was extended to Level 2 of the stadium, where two new public toilets were built and all existing toilets were refurbished. The refurbished facilities included two public toilets, and four corporate toilets (servicing the main eastside dining room, Randwick Room and the new Diamond Lounge), and an accessible toilet. All works were completed for the 2012 NRL final series.

SCG O'Reilly Tunnel Upgrade

The 'tunnel' running along the back of the concourse level of the SCG's O'Reilly Stand is a major spectator thoroughfare. Its use presented some overcrowding issues during the 2011 Ashes Test. The Trust implemented additional safety procedures but these didn't fully rectify the issues to the Trust's satisfaction.

An upgrade was planned for the area after extensive computer modelling for fire and safety.

The key elements of this safety upgrade were:

- widening the tunnel and removing doors at the Victor Trumper interface to reduce evacuation and end-of-game egress times, as well as improve use for fans during games
- providing sprinkler protection throughout the tunnel
- installing smoke control measures to help maintain tenable conditions during an evacuation and limit the risk of smoke spreading to upper levels in case of a fire
- separating fire hazards such as the food and beverage areas from the main evacuation routes

Further project works included:

- stripping out facilities within the tunnel to increase its width
- building new male and female public toilets
- installing new public food and beverage outlets nearby to replace those moved from the tunnel
- creating a new entry to corporate areas within the stand
- fitting new tunnel finishes and clearly defined entrances to concourse and upper deck seating

The tunnel was operational for the 2013 cricket Test against Sri Lanka and completed in February.

Other Projects

The Properties Division has also overseen several other capital works projects during 2012/13 including:

- SCG Members Pavilion painting and maintenance
- fitting a new awning to the Azure cafe to provide more shade and rain protection
- several projects to improve the Trust's IT operations

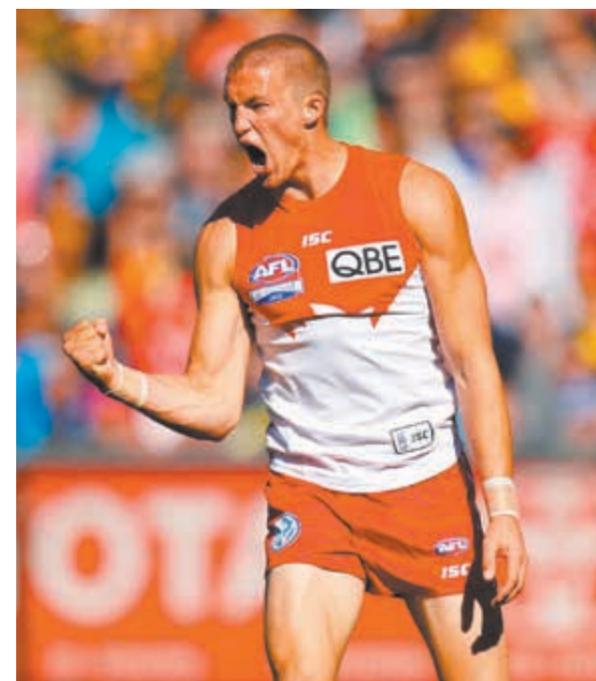
PLAYING FIELD MAINTENANCE

SCG

The SCG outfield and wicket square were renovated following the last Sheffield Shield match in March 2012 in preparation for the Sydney Swans AFL season.

There were substantial works to the wicket square, with pitches 2 and 3 completely removed and replaced with new soil and legend couch turf. The standard AFL ground works followed, including coring the ground to decompact the soil and allow for aeration and water penetration of the field. This also assisted oversowing, allowing the winter rye seed to get into the soil and germinate. The cutting height of the ground was then raised from 10mm to 30mm in line with AFL regulations.

The 2012 AFL season was a very good one – on the field and for the field, with a great coverage of the winter rye grass all year round and the Swans going on to win the grand final.



The summer renovation began in September to prepare the ground for the summer sports season. The ground was sprayed to remove the winter rye grass and allow for the summer couch to come through. The couch this year took a little longer to come through due to the outstanding coverage of the winter rye grass.

By the time the Test match between Australia and Sri Lanka was underway in January, the field was in immaculate condition, both the outfield and wicket square. The cricket season consisted of 28 games played over 39 days comprising:

- three internationals including the Test match
- one tour match between Australia A and South Africa
- two Sheffield Shield matches
- two domestic one-day cup matches
- one Australia A v England Lions matches
- four Sydney Sixers matches
- 15 non-first class matches

Allianz Stadium

The playing surface started 2012 in excellent condition. A heavy schedule of events during March and April resulted in a traditional centre wear pattern, but early oversowing of the field with rye seed minimised impact on the surface.

The playing surface was in good condition for the Australia v Wales rugby Test in June. By July, the grass through the centre of the field was thinning due to a wet and cold winter. The grass surface improved from August and was in excellent condition for the NRL finals series and the start of the A-League season.

The annual turf and renovation of the ground took place in October during the warmest spring for 24 years.

November saw two concerts performed by Coldplay. The surface was in good condition after the concerts due to the experience gained from past concerts on the field. Staff ensured proper preparations were followed, which included full-field ground protection. The use of the stadium was high in 2012, with 65 games played over 39 event days.

With the A-League season continuing and rugby and rugby league pre-seasons in full swing, there was a busy schedule of games early in 2013, with events held each weekend throughout February. The playing surface had full coverage with a rye grass overlay providing a stable and secure playing surface.



MANAGING THE ASSETS

HEALTH & SAFETY

Approach to Harmonised Legislation

For the Trust, the harmonised work health and safety legislation places greater emphasis on integrating health and safety management into business operations. As part of this integration the Trust has set in place a Health and Safety Strategic Plan for the next three years which aims to establish and maintain a Health and Safety Management System capable of obtaining external certification in accordance with Australian Standards (AS/NZS4801). The Health and Safety Strategic Plan aims to facilitate continual improvement in health and safety performance, focusing on:

- providing greater instruction, training and supervision to workers to mitigate workplace hazards through the use of safe and sustainable work practices
- maintaining greater control and communication between the Trust, its contractors and subcontractors
- improving processes for high risk work such as working at heights, confined spaces and with high voltage electricity

Health and Safety Achievements

In accordance with requirements of the *Work Health and Safety Act 2011*, the Trust has improved its worker

consultation with the establishment of a renewed Workplace Health and Safety Committee consisting of representatives from all Trust departments, tenants and major contractors.

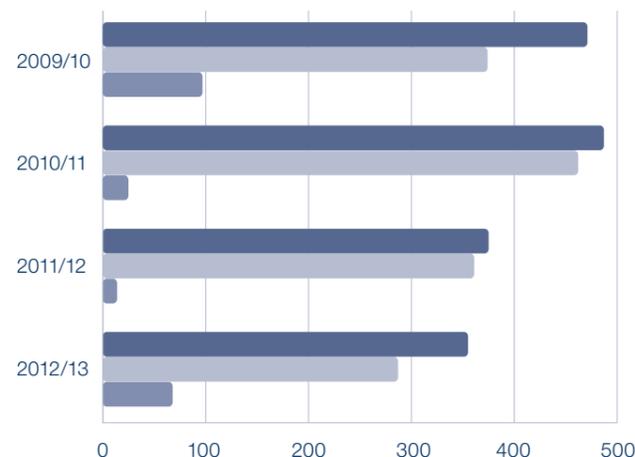
In addition, the Trust has also formed an internal subcommittee including elected and trained Health and Safety Representatives from various Trust departments. The subcommittee targets health and safety issues and improvements directly relevant to the Trust's operations.

The Trust has developed a strong hazard-identification and incident reporting system supported by a custom designed online database which allows us to document incident investigations, detect trends in incident data and record corrective actions.

These initiatives, in addition to various other improvements, have resulted in a reduction of 5.4% in total injuries over the reporting period compared to the previous year. The improvement was especially notable for 'lost time injuries' (where a worker was required to take time off as a result of an injury sustained at work – see 'Workplace Injury Management' section on next page). This is despite an increased amount of activity associated with the commencement of the new SCG northern stand development.



Aggregate of Medical Incidents



Medical Incidents	2012-13	2011-12	2010-11	2009-10
Total	355	375	487	471
Event	287	361	462	374
Non-Event	68	14	25	97

Workplace Injury Management

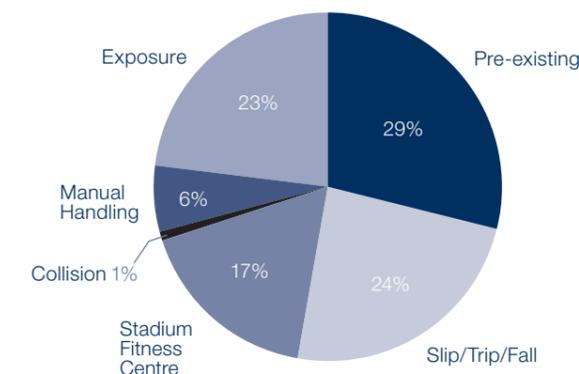
Active workers' compensation claims were reduced to zero in the last quarter of the reporting period. Average return to work periods for lost time injuries were reduced by 80%, showing a marked improvement in workplace injury management on previous years.

Events-related injuries and illnesses also reduced from 361 to 287 over the reporting period. Similar to last year, 29% of medical incidents were classed as 'pre-existing', meaning the cause of the injury or illness did not originate on-site. Incidents requiring hospitalisation were 8%, a drop of 2% on the year before.

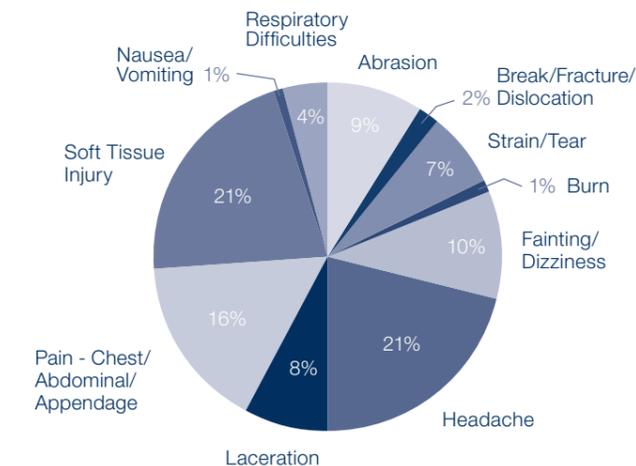
There has been an additional 54 non-event day injuries in 2012/13 compared to the previous year. The vast majority of such injuries result from Members' use of the Stadium Fitness Centre, which

contributed 17% of injuries overall. This was attributed to an increase in Stadium Fitness Centre patronage over the reporting period (up by more than 22,000 visits) and the introduction of a new incident reporting system which increased the ease of injury and incident reporting.

Root Cause of Medical Incidents



Medical Incident Classification





MANAGING THE ASSETS

ENVIRONMENT & SUSTAINABILITY

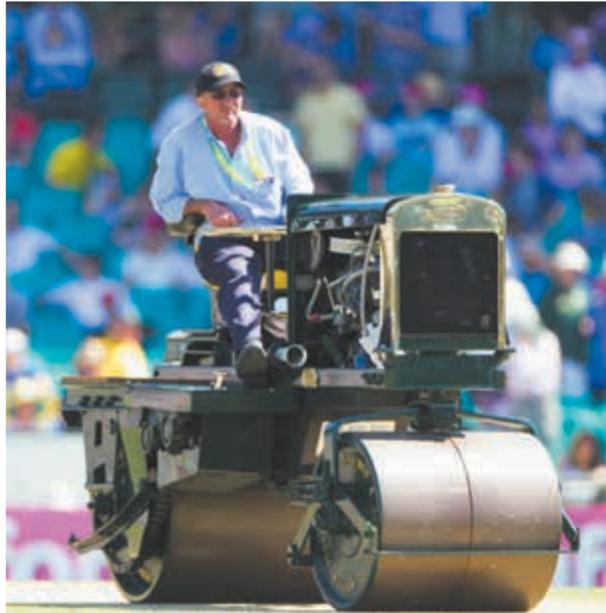
A New Focus

As the Trust's environmental footprint increases with expanding operations, greater emphasis has been placed on environmental sustainability and protection. In addition to this goal, the financial savings and positive community reaction gained from reduced waste and efficient use of resources have proved to be valuable incentives for the Trust and its affiliates.

The Trust is now taking a more structured approach to environmental protection and sustainability than in previous years when environmental management measures were typically applied as opportunities arose.

The design and implementation of a certified environmental management system is just one of the objectives of the Trust's Strategic Environmental Management and Sustainability Plan which aims to:

- improve energy efficiency (electricity, natural gas, mains water and diesel)
- reduce waste disposal and increase recycling
- improve the control of activities which may lead to pollution
- investigate opportunities for renewable energy technologies and carbon sequestering



Continued Improvements

The Trust has also continued with a number of energy efficiency programs including the continued replacement and phasing out of incandescent and halogen based products with LED lighting which uses less energy and has a much greater operational life.

Reducing Waste

In accordance with requirements of the NSW Government's Waste Reduction and Purchasing Policy (WRAPP), efforts have been focused on reducing the amount of waste created through our event and non-event activities while increasing opportunities for recycling.

A new method for recycling event-related waste in early 2013 has shown very positive results, increasing the level of co-mingled recycling from below 30% to approximately 75% of total waste. This would produce a saving of approximately 120 tonnes of general waste per year.

Resource Recovery

In the past year the Trust has installed an industrial organic compost unit, which transforms organic waste from our commercial kitchens into compost. The compost is used in garden areas around the precinct, collected by staff for personal use at home and distributed to community stakeholders such as the James Street Community Garden in Redfern.

Extensive amounts of copper wire, fibre optic cable, mechanical equipment and other building materials were recovered during the demolition of the Noble, Bradman and Messenger stands as part of the SCG's new northern stand development. These materials will be used in other areas within the precinct as well as off-site.

Use of Recycled Material

The Trust has invested heavily in the procurement of beverage cups made from recycled plastics. In the 2012/2013 reporting period, nearly 2 million recycled beverage cups were distributed to patrons, of which the vast majority were collected as co-mingled recycling after use.

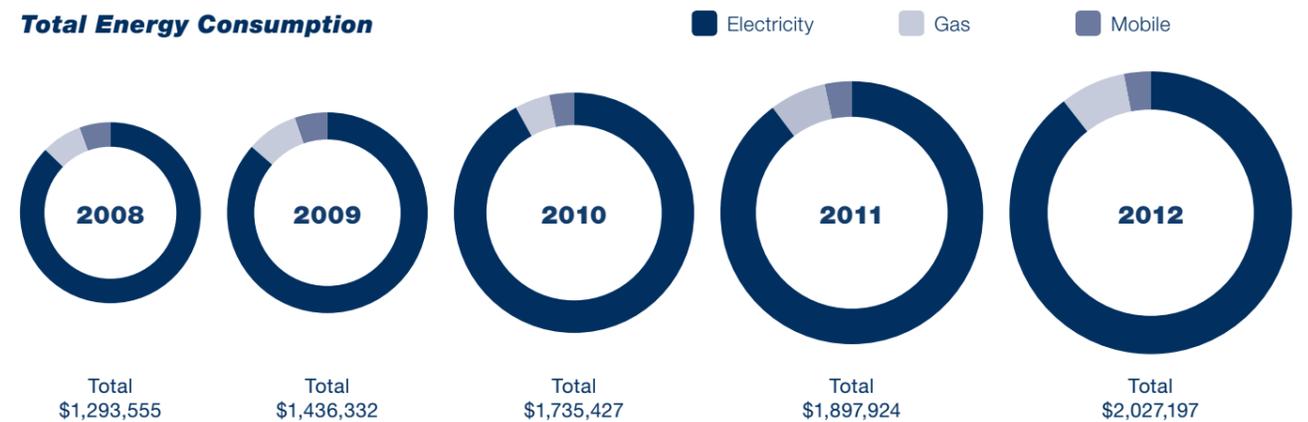
Energy Consumption

Energy consumption of electricity, gas and diesel/unleaded fuels remained relatively steady over the reporting period. Despite the increases in electricity demand from a number of major construction projects, electricity consumption displayed only modest increases, which was less than the projected rate of electrical usage.

Despite the temporary loss of rain-water retention infrastructure with the new SCG stand development, the Trust has managed to maintain town water consumption at a stable rate.



Total Energy Consumption





MAJOR PROJECTS

Major Projects is a relatively new area of the Trust created in 2011, primarily to develop, implement and manage the Trust's major capital works projects outlined in its Master Plan.

Over the past year, the key focus for Major Projects has been overseeing construction of the new northern stand at the SCG.

While that is the most visible outcome of the division's work, they have also undertaken extensive detailed design, budgeting and planning work with government and sports partners to prepare for potential future stages of development at the SCG and Allianz Stadium over the next 10 years.

This work will continue in the coming year, while Major Projects will also take on responsibility for developing an Information and Communications Technology Strategy for the Trust.

Master Plan

The Master Plan is the blueprint for the Trust's long-term vision for a 'Sports Central' precinct incorporating the SCG, Allianz Stadium and surrounding lands.

It plans to modernise and refurbish the grounds as part of a 'whole of precinct approach', giving Sydney a world-class sports and entertainment hub within minutes of the CBD. It will enhance the match-day experience by offering live fan zones and improved facilities for spectators, players and the local community with upgraded public transport links and better pedestrian access.

The plan also outlines a vision where the precinct can deliver greater benefits on non-match days, with regenerated parklands, new playing fields with underground car parking. There are plans for a Sport University Campus in partnership with one of Sydney's major universities.

The Master Plan was reviewed and updated by Cox Architects in 2012, with a special focus on the whole precinct approach and how the area integrates with the local community and wider Sydney. In particular, the plan has been integrated with the NSW Government's latest public transport announcements that include a new light rail service that will run through the Sports Central precinct on a route from Central to Randwick. Pedestrian walkways would link with the new light rail system and existing transport routes to give fans more direct and safer entry to the grounds. The walkways would include pedestrian bridges over Anzac Parade and South Dowling Street.

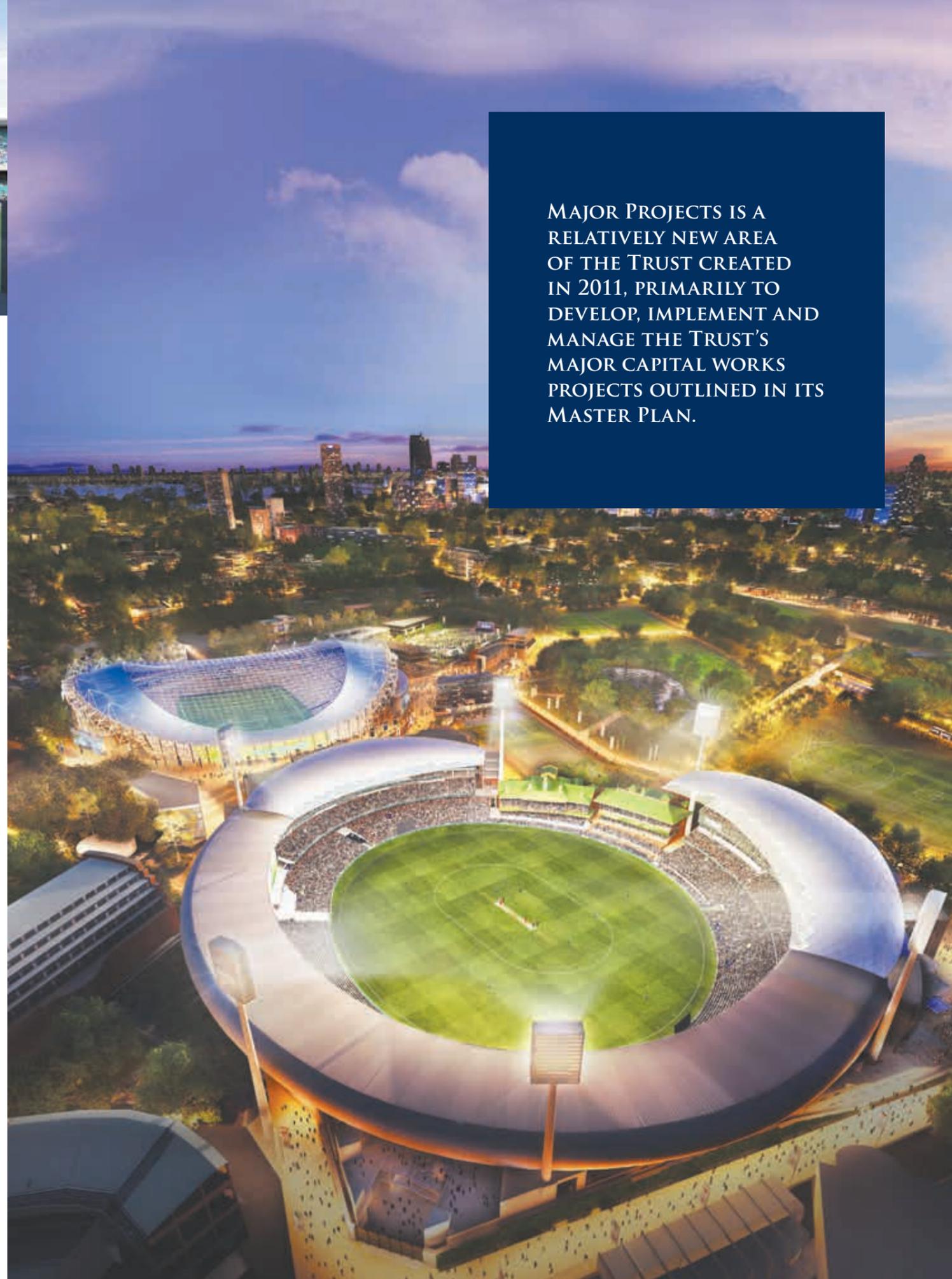
The aspects of the Master Plan that are at the most advanced stages of planning are discussed in more detail in the 'Future Precinct Development' section on the next page.

During the past year, the Master Plan has been supplemented with a Staging Strategy that reports the optimum timing and sequence of construction for the various stages of planned development to ensure maximum cost efficiencies and minimum disruption to events and our sports partners. The strategy will be a valuable tool for informing government and other stakeholders.

The SCG's New Northern Stand

During 2012/13, most of the Master Plan development has focused on progress of Stage 2 of the SCG element of the plan – construction of the new northern stand. (Stage 1 construction of the Victor Trumper Stand completed in 2008.)

MAJOR PROJECTS IS A RELATIVELY NEW AREA OF THE TRUST CREATED IN 2011, PRIMARILY TO DEVELOP, IMPLEMENT AND MANAGE THE TRUST'S MAJOR CAPITAL WORKS PROJECTS OUTLINED IN ITS MASTER PLAN.





MAJOR PROJECTS

The northern stand is on track to be operational for the Ashes Test in January 2014. Part of the concourse level seating and the huge 273m² video screen, the largest in any Australian sports stadium, are already being used for the Sydney Swans AFL season.

The 13,360 seat stand will include new Members dining rooms, clubs, bars, restaurants, a micro brewery, retail outlets and improved seating. New public and corporate facilities will also be developed on the eastern end of the new stand. There will be significantly improved media facilities, including a cricket media centre that meets all ICC criteria for the 2015 World Cup, and new away team changing rooms.

The stand has been designed as a modern pavilion, building on the traditions and heritage of the Members and Ladies Pavilions. The new dining room, club lounges and terraces overlook the proposed Sports Central Plaza and the Members Lawn. More seats (85%) will be undercover, marking a significant improvement on the stand it replaces.



A new main central kitchen and more efficient maintenance areas will provide significant operational improvements for servicing the SCG and Allianz Stadium.

Key project milestones completed in the financial year included:

- Finalising development approval with the Department of Planning
- Relocating staff, equipment and services from the Bradman and Noble stands
- Completing demolition of the Bradman, Noble and Messenger stands
- Appointment of AW Edwards as the major construction contractor
- Construction of a 1,500-seat temporary stand in time for the 2013 international cricket season
- Getting the initial construction work on the basement and concourse levels to an advanced stage including completion of the major excavation work, sheet piling, construction of the stormwater tank, and 75% of the basement and 25% of the concourse concrete pours

Good progress continued after the end of the financial year and ahead of the first Sydney Swans game on 6 April with 1,650 permanent concourse seats in place, the video screen operational, a light tower that was moved during demolition being refurbished and reinstalled, and work beginning on the stand's upper levels.

Future Precinct Development

During 2012/13, Major Projects has advanced plans for the next stages of precinct development. With key construction and design consultants we will continue to develop these plans further over the coming year with input from government and our sports partners.

The Trust envisages the next stage of development will be **Sports Central** with a plaza connecting the SCG and Allianz Stadium. It would improve public access through the precinct, and provide better links between Moore Park and Paddington. This exciting new public space would become a vibrant fan zone with giant video screens on event days and an important recreational and retail space at other times.

Beneath Sports Central Plaza we would create a new sports museum, as well as centrally located back-of-house operational facilities that would provide efficiencies to both stadia.

The plaza will also form an annulus around Allianz Stadium providing new public circulation around the stadium and allowing entry directly on to the main public concourse. This rationalisation of entries and circulation removes a number of the existing stairs and associated entries to improve crowd control and access into the stadium.

The western end of the Sports Central Plaza will overlook a redeveloped Members lawn, and will provide access to a new facilities building. Patrons will be able to move easily from the lawn to redeveloped cricket practice nets, tennis courts and a pool. The facilities building will include wet and dry changing facilities, bars, cafes, creche, gym, aerobic studios and support services. It will give patrons a central point for accessing facilities as well as access to the grounds and Members' car park.

The next planned phase of the SCG upgrade is the **redevelopment of the Churchill and Brewongle Stands**, providing a new home for the Sydney Swans and the AFL at the ground.

The proposed new stand would be similar in design to the northern stand currently under construction to frame the historic Ladies and Members Pavilions. It would provide approximately 13,100 seats and updated facilities for Sydney Swans members, general public, corporate users and sponsors located in four seating tiers. It would also create new Sydney Swans home team and AFL media facilities.

The Trust also envisages **updating Allianz Stadium** with plans including a clear membrane roof over the ground, which would deliver Australia's first naturally lit enclosed stadium. To further intensify its renowned spectator atmosphere, the stadium exterior will be fitted with an LED façade mesh, allowing the venue to change colours to suit the home team.



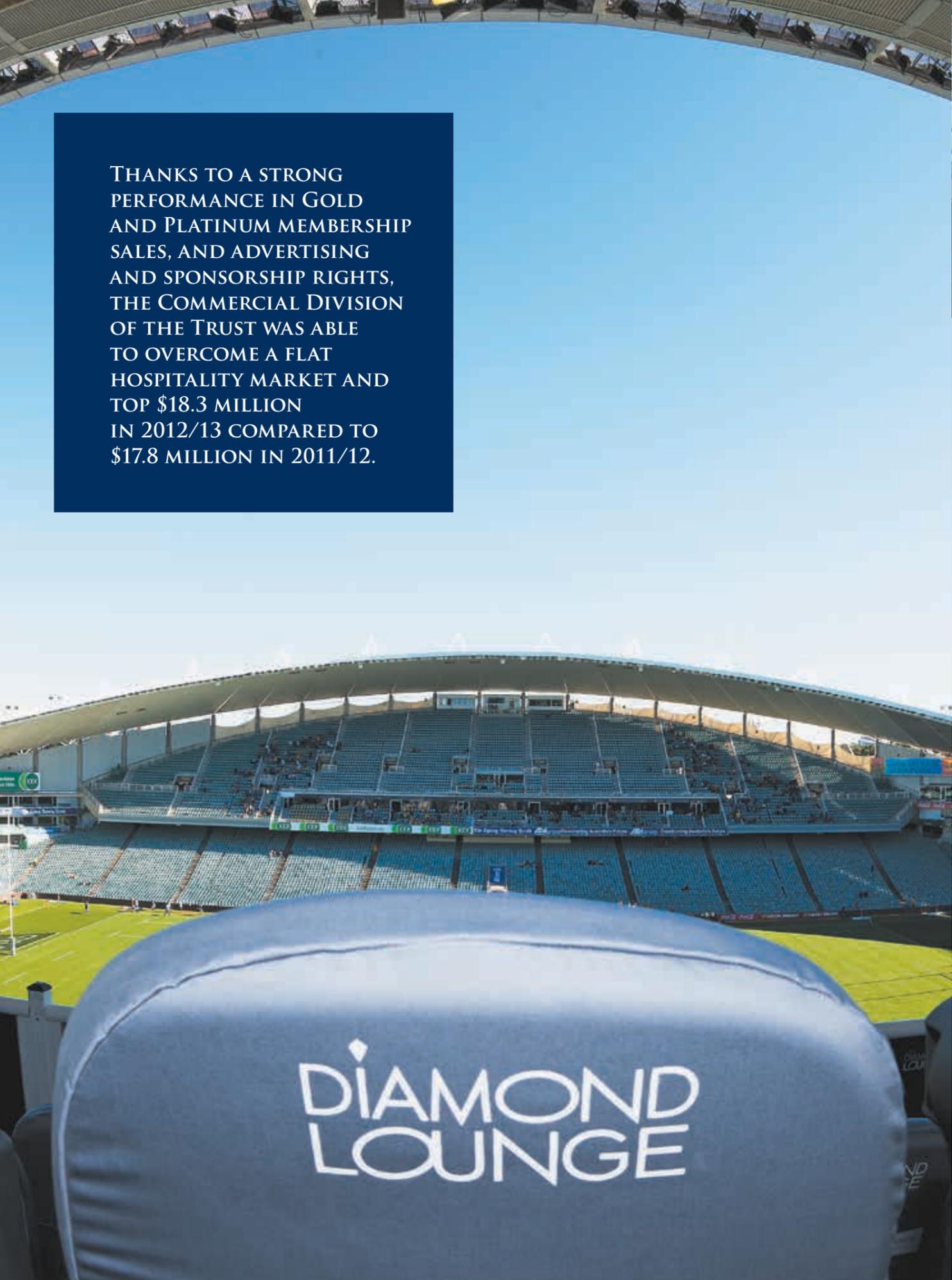
ICT Strategy

During the coming year, Major Projects will develop a new Information and Communications Technology Strategy to optimise how the Trust uses ICT resources for its benefit and that of its patrons and partners.

With the convergence of technology systems towards digital platforms and the requirements of the people (spectators, hirers, coaches, medical staff, suppliers and staff) who use Trust facilities, there is a higher expectation of what a customer and operator should be able to achieve through the use of technology.

The strategy will have a broad remit, reviewing the Trust's current use and future needs for ICT applications ranging from web, social media and computer networks to building and stadia management systems such as security and lighting control. Applications for patron services and fan interaction will also be included and these will encompass provision of high-capacity wi-fi, latest developments in multi-media IP TV, electronic ticketing and event access among many other areas.

The aim is to integrate ICT planning into the Master Plan for future capital works, and bring the maintenance and development of current fragmented systems under single management, to ensure the Trust can realise maximum potential, best practice and cost efficiencies.



THANKS TO A STRONG PERFORMANCE IN GOLD AND PLATINUM MEMBERSHIP SALES, AND ADVERTISING AND SPONSORSHIP RIGHTS, THE COMMERCIAL DIVISION OF THE TRUST WAS ABLE TO OVERCOME A FLAT HOSPITALITY MARKET AND TOP \$18.3 MILLION IN 2012/13 COMPARED TO \$17.8 MILLION IN 2011/12.



COMMERCIAL

Thanks to a strong performance in Gold and Platinum membership sales, and advertising and sponsorship rights, the Commercial Division of the Trust was able to overcome a flat hospitality market and top \$18.3 million in 2012/13 compared to \$17.8 million in 2011/12.

Sponsorship, Exclusive Supply & Advertising Rights

The Trust's advertising and sponsorship program continues to make a significant contribution to the Trust. Revenues in excess of \$9.6 million were generated via the sale of sponsorship and advertising rights and supply and product rights.

The Trust has enjoyed successful advertising and sponsorship partnerships with Fairfax, Tabcorp, Qantas, Vodafone, Grays Online, Ticketek, Sony, IOOF as well as our supply and product rights partners, Carlton United Brewers, Coca-Cola Amatil, Diageo, Jim Beam, Tyrrell's, Samuel Smith & Sons and Treasury Wine Estates.

Importantly this year, we welcomed Allianz Australia Insurance as our naming rights partner. This new partnership promises to be a long and successful one for both organisations and will go a long way to sustaining many of the Trust's capital and other projects. We look forward to working with Allianz and thank them for the faith and belief they have shown in the Trust, our special and unique precinct and, most importantly, in Allianz Stadium.

Hospitality

The quality and quantity of corporate clients who have invested in hospitality packages is a positive reflection of the Trust's competitive price structure and the return

on investment. Revenue in 2012/13 of \$5.36 million was slightly down on the 2011/12 year of \$5.8 million.

In keeping with our desire to establish long-term partnerships, the Trust is conscious of continuing to offer the market valuable opportunities. With this in mind, we are constantly searching for unique product offerings to satisfy the needs of our valued customers. We created and re-launched two new product offerings in 2012/13 – the 'Diamond Lounge' and 'Premier Club'. These executive lounge-style corporate hospitality options offer our clients alternatives to traditional private suites and boxes.

The hospitality market is still in the process of re-establishing itself in the wake of the global financial crisis. The challenge now is for hospitality providers to convince and reassure the industry of the value of a corporate hospitality element in all successfully implemented client retention and growth programs.

The Trust invested in a review and restructure of its hospitality, including introducing a comprehensive, targeted and expert-driven marketing program, a more proactive and strategic sales structure and implementing necessary customer relationship marketing database management systems. We thank Beeline Consulting for their contributions to this project, the fruits of which we started to see in 2012/13.

Gold and Platinum Membership Sales

The Trust again focused on offering Members opportunities to upgrade their existing membership status, or to introduce friends and colleagues to the benefits of Gold and Platinum membership.

Building relationships with strategic commercial partners to provide quality incentives and rewards for new, referring and upgrading Members was critical to the success of these campaigns. We thank Wolgan Valley resort and Sydney's Park Hyatt for their support. This support, plus some excellent work by the entire Commercial team saw sales of Platinum and Gold memberships top \$3.3 million – a significant increase on the 2011/12 figure.



MEMBERSHIP & MARKETING

The Membership and Marketing Division manages membership services, the Stadium Fitness Centre, the SCG Tour Experience, the SCG Museum and the marketing and communications of our venues and the Trust. (See the Commercial section for marketing related to Gold and Platinum memberships and corporate hospitality.)

MEMBERSHIP SERVICES

Member Support

The Trust maintains a dedicated Member and Customer Services Team responsible for providing support services for Members and their guests.

Services include membership call centre and email support, card replacements, waitlist applications, sale of day passes for nominated events, seat reservations and reciprocity with interstate and overseas venues.

The team also staffs the Venue Services Office for Members and guests entering the Stadium Fitness Centre, Azure cafe and the venue precinct. The office is the focal point for stadium tours and all fitness centre program bookings such as tennis and squash courts, the crèche and massages. Staff also assist with merchandise sales and general enquiries.

SCG Membership Election

In January, the 1,263 applicants on the 2001 waitlist were offered membership. As at 28 February, 40% of these applicants took up the offer, giving the SCG 527 new Members (366 Adult and 161 Junior).

SCG Membership Waitlist

At 28 February, there were 17,940 applicants on the SCG membership waitlist dating back to January 2002. A breakdown of the waitlist group by gender and age shows that 82% of applicants are male and 68% are 35 years old or younger.

Subscription Renewals & Member Numbers

Membership retention for 2012/13 was 98%, the same as the previous year. The high retention rate can be attributed to a strong event schedule at the SCG and Allianz Stadium (Members opting for Gold or Platinum membership have access to both grounds), enhancements to facilities (including the new northern stand scheduled for opening in 2014) and services and targeted value-add promotions. Members paying their annual subscription before 1 October received a complimentary 2013 Sports Diary.

Overall, membership numbers decreased slightly (due to the 2012 membership election being postponed because of the reduced Members' seating capacity during the SCG northern stand development works). The breakdown of membership by category is 59% SCG, 33% Gold and 8% Platinum.



A total of 86 resignations (0.5%) were received this year which is down slightly when compared to previous years (116 resignations in 2011/12). Communication with these Members suggests reasons for non-renewal include old age, ill health, value for money, financial difficulties and not using membership due to travel.

Wallabies v Wales International Rugby Test

International rugby made a popular return to Allianz Stadium in June 2012, with nearly 43,000 fans setting a rugby stadium record for this code.

To enhance the match day experience for Members, the Trust provided numerous special promotions and activities including:

- a pre-match family Fan Day on the adjacent SCG
- opening the SCG Museum and creating a special display of rugby photos from the Museum's collection in the Indoor Centre.
- expanding the range of food and beverage options including in-seat hampers, Azure poolside and terrace dining and a new 'Rugby Club' located in the Indoor Centre
- the Rugby Club also included a central sports bar, pool tables, Ezybet terminals, and a large TV screen. It became a venue for pre and post-match live entertainment with presentations from expert commentators and former Test players, and a live jazz band.
- dedicated Members' concierge on Levels 2 and 3 of the Western Stand and Member liaison officers in key Member areas
- a reserved seating program with Ezyticket access (nearly 2,500 Members took up this option)

International Cricket - Member Seating Arrangements

Negotiations with Cricket NSW were successful in relocating Members into public seating areas for the 2012/13 cricket season. This replaced the number of seats lost due to the SCG's new stand construction works. These arrangements included construction of a temporary stand on the site of the old Noble Stand and providing reserved and overflow seating in the Brewongle and Churchill Stands.

Reserved seating was offered for 50 and 70 year Members in the first three bays of the Members Pavilion as per previous years. Other Members had the option of reserving grandstand seating in the Brewongle and Churchill Stands. For the first three days of the Test

match and for the two One Day Internationals, 6,598 Members took up the option to reserve a seat. No ballot was necessary for Members' reserved seating this year.

The Members Village Green marquee was located on the tennis courts. It offered a variety of food options, dedicated bar, seating and TV screens showing live coverage.



Cricket Test Member Activities and Events

Complimentary activities for Members this season included:

- kids' cricket clinics
- the opening of a new exhibition at the SCG Museum
- hosted walking tours of the Basil Sellers Sports Sculptures Project
- Members' Breakfast (day one)
- post-match Stumps Sessions (days one to three)
- Country Member Reception (day two)
- 50 & 70 Year Morning Tea (day three)
- Breakfast with the Curator (day three)
- Jane McGrath High Tea (day three)



MEMBERSHIP & MARKETING

MARKETING & COMMUNICATIONS

Member Customer Satisfaction Research

The Trust undertakes an annual research program focused on customer satisfaction of Members attending sports matches at the SCG and Allianz Stadium. The 2012 report benchmarked results to data collected over the last seven years (2006-2012).

Customer experience areas surveyed include: entertainment value, membership services staff, beverages, food outlets, healthy environment, accessibility, information, amenities, merchandise, event service staff, and safety and security.

Average customer experience scores have increased over the last seven years from 6.8 to 7.4 (out of 10).

Surveys of New Members

In May 2012, the Trust surveyed people who had become Members within the last three years. The objectives included:

- to profile new Members, specifically demographic categories of age, gender, residence and family composition
- to understand the primary and secondary motivations for becoming a new Member and key reasons for attending Trust sports events

- to measure the brand perceptions of new Members, specifically by Membership categories
- to assess new Member satisfaction of various elements of the Trust event experience
- to assess new Member satisfaction with the application process and overall membership with the Trust
- to benchmark (where possible) key elements of the 2012 research study with the 2005 and 2009 new Member studies

Overall, nearly half of respondents indicated their main reason for becoming a Member of the Trust was to 'watch live cricket' which is on par with the results from the previous two studies.

There were some key differences between the membership categories with more than 23% of Double Gold Members saying their 'enjoyment of sport in general' was the motivating factor behind their decision to become a Member.

For Platinum Members, the equal most common key motivators for membership (23% each) were 'to enable me to watch live rugby' and 'to provide entertainment for the family'.

Overall, the top three secondary motivations for new Members were:

- 'I enjoy sport in general' (46%)
- 'to watch live Australian Rules' (45%)
- 'to watch live cricket' (42%)

Since 2009, the new Member research has included a question to assess satisfaction with key products and services offered by the Trust. The average rating for all indicators was 3.3 out of 5. Indicators that fell below the average benchmark provide the Trust with an opportunity to develop initiatives to improve the Member experience. These include (with rating out of 5):

- easy car access and parking (2.7)
- good value bars and restaurants (2.7)
- good children's facilities and entertainment (2.8)
- good public transport (3.0)

When it comes to the application process, more than 69% of all new Members described the process as being 'very easy' or 'easy'. Those Members who indicated that the process was difficult (5%) provided the following reasons for feeling this way:

- difficulty in finding information
- slow process and difficulty in contacting the Trust
- difficulty in getting confirmation that payment had been accepted
- membership benefits not explained correctly; therefore expectations not met
- lengthy and expensive process in having a membership changed from one family member to another
- length of time on waiting list and not knowing position on list

Overall, satisfaction levels remain high with more than 79% of new Members revealed that they are 'very satisfied' or 'satisfied' with their membership. Double Gold Members are most likely to be 'very satisfied' of all membership categories. Double SCG and Single Gold Members are more likely to be dissatisfied than other membership categories.

The perceptions of Members in considering the brand of the Trust remained consistent with the findings of 2009 with new Members still perceiving the product offering to be about sports and entertainment. Other word themes that emerged as being key to describing Members' experiences as a Trust Member included 'exciting', 'unique', 'friendly', 'high quality', 'relaxed' and 'genuine'. Themes that did not rate highly included 'pretentious', and 'place to be seen' indicating that they are not strongly associated with the Trust Membership.



Member Communications

The Trust places a high importance on communications with Members. Over the past year, Members received:

- winter and summer editions of the *Around the Grounds* magazines. Online flipbook versions of the magazine were introduced this year on the website
- a Test Match Statistics Booklet
- Daily Innings news sheets on the first four mornings of the Test match
- New rugby *The Line Out* booklet for the Wallabies match
- weekly e-newsletters
- regular news and updates on the Trust website
- 2013 Members Sports Diary
- targeted offers from Trust partners including Allianz Insurance and Sony

The Trust also:

- released its second version of mobile phone applications including an Android version
- placed regular advertising in major state newspapers to keep Members and other fans up to date with key game arrangements
- conducted regular and targeted email and SMS campaigns
- increased communications via social media sites such as Facebook, Twitter, Instagram and YouTube

New Stand and Master Plan Communications

Construction of the SCG's new stand is part of a longer-term Master Plan to develop Moore Park as a world-leading Sports Central entertainment precinct close to Sydney's CBD (see the 'Major Projects' section for full details).

In the past year, the Trust developed a communications strategy to explain its Master Plan to the public, sports partners, government and other stakeholders. This ensured we were proactive in communicating the merits and challenges of the current development and future plans.

Among the outcomes was a dedicated website, created for the new stand development and Master Plan updates – www.scgdevelopment.com.au



MEMBERSHIP & MARKETING

Jane McGrath Day

For the fifth consecutive year, the Trust supported the McGrath Foundation at the Sydney Test match. More than \$475,000, up \$50,000 on last year, was raised throughout the Test with activities such as the Jane McGrath High Tea, bandana sales, contributions to the collection tins, the purchase of McGrath merchandise and the post-match auctions of memorabilia including the players' pink caps.

Match Day Advertising

The Trust prepared a number of advertisements during the last year in support of its sports partners and to promote events at our venues. The ads were placed in a variety of targeted print, digital and outdoor mediums. Where possible, Quick Response (QR) codes were used in all ads with direct links to nominated websites.

Social Media

The Trust uses social media as a marketing and communication tool. Dedicated Facebook, Twitter, YouTube and Instagram accounts were created for both venues this year, replacing the previous Trust Facebook page.

We have also worked to consolidate our social media following by getting 'imposter' Facebook pages closed, and getting authenticity recognition by gaining 'blue tick' Twitter status for both handles.

Twitter has developed into an excellent medium to converse with fans on an event day to resolve operational issues.

The decision to restructure our social media to identify with each venue rather than the Trust was taken so that our communications could more specifically target the fans of the different sports generally played at each ground.

A breakdown of the demographics of people following the SCG and Allianz Stadium Facebook pages highlights some important differences in these audiences. They are reasonably similar in age and gender – about 80% male (Allianz Stadium's FB attracts slightly more female followers than the SCG's) and mostly aged between 13 and 44 (18 – 44 for female followers).

There are some bigger differences in where the fans of each page live. The Allianz Stadium FB followers are much more likely to be 'local'. About 80% are from Australia, with just over half living in Sydney. The SCG FB audience is more international, with just 66% from Australia, and more 'distant', with only a third living in Sydney. Fans from the south Asia subcontinent make up more than a quarter of SCG FB followers.

Cricket Art Prize Exhibition

The Trust sponsored the annual Cricket Art Prize exhibition in the Members Pavilion from 5 - 20 October. The opening night function was held on 4 October with more than 300 Members and invited guests attending.



STADIUM FITNESS CENTRE

Usage

The Stadium Fitness Centre had a busy year with 334,989 recorded visits – up 7% on the previous 12 months. The most popular month was February recording 30,339 visits.

Revenue targets were met through the introduction of new programs tailored to Members' needs, employing professional program staff and creating targeted marketing and promotional campaigns. Personal training, swim school, massage and group exercise programs all performed better than budget.

To promote such services, the Trust continues to communicate via a monthly e-newsletter specifically tailored to Members who regularly attend the fitness centre.

Upgrades in the fitness centre included the installation of a new pool cover, additional café furniture, new pool heater, children's fitness equipment, replacement strength equipment and a stretching cage.

In the second year of their cleaning contract, TJS Services has provided an exceptional level of cleaning in the facility.

Tennis Courts

In March, the Trust relocated all tennis courts to Sydney Boys High School as a result of the SCG's new stand construction works. Two courts were reinstated on the training field, south of the Indoor Centre in July. The Trust continues to hire courts at the high school for the duration of the SCG northern stand construction.

Private coaching and the Sydney Lawn Tennis Club were accommodated during this time.

Fitness Centre Member Research

Nearly 1,200 Members completed the Fitness Centre Survey in August. The report rated the most significant improvements in the past year to be in the areas of staff, maintenance, hours of operation, ambience in the massage rooms, the availability and booking systems for tennis courts and the cleanliness of massage and women's change rooms.

Generally the report was positive with most operational areas ranking between seven and eight on a 10 point scale. The survey also recorded the most commonly recurring theme in negative feedback which was the amount of allocated space for specific programs such as group exercise and stretching.



Gym Programs & Services

The fitness centre introduced the Gecko Kids Fitness Program in September which offers children aged 5-14 years exercise activities to help develop skills and fitness.

A new personal training rental system was introduced in October whereby our personal training contractors pay weekly rent to the Trust to operate within our facilities. Members pay the trainer direct for their services. The transition to the new program was successful and Members are pleased with the direct contact with their trainers and the service they are being provided.



MEMBERSHIP & MARKETING

MUSEUM, TOURS & HERITAGE ACTIVITIES

Tour Experience

The SCG Tour Experience offers a behind-the-scenes historical journey through the SCG and Allianz Stadium and is suitable for school groups, sporting clubs, tourists and international travel groups, seniors' outings as well as local visitors.



During 2012/13, the SCG Tour Experience:

- hosted 8,776 people on tours, a decrease of 19% on the previous year. This can be largely attributed to issues affecting the Australian tourism sector generally such as fewer overseas visitors due to the high Australian dollar and lower spend by domestic tourists. We also had fewer Sri Lankan visitors to the January Test compared to Indian and English visitors coming to the Test in the previous two seasons.

- continued its relationship with The Travel Corporation and Cricket NSW to host American school students for the 'People to People' tour and interactive cricket session
- partnered with Sydney FC for a match day Tour Experience for members and the public
- in conjunction with the SCG Museum, staffed the museum on international and domestic one day, Sheffield Shield and Test match days to increase access to the Trust's historical collection
- partnered with the Sydney Swans to develop an SCG and Sydney Swans Schools Tour experience. The itinerary was geared to school groups, including the opportunity to visit the Swans coach's room before watching the team train on the SCG.
- commenced discussions and program planning with the NRL museum to develop a tour product based around rugby league played in our precinct

Museum & Heritage

One of the Trust's goals is to be a custodian of the heritage and traditions of our grounds and the sports they support.

The SCG Museum had a particularly active year, hosting two major exhibitions – continuing the one commemorating the SCG's 100th cricket Test and launching *The Sydney Cricket Ground: A Story of Cultivation and Construction* in time for the 2013 January Test – and numerous smaller displays to mark 30 years of the Sydney Swans at the SCG, the 75th anniversary of the British Empire Games held at the SCG in 1938 and the return of international rugby to the precinct.

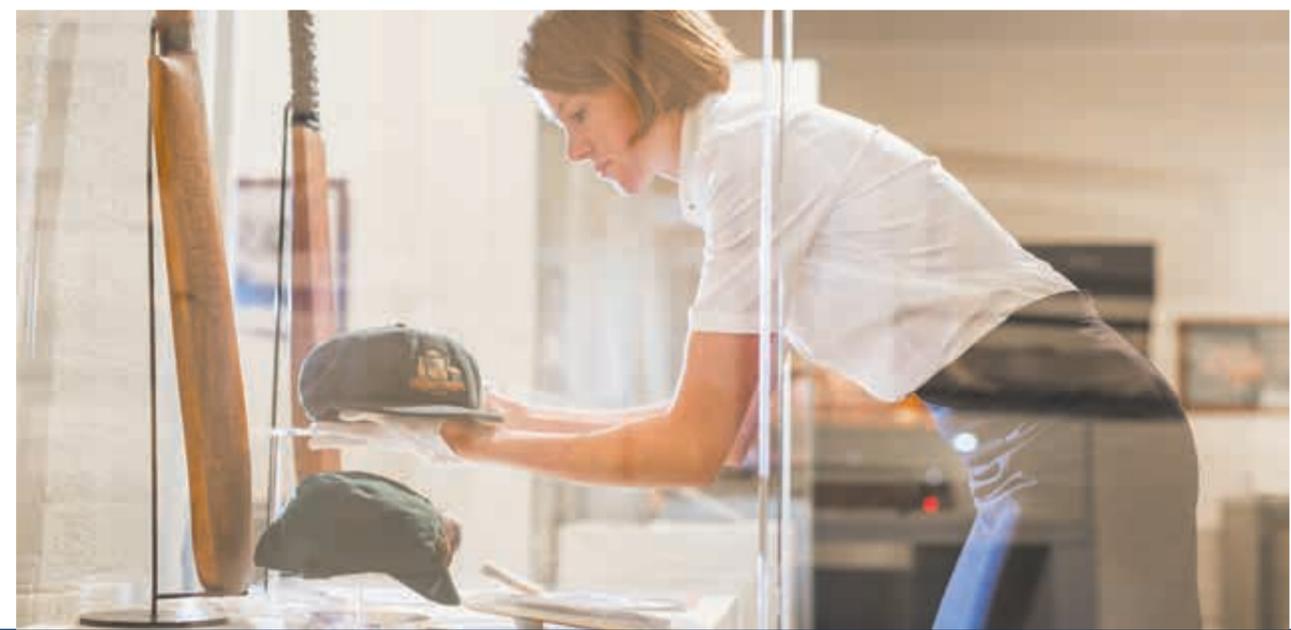
The museum also launched the Basil Sellers Sports Sculptures smartphone app in June. The app features approximately 20 interviews, 11 pieces of film footage, 50 images relating to the players and sculptures as well as player statistics and biographies. The app adds to

the match day experience for Members and fans, as well as providing educational content on our website for schools or students to download. The app is free and available in iOS and Android versions.

Our curator was also busy 'behind the scenes', working closely with Godden Mackay Logan (heritage consultants) to identify movable heritage items from the Noble, Bradman and Messenger stands that may be acquired into the museum collection or used as heritage features in the SCG's new stand. She has begun work on a Trust Museum Master Plan to tie in with the Trust's overall precinct Master Plan.

Elsewhere, museum staff have almost completed a stock-take of the museum's collections and archives, including updating object location records. They have been kept busy assessing regular donations from Members and the public. They have also installed six new museum-grade showcases to replace those on loan from the Powerhouse Museum.

With such a busy year, the museum has been grateful for the assistance provided by two Museum Studies interns from the University of Sydney.



Among other key heritage activities in the past year were:

- publishing the accompanying *100 SCG Tests – a Century of Test Match Cricket at the Sydney Cricket Ground* book written by sports historian Philip Derriman, with a foreword by Arthur Morris, to commemorate the 100th SCG cricket Test played in 2012
- the SCG being inducted on to the Sydney Swans Heritage List
- producing the *SCG and Allianz Stadium: Our Sports Heritage* booklet which gives an overview of the major heritage items and sports sculptures located around the grounds. It was available to Members at the January Test match and to tour and museum visitors throughout 2013.
- securing funding through the Trust's History Fund for migrating our Oral Histories interviews to digital files suitable for uploading on to the Trust website; digitising the historical minutes of Trust meetings; improving storage conditions for archival documents currently housed in the museum archive and for the Movable Heritage Relocation Project



CORPORATE SERVICES

Financial Report

The Trust is a NSW Government Trading Enterprise constituted under the provisions of the *Sydney Cricket & Sports Ground Act, 1978*. The Trust is a not for profit entity (profit is not its principle objective). The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The Trust's operations for the financial year ended 28 February 2013 resulted in a total comprehensive income for the year of \$54.729 million compared to \$2.640 million in the previous year. Total comprehensive income comprised an operating surplus of \$76.665 million (including grants of \$76.244 million), compared to \$2.788 million in the previous year. The budget for the year ended 28 February 2013 initially projected an operating surplus of \$2.174 million.



The surplus was transferred to accumulated funds which stood at \$249.114 million as at 28 February.

During the past year, the Trust undertook a capital works program of \$61.717 million, including the SCG Stage Two stand construction in progress.

Capital debt was reduced from \$35.288 million to \$28.073 million at the close of the year.

Operating Income and Expenditure

The results for the year show comparable operating revenue for 2012/13 before grants, (\$66.7 million compared to the previous year's \$64 million) and an increase to operating expenditure (\$66.2 million for 2012/13 compared to \$63.7 million the previous year).

The sound financial results for 2012/13 were achieved during a period of moderate demand for corporate facilities, with the Trust's financial performance for the year reflecting the following:

- an annual event attendance of 1.1 million patrons (1.16 million in the previous year)
- an event schedule featuring a broad range of sport and entertainment including the international cricket season, all four major football codes and two outdoor concerts
- lower than anticipated attendances for the Test cricket and One Day International series featuring Sri Lanka and the West Indies
- higher catering revenue than the previous year
- strong retention levels of members through annual subscription renewal
- increased sales of new Gold and Platinum Memberships
- lower demand for annual private suites and corporate box rental



CORPORATE SERVICES

- comparable sales of corporate premium seating
- higher employee related expenses through application of approved salary increases and additional events wages costs
- lower finance costs (interest paid and ratings guarantee fees) reflecting the ongoing reduction to debt secured by the Trust for the Victor Trumper Stand construction.
- debt repayments of \$7.2 million
- capital works program undertaken at a cost of \$61.7 million
- a Federal Government grant of \$50 million towards the SCG Stage Two development
- a NSW Government grant of \$26.2 million towards the SCG Stage Two development

Detailed comment on the main aspects of the Trust's financial performance during the past year is reported below.

Membership

The Trust offers three major forms of membership – SCG, Gold and Platinum – providing entitlements to events and facilities at the SCG and Allianz Stadium.

In 2012/13, membership annual subscriptions revenue was \$14.9 million compared to \$14.3 million recorded in the previous year. While membership subscription rates were increased, continued strong membership

retention levels reflect the popularity of the range of events and services available to Members.

Membership sales during 2012/13 include entrance fees received from the sale of limited numbers of new Gold and Platinum memberships. Sales of new Platinum and Gold memberships generated entrance fees of \$3.4 million, compared to \$3.1 million in the previous year.

Sales of the traditional SCG membership generated entrance fees of \$623,000 (compared to \$548,000 in 2011/12). Sales are generated through the intake of new Members drawn each year from the long waiting list.

Venue/Event Hiring

The Trust maintains long-term contractual arrangements with major sporting bodies to provide a broad-based program of sporting events at the SCG and Allianz Stadium. Major hirers' contracts are current with Cricket NSW, Sydney Sixers, NSW Rugby, Australian Rugby Union, Sydney Swans, National Rugby League, Sydney Roosters, Wests Tigers, St George Illawarra Dragons and Sydney FC.

During 2012/13, nearly 1.1 million patrons attended events at the Sydney Cricket Ground and Allianz Stadium.

Revenue from hire fees was \$7.5 million, compared to \$8.1 million in the previous year.



Highlight events staged during the year included two outdoor concerts (Coldplay), the Australia v Wales rugby international, the ANZAC Day rugby league fixture, the Australia v Sri Lanka cricket Test, the Sydney Sixers second Big Bash League season and Sydney FC home games.

Hire fees were lower compared to the previous year, due to lower cricket gate receipts (Sri Lanka Test tour) and non-staging of some budgeted events.

Catering

In 2010, the Trust executed a contract with a caterer Delaware North, to commence operations at the SCG and Allianz Stadium from 1 November 2010. Under the terms of the contract at execution, a premium amount was paid by the new caterer to the Trust representing catering fees paid in advance. Further, an additional sum representing catering fees paid in advance was paid by the new caterer and applied to various catering outlet refurbishments and purchase of associated equipment before and immediately after commencement of operations in November 2010. The total premium paid under the new contract is being amortised annually over the period of the contract.

The Trust's net share of catering sales (including amortised contract premiums) at the SCG and Allianz Stadium was \$3.3 million (food) and \$4.1 million (liquor), compared to \$3.1 million and \$4 million respectively in the previous year.

Advertising & Sponsorship

The Trust contracts the sale of advertising in the form of LED, fence, grandstand and video scoreboard signage. This advertising includes product rights at each venue.

Advertising, product and ticketing rights and sponsorship revenue generated \$10.8 million (including newly contracted arrangements) compared to \$9.1 million in the previous year.

Corporate Hospitality Seating Sales

The Trust promotes corporate facilities and packages for SCG and Allianz Stadium events including annual private suites, corporate boxes and 'club' membership as well as a comprehensive range of seasonal and casual box and dining room packages.

The Trust markets the sale of corporate hospitality for Trust-allocated areas for cricket, Sydney Swans, Sydney FC, rugby union, rugby league and concert events.

Gross revenue from the sale of premium seating, suites and boxes for the past year was \$5.4 million compared to \$5.8 million in the previous year.

Sale of allocated premium public seating for major events generated revenue of \$2.3 million compared to \$2.4 million received in the previous year.

Revenue from rental of private suites/corporate boxes during the year was \$3.1 million, compared to \$3.4 million received in the previous year. Sales continued to be impacted by the GFC, together with a drop in corporate interest in the Super Rugby season and the international cricket season.

Premises Rental Income

The Trust holds long-term tenancy arrangements for office administration and players' facilities located within its precinct. The Trust tenancies comprise headquarters for Cricket NSW, the Sydney Sixers, the Sydney Swans, NSW AFL, NSW Rugby, Australian Rugby League Commission, Sydney Roosters, Sydney FC, Delaware North Catering, Stadium Sports Medicine Clinic and travel agency FanFirm. Tenancy rental income received in 2012/13 was \$3.5 million compared to \$3.4 million in the previous year.



CORPORATE SERVICES

Investment Management Performance

During 2012/13, available surplus funds were mainly invested with the NSW Treasury Corporation Hourglass facility. The Treasury Hourglass return for the year ended 28 February 2013 on the Trust's invested funds was 4.08%.

Surplus funds were invested for the short term only. Interest received on investments totalled \$406,000 as compared to \$213,000 in the previous year.

Event Operating Costs

In staging all sporting and other events at the SCG and Allianz Stadium during the year, the Trust incurred direct event costs of \$12.4 million comparable to the previous year.

Ground Operation and Maintenance

The Trust employs a permanent trades workforce, service contractors and subcontractors to embark on the annual program of maintenance of grandstands, buildings, plant, grounds and playing arenas at the SCG and Allianz Stadium.

Expenditure of \$8.5 million upon maintenance of grounds, buildings and plant was incurred during the past year, compared to \$7.6 million in the previous year.

Corporate Seating Expenses

In marketing and servicing the sale of premium seat packages to corporate customers for major

events (including direct charges for tickets, catering, merchandising and other costs), expenses of \$2.9 million were incurred during 2012/13, compared to \$2.7 million in expenses incurred in the previous year.

Marketing Expenses

Funding was allocated by the Trust to promote and market the cricket and football seasons, the major events, available Platinum, Gold and SCG membership places, sale of private suites/corporate boxes, premium seating for major events, guided tours and corporate function room facilities.

Expenditure upon marketing during 2012/13, including advertising, promotion and publications, was \$3 million compared to \$2.7 million in the previous year.

Administration and Related Expenses

Administrative and related expenses incurred during the past year included consulting fees (\$943,000 compared to \$909,000 in the previous year), communication expenses (\$240,000 compared to \$175,000), printing and stationery (\$731,000 compared to \$895,000), postage/freight (\$120,000 compared to \$250,000), insurance costs (\$591,000 compared to \$558,000) and accounting and legal fees (\$157,000 compared to \$192,000).

Employee Related Expenses

Employee related expenses incurred during the past year totalled \$15.2 million compared to \$14.5 million in 2011/12. These costs include permanent salaries and wages, event day casual staff wages and contracted event day agency staff wages and all associated on-costs.



Depreciation

Depreciation charged for 2012/13 was \$9.8 million (lower than the previous year's \$10.2 million) arising from the completion of the Victor Trumper Stand construction, demolition of the Noble, Bradman and Messenger stands, and other recent capital works projects.

Finance Costs

Trust borrowings were reduced from \$35.3 million to \$28 million in the past year. Interest paid on capital debt was \$2 million compared to \$2.2 million in the previous year, arising from the ongoing debt level following completion of the Victor Trumper Stand in 2008.

Ratings Guarantee Fees, totalled \$1,079,000 (\$668,000 in 2011/12), based also on the debt level following completion of the Victor Trumper Stand and the application of the relevant Moody's financial rating.

Consultants

Consultants were appointed for a range of projects in 2012/13, with payments totalling \$943,000.

The major consultancies (above \$50,000) were provided by:

- Javelin Australia: Public Relations/Media - \$205,000
- Pitcher Partners: CRM System - \$116,700
- Ernst & Young: Risk Assessment, Debt review, Financial Risk Policy - \$80,700

The balance of consultants fees incurred was paid by the Trust for minor consultancies for services provided. These included: IT services, acoustic services, accounting services, engineering services, turf inspection, catering service, planning advice, claims management, surveys, workplace health and safety, employment matters, building and other services.

The number of minor consultancies was 45 and the total was \$540,000.

Risk Management, Insurance and Audit and Risk Committee

The Trust's major insurance risks are covered through membership of the Treasury Managed Fund. Insurance premiums paid in 2012/13 were \$591,000.

The Trust insurance placement and coverage is reviewed annually by brokers OAMPS Pty Ltd. The Trust monitors insurance claims experience on an ongoing basis with a focus on workplace health and safety performance. Risk management policies and procedures are regularly updated to enhance the Trust's risk management profile in an effort to reduce future premiums.

The Trust has in place an internal audit and risk management framework overseen by the Trust Audit and Risk Committee in accord with the NSW Government's Internal Audit and Risk Management Policy for the NSW Public Sector, issued by NSW Treasury in August 2009. The committee has prepared an Audit and Risk Committee Charter consistent with the content of the policy's model charter and developed a high level enterprise risk management framework.

The Trust's internal auditor, Ernst & Young, conducts annual audits as part of the Trust's three-year internal audit plan.

Debt Management Performance

The Trust's debt portfolio is managed by NSW Treasury Corporation (TCorp).

There has been some improvement in the global economy during the year, however the Australian outlook was less clear which has seen the RBA reduce cash rates from 4.25% to 3% by year end.

TCorp's debt management involved tactical positioning which resulted in the portfolio's cost of funds being approximately 0.04% above its benchmark, which represented an increased cost of around \$14,500 against the Trust's benchmark for the year.

INTERNAL AUDIT & RISK MANAGEMENT STATEMENT FOR 2012/13

I, Jamie Barkley, CEO, am of the opinion that the Sydney Cricket and Sports Ground Trust has internal audit and risk management processes in place that are, excluding the exceptions described below, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 Internal Audit and Risk Management Policy.

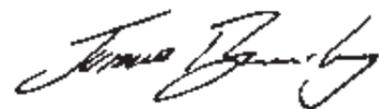
The internal audit and risk management processes for the Trust depart from the following core requirement set out in Treasury Circular NSW TC 09/08. The circumstance giving rise to these departures was referred to the Minister for Sport and Recreation for determination and the exception was approved by the Minister on 18 February 2013. The Trust has implemented (or is implementing) the following practicable alternative measures that will achieve a level of assurance equivalent to the requirement:

Departure referred to Minister for Determination	Reason for Departure and Description of Practicable Alternative Measures Implemented
<p>Core Requirement 3</p> <p>The Audit and Risk Committee has an independent chair and a majority of independent members</p>	<ul style="list-style-type: none"> The Trust Audit and Risk Committee has been in place continuously since 1991, in conjunction with the Trust internal audit function which has been contracted externally The Trust has a long established record of satisfactory audit reports and unqualified certification of its annual financial statements The members of the Committee are well qualified in their various fields relevant to audit of Trust operations including: Commercial, Finance, Insurance, Marketing, Accounting, Retail, International Events, Sporting Hirers, Legal, Hospitality, Consulting, Property Management and Member representation

The Chair and Members of the Audit and Risk Committee are:

- Rod McGeoch AO LLB – Non Independent Chair (Term of appointment: 14 July 2007 to 13 July 2015)
- John Cloney AM - Non Independent (Term of appointment: 14 July 2007 to 13 July 2013)
- Paul Warren - Non Independent (Term of appointment: 14 July 2009 to 13 July 2013)
- James McNally – (Independent Member Elected) (Term of appointment: 14 July 2010 to 13 July 2014)

These processes, including the practicable alternative measures (being) implemented, provide a level of assurance that enables (will enable) the senior management of the Trust to understand, manage and satisfactorily control risk exposures.



Jamie Barkley
Chief Executive Officer



CORPORATE SERVICES

Capital Works Program

During 2012/13 the Trust conducted a capital works program totalling \$61.7 million, including \$51.3 million for the SCG Stage Two development project and \$10.4 million in other Trust projects (compared to \$11.6 million the previous year).

The major projects undertaken in 2012/13 included:

- SCG Stage Two (the SCG's new northern stand) progress works
- SCG O'Reilly Tunnel reconstruction
- SCG Members exterior works
- Allianz Stadium Nick Shehadie Stand redevelopment
- Allianz Stadium forecourt redevelopment
- Azure cafe maintenance and upgrades
- Plant and equipment acquisitions
- Precinct Master Plan preparation

NSW Government Grant

After the initial grant of \$2.5 million in the previous year, the Trust received further government grants of \$50 million and \$26.2 million from the Federal and NSW governments respectively, towards construction of the SCG's new northern stand.

Summary of Land Vested in the Trust

The Trust was constituted under the Sydney Cricket and Sports Ground Act, 1978. It is charged with the care, control and management of the lands described in Schedule 2 of the Act, those lands dedicated for public recreation.

Major Assets – Property, Plant & Equipment

The Trust's major assets, other than land holdings, consist of buildings and improvements at the SCG and Allianz Stadium and its surrounds.

During 2012/13, the Trust received an independent valuation by the Land and Property Management Authority of its vested lands, based on an 'as zoned and used basis', providing a valuation of \$43 million as at 28 February 2013. The valuation increment recorded since the previous valuation of land, \$7.58 million, was transferred to the Asset Revaluation Reserve.

During 2012/13 the Trust received an independent valuation by WT Partnership, registered quantity surveyors, of the replacement cost of buildings and improvements at the Sydney Cricket Ground and Allianz Stadium. The valuation at replacement cost was converted to written down replacement cost by the determination of the remaining useful life of each building.

The valuation increment recorded since the previous valuation of buildings and improvements \$2.2 million, was transferred to the Asset Revaluation Reserve as at 28 February 2013.

During 2012/13 the Trust demolished the Noble, Bradman and Messenger stands and associated buildings. The written down value of these assets recorded in the statements was \$328.0 million.

As a result of the revaluations, an Asset Revaluation Reserve remains established. The balance of this reserve as at 28 February 2013 stood at \$328 million (\$333.3 million the previous year).



CORPORATE SERVICES



Time for Payment of Accounts

Listed below is a schedule of accounts payable performance as at 28 February 2013, 30 November 2012, 31 August 2012 and 31 May 2012.

Aged Analysis at the End of Each Quarter

Quarter	Current	Less Than 30 Days	30-60	60-90	90+	Total
May	1,789,186.23	585,920.18	-3,440.85	4,891.66	40,000.00	2,416,557.22
	74%	24%	0%	0%	2%	100%
August	-148,095.38	686,706.65	353,451.97	-	41,150.73	933,213.97
	-16%	74%	38%	0%	4%	100%
November	508,970.66	151,958.52	4,617.88	-	-25.00	665,522.06
	76%	23%	1%	0%	0%	100%
February	3,064,806.86	- 4,134.28	238.83	51,244.11	-3,783.11	3,108,372.41
	99%	0%	0%	1%	0%	100%

Accounts Paid on Time Within Each Quarter

Quarter	Target %	Actual %	Total Accounts Paid on Time \$	Total Accounts Paid \$
May	90%	81.03%	\$10,387,298.80	\$12,819,140.20
August	90%	97.02%	\$25,003,791.94	\$25,771,564.12
November	90%	93.40%	\$34,746,449.56	\$37,202,386.10
February	90%	94.03%	\$35,355,088.67	\$37,600,337.32

Our target is to pay 90% of accounts on time. Unavoidable delays in processing accounts occasionally arise due to delays in obtaining goods in proper order and condition, or queries on invoices. The Trust continues to encourage suppliers to accept electronic funds transfer as the preferred method of payment. No interest has been paid on payments on any accounts where delay in payment has occurred during the year. A minimal number of complaints were received during the year concerning late payment of invoices, each matter being resolved satisfactorily.

Internal and External Performance Reviews

Ratings Agency Moody's reported in September 2012 after conducting an annual review of the Trust's financial operations and position as at 29 February 2012. The report by Moody's recommended assignment of a financial rating of Ba1 (comparable to the previous year) which was utilised by NSW Treasury in determining the amount of ratings based guarantee fees payable.

In determining the Trust's financial rating, Moody's acknowledged the Trust's key rating drivers including:

- its strong competitive position
- substantial proportion of revenue is recurrent
- earnings can be impacted by performance of sporting teams and ability to attract events
- financial leverage is expected to increase as the Trust borrows to fund redevelopment activities
- significant capital expenditure is required to complete redevelopment activities
- the outlook for the rating is stable

The Trust's four main committees (Grounds and Event Services, Finance, Management and Audit and Risk) are responsible for continuous internal performance review of Trust activities. Monthly management reports are submitted to these committees for assessment of operational performance.

The Trust's internal auditor, Ernst & Young, conducts an annual audit program affirmed by the Audit and Risk Committee. In conducting the assigned audits, Ernst & Young seek to identify opportunities to further enhance the business and commercial efficiency and cost effectiveness of the Trust's system of internal control.

The Trust also submits financial reports to the Treasury Commercial Sector Division for review of operating performance and financial position as compared to agreed Statement of Business Intent performance targets established annually.

Credit Card Use

The use of credit cards issued to Trust executive staff is in accordance with Premier's Memoranda and Treasurer's Directions.

Sydney Cricket Club

In 2007, the Trust joined with the administration of the former UTS-Balmain District Cricket Club in establishing the new entity of the Sydney Cricket Club. The Sydney Cricket Club is an incorporated association under the Associations Incorporation Act 1984. The Trust and the club agreed to enter an association which would involve the provision by the Trust of administrative and other services to the club. The Trust is represented on the club's board of directors in accord with the club constitution. Recoverable operational expenses incurred by the Trust during the past year were recouped from the Sydney Cricket Club through the club's operational account.

Cost of Printing of Reports

The Trust has prepared 130 annual reports for 2012/13 at a cost of approximately \$25.60 per copy.



HUMAN RESOURCES

The Human Resources Department has overseen several key developments in the past financial year aimed at improving Trust efficiency and staff diversity, broadening the ways we recognise and reward achievement, and assessing employee feedback on the Trust as an employer.

Linking Work Priorities to Corporate Goals

Human Resources organised several workshops for Trust General Managers and their Department Managers to help them design new Key Performance Indicators that will ensure staff at all levels are focused on achieving the Trust's organisational goals laid out in our Corporate Plan.

Department Managers then undertook similar workshops with their staff to ensure complete functional teams were striving for the same goals.

Indigenous Apprentice and Trainee Program

As part of the Trust's ongoing efforts to ensure the cultural diversity of our workforce reflects that of the wider community, two of the five apprentices employed by the Trust in the last year are from an indigenous background.

While this is a positive step towards meeting the NSW Government's EEO targets (see table on page 56), we had aimed to employ four apprentices from an Australian indigenous background.

One of the two employed was among the three new apprentices that started in our Grounds Department

this year, and the other is an apprentice electrician in the Maintenance Department.

One of two trainees employed in administrative roles during the past year is also from an indigenous background.

We will continue to work towards meeting our EEO targets.

Updating Corporate Uniforms

A new uniform was designed and distributed to staff from several Trust departments to help ensure they are presenting an appropriate professional image to the public.

Those receiving the new uniforms included event day casuals, as well as staff from the Stadium Fitness Centre, and our maintenance, grounds and customer service departments.

The uniform is designed to be unique to the Trust and to make it easier for patrons to identify different types of staff. Some of the designs incorporate a printed fabric using a variation of the Trust's clock tower logo.

Front-of-house and management staff were provided with new corporate suits.

Human Resources organised a 'fashion parade' to introduce staff to their new corporate image ahead of the 2013 international cricket season.

Participating in the NSW Public Sector People Matter Employee Survey

In August 2012, the NSW Public Service Commission developed a comprehensive survey of NSW public sector employees with the assistance of the Victorian State Services Authority.

The People Matter Employee Survey gathered quantitative data on the values, experiences and working conditions of more than 60,000 public sector employees with a focus on engagement

and performance, values and ethics, capability and employee's experiences of colleagues, workplaces, managers and the organisation. In the survey's inaugural year, a sector-wide baseline has been created for NSW public sector as a whole and in following years it is expected that results will be tracked against this baseline.

Importantly for the Trust, it will not only allow us to track changes in the responses of our own staff over time, it will also allow a comparison to other public bodies and this will provide valuable information for planning and assessing our HR practices.

The PSC engaged Australian Survey Research to deliver the survey and analyse the results and produce individual reports for each cluster and for each agency where there was sufficient response to ensure confidentiality.

The Trust recorded 81 responses from our permanent and casual workforce, a 14% response rate which is sufficient to confidently interpret the results as "strongly indicative of the agency workforce as a whole". This compared with a 10% response rate for the Education and Communities Cluster we are part of, and a 16% response rate for the overall NSW public sector.

The Trust scored 77% for an 'engagement index', which is a measure of employees' connection and commitment to their organisation, its goals and values as a whole. This compares favourably with 64% for the Education and Communities Cluster and 61% for the NSW public sector.

The challenge for the Trust is to use the results of the survey for improvement strategies and think about how change can be affected at an individual and systems level to improve results over time.

There were no surprises for the Trust which rated well in nearly all areas, with the exception of learning and development opportunities and developmental career plans. This is a typical response in an organisation that has a flat organisational structure, high retention and low turnover rates.

Implementing New National WH&S laws

During the year, all managers attended a briefing on the new Workplace Health and Safety legislation. The focus of the briefing was to highlight the differences between the previous Occupational Health and Safety Act against the new Workplace Health and Safety Act. Managers are now required to review all existing processes, systems and procedures to ensure the minimisation of any risk of injury or accident.

Likewise the Trust Grounds and Event Services Committee also attended a briefing on the new WH&S Act 2011, giving insight into the important role of the Trust's "officers", the legal obligations, prosecution risks and measures necessary to give full and proper effect to our work, health and safety management systems.

Providing a Mobile Dental Service

A mobile dental service is now available to all staff, Members and sports partners within the Moore Park precinct.

The promotion of biannual visits along with joint internal marketing campaigns demonstrates the Trust is making an effort to assist employees with maintaining their dental health by providing these services from a mobile unit on Trust grounds. This service provides convenience and cheaper than average fees for staff.

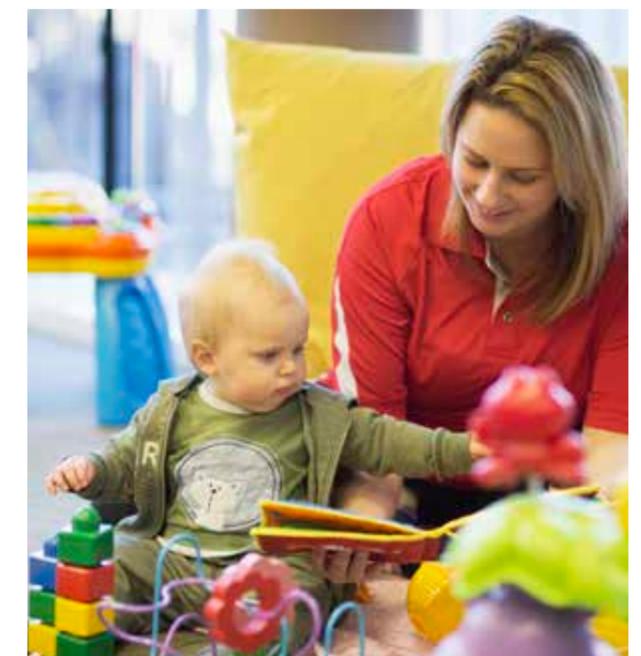
Introducing Electronic Starter Packs

The Trust now provides all new staff with a starter pack on a USB memory stick, rather than paper hard copy.

This is not only more user and environmentally-friendly but also saves on printing and mailing costs.

Offering Employee Education Assistance

We have recently implemented an employee education financial assistance policy and procedure for staff with a minimum of two years service who wish to complete formal tertiary qualifications that have relevance to their position and responsibilities at the Trust.





HUMAN RESOURCES

Performance Statement

Jamie Barkley
Chief Executive Officer
Annual Salary: \$491,535

- The Chairman reported that the Chief Executive Officer performed to a high level during 2012-13.
- The Chief Executive Officer's major achievements during the year included:
 - an operating surplus (before grants) of \$500,000
 - increased revenue to \$66.666 million (\$63.975 million in 2012)
 - capital debt reduced from \$35.288 million at the beginning of the financial year to \$28.073 million
 - maintaining high retention of Platinum, Gold and SCG Members
 - successful sporting events: international and domestic cricket including the Test match and Twenty20 Big Bash League (Sydney Sixers) and AFL (Sydney Swans) at the SCG and Super Rugby (Waratahs), rugby league (Sydney Roosters, Wests Tigers and NRL final) and A-League football (Sydney FC) at Allianz Stadium
 - successfully staging Australia v Wales rugby Test at Allianz Stadium
 - attracting and successfully staging two sold-out Coldplay concerts
 - continued planning on the Trust's Master Plan including future stages of the SCG redevelopment program, Allianz Stadium and the surrounding precinct
 - managing a capital works program of \$61.6 million including commencing construction on the SCG Stage Two project (\$186 million), redevelopment of the Bradman, Noble and Messenger stands, with works on track for opening the new stand in January 2014

Rewarding and Recognising Achievement

This year, Trust General Managers were issued with a Reward and Recognition Locker. The Locker provides the tools and a level of authority to give recognition to an employee in a timely and effective manner. It also provides the means to say thanks in a positive, authentic and sincere way.

The objective is to reward employees efforts, celebrate their successes, reinforcing positive behaviour and making it clear to employees what they have done has been noticed and appreciated.

It encourages managers to focus on the areas that mean most to the Trust (our vision, values and goals) and to link praise to our five core values on a regular basis.

The locker includes, gift cards, specially designed post-it notes, voucher coupons for non-financial token gestures of appreciation, movie tickets and any store gift cards.

Long Service awards and birthdays are acknowledged separately.

A 'Legend of the Quarter' program was also launched to encourage employees to be active and acknowledge each other. Employees can nominate colleagues who they believe deserve recognition for an achievement, a contribution or for positive feedback from a patron, sporting partner or another employee. The purpose of the Legend of the Quarter program is to encourage peer to peer support and acknowledgement.

HUMAN RESOURCES

Breakdown of Employees by Department

	Feb 2010		Feb 2011		Feb 2012		Feb 2013	
	FTE	Emps	FTE	Emps	FTE	Emps	FTE	Emps
Executive Staff	5.00	5	5.00	5	7.00	7	7.00	7
Administration	2.39	3	2.35	3	2.35	3	3.34	4
Events & Operations	17.72	19	19.79	23	16.77	19	16.37	18
Business Development	30.81	54	35.51	49	0.00	0	0.00	0
Membership & Marketing*					30.84	47	31.02	50
Commercial*					8.96	9	7.00	7
Corporate Services	13.67	17	14.15	18	14.09	17	14.44	17
Properties	29.70	32	27.14	28	27.24	28	30.87	31
Sydney Cricket Club	0.50	1	0.55	1	0.00	0	0.00	0
Total	99.79	131	104.49	127	107.25	130	110.04†	134

* During 2011/12, the previous Business Development Unit was restructured into two separate divisions – Commercial and Membership & Marketing.
 † Increase due to Trust creating additional apprentice and trainee positions.

Breakdown of Employees as at 28 February 2011

Full Time	Part Time	Casual	FTE	Total
85	18	24	104.49	127

Breakdown of Employees as at 29 February 2012

Full Time	Part Time	Casual	FTE	Total
86	17.8	26.2	107.25	130

Breakdown of Employees as at 28 February 2013

Full Time	Part Time	Casual	FTE	Total
86	21.6	26.4	110.04	134

Executive Remuneration	2010 / 11		2011 / 12		2012 / 13	
	Male	Female	Male	Female	Male	Female
Number of Executive Officers with remuneration equal to or exceeding equivalent of SES Level 1	3	-	3	1	3	1
Number of Executive Officers with remuneration equal to or exceeding equivalent of SES Level 5	2	-	3	-	3	-
Total	5	-	6	1	6	1

Workplace Gender Equality (WGE) Target Groups

The Trust values social and cultural diversity. We are committed to the principles of WGE, multiculturalism and disability action planning in all aspects of our work. The strategies outlined in our Multicultural Policies and Service Program and Disability Action Plan are relevant to our business objectives and priorities, and we believe they are practical and achievable.

The figures in the following tables are compiled for public agencies, such as the Trust, by the NSW Government's Department of Premier and Cabinet based on data as at 30 June of each year. Because the Trust's financial year finishes at the end of February, the latest figures available for reporting here are as of 30 June 2012.

The Trust has implemented measures that at the end of the Trust's financial year, 28 February 2013, improve the official figures reported to NSW Government as follows:

- Women: representation improved from 36.6% to 37.7%

Table A		2010	2011	2012
WGE Group	Target/Benchmark	% of Total Staff	% of Total Staff	% of Total Staff
Women	50%	41.1%	37.6%	36.6%*
Aboriginal people & Torres Strait Islanders	2.6%	0%	1%	1%*
People whose first language was not English	19%	13.7%	5%	6%
People with a disability	N/A	0%	2%	0%*
People with a disability requiring work-related adjustment	1.5%	0%	2%	0%*

* See commentary above

- Aboriginal people and Torres Strait Islanders: representation improved from 1% to 3.8%, passing the government's target benchmark
- People with a disability requiring work-related adjustment: representation improved from 0% to 1.9%, passing the government's target benchmark

Over the last year, the Trust has been able to meet its indigenous targets by partnering with a third party specialist indigenous recruitment provider.

We have worked together preparing comprehensive pre-assignment briefings, approving assignment terms and for 'on the job' and 'post-performance' reviews. These simple processes ensure the best quality outcomes for our business and the employees.

The number of employees we have with a disability and requiring work related adjustment has remained static for the last two years.

The Trust continues to review the number of women employed and is actively seeking to reach the government 50% target/benchmark.



HUMAN RESOURCES

Table B		2010	2011	2013
WGE Group	Target/Benchmark	Distribution Index	Distribution Index	Distribution Index
Women	100	82	99	98
Aboriginal people & Torres Strait Islanders	100	N/A	N/A	N/A
People whose first language was not English	100	N/A	N/A	N/A
People with a disability	100	N/A	N/A	N/A
People with a disability requiring work-related adjustment	100	N/A	N/A	N/A

Note 1. A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels.

Note 2. The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

Note 3. All results in the above two EEO tables are as at 30 June in the year indicated. The latest EEO data available is 2012 – see explanation in second paragraph of text on previous page.

Overseas Travel

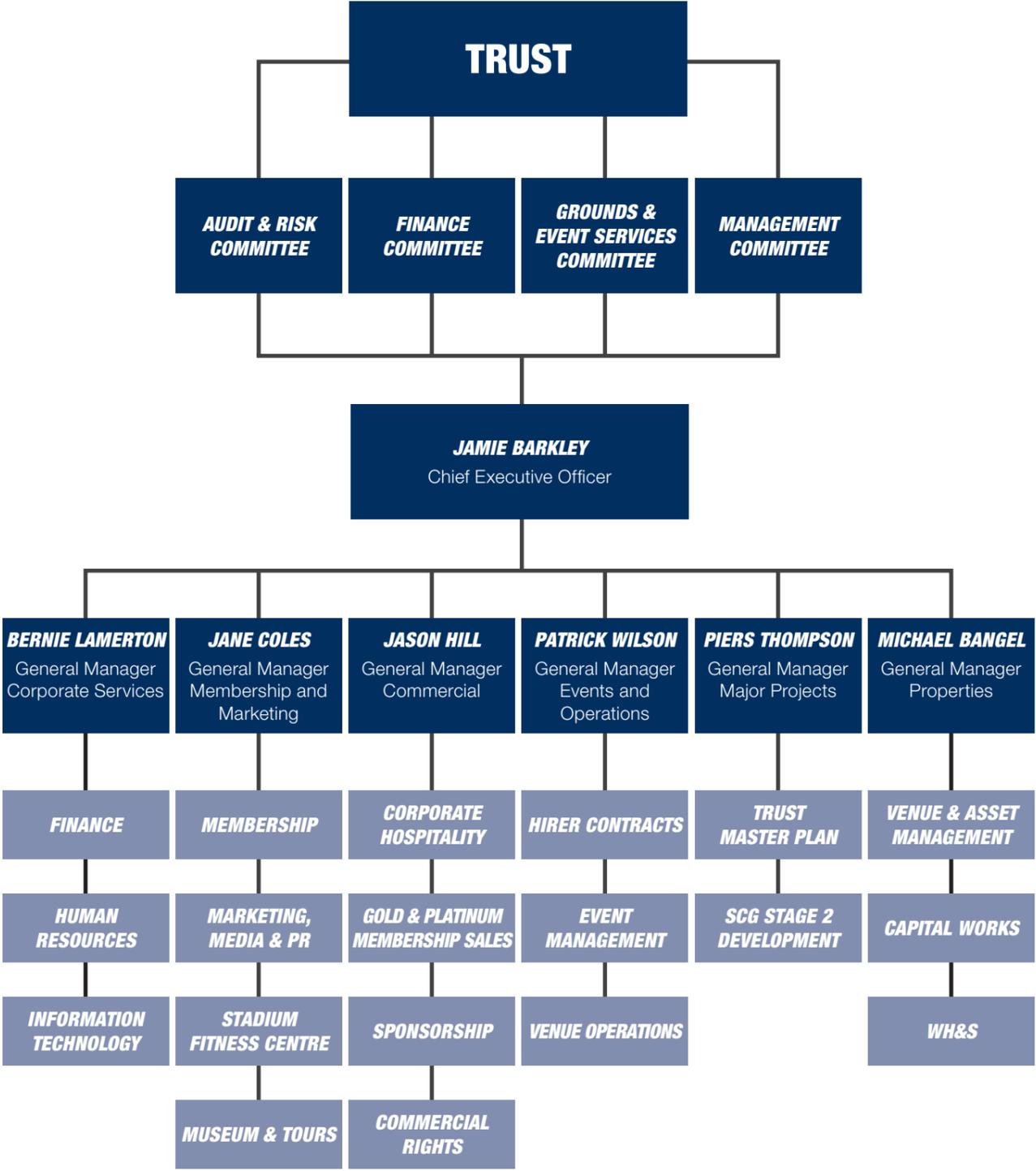
Chief Executive Officer
6 – 20 May 2012
Los Angeles: Stadia Design & Technology Expo
Chicago & New York: venue inspections

Chief Executive Officer
6 – 15 August 2012
London: Olympic Games



**HUMAN
RESOURCES**

ORGANISATIONAL CHART



CEO, GENERAL MANAGER PROFILES & TRUSTEES



Bernie Lamerton

**General Manager
Corporate Services**

Bernie Lamerton joined the Trust in 1984 after 12 years with the NSW Auditor-General's Office. He was appointed to the position of General Manager in 1994. Bernie is qualified in accounting, having CPA status with the Australian Society of Certified Practising Accountants.

He holds the dual role of Chief Financial Officer and Trust Secretary as nominated in the Trust Charter. He is responsible for preparation of the Trust's statutory financial statements.



Michael Bangel

**General Manager
Properties**

Michael Bangel joined the Trust in 1994. Michael is a registered architect with experience in building design and construction, property development and management.

Michael manages the Trust's facilities and assets. He is responsible for new capital works projects, upgrades and refurbishments, grounds and building maintenance, plant and equipment, service contracts, cleaning, on-site tenants and work health and safety.



Patrick Wilson

**General Manager
Events and Operations**

Patrick Wilson joined the Trust in late 2011, after 23 years experience at senior management level in professional sports organisations and venues.

He is responsible for event acquisition, event delivery, sports partner contracts and key venue supply agreements including catering services, ticketing, and merchandise.

Patrick holds qualifications in Leisure Studies and Sports Management from the University of Technology, Sydney.



Jamie Barkley

**Chief Executive
Officer**

Jamie Barkley became Chief Executive Officer in February 2001, responsible for the management and operation of the Sydney Cricket Ground and Sydney Football Stadium (now Allianz Stadium). Prior to this, Jamie was the Chief Operating Officer of the Trust from October 1999 and General Manager of the Sydney International Aquatic and Athletic Centres since opening in 1994.

Jamie is Deputy Chairman of the Carbine Club of NSW and a Board Member of the Bradman Foundation and the Sydney Cricket Club.

Jamie has a Bachelor of Arts and a Master of Business Administration from Royal Melbourne Institute of Technology, and 28 years experience in sports management and administration.



Jane Coles

**General Manager
Membership and Marketing**

Jane Coles was appointed General Manager – Membership & Marketing in August 2011 following a restructure to the executive team. She is responsible for the strategic direction and overall management of membership and customer services, the Stadium Fitness Centre, the SCG Museum, the Tour Experience and the overall marketing and communications of our venues and the Trust.

Jane joined the Trust in December 1995 at the Sydney Aquatic and Athletic Centres and moved to the Sydney Cricket Ground and Sydney Football Stadium (now Allianz Stadium) in February 2001. She has more than 15 years experience in management, leadership, membership, strategic marketing and planning.

Jane is qualified with a Bachelor of Science in Kinesiology and certificates in Marketing and Event Management.



Piers Thompson

**General Manager
Major Projects**

Piers Thompson joined the Trust in January 2012. Piers has been a long-term adviser to the Trust providing project management, coordination and client representative services. Piers has worked on include the Master Plan review of venues and infrastructure for future development; the redevelopment of the Victor Trumper Stand and planning for the redevelopment of the Noble, Bradman and Messenger stands.

Piers has a Diploma in Business Management and more than 10 years experience managing large scale projects across a broad range of industries, specialising in major sporting events in the last five years.

Piers is responsible for the ongoing development and implementation of the Trust's Master Plan with a particular focus in the short term on the construction of the SCG's new northern stand.



Jason Hill

**General Manager
Commercial**

Jason Hill joined the Trust in October 2000 as Sales and Marketing Manager. Before this he held management roles at the Tattersalls Club, NSW Rugby Union and St George Rugby League Club after beginning his career in sport and venue management at South Sydney Rugby League Club.

He was appointed as General Manager – Business Development in March 2005. This role evolved into his current position in 2011 following a restructure of Trust divisions. He is responsible for strategies to achieve revenue targets in hospitality, Gold and Platinum membership, advertising signage, sponsorship sales and commercial rights. Jason has a Bachelor of Economics degree with Honours in Industrial Relations.

TRUSTEES



Rodney Cavalier AO

Trust Chairman

Committees: Finance, Grounds & Event Services, Management, Museum & Archives Taskforce, Grandstand

Bachelor of Arts

Former NSW Member of Parliament 1978 – 1988

Former NSW Minister for Education 1984 – 1988

Former NSW Minister for Energy

& Minister for Finance 1984

Chairman: C E W Bean Foundation

President: Sydney Cricket Club

Chairman: Highlands District Cricket Association

Member: State Library Council of NSW

Appointed Trustee to 13 July 2013



John Cloney AM

**Deputy Chairman;
Chairman, Finance
Committee**

Committees: Audit & Risk, Finance, Grounds & Event Services, Management, Grandstand

Member: CIMB Securities International (Australia) Pty Ltd

Chairman: Maple-Brown Abbott Limited

Life Member: Australia and New Zealand Institute of Insurance & Finance

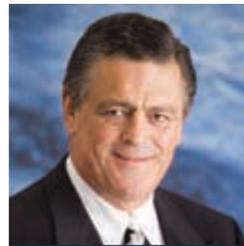
Fellow: Australian Institute of Management

Foundation Fellow: Australian Institute of

Company Directors

Former Chairman: QBE Insurance Group Ltd (resigned 4 July 2010)

Appointed Trustee to 13 July 2013



Rod McGeoch AO LLB

**Chairman, Audit &
Risk Committee**

Committees: Audit & Risk, Finance, Grandstand

Lawyer

Director: Ramsay Health Care Ltd

Director: Maxwood Pty Ltd

Director: McGeoch Holdings Pty Ltd

Director: Destination NSW

Chairman: Sky City Entertainment Group Limited

Chairman: Vantage Private Equity Growth Limited

Chairman: Flyingfox Pty Ltd

Chairman: BGP Holdings Plc

Chairman: BGP Investments S.a.r.l.

Chairman: Transfusion

Appointed Trustee to 13 July 2015



John Hartigan

Committee: Finance

Journalist

Board Member: NSW Export & Investment Advisory Board

Director: Bradman Foundation

Former Chairman: News Limited

Former CEO: News Limited

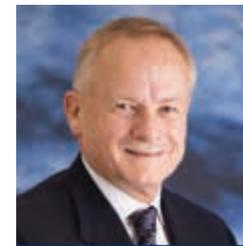
Former Chairman & Director: Australian News Channel

Former Director: Foxtel

Former Director & Advisory Board Member: American

Australian Association

Appointed Trustee to 13 July 2015



Tony Shepherd AO

**Chairman, Grounds & Event
Services Committee**

Committees: Grounds & Event Services, Grandstand

Bachelor of Commerce

Chairman: Transfield Services Limited

Chairman: Greater Western Sydney GIANTS AFL Club

President: Business Council of Australia

Director: Virgin Australia International Holdings

Appointed Trustee to 13 July 2013



Paul Warren

Committees: Audit & Risk, Finance & Management

Bachelor of Business (Marketing & Accounting)

Chairman: Sydney Metro: Ford Dealers Advertising Fund Ltd

Executive Chairman: Peter Warren Group of Companies

Director: Ford Dealers Advertising Fund Ltd

Member: Board of Management, St Vincents Prostate Cancer Centre

Member: Salvation Army – Red Shield Appeal Committee

Appointed Trustee to 13 July 2013



Kaye Schofield

**Chairperson, Management
Committee and Museum &
Archives Taskforce**

Committees: Finance, Management, Museum & Archives Taskforce

Bachelor of Arts

Master of Education

Executive Director: Kaye Schofield & Associates Pty Ltd (management consultants)

Director: WaterEd Australia Pty Ltd

Director: eWater Ltd

Principal Education Adviser: AusAID

Appointed Trustee to 13 July 2013



Ken Catchpole OAM

Committees: Grounds & Event Services, Management

Bachelor of Science (Hons) University of Sydney

Retired from career as research chemist and marketing in private industry

Member: Wallaby Hall of Fame

Member: International Rugby Hall of Fame

Member: The Sport Australia Hall of Fame

Former President: NSW Rugby Union

Former Australian rugby captain

Patron: Australian Barbarians and Classic Wallabies

Members-elected Trust representative

Appointed Trustee to 13 July 2014

TRUSTEES



Hon Morris Iemma

Committee: Grounds & Event Services

Consultant
 Bachelor of Economics (University of Sydney)
 Bachelor of Laws (University of Technology, Sydney)
 Former Premier of NSW 2005 – 2008
 Former Leader of the Australian Labor Party in NSW 2005 – 2008
 Former Treasurer of NSW 2005 – 2006
 Former Minister for Health 2003 – 2005
 Former Minister for Public Works 1999 – 2003
 Former Minister for Sport 2001 – 2003
 Former Member for Hurstville 1991 – 1999
 Former Member for Lakemba 1999 – 2008

Appointed Trustee to 13 July 2013



James McNally

Committees: Audit & Risk, Grounds & Event Services

Consultant: independent compliance consultant to the financial services industry
 Director: ALE Property Group
 Members-elected Trust representative

Appointed Trustee to 13 July 2014



Maurice Newman AC

Committee: Grounds & Event Services

Chairman: Bradman Foundation
 Chairman: Melon Pastoral Pty Ltd
 Chairman: Australia Father's Day Council
 Chairman: Taronga Foundation
 Advisor: MMC Group of Companies
 Patron: Committee for Economic Development of Australia (CEDA)
 Director: Queensland Investment Corporation (QIC)
 Honorary Chair: Macquarie University Foundation
 Honorary Professor: Public Diplomacy, SPARC, Macquarie University (Soft Power Advocacy & Research Centre - SPARC)
 Former Chairman: Deutsche Bank Australia & New Zealand
 Former Chairman: Deutsche Bank Asia Pacific Advisory Board
 Former Chairman: Australian Securities Exchange (ASX Ltd)
 Former Chairman: Sydney Convention & Visitors Bureau
 Former Chairman: Tourism New South Wales
 Former Chairman: Australian Broadcasting Corporation
 Former Chairman: Sydney Sixers
 Former Chancellor: Macquarie University

Appointed Trustee to 13 July 2015



Gail Kelly

Committee: Finance

Chief Executive Officer and Managing Director: Westpac Group
 Director: Business Council of Australia
 Director: Australian Bankers' Association
 Director: Financial Markets Foundation for Children

Appointed Trustee to 31 December 2015



Steve Waugh AO

Committee: Grounds & Event Services; Museum & Archives Taskforce

International businessman & philanthropist
 Former Australian Test cricket captain
 Inducted into the Australian Cricket Hall of Fame 2009
 Inducted into the International Cricket Council Hall of Fame 2009
 Founder & Chairman: Steve Waugh Foundation, Global
 Founder & Chairman: Steve Waugh Foundation, Australia
 Founder & Chairman: Steve Waugh Foundation, India
 Queen's Birthday Honour: Officer of the Order of Australia for services to cricket and charity 2003
 Australian of the Year 2004
 Australian Father of the Year 2005
 Named one of Australia's 'National Living Treasures' by the National Trust of Australia 2006
 Member: Laureus World Sports Academy & Sports for Good Foundation, Global
 Patron: Udayan (home for the rehabilitation for children affected by leprosy) Kolkata, India
 Patron: Calcutta Girls Foundation, Kolkata, India

Appointed Trustee to 13 July 2013



Stuart MacGill

Committee: Grounds & Event Services

Former Australian Test cricket player
 Director: MacGill Consultancy Group
 Director: Cell & Gene Trust

Appointed Trustee to 13 July 2015



Alan Jones AO

Committee: Grounds & Event Services

Graduate of Queensland and Oxford universities
 Former speech writer and senior advisor to Prime Minister Malcolm Fraser
 Queen's Birthday Honour: Officer of the Order of Australia for the services to the media and sports administration
 Former Australian rugby union coach
 Former coach of the Balmain and South Sydney rugby league clubs
 Elected to the Confederation of Australian Sports Hall of Fame 1985
 Broadcaster: Radio Station 2GB and formerly with the Channel 9 *Today Show* presenting editorial comment daily for 20 years
 Awarded Australian Radio Talk Personality of the Year: 1990, 1991, 1992, 1993, 1995, 1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, and 2005
 Awarded Australian Radio Best Current Affairs Commentator: 1991, 1992, 1993, 1995, 1996, 1997, 1998, 2000, 2001, 2002, 2003, 2004, and 2005
 Advance Australia Award – Services to the Community 1993
 Awarded the Inaugural Sir Roden Cutler Medal for Services to the Community 2003
 Deputy Chairman: NSW Institute of Sport
 Former Deputy Chairman: Australian Sports Commission 1998 – 2008

Appointed Trustee to 13 July 2013

One Trustee completed service during the past year



John McCarthy OC

Committee: Finance

**Term completed:
31 August 2012**



TRUST CHARTER & CONSTITUTION

Charter: Sydney Cricket & Sports Ground Act, 1978 No. 72

The Trust was constituted under this Act and is charged with the care, control and management of the scheduled lands dedicated for public recreation.

The Trust may allow the scheduled lands or any part thereof to be used by persons, clubs, associations, leagues or unions at such times and on such terms and conditions as the Trust may think fit and proper for cricket, football, athletics, public amusement or any other purpose which the Minister may approve.

The Trust may carry out works for the improvement, development and maintenance of the Trust lands including the redesigning of areas, the construction of any building or structure on the Trust lands, and the provision of stands and other accommodation for spectators frequenting the Trust lands.

Constitution of the Trust

Under Section 5(2), the Trust shall have and may exercise and perform the functions conferred or imposed on it by or under the Act, and shall in the exercise or performance of its functions, be subject to the control and direction of the Minister for Sport and Recreation.

The Trust consists of 15 members, 13 appointed by the Governor and two elected by Members. Each Trustee is appointed for a term of up to four years.

Trust Meetings

From 1 March 2012 to 28 February 2013, attendance by Trustees at the Grounds & Event Services, Finance, Management, Audit and Risk Committees and Trust meetings are set out below.

The number of meetings held was:

- Four Grounds and Event Services Committee
- Four Finance Committee
- Three Management Committee
- Two Audit and Risk Committee
- 11 Trust

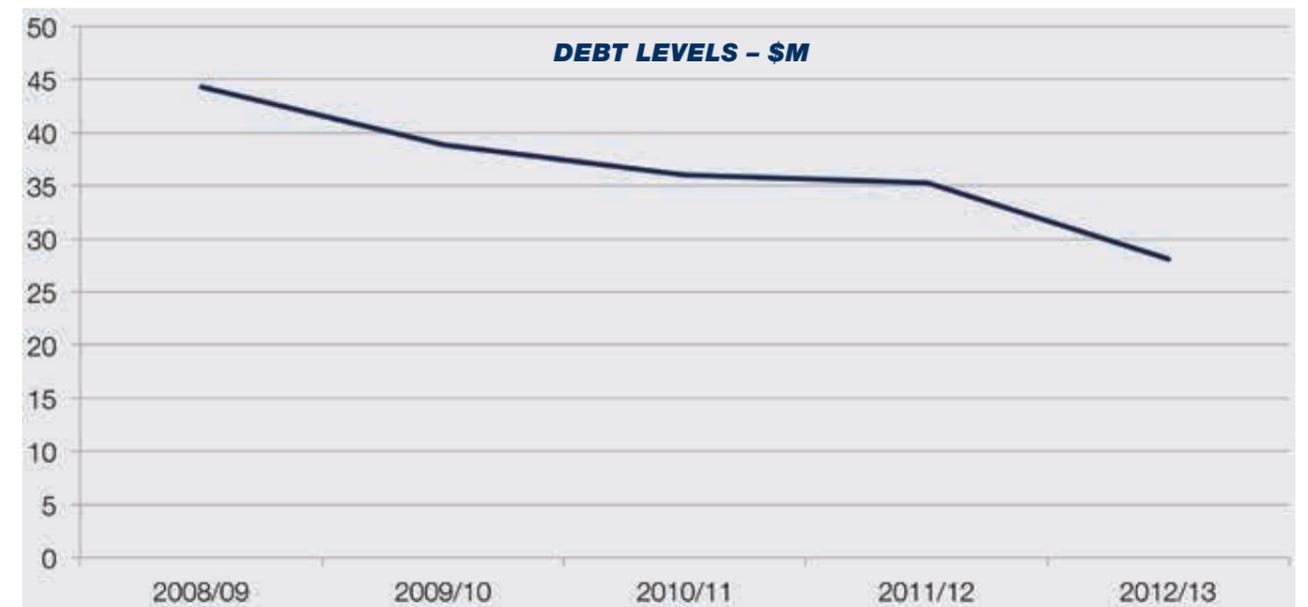
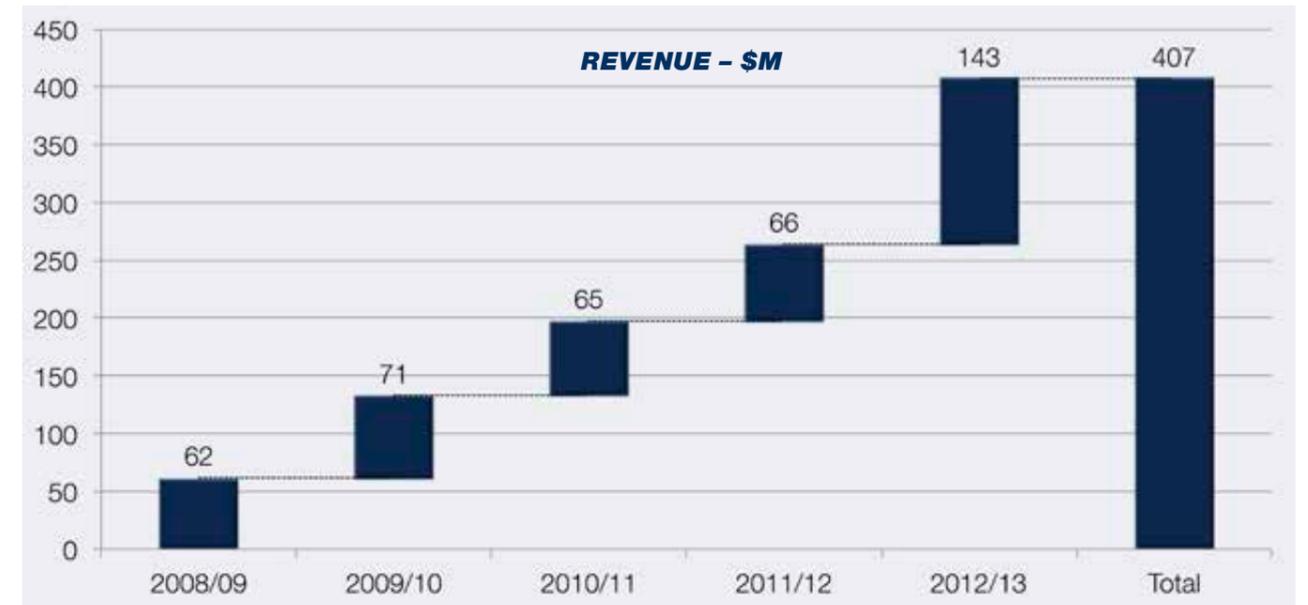
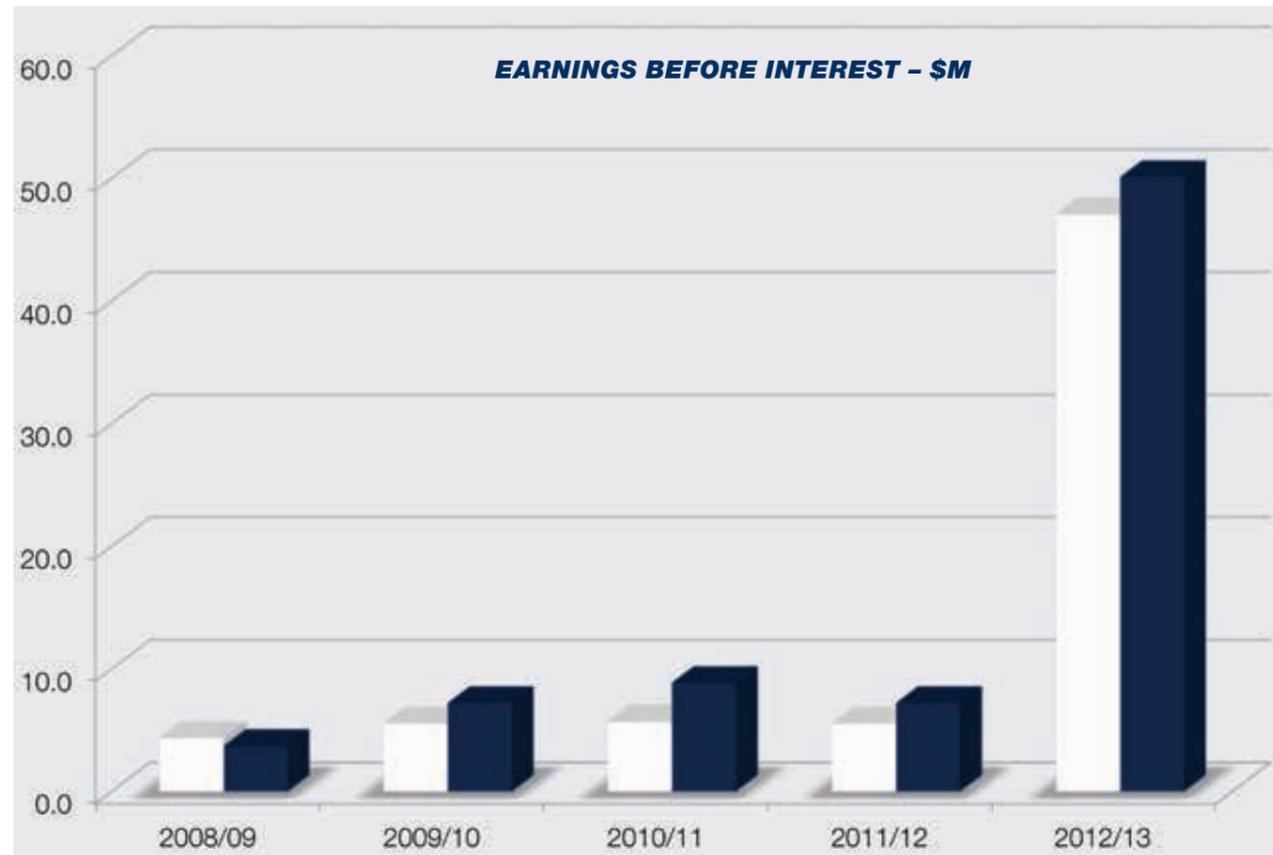


Trustees	Grounds & Event Services Committee	Finance Committee	Management Committee	Audit & Risk Committee	Trust
Rodney Cavalier AO	3	3	3		11
John Cloney AM	3	4	3	2	9
Ken Catchpole OAM	4		3		11
John Hartigan		2			9
Hon Morris Iemma	1				9
Alan Jones AO					7
Gail Kelly					7
Stuart MacGill	4				7
John McCarthy QC #		1			5
James McNally	3	4	3	2	11
Rod McGeoch AO LLB		1		1	6
Kaye Schofield		4	3		10
Tony Shepherd AO	3	1			10
Paul Warren		4	1	2	10
Steve Waugh AO	1				6
Maurice Newman AC *					1

Term Completed 31 August 2012

* Term Commenced 1 January 2013

FINANCIAL INDICATORS



* No SCG membership election held this year due to the new stand development reducing capacity.

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

Sydney Cricket and Sports Ground Trust

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Sydney Cricket and Sports Ground Trust (the Trust), which comprise the statement of financial position as at 28 February 2013, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information of the Trust and the consolidated entity. The consolidated entity comprises the Trust and the entity it controlled at the year's end and during the financial year.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Trust and the consolidated entity as at 28 February 2013, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of Public Finance and Audit Act 1983 (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

The Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does not provide assurance:

- about the future viability of the Trust or consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information, that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.

Heather Watson
Director, Financial Audit Services

14 June 2013
SYDNEY

STATEMENT BY MEMBERS OF THE TRUST



SYDNEY CRICKET & SPORTS GROUND TRUST

YEAR ENDED 28 FEBRUARY 2013

Statement by Members of the Trust

Pursuant to Section 41C (1C) of the *Public Finance and Audit Act, 1983*, and in accordance with a resolution of the members of the Sydney Cricket & Sports Ground Trust, we declare on behalf of the Trust that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the Sydney Cricket & Sports Ground Trust as at 28 February 2013 and transactions for the year then ended.
2. The statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act, 1983*, the *Public Finance and Audit Regulation, 2010*, and the Treasurer's Directions.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

MR RODNEY CAVALIER, AO
CHAIRMAN

MR ROD MCGEOCH, AO ELB
AUDIT & RISK COMMITTEE
CHAIRMAN

7 June 2013

AUDITED FINANCIAL STATEMENTS

BEGINNING OF AUDITED FINANCIAL STATEMENTS

SYDNEY CRICKET AND SPORTS GROUND TRUST STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 28 FEBRUARY 2013

	Notes	Consolidated		Parent	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
REVENUE					
Membership	2a	18,890	17,973	18,890	17,973
Hire Fees		7,489	8,115	7,489	8,115
Catering	2b	14,211	13,593	14,211	13,593
Advertising & Sponsorship	2c	10,766	9,061	10,766	9,061
Corporate Seating Sales	2d	5,367	5,808	5,367	5,808
Government Grant	2e	76,244	2,500	76,244	2,500
Other Revenue	2f	9,943	9,425	9,943	9,425
Total Revenue		142,910	66,475	142,910	66,475
EXPENDITURE					
Operating Costs	3a	37,673	35,761	37,673	35,761
Employee Related Expense	3b	15,267	14,492	2,169	2,152
Personnel Services Expense	3b	-	-	13,379	12,530
Depreciation	6	9,825	10,152	9,825	10,152
Finance Costs	3c	3,480	3,282	3,480	3,282
Total Expenditure		66,245	63,687	66,526	63,877
SURPLUS/(DEFICIT) BEFORE GAINS/(LOSSES)		76,665	2,788	76,384	2,598
Gain/(Loss) on Disposal of Property	2g	(31,491)	-	(31,491)	-
Gain/(Loss) on Disposal of Plant & Equipment	2h	57	42	57	42
SURPLUS/(DEFICIT) FOR THE YEAR		45,231	2,830	44,950	2,640
Other Comprehensive Income					
Net Increase/(Decrease) in Property, Plant & Equipment Revaluation Reserve	6	9,779	-	9,779	-
Actuarial Gains/(Losses) on Defined Benefit Pension Plans	9	(281)	(190)	-	-
Other Comprehensive Income for the Year		9,498	(190)	9,779	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		54,729	2,640	54,729	2,640

The accompanying notes form part of these financial statements.

AUDITED FINANCIAL STATEMENTS

SYDNEY CRICKET AND SPORTS GROUND TRUST STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2013

	Notes	Consolidated		Parent	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
ASSETS					
Current Assets					
Cash and Cash Equivalents	4	27,305	4,808	27,305	4,808
Receivables	5	7,958	7,762	7,958	7,762
Inventories		782	698	782	698
Total Current Assets		36,045	13,268	36,045	13,268
Non-Current Assets					
Property, Plant & Equipment	6	596,460	566,340	596,460	566,340
Receivables	5	4,783	5,466	4,783	5,466
Total Non-Current Assets		601,243	571,806	601,243	571,806
Total Assets		637,288	585,074	637,288	585,074
LIABILITIES					
Current Liabilities					
Payables	7a	5,477	8,127	4,961	8,110
Other Liabilities	7b	15,623	13,580	15,623	13,580
Borrowings	8	-	1,748	-	1,748
Provisions	9	2,215	2,000	3,409	2,405
Total Current Liabilities		23,315	25,455	23,993	25,843
Non-Current Liabilities					
Other Liabilities	7b	8,082	3,280	8,082	3,280
Borrowings	8	28,073	33,540	28,073	33,540
Provisions	9	678	388	-	-
Total Non-Current Liabilities		36,833	37,208	36,155	36,820
Total Liabilities		60,148	62,663	60,148	62,663
Net Assets		577,140	522,411	577,140	522,411
EQUITY					
Reserves		328,026	333,336	328,026	333,336
Accumulated Funds		249,114	189,075	249,114	189,075
Total Equity		577,140	522,411	577,140	522,411

The accompanying notes form part of these financial statements.

SYDNEY CRICKET AND SPORTS GROUND TRUST
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2013

	Consolidated			Parent		
	Accumulated	Asset	Total	Accumulated	Asset	Total
	Funds	Revaluation		Funds	Revaluation	
Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 March 2012	189,075	333,336	522,411	189,075	333,336	522,411
Surplus/(Deficit) for the Year	45,231	-	45,231	44,950	-	44,950
Net Increase/(Decrease) in Property, Plant & Equipment Revaluation Reserve	6	-	9,779	9,779	-	9,779
Transfer on disposal of assets	6	15,089	(15,089)	-	15,089	(15,089)
Actuarial Gains/(Losses) on Defined Benefit Pension Plans	9	(281)	-	(281)	-	-
Total Comprehensive Income for the Year	60,039	(5,310)	54,729	60,039	(5,310)	54,729
Transactions with Owners in Their Capacity as Owners						
Increase/(Decrease) in Net Assets from Equity Transfers	-	-	-	-	-	-
Balance at 28 February 2013	249,114	328,026	577,140	249,114	328,026	577,140
Balance at 1 March 2011						
Balance at 1 March 2011	186,435	333,336	519,771	186,435	333,336	519,771
Surplus/(Deficit) for the Year	2,830	-	2,830	2,640	-	2,640
Net Increase/(Decrease) in Property, Plant and Equipment Revaluation Reserve	-	-	-	-	-	-
Actuarial Gains/(Losses) on Defined Benefit Pension Plans	(190)	-	(190)	-	-	-
Total Comprehensive Income for the Year	2,640	-	2,640	2,640	-	2,640
Transactions with Owners in Their Capacity as Owners						
Increase/(Decrease) in Net Assets from Equity Transfers	-	-	-	-	-	-
Balance at 29 February 2012	189,075	333,336	522,411	189,075	333,336	522,411

The accompanying notes form part of these financial statements.

SYDNEY CRICKET AND SPORTS GROUND TRUST
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 FEBRUARY 2013

	Notes	Consolidated		Parent	
		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts					
Receipts from Operations		81,091	71,942	81,091	71,942
Government Grants		76,244	2,500	76,244	2,500
Interest Received		406	213	406	213
Other		2,390	88	2,390	88
Total Receipts		160,131	74,743	160,131	74,743
Payments					
Suppliers & Employees		(66,161)	(55,839)	(66,161)	(55,839)
Interest Paid		(2,044)	(2,143)	(2,044)	(2,143)
Other		(439)	(1,918)	(439)	(1,918)
Total Payments		(68,644)	(59,900)	(68,644)	(59,900)
NET CASH FLOWS FROM OPERATING ACTIVITIES	14b	91,487	14,843	91,487	14,843
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of Property, Plant & Equipment		(61,717)	(11,630)	(61,717)	(11,630)
Proceeds from Sale of Plant & Equipment		134	510	134	510
NET CASH FLOWS FROM INVESTING ACTIVITIES		(61,583)	(11,120)	(61,583)	(11,120)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from Borrowings		-	-	-	-
Repayment of Borrowings		(7,407)	(955)	(7,407)	(955)
NET CASH FLOWS FROM FINANCING ACTIVITIES		(7,407)	(955)	(7,407)	(955)
Net Increase/(Decrease) in Cash & Cash Equivalents		22,497	2,768	22,497	2,768
Opening Cash & Cash Equivalents		4,808	2,040	4,808	2,040
CLOSING CASH & CASH EQUIVALENTS	14a	27,305	4,808	27,305	4,808

The accompanying notes form part of these financial statements.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Sydney Cricket & Sports Ground Trust, as a reporting entity, is a Public Trading Enterprise. The Trust is constituted under the provisions of the Sydney Cricket & Sports Ground Act, 1978. The Trust is a not for profit entity (profit is not its principle objective). The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

The Sydney Cricket & Sports Ground Trust Division was established on 17 March 2006 under the Public Sector Employment and Management Act 2002 (PSEMA) to provide personnel services to the Trust. The consolidated Financial Statements of the Trust includes the activities of this subsidiary. The Trust is domiciled in Australia and its principal office is at Moore Park Road, Paddington.

(b) Basis of Preparation

The Trust's financial statements are general-purpose financial statements, which have been prepared in accordance with:

- Australian Accounting Standards
- The requirements of the *Public Finance and Audit Act 1983* and *Public Finance and Audit Regulation 2010*
- Interpretations and other professional authoritative pronouncements of the Australian Accounting Standards Board

These statements have been prepared on an accruals basis and are based on the historic cost convention except where stated, by the measurement of fair value on selected non-current assets, financial assets and financial liabilities.

Cost is based on the fair value of the consideration given in exchange for assets. The fair value of cash consideration with deferred settlement terms is determined by discounting any amounts payable in the future to their present value as at the date of acquisition. Present values are calculated using rates applicable to similar borrowing arrangements of the Trust.

The activities of the Trust concentrate upon its primary role in the care, control and management of the Sydney Cricket Ground and Allianz Stadium which together are lands dedicated for public recreation.

The accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

Judgements, key assumptions and estimations management as made are disclosed in the relevant notes to the financial statements.

All amounts are expressed in Australian currency and are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

(c) Statement of Compliance

The consolidated financial statements for the year ending 28 February 2013 have been authorised for issue by the Trust on 7 June 2013.

The Trust's financial statements and notes comply with Australian Accounting Standards (which include Australian Accounting Interpretations) some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

(d) Revenue Recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Trust and the revenue can be reliably measured. The following specific recognition criteria must be met before revenue is recognised:

- Rendering of Services – where control of a right exists to receive consideration upon completion of or a stage of services provided
- Interest Income – Interest revenue is recognised as it accrues using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement
- Rental revenue is accounted for on a straight-line basis over the lease term
- Grants are recognised as revenues when the Trust obtains control over the assets comprising the grant. Control is normally obtained upon the receipt of cash.

(e) Property, Plant & Equipment

Physical non-current assets are valued in accordance with the TPP 07-01 'Valuation of Physical Non-Current Assets at Fair Value' Policy and Guidelines Paper. This policy adopts fair value in accordance with AASB 116 Property, Plant and Equipment.

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use. Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Trust revalues each class of property, plant and equipment at least every three years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The latest revaluation was completed on 28 February 2013 and was based on an independent assessment.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated. For other assets, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the surplus / deficit, the increment is recognised immediately as revenue in the surplus/deficit. Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise. Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Trust. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their fair value at the date of acquisition. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Capitalisation

All physical non-current assets costing over \$5,000 individually and all items under \$5,000 and above \$2,000 which are considered at risk of theft are capitalised and recorded in the Trust's assets register.

Depreciation

Property, plant and equipment, other than land, are depreciated at rates based on their expected useful lives for the Trust, using the straight-line method.

Depreciation rates of each class of depreciable assets are:

Buildings and Improvements	1.1% - 20%
Plant and Equipment	5% - 33.3%

(f) Maintenance

The cost of day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

(g) Inventories

Inventories have been valued at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis.

(h) Employee Entitlements

Provision is made for annual leave and long service leave estimated to be payable to employees as at reporting date.

Liabilities for Salaries and Wages (including non-monetary benefits) and annual leave are recognised and measured in respect of employees' services up to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability, as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future. Benefits for Rostered Days Off (RDOs) have not been accrued, as the Trust policy is not to cash out these balances.

Benefits for long service leave and annual leave have been provided on the basis of emerging entitlements for recognised service for long service leave, and quantum due at reporting date for annual leave.

In accordance with the Australian Accounting Standard AASB 119 'Employee Benefits' liabilities arising in respect of salaries and wages, annual leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rate which

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield on national government bonds, which have terms to maturity approximating the terms of the related liability are used. The provisions for leave entitlements also include the relevant on-costs.

For defined contribution superannuation schemes, employer contributions are expensed when incurred. A liability is recognised only to the extent of unpaid employer contributions at reporting date.

For defined benefit superannuation schemes, expenses are recognised based on the current service plus interest cost less the expected return on fund assets (net of expenses) for the reporting period as calculated and advised by Pillar Administration. In accordance with NSW Treasury policy TC11-04 Accounting for Superannuation, the consolidated entity recognises actuarial gains and losses for defined benefit superannuation schemes outside of the surplus/(deficit) in the 'other comprehensive income'. The actuarial gains and losses for defined benefit superannuation schemes are expensed by the parent entity as part of their personnel service expenses. A net liability or asset is recognised based on the difference between the present value of the Trust's defined benefit obligations and the fair value of fund assets as at the reporting date, as adjusted for unrecognised past service costs, unrecognised gains/(losses), and limitations on net assets. The net liability or asset is actuarially determined.

(i) Insurance

The Trust's insurance activities are conducted through the NSW Treasury Managed Fund. The expense (premium) is determined by the Fund Manager based on past experience.

(j) Receivables & Payables

Accounts receivable, which are generally settled within 30 days are carried at fair value less any amounts for impairment. Accounts payable including accruals not yet billed, are recognised when the Trust becomes obliged to make future payments as a result of purchase of assets or services. Accounts payable are generally settled within 30 days.

A receivable is recognised when it is probable that the future economic benefits associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other rights to future economic benefits from it expire or are transferred.

A receivable is measured initially at fair value and subsequently at amortised cost using the effective interest rate method, less any allowance for impairment. A short-term receivable with no stated interest rate is measured at the original invoice amount where the effect of discounting is immaterial. An invoiced receivable is due for settlement within thirty days of invoicing.

If there is objective evidence at year-end that a receivable may not be collectable, its carrying amount is reduced by means of an allowance for impairment and the resulting loss is recognised in the statement of comprehensive income. Receivables are monitored during the year and bad debts are written off against the allowance when they are determined to be irrecoverable. Any other loss or gain arising when a receivable is derecognised is also recognised in the statement of comprehensive income.

Payables include accrued wages, salaries, and related on costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted.

A short-term payable with no stated interest rate is measured at historical cost if the effect of discounting is immaterial.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

(k) Net Fair Values of Financial Assets and Liabilities

Interest bearing liabilities are recorded at amortised cost.

Net fair values of other financial instruments are determined on the following basis:

- Monetary financial assets and liabilities (which are not traded in an organised financial market)
 - the carrying amounts of trade debtors, trade accounts payable and accruals are recorded on a cost basis;
- Investments in NSW Treasury Corporation Hour-Glass
 - the value shown is market value.

(l) Debt Management Strategy

The NSW Treasury Corporation actively manages the Trust's portfolio of debt. The Corporation has provided the Trust the facility whereby maturing loans may be rolled over and replaced with new loans whilst maintaining the original capital value of the portfolio. Borrowings and Advances are shown as current and non-current liabilities and include the provision for rollover upon maturity. Borrowing costs are recognised as expenses in the period in which they are incurred.

(m) Sydney Cricket Club

In 2007, the Trust joined with the administration of the former UTS-Balmain District Cricket Club in establishing the new entity of the Sydney Cricket Club (the Club). The Club is an Incorporated Association under the *Associations Incorporation Act 1984*. The Trust and the Club have an association which involves the provision by the Trust of administrative and other services to the Club. The Trust is represented on the Club's Board of Directors in accord with the Club Constitution. The Club is not considered to be controlled by the Trust. Any expenses that were incurred during the past year through payroll, operational expenditure and management time have been recouped from the Sydney Cricket Club through the Club's operational account. The Trust has established a bank deposit account as security against the overdraft facility of the Sydney Cricket Club.

(n) Tax Status

The activities of the Sydney Cricket and Sports Ground Trust are exempt from the provisions of the *Income Tax Assessment Act* and other Federal Government taxation legislation, with the exception of the requirement to pay fringe benefits tax and GST. The Trust also pays payroll tax.

(o) Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of GST, except:

- the amount of GST incurred by the Trust as a purchaser that is not recoverable from the Australian Tax Office (ATO) is recognised as part of the cost of acquisition of an asset or as part of an item of expense as applicable
- receivables and payables are stated with the amount of GST included

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from, or payable to, the ATO are classified as operating cash flows.

(p) Comparatives

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

(q) New Accounting Standards (issued but not effective)

At reporting date a number of accounting standards adopted by the AASB had been issued but are not yet effective. At present New South Wales Treasury is mandating not to early adopt any of the new Standards/ Interpretations as per Treasury Circular TC 13-02. As such, these new Standards/Interpretations have not been early adopted by the Trust.

It is considered that the implementation of these standards will not have any material impact on the Trust's financial results. Certain amendments made to Accounting Standard AASB119 (Employee Benefits) will apply from 1 July 2013. The new standard will modify how the statement of comprehensive income presents defined benefit superannuation expenses.

Under the existing standard, a new interest expense is calculated after deducting the expected return on superannuation assets. Under the new standard, expected investment returns must be calculated using the same discount rate used to value liabilities (i.e. a long term Commonwealth Government bond rate). This is likely to result in higher reported superannuation net interest costs. The increase in surplus/(deficit) for the year (expected to be around \$80,000 per year) will be offset by a corresponding increase in actuarial gains/(losses) on defined benefit pension plans, which is reflected in other comprehensive income. The introduction of the new standard with therefore not impact on the comprehensive result.

Consolidated		Parent	
2013	2012	2013	2012
\$'000	\$'000	\$'000	\$'000

2. REVENUE

(a) Membership

Membership Annual Subscriptions	14,912	14,334	14,912	14,334
SCG Member Entrance Fees	623	548	623	548
Platinum/Gold Member Entrance Fees	3,355	3,091	3,355	3,091
	<u>18,890</u>	<u>17,973</u>	<u>18,890</u>	<u>17,973</u>

(b) Catering

Income received from liquor and food trading for events, functions and non-event days is detailed as follows:

Liquor Sales	10,923	10,474	10,923	10,474
Food Sales Commission	2,788	2,619	2,788	2,619
Contract Premium Amortisation	500	500	500	500
	<u>14,211</u>	<u>13,593</u>	<u>14,211</u>	<u>13,593</u>

Liquor Trading

The Trust operates through a managing agent for liquor trading in the public, members and corporate areas of the Sydney Cricket Ground and Allianz Stadium. Income from liquor trading represents gross liquor sales at the Sydney Cricket Ground and Allianz Stadium.

Food Trading and Amortisation

Income from food trading comprises a share of gross food sales received by the Trust.

Amortisation of contract premiums relates to licence fees paid in advance under the previous and new catering contracts. The Trust's current catering contract which commenced on 1 November 2010 is due to expire on 31 October 2015. The total premium received under the contract is being amortised annually over the term of the contract (including the option period).

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

(c) Advertising & Sponsorship

Advertising & Sponsorship	10,766	9,061	10,766	9,061
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Income includes payments under contract with various companies for naming rights, exclusive product rights, sponsorship and advertisements that are displayed on fences, grandstands and video scoreboards at the Sydney Cricket Ground and Allianz Stadium.

(d) Corporate Seating Sales

Premium Seating	2,311	2,384	2,311	2,384
Private/Corporate Boxes	3,056	3,424	3,056	3,424
	5,367	5,808	5,367	5,808

Income includes hire/rental of corporate facilities sold on an annual basis and corporate seating sold on a daily and seasonal basis providing dining/viewing for major and other events at the Sydney Cricket Ground and Allianz Stadium.

(e) Government Grants

NSW Government Grant	76,244	2,500	76,244	2,500
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Construction of the SCG Stage Two Grandstand commenced in March 2012. The project is scheduled to be completed in 2014. In financing the cost of the new Grandstand, the Trust received a grant of \$26.2M from the NSW Government (\$2.5M in 2012) and \$50M from the Commonwealth Government (nil in 2012) towards the project construction cost to date.

(f) Other Revenue

Merchandising	510	516	510	516
Ticketing	894	1,062	894	1,062
Parking Fees	1,867	1,559	1,867	1,559
Interest Received	406	213	406	213
Rental Income	3,494	3,414	3,494	3,414
Contributions from Hirers	1,718	1,562	1,718	1,562
Insurance Recoveries	63	56	63	56
Sundry	991	1,043	991	1,043
	9,943	9,425	9,943	9,425

(g) Gain / (Loss) on Disposal of Property

Proceeds from Disposal of buildings	-	-	-	-
Written Down Value of Assets Disposed	(31,491)	-	(31,491)	-
Gain/(Loss) on Disposal of Property	(31,491)	-	(31,491)	-

(h) Gain / (Loss) on Disposal of Plant & Equipment

Proceeds from Disposal	134	208	134	208
Written Down Value of Assets Disposed	(77)	(166)	(77)	(166)
Gain/(Loss) on Disposal of Plant & Equipment	57	42	57	42

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

3. EXPENDITURE

(a) Operating Costs

Event Operating Costs	12,360	12,372	12,360	12,372
Ground Operation & Maintenance	8,544	7,589	8,544	7,589
Liquor Cost of Goods Sold	3,318	3,177	3,318	3,177
Liquor Management Fee	3,464	3,334	3,464	3,334
Corporate Seating Expenses	2,945	2,740	2,945	2,740
Marketing Expenses	3,012	2,705	3,012	2,705
Advertising & Sponsorship	861	370	861	370
Audit Fees (Audit Office of NSW)	91	84	91	84
Accounting and Legal Services	157	192	157	192
Consultant Fees	943	909	943	909
Architects Fees	73	68	73	68
Travel	128	97	128	97
Postage/Freight	120	250	120	250
Communication Expenses	240	175	240	175
Printing & Stationery	731	895	731	895
Impairment Expense	-	-	-	-
Bad Debts Written Off	21	-	21	-
Insurance	591	558	591	558
Members Seating	74	246	74	246
	37,673	35,761	37,673	35,761

(i) The Audit Office of NSW's fee for auditing the annual financial statements for the year ended 28 February 2013 is \$91,000 (\$83,500 in 2012).

(b) Employee Related Expense

Salaries & Wages	11,724	11,288	1,364	1,485
Trustees Remuneration	116	162	116	162
Annual Leave & Long Service Leave	1,066	887	-	-
Superannuation	954	893	281	190
Workers Compensation	260	146	-	-
Payroll Tax	639	600	-	-
Other Staff Related Expenses	507	516	408	315
	15,267	14,492	2,169	2,152
Personnel Services	-	-	13,379	12,530
	15,267	14,492	15,548	14,682

(c) Finance Costs

Interest on Loans	2,004	2,214	2,004	2,214
NSW Treasury Govt Guarantee Fees	1,079	668	1,079	668
Other Finance Charges	397	400	397	400
	3,480	3,282	3,480	3,282

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

Consolidated		Parent	
2013	2012	2013	2012
\$'000	\$'000	\$'000	\$'000

4. CASH AND CASH EQUIVALENTS

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash at bank, cash on hand, short-term deposits and bank overdraft. Cash and cash equivalent assets recognised in the Statement of Financial Position are reconciled at the end of the financial year to the Statement of Cash Flows as follows:

Cash	15,616	577	15,616	577
NSW Treasury Corporation Hour-Glass	11,689	4,231	11,689	4,231
Cash & Cash Equivalents per Statement of Financial Position	<u>27,305</u>	<u>4,808</u>	<u>27,305</u>	<u>4,808</u>
Cash & Cash Equivalents per Statement of Cash Flows	<u>27,305</u>	<u>4,808</u>	<u>27,305</u>	<u>4,808</u>

5. RECEIVABLES

Current:

Prepayments	1,980	1,474	1,980	1,474
Accrued Income	830	1,386	830	1,386
Catering Debtors	868	1,212	868	1,212
Sundry Debtors	3,663	3,067	3,663	3,067
GST Receivable	640	232	640	232
Allowance for Impairment	(23)	-	(23)	-
Futures Contracts	-	391	-	391
	<u>7958</u>	<u>7,762</u>	<u>7958</u>	<u>7,762</u>

Non-Current:

Finance Lease Receivable	4,551	4,568	4,551	4,568
Prepayments	232	898	232	898
	<u>4,783</u>	<u>5,466</u>	<u>4,783</u>	<u>5,466</u>

Movement in the Allowance for Impairment

Balance at 1 March	-	-	-	-
Amounts Written Off During the Year	-	-	-	-
Amounts Received During the Year	-	-	-	-
Increase/(Decrease) in Allowance				
Recognised in Surplus or Deficit	23	-	23	-
Balance at Reporting Date	<u>23</u>	<u>-</u>	<u>23</u>	<u>-</u>

	2013	2013	2012	2012
	\$'000	\$'000	\$'000	\$'000
	Gross Investment	Present Value	Gross Investment	Present Value
< 1 year	300	300	300	300
> 1 year < 5 years	1,200	1,035	1,200	1,035
> 5 years	12,843	3,516	13,143	3,532
	<u>14,343</u>	<u>4,851</u>	<u>14,643</u>	<u>4,867</u>

The finance lease relates to a 50 year licence granted by the Trust to a hirer to construct and occupy premises on Trust land. Unearned finance income at 28 February 2013 stood at \$9.5M (29 February 2012: \$9.8M). Contingent rentals relating to CPI adjustment of \$18,258 were collected during 2013 (\$7,638 in 2012).

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

Consolidated		Parent	
2013	2012	2013	2012
\$'000	\$'000	\$'000	\$'000

6. PROPERTY, PLANT & EQUIPMENT

Land at Valuation	43,003	35,423	43,003	35,423
Buildings & Improvements (at fair value)	640,750	703,348	640,750	703,348
Accumulated Depreciation	(152,619)	(185,311)	(152,619)	(185,311)
	<u>488,131</u>	<u>518,037</u>	<u>488,131</u>	<u>518,037</u>
Plant & Equipment (at fair value)	18,805	18,234	18,805	18,234
Accumulated Depreciation	(13,760)	(13,106)	(13,760)	(13,106)
	<u>5,045</u>	<u>5,128</u>	<u>5,045</u>	<u>5,128</u>
Work in Progress	60,281	7,752	60,281	7,752
Total Carrying Amount	<u>596,460</u>	<u>566,340</u>	<u>596,460</u>	<u>566,340</u>

The Trust's current Industrial Special Risks insurance policy as at 28 February 2013 provides a cover on buildings, plant & equipment to the value of \$727M (\$808M in 2012) – the reduction to the value insured reflects the demolition of the SCG Noble/Bradman/Messenger Stands in 2012.

RECONCILIATIONS

	Land	Buildings	Plant & Equipment	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2013					
Carrying Amount as at 1 March 2012	35,423	518,037	5,128	7,752	566,340
Net Revaluation Increment	7,580	2,199	-	-	9,779
Additions	-	52	425	61,257	61,734
Reclassification	-	8,393	335	(8,728)	-
Disposals	-	(31,491)	(77)	-	(31,568)
Depreciation Expense	-	(9,059)	(766)	-	(9,825)
Carrying Amount as at 28 February 2013	<u>43,003</u>	<u>488,131</u>	<u>5,045</u>	<u>60,281</u>	<u>596,460</u>

2012

Carrying Amount as at 1 March 2011	35,423	522,355	4,179	3,231	565,188
Net Revaluation Increment	-	-	-	-	-
Additions	-	390	1,511	9,569	11,470
Reclassification	-	4,734	314	(5,048)	-
Disposals	-	-	(166)	-	(166)
Depreciation Expense	-	(9,442)	(710)	-	(10,152)
Carrying Amount as at 29 February 2012	<u>35,423</u>	<u>518,037</u>	<u>5,128</u>	<u>7,752</u>	<u>566,340</u>

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

6. PROPERTY, PLANT & EQUIPMENT (cont'd)

Valuation of Land, Buildings & Improvements

During 2012/13, the Trust received an independent valuation by the Land and Property Management Authority of its vested lands, based on an "as zoned and used basis", providing a valuation of \$43 million as at 28 February 2013. The valuation increment recorded since the previous valuation of land, \$7.58 million, was transferred to the Asset Revaluation Reserve.

During 2012/13 the Trust received an independent valuation by WT Partnership, registered quantity surveyors, of the replacement cost of buildings and improvements at the Sydney Cricket Ground and Allianz Stadium. The valuation at replacement cost was converted to written down replacement cost by the determination of the remaining useful life of each building. The valuation increment recorded since the previous valuation of buildings and improvements was \$2.2 million, and this was transferred to the Asset Revaluation Reserve as at 28 February 2013.

During 2012/13 the Trust demolished the Noble, Bradman and Messenger Stands and associated buildings. The written down value of these assets recorded in the statements was \$31.49 million.

As a result of the revaluations, an Asset Revaluation Reserve remains established. The balance of this reserve as at 28 February 2013 stood at \$328 million (29 February 2012: \$333.3 million).

7.

(a) PAYABLES

Current:

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Sundry Creditors	4,075	6,608	4,075	6,608
Accruals	842	919	326	902
GST Payable	-	-	-	-
Interest Payable	560	600	560	600
	<u>5,477</u>	<u>8,127</u>	<u>4,961</u>	<u>8,110</u>

(b) OTHER LIABILITIES

Current:

Subscriptions Paid in Advance	8,481	8,246	8,481	8,246
Rents Paid in Advance	1,751	1,260	1,751	1,260
Advertising – Fees in Advance	2,426	2,192	2,426	2,192
Catering – Licence Fees in Advance	500	500	500	500
Other Deferred Income	2,465	1,382	2,465	1,382
	<u>15,623</u>	<u>13,580</u>	<u>15,623</u>	<u>13,580</u>

Non-Current:

Catering – Licence Fees in Advance	2,426	2,746	2,426	2,746
Rents – Paid in Advance	-	428	-	428
Other Deferred Income	5,656	106	5,656	106
	<u>8,082</u>	<u>3,280</u>	<u>8,082</u>	<u>3,280</u>

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
8. BORROWINGS				
Current:				
NSW Treasury Corporation Loans	-	1,748	-	1,748
	<u>-</u>	<u>1,748</u>	<u>-</u>	<u>1,748</u>
Non-Current:				
NSW Treasury Corporation Loans	28,073	33,540	28,073	33,540
	<u>28,073</u>	<u>33,540</u>	<u>28,073</u>	<u>33,540</u>
Total	<u>28,073</u>	<u>35,288</u>	<u>28,073</u>	<u>35,288</u>

Significant Terms & Conditions:

NSW Treasury Corporation (Bullet) Loans are based upon instalment payments of interest only and repayment or rollover of principal at maturity. All borrowings are secured by Government Guarantee.

9. PROVISIONS

(a) Employee Entitlements

Current:

Provision for Annual Leave and On-Costs	1,070	1,052	-	-
Provision for Long Service Leave and On-Costs	1,145	948	-	-
	<u>2,215</u>	<u>2,000</u>	<u>-</u>	<u>-</u>

Non-Current:

Defined Superannuation Liability	<u>678</u>	<u>388</u>	<u>-</u>	<u>-</u>
	<u>2,893</u>	<u>2,388</u>	<u>-</u>	<u>-</u>

(b) Personnel Services - Current

Personnel Services in Respect of Employee

Entitlements of the Division	<u>-</u>	<u>-</u>	<u>3,409</u>	<u>2,405</u>
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The Aggregate Employee Benefit Liability Recognised and Included in the Financial Statements is as Follows:

Accrued Salaries, Wages and On-Costs	516	17	-	-
Provision for Employee Benefits (current)	2,215	2,000	-	-
Defined Benefit Liability (non-current)	678	388	-	-
	<u>3,409</u>	<u>2,405</u>	<u>-</u>	<u>-</u>

(c) Superannuation – Defined Benefits Plan

The Trust has a \$678,246 (\$388,224 in 2012) net liability for the employer's obligation to defined benefit superannuation schemes at the Trust.

The funding position at 28 February 2013 in respect of the two defined benefits schemes related to personnel services received, namely the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS) has been advised by Pillar Administration:

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

FUND	ESTIMATED RESERVE ACCOUNTS FUNDS		ACCRUED LIABILITY		NET LIABILITY AT YEAR END	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
SASS	1,876	1,720	2,439	2,024	563	304
SANCS	140	156	255	240	115	84
	<u>2,016</u>	<u>1,876</u>	<u>2,694</u>	<u>2,264</u>	<u>678</u>	<u>388</u>

Accounting Policy for Recognising Actuarial Gains/Losses

Actuarial gains and losses are recognised immediately in other comprehensive income in the year in which they occur.

Fund Information

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes including: the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. The schemes are closed to new members.

Reconciliation of the Present Value of the Defined Benefit Obligation 2013:

	SASS	SANCS
	2013 \$'000	2013 \$'000
Present Value of Partly Funded Defined Benefit Obligation at Beginning of the Year	2,024	240
Current Service Cost	64	10
Interest Cost	78	9
Contributions by Fund Participants	33	0
Actuarial (Gains)/Losses	387	28
Benefits Paid	(147)	(32)
Past Service Cost	0	0
Curtailments	0	0
Settlements	0	0
Business Combinations	0	0
Exchange Rate Changes	0	0
Present Value of Partly Funded Defined Benefit Obligation at End of the Year	2,439	255

Reconciliation of the Fair Value of Fund Assets:

Fair Value of Fund Assets at Beginning of the Year	1,720	155
Expected Return on Fund Assets	141	12
Actuarial Gains/(Losses)	129	5
Employer Contributions	0	0
Contributions by Fund Participants	33	0
Benefits Paid	(147)	(32)
Settlements	0	0
Business Combinations	0	0
Exchange Rate Changes	0	0
Fair Value of Fund Assets at End of the Year	1,876	140

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Reconciliation of the Assets & Liabilities Recognised in the Statement of Financial Position:

	SASS	SANCS
	2013 \$'000	2013 \$'000
Present Value of Partly Funded Defined Benefit Obligation at End of Year	2,439	255
Fair Value of Fund Assets at End of Year	(1,876)	(140)
Subtotal	563	115
Unrecognised Past Service Cost	0	0
Unrecognised Gain/(Loss)	0	0
Adjustment for Limitation on Net Asset	0	0
Net Liability/(Asset) Recognised in the Statement of Financial Position at End of Year	563	115

Expense Recognised in the Statement of Comprehensive Income:

Components Recognised in the Statement of Comprehensive Income		
Current Service Cost	64	10
Interest Cost	78	9
Expected Return on Fund Assets (Net of Expenses)	(141)	(12)
Actuarial Losses/(Gains) Recognised in Year	0	0
Past Service Cost	0	0
Movement in Adjustment for Limitation on Net Asset	0	0
Curtailement or Settlement (Gain)/Loss	0	0
Expense/(Income) Recognised	1	7

Amounts Recognised in the Statement of Comprehensive Income (Other Comprehensive Income):

Actuarial (Gains)/Losses	258	24
Adjustment for Limit on Net Asset	0	0

Cumulative Amounts Recognised in the Statement of Comprehensive Income (Other Comprehensive Income):

Cumulative Amount of Actuarial (Gains)/Losses	784	26
Cumulative Adjustment for Limitation on Net Asset	0	0

Fund Assets

The percentage invested in each asset class at the statement of financial position date:

	28 FEB 2013
Australian Equities	32.7%
Overseas Equities	25.3%
Australian Fixed Interest Securities	6.0%
Overseas Fixed Interest Securities	2.2%
Property	8.7%
Cash	11.2%
Other	13.9%

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Fair Value of Fund Assets

All fund assets are invested by STC at arm's length through independent fund managers.

Expected Rate of Return on Assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets:

	SASS	SANCS
	2013	2013
	\$'000	\$'000
Actual Return on Fund Assets	212	17

Valuation Method & Principal Actuarial Assumptions at the Balance Date:

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions:

	28 FEB 2013
Salary Increase Rate (excluding promotional increases)	2.5% pa
Rate of CPI Increase	2.5% pa
Expected Rate of Return on Assets	8.60%
Discount Rate	3.38% pa

c) Demographic Assumptions

The demographic assumptions at 28 February 2013 are those that were used in the 2012 triennial actuarial valuation. Information regarding the most recent triennial review (2012) is available from the NSW Treasury website.

Expected Contributions:

	SASS	SANCS
	2013	2013
	\$'000	\$'000
Expected Employer Contributions to be Paid in the Next Accounting Period	0	0

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Funding Arrangements for Employer Contributions:

(a) Surplus/Deficit

The following is a summary of the 28 February 2013 financial position of the fund calculated in accordance with AAS 25 'Financial Reporting by Superannuation Plans':

	SASS	SANCS
	2013	2013
	\$'000	\$'000
Accrued Benefits	1,877	216
Net Market Value of Fund Assets	(1,876)	(140)
Net (Surplus)/Deficit	1	76

(b) Contribution Recommendations

Recommended contribution rates for the entity are:

	SASS	SANCS
	Multiple of Member	% Member
	Contributions	Salary
	0.00	0.00

(c) Funding Method

Contribution rates are set after discussions between the employer (the Trust), STC and NSW Treasury.

(d) Economic Assumptions

The economic assumptions adopted from the 2012 triennial actuarial review of the fund are:

Weighted Average Assumptions

Expected Rate of Return on Fund Assets Backing Current Pension Liabilities	8.3% pa
Expected Rate of Return on Fund Assets Backing Other Liabilities	7.3% pa
Expected Salary Increase Rate	2.7% pa for 6 years then 4%
Expected Rate of CPI Increase	2.5% pa

Nature of Asset/Liability

If a surplus existed in the employer's interest in the fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Historical Information

	<u>SASS</u>	<u>SANCS</u>
	2013	2013
	\$'000	\$'000
Present Value of Defined Benefit Obligation	2,439	255
Fair Value of Fund Assets	(1,876)	(140)
(Surplus)/Deficit in Fund	563	115
Experience Adjustments – Fund Liabilities	387	28
Experience Adjustments – Fund Assets	(130)	(5)
	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Present Value of Defined Benefit Obligation	2,024	240
Fair Value of Fund Assets	(1,720)	(156)
(Surplus)/Deficit in Fund	304	84
Experience Adjustments – Fund Liabilities	51	(19)
Experience Adjustments – Fund Assets	146	12
	<u>SASS</u>	<u>SANCS</u>
	2011	2011
	\$'000	\$'000
Present Value of Defined Benefit Obligation	1,824	229
Fair Value of Fund Assets	(1,732)	(148)
(Surplus)/Deficit in Fund	92	81
Experience Adjustments – Fund Liabilities	(99)	3
Experience Adjustments – Fund Assets	148	2
	<u>SASS</u>	<u>SANCS</u>
	2010	2010
	\$'000	\$'000
Present Value of Defined Benefit Obligation	2,057	247
Fair Value of Fund Assets	(2,027)	(183)
(Surplus)/Deficit in Fund	30	65
Experience Adjustments – Fund Liabilities	(51)	(15)
Experience Adjustments – Fund Assets	(130)	(13)
	<u>SASS</u>	<u>SANCS</u>
	2009	2009
	\$'000	\$'000
Present Value of Defined Benefit Obligation	1,955	238
Fair Value of Fund Assets	(1,759)	(156)
(Surplus)/Deficit in Fund	196	82
Experience Adjustments – Fund Liabilities	97	26
Experience Adjustments – Fund Assets	542	48

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Reconciliation of the Present Value of the Defined Benefit Obligation 2012:

	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Present Value of Partly Funded Defined Benefit Obligation at Beginning of the Year	1,824	229
Current Service Cost	61	10
Interest Cost	98	12
Contributions by Fund Participants	34	0
Actuarial (Gains)/Losses	51	(19)
Benefits Paid	(44)	8
Past Service Cost	0	0
Curtailments	0	0
Settlements	0	0
Business Combinations	0	0
Exchange Rate Changes	0	0
Present Value of Partly Funded Defined Benefit Obligation at End of the Year	2,024	240

Reconciliation of the Fair Value of Fund Assets:

Fair Value of Fund Assets at Beginning of the Year	1,732	148
Expected Return on Fund Assets	144	11
Actuarial Gains/(Losses)	(146)	(12)
Employer Contributions	0	0
Contributions by Fund Participants	34	0
Benefits Paid	(44)	8
Settlements	0	0
Business Combinations	0	0
Exchange Rate Changes	0	0
Fair Value of Fund Assets at End of the Year	1,720	155

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Reconciliation of the Assets and Liabilities Recognised in the Statement of Financial Position:

	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Present Value of Partly Funded Defined Benefit Obligation at End of Year	2,024	240
Fair Value of Fund Assets at End of Year	(1,720)	(156)
Subtotal	304	84
Unrecognised Past Service Cost	0	0
Unrecognised Gain/(Loss)	0	0
Adjustment for Limitation on Net Asset	0	0
Net Liability/(Asset) Recognised in the Statement of Financial Position at End of Year	304	84

Expense Recognised in the Statement of Comprehensive Income:

Components Recognised in the Statement of Comprehensive Income

Current Service Cost	61	10
Interest Cost	98	12
Expected Return on Fund Assets (Net of Expenses)	(144)	(11)
Actuarial Losses/(Gains) Recognised in Year	0	0
Past Service Cost	0	0
Movement in Adjustment for Limitation on Net Asset	0	0
Curtailement or Settlement (Gain)/Loss	0	0
Expense/(Income) Recognised	15	11

Amounts Recognised in the Statement of Comprehensive Income (Other Comprehensive Income):

Actuarial (Gains)/Losses	197	(7)
Adjustment for Limit on Net Asset	0	0

Cumulative Amounts Recognised in the Statement of Comprehensive Income (Other Comprehensive Income):

Cumulative Amount of Actuarial (Gains)/Losses	526	2
Cumulative Adjustment for Limitation on Net Asset	0	0

Fund Assets

The percentage invested in each asset class at the statement of financial position date:

	<u>29 FEB 2012</u>
Australian Equities	33.3%
Overseas Equities	28.1%
Australian Fixed Interest Securities	5.4%
Overseas Fixed Interest Securities	2.6%
Property	9.4%
Cash	7.0%
Other	14.3%

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Fair Value of Fund Assets

All fund assets are invested by STC at arm's length through independent fund managers.

Expected Rate of Return on Assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets:

	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Actual Return on Fund Assets	(11)	(1)

Valuation Method & Principal Actuarial Assumptions at the Balance Date:

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic assumptions:

	<u>29 FEB 2012</u>
Salary Increase Rate (excluding promotional increases)	2.5% pa
Rate of CPI Increase	2.5% pa
Expected Rate of Return on Assets	8.60%
Discount Rate	4.01% pa

c) Demographic Assumptions

The demographic assumptions at 29 February 2012 are those that were used in the 2009 triennial actuarial valuation. Information regarding the most recent triennial review (2009) is available from the 'Report on Actuarial Investigation of State Superannuation Schemes 2009' at <http://www.treasury.nsw.gov.au>.

Expected Contributions:

	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Expected Employer Contributions to be Paid in the Next Accounting Period	0	0

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

9. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Funding Arrangements for Employer Contributions:

(a) Surplus/Deficit

The following is a summary of the 29 February 2012 financial position of the fund calculated in accordance with AAS 25 'Financial Reporting by Superannuation Plans':

	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Accrued Benefits	1,739	221
Net Market Value of Fund Assets	(1,720)	(156)
Net (Surplus)/Deficit	19	65

(b) Contribution Recommendations

Recommended contribution rates for the entity are:

	<u>SASS</u>	<u>SANCS</u>
	Multiple of Member	% Member
	Contributions	Salary
	0.00	0.00

(c) Funding Method

Contribution rates are set after discussions between the employer (the Trust), STC and NSW Treasury.

(d) Economic Assumptions

The economic assumptions adopted from the 2009 triennial actuarial review of the fund are:

Weighted Average Assumptions

Expected Rate of Return on Fund Assets Backing Current Pension Liabilities	8.3% pa
Expected Rate of Return on Fund Assets Backing Other Liabilities	7.3% pa
Expected Salary Increase Rate	4.0% pa
Expected Rate of CPI Increase	2.5% pa

Nature of Asset/Liability

If a surplus existed in the employer's interest in the fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the Fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of Fund assets and the defined benefit obligation.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

10. CAPITAL AND OTHER EXPENDITURE COMMITMENTS

Capital Commitments:

Total capital expenditure contracted at reporting date but not provided for in the financial statements:

	<u>Consolidated</u>		<u>Parent</u>	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Not Later Than 1 Year	122,422	3,847	122,422	3,847
Later Than 1 Year But Not Later Than 5 Years	35,005	450	35,005	450
Total (including GST)	<u>157,428</u>	<u>4,297</u>	<u>157,428</u>	<u>4,297</u>

Operating Lease Commitments:

Future non-cancellable operating lease rentals not provided for and payable:

Not Later Than 1 Year	208	208	208	208
Later Than 1 Year But Not Later than 5 Years	-	208	-	208
Total (including GST)	<u>208</u>	<u>416</u>	<u>208</u>	<u>416</u>

The total operating leases contracted at 28 February 2013 but not provided for in the financial statements.

Non-Cash Commitments:

The Trust receives contributions of goods and services from certain sponsors. In return, the Trust provides advertising space and/or use of Trust facilities. The Trust does not consider the value of facilities and advertising space provided in 2013 to be material (2012 – Nil).

11. TRUSTEES REMUNERATION

The Trust is classified as an Advisory Board thereby enabling the payment of fees to Trust members.

Fees totalling \$116,000 (\$161,000 in 2012) were paid to the Trustees in accordance with rates determined by the Department of Premier and Cabinet.

The Trustees have access to the Trust Suite during major event days at the Sydney Cricket Ground and Allianz Stadium. On occasion expenses for travel by Trustees on Trust business are reimbursed by the Trust. There are no other benefits paid to the Trustees.

12. CONTINGENT LIABILITIES

The Trust is not aware of any significant or material contingent liability in existence at balance date or which has emerged subsequent to balance date which would materially impact on the financial position of the Trust as shown in the Financial Statements.

In 2007 the Trust joined with the administration of the former UTS-Balmain District Cricket Club in establishing the new entity of the Sydney Cricket Club. The Trust has established a Bank Deposit Account holding \$40,000 as security against the overdraft facility of the Sydney Cricket Club.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

13. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

The Trust's main risks arising from financial instruments are outlined below, together with the Trust's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout this financial report.

The Trust has responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Trust, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee and Internal Audit on a continuous basis.

The Trust's principal financial instruments comprise receivables, payables, cash, short-term deposits and fixed rate debts. The Trust manages its exposure to key financial risks, including interest rate in accordance with the Trust's financial risk management policy.

The main risks arising from the Trust's financial instruments are interest rate risk, credit risk and liquidity risk. The Trust uses different methods to measure and manage different types of risks. These methods include ageing analyses and monitoring of specific credit allowances which are undertaken to manage credit risk.

The Trust reviews and agrees policies for managing each of the risks identified below, including the interest rate risk and credit allowances.

Financial Instrument Categories

Class	Category	Consolidated		Parent	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial Assets					
Cash & Cash Equivalents	N/A	27,305	4,808	27,305	4,808
Receivables(1)	Loans and Receivables (at amortised cost)	9,889	10,624	9,889	10,624
Total		37,194	15,432	37,194	15,432
Financial Liabilities					
Payables (2)	Financial Liabilities (at amortised cost)	5,382	8,127	4,866	8,110
Borrowings	Financial Liabilities (at amortised cost)	28,073	35,288	28,073	35,288
Total		33,455	43,415	32,939	43,398

Notes

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

Risk Exposures & Responses

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Trust's exposures to market risk are primarily through price risks associated with the movement in interest rate risk on the Trust's borrowings and other price risks associated with the movement in the unit price of the Hour Glass Investment Facilities. The Trust has no exposure to foreign currency risk and does not enter into commodity contracts.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

13. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES (Cont'd)

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk and other price risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Trust operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2012. The analysis assumes that all other variables remain constant.

Interest Rate Risk

The Trust's exposure to market interest rates relates primarily to the Trust's long term debt obligations and cash and cash equivalents.

Cash & Cash Equivalents

A reasonably possible change of +/- 1% is used, consistent with current trends in interest rates. The basis will be reviewed annually and amended where there is a structural change in the level of interest rate volatility. The Trust's exposure to interest rate risk is set out below.

Consolidated	\$'000 Carrying Amount	-1%		1%	
		Profit	Equity	Profit	Equity
2013					
Financial Assets					
Cash & Cash Equivalents	616	(6.2)	(6.2)	6.2	6.2

2012					
Financial Assets					
Cash & Cash Equivalents	577	(5.8)	(5.8)	5.8	5.8

Parent	\$'000 Carrying Amount	-1%		1%	
		Profit	Equity	Profit	Equity
2013					
Financial Assets					
Cash & Cash Equivalents	616	(6.2)	(6.2)	6.2	6.2

2012					
Financial Assets					
Cash & Cash Equivalents	577	(5.8)	(5.8)	5.8	5.8

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

13. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES (Cont'd)

Interest Rate Risk (Cont'd)

Managed Debt Portfolio

The Trust's policy is to manage its finance costs using a mix of fixed and variable rate debt.

At 28 February 2013, 100% of the Trust's borrowings were at a fixed rate of interest (2012: 100%).

To manage this mix in a cost-efficient manner the Trust contracts with the NSW Treasury Corporation (TCorp) to actively manage the Trust's portfolio of debt. The Corporation has provided the Trust the facility whereby maturing loans may be rolled over and replaced with new loans whilst maintaining the original capital value of the portfolio.

TCorp manages interest rate risk exposures applicable to specific borrowings of the Trust in accordance with a debt portfolio mandate agreed between the two parties.

TCorp receives a fee for this service, which may include a performance component where TCorp is able to add value by achieving a reduction in the Trust's debt costs against an agreed benchmark. TCorp may use derivatives, primarily interest rate futures, to establish short-term (tactical) positions within agreed tolerance limits to manage portfolio duration and maturity profiles.

The following sensitivity analysis is based on the interest rate risk exposures in existence at the Statement of Financial Position date:

At 28 February 2013, if interest rates had moved, as illustrated in the table below, with all other variables held constant, TCorp have estimated that post tax surplus and equity would have been affected as follows:

	Increase/Decrease in Basis Points	Operating Result Impact		Equity Impact	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Consolidated					
AUD	100 (1%)	1,031	1,295	1,031	1,295

The sensitivity impact is lower in 2013 than in 2012 as a result of lower interest rates.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

13. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES (Cont'd)

Other Price Risks

Hour-Glass Investment Facilities

The Trust holds units in the following Hour-Glass investment trust:

Facility	Investment Sectors	Investment Horizon	2013 \$'000	2012 \$'000
Cash Facility	Cash, Money Market Instruments	Up to 1.5 years	11,689	4,231

The unit price is equal to the total fair value of the net assets held by the facility divided by the total number of units on issue. Unit prices are calculated and published daily.

NSW Treasury Corporation (TCorp) as trustee for the above facility is required to act in the best interest of the unit holders and to administer the trusts in accordance with the trust deeds. As trustee, TCorp has appointed external managers to manage the performance and risks of each facility in accordance with a mandate agreed by the parties. From April 2007 TCorp commenced acting as a manager for part of the Cash Facility. A significant portion of the administration of the facility is outsourced to an external custodian.

The TCorp Hour-Glass Investment Facilities are designated at fair value through profit/loss.

TCorp provides sensitivity analysis for the Hour-Glass Investment Facilities using historically based volatility information.

	Change in Unit Price	Impact on Surplus/Deficit and Equity	
		2013 \$'000	2012 \$'000
Hour-Glass Cash Facility	+/- 1%	117	42

A reasonably possible change is based on the percentage change in unit price multiplied by the redemption value as at 28 February 2013.

Credit Risk

- (i) Credit risk arises from the financial assets of the Trust, which comprise cash and cash equivalents, trade and other receivables. The Trust's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount.
- (ii) The Trust trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Trust's policy to securitise its trade and other receivables. There are no trade and other receivables that are past due or impaired whose terms have been renegotiated.
- (iii) All financial assets are unsecured.
- (iv) TCorp/NSW State does not guarantee investments in the Hour-Glass, TCorp acts as Trustee of the Hour-Glass.

SCG invest in units in the Hour-Glass Cash Facility (HGCF). The HGCF invest in financial instruments with a high quality credit rating - with an average short credit rating of A1+ and long term rating of AA- , most of the investments would be with the big four banks.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

13. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES (Cont'd)

(v) All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the Trust will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors.

The Trust is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors.

(vi) Receivable balances are monitored on an ongoing basis with Trust's exposure to bad debts not being significant.

(vii) Receivables which are past due but not considered impaired are aged as follows:

	0-30 days overdue	31-60 days overdue	61-90 days overdue	90+ days overdue
	\$'000	\$'000	\$'000	\$'000
As at 28 February 2013	825	76	141	46
As at 29 February 2012	1,108	648	280	579

(viii) There were \$23,000 impaired receivables at reporting date (2012 – Nil).

Liquidity Risk

Liquidity risk is the risk that the Trust will be unable to meet its payment obligations when they fall due. The Trust continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with policy set out in Treasury Circular TC11-12. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers payments must generally be made within 30 days of receipt of the invoice. No interest was paid for late payment during the year.

The Trust's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, NSW Treasury Corporation Hour-Glass Investments and NSW Treasury Corporation loans.

The table below summarises the maturity profile of the Trust's financial liabilities together with the interest rate exposure.

During the current and prior year there were no breaches on any loans payable. No assets have been pledged as collateral. The Trust's exposure to liquidity risk is deemed insignificant based on prior period's data and current assessment of risk.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

13. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES (Cont'd)

Liquidity Risk (Cont'd)

Maturity analysis of financial liabilities is based on management's expectation.

Maturity Analysis and Interest Rate Exposure

Consolidated	Interest Rate Exposure					Maturity Dates		
	Weighted Average Effective Int. Rate \$'000	Nominal Amount \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- Interest Bearing \$'000	< 1 yr \$'000	1-5 yrs \$'000	> 5 yrs \$'000
2013								
Payables		5,477	-	-	5,477	5,477	-	-
Borrowings:								
TCorp borrowings	5.82%	34,812	34,812	-	-	1,636	26,607	6,569
2012								
Payables		8,127	-	-	8,127	8,127	-	-
Borrowings:								
TCorp borrowings	5.77%	44,146	44,146	-	-	3,735	26,623	13,788

Parent	Interest Rate Exposure					Maturity Dates		
	Weighted Average Effective Int. Rate \$'000	Nominal Amount \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- Interest Bearing \$'000	< 1 yr \$'000	1-5 yrs \$'000	> 5 yrs \$'000
2013								
Payables		4,961	-	-	4,961	4,961	-	-
Borrowings:								
TCorp borrowings	5.82%	34,812	34,812	-	-	1,636	26,607	6,569
2012								
Payables		8,110	-	-	8,110	8,110	-	-
Borrowings:								
TCorp borrowings	5.77%	44,146	44,146	-	-	3,735	26,623	13,788

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

13. ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES (Cont'd)

Liquidity Risk (Cont'd)

Notes:

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Trust can be required to pay. The tables include both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

The Trust monitors rolling forecasts of liquidity reserves on the basis of expected cash flow.

Credit Standby Arrangements: – The Trust maintains an available standby credit facility through an approved \$100,000 bank overdraft arrangement. The Trust has approval from the Treasury to increase this facility up to \$500,000.

The Trust holds a bank guarantee facility of \$2.3 million with \$414,686 in use (2012: \$73,588).

Fair Value

Financial instruments are generally recognised at cost, with the exception of the TCorp Hour-Glass facilities, which are measured at fair value. As discussed, the value of the Hour-Glass Investments is based on the Trust's share of the value of the underlying assets of the facility, based on the market value. All of the Hour-Glass facilities are valued using 'redemption' pricing.

The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments. There were no financial instruments where the fair value differs from the carrying amount.

SYDNEY CRICKET AND SPORTS GROUND TRUST
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

14. CASH FLOW INFORMATION

(a) Reconciliation of Cash

For the purpose of the statement of cash flows, cash includes: cash on hand, and in banks, and investments in NSW Treasury Corporation Hour-Glass Facility. Cash at 28 February 2013 as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position and accompanying notes as follows:

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Cash	15,616	577	15,616	577
NSW Treasury Corporation Hour-Glass	11,689	4,231	11,689	4,231
	<u>27,305</u>	<u>4,808</u>	<u>27,305</u>	<u>4,808</u>

(b) Reconciliation from the surplus/(deficit) to the net cash flows from operations

Surplus/(Deficit) for the Year	45,231	2,830	44,950	2,640
Depreciation	9,825	10,152	9,825	10,152
Increase (Decrease) in Debt Transactions	192	209	192	209
Actuarial Gains/(Losses) on Defined Benefit Pension Plans	(281)	(190)	-	-
Loss (Gain) on Sale of Non-Current Assets	31,434	(42)	31,434	(42)
Increase (Decrease) in Creditors	4,196	1,393	4,196	1,393
Decrease (Increase) in Inventories	(83)	235	(83)	235
Decrease (Increase) in Debtors	469	(109)	469	(109)
Increase (Decrease) in Provisions	504	365	504	365
Net Cash From Operating Activities	<u>91,487</u>	<u>14,843</u>	<u>91,487</u>	<u>14,843</u>

Firmly committed long-term financing facilities of \$45 million were available to the Trust at 28 February 2013. As at that date, \$28.073 million (\$35.238 million in 2012) of these facilities was in use.

15. POST BALANCE DATE EVENTS

No post balance date events have occurred which would materially affect the financial statements.

END OF AUDITED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT Sydney Cricket and Sports Ground Trust Division

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Sydney Cricket and Sports Ground Trust Division (the Division), which comprise the statement of financial position as at 28 February 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Division as at 28 February 2013, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the Public Finance and Audit Act 1983 (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

The Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Division's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Division's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does not provide assurance:

- about the future viability of the Division
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.

Heather Watson
Director, Financial Audit Services

14 June 2013
SYDNEY

STATEMENT BY MEMBERS OF THE TRUST



SYDNEY CRICKET & SPORTS GROUND TRUST DIVISION YEAR ENDED 28 FEBRUARY 2013

Statement by Members of the Trust

Pursuant to Section 41C (1C) of the *Public Finance and Audit Act, 1983*, and in accordance with a resolution of the members of the Sydney Cricket & Sports Ground Trust, we declare on behalf of the Trust that in our opinion:

1. The accompanying financial statements exhibit a true and fair view of the financial position of the Sydney Cricket & Sports Ground Trust Division as at 28 February 2013 and transactions for the year then ended.
2. The statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act, 1983*, the *Public Finance and Audit Regulation, 2010*, and the Treasurer's Directions.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

MR RODNEY CAVALIER, AO
CHAIRMAN

MR ROD MCGEOCH, AO LLB
AUDIT & RISK COMMITTEE
CHAIRMAN

7 June 2013

AUDITED FINANCIAL STATEMENTS

BEGINNING OF AUDITED FINANCIAL STATEMENTS

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 28 FEBRUARY 2013

	Notes	2013 \$'000	2012 \$'000
REVENUE			
Personnel Services		13,379	12,530
Total Revenue		<u>13,379</u>	<u>12,530</u>
EXPENDITURE			
Employee Related Expenses	2	13,098	12,340
Total Expenditure		<u>13,098</u>	<u>12,340</u>
SURPLUS/(DEFICIT) FOR THE YEAR		<u>281</u>	<u>190</u>
Other Comprehensive Income			
Actuarial Gain/(Loss) on Defined Benefit Plans		(281)	(190)
Other Comprehensive Income for the Year		<u>(281)</u>	<u>(190)</u>
TOTAL COMPREHENSIVE RESULT FOR THE YEAR		<u>-</u>	<u>-</u>

The accompanying notes form part of these financial statements.

AUDITED FINANCIAL STATEMENTS

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION STATEMENT OF FINANCIAL POSITION AS AT 28 FEBRUARY 2013

	Notes	2013 \$'000	2012 \$'000
ASSETS			
Current Assets			
Receivables	3	3,409	2,405
Total Current Assets		<u>3,409</u>	<u>2,405</u>
Non-Current Assets			
Total Non-Current Assets		<u>-</u>	<u>-</u>
Total Assets		<u>3,409</u>	<u>2,405</u>
LIABILITIES			
Current Liabilities			
Payables	4	516	17
Employee Provisions	5	2,215	2,000
Total Current Liabilities		<u>2,731</u>	<u>2,017</u>
Non Current Liabilities			
Superannuation Liability	5	678	388
Total Non Current Liabilities		<u>678</u>	<u>388</u>
Total Liabilities		<u>3,409</u>	<u>2,405</u>
Net Assets		<u>-</u>	<u>-</u>
EQUITY			
Accumulated Funds		<u>-</u>	<u>-</u>
Total Equity		<u>-</u>	<u>-</u>

The accompanying notes form part of these financial statements.

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2013**

	Accumulated Funds		Total
	Notes	\$'000	\$'000
BALANCE AT 1 MARCH 2012		-	-
Surplus/(Deficit) for the Year		281	281
OTHER COMPREHENSIVE INCOME			
Actuarial Gains/(Losses) on Defined Benefit Pension Plans		(281)	(281)
Total Comprehensive Income for the Year		—	—
BALANCE AT 28 FEBRUARY 2013		—	—
BALANCE AT 1 MARCH 2011		-	-
Surplus/(Deficit) for the Year		190	190
OTHER COMPREHENSIVE INCOME			
Actuarial Gains/(Losses) on Defined Benefit Pension Plans		(190)	(190)
Total Comprehensive Income for the Year		—	—
BALANCE AT 29 FEBRUARY 2012		—	—

The accompanying notes form part of these financial statements.

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 28 FEBRUARY 2013**

	Notes	2013 \$'000	2012 \$'000
NET CASH FLOWS FROM OPERATING ACTIVITIES		-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES		-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		-	-
Opening Cash & Cash Equivalents		—	—
CLOSING CASH & CASH EQUIVALENTS		-	-

The accompanying notes form part of these financial statements.

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Sydney Cricket & Sports Ground Trust Division (the Division) is a Division of the Government Service, established pursuant to Part 2 of Schedule 1 to the *Public Sector Employment and Management Act 2002*. The Trust is a not for profit entity (profit is not its principle objective). The reporting entity is consolidated as part of the Sydney Cricket and Sports Ground Trust Accounts.

The Entity's objective is to provide personnel services to the Sydney Cricket & Sports Ground Trust.

The Entity commenced operations on 17 March 2006 when it assumed responsibility for the employees and employee-related liabilities of the Sydney Cricket & Sports Ground Trust. The Division is domiciled in Australia and its principal office is at Moore Park Road, Paddington.

(b) Basis of Preparation

The Division's financial statements are general purpose financial statements prepared in accordance with the requirements of Australian Accounting Standards (including Australian Accounting Interpretations), the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*, and specific directions issued by the Treasurer.

Generally, the historical cost convention has been adopted and the financial statements do not take into account changing money values or current valuations. However, certain provisions are measured at fair value.

The accrual basis of accounting has been adopted in the preparation of the financial statements, except for cash flow information.

Management's judgements, key assumptions and estimates made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of Compliance

The Division's financial statements for the year ended 28 February 2013 has been authorised for issue by the Trust on 7 June 2013.

The Division's financial statements comply with Australian Accounting Standards (which includes Australian Accounting Interpretations).

(d) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(e) Receivables

A receivable is recognised when it is probable that the future economic benefits associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other rights to future economic benefits from it expire or are transferred.

A receivable is measured initially at fair value and subsequently at amortised cost using the effective interest rate method, less any allowance for impairment. A short-term receivable with no stated interest rate is measured at the original invoice amount where the effect of discounting is immaterial. An invoiced receivable is due for settlement within thirty days of invoicing.

If there is objective evidence at year-end that a receivable may not be collectable, its carrying amount is reduced by means of an allowance for impairment and the resulting loss is recognised in the statement of comprehensive income. Receivables are monitored during the year and bad debts are written off against the allowance when they are determined to be irrecoverable. Any other loss or gain arising when a receivable is derecognised is also recognised in the statement of comprehensive income.

(f) Payables

Payables include accrued wages, salaries, and related on costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted.

A short-term payable with no stated interest rate is measured at historical cost if the effect of discounting is immaterial.

(g) Employee Benefit Provisions & Expenses

Provision is made for annual leave and long service leave estimated to be payable to employees as at reporting date.

Liabilities for salaries and wages (including non-monetary benefits) and annual leave are recognised and measured in respect of employees' services up to the reporting date at nominal amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability, as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future. Benefits for Rostered Days Off (RDOs) have not been accrued, as the Trust policy is not to cash out these balances.

Benefits for long service leave and annual leave have been provided on the basis of emerging entitlements for recognised service for long service leave, and quantum due at reporting date for annual leave.

In accordance with the Australian Accounting Standard AASB 119 'Employee Benefits' liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rate which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield on national government bonds, which have terms to maturity approximating the terms of the related liability are used. The provisions for leave entitlements also include the relevant on-costs.

For defined contribution superannuation schemes, employer contributions are expensed when incurred. A liability is recognised only to the extent of unpaid employer contributions at reporting date.

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

(g) Employee Benefit Provisions & Expenses (cont'd)

For defined benefit superannuation schemes, expenses are recognised based on the current service plus interest cost less the expected return on fund assets (net of expenses) for the reporting period as calculated and advised by Pillar Administration. In accordance with NSW Treasury policy TC11-04 Accounting for Superannuation, the Division recognises actuarial gains and losses for defined benefit superannuation schemes outside of the surplus/(deficit) in the 'other comprehensive income'. The actuarial gains and losses for defined benefit superannuation schemes are expensed by the parent entity as part of their personnel service expenses. A net liability or asset is recognised based on the difference between the present value of the Trust's defined benefit obligations and the fair value of fund assets as at the reporting date, as adjusted for unrecognised past service costs, unrecognised gains/(losses), and limitations on net assets. The net liability or asset is actuarially determined.

(h) Comparatives

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(i) New Accounting Standards Issued But Not Effective

At reporting date, a number of accounting standards adopted by the AASB had been issued but are not yet effective. At present New South Wales Treasury is mandating not to early adopt any of the new Standards/Interpretations as per Treasury Circular TC 13-02. As such, these new Standards/Interpretations have not been early adopted by the Trust.

It is considered that the implementation of these standards will not have any material impact on the Trust's financial results. Certain amendments made to Accounting Standard AASB119 (Employee Benefits) will apply from 1 July 2013. The new standard will modify how the statement of comprehensive income presents defined benefit superannuation expenses.

Under the existing standard, a new interest expense is calculated after deducting the expected return on superannuation assets. Under the new standard, expected investment returns must be calculated using the same discount rate used to value liabilities (i.e. a long term Commonwealth Government bond rate). This is likely to result in higher reported superannuation net interest costs. The increase in surplus/(deficit) for the year (expected to be around \$80,000 per year) will be offset by a corresponding increase in actuarial gains/(losses) on defined benefit pension plans, which is reflected in other comprehensive income. The introduction of the new standard with therefore not impact on the comprehensive result.

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013**

2. EMPLOYEE RELATED EXPENSES

	2013	2012
	\$ '000	\$ '000
Salaries & Wages	10,360	9,962
Annual Leave/Long Service Leave	1,066	728
Payroll Tax	639	600
Workers Compensation Insurance	260	146
Superannuation	673	703
Other	100	201
	<u>13,098</u>	<u>12,340</u>

3. RECEIVABLES

Current

Parent Entity – Sydney Cricket & Sports Ground Trust	3,409	2,405
	<u>3,409</u>	<u>2,405</u>

4. PAYABLES

Current

Accrued Salaries, Wages & On-Costs	<u>516</u>	<u>17</u>
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5. PROVISIONS

Current

Annual Leave	1,070	1,052
Long Service Leave	1,145	948
Total Employee Related Provisions	<u>2,215</u>	<u>2,000</u>

Non Current

Superannuation Liability	678	388
	<u>678</u>	<u>388</u>

Superannuation – Defined Benefits Plan

The Trust has a \$678,246 (\$388,224 in 2012) net liability for the employer's obligation to defined benefit superannuation schemes at the Trust.

The funding position in respect of the two defined benefits schemes related to personnel services received, namely the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-Contributory Superannuation Scheme (SANCS) has been advised by Pillar Administration.

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

FUND	ESTIMATED RESERVE ACCOUNTS FUNDS		ACCRUED LIABILITY		NET LIABILITY AT YEAR END	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
SASS	1,876	1,720	2,439	2,024	563	304
SANCS	140	156	255	240	115	84
	2,016	1,876	2,694	2,264	678	388

Accounting Policy for Recognising Actuarial Gains/Losses

Actuarial gains and losses are recognised immediately in other comprehensive income in the year in which they occur.

Fund Information

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes including the State Authorities Superannuation Scheme (SASS) and the State Authorities Non-contributory Superannuation Scheme (SANCS).

These schemes are defined benefit schemes – at least a component of the final benefit is derived from a multiple of member salary and years of membership. The schemes are closed to new members.

Reconciliation of the Present Value of the Defined Benefit Obligation 2013

	SASS	SANCS
	2013 \$'000	2013 \$'000
Present Value of Partly Funded Defined Benefit Obligation at Beginning of the Year	2,024	240
Current Service Cost	64	10
Interest Cost	78	9
Contributions by Fund Participants	33	0
Actuarial (Gains)/Losses	387	28
Benefits Paid	(147)	(32)
Past Service Cost	0	0
Curtailments	0	0
Settlements	0	0
Business Combinations	0	0
Exchange Rate Changes	0	0
Present Value of Partly Funded Defined Benefit Obligation at End of the Year	2,439	255

Reconciliation of the Fair Value of Fund Assets

Fair Value of Fund Assets at Beginning of the Year	1,720	155
Expected Return on Fund Assets	141	12
Actuarial Gains/(Losses)	129	5
Employer Contributions	0	0
Contributions by Fund Participants	33	0
Benefits Paid	(147)	(32)
Settlements	0	0
Business Combinations	0	0
Exchange Rate Changes	0	0
Fair Value of Fund Assets at End of the Year	1,876	140

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Reconciliation of the Assets and Liabilities Recognised in the Statement of Financial Position

	SASS	SANCS
	2013 \$'000	2013 \$'000
Present Value of Partly Funded Defined Benefit Obligation at End of Year	2,439	255
Fair Value of Fund Assets at End of Year	(1,876)	(140)
Subtotal	563	115
Unrecognised Past Service Cost	0	0
Unrecognised Gain/(Loss)	0	0
Adjustment for Limitation on Net Asset	0	0
Net Liability/(Asset) Recognised in the Statement of Financial Position at End of Year	563	115

Expense Recognised in the Statement of Comprehensive Income

Components Recognised in the Statement of Comprehensive Income		
Current Service Cost	64	10
Interest Cost	78	9
Expected Return on Fund Assets (Net of Expenses)	(141)	(12)
Actuarial Losses/(Gains) Recognised in Year	0	0
Past Service Cost	0	0
Movement in Adjustment for Limitation on Net Asset	0	0
Curtailement or Settlement (Gain)/Loss	0	0
Expense/(Income) Recognised	1	7

Amounts Recognised in the Statement of Comprehensive Income (Other Comprehensive Income)

Actuarial (Gains)/Losses	258	24
Adjustment for Limit on Net Asset	0	0

Cumulative Amounts Recognised in the Statement of Comprehensive Income (Other Comprehensive Income)

Cumulative Amount of Actuarial (Gains)/Losses	784	26
Cumulative Adjustment for Limitation on Net Asset	0	0

Fund Assets

The percentage invested in each asset class at the statement of financial position date:

	28 FEB 2013
Australian Equities	32.7%
Overseas Equities	25.3%
Australian Fixed Interest Securities	6.0%
Overseas Fixed Interest Securities	2.2%
Property	8.7%
Cash	11.2%
Other	13.9%

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013**

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Fair Value of Fund Assets

All fund assets are invested by STC at arm's length through independent fund managers.

Expected Rate of Return on Assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets

	<u>SASS</u>	<u>SANCS</u>
	2013	2013
	\$'000	\$'000
Actual Return on Fund Assets	212	17

Valuation Method and Principal Actuarial Assumptions at the Balance Date:

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions

	<u>28 FEB 2013</u>
Salary Increase Rate (excluding promotional increases)	2.5% pa
Rate of CPI Increase	2.5% pa
Expected Rate of Return on Assets	8.60%
Discount Rate	3.38% pa

c) Demographic Assumptions

The demographic assumptions at 28 February 2013 are those that were used in the 2012 triennial actuarial valuation. Information regarding the most recent triennial review (2012) is available from the NSW Treasury website.

Expected Contributions

	<u>SASS</u>	<u>SANCS</u>
	2013	2013
	\$'000	\$'000
Expected Employer Contributions to be Paid in the Next Accounting Period	0	0

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013**

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Funding Arrangements for Employer Contributions

(a) Surplus/Deficit

The following is a summary of the 28 February 2013 financial position of the fund calculated in accordance with AAS 25 'Financial Reporting by Superannuation Plans':

	<u>SASS</u>	<u>SANCS</u>
	2013	2013
	\$'000	\$'000
Accrued Benefits	1,877	216
Net Market Value of Fund Assets	(1,876)	(140)
Net (Surplus)/Deficit	1	76

(b) Contribution Recommendations

Recommended contribution rates for the entity are:

	<u>SASS</u>	<u>SANCS</u>
	Multiple of Member	% Member
	Contributions	Salary
	0.00	0.00

(c) Funding Method

Contribution rates are set after discussions between the employer (the Trust), STC and NSW Treasury.

(d) Economic Assumptions

The economic assumptions adopted from the 2009 triennial actuarial review of the fund are:

Weighted Average Assumptions

Expected Rate of Return on Fund Assets Backing Current Pension Liabilities	8.3% pa
Expected Rate of Return on Fund Assets Backing Other Liabilities	7.3% pa
Expected Salary Increase Rate	2.7% pa for 6 years then 4%
Expected Rate of CPI Increase	2.5% pa

Nature of Asset/Liability

If a surplus existed in the employer's interest in the fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Historical Information

	SASS	SANCS
	2013	2013
	\$'000	\$'000
Present Value of Defined Benefit Obligation	2,439	255
Fair Value of Fund Assets	(1,876)	(140)
(Surplus)/Deficit in Fund	563	115
Experience Adjustments – Fund Liabilities	387	28
Experience Adjustments – Fund Assets	(130)	(5)

	SASS	SANCS
	2012	2012
	\$'000	\$'000
Present Value of Defined Benefit Obligation	2,024	240
Fair Value of Fund Assets	(1,720)	(156)
(Surplus)/Deficit in Fund	304	84
Experience Adjustments – Fund Liabilities	51	(19)
Experience Adjustments – Fund Assets	146	12

	SASS	SANCS
	2011	2011
	\$'000	\$'000
Present Value of Defined Benefit Obligation	1,824	229
Fair Value of Fund Assets	(1,732)	(148)
(Surplus)/Deficit in Fund	92	81
Experience Adjustments – Fund Liabilities	(99)	3
Experience Adjustments – Fund Assets	148	2

	SASS	SANCS
	2010	2010
	\$'000	\$'000
Present Value of Defined Benefit Obligation	2,057	247
Fair Value of Fund Assets	(2,027)	(183)
(Surplus)/Deficit in Fund	30	65
Experience Adjustments – Fund Liabilities	(51)	(15)
Experience Adjustments – Fund Assets	(130)	(13)

	SASS	SANCS
	2009	2009
	\$'000	\$'000
Present Value of Defined Benefit Obligation	1,955	238
Fair Value of Fund Assets	(1,759)	(156)
(Surplus)/Deficit in Fund	196	82
Experience Adjustments – Fund Liabilities	97	26
Experience Adjustments – Fund Assets	542	48

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Reconciliation of the Present Value of the Defined Benefit Obligation 2012

	SASS	SANCS
	2012	2012
	\$'000	\$'000
Present Value of Partly Funded Defined Benefit Obligation at Beginning of the Year	1,824	229
Current Service Cost	61	10
Interest Cost	98	12
Contributions by Fund Participants	34	0
Actuarial (Gains)/Losses	51	(19)
Benefits Paid	(44)	8
Past Service Cost	0	0
Curtailments	0	0
Settlements	0	0
Business Combinations	0	0
Exchange Rate Changes	0	0
Present Value of Partly Funded Defined Benefit Obligation at End of the Year	2,024	240

Reconciliation of the Fair Value of Fund Assets

Fair Value of Fund Assets at Beginning of the Year	1,732	148
Expected Return on Fund Assets	144	11
Actuarial Gains/(Losses)	(146)	(12)
Employer Contributions	0	0
Contributions by Fund Participants	34	0
Benefits Paid	(44)	8
Settlements	0	0
Business Combinations	0	0
Exchange Rate Changes	0	0
Fair Value of Fund Assets at End of the Year	1,720	155

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Reconciliation of the Assets and Liabilities Recognised in the Statement of Financial Position

	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Present Value of Partly Funded Defined Benefit Obligation at End of Year	2,024	240
Fair Value of Fund Assets at End of Year	(1,720)	(156)
Subtotal	304	84
Unrecognised Past Service Cost	0	0
Unrecognised Gain/(Loss)	0	0
Adjustment for Limitation on Net Asset	0	0
Net Liability/(Asset) Recognised in the Statement of Financial Position at End of Year	304	84

Expense Recognised in the Statement of Comprehensive Income

Components Recognised in the Statement of Comprehensive Income

Current Service Cost	61	10
Interest Cost	98	12
Expected Return on Fund Assets (net of expenses)	(144)	(11)
Actuarial Losses/(Gains) Recognised in Year	0	0
Past Service Cost	0	0
Movement in Adjustment for Limitation on Net Asset	0	0
Curtailement or Settlement (Gain)/Loss	0	0
Expense/(Income) Recognised	15	11

Amounts Recognised in the Statement of Comprehensive Income (Other Comprehensive Income)

Actuarial (Gains)/Losses	197	(7)
Adjustment for Limit on Net Asset	0	0

Cumulative Amounts Recognised in the Statement of Comprehensive Income (Other Comprehensive Income)

Cumulative Amount of Actuarial (Gains)/Losses	526	2
Cumulative Adjustment for Limitation on Net Asset	0	0

Fund Assets

The percentage invested in each asset class at the statement of financial position date:

	<u>29 FEB 2012</u>
Australian Equities	33.3%
Overseas Equities	28.1%
Australian Fixed Interest Securities	5.4%
Overseas Fixed Interest Securities	2.6%
Property	9.4%
Cash	7.0%
Other	14.3%

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Fair Value of Fund Assets

All fund assets are invested by STC at arm's length through independent fund managers.

Expected Rate of Return on Assets

The expected return on assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each class. The returns used for each class are net of investment tax and investment fees.

Actual Return on Fund Assets

	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Actual Return on Fund Assets	(11)	(1)

Valuation Method and Principal Actuarial Assumptions at the Balance Date

a) Valuation Method

The Projected Unit Credit (PUC) valuation method was used to determine the present value of the defined benefit obligations and the related current service costs. This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

b) Economic Assumptions

	<u>29 FEB 2012</u>
Salary Increase Rate (excluding promotional increases)	2.5% pa
Rate of CPI Increase	2.5% pa
Expected Rate of Return on Assets	8.60%
Discount Rate	4.01% pa

c) Demographic Assumptions

The demographic assumptions at 29 February 2012 are those that were used in the 2009 triennial actuarial valuation. Information regarding the most recent triennial review (2009) is available from the 'Report on Actuarial Investigation of State Superannuation Schemes 2009' at <http://www.treasury.nsw.gov.au>.

Expected Contributions

	<u>SASS</u>	<u>SANCS</u>
	2012	2012
	\$'000	\$'000
Expected Employer Contributions to be Paid in the Next Accounting Period	0	0

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013**

5. PROVISIONS

Superannuation – Defined Benefits Plan (cont'd)

Funding Arrangements for Employer Contributions

(a) Surplus/Deficit

The following is a summary of the 29 February 2012 financial position of the fund calculated in accordance with AAS 25 'Financial Reporting by Superannuation Plans':

	<u>SASS</u>	<u>SANCS</u>
	<u>2012</u>	<u>2012</u>
	<u>\$'000</u>	<u>\$'000</u>
Accrued Benefits	1,739	221
Net Market Value of Fund Assets	(1,720)	(156)
Net (Surplus)/Deficit	19	65

(b) Contribution Recommendations

Recommended contribution rates for the entity are:

	<u>SASS</u>	<u>SANCS</u>
	Multiple of Member	% Member
	Contributions	Salary
	0.00	0.00

(c) Funding Method

Contribution rates are set after discussions between the employer (the Trust), STC and NSW Treasury.

(d) Economic Assumptions

The economic assumptions adopted from the 2009 triennial actuarial review of the fund are:

Weighted Average Assumptions

Expected Rate of Return on Fund Assets Backing Current Pension Liabilities	8.3% pa
Expected Rate of Return on Fund Assets Backing Other Liabilities	7.3% pa
Expected Salary Increase Rate	4.0% pa
Expected Rate of CPI Increase	2.5% pa

Nature of Asset/Liability

If a surplus existed in the employer's interest in the fund, the employer may be able to take advantage of it in the form of a reduction in the required contribution rate, depending on the advice of the fund's actuary.

Where a deficiency exists, the employer is responsible for any difference between the employer's share of fund assets and the defined benefit obligation.

**SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION
NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013**

6. EMPLOYEE BENEFITS

Liability

The aggregate employee benefit liability recognised and included in the financial statements is as follows:

Accrued Salaries, Wages & On-Costs	516	17
Provision for Employee Benefits:		
Current (note 5)	2,215	2,000
Non-Current (note 5)	678	388
	<u>2,893</u>	<u>2,388</u>
Total Employee Benefits Liability	<u>3,409</u>	<u>2,405</u>

7. ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES

The Division's principal financial instruments comprise receivables and payables. The CEO of the Sydney Cricket & Sports Ground Trust has responsibility for the establishment and oversight of risk management. Compliance with risk management policies are reviewed by the internal auditors continuously.

Net Fair Values

Financial Instruments are carried at amortised cost. The resultant values are reported in the Statement of Financial Position and are deemed to constitute net fair values due to their short term nature. The Division does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Financial Instrument Categories

Class	Note	Category	<u>Carrying Amount 2013</u>	<u>Carrying Amount 2012</u>
<u>Financial Assets</u>				
Receivables	3	Loans and Receivables (measured at amortised cost)	3,409	2,405
<u>Financial Liabilities</u>				
Payables	4	Financial Liabilities (measured at amortised cost)	516	17

AUDITED FINANCIAL STATEMENTS

SYDNEY CRICKET AND SPORTS GROUND TRUST DIVISION NOTES TO THIS FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2013

7. ADDITIONAL FINANCIAL INSTRUMENT DISCLOSURES (cont'd)

Credit Risk

Credit risk arises when there is the possibility of the Division's debtors defaulting on their contractual obligations. The maximum exposure to credit risk is represented by the carrying amounts of the financial assets.

All receivables are from the parent Sydney Cricket & Sports Ground Trust, comprising salaries and entitlements of employee services provided. There are no financial assets that are past due or impaired. No collateral is held by the Division and it has not granted any financial guarantees.

Liquidity Risk

Liquidity risk is the risk that the Division will be able to meet its payment obligations when they fall due. The financial liabilities recognised are for amounts due to be paid in the future for employee services received. Amounts owing to employees are settled as they fall due. The Division is not exposed to interest rate risk and amounts are expected to be settled within 12 months. During the current and previous year there were no defaults or breaches on any amounts payable. No assets have been pledged as collateral.

Market Risk

Market risk is the risk that the fair value of the financial instrument will fluctuate because of a change in market prices. The Division does not have exposure to market risk as all financial instruments relate to employee payments made by the Trust. The Division has no exposure to foreign currency or interest rate risk and does not enter into commodity contracts.

8. POST BALANCE DATE EVENTS

No post balance date events have occurred which would materially affect the financial statements.

SYDNEY CRICKET AND SPORTS GROUND TRUST INITIAL BUDGET OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED 28 FEBRUARY 2013 & OUTLINE BUDGET FOR THE YEAR ENDING 28 FEBRUARY

	Budget 2012/13 \$'000	Actual 2012/13 \$'000	Budget 2013/14 \$'000
REVENUE			
Membership	18,579	18,890	20,174
Hire Fees	7,982	7,489	9,325
Catering	14,593	14,211	14,229
Advertising and Sponsorship	8,890	10,766	11,122
Corporate Seating Sales	6,265	5,367	6,099
Other Revenue	10,130	9,943	9,127
Sub Total	66,439	66,666	70,076
Govt Grants	73,505	76,244	57,256
Total Revenue	139,944	142,910	127,332
EXPENDITURE			
Operating Costs	36,024	37,673	38,801
Employee Related Expense	14,845	15,267	16,103
Depreciation	10,595	9,825	9,955
Finance Costs	2,823	3,480	2,939
Total Expenditure	64,287	66,245	67,798
Gain/(Loss) on Disposal of Assets	(33,081)	(31,434)	-
SURPLUS FOR THE YEAR	42,576	45,231	59,534

END OF AUDITED FINANCIAL STATEMENTS



CONSUMER RESPONSE

The Trust's venues and Member facilities, such as the fitness centre and museum, catered for more than 1.43 million visitors last year. To ensure our patrons continue to receive the highest possible service, we encourage and actively seek their feedback.

The Trust deals with numerous issues related to providing best practice service levels to its Members, corporate guests, general public and hiring partners.

Generally feedback is of a constructive nature and the Trust seeks to manage complaints in a timely and professionally courteous manner.

We train staff, and have developed procedures, to resolve complaints immediately where this is possible and justified, or at least ensure prompt action for more complex issues.

FEEDBACK / COMPLAINTS RECEIVED & ACTIONS TAKEN

General Public

The Trust receives positive and negative feedback from event attendees and in 2012/13, there were 121 items of correspondence relating to quality of PA announcements, catering issues, event noise, crowd behavior, car parking and queuing times. This feedback was across a total number of sport and concert event attendees of more than one million. All complaints received were managed by the Events and Operations department.

The Trust was proactive in its strategy ahead of concerts and met with a number of local residents with the objective of providing sufficient advance information as to the measures that were in place to minimise any inconvenience. Residents expressed appreciation for the Trusts' efforts in this regard.

The Trust is in regular communication with the Environmental Protection Authority to ensure compliance with noise management procedures.

The Trust also undertakes annual research to get feedback from the general public about their event experience at our grounds. This is benchmarked against results from previous years to monitor customer satisfaction and identify areas for improvement.

Areas surveyed include food beverage outlets, entertainment, event staff, amenities, security and safety, health of environment, merchandise and access to information. Responses have remained relatively stable over the past three years, averaging 6.2 to 8.2 out of 10 for satisfaction. The highest levels of satisfaction were recorded for entertainment value, the service provided by event staff, safety and security, the quality of pre-match information and the healthy environment of the venues. The lowest scores have consistently been for issues related to value and variety of available food and merchandise, although small improvements were recorded in these areas over the past 12 months.

Corporate Guests

During 2012/13, the Trust investigated approximately 50 complaints from corporate guests, generally relating to the quality of the food and beverage experience and punctuality of service.

In many cases, these were issues that could be resolved on the day once they had been brought to the attention of our caterers Delaware North. If this couldn't be achieved, or if the complaint was received on a later date, Delaware North liaised with the client and provided an appropriate solution or compensation where justified.

Members

A total of 23 written comments were received from Members relating to their experience during the international cricket season. The key issues (in order of number of complaints) were:

- venue event day operations such as queuing, use of reserved seat stickers, videoboard content and parking
- lack of Member seating or inability to find suitable seating
- catering – quality or range of foods offered
- dress regulations

Several positive comments were received relating to customer service and arrangements for Members.

The Membership Services team maintains a central register for complaints to track recurring issues, and record responses. In all cases, the Members were contacted and all complaints investigated. Apologies made when appropriate. In most cases, repeat incidents were avoided simply by drawing staff or contractor attention to the issues. When we couldn't agree that the complaint was justified, we explained the rationale for our position.

One Member also complained that the Trust's dress regulations unfairly discriminated against him in that he had a physical disability that prevented him from wearing enclosed shoes. He took the matter to the Administrative Decisions Tribunal but later withdrew the complaint when a compromise was agreed with the Trust.

The Stadium Fitness Centre for Gold and Platinum Members also maintains a complaints register. They received 42 complaints in the past year, with the main issues being:

- car parking – difficulty finding available space during busy times
- pool usage increase and demand for swimming lanes
- access to tennis courts during construction of the SCG's new stand
- pool water temperature and clarity

The Trust recognises the increased demand for Members' car parking on non-event days. It has addressed the problem by extending the hours the car park is staffed to prevent misuse by people parking without authorization. This has greatly improved the situation, but the Trust is also planning to introduce a boom gate system so this control can be extended to all operational hours.

Pool management has been improved with a new system of allocation forms and Members can better plan their swims with communication of bookings communicated via our website and a poolside whiteboard. Problems with inconsistent pool water temperature have been rectified with the fitting of a new pool heater unit. Water clarity largely depends on levels of use, and the fitness centre is monitoring this throughout each day.

Construction of the SCG stand has meant the removal of four tennis courts. During construction, these are being replaced by two temporary on-site courts and two courts for Members use at a nearby high school. When construction is completed in early 2014, Members will again have access to four on-site courts.

The Trust also undertakes an annual research program focused on customer satisfaction of Members attending sports matches at the SCG and Allianz Stadium. The 2012 report benchmarked results to data collected over the last seven years (2006-2012).

Customer experience areas surveyed include: entertainment value, membership services staff, beverages, food outlets, healthy environment, accessibility, information, amenities, merchandise, event service staff, and safety and security.

Average customer experience scores have increased over the last seven years from 6.8 to 7.4 (out of 10).

Hiring Partners

Late in 2012/13, the Trusts' Events and Operations department implemented an online event management feedback form for hiring partners to complete after each event. This has provided a documented, transparent and readily available means of receiving feedback from hirers.

The majority of issues raised during the past year were dealt with efficiently and effectively. Stage 2 development generated different degrees of inconvenience, but the Trust continued to work closely with hiring relevant hiring partners in order to mitigate the impact of the construction works. The Trust meets on a bi-monthly basis with all hiring partners to work towards solutions to the issues raised and strategies for future improvement.



RIGHT TO INFORMATION

On 1 July 2010, the *Freedom of Information Act 1989* was replaced by the *Government Information (Public Access) Act 2009* (GIPA).



The objectives of GIPA are:

- Authorising and encouraging the proactive public release of government information by agencies
- Giving members of the public an enforceable right to access government information
- Providing that access to government information is restricted only when there is an overriding public interest against disclosure

No requests were received by the Trust's Right to Information Officer in the 2012/13 financial year.

Under the new GIPA legislation, requests for access to information should in the first instance be discussed with the Right to Information Officer who can advise on whether the information can be provided informally or whether a written request with a fee will be required.

The Right to Information Officer can be contacted at:

Location	Contact Numbers	Postal Address
Trust Office Level 2, Sheridan Building, Moore Park Road, Moore Park NSW 2021	Telephone: (02) 9360 6601 Fax: (02) 9360 1319	GPO Box 150 Sydney NSW 2001

Fees and charges are as follows:

Nature of Application	Application Fee	Processing Charge
Access to records by people about their personal affairs	\$30	\$30/hour after first 20 hours*
All other requests	\$30*	\$30/hour
Internal reviews	\$40**	Nil
Amendment of records	Nil***	Nil

*Subject to 50% reduction for financial hardship and public interest reasons.

**No application fees may be charged for internal reviews in relation to amendment of records.

***Refunds may apply as a result of successful internal reviews and applications for amendment of records.

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