

NRL.COM



BUILDING A STRONGER GAME

ANNUAL REPORT 2014




BUILDING A STRONGER GAME IN 2014



 **254,000 MEMBERS:**
MORE THAN EVER BEFORE





 **2.4% INCREASE**
IN CROWDS ACROSS
THE FULL YEAR



 **1.3m PARTICIPANTS:**
WE'RE GROWING AUSTRALIA'S
LARGEST SPORTING COMMUNITY



 **AWARD WINNING**
PLAYER & EDUCATION PROGRAMS

 **\$49.9m**
OPERATING SURPLUS




 **TOP 3 TV PROGRAMS:**
AUSTRALIA'S PREMIUM
ENTERTAINMENT PRODUCT



 **MORE AUSTRALIANS**
FOLLOW THE NRL ON FACEBOOK
THAN ANY OTHER SPORT



 **\$28.1m RE-INVESTED**
INTO THE GAME, CLUBS
AND STATES





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BIG GOALS BIG GAINS BIG GROWTH

A lot of big things happened in Rugby League in 2014.

Rugby League delivered outstanding entertainment and the three most watched shows of any kind on Australian television.

Across the full year our crowds grew and we broke our membership records.

More Australians follow the NRL on Facebook, the world's largest social media platform, than any other sport.

Rugby League gave millions of people a way to be part of their communities.

We widened our participation base in Australia and boosted our profile and contribution in the Pacific.

We invested more in our Clubs, our State Leagues and in game development than ever before.

We toughened our stance on key issues to support stronger governance across the whole of the game.

While there is always more to do to take Rugby League from strength to strength, we are proud to report that we are building value in our game.



THE RUGBY LEAGUE CALENDAR

There is no sporting experience quite like being involved in Rugby League's Major Events. Our Holden State of Origin Series and NRL Telstra Premiership Grand Final are top tier major Australian sporting events.

DICK SMITH NRL AUCKLAND NINES February

In a new major event for the NRL we introduced the Dick Smith NRL Auckland Nines tournament in 2014. The new competition brought 89,000 fans to beautiful Auckland for two days of jam-packed NRL entertainment featuring all 16 NRL Clubs. The celebrations continued all week with all Clubs taking part in community-based activities and the Dick Smith NRL Auckland Nines won the Best Home Grown Event in the Sport Business International Awards.

NRL SEASON LAUNCH
February

FESTIVAL OF INDIGENOUS RUGBY LEAGUE
February

RUGBY LEAGUE WORLD CLUB CHALLENGE
February

NRL TELSTRA PREMIERSHIP RD 1
March

TRANS TASMAN TEST MATCH
May

AAMI CITY v COUNTRY
May

HOLDEN STATE OF ORIGIN May-July

Rugby League celebrated the 100th State of Origin match this year, marking the occasion with a special tribute to one of the game's greats, Arthur Beetson, by retiring his number 11 jersey for the game. The three-game Holden State of Origin Series was played in front of huge crowds in New South Wales and Queensland and the television audience was phenomenal, breaking our all-time ratings record as the most watched game in our history. With designated fan sections, thousands of blue and maroon wigs filling the stadiums and world-class musicians such as The Madden Brothers entertaining fans, the Series was undoubtedly bigger and better than ever.

NRL TELSTRA PREMIERSHIP RD 19 'RISE FOR ALEX'
July

NRL
TELSTRA
PREMIERSHIP
FINALS SERIES
September

NRL STATE
CHAMPIONSHIP
October

NRL TELSTRA PREMIERSHIP GRAND FINAL October

The NRL Telstra Premiership Grand Final was again one of the biggest and most hotly anticipated annual sporting events in Australia, setting a benchmark for sports entertainment in this country. A record-breaking sell-out crowd enjoyed a full day of free entertainment outside the stadium, jam-packed with feature rides, team bars, food stalls, family-friendly activities and a merchandise marquee. Once inside, the fans were part of the unique atmosphere only a Grand Final can deliver with the stadium ablaze in a spectacular light show and pre-game entertainment from international artists, Train and Slash, the former lead guitarist from Guns N' Roses.

But the party extended beyond match day. Our fans revelled in a full week of celebrations leading up to the Grand Final, including the "Lighting Up" of the Sydney Harbour Bridge with an 80 metre high slide show of the two Grand Final teams; open training sessions with the two teams; the Dally M Awards before an audience of 700 fans at The Star; The Telstra Premiership Grand Final lunch at Darling Harbour; and 8500 fans at Channel Nine's Grand Final Footy Show at the Sydney Entertainment Centre.



FOUR NATION SERIES November

The year finished on a high with the Four Nations. Held in six regions across both Australia and New Zealand, the 2014 Four Nations showcased international Rugby League at its best. New Zealand triumphed, but not before Samoa came of age and England and Australia provided some incredible moments in a gripping tournament. From the opening doubleheader, watched by 47,813 in Brisbane, it provided captivating entertainment in Whangarei, Melbourne, Dunedin, Wollongong and finally Wellington.



JILLAROOS
v NZ KIWIS
TEST MATCH
November

MESSAGE FROM THE CHAIRMAN

Rugby League in Australia is undergoing a period of transformation. This change started with the decision by the leaders of the game to work together under a single governing body as well as the substantial increase in investment into our game through the 2012 broadcast and digital rights agreement. As we face change – whether it is in fans' expectations or how people engage with sport in the digital age or how the game is funded - we are presented with both opportunities and challenges. The vigour with which we grasp these opportunities and the tenacity we demonstrate in responding to these challenges will ultimately determine our success.

As this transformation evolves, the role of the ARLC is to ensure the administration across all levels of Rugby League can meet the demands of being a modern professional sport. We are responsible for working with the NRL Executive to set the overall strategic direction for the game and the outcomes that define our success as well as determining the investment priorities for the game's growth. We also ensure the appropriate governance and risk management frameworks are in place. Across 2014 the Commissioners diligently applied their skills, expertise and enthusiasm and I thank them for their valuable contributions.

We now have in place a strong plan for growth and continue to build the best team right across the game to execute that plan and to build value for our game.

In 2014 our wonderful game generated television ratings that remain the envy of sport and entertainment in Australia, we achieved our aggressive financial targets, and we strengthened governance both within the NRL's operations and back in to our Clubs and State Leagues - all of which ultimately builds our reputation in the sporting and business communities in Australia and internationally. In addition, we have grown our Rugby League family to include more Club members and a wider participation base, claimed the cutting edge of digital and social media engagement with fans, and increased funding and support to our Clubs and State Leagues.

On the field, we had a memorable football season, one that delivered outstanding experiences for all involved through the inaugural Dick Smith NRL Auckland Nines, the Holden State of Origin Series, the NRL Telstra Premiership and the Four Nations. It was also one in which our Jillaroos took a more prominent and deserved role in our major events and our alliance with Touch Football took us with purpose into the recreational market.

A year packed with such high-quality entertainment and strong results does not come without considerable effort from all quarters. To make sure our game is strong, healthy and growing, our Chief Executive Officer, Dave Smith, has put in place a strong team that combines experience with innovation, raises our professional standards and ensures

the NRL's decisions are based on evidence and sound analysis. He is challenging the team to be smarter about the way they operate and ensuring a determined focus on meeting the expectations of all our stakeholders.

As we acknowledge the results of the year it is also important to reflect that Rugby League is a broad community that brings many different people together and enriches their lives. This is ultimately what gives us our purpose. But this purpose and our joint responsibilities therein are made more pointed having regrettably seen once again this year the tragedy of lives damaged or lost too early.

To the fans and members of our game, our participants and volunteers at every level, our players, Clubs and State Leagues, our partners and sponsors – thank you. It is your support, contribution and passion that helps make Rugby League the greatest game it can be.

With 2014 behind us we believe we can all look forward with confidence to 2015 - a critical year where even further progress will be made on governance, stadia, competition structures and digital and broadcast rights which will ensure we continue to build an even stronger future for Rugby League.



OUR VISION
IS TO BE THE MOST
ENTERTAINING, MOST
ENGAGING AND MOST
RESPECTED SPORT

OUR MISSION
IS TO **BRING PEOPLE**
TOGETHER AND ENRICH
THEIR LIVES

WE'RE COMMITTED
TO **INCLUSIVENESS,**
EXCELLENCE, COURAGE
AND TEAMWORK
DEFINING EVERY STEP

THE ARL COMMISSION

TONY MCGRATH

BBus CA

Mr McGrath is a former partner at KPMG and is the co-founder and Co-Chairman of McGrathNicol. Mr McGrath is a director of QBE Insurance (Australia) Limited, the National Foundation for Medical Research and Innovation as well as Special Olympics Australia.

IAN ELLIOT

Mr Elliot is previous CEO & Chairman of George Patterson Advertising. Mr Elliot is a Director of Salmat Limited, Hills Limited and McMillan Shakespeare Group Limited and a Graduate of Harvard Business School Advanced Management Program.

JEREMY SUTCLIFFE

LLB (Hons)

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

JOHN GRANT

Chairman
BEng

Mr Grant is the Managing Director of Data#3 Limited and a Director of the Australian Information Industry Association, Discovery Technology Pty Ltd and the Business Aspect Group.

WAYNE PEARCE OAM

BSc Dip Ed

Mr Pearce is a former Kangaroos Captain and Coach of the New South Wales Origin side who is a business consultant and Director of Wayne Pearce Advantage.

CATHERINE HARRIS AO PSM

BCom

Ms Harris is the Chairperson of Harris Farm Markets, a Director of the National Gallery of Australia, The Australian Ballet, The Australian School of Business and a Governor of The University of Notre Dame.

GRAEME SAMUEL AC

LLM

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

DR CHRIS SARRA

Dip Ed BEd MEd Ph.D EMPA

Dr Sarra is Founding Chairman of the Stronger Smarter Institute. Dr Sarra is the Chairman of the Workplace, Education, Culture and Remuneration Committee.



A BIG YEAR FOR RUGBY LEAGUE



\$49.9m
OPERATING
SURPLUS FOR
RE-INVESTMENT
INTO THE GAME

2014 has been a big year for Rugby League. A year where we built a stronger game through delivering the best television product in the country, converted more fans to members than ever before and established a strong financial platform with an operating surplus of \$49.9m. In just two years we have generated cumulative surpluses of nearly \$100m, which is now being re-invested into the game.

Through turning our plan into action, a big commitment to improvement, tackling our challenges head on, forming closer connections with our communities and more investment into the Clubs, State Leagues and into the game than ever before, we have generated the results that position us to create a bigger, stronger and healthier game at every level.

MORE FOOTY FOR OUR FANS

Rugby League is now a game for all seasons – as well as the Premiership season. Our brand new football concept, the Dick Smith NRL Auckland Nines kick-started a bigger and more diverse program for the year. From February right through to November, Rugby League fans around the world were entertained – big time. From the Festival of Indigenous Rugby League, Auckland Nines,



AUSTRALIA'S
**PREMIUM
ENTERTAINMENT
BRAND**

the World Club Challenge, the Holden State of Origin Series, the Four Nations and Touch Football events, there were new rivalries built and more exciting football to talk about. As always, the NRL Telstra Premiership was incredible, the closest in the modern era, with the South Sydney Rabbitohs lifting the Premiership trophy after 43 years. Rugby League fans have never had more opportunities to be part of the game they love.

THE BIGGEST SHOWS ON TV

Rugby League is the biggest product on television. The Holden State of Origin Series (Game I and II) and the NRL Telstra Premiership Grand Final were the highest rating programs of any kind on television. When it comes to sport, we owned four of the top five most watched programs of the year.

We also saw a strong ratings increase for the preliminary finals games. Proudly, Rugby League is Australia's premium entertainment product. Combine this with progressive reforms to the salary cap to ensure we preserve the competitive balance across the 16 NRL teams and we're well placed to achieve strong returns on future broadcast rights deals in line with similar market trends.



254,000
NEW MEMBERSHIP
RECORD

OUR BIGGEST FAMILY OF MEMBERS

While more people are watching, more people are also signing up to belong to our game. This year we broke our all-time membership record with more than a quarter of a million fans making a commitment to support their Clubs. This represents an 11% growth in membership numbers from 2013.

If our fans are the lifeblood of Rugby League then our members are its beating heart. Not only do they fill the stands regularly, they bring in new fans and spend their hard-earned dollars to support their team. To celebrate our members' role in our game, we invited 600 members to help officially launch the 2014 NRL season. It was a special moment as a representative from each Club joined their team's captain on stage. At the NRL we've made investments to drive this growth because if our membership is growing, our game is growing. Our plan is to continue to build on this tremendous momentum and the commitment our fans are showing.

GROWING CROWDS ACROSS THE FULL YEAR

With a growing membership base we also had more than 3.8 million attendances across the full Rugby League season. This is up from 3.7 million last year and our fans are showing a keen appetite for our elite matches. While the results represent 2.4% average growth and we set 22 new attendance records, there's more to be done to achieve better results across the Premiership rounds.

These days, there is a multiplicity of choice for entertainment options and the reality for Rugby League, and all major Australian sports, is that the stadium experience must meet the modern expectations of our fans, otherwise they will vote with their feet. This is why we have been working hard with governments to secure investment for world-class stadia that will give our fans the facilities they deserve. This work is starting to pay dividends. Already the NSW Government has committed more than \$600m to invest in the Sydney stadia network including for purpose-built rectangular stadia that are designed for Rugby League. This is significant progress and we look forward to working with the NSW Government to ensure this substantial investment achieves the best results for our fans.

Similarly in Queensland, we have secured a commitment of at least \$100m towards a new stadium in Townsville for the North Queensland Cowboys. With more work to be done, we are close to ensuring that all three of our Queensland based teams are playing in purpose-built modern stadia. Combine these potential upgrades with integrated free transport offerings, precinct activations and a regular \$50 family ticket offering, we can continue to build on a more exciting live game-day experience for our fans.

BIGGER IN DIGITAL AND SOCIAL

More Rugby League fans than ever watched or engaged with the game online. Digital footy has arrived and we embraced it. As our fans increasingly used digital platforms as a key way to watch and talk about Rugby League, the NRL led the way in developing and maximising opportunities for Australian sport in the digital environment.

In partnership with our major sponsor, Telstra we curated digital content that generated 28 million video views. More than 3.3 million Australians accessed our digital platforms every month and our NRL.com audience grew by 65%. In 2014 more than 1.4 million Australians now have the NRL app on their mobile devices, helping our fans indulge their passion for Rugby League anytime, anywhere.



In addition, more Australians now follow the NRL on Facebook than any other sport globally and our Twitter reach continues to grow faster than any of our domestic competitors. We shattered our own target of cumulative social media fans of 5.8 million by 2017 when we surpassed 7.5 million in 2014.

We expect those numbers to grow as we place ourselves at the very cutting edge of social media technology to deliver more regular and unique content to our fans. This presents some amazing opportunities for Rugby League and our partners and sponsors to maximise the value of our brand, and the game we put on the field.

A BIG COMMUNITY WITH AN EVEN BIGGER HEART

A healthy game grows from a strong base and the grassroots Rugby League community grew this year. Through our partnership with Touch Football Australia to form NRL Touch Football, which officially came to life this year, we doubled the number of local players in our game. This coincided with more weekend and school players, a significant increase across the female, mini and masters players, and a new class of coaches and volunteers being part of Rugby League in their local communities.

To make sure they are playing in the best local facilities we worked with government to secure funding for local upgrades. In New South Wales the NRL and the NSW Government created a Footy Facilities Fund that is driving more than \$4m over three years into local Rugby League infrastructure. We are working to establish similar partnerships with other governments.

We're ambitious about growing our base and we're not limiting ourselves to Australia. This year we launched a new Pacific Strategy that strengthens our football commitments to the region and also makes an important social contribution. The region provides an expanding base for Rugby League and the opportunities and talent were on show in 2014 with Papua New Guinea entering a team into Queensland's Intrust Super Cup. They quickly became season favourites amongst fans!

Our game also has a big heart and we united this year to support a special player, Alex McKinnon, who suffered a life changing injury. Right across the game, money was raised from piggy banks to corporate boardrooms to contribute to a 'RiseForAlex' Fund that we worked to create with Alex's family and the Newcastle Knights.

PUTTING PLAYERS AT THE CENTRE

We know that what matters to our fans and partners is how we align with their expectations on and off the field. While the score on the board at the end of a big game is important to them, so too is the work they see their favourite players do within the community. We're proud that our players continue to give their time to charity ventures and the causes they believe in and we're equally determined to stand up for community standards against the small number of poor off-field incidents that can have such a big impact on our reputation.

Like all sports, players are at the centre of our reputation and we invested more than \$7m in 2014 to support them through education and other programs. Now more than 78% of our NRL and National Youth Competition players are in education and career training and these programs are designed to help them make good decisions on and off the field.

We also have a responsibility to protect our players from risks and the resolution of the ASADA investigation helped steer important governance changes right across the game. To protect our players we now have in place stronger rules for the registration and accreditation of officials, consistent reporting lines for club officials within the clubs and world-class drug testing regimes. These are some important changes that will help maintain the integrity of our game. Rugby League is a professional sport and we are determined to make sure it is run like one.

BRIGHT FUTURE: A HEALTHY FINANCIAL POSITION

Our financial health has never been more important. The broadcast agreement struck in 2012 presents a real chance for us to grow and we must leverage this opportunity. Before this deal the game did not have a strong financial base. In two years we have built a combined operating surplus of close to \$100m that will be reinvested back into the game.

We're particularly proud that this surplus has been achieved while the NRL has continued to increase its financial support for all aspects of the game.

In 2014 we have:

- » **INCREASED FUNDING AND SUPPORT TO CLUBS BY 12% (\$16.6m INCREASE)**
- » **INCREASED FUNDING TO STATE LEAGUES BY 35% (\$6.5m INCREASE)**
- » **INCREASED GAME DEVELOPMENT FUNDING BY 16% (\$3.6m INCREASE)**

When the broadcast deal was locked away we also made a commitment to develop strong and secure additional revenue sources and in 2014 non-broadcast revenue streams increased again (from \$99m to \$119.1m). This represents 20% growth year on year. Through our strong fiscal discipline we have already put \$50m into a long-term Sustainability Fund that will ensure the game's underlying position is secured. Our target is to have \$80m invested in this fund by 2017 and in just two years we are more than halfway to achieving this goal.



As we look to the future, the NRL will continue to invest in our operational, strategic and commercial capabilities to maximise future revenue generation opportunities while maintaining a strong balance sheet and remaining fiscally responsible.

A STRONG GAME REQUIRES STRONG CLUBS

In addition to increased direct financial support, we're also working more closely with our Clubs to secure their sustainability and help them grow. Under our new Club funding model, which was developed in 2014, Clubs that grow their commercial revenues to an agreed target will be eligible for an additional NRL incentive payment of up

to \$250,000 per Club. This is the most significant change in Club funding in the game's history.

Equally we're doing more to support the Clubs. The NRL premiership competition is fundamental to our success and it relies on the continued success of 16 NRL Clubs. During the last year we provided additional support to some Clubs that had experienced a challenging year off the field, something that was done in the best interests of the game as a whole. In addition, at the Wests Tigers and Newcastle Knights we worked particularly hard to implement new governance arrangements to ensure these two great Clubs are set up for future success once again.

BIGGER THINGS ARE COMING

While 2014 was indeed a big season for Rugby League, that's not where our growth will end. We're not even midway through our plan and we have a dedicated focus to:

- » further strengthen our Clubs by investing in their growth;
- » secure additional investment for world-class stadia, crucial to our fans and crowds;
- » retain our position as Australia's premium entertainment product and claim the full value of our broadcast and digital rights;
- » ensure we do everything on and off the field to be relevant to a wide and diverse fan and participant base.

None of this work is quick or easy. Rather, it's about developing and executing a plan and working hard to meet those targets. At the NRL we have a strong and professional team in place that is up to the challenge. In addition to all the members and fans, I'd like to thank the ARL Commission, the Clubs and State Leagues, our players, our volunteers and the NRL staff for all their outstanding efforts this year. Together we're in a transformative period in the game's history and as we look to the future, bigger things are coming for Rugby League.



OUTSTANDING ENTERTAINMENT

INCREDIBLE FOOTBALL IN EVERY CONTEST

BIG HITS, BIG PLAYS, BIG THRILLS

The 2014 season was a stunning showcase of the skills and athleticism of our players. In both premiership and representative matches we cheered, chanted and held our collective breath as our teams each battled for dominance.

EARLY EXCITEMENT

The season began in spectacular style with a brand-new football competition, the award winning Dick Smith NRL Auckland Nines. This two day competition featured 256 NRL players compete in 31 '9 a side', 18 minute matches. Close to 90,000 fans were captivated by some of the fastest and most dynamic football in recent memory, while the action on the sidelines and around the venue was equally exciting, with many fans dressed up in costume for a party.

The North Queensland Cowboys won the inaugural trophy and took home \$370,000 in prize money. Displaying some unbelievable skills developed through his touch football days, the New Zealand Warriors' Shaun Johnson was named the tournament's Most Valuable Player.

In other exciting pre-season football, Sydney hosted the World Club Challenge between the Sydney Roosters and the Wigan Warriors on 22 February. A crowd of 31,000 fans, including a spirited contingent of English supporters, was entertained by an intense clash, with the Roosters ultimately overpowering the Warriors for a final score of 36-14.

ACTION AND ENTERTAINMENT THROUGHOUT THE YEAR

Our fans love Sunday afternoon blockbusters and the 2014 draw was designed around big matches at major venues, a special Members Round and a jam-packed Easter weekend. The traditional Anzac Day match between St George Illawarra Dragons and the Sydney Roosters at Allianz Stadium also generated huge enthusiasm early in the season.

As the season progressed, the Premiership race became closer and closer. Few global sports can generate adrenalin-charged intensity like ours, where 17 games were decided by one point and 10 teams were battling for the top eight positions in the last round. Hollywood itself would be hard-pressed to write a fairytale finish to match our own climax to the tight Final Series, when the South Sydney Rabbitohs broke their 43-year drought with a hard-fought victory over the determined Canterbury Bulldogs to take the NRL Telstra Premiership. The local Redfern community welcomed the trophy, erupting in emotional celebrations. That's what Rugby League is all about.

ONE OF THE CLOSEST PREMIERSHIPS IN THE WORLD

We continue to run one of the closest professional sporting competitions in the world. This hallmark truly sets Rugby League apart, guaranteeing close results and nail-biting entertainment for our fans, fuelling broad public interest for our game and making us highly attractive to broadcasters and other partners.

REP FOOTY KEPT THE FANS ON THE EDGE OF THEIR SEATS

Alongside the Telstra Premiership, the game's representative fixtures kept fans on the edge of their seats with an adrenaline-charged State Of Origin. It was a series of big moments and milestones, including the 100th Origin match and a fight back to dominance by the NSW VB Blues, after eight series losses, to finally reclaim the Holden State of Origin trophy. The spectacle of Blues players leaping into the crowd to celebrate with fans became one of the iconic sporting images of the year, and a great encapsulation of the excitement and emotion Rugby League can generate.

DEPTH IN INTERNATIONAL GAME

The depth of international Rugby League is growing following a year which has seen both New Zealand and Australia claim major titles and Pacific nations Fiji and Samoa show their enormous value to the game.

Fiji Bati were the surprise packets at the 2013 World Cup, progressing to a semi final against the eventual winners Australia. But in May 2014, they succumbed to Samoa in the Pacific Test in Penrith – on a representative weekend which also saw Australia continue their dominance over the Kiwis in the Trans Tasman Test. Samoa raised the bar even higher in a landmark Four Nations for the squad, which showed what a force it can become. In a tournament which took in six unique regions on either side of the Tasman, New Zealand defeated Australia in the final at Wellington – a fitting result for an international game on the rise.



IT WAS AN ABSOLUTELY INCREDIBLE SEASON

» **597,000**
METRES WERE RUN

» **127,000**
TACKLES WERE MADE

» **1465**
TRIES WERE SCORED

And what continued to set Rugby League apart from other global sports this year is that we have one of the closest competitions in the world. This continues to provide incredible entertainment for our fans.

TAKING FOOTBALL TO THE NEXT LEVEL

Ensuring the game continues to evolve for our fans and remains safe for our players is a critical focus of our NRL Football Operations team.

GETTING SMARTER BEHIND THE SCENES TO IMPROVE THE GAME FOR OUR FANS

Super-charging the excitement while securing the safety of our players: you could say that's the mission of NRL Football Operations. In 2014, we introduced some important rule changes in pursuit of this goal, including a modification to the quick tap rule and adjustments to the 20 metre restart rule. The 20 metre restart rule change delivered immediate and exciting results: with 14% of 20 metre restarts generating a try; 24% a repeated set and 41% an attacking kick. Changes to reduce time wasting, including time off after attempts at goal in the last five minutes, generated 378 minutes of ball in play time across the year. This is the equivalent of an extra 7.2 games of Rugby League. Looking ahead, the introduction of new standardised time keeping technology will keep the game moving next year and give certainty to game officials, players and fans.

As we strive to make further improvements in our game, we're utilising more data and new technology to assess the game from every angle. We want to build a picture of what Rugby League will look like in 2024.

To do so, we're partnering with coaches and former leading players to assess trends in the game, including the size of players in 2014 compared to a decade ago; the evolution of infringements and judiciary charges; training and playing workload; referees; the match review committee and the overall presentation of the game. Our objectives are to ensure that the sport continues to be the best it can be for supporters and for participants, from grassroots to elite levels.

In addition, the opportunities presented by the new "official NRL Statistics" for the NRL and our Clubs, who rely heavily on statistics to manage and analyse performance, also allow us to share with our fans another dimension to game analysis.

SAFETY FIRST

Changes to the concussion rules were the key safety outcomes in 2014. We made it clear to our Clubs that they would be held accountable for identifying and assessing players that may have suffered a concussive injury and we insisted players be removed from the field as soon as they displayed any signs of a possible concussion. To bolster safety standards during the hard-fought Holden State of Origin series, we appointed a dedicated Tournament Medical Officer and launched new Sideline Injury Surveillance Monitors,

allowing team doctors and trainers immediate and direct access to replays from host broadcasters to identify and assess injuries swiftly, and intervene if necessary.

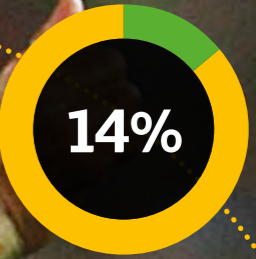
LOOKING AHEAD

We're under way on a number of strategic projects to improve and grow the game as well as increase opportunities for our elite players. These include an elite player development review which aims to ensure a continued and sustainable pathway for elite talent in our game; exploring initiatives that maximise elite referee performance; deepen our integration with Touch Football; a review of our medical framework; the establishment of a Pacific Outreach Program to provide opportunities for the NRL, government and business to come together to support participation and player pathways, as well as making important social contributions; and the concluding of a feasibility study for a possible Central Command facility for our officials. A key part of this work involves benchmarking against other sports, and as we modernise we'll be making sure reliable data helps inform decision making at every level of our football operations.

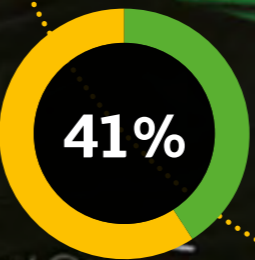
NEW RULES ADDED TO THE EXCITEMENT



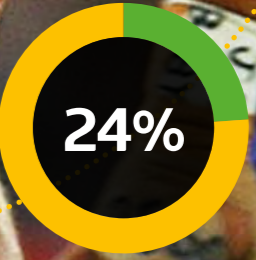
MINUTES ADDITIONAL 'BALL IN PLAY' TIME FOR OUR FANS ACROSS THE YEAR



OF 20 METRE RESTARTS RESULTED IN A TRY



OF 20 METRE RESTARTS RESULTED IN AN ATTACKING KICK



OF 20 METRE RESTARTS RESULTED IN REPEATED SETS

AUSTRALIA'S PREMIUM ENTERTAINMENT PRODUCT

RUGBY LEAGUE OWNED THE TOP THREE PROGRAMS OF THE YEAR

In 2014 we cemented our position as Australia's premium entertainment product. Rugby League owned the top three programs of any kind on free to air television and four of the top five sporting programs of the year.

STATE OF ORIGIN IS THE BIGGEST SHOW ON TELEVISION

Fuelled by the hunger and determination of the New South Wales VB Blues to claim the Shield back from the Queensland XXXX Maroons after eight years, anticipation for Game I of the Holden State of Origin Series was super-charged. When the action finally kicked off on-field, it was the most watched series opener in history, drawing 4.093 million viewers. But the records kept coming: the epic Game II became the highest rated Rugby League match ever with 4.118 million viewers.

In a sign of State of Origin's widening appeal in non-traditional markets, an outstanding feature of the total audience was that more than one in 10 viewers were tuning in from Melbourne, and Perth reached its biggest audience ever. The Series was also broadcast live to 90 countries and territories worldwide.

In other representative fixtures, the Trans Tasman Test match between Australia and New Zealand was the highest-rating mid-season test on record with a national audience of 1.47 million – up 9% year on year. This is a sign that fans' passion for international football is growing.

HIGHEST RATING GRAND FINAL EVER

The NRL Telstra Premiership Grand Final was also the highest rating Grand Final ever with 3.965 million viewers tuning in to see the South Sydney Rabbitohs defeat the Canterbury Bulldogs. This, along with the Holden State of Origin Series, positioned us to own four of the top five sporting programs of any kind this year.

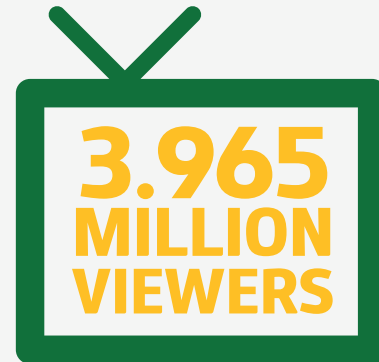
The challenge for us is to now use this interest to convert the fans who watch our major events to be more regular viewers of the game.

HOW WE WATCH IS CHANGING

Cumulative ratings across the year performed well, with over 100 million tuning in across the season. In an increasingly fragmented television market, we broadly held our share of audience in both of our key markets of Sydney and Brisbane, but experienced some declines in audience totals through the regular season.

We know our fans are also watching the game through other channels, including our digital and streaming platforms, which have experienced strong growth.

With big audiences across our major events and the Premiership, we are confident that NRL fans are happy with our broadcast and digital partners and will continue to be engaged with Rugby League into the future.



THE BIGGEST GRAND FINAL TV AUDIENCE EVER

THE THREE BIGGEST SHOWS IN 2014

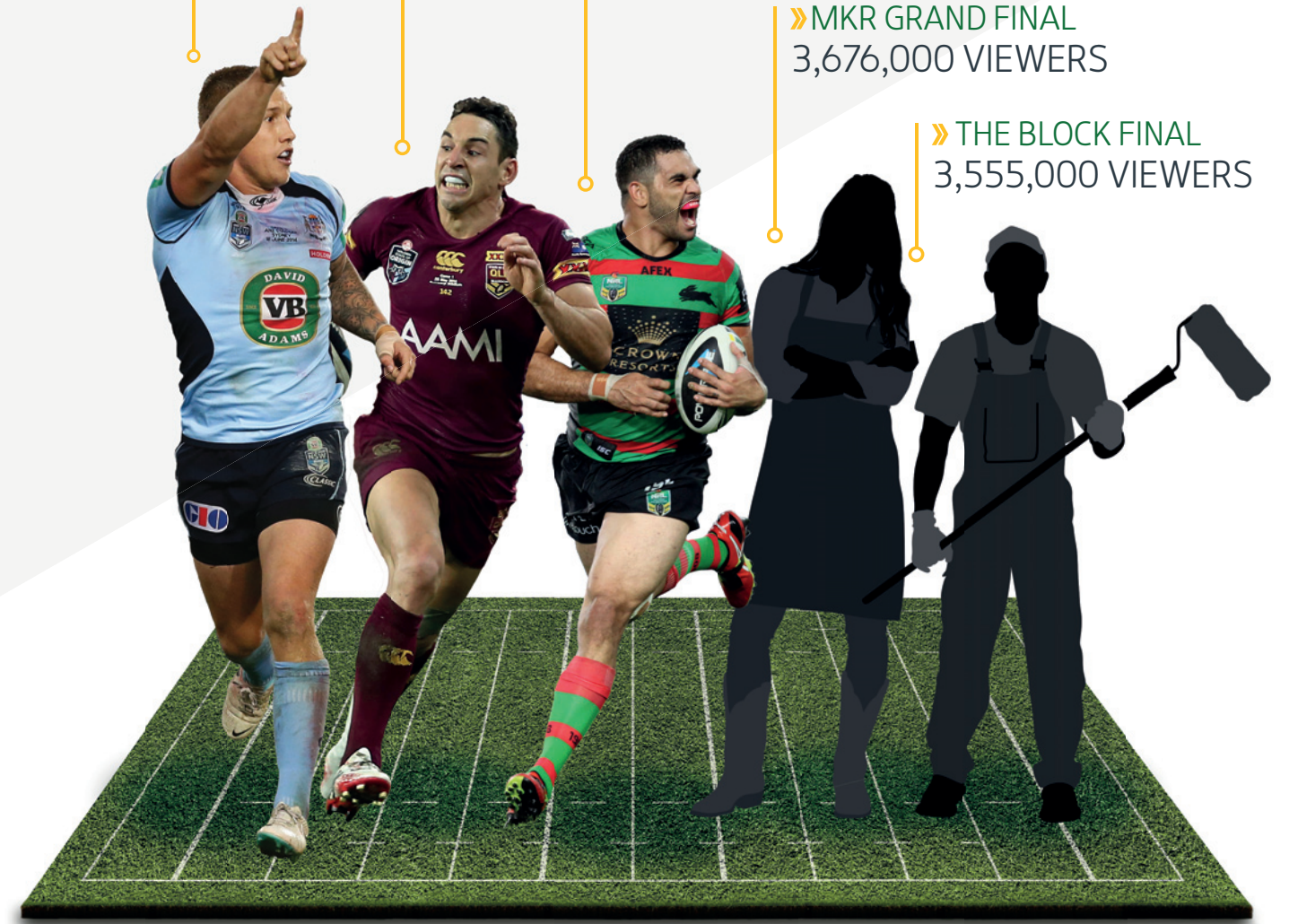
» SOO GAME II
4,118,000 VIEWERS

» SOO GAME I
4,093,000 VIEWERS

» NRL GRAND FINAL
3,965,000 VIEWERS

» MKR GRAND FINAL
3,676,000 VIEWERS

» THE BLOCK FINAL
3,555,000 VIEWERS



MORE RUGBY LEAGUE MEMBERS THAN EVER BEFORE

Rugby League broke its all-time membership record in 2014 signing up more than 250,000 members for the first time. Over 100,000 of these were new members.

A RECORD-BREAKING YEAR

This is the strongest membership culture that the game has had and represents 11% growth on our results from last year. Eleven of our 16 Clubs broke their membership records and the South Sydney Rabbitohs led the charge, exceeding 30,000 members. Membership is key to the success of many of our Clubs, providing strong revenue streams and a wider base of fans who watch and attend games. The results this year have been driven by a strong partnership with the 16 Clubs to deliver a membership campaign entitled "You're the Difference".

WITH MEMBERS AT THE CENTRE

Rugby League values our members and we demonstrated this by giving them a leading role in launching the 2014 NRL Telstra Premiership season. 600 members and fans from across Australia and New Zealand attended the launch with a representative from each team joining their Club Captains to officially launch the season. We also introduced a dedicated Members Round to thank our members and provide them with access to additional benefits and opportunities.











MEMBERS MAKE THE DIFFERENCE

Membership is an important revenue source for our Clubs. In 2014, the membership drive significantly increased the membership base across the game. This provided millions of dollars in additional income for our Clubs.

THE MEMBERSHIP DRIVE WILL CONTINUE INTO 2015

The NRL is establishing a new membership hub which will focus on growing Club membership. The first trial will involve five pilot clubs. The hub staff will work on boosting memberships through targeting specific groups, such as lapsed members, group sales and referrals. Instead of simply encouraging fans to sign up, the membership staff will hold a series of special events and face to face appointments with prospective members. This model is based on those used by some of the most successful sporting teams in North America.

In addition, an NRL Business Academy is being established to work with universities to provide internships, which give interns the opportunity to develop their skills at the same time as supporting our Clubs. This will also develop a recruitment pool of talent for the Clubs' commercial, marketing and service departments.

	30,504
	28,964
	20,312
	19,619
	16,815
	16,515
	16,204
	15,606
	15,475
	12,941
	12,020
	11,293
	10,483
	9,853
	8,795
	8,225



MORE THAN
A **QUARTER**
OF A **MILLION**
MEMBERS

STRONG RUGBY LEAGUE CROWDS

THE RUGBY LEAGUE SEASON IS BIGGER

One of the best things about Rugby League is that every year we are more than the Premiership. We're able to incorporate a range of representative and international fixtures, giving many different opportunities for our fans to attend top quality events.

Across the Rugby League calendar crowds grew on average by 2.4% across the year. In the Premiership season, support built as teams raced to the finals. Crowds held up during the regular home and away season, which was a solid result given the long-term trend for sport attendance across the market. The last two rounds of the season averaged 17,500+ fans and finals attendance grew significantly by 18% (25,403 in 2013 to 28,854 in 2014). The NRL Telstra Premiership Grand Final also broke the record for the number of fans at a major event at ANZ Stadium in its current configuration (83,833).

STADIA INVESTMENT VITAL TO FUTURE GROWTH ACROSS PREMIERSHIP MATCHES

We know that more work can be done to lift these results and part of that is ensuring that the game-day experience for our fans is world class. This means working with government and stadia operators to ensure facilities meet modern expectations. We are working hard to secure investment. Already in NSW more than \$600m has been committed to invest in a Sydney stadia network, including for rectangular stadia that suits Rugby League. In addition, \$100m has been committed to a new stadium in the heart of Townsville for the North Queensland Cowboys.

Improved inclusions for fans such as transport and food and beverage packages will also drive greater support.

SOME OF OUR 2014 CROWD HIGHLIGHTS

- » 3.83m attendances
- » 22 new attendance records
- » 169,408 fans across the Easter blockbuster weekend
- » 89,003 over two days at the Dick Smith NRL Auckland Nines
- » 25,429 attendees at the Trans Tasman Test match
- » 31,515 attendees at the World Club Challenge
- » 47,813 Four Nations double header at SunCorp Stadium
- » 18,456 at WIN Stadium for Australia v Samoa
- » 25,093 Australia v New Zealand attendees at Four Nations
- » Biggest NRL Telstra Premiership crowd of 50,668 Parramatta Eels v Wests Tigers

» **22**
NEW ATTENDANCE RECORDS SET

» **18%**
INCREASE IN FINALS SERIES CROWDS

» **89,000**
OVER 2 DAYS AT THE DICK SMITH NRL AUCKLAND NINES

» **169,000+**
FANS ACROSS THE EASTER BLOCKBUSTER WEEKEND

» **50,668**
BIGGEST NRL TELSTRA PREMIERSHIP CROWD PARRAMATTA EELS V WESTS TIGERS

» **47,813**
FANS AT THE FOUR NATIONS DOUBLE HEADER



HUGE GROWTH IN OUR DIGITAL PRESENCE

RUGBY LEAGUE CONTENT ANYWHERE, ANYTIME

Engagement with our fans has been revolutionised through massive growth in our digital presence. Driving this outcome is our highly successful digital partnership with Telstra and our massive growth in social media reach and engagement. Through these channels we can share Rugby League content anywhere, anytime and our numbers are a clear indicator that support for Rugby League is growing beyond traditional metrics such as match attendance and television broadcast.

28 MILLION VIDEO VIEWS

Our video content continued its impressive growth in 2014 with over 28 million video views across the NRL network in 2014. 57% of these video views now occur via a mobile device and we experienced an astounding 58% growth of video views across online, mobile and apps this year. Our most popular videos this year were highlights for Holden State of Origin I; Holden State of Origin II; and the NRL Telstra Premiership Round 26 match between Rabbitohs and Roosters.

DIGITAL PARTNERSHIP WITH TELSTRA

This is the second year of this major digital partnership which has seen new exciting content for our fans available through mobiles, apps, IPTV and online, including NRL.com. Over the past two years, the partnership has delivered great success and strong growth across all metrics. In 2014 over 3.3 million Australians accessed the NRL's digital platforms every month this season – up 21% on 2013. The NRL mobile site audience grew by 65%, with a record peak of 1.14 million unique visitors in September 2014 to coincide with the NRL Telstra Premiership Finals Series.

The launch of the NRL Club and State Leagues digital network drove substantial audience and engagement growth with unique browsers up 56% year on year, with 1.3 million fans accessing Club and State Leagues websites, apps and mobile sites in September 2014.

INVESTMENT IN DIGITAL

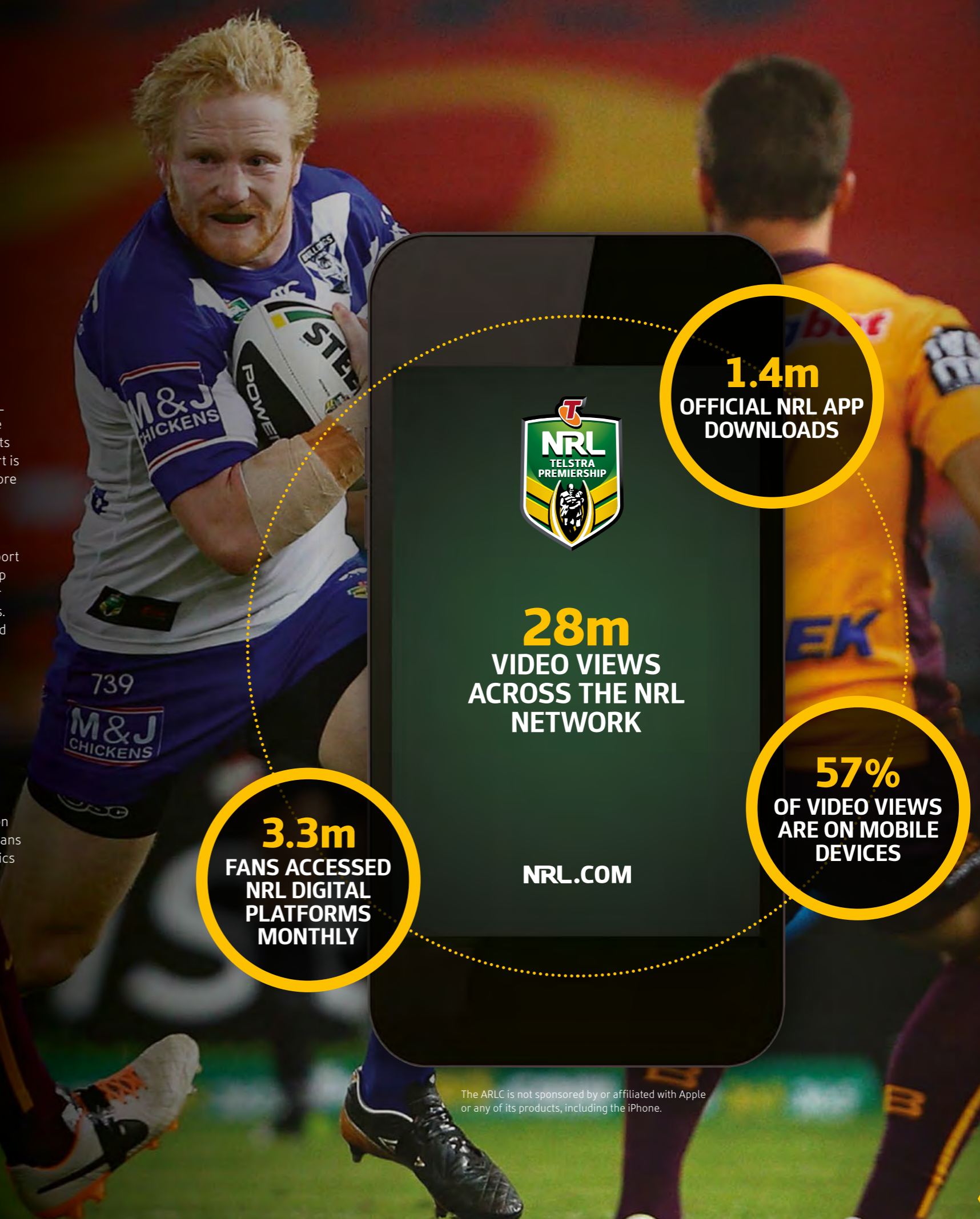
Through the NRL Digital Media partnership we also launched a number of new innovative products this year including:

- » **NRL Digital Pass powered by Telstra's single sign-on solution:** giving fans the ability to watch every game every week on their compatible smartphone, tablet and laptop.

- » **New Club & State Digital Network:** every NRL Club, the NSWRL and QRL launched a new website, mobile site and apps, creating the leading sports digital network in Australia. No sport is available on more platforms and more devices than NRL.
- » **Apps on every platform:** already compatible with Apple and Android mobile devices, NRL was the first sport in Australia to launch an Official App on Windows Phone, giving NRL over 97% coverage on all mobile devices. The Official NRL App is now installed on the mobile device of over 1.4 million Australians and its monthly audience grew over 46% in 2014.

NEW OFFICIAL STATS

As seen across the global sports landscape, there is rapidly increasing demand from fans for in-depth statistics and analysis across a range of distribution channels. In conjunction with our Digital Partner, Telstra, NRL Fans will now have access to official statistics on NRL.com, the official NRL App, or NRL Fantasy – the only places official statistics used by NRL coaches and players will be available.



1.4m
OFFICIAL NRL APP
DOWNLOADS

3.3m
FANS ACCESSED
NRL DIGITAL
PLATFORMS
MONTHLY

57%
OF VIDEO VIEWS
ARE ON MOBILE
DEVICES

The ARLC is not sponsored by or affiliated with Apple or any of its products, including the iPhone.

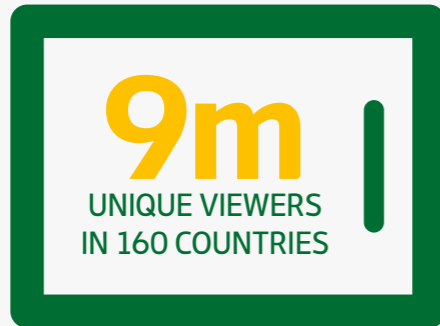
RUGBY LEAGUE IS THE MOST POPULAR SPORTS CODE FOR AUSTRALIANS ON FACEBOOK

Complementing the growth in our digital audience is our social media reach, which is growing beyond all expectations. In fact, we have already smashed our 2017 target for the number of cumulative social media fans with an audience of over 7.5 million (target: 5.8 million by 2017) across the game.

We can now boast that more Australians follow the NRL on Facebook, the world's largest social media platform, than any other sport or team in the world. The NRL has an audience that includes more than 970,000 fans (up 340,000 from last year) on the NRL Official Facebook page and a growing Twitter profile of over 200,000 followers.

Both our Club and NRL Facebook pages and Twitter accounts are expanding faster than our major domestic competitors, some at double the rate, presenting significant opportunities for Rugby League and our partners and sponsors.

It's clear that in addition to watching and attending our games, fans are talking about Rugby League more than ever before.



ENGAGEMENT AROUND MAJOR EVENTS DRIVING THIS GROWTH

We put dedicated resources in place to use social media to connect with our fans during major events this year and the results are incredible. Over the NRL Telstra Premiership Grand Final day, more than 9 million unique viewers tuned into official Rugby League content on Facebook.

Similarly, during the Holden State of Origin Series we had 8 million unique viewers in 160 different countries engage with official NRL content on Facebook in a single day for Origin II. Our dedicated Twitter hashtags: #Origin, #UpTheBlues and #QLDER trended globally and Rugby League fans created 160,000 personalised digital jerseys during the Origin Series, more than the US Soccer Team's identical campaign during the FIFA World Cup, which drew upon a home market more than 15 times bigger than Australia.

To bring fans closer to the action we also worked with Telstra to set up a pilot 'digital lounge' at ANZ Stadium which became a unique hospitality experience for social media users to talk about the game. In the lounge they had access to high-speed Wi-Fi, video feed from multiple camera angles as well as Rugby League-loving celebrities. The lounge generated a unique opportunity for our fans to create and share Rugby League content and insights.

WORKING WITH THE BIGGEST PLATFORM: FACEBOOK

The NRL, Telstra and Facebook formed a new strategic partnership that puts Rugby League at the cutting edge of social media technology, ensuring we can now deliver more regular and unique content to our fans. Through this partnership, supported by Facebook's global headquarters in the US, we generated new video content for our official pages that consistently drove over 1 million video views during peak weekends of the NRL Telstra Premiership competition. Engagement peaked with a single video of the first tackle of the Grand Final being viewed 595,000 times in a 48-hour period.

We were also able to use the partnership as a force for good, giving support to our community causes, including the 'State of Mind' campaign which delivered exceptional results, being seen by millions online. Working with Facebook we're also building social media education components into our player education programs.



970,000
FACEBOOK FANS



200,000
FOLLOWERS

SOCIAL MEDIA AUDIENCE OF 7.5 MILLION

& GROWING FASTER THAN OUR DOMESTIC COMPETITORS



RUSSELL CROWE AND SAM BURGESS CELEBRATE – THE MOST 'LIKED' CONTENT IN 2014 BREAKING SPORT SOCIAL MEDIA RECORDS WITH 129,000 'LIKES' REACHING 5.2m PEOPLE.



OVER 200,000 PLAYS ACROSS THREE VIDEOS ON YOUTUBE. REACHED 6m COMBINED ACROSS FOUR VIDEOS ON FACEBOOK.



FIRST TACKLE OF 2014 NRL TELSTRA PREMIERSHIP GRAND FINAL RECEIVES 595,000 VIDEO VIEWS ON FACEBOOK.

700 GAMES AND RISING

Football matches are made up of more than just players. We also have a strong group of Head Coaches, Assistant Coaches, team managers and Club officials who seek to steer their teams to success. This year Rugby League celebrated a special milestone as one of the most successful coaches in the game's history, Wayne Bennett, became the first to coach 700 first grade matches.

“Wayne’s 700 game milestone is unlikely to ever be beaten.”

TODD GREENBERG
NRL Head of Football



62 REFEREES
OFFICIATED
415 GAMES

SUPPORTING OUR REFEREES

In the 2014 season, 62 full-time and part-time referees officiated 415 NRL Telstra Premiership, National Youth Competition and representative matches. This year all on-field officials' performances were analytically evaluated to measure their decision making. With this information we are working with each individual referee to help improve their performance and accountability.

BELINDA MAKES HISTORY

Belinda Sleeman made history as the first female line official in an NRL match.

Women's involvement in Rugby League reached another key milestone this year as referee Belinda Sleeman became the first woman to officiate at an NRL first grade match (touch judge, Round 26 Wests Tigers v Cronulla).

Belinda is a self-described massive footy fan who grew up watching the game with her father. She started refereeing at 18 and paving the way for female officials, she was also the first female to officiate at a Holden Cup U20s finals game.

In a sign of more to come NRL referees' boss Tony Archer says Belinda has the ability to control NRL games as the main referee in the future.

Belinda along with Kasey Badger are part of our new 'Emerging Referees Program' that has been established in both New South Wales and Queensland to help develop referees of the future.





DALLY M AWARDS 2014

NRL DALLY M AWARD WINNERS FOR 2014

WE CELEBRATED SOME BIG STARS, BID FAREWELL TO OTHERS, AND REFLECTED ON SOME SPECIAL RUGBY LEAGUE MOMENTS

» Johnathan Thurston

North Queensland Cowboys

Dally M Player of the Year
Provan Summons People's Choice Medal
Top Points Scorer
Five-Eighth of the Year

» Jarryd Hayne

Parramatta Eels

Dally M Player of the Year
Best Representative Player
Top Try Scorer
Fullback of the Year

» Sam Burgess

South Sydney Rabbitohs

Lock of the Year

» Daly Cherry-Evans

Manly Sea Eagles

Halfback of the Year

» James Graham

Canterbury Bulldogs

Front Rower of the Year

» James Segeyaro

Penrith Panthers

Hooker of the Year

» Semi Radradra

Parramatta Eels

Winger of the Year

» Jamie Lyon

Manly Sea Eagles

Captain of the Year
Centre of the Year

» Beau Scott

Newcastle Knights

Second-Rower of the Year

» Ivan Cleary

Penrith Panthers

Coach of the Year

» Luke Brooks

Wests Tigers

Peter Moore Award for
Rookie of the Year

» Kane Elgey

Gold Coast Titans

Holden Cup Under 20s
Player of the Year

» Anthony Minichiello

Sydney Roosters

301 Games,
2000-2014

» John Morris

*Newcastle Knights, Parramatta Eels,
Wests Tigers, Cronulla Sharks*

300 Games,
2002-2014

NRL'S 2014 300 CLUB INDUCTEES

» Brent Kite

*St George Illawarra Dragons,
Manly Sea Eagles, Penrith Panthers*

306 Games,
2002-2014



SOME FOND FAREWELLS

We said farewell to some retiring players this year.

- » **Jharal Yow Yeh**
Brisbane Broncos
- » **Ashton Sims**
North Queensland Cowboys
- » **Brent Tate**
North Queensland Cowboys
- » **Fuifui Moimoi**
Parramatta Eels
- » **Ben Smith**
Parramatta Eels
- » **Willie Tonga**
Parramatta Eels
- » **Anthony Quinn**
Newcastle Knights
- » **Matt Hilder**
Newcastle Knights
- » **Jason King**
Manly Warringah Sea Eagles
- » **Kevin Kingston**
Penrith Panthers
- » **Brett White**
Canberra Raiders
- » **Luke O'Donnell**
Sydney Roosters
- » **Anthony Minichiello**
Sydney Roosters
- » **Beau Ryan**
Cronulla Sharks
- » **John Morris**
Cronulla Sharks
- » **Braith Anasta**
Wests Tigers
- » **Liam Fulton**
Wests Tigers
- » **Matt Utai**
Wests Tigers
- » **Mark Minichiello**
Gold Coast Titans
- » **Ashley Harrison**
Gold Coast Titans
- » **Luke Bailey**
Gold Coast Titans
- » **Nathan Merritt**
South Sydney Rabbitohs
- » **Joe Picker**
South Sydney Rabbitohs
- » **Ben Roberts**
Melbourne Storm
- » **Jerome Ropati**
New Zealand Warriors



REG GASNIER AM

12 MAY 1939 – 11 MAY 2014

In May this year Rugby League also lost much loved Rugby League Immortal, Reg Gasnier. Reg was widely recognised as one of the game's greatest ever players as well as being a true gentleman of the game. He won six Premierships and played 39 Tests, setting the crowd alight every time he touched the ball. After he retired he became an accomplished Rugby League television commentator. On behalf of the Rugby League community, we give thanks for Reg's contribution and pay our respects to his family.

“Reg was one of the greatest players the game has seen. He is one of only eight Immortals and that means he will always have a special place in our game. He will be missed by the entire Rugby League community.”

JOHN GRANT
ARLC Chairman

WAYNE 'JOCK' COLLEY OAM

22 JULY 1952 – 7 FEBRUARY 2014

The Rugby League family lost Country Rugby League Chairman, Wayne 'Jock' Colley OAM this year. Jock was a highly respected player, coach and administrator. He dedicated his career to the development of Rugby League in the bush and has a long record of achievement. He is sorely missed by the game.



VALE

- » **Brian 'Chicka' Moore**
- » **Pat McMahon**
- » **Bruce Hopkins**
- » **George Smith**
- » **Nevyl Hand**

Australian representative players and team officials.



CLUBS & STATE LEAGUES



SUPPORTING NRL CLUBS AND STATE LEAGUES

MORE SUPPORT FOR THE 16 NRL CLUBS

- » New funding model to help strengthen Clubs
- » Club and State Services working directly with each Club and State
- » Completed restructures
- » Most comprehensive review of salary cap ever

“To have a strong and competitive sport you need strong clubs and leagues. To do this you must have a game-wide commitment to best practice.”

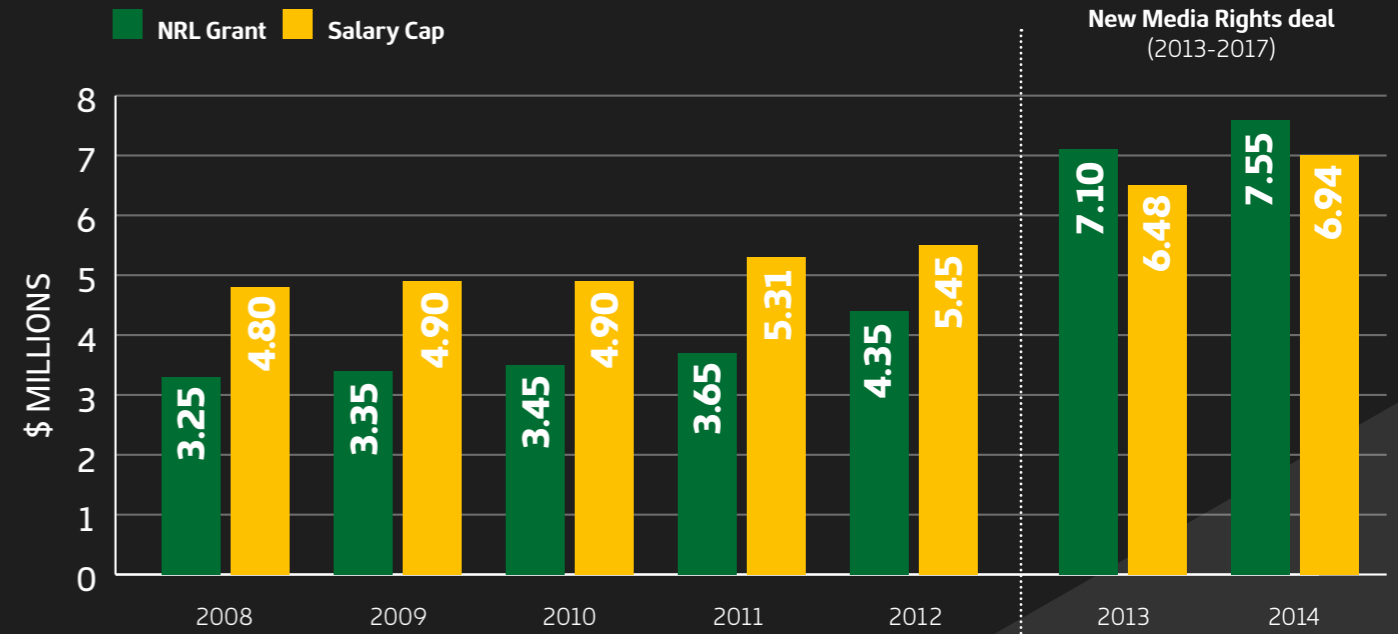
DAVE SMITH
NRL Chief Executive

A NEW CLUB FUNDING MODEL THAT REWARDS STRONG PERFORMANCE OFF THE FIELD

A healthy sport requires strong clubs and the NRL is investing more in the 16 NRL Clubs and the State Leagues than ever before. Clubs are funded through a number of ways, including a grant to participate in the competition as well as through other significant financial and in-kind support.

A key focus during the year was on the development of a new Club funding model. For the first time, the NRL will reward strong Club performance off the field (to grow stronger Club businesses) and has established business standards to be applied across the league. This is the most significant change in the way the Clubs are funded in the game's history.

At the centre of the model is a Club participation payment of \$7.55m (up from \$7.1m) which will now feature guaranteed increases each year in line with the agreed increases in the salary cap out to 2017. This means that Clubs are no longer exposed to the risk of salary cap increases (the most significant cost faced by Clubs). In proposing this reform, the NRL also undertook to maintain funding at a level which not only meets the cumulative salary cap costs, but maintains a buffer above the direct cost of the cap as shown in the following table.



Note: Values appearing in the table above are rounded to the nearest \$100,000

In addition to the participation payment, \$250,000 per Club is available for incentive payments where Clubs grow their revenue performance across key revenue categories such as membership, game-day attendance, merchandise and sponsorship. This reform is aimed at rewarding Clubs which invest in strengthening their business.

The other key aspect of the Club funding reform involves ensuring that all Clubs meet certain business standards. These business standards include reporting obligations for injuries, financial outcomes, as well as business planning to further enhance commitment to best practice.

The funding model also adopts a rigorous mechanism to assist Clubs in financial distress, with clear milestones and conditions. This is about promoting financial health and investing in Club capability.



NRL CLUBS LEADING THE WAY

As they pursue opportunities to grow and improve their businesses, the 16 NRL Clubs are leading the way through their creativity, energy and innovation.

Amongst the many outstanding efforts across the season there were some notable individual Club initiatives, such as: the introduction of membership races to drive growth and appeal to new audiences; the establishment of new avenues to market merchandise; pre-loaded cards for members to purchase food and beverages; taking the game to new places like Samoa and Darwin to generate new fans and new development opportunities; the integration of new education and welfare staff into Club operations and outstanding social media activations right across the year. The game is fortunate to have the benefit of the hard work each of the Clubs do in driving forward every week. Through their efforts we are bringing the game even closer to our fans and members.



ADDITIONAL WAYS OUR CLUBS ARE FUNDED & SUPPORTED

CLUB BUSINESS SUPPORT	» Membership: resourcing and CRM
	» Game-day: promotion initiatives, game relocation support, event development and stadia negotiations
	» Merchandise: Licensing program
	» Growth funding: Support for game-wide initiatives
CLUB BUSINESS FINANCIAL SUSTAINABILITY	» Restructuring and financial support, business strategy, planning and budgeting
FOOTBALL	» Monday Night Football grant, Nines participation fee and prize money, insurance and team travel and accommodation costs
COMMUNITY, WELFARE & EDUCATION	» Welfare & Education Officers, player education cost assistance, programs and resources
INTEGRITY	» Policy framework, access to resources and advice
BUSINESS ANALYTICS	» Benchmarking, crowds and TV ratings

MORE SUPPORT THROUGH THE CLUB AND STATE SERVICES UNIT

The NRL set up the game's first ever Club and State Services Unit (CSSU) with the aim of providing the Clubs and State Leagues with support for business development and governance frameworks. Over time the CSSU will work to help the game collectively build initiatives to share costs and ideas as the game works towards a more sustainable future. The first part of this work is to ensure that each of the 16 Clubs are strong and sustainable.

To help achieve this, the CSSU has worked directly with each NRL Club on the development and review of each Club's business plan, as well as supporting Clubs in need of restructuring their businesses.

CLUB BENCHMARKING

For the first time, the NRL undertook a comprehensive benchmarking exercise measuring each Club's performance against each other, as well as other clubs in the sports market. Through this analysis the Clubs can test their operations against their peers and identify opportunities for growth, efficiency gains and strengthen risk management.

COMPLETED RESTRUCTURES

The CSSU also works directly with Clubs during times of restructure to stabilise Club businesses as well as implement governance enhancements to support a stronger and more sustainable future of individual Clubs and the game. This was a key focus of the CSSU this year.

NRL SECURES THE NEWCASTLE KNIGHTS FUTURE

Following a turbulent period of ownership uncertainty, the NRL stepped in to secure the future of the Newcastle Knights Football Club. The NRL worked with the leadership of the Club to deliver security and certainty for the players, staff, sponsors, members and fans. The business assets of the old Club were transferred to a new entity, called Knights Rugby League Pty Ltd.

As part of the transition of ownership, Knights Rugby League has been properly capitalised, its business operations are restructured (in particular its cost base is being reduced to reflect a more sustainable structure), core heritage features retained and importantly, a new, high calibre board has been installed, featuring prominent Hunter region business, sporting and community leaders. While there was a significant negotiating period associated with this complex restructure, for key stakeholders (members, fans, playing and non-playing staff) the transition was largely seamless.

The seven-member Board is made up of a Community Director, two shareholder representatives nominated by the NRL, and four skills-based appointees independent of the shareholder.

The new Knights Rugby League Board is:

- » **Brian McGuigan AM**
Director Australian Vintage Limited (Knights Chairman)
- » **Eileen Doyle**
Director Newcastle Ports, Bradken, GPT and Boral, Chairman Hunter Valley Research Foundation
- » **Mark Fitzgibbon**
CEO of NIB Health Funds
- » **Katie Brassil**
General Manager of External Affairs at Centennial Coal
- » **John Quayle**
Chairman of Venues NSW and former CEO of the Australian Rugby League (Community Director)
- » **Philip Gardner**
CEO of the Wests Group (Shareholder representative)
- » **Peter Shear**
NRL adviser and former Lloyds Banking Group executive (Shareholder representative)

In collaboration with the NRL, the Knights Rugby League Board and Club executive are working to stabilise the Club's business operations. The Club was in a significant loss-making position, and burdened by considerable debts at the point of the NRL stepping in.

The accumulated debts were dealt with by the NRL's negotiation of the new structure, giving the Knights a strong start. However the business continued to be loss-making and the turnaround process is now under way to remove costs and improve the revenue performance of the Club.

The restructure plan sees the Club return to a break-even position in 2017. The NRL will consider appropriate longer term ownership options for the business to position it strongly for the future. In the first year of the restructure plan, the Knights' financial performance was in line with the restructure budget.

“The NRL's Club & State Services Unit transitioned our ownership from the Hunter Sports Group. Our business has been restructured, a new high quality board is in place and as part of the transition we are more financially robust than at any time in our history. With Club & State Services' assistance we also have a plan that will see us emerge with a sustainable business over the medium term.”

MATT GIDLEY
Newcastle Knights CEO



NEW FUTURE FOR THE WESTS TIGERS

The NRL continued to work with the Wests Tigers this year to resolve long-term issues in the Club's shareholding and business operations. The NRL supported the Wests Tigers in undertaking significant corporate governance changes to set up a successful future.

Under changes driven by the NRL, the Wests Tigers Board was revamped to include three skills-based director appointees independent of the shareholders.

“It was well known that our Club had been constrained by a shareholder dispute over an extended period and the dispute was impacting the Wests Tigers’ business. The NRL’s Club & State Services Unit implemented a disciplined restructure that resolved the shareholder dispute, added to our Board and provided shareholder funding certainty. It’s fair to say we are in a stronger position than any time since the joint venture.”

GRANT MAVER
CEO Wests Tigers

Working alongside the Wests and Balmain clubs that together formed the Wests Tigers, the NRL facilitated the appointment of the following new directors:

- » **Marina Go**
General Manager, Hearst Bauer Media and immediate past CEO, Private Media (Wests Tigers Chair)
- » **Rosemary Sinclair**
Member of the Australian Communications and Media Authority
- » **Lucio Di Bartolomeo**
Immediate past Chairman, Macquarie Generation and Non-Executive Director of Australian Rail Track Corporation

The NRL has also worked with the Club on developing a sustainable financial model, a four-year business plan, and a revised joint venture agreement and Club constitution. In supporting the Club set up more sustainable operations, the NRL sought to seek a fair balance between the historical shareholding of the joint venture with the funding capability of the joint venture parties. In the first year of the restructure plan Wests Tigers’ financial performance exceeded the restructure budget.



ST GEORGE ILLAWARRA DRAGONS SUPPORTED TO A SUSTAINABLE PATH

In 2014, to support a sustainable path for the St George Illawarra Dragons the NRL worked with the Club to develop and help fund a sustainability plan.

The sustainability plan involves the relocation of four marquee matches to a large stadium (to grow match day attendances), a restructure of operating costs, identifying revenue growth opportunities as well as governance initiatives.

In the first year of the sustainability plan, the Dragons’ financial performance was in line with the sustainability budget.



SUPPORT FOR SUSTAINABILITY OF CLUBS, STATES AND AFFILIATES

The commercial viability of the NRL competition is built on the commercial viability of the 16 NRL Clubs. This is why one of the NRL's core strategic objectives is to strengthen the Clubs, so they are sustainable and resourced to perform and grow.

In 2014, in line with the NRL's strategic objectives, loans to three Clubs and two State Affiliates were outstanding.

Clubs, States and Affiliates Loan Portfolio

	CLUBS	STATES	AFFILIATES	TOTAL	LOWEST LOAN	HIGHEST LOAN
NO. OF LOANS	3	0	2	5		
VALUE OF LOANS (\$m)						
Total	14.3	0	0.4	14.7	0.1	7.5
Drawn	10	0	0.4	10.4	0.1	5.2
Undrawn	4.3	0	0	4.3	0	2.3

Key terms:

Term: At call to 7 years
 Security: Unsecured, priority and secured
 Interest: Arms length/market-based

Loan recipients at 31 October 2014:

Clubs: St George Illawarra Dragons, Wests Tigers and Gold Coast Titans.

Note:

Additional to the loans, are participation grants which have been issued in advance as at 31 October 2014. These have been reflected separately in Prepayments and Other Receivables (Current) in the Financial Statements.

FINANCIAL SUPPORT TO AFFILIATED STATES

A key outcome of an extensive review of governance structures across the game was the reform of the Affiliated States governance model. During the year work was conducted to transition affiliated state-based leagues to be reconstituted as formal entities of the Australian Rugby League Commission.

The new model creates a modern governance structure, with local leadership and integrated support from the NRL to ensure that each State and Territory can now increase their focus on growing the game in their jurisdiction.

From 2015, the Victorian Rugby League, South Australian Rugby League, Western Australian Rugby League and Northern Territory Rugby League will each be overseen by a Board led by a local Chairman, and including the locally based NRL General Manager for each League and a nominee from the NRL.

Adopting the Commission model positions each state-based league for future growth. Administrative support to each will be provided directly from the NRL, ensuring an efficient operating model, with more resources devoted to the development of the game on the ground.

A MORE EFFECTIVE SALARY CAP FOR THE FUTURE

Sports without an effective salary cap system can see their competition cleaved into a set of "haves" and "have-nots" in which some clubs dominate success over time, while others are purely there to make up the numbers.

In the modern era, the NRL's salary cap system has been the key influence on the hallmark competitive balance of the NRL. This evenness is borne out by the fact that 10 different Clubs have won the Premiership since 1998, while each of the 16 Clubs has made the top four.

An effective salary cap serves two functions: it ensures that talent is spread across the NRL Clubs which increases the closeness of the competition, as well as promoting financial sustainability across the league by ensuring Clubs can only spend a set amount on player payments, irrespective of their financial position. Reforms to the Club funding model now guarantee that each Club is fully funded to the full extent of the salary cap so that each Club can field the best team available.

SALARY CAP REVIEW DROVE BIG CHANGES FOR SEASON 2015

The NRL salary cap was introduced in 1998 and a comprehensive review of the salary cap was completed for the first time this year. The review included significant consultation with the NRL Clubs, players, player managers, corporate partners, media and fans to ensure that all views across the game were taken into account. It resulted in a number of significant changes and reforms that are being introduced in season 2015.

The changes will make the salary cap more efficient and keep the competition strong while promoting the financial sustainability of the competition.

The changes that will be introduced for 2015 include:

- » Making it easier for Clubs to assist long-serving players to transition into careers with those Clubs as they approach the end of their playing days
- » Increasing the veteran player allowance by 50%. This move recognises that Clubs and players should be rewarded for long service. The allowance will now begin to apply to players serving six years with a Club (previously eight years.) The allowance will be on a sliding scale with a maximum \$250,000 per Club in 2015 and \$300,000 in 2016
- » Promoting player welfare with a new concession for Clubs who need to field a player outside their roster to replace a player who has suffered a concussion
- » Allowing Clubs to exclude a termination payment from the salary cap where the Club has approval from the NRL to terminate a player for behavioural issues which have brought the game into disrepute
- » New regulations on transfer fees – while transfer fees are not commonplace, the NRL is keen to discourage contracts being routinely bought out. From 2015, wherever a Club enters into an arrangement with another Club for a contracted player to be released, the Club will be required to pay a fee equivalent to 50% of the transfer fee in to the Players Education & Welfare fund

- » Giving the NRL CEO discretion to compete with other codes to recruit or retain players in exceptional circumstances where it is considered to be in the best interests of the game
- » Simplifying the administration of the marquee player system
- » Developing a rookie player system for consideration in the next CBA to improve the welfare of young players and support a talent pathway
- » Introducing a new reporting regime to monitor football department spending (being implemented through the new Club funding model)

A NUMBER OF OTHER SALARY CAP CHANGES WERE INTRODUCED FOR SEASON 2014

The 'second tier' salary cap was increased from \$375,000 to \$440,000 and will increase in further increments to reach \$490,000 in 2017. This new allowance ensures that the second tier will now increase in line with the Top 25 salary cap and give Clubs more flexibility to bring in players outside their top roster to overcome losses through injury, form or terminations.

We also improved the governance of the salary cap system by making provision for an independent arbiter to be able to review rulings from the Salary Cap Auditor if required. A permanent panel, comprising senior NRL Executives, has also been established to ensure continual improvement measures are undertaken to ensure the salary cap is operating viably and in the best interests of the game.

SUPPORTING THE GROWTH OF OUR STATE LEAGUES

State Leagues have an important role in our game. In 2014, we increased direct investment into the State Leagues and we are also working closely with them to more effectively promote Rugby League, grow our participation base and develop stronger pathways for talented players across the country.

WORKING TOGETHER TO PROMOTE PARTICIPATION

In 2014 the NRL supported the State Leagues through promotion and education activities across all levels of participation. This included:

- » Setting up engagement and first contact activities designed to promote participation in competitions affiliated with the State Leagues
- » Delivery of school and after-school programs and events to encourage participation in State League affiliated competitions
- » Provision of education, training and support to on-field volunteers (coaches, referees and sports trainers) through National Accreditation programs for State League competitions
- » Development, funding and management of research programs to support increased participation
- » Management and training of volunteers who use the National LeagueNet registration and competition management system that all States now use

The NRL provided funds and in-kind assistance to support these activities as well as the funding for the National Advertising Campaign - PlayNRL.com. Much of this work is led by our game development staff, of which there are close to 400 across the country.

To support growth in the Affiliated States the NRL also provided targeted cash grants to assist with local competitions and representative programs; funding for management and operational staff in each of the State offices; hosting and funding of national championships and events; pathways and programs for players, coaches, referees, sports trainers and volunteers; providing some funding for State representatives to participate in overseas development tours.

STRONGER DEVELOPMENT PATHWAYS RIGHT THROUGH FROM JUNIORS TO THE NRL

2014 saw the inaugural NRL State Championship where the premiership winners of the QLD Intrust Super Cup and the VB NSW Cup played off in a curtain raiser to the NRL Telstra Premiership Grand Final. Queensland's Northern Pride defeated New South Wales' Penrith Panthers in the inaugural Cup and the strong interest from fans and supporters ensured the new Cup adds another exciting element to state-based rivalry. For these talented state players it's also a significant development opportunity to test themselves against other state-based players and get noticed by the NRL Club scouts.

The NRL also supports the Australian Secondary Schools Rugby League and School Sport Australia with financial assistance and Rugby League personnel to manage and coordinate the National Championships (18, 15, 12 years). In 2014 the Championships were held in Tamworth, Darwin and Wollongong. The Championships give Rugby League players from all States exposure and links to NRL Clubs and Club Recruitment Staff, as well as promote the game in non-traditional areas such as the Northern Territory. Holden Kangaroos Coach Tim Sheens also attended the 2014 Championships to assist and mentor aspiring coaches from the State Leagues.

ACKNOWLEDGING THEIR STRONG RESULTS

Our State Leagues continued to show strong progress on and off the field. While the NSWRL, CRL and QRL prepare their own Annual Reports, the NRL would like to acknowledge some of their key results this year.



NEW SOUTH WALES RUGBY LEAGUE



A BIG YEAR FOR THE BLUES AND THE EMERGING STARS

The return of the State of Origin Shield to the NSWRL trophy cabinet cemented the on-field results for NSW this year and the NSWRL run pathway competitions, the VB NSW Cup, Ron Massey Cup and Sydney Shield, continued to go from strength to strength. The majority of the Clubs across the three pathway competitions now all have direct links to NRL Clubs (highlighting their increasing relevance in the whole of game development pathways) and fan support for these competitions also increased strongly. In 2014 the results across media and digital channels improved, culminating in the VB NSW Cup attracting an audience of 54,000 and an average weekly TV audience increasing 42% year on year.

Following the lead of the VB Blues, the NSW under-20s 'Emerging Blues' celebrated their third consecutive under-age Origin victory this year. The SG Ball (under-18s) and the Harold Matthews (under-16s) competitions are providing young stars with direct links to NRL Clubs and junior competitions in NSW including weekend competitions, representative matches and gala days that continued to nurture the game's brightest talents.

PARTICIPATION AND INCLUSION

At school level, NSWRL competitions saw more than 4000 male and female junior players participating in the 2014 All Schools Carnival, the event's 70th anniversary. 2014 also marked the first ever Immortals Challenge – a tournament where champion teams from under-9s to under-14s divisions across NSW compete for trophies named after Rugby League legends.

Proudly the NSWRL continued to provide Rugby League opportunities for everyone who wishes to be involved in our game including Wheelchair Rugby League, Intellectual Disabilities Rugby League, Physical Disabilities Rugby League, Affiliates Rugby League, Tertiary Rugby League and Women's Rugby League programs.

They also continued their strong support for a range of charity partners such as the Starlight Foundation and Father Chris Riley's Youth Off the Streets, demonstrating their commitment to be leaders on and off the field.

» 42,536 PLAYERS
 » 2549 TEAMS
 » 179 CLUBS



COUNTRY RUGBY LEAGUE



STRENGTH IN THE BUSH

Rugby League in country New South Wales celebrated another strong year, highlighted by the 2014 AAMI Country v City Origin which returned to Dubbo for the first time since 2006. A strong crowd of 9627 watched NRL fan favourites such as Jamal Idris play some high quality football in cold and wet conditions. In a tight match the game finished at 26-all with Country retaining the shield after winning the previous year. The CRL also played its 2014 Senior Championships in a two-tiered format with the 18s and 16s continuing in Regions. The finals of all four tiers were played in Tamworth.

As a development opportunity, the CRL Firsts Team visited Hawaii, playing against the Hawaii Chiefs in a precursor to the USA Tomahawks v Toa Samoa International match. They defeated the Hawaii Chiefs 52-12 and demonstrating their commitment to the promotion of Rugby League, the CRL Firsts Team worked directly with their opponents to help them build and refine their skills. In other developments, the Country Bulls, Country 18s and 16s all travelled to Rockhampton to take on Queensland and Australian and Samoan representative teams. Some of these players were also included in the Country 2 City Education Camp for Bush Players that is run by NRL and CRL Ambassador Andrew 'Bobcat' Ryan.

SUPPORTING THEIR OWN

The CRL rallied this year to support Country players Alex McKinnon (Newcastle Knights), Curtis Landers and Henry Fisher who suffered serious injuries. In showing the spirit of the Rugby League community, the CRL has facilitated significant fundraising activities to raise funds to help with their ongoing care and recovery.

» 53,682 PLAYERS
» 3213 TEAMS
» 537 CLUBS



QUEENSLAND RUGBY LEAGUE



INTRUST SUPER CUP GOES INTERNATIONAL

The growth and success of the State's premier competition, the Intrust Super Cup, was the highlight of the 2014 Rugby League season in Queensland. The competition expanded with the inclusion of the Papua New Guinea Hunters, who were an instant force with 14 wins and a draw in the regular season. While the Hunters won over fans with their unique style, it was the Northern Pride from Cairns who lifted the Intrust Super Cup in front of more than 7000 fans at Suncorp Stadium. The match attracted a record television audience of 163,178, and thousands more tuned into the live stream on QRL.com.au. The determined Pride backed up the following weekend on the NRL Grand Final stage in Sydney to win the inaugural NRL State Championship against New South Wales heavyweights Penrith Panthers. The new season will bring a fresh challenger, with the Townsville & Districts Blackhawks to contest an expanded 2015 Intrust Super Cup.

TAKING THE GAMES TO THE REGIONS

QRL fostered a 'Get in the Game' Country Week initiative in Round 23, featuring matches in Longreach, Moranbah, Emerald, Mackay and Kingaroy. With the support of the Queensland Government, high class Rugby League was delivered to thousands of fans in these regional communities. Channel 9 televised the match between Tweed Heads and Wynnum Manly from TJ O'Neill Oval in Kingaroy.

Strategic planning is under way to further expand the Intrust Super Cup's engagement with regional clubs and communities in 2015.

CLOSER TIES WITH INDIGENOUS COMPETITIONS

QRL is acutely aware of the significant role Rugby League plays in Indigenous communities. Throughout 2014, the QRL strived to enhance opportunities for Indigenous participants across the State. The popular Arthur Beetson Murri Rugby League Carnival at Redcliffe provided a unique experience for participants who were offered important health and educational material at the alcohol, smoke and drug-free event. There were other participation success stories throughout the State as well. In the Cape York region, numbers increased from 672 to 804, with this growth attributed to the establishment of a new Indigenous Development Fund that drove stronger links between participants and local organisers. The initiative will continue to ensure local Indigenous Rugby League competitions have adequate insurance cover as well as accredited referees and officials.

MORE FEMALE PLAYERS

Inspired by the success of the Queensland Women's team, the growing profile of the Australian Jillaroos and the work of NRL Game Development Officers, female participation numbers increased strongly in Queensland from 2341 last year to 3831 in 2014.

» 61,828 PLAYERS
» 3974 TEAMS
» 455 CLUBS



AFFILIATED STATES

To help Rugby League evolve into a truly national sport, the NRL also worked closely with the affiliated State Leagues (Victoria, Western Australia, Northern Territory, South Australia and Tasmania) to reform their governance structures to help set them up for growth.

Rugby League continues to grow outside the traditional states New South Wales and Queensland. Following on from strong results from 2013, participation numbers in the Affiliated States continued to grow.

Overall, club registrations were up 11% bringing the total number of players to 10,419. Strong growth was achieved in the regional leagues, increasing by 18%, while metro leagues were up by 9% and female participation grew by 14%.

The Affiliated States continue to compete against each other in the annual interstate Championships, which were held in June in Adelaide. Western Australia took out the seniors while Victoria won the women's and men's under-18's divisions.

The Combined Affiliated States team toured the Cook Islands in September playing two international matches and conducting a range of school clinics and community programs with the local people.

In 2014 we moved to electronic base registration and a new single database which improves data accuracy.



WA Rugby League saw registrations grow by 7% this year off the back of strong growth over the past five years. WA had 3477 players, 67 teams, 18 clubs and a total of 34,605 Rugby League experiences. Showing the depth of their development programs, the Western Australia senior team won the Affiliated States Championship for the fifth straight year.



VIC Rugby League increased club registrations by 18% in 2014. VRL had 3371 players, 168 teams, 19 clubs and 52,154 total Rugby League experiences (which includes school-based and first contact opportunities).



NT Rugby League club registrations increased by 8%. NTRL had 2290 players, 101 teams and 11 clubs with a total of 9673 Rugby League experiences. The profile of the Rugby League was lifted with the Parramatta Eels playing a trial match in Alice Springs and a premiership match in Darwin.



SA Rugby League grew club registrations by 6% and started a new competition in Mount Gambier. Across 2014 SA had 1098 players, 20 teams, 10 clubs and 33,673 Rugby League experiences.



TAS Rugby League club registrations increased by 17% and junior gala days continue to grow in popularity. Across the state they had 183 players, four teams and four clubs.



10,419

TOTAL NUMBER OF REGISTERED PLAYERS IN 2014, UP 11%



+18%

INCREASE IN REGIONAL LEAGUE PARTICIPATION



14% MORE

FEMALE PLAYERS ARE REGULARLY PARTICIPATING IN RUGBY LEAGUE





PARTICIPATION & COMMUNITY

CREATING AUSTRALIA'S LARGEST SPORTING COMMUNITY

The Rugby League community – from everybody who runs on to a field to everybody who officiates or volunteers in the canteen – has this year grown to unprecedented levels, including through new strategic initiatives aimed at growing participation. We're also doing more than ever to support the game at the grassroots through investing in local facilities and capabilities.

PARTNERSHIPS WITH RECREATIONAL PARTS OF THE GAME

Last year, the NRL signed a strategic alliance with Touch Football Australia. The partnership represented the biggest boost to participation and game development in the history of both closely aligned codes. The NRL has extended its participation across every Australian State and Territory, every season and every playing demographic across the country.

NRL TOUCH FOOTBALL LAUNCHED

The alliance brings together around 1.3 million participants and it came to full life as we officially launched the new 'NRL Touch Football' brand at the National Touch League Championships in Coffs Harbour in March.

Both sports now share registration platforms through playnrl.com and we have undertaken a significant awareness-building campaign to further grow the number of people who have the opportunity to play and participate. NRL CEO Dave Smith and NRL Head of Football Todd Greenberg also joined the Touch Football Australia Board as Directors, and longtime sponsor Harvey Norman has extended its financial commitment to the game, becoming the naming rights sponsor of NRL Touch Football for three years.

LONG-TERM BENEFITS

Over time the benefits of the partnership will include greater participation opportunities for all abilities and ages; coordinated pathways programs for elite athletes; opportunities for strategic funding of greenspace and other sporting facilities; and more opportunities to work with government in the delivery of community and education programs.



"It didn't matter if it was 3 on 3, 13 on 13, touch or tackle... if there was a game happening I just wanted to be part of it."

SHAUN JOHNSON
New Zealand Warriors player and touch football star



1.3m
participants



GROWING AT THE GRASSROOTS

Rugby League saw year-on-year participation growth in 2014. We now have more weekend and school players, and more officials and volunteers, than ever before.

Overall, we've recorded a total number of Rugby League "experiences" of 1,445,258 in 2014. This is inclusive of registered school and weekend players and other engagements such as participation in clinics and programs.

- » 695,719 playing in weekend and school-based competitions (up from 555,266 in 2013)
- » 749,539 people involved in clinics, community carnivals and major events

FEMALE PARTICIPATION IS GROWING

The growth in female participation has continued in 2014 with over 400,000 females playing our game. We had a 30% increase in club registration numbers (9259 registered players in 2014). Female school participation continues to grow with over 171,000 participating in an NRL school event or program, up 26% year on year.

Complementing this growth is the increasing presence of women in Rugby League on and off the field in key roles, including the employment of a full-time female participation manager. 2014 saw new female Rugby League competitions set up and an increase in the female representative calendar. On the back of the continued success for the Jillaroos was the inclusion of three televised matches against the Kiwi Ferns at the Dick Smith NRL Auckland Nines tournament in January 2015.

MINIS AND MASTERS

Other key areas of growth are our Mini footballers (under 6s) which has grown by 3% (42,019 participants in 2014) and our Masters (over 35s) which grew by 13% (1893 participants in 2014), demonstrating that there really is a place on the field for everyone. More than 30 Masters events were held this year with the most successful being the annual Runaway Bay Masters Carnival which attracted 74 teams, a new carnival record.

A BIG THANKS TO THE LOCAL OFFICIALS WHO MAKE IT HAPPEN

The support of officials and volunteers makes our game possible. We now have more than 18,468 accredited coaches, including 3300 new coaches signed up for 2014, and more than 90,000 volunteers dedicating their time to Rugby League. We never forget that all our volunteers – giving their time, skills and passion – are the strong foundation on which our game is built.

2014 also saw an additional 1669 sports trainers (giving a total of 8048) and an additional 1403 match officials. Our total officials database now numbers 42,016.

"Thank you to all the men and women across Australia who generously give their time as game officials and volunteers to support grassroots Rugby League."

JOHN GRANT
Chairman, ARLC



WE'RE BACKING OUR JILLAROOS TO LEAD THE WAY

2014 saw an increased focus on the Australian women's team, the Jillaroos. For the first time, the Jillaroos played a curtain raiser Test match before the Kangaroos Four Nations Test against Samoa. More than 16,000 people tuned in to watch this match via live streaming on NRL.com. As part of this match, the Jillaroos were paid a match fee for the first time.

Coached by former first grader Steve Folkes, these top athletes continue to set a fantastic example for all of our female players. And, we're pleased two of our Jillaroo stars, Sam Hammond in NSW and Renae Kunst in Queensland, are employed as NRL Game Development staff members, teaching new generations of boys and girls new Rugby League skills.

BETTER LOCAL FACILITIES FOR OUR GRASSROOTS

We're also working to improve investment in local facilities through our government partnerships.

In one of the most significant funding outcomes for grassroots Rugby League, the NRL and NSW Government partnered to launch the NSW Footy Facilities Fund. Through this three-year program, an investment pool of \$4m has been created for the upgrade of local Rugby League facilities. Improvements for the first year recipients are under way and a second round of applications will be open in 2015. We're excited to see the results this will deliver for our local communities and our community-based clubs and teams.

We also secured \$9.5m worth of investment as announced by the NSW Government through the ClubGRANTS Category 3 scheme and Community Building Partnerships projects.

Stronger relationships with governments are driving this investment. This includes our dedicated Parliamentary "Friends of Rugby League" Groups which unite politicians of all parties together to lift the profile of Rugby League and its local clubs in the corridors of power.

\$4m
FOR NSW LOCAL RUGBY LEAGUE INFRASTRUCTURE

LOCAL NSW RUGBY LEAGUE INVESTMENTS

TEMORA SCHOOLBOYS RUGBY LEAGUE FOOTBALL CLUB

Upgrade of building to provide change rooms and shower facilities and provision of a match officials building at Bob Aldridge Park

BELLINGEN VALLEY/DORRIGO RUGBY LEAGUE FOOTBALL CLUB

Upgrade of grandstand and amenities at Bellingen Park

LISMORE OLD BOYS RUGBY LEAGUE FOOTBALL CLUB

Installation of drainage, irrigation and upgrade of field surface at Crozier Field

BAULKHAM HILLS BRUMBIES J.R.L.F.C.

Installation of floodlighting at Castlewood Reserve

CANDELO BEMBOKA RUGBY LEAGUE FOOTBALL CLUB

Upgrade of dressing/storage shed, power supply, septic system and provision of seating at Colombo Park

CANOWINDRA RUGBY LEAGUE FOOTBALL CLUB

Construction of a concrete floor under the canteen awning, installation of key light switches to main oval lights and provision of an electronic scoreboard at Tom Clyburn Oval.

COOTAMUNDRA JUNIOR RUGBY LEAGUE CLUB

Upgrade of existing facilities to provide female change rooms at Nicholson Park

MILTON ULLADULLA JUNIOR RUGBY LEAGUE

Installation of perimeter fencing at West Ulladulla Sporting Complex

GYMEA JUNIOR RUGBY LEAGUE FOOTBALL CLUB

Upgrade of oval lighting at Corea Street Oval

CESSNOCK MINOR RUGBY LEAGUE

Installation of a drainage system for four playing fields at Mt View Park

WALCHA & DISTRICT RUGBY LEAGUE FOOTBALL CLUB

Installation of bore water and an irrigation system at Walcha Oval

WAGGA RUGBY LEAGUE

Construction of media and coaching staff facilities at McDonalds Park

OBERON JUNIOR RUGBY LEAGUE

Construction of a new canteen at Oberon Football Ground



\$2.1m
IN QUEENSLAND FUNDING FOR INFRASTRUCTURE & OTHER PROGRAMS

IN QUEENSLAND THE GAME SECURED OVER \$2.1m IN FUNDING FOR INFRASTRUCTURE AND OTHER PROGRAMS THROUGH GOVERNMENT GRANTS.

Local QLD Rugby League Club	Investment	Suburb
Bribie Island & Districts JRLFC	Upgrade lighting	Bongaree
Gympie Junior Rugby League Club	Upgrade lighting	Monkland
Maroochydore Junior Rugby League Club	Extend clubhouse	Buderim
Northern Suburbs Rugby League Club	Construct a gymnasium	Nundah
Redcliffe District Rugby League Club	Install lighting to support Rugby League	Redcliffe
Redlands Junior Rugby League Club	Install lighting	Victoria Park
Souths Graceville Rugby League Club	Install lighting to support Rugby League	Graceville
Tambo Sports Club Inc	Install lighting to assist multi-sports	Tambo
Townsville & District Junior Rugby League	Upgrade lighting	Kirwan
Wattles Junior Rugby League	Construct a field	Clifton
Winton Rugby League	Construct a gymnasium to support multi-sport	Winton

We also worked with the Victorian Government on the Facilities Development Plan which has identified needs across the state and prioritised a \$200,000 investment towards lighting upgrades at fields used for Rugby League in Victoria.

The partnership with the NSW Government sets up a model we are discussing with other governments.

RECOGNISING RUGBY LEAGUE'S PROUD INDIGENOUS CULTURE

More than 12% of NRL players, 9% of Holden Cup players and 5.8% of our registered grassroots players are Aboriginal & Torres Strait Islander people. The positive role and contribution the Indigenous community in Australia makes to our game is something we respect and we value, and our approach to Indigenous affairs is based on listening to and working with our Indigenous players, participants and partners.

A NEW RECONCILIATION ACTION PLAN

In 2008, the NRL became the first Australian sporting organisation to develop and implement a Reconciliation Action Plan (RAP); this year, we showed further leadership by revising our RAP to focus on longer term strategies and include hard targets and goals. Included in this is our support of the campaign to recognise Aboriginal and Torres Strait Islander peoples in Australia's Constitution as part of Rugby League's new RAP.

By 2017, the NRL has committed to:

- » Establishing a partnership with the RECOGNISE Campaign to support Constitutional recognition of Aboriginal and Torres Strait Islander peoples
- » Increasing to 15% the number of Aboriginal and Torres Strait Islander players at an elite level – up from 12%
- » Developing a strategy for increasing Aboriginal and Torres Strait Islander participation, including women, across all aspects of the game by the end of next year

- » Developing an Elite Pathways program to increase Aboriginal and Torres Strait Islander players within junior Rugby League competitions by the end of next year
- » Providing Welfare Officers and mentoring programs for elite junior and senior Aboriginal and Torres Strait Islander players to support education, training and employment
- » Establishing procurement policies that ensure at least three Aboriginal and Torres Strait Islander businesses supply goods and services to the NRL
- » Increasing employment of Aboriginal and Torres Strait Islander people to 5% within Rugby League

CLOSE THE GAP ROUND

The new RAP was launched in our Close the Gap Round (Round 23) which featured more than 50 activities across three States. The round was dedicated to the importance of reducing the gap in health equality between Indigenous and non-Indigenous Australians.

AUSTRALIAN RUGBY LEAGUE INDIGENOUS COUNCIL

Supporting all of this work is the Australian Rugby League Indigenous Council. The members of the Council are:

- » Linda Burney MP, Chair
- » Darren Godwell, Deputy Chair
- » Stephen Tillett
- » Katrina Fanning
- » David Peachey
- » Ngiare Brown
- » Joshua Creamer
- » Paul Ralph

FESTIVAL OF INDIGENOUS RUGBY LEAGUE

We also celebrated the game's Indigenous culture this year through the '2014 Festival of Indigenous Rugby League' which featured a match between the Newcastle Knights and the First Nations Goannas, a team consisting of players from the NSW Aboriginal Rugby League Knockout and the Queensland Murri Carnival.

The week also incorporated an NRL Indigenous Players Camp, community and school visits, a community festival, matches between the NSW and QLD Indigenous women's teams and NSW and QLD U16 boys' teams and the annual 'Murri v Koori' Interstate Challenge. The All Stars match will be back in 2015.

The NRL also delivered the 'Learn Earn Legend! School To Work' Program, an education and employment program that utilises the positive profile of Rugby League to support and encourage young Indigenous Australians to stay at school, get a job, and be a legend for themselves, their families and their communities. The program incorporates work experience, mentoring and leadership opportunities for young Indigenous Australians to ensure they successfully complete school and transition into further study, training or meaningful employment. 97% of 2013 graduates across the individual programs have successfully transitioned into employment or further education and the program recorded an HSC attainment or Year 12 completion rate of up to 92.3% for all participants.

"This event provides a really special opportunity for 16 young men to show their skills against an NRL squad and hopefully open the door to a start in the NRL in the near future."

LAURIE DALEY AM
First Nations Goanna Coach



A STRONGER FOOTPRINT IN THE PACIFIC

For many communities in the Pacific, Rugby League is a way of life. It's how thousands of people choose to connect with each other and to share time with their families and friends. It's also a key region when it comes to the talented athletes who make our game ever more exciting – with more than 37% of NRL players and 38% NYC players being of Pacific heritage.

Rugby League has key opportunities for growth and development in the region and Samoa, Fiji, Tonga and Papua New Guinea will play a further crucial role in the game's future.

FIRST PNG TEAM ENTERS QUEENSLAND INTRUST SUPER CUP

This year, we had the first-ever team from Papua New Guinea play in a major Australian competition. The PNG Hunters entered the Queensland Intrust Super Cup and not only did they perform strongly by finishing in sixth place, they showcased some incredible talent and were warmly embraced by the Queensland Rugby League community. They will be back for season 2015 with 15 of last year's 22 players being re-signed as part of an extended playing group of 28 full-time players.

A NEW PACIFIC STRATEGY TO GROW THE GAME AND THE GOOD

The NRL also launched a new Pacific Strategy this year which aims to strengthen Rugby League in the region and build stronger business and community ties in the Pacific Islands. Specifically, the strategy focuses on game development; player welfare; commercial and corporate opportunities; supporting education, social and community outcomes; and strengthening the Rugby League bodies in each nation to build the international game.

The NRL already has a strong presence in the region with 12 staff in Papua New Guinea delivering League for Life programs which seek to improve both football results and life skills through encouraging healthy lifestyles and boosting physical, social, literacy and mathematics skills. These staff members are funded through a partnership with the Australian Government's Department of Foreign Affairs and Trade. In addition, the NRL will engage some 10,000 students in Samoa and Fiji through NRL literacy and anti-bullying programs.

PRIME MINISTER ABBOTT DOES LEAGUE FOR LIFE

Australian Prime Minister Tony Abbott sees the value of Rugby League as a force for good in Papua New Guinea and this year participated in an NRL League for Life experience in PNG.

“Rugby League is a pretty important subject up here in PNG. In fact PNG is the one country on earth where Rugby League is the overwhelming national sporting obsession.”

Australian Prime Minister Tony Abbott



SUPERSTARS GIVE BACK TO THE PACIFIC REGION

Sonny Bill Williams travelled to Samoa with Holden Kangaroos coach Tim Sheens and NRL CEO Dave Smith to help build the game's profile and reach through the Pacific Strategy. Over two days, “SBW” participated in football clinics and education programs with the local community. On the value of the trip, Sonny Bill said:

“I don't think there is anything better than knowing you helped change someone's life for the better. So if we can educate Samoan school children about nutrition and healthy lifestyles – and throw in some football skills as well – it will be a great outcome.”

Sonny Bill Williams

Jarryd Hayne also helped promote the strategy by visiting Fiji and said that playing for Fiji in a World Cup was one of the most memorable experiences of his life. He said:

“I love the idea of giving something back to the people of Fiji and the beauty of this program is that it is all inclusive – it reaches out to boys and girls and covers everything from literacy and maths skills to sporting and social skills. It also encourages teamwork and we all know how important that is on and off the field.”

Jarryd Hayne



A FORCE FOR GOOD IN THE COMMUNITY

Often behind the scenes and away from the headlines, our Premiership players and their Clubs continue to participate in and contribute to their respective communities. Rugby League and community-based charity work have long been linked as a force for good. Our fans and our communities expect us to contribute and we want to contribute as we always have. It's about being part of the communities where we live, work and play.

That's why across the game, rivalries are put aside to promote the causes the NRL, the players and our fans and their communities believe in.

300,000 CHILDREN PARTICIPATED IN NRL TACKLE BULLYING PROGRAM

This year we delivered our 14th Community Carnival – our most successful on record – which reached more than 300,000 children in more than 400 towns and 899 schools across Australia and New Zealand.

The Community Carnival is part of the game's commitment to make a positive difference in local communities. It includes players from each Club and NRL Ambassadors who work with students to take part in the NRL's powerful Tackle Bullying program. More than 200,000 resources were given out during the period including Tackle Bullying hands, wrist bands, stress balls, bag tags, teacher resource kits for primary and secondary use, and parents' resource packs. The promotion was supported by *The Daily Telegraph* and *The Sunday Telegraph*.

WE'RE HELPING TO KICK BOWEL CANCER

The NRL partnered with Bowel Cancer Australia (BCA), The Gut Foundation (GF) and Cancer Council NSW (CC) to take a stand on bowel cancer – Australia's second biggest cancer killer. Almost 15,000 Australians are diagnosed with bowel cancer each year, more than a thousand of whom are under the age of 50. The NRL used its voice to build awareness of bowel cancer as one of the most curable forms of cancer, reduce the stigma associated with the illness, and educate Australian men and women about the risks associated with bowel cancer, culminating in the 'NRL Kick Bowel Cancer' campaign as the official community initiative of the NRL Telstra Premiership Finals Series. NRL players and ambassadors fronted the campaign, spearheaded by a four-week television, radio and social media campaign which drove 8000 people to take online, self-assessment survey. In Rugby League we often talk about preparation being the key to success, and with bowel cancer it's the same thing – because education and early detection play a major role in beating the disease.

OUR STATE OF MIND CAMPAIGN HAD A REACH OF SIX MILLION PLUS

The NRL also worked with a coalition of mental health providers to deliver a 'State of Mind' campaign during the Holden State of Origin Series. Designed to help break down the stereotypes and stigmas relating to mental health, the initiative featured "live reads" during the State of Origin matches, and handing out promotional T-shirts and Z-CARDS. Boosting this effort was an incredible social media campaign which reached over six million people. 350,000 viewed the videos on Facebook, a 100,000 Twitter reach was generated from five posts, and there were 200,000 views of the video on YouTube. It's a great example of NRL using its social media reach for the benefit of our communities.

A REVAMPED DIVERSITY AND INCLUSION POLICY

The NRL launched a revamped Diversity and Inclusion policy this year which makes it clear that Rugby League is for everyone regardless of race, sexuality, colour, gender, or ability level. Rugby League is committed to tackling discrimination in any form and our challenge is to ensure that our commitment does not end with a policy document, but gets acted on at every level of the game. The Diversity and Inclusion policy is a standalone policy that is aligned to our existing Code of Conduct, Fair Treatment in the Workplace, Issue Resolution and Employee Assistance policies. It is shared with the NRL Clubs and State Leagues. To maximise momentum and impact, the policy was launched to coincide with the 2014 Bingham Cup in Sydney which celebrates diversity in sport.

OUR 'IN LEAGUE IN HARMONY' PROGRAM BROUGHT PEOPLE TOGETHER

Aimed at new immigrants to Australia, we delivered another 'In League In Harmony' program this year. It comprised social inclusion and teamwork sessions, Rugby League skills sessions, ambassador mentoring sessions, gala days and a Harmony Day event. Participants learned more about our differences and our commonalities in culture, religion and ability, and celebrated diversity to bring us together as an Australian community. The program is growing with 1181 participants involved this year (up from 700 in 2013) and we identified 80 'In League In Harmony' Ambassadors who are active leaders in their community. We also piloted a seven week program at Cobham Juvenile Detention Centre which worked with youth in developing their social skills, which will assist their integration back into the community. This work was led by project Ambassadors and former NRL stars Hazem el Masri and Joe Galuvao.

ONE COMMUNITY AWARDS 2014



ONE COMMUNITY AWARDS

The annual One Community Awards and ceremony recognise the unsung heroes that dedicate their time to promoting the strong values of the game within the community. This year, more than 260 guests, including former and current players, NRL Club officials, award nominees, sponsors and guests attended the inspiring ceremony to celebrate the people that make the game happen on a grassroots level.

The Ken Stephen Medal – named after the New South Wales Rugby League administrator who dedicated 28 years of service to the game – was awarded to Canterbury Bulldogs player Trent Hodkinson. Trent worked tirelessly within the greater community this year. As an ambassador for the RSPCA, he was a key figure in raising awareness and funding for the Million Paws Walk initiative,

as well as continuing his altruism on-field by writing the name of a sick or disadvantaged child on his kicking tee every game. He also formed a special bond with a young Bulldogs fan who had experienced bullying, helping her build confidence and become happy in her own individuality.

Alongside Trent Hodkinson, the 2014 One Community Awards honour roll included the following award winners:

- » **Holden National Volunteer of the Year:**
Gary Fa'afua of Bexley, NSW (NSWRL)
- » **Telstra NRL One Community Grassroots Club of the Year:**
Sunset Tigers Junior Rugby League Football Club, Mt Isa, QLD (QRL)

» **Harvey Norman Women in League Achievement Award:**

Erin Rowe of Northfield, SA (SARL)

» **ACCOR National Teacher of the Year:**

Jon Keal of Tullawong State High School, QLD

The AAMI Service to Rugby League Medal recipients were:

- » Michael Covey of Beacon Hill, NSW (NSWRL)
- » Sandra Ellicot of Coffs Harbour, NSW (CRL)
- » John Moore of Dianella, WA (WARL)

RUGBY LEAGUE RISES FOR ALEX

Rugby League united this year to support one of its favourite young players, Alex McKinnon, who suffered a serious spinal injury in a rare on-field accident.

Recognising the long journey ahead for Alex, the entire Rugby League community banded together to raise funds and show their care and support.

Money was raised from piggy banks right through to corporate partners, showing the breadth of Rugby League's spirit.

The NRL and the Newcastle Knights, in consultation with Alex and his family, helped establish an independent charitable fund (the RiseForAlex Fund) to manage all of the incredible offers of support that came flooding in, and to begin planning key fundraising activities.

Players, Clubs and our fans rallied across a range of fund-raising activities including RiseForAlex wristbands, which became the key symbol of a social media 'selfie' campaign, to attending a special round (Round 19).

The NRL donated \$1 for every fan who attended a match over Round 19, which was matched by AAMI Park and the

SCG Trust. But the highlight was the Newcastle Knights game at Newcastle on Sunday, 20 July 2014.

Newcastle fans came out in full force showing their support for Alex. It was a touching moment as Newcastle captain Kurt Gidley accompanied Alex onto the field to greet the thousands of supporters at the match and those watching the game on television.

Telstra provided website and call services for a telethon while Channel Nine dedicated its Footy Show to fundraising activities.

More than \$1.4 million was raised for the RiseForAlex Fund. This would not have been possible without the incredible support of the NRL Clubs and partners, and the everyday Rugby League supporters who contributed. On behalf of the game, we say thank you.

Alex's tenacity and determination sets a wonderful example for us all. The NRL family continues to support him.

STRONG GOVERNANCE



A STRONG BRAND AND REPUTATION WILL CEMENT OUR VALUE AND GROWTH

We are committed to protecting the integrity of the game, both now and into the future. It is an important component of our brand and reputation. How the NRL, its Clubs and State Leagues and our players meet the community's expectations – both on and off the field – has an impact on how people view and engage with our game.

PLAYERS AT THE CENTRE

Our players make it happen. Their skills draw fans to our stadiums, viewers to our television screens and kids onto playing fields. What they do off the field, is just as important as what they do on it.

Very simply, without healthy and positive players, both on and off the field, we cannot have a healthy and positive game. Players' personal wellbeing and development is at the centre of our decision making.

That's why we're doing more to support them as professional athletes with community responsibilities by investing more than ever before into our player welfare and education programs.

MORE INVESTMENT INTO WELFARE AND EDUCATION

Over two years, the NRL has doubled the number of welfare and education staff in each of the 16 NRL Clubs and State Leagues with 47 people now working directly with players. Each Club received dedicated funding to support career coaches for players and for education grants as part of player contracts. In addition, our NRL Ambassadors champion this work in close cooperation with all Clubs on player welfare and education initiatives.

The programs are delivered to the players from the age of 16 when they make their first Rugby League team, right through to our NRL players.

78.5% OF PLAYERS ARE NOW IN EDUCATION OR CAREER TRAINING

We're proud to report that this year 78.5% of NRL and NYC players are in education or career training. This beats our 2014 target (72%) and positions us to meet the 2017 target of 85%. Players are studying a range of courses from accounting to the trades. The NRL and RLPA have provided 514 individual grants to players, totalling \$630,000.

MORE FEMALE LEADERS IN OUR GAME

We have women in some of the most influential positions in our game. From the Australian Rugby League Commission to the boardrooms and management teams of clubs and senior roles at Rugby League Central. We're going to take our Women In League strategy to the next level and that means recruiting and developing greater representation of women at every level of the game.



78.5%

OF NRL AND NYC PLAYERS
ARE IN EDUCATION OR
CAREER TRAINING



514

INDIVIDUAL
GRANTS
TO PLAYERS,
TOTALLING
\$630,000



OUR PROGRAMS ARE SETTING THE BENCHMARK IN SPORT

This year, the NRL won the Excellence Award as **Employer of the Year** from the Career Development Association of Australia.

This award recognises Rugby League's forefront position in career development in professional sport through its groundbreaking CareerWise program. The program acknowledges that Rugby League is a profession, but it is also the shortest career phase most players will experience in their lifetime of employment and that players need capabilities for life beyond the NRL playing field. Forty-seven welfare and education managers, Club career coaches and 25 current and former NRL players have been trained in the delivery of the NRL CareerWise program and have completed or are completing the Certificate IV in Career Development so that our players put their best foot forward when they leave the field.

Other award-winning welfare and education programs include the NRL Alcohol Management Strategy which was recognised this year with a Leadership Award from the Australian Drug Foundation. Rugby League is the first professional sporting body to be given the award.

With the support of the Australian Drug Foundation, the NRL is promoting and seeking to improve positive off-field behaviours.

This includes implementing the NRL Alcohol Management Strategy that requires Clubs to have and adhere to responsible alcohol policies; facilitating player and staff education and training from juniors to professionals about positive behaviours; as well as conducting the Australian Drug Foundation 'GoodHost' event management policies at Rugby League events where alcohol may be served.

The game's long-standing Respectful Relationship Program also incorporated a new secondary intervention initiative for offenders or potential offenders at all levels of the game this year. Also, in partnership with NSW Office of Communities, the NRL has prepared a 'Better Choices' program and resource kit for delivery in schools and local communities.

NRL CAREERWISE

CareerWise is a career development program for elite and professional athletes aged 15 and over. The focus is on providing players with the resources and professional advice to assist them to be vocationally active, balanced in life, self-aware, and self-confident. The program was developed in recognition of the fact that Rugby League is not a job for life and it's important to assist players to develop the skills and knowledge required to successfully manage their ongoing career.

TRADING UP WITH THE NRL

This Australian Government supported program is managed by NRL Apprentice Mentoring Program. Four hundred and forty apprentices from the Rugby League community are mentored by 26 mentors. Identified mentors work with NRL Clubs and regions to assist apprentices to successfully complete their apprenticeships. With the assistance of the NRL Club staff, an apprenticeship mentoring manager and other support providers develop and deliver resources relating to time management, goal setting, cross-cultural awareness, conflict resolution, mental health issues, career coaching and social responsibility.

GRADUATES OF LEAGUE

This program for university students involves NRL Clubs and universities providing mentoring, tuition and financial support. The program aims to increase university entry, retention and completion rates of elite athletes. As part of the program, a player receives one-on-one tuition for at least one hour per week, which is funded by the NRL Clubs and the NRL. There are 16 universities across Australia and New Zealand that are part of the Graduates of League program with over 200 players enrolled during 2014 with a passing rate of 87%.

INTEGRITY AND COMPLIANCE

MAINTAINING OUR STANDARDS

Our players are held to a high standard of personal conduct, and in almost all cases these expectations are being met and exceeded.

However, there are occasions in which players fail to meet the standards of off-field behaviour that we and the community expect of them. In these instances the NRL and its Clubs have taken a strong stand and imposed meaningful penalties, including deregistering or suspending players, imposing financial penalties and game suspensions.

These have not always been popular decisions with some stakeholders but our actions evidence the game's commitment to ensure that the NRL is held in the highest regard by our fans, our players, business and government partners. While taking a strong standard on player misbehaviour we have sharpened our focus on effective programs that are designed to make our players more rounded people and to reduce the instances of misconduct. For the vast majority of players the programs have been successful in helping to ensure that our players continue to have a positive influence in the communities in which they live and work.

The NRL also works with the players involved to develop an appropriate education program, helping to reduce chances of further breaches.

RESOLVING THE ASADA INVESTIGATION AND GOVERNANCE ISSUES AT THE CRONULLA SHARKS

In December 2013, the NRL imposed preliminary penalties on the Cronulla-Sutherland Sharks Football Club and Club officials (at the Club in 2011) for governance failures that put at risk the health and wellbeing of Sharks players. In March 2014 those preliminary penalties were confirmed.

In August 2014, 12 past and present Sharks players were suspended for breaches of the League's anti-doping rules. Although ASADA's process continues for some former Sharks players who no longer play in the NRL, the action by the NRL to suspend 12 players in August this year for violations of the League's anti-doping policy marked the conclusion of ASADA's investigation into the Sharks as it relates to current NRL players. The resolution of this issue brought to an end a long and difficult period for the League, the Club, its players and their families.

Although the ASADA investigation was a difficult period, the game has emerged in a much stronger position through the introduction of new rules to deter and detect any future doping activity.

ENFORCING THE SALARY CAP RULES TO KEEP THE COMPETITION FAIR

One of the reasons that the NRL Telstra Premiership is so close and competitive, and therefore so exciting for all our fans and members, is because we have a salary cap to ensure playing talent is more evenly shared across the 16 NRL Clubs.

Overall, Clubs are continuing to meet their salary cap duties but in 2014 five Clubs were issued with breach notices for violations of the League's salary cap rules.

The most significant was to the Gold Coast Titans who, after self-reporting their concerns, were docked four competition points and fined \$300,000. The loss of points and a quarter of the fine was suspended because the Club's new management self-reported and fully cooperated with the investigation. Four other clubs (Manly Warringah Sea Eagles, Newcastle Knights, Sydney Roosters, Wests Tigers) were issued with fines this year for less serious breaches.

A NEW GAME-WIDE INSURANCE POLICY TO SUPPORT OUR PLAYERS

In 2014 the game introduced a more comprehensive insurance scheme designed to provide enhanced benefits to eligible players that are injured in the course of their employment as Rugby League players.

Under the new scheme agreed by the NRL, its Clubs and the RLPA, eligible players may receive up to \$1m if they suffer a catastrophic injury while playing the game. This is double the previous insurance arrangement mandated by the game's Collective Bargaining Agreement. The enhanced insurance arrangements will also provide improved benefits to players who suffer career-ending injuries, better enabling them to transition to a post-NRL career.

The NRL is also in the process of establishing a game-wide Foundation to provide financial assistance to players who are severely and permanently injured in Rugby League.

PROACTIVE MEASURES TO PROTECT OUR PLAYERS

In 2014 the NRL replaced its existing illicit drugs policy with a centrally administered testing policy. The new policy continues to be welfare-based but provides a more comprehensive and robust testing environment.

In addition to testing for illicit drugs, the NRL, with the support of the RLPA, began testing for the use of specified prescription medicines. The purpose of this testing is to determine if a problem with the misuse of specified prescription medicines exists, and if so to implement strategies designed to address the problem. This testing initiative is a first for Australian sport and reflects the game's commitment to the wellbeing of its players.





GAME INVESTMENT

FINANCIAL RESULTS OVERVIEW



To assist in the explanation of the Financial Statements, the following commentary describes the financial performance of the ARLC and NRL, and how funds are invested in the game.

The ARLC consolidated statutory financial statements include the acquisition of the Newcastle Knights in June 2014. To provide meaningful comparisons – the following commentary focuses on the financial performance of the ARLC (excluding 4 months of trading of the Newcastle Knights).

Comparative information, where appropriate, has been reclassified to achieve consistency in disclosure with current financial year amounts.

In addition, Licensing royalties and related club payments have been disclosed on a gross basis in 2014, to better reflect a whole of game position with 2013 comparatives presented on an adjusted basis.

2014 FINANCIAL HIGHLIGHTS:



An **Operating Surplus of \$49.9m** - delivering a cumulative surplus of nearly \$100m over 2 years



Total Revenue of \$344.9m up \$24.6m - ahead of the Game Plan



Non-Broadcast Revenue increased by \$20.1m to \$119.1m - on track to meet the Game Plan target



Total Operating Expenditure to drive revenue, run and develop the game of \$295.0m



\$28.1m directed towards our Growth Initiatives and Strategic Priorities to build future value



Sustainability Fund of \$50m invested in cash and securities

FINANCIAL RESULTS	2013			2014			Consolidated
	ARLC & NRL			ARLC & NRL			
	Operating	Growth & Strategic Priorities	Total	Operating	Growth & Strategic Priorities	Total	
REVENUE							
BROADCAST	221.3	0.0	221.3	225.8	0.0	225.8	225.8
NON-BROADCAST	99.0	0.0	99.0	119.1	0.0	119.1	125.1
TOTAL REVENUE	320.3	0.0	320.3	344.9	0.0	344.9	350.9
EXPENSES							
NRL CLUB FUNDING AND OTHER SUPPORT	(130.1)	(0.3)	(130.4)	(132.8)	(13.9)	(146.7)	(143.7)
STATE LEAGUES AND AFFILIATES	(17.0)	0.0	(17.0)	(18.9)	(4.1)	(23.0)	(23.0)
COMPETITION COSTS	(27.7)	0.0	(27.7)	(33.5)	(0.2)	(33.7)	(33.7)
GAME DEVELOPMENT	(22.6)	(0.5)	(23.1)	(24.3)	(2.1)	(26.4)	(26.4)
DEVELOPING THE GAME	(197.4)	(0.8)	(198.2)	(209.5)	(20.3)	(229.8)	(226.8)
EVENT, GAME AND SPONSORSHIP	(40.3)	(0.3)	(40.6)	(50.1)	(1.8)	(51.9)	(61.1)
REFEREES, COMMUNITY, EDUCATION AND WELFARE	(15.1)	(1.4)	(16.5)	(16.4)	(3.1)	(19.5)	(20.0)
ADMINISTRATION	(17.9)	0.0	(17.9)	(19.0)	0.0	(19.0)	(19.9)
RUNNING THE GAME	(73.3)	(1.7)	(75.0)	(85.5)	(4.9)	(90.4)	(101.0)
OTHER STRATEGIC PRIORITIES	0.0	(1.8)	(1.8)	0.0	(2.9)	(2.9)	(2.9)
TOTAL EXPENSES	(270.7)	(4.3)	(275.0)	(295.0)	(28.1)	(323.1)	(330.7)
SURPLUS	49.6	(4.3)	45.3	49.9	(28.1)	21.8	20.2

Note: The consolidated results contained in the table above include the trading results of the Newcastle Knights that was acquired in June 2014, as outlined in the Concise Financial Report. CAGR is Cumulative Average Growth Rate

FINANCIAL COMMENTARY

Big financial outcomes – strong financial returns for investment back into the game.

IN 2014 THE NRL GENERATED AN OPERATING SURPLUS OF \$49.9m (2013: \$49.6m) FOR INVESTMENT BACK INTO THE GAME.

The Game Plan set a target to generate more than \$200m in operating surplus over 5 years. With the addition of this year's \$49.9m operating surplus (before expenditure on strategic priorities and growth investments), we are ahead of target. In just two years we have generated a cumulative surplus of nearly \$100m, which is now being invested in the game.

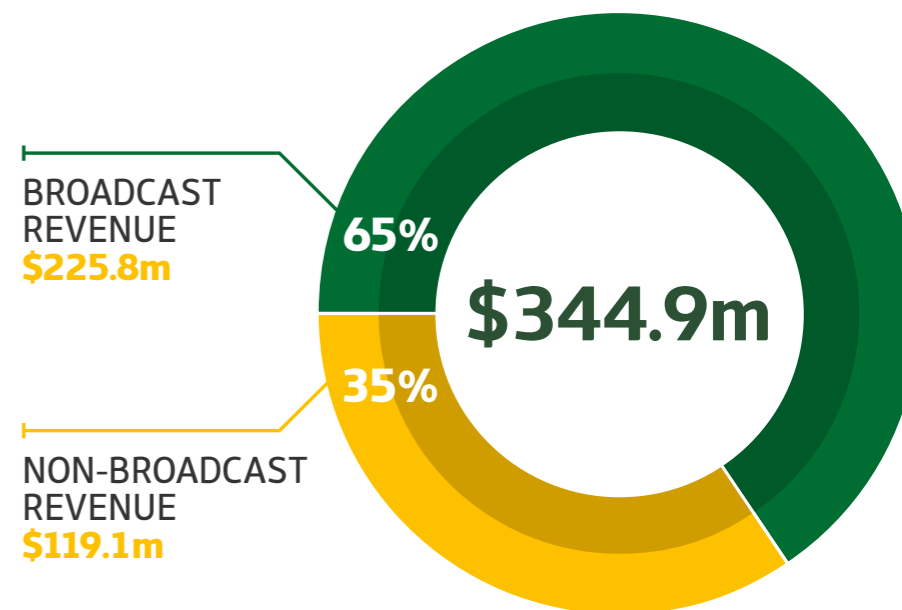
The result this year benefits from the second year of the five year broadcast deal, which delivered more than \$225m of revenue.

Importantly, the game generated strong growth in non-broadcast revenue streams, which is now \$119.1m (2013: \$99m). This growth improves the diversity and quality of our revenue sources. The game's target is to double the 2012 non-broadcast revenue by 2017 and we are on track to meet this ambition.

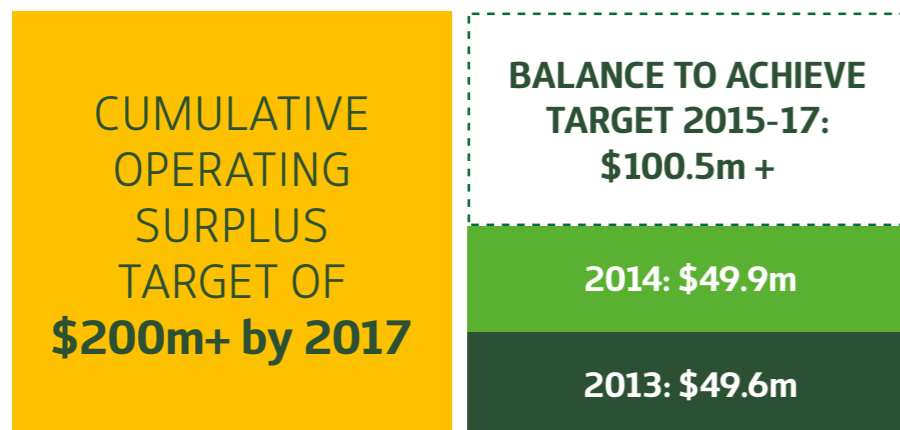
To meet the game's target and to capitalise on the strong revenue growth being achieved to date, it is vital we continue to strengthen the commercial and operational capabilities required of a professional organisation.

EXCEEDING REVENUE TARGETS TARGET: \$300m BY 2017

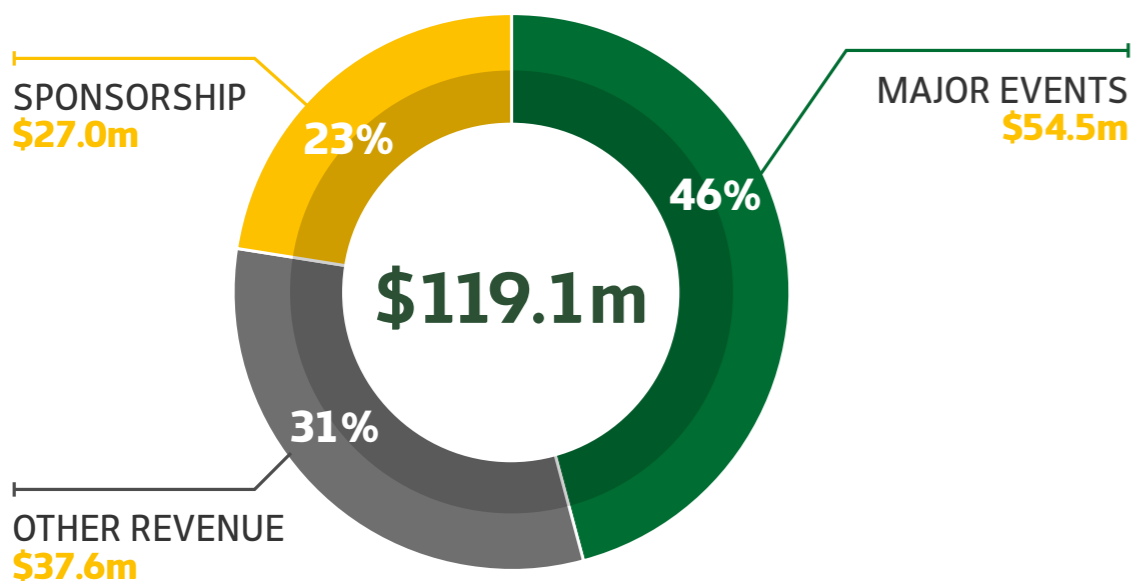
2014 saw strong revenue growth, delivering on the plan to build a solid financial base for the game. Total NRL revenue grew to \$345m exceeding game plan targets and increasing by 8% on prior year (2013: \$320m). The substantial uplift is almost double 2012 revenue (\$182m) – driven by greater broadcast revenue and our growth in other revenue streams.



OPERATING SURPLUS CUMULATIVE \$M



DOUBLING NON-BROADCAST REVENUE

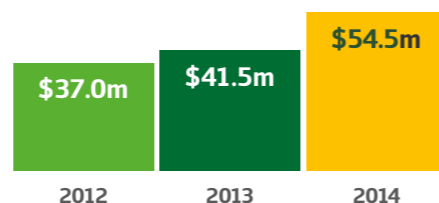


With the five year broadcast deal locked in and delivering revenue in excess of \$225m in 2014 (2013: \$221m and 2012: \$101m), the NRL made a commitment to develop strong and more diverse revenue sources. In 2014, revenue generated from non-broadcast streams increased from \$99m to \$119.1m – representing 20% growth year on year. Since 2012, the NRL has experienced non-broadcast revenue growth of 48% (CAGR +22%).

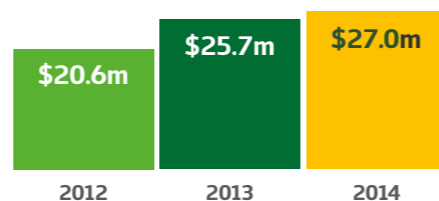
Key drivers of non-broadcast revenue are our major events (Holden State of Origin, NRL Telstra Premiership Grand Final and related Finals Series and new innovative product offerings such as Dick Smith NRL Auckland Nines), stronger sponsorship partnerships and commercialisation of our intellectual property (such as licensing, wagering and official NRL statistics).

↑ 48%
NON-BROADCAST REVENUE GROWTH SINCE 2012

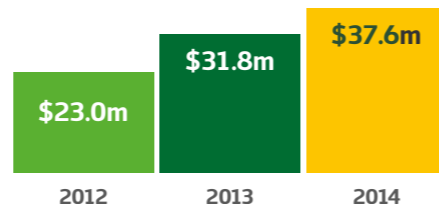
MAJOR EVENTS



SPONSORSHIP



OTHER REVENUE



MAJOR EVENTS REVENUE

↑ +31%
(CAGR +21%)

There was outstanding support for the NRL's major events in 2014. The commercial outcomes were enhanced by higher attendance, new stadia deals and revised ticket pricing across premium seating while ensuring great family value in other categories.

The Holden State of Origin Series was one of the most watched TV events of 2014 (Holden State of Origin II taking the number one spot with over 4.1 million viewers). Revenues were 40% higher than the prior year.

Finals Series revenue increased by 8% in 2014, culminating in the NRL Telstra Premiership Grand Final witnessed by the biggest crowd at ANZ Stadium in its modern configuration.

SPONSORSHIP REVENUE

↑ +5%
(CAGR +15%)

The NRL provides corporate partners with the unique opportunity to connect with highly engaged supporters, including a participation base of over one million and a fan base across Australia of over six million.

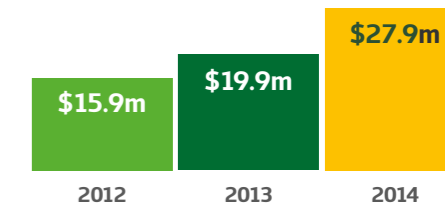
It was the number 3 rated program on television for the year with almost 4m viewers.

The NRL Telstra Premiership Grand Final was also an outstanding commercial success, delivering a 12% uplift in revenue.

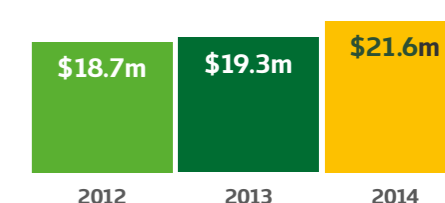
In addition to these cornerstone events, innovations such as the Dick Smith NRL Auckland Nines and the locally hosted World Club Challenge were also drivers of growth in 2014 – doubling Other Games revenue and highlighting the diversified content opportunities that are available to the game.

The commercial strength of the NRL's major events underpins the broader value of the game, and we are committed to investing in these events to ensure they provide fans as well as our valued corporate and broadcast partners with greater value in the years ahead.

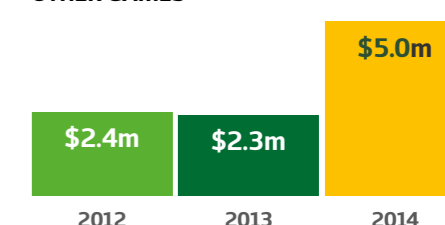
HOLDEN STATE OF ORIGIN



TELSTRA PREMIERSHIP FINALS



OTHER GAMES



By increasing engagement opportunities with members and fans, sponsorship revenue of the NRL continued to increase in 2014, with the majority of revenue growth attributed to our long-term partnerships. The total NRL sponsorship revenue in 2014 was \$27.0m, up from \$25.7m in 2013.

We are creating value for our corporate partners through innovation, such as the introduction of virtual advertising within broadcast. This has improved brand capability, increased media exposure and provided new commercial inventory. Our innovations create appeal for corporate partnerships and provide the game with further opportunities for growth and diversification.

As the naming rights partner of the NRL Premiership, Telstra Corporation received unprecedented media exposure in 2014, independently assessed as receiving greater media exposure and value than any other naming rights sponsor of alternative sporting codes in Australia.

The NRL is well positioned to leverage this year's boost in TV audiences, attendance at major events and digital media as we build value for our partners into the future.

OTHER NON-BROADCAST REVENUE

↑ +18%
(CAGR +28%)

Growth in other non-broadcasting revenue has been underpinned by market leading licensing franchises, wagering growth as well as new investments in commercialising our intellectual property (including statistics).

Licensing

The NRL's Whole of Game licensing program is the Australian sports leader, generating \$13.2m (2013: \$10.6m) in revenues. In addition to direct benefits to the NRL, our Clubs also gain significant returns directly from these licensing arrangements which are centrally administered by the NRL.

Revenue has increased in 2014 for Clubs and the NRL across the entire licensing program through an enhanced product range and a broader network of licensees.

This is the result of market leading retail programs, partnerships with NRL Clubs in the delivery of themed rounds, growth in player programs and strong engagement with key licensees.

Wagering

The NRL receives product fees from Integrity Agreements with betting agencies which are reinvested into the game to enhance integrity measures, provide ongoing education and welfare programs and to develop and run the game.

Growth in the sports betting market has resulted in wagering returns increasing to \$5.4m (2013: \$4.4m).

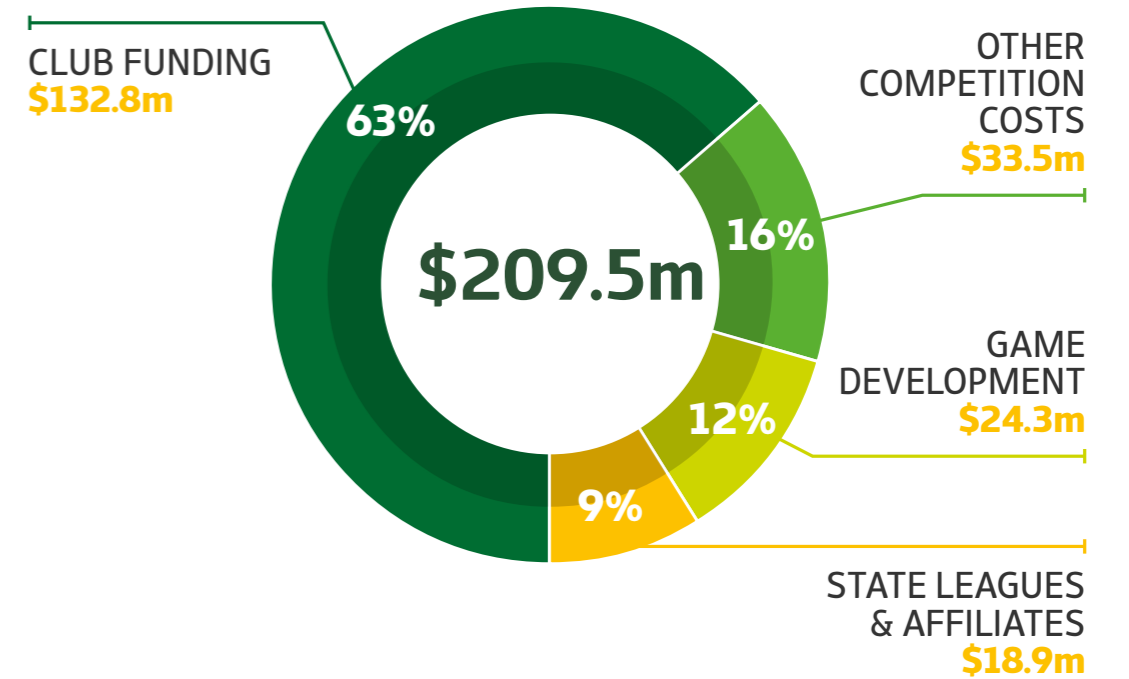
Statistics

In 2014 the NRL took ownership and direct control of the statistics generated as part of the game. As a result, the NRL reduced the cost paid by Clubs for statistics services, retaining \$1m in revenue and opened up new opportunities.

Other

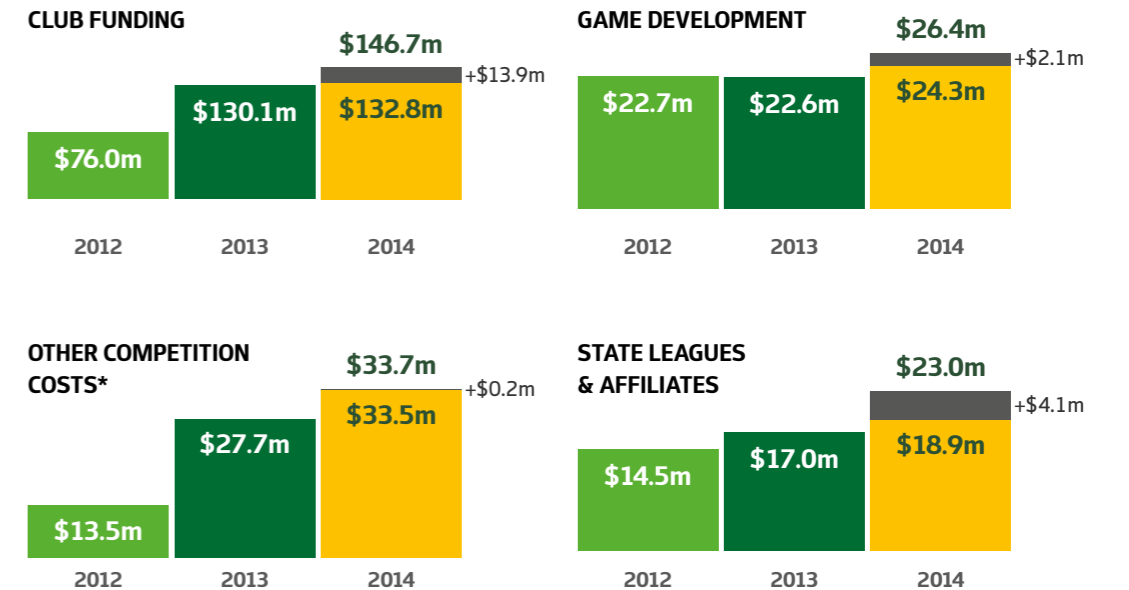
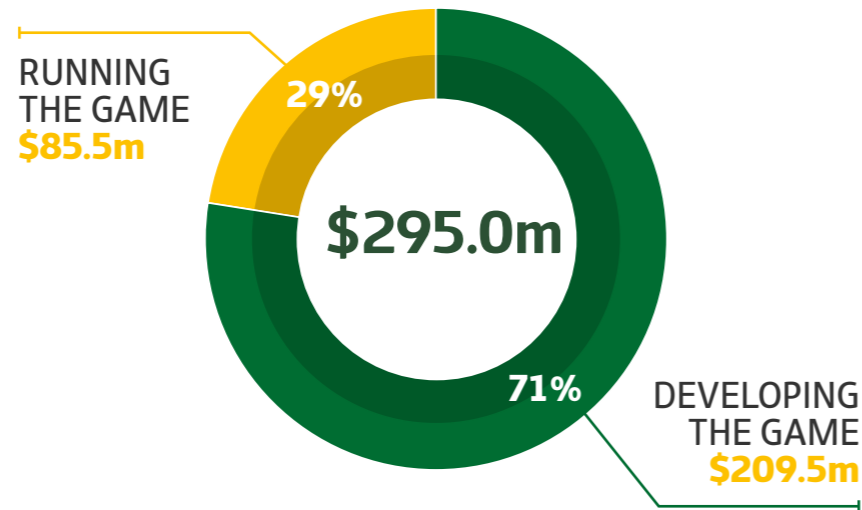
Non-Broadcast revenue includes support from state and federal government for our community focused initiatives, interest income, registration, course and accreditation fees.

OPERATING EXPENSES DEVELOPING THE GAME



OPERATING EXPENSES

Operating Expenses are incurred in developing and running the game. In addition to this expenditure, the operating surplus was utilised on growth initiatives and strategic priorities totalling \$28.1m. Information regarding these allocations can be found in the "Building A Stronger Game" section of this report.



*Includes Marketing Contra (2014: \$20.8m, 2013: \$17.0m, 2012: \$Nil)

Key: 2014 Growth Initiatives

CLUB FUNDING AND OTHER SUPPORT

12% ADDITIONAL FINANCIAL SUPPORT FOR CLUBS IN 2014

The biggest proportion of funding in developing the game is reserved for supporting the role of the 16 NRL Clubs which make up the NRL Telstra Premiership.

Included in the operating result for the year was participation grants and other support to Clubs of \$132.8m. In addition, a further allocation of \$13.9m of growth initiatives was directed for the benefit of Clubs.

Additional growth initiatives included an increase in participation grants of \$7.2m, as well as centrally resourced programs to increase membership revenues and to support game-day crowds.

The NRL Telstra Premiership is the cornerstone of our game's success, and given the need to ensure that all 16 Clubs are financially sustainable, the NRL also invested in a Club and State Services Unit to work directly with Clubs and strengthen the financial stability of the game.

Together, participation grants and other financial support to Clubs totalled \$146.7m.



STATE & AFFILIATE FUNDING INCREASED 35%

STATE LEAGUES AND AFFILIATED BODIES

State Leagues and Affiliates play a vital role in developing and running locally based competitions across the country. In 2014 there has been an increase of 35% (\$6m) in financial support for State Leagues and Affiliates.

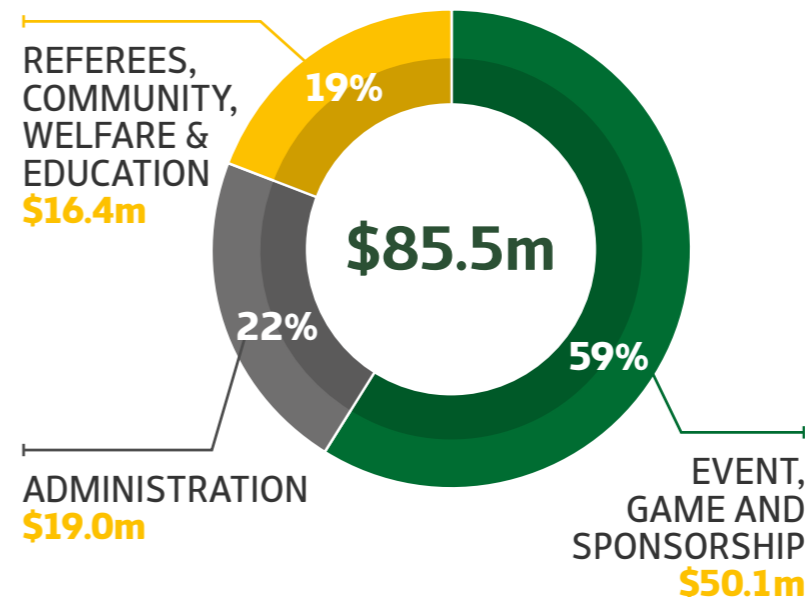
State Leagues and Affiliates are a key component of the game as they drive participation, build better player pathways to the NRL competition and develop broader community engagement.

GAME DEVELOPMENT AND COMPETITION COSTS

Significant work continues in relation to product expansion, pathways and participation from the grassroots to the NRL premiership level coordinated through an integrated game development model.

Additionally, funding has been provided to grow and improve the whole of game experience with initiatives to support ongoing program development in schools and first contact programs.

OPERATING EXPENSES RUNNING THE GAME



EVENT, GAME AND SPONSORSHIP

Contributing to the Operating Surplus are the significant and growing revenue streams being driven by the business, which are increasingly exceeding its cost to the organisation. Costs attributable to capturing revenue growth include our commercial arrangements with stadia, ticketing services, sponsorship servicing and major event day costs.

ADMINISTRATION

We continue to invest in our capabilities and governance frameworks to ensure integrity, accountability and transparency across the operations of the game.

To deliver on our target in the Game Plan we have strengthened our capabilities in key management areas.

We continue to invest in governance and integrity measures including national drug testing regimes, salary

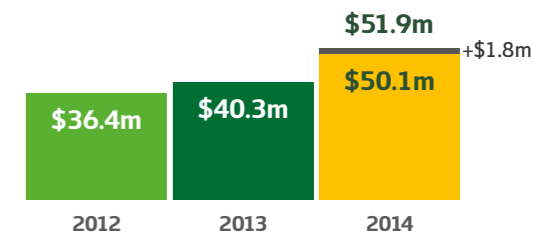
cap policing and enhancing NRL Rules enforcement, leveraging our prior year Integrity Unit investment.

REFEREES, COMMUNITY, WELFARE AND EDUCATION

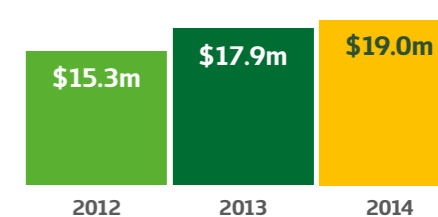
The NRL continues to be recognised nationally and internationally for making a difference in the community and enriching people's lives. We continue to invest in our welfare and education programs to deliver better health, education and social community outcomes - working closely with State and Federal government bodies across Australia and the Pacific Nations.

Another priority has been to support referees and their ongoing development to improve the quality of the game.

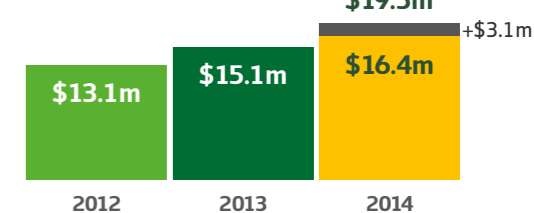
EVENT, GAME AND SPONSORSHIP



ADMINISTRATION



REFEREES, COMMUNITY, WELFARE AND EDUCATION



NOTE: STATUTORY CONSOLIDATED FINANCIAL STATEMENTS

Newcastle Knights

On 17 June 2014 the NRL, for no cash consideration, acquired the assets and liabilities of Newcastle Knights Pty Limited for \$0.8m with a net asset value of \$1.2m. The impact on the ARLC consolidated financial statements is a gain on acquisition of \$0.4m, additional revenues of \$6m and operating expenses of \$8m.

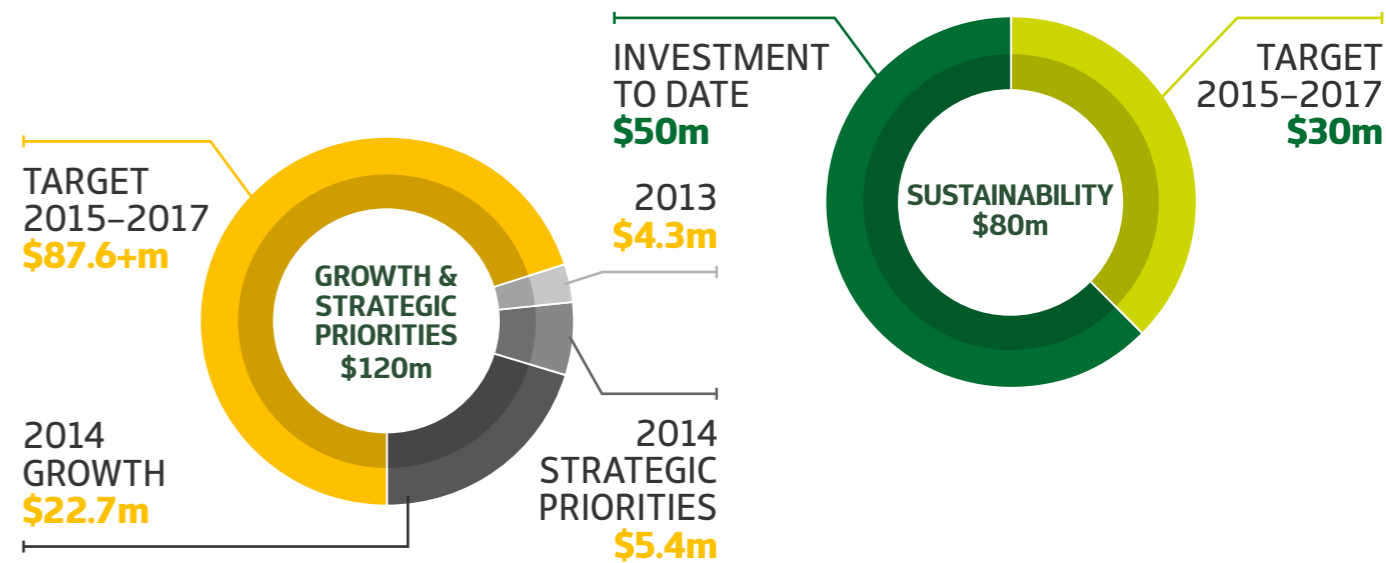
Net Surplus

In our consolidated financial statements, a net operating surplus of \$20.2m is disclosed. This is equal to the \$49.9m of funds available for investment, less the \$28.1m of utilised on growth initiatives and strategic priorities during 2014 and Newcastle Knights Rugby League contribution (\$1.6m loss).

BUILDING A STRONGER GAME



INVESTING IN GROWTH AND STRATEGIC PRIORITIES AND BUILDING A SUSTAINABILITY FUND



The operating surplus generated in the last two years has created an opportunity for the NRL to invest in immediate and long-term priorities, and allocate resources to achieve whole of game benefits. Upon its formation, the ARLC established a funding model to strategically invest to meet these priorities. The operating surplus utilised in 2014 totalled \$28.1m. The growth initiatives and strategic priorities include:

- 1. A Growth Fund designed to be invested in opportunities that provide both growth and financial returns across the game. Investments of \$22.7m in 2014 include:
 - » Significant increased funding to Clubs (\$9.1m) aimed at strengthening their financial position and operational capability, as well as the establishment of a central Club support function aimed at assisting Clubs with financial sustainability and commercial opportunities.

- » An additional investment (\$4.8m) to support Clubs in growing their membership base and game-day attendances — critical revenue sources to create sustainable Clubs. As a result, in 2014 the NRL reached all-time record membership levels of 254,000 members.
- » Increased levels of funding for State Leagues (\$4.1m), including investment in the NSW and QLD competitions to improve the quality of this important pathway for Rugby League players. The investment allowed for the establishment of an NRL State Championship Grand Final and implementation of minimum operational standards for state Clubs. The investment also includes funding to support the administrative capability of the governing state bodies for these competitions.

- » Stadia and Infrastructure investment (\$1.7m): The NRL invested in capability to support the strategic planning for new infrastructure development of both major stadia and Club and State-based infrastructure requirements. The NRL's priority is to see the game supported via world-class infrastructure including major stadia that meet the demands of the modern Rugby League fan and Club facilities that meet the needs of high performing Clubs and elite athletes.
- » Consolidation and investment in NRL Statistics – important intellectual property of the game that plays a critical role for coaches, players and the NRL in the analysis of on-field performance and identifying innovation and new commercialisation opportunities.

- » Implementation of the NRL's strategic alliance with Touch Football. In 2013 the NRL announced its strategic alliance with Touch Football and the implementation has commenced to grow the game by engaging new participants and potential fans.
- 2. Strategic Priorities: \$5.4m in 2014. Upon formation the ARLC made separate commitments from the funds available for investment to meet specific whole of game strategic priorities in areas of Community, Welfare and Education, and Game Development, including funding of:
 - » Men of League, to continue the important work undertaken to support our past players who may be facing difficult times.

- » A dedicated career coach for players at each Club. In 2014, support was also provided to help establish the RiseForAlex Fund.
- 3. A Sustainability Fund to build the financial reserves that support the future financial health and security of the game. The funds are to be invested in accordance with the ARLC's investment policy to meet a low-risk target return exceeding CPI. After a selection process, professional investment managers were appointed to provide the specific expertise and capabilities required to meet the return objectives. The objective is to build the Sustainability Fund to \$80m by 2017. In 2014, \$50m was allocated to the Fund.

By investing in a Sustainability Fund, new revenue streams and long-term strategic initiatives, the NRL has continued to strengthen its financial position with net assets up from \$20m in 2012 to over \$80m in 2014. This is a new era for the game where a strong and healthy balance sheet can provide the security, certainty and leverage opportunities the game needs to grow. The NRL's focus on lifting non-broadcast revenue will allow it to expand its financial base for an even stronger platform for the future.

CONCISE FINANCIALS



CORPORATE GOVERNANCE

The Commission, which is the Board of Directors of the Australian Rugby League Commission Limited (ARLC), is broadly responsible for ensuring that the people, culture, strategic plans and governance structures of the organisation are appropriate to achieve the vision and objectives of the game. The ARLC is a public, not-for-profit company, limited by guarantee. The members of the ARLC are the 16 NRL Clubs, the NSWRL, the QRL, and the eight Commissioners.

THE ROLE OF THE COMMISSION

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

- » Be the single controlling body and administrator of the game
- » Foster, develop, extend and provide adequate funding for the game from the junior to elite levels and generally to act in the best interests of the game
- » Liaise with and delegate appropriate functions to governing bodies of the game in the States and Territories of Australia, including the NSWRL and QRL
- » Organise and conduct all State of Origin and Australian representative games, recognising that the selection and management of the State of Origin teams representing New South Wales and Queensland shall be the responsibility of the NSWRL & the QRL
- » Organise and conduct the NRL competition
- » Liaise with the Rugby League International Federation Limited and organisations controlling the game in other countries in fostering and control of the game of Rugby League throughout the world

- » Promote and encourage either directly or indirectly the physical, cultural and intellectual welfare of young people in the community and, in particular, the Rugby League community
- » Promote and encourage either directly or indirectly sport and recreation, particularly Rugby League football, in the interests of the social welfare of young persons

Composition of the Commission

The Commission comprises eight persons who are not officers, or who have been for the last three years, or employees of an NRL Club, QRL, NSWRL, NRL, or any related body corporate of them. The Commissioners are classed in three groups. Each Commissioner in one of the Commissioner groups must retire from office each year, and is entitled to stand for re-election. Each year, the Commissioners elect one of their number as Chairman.

The current Commission is John Grant (Chairman), Catherine Harris AO, Dr Chris Sarra, Ian Elliot, Jeremy Sutcliffe, Wayne Pearce OAM, Graeme Samuel AC (appointed 1 November 2013) and Tony McGrath (appointed 8 July 2014). Peter Gregg resigned 24 February 2014.

Conflict of Interest

Prior to their appointment, a prospective Commissioner must demonstrate that they do not have any actual or potential conflicting interests with the ARLC or NRL. If in the opinion of the Commissioners the prospective appointee has a potential material conflicting interest, then that person must not be appointed a Commissioner.

Commission Committees

The Commission has established two Committees, the Risk, Investment and Audit Committee and the Workplace, Education, Culture and Remuneration Committee, to assist the Commission in the discharge of the Commissioners' roles and responsibilities. Other Committees may from time to time be established to deal with specific matters.

Relationship between the ARLC and NRL

The National Rugby League Limited (NRL) is a wholly owned subsidiary of the ARLC and the ARLC is the sole member of the NRL. The NRL Board comprises eight directors who are the eight Commissioners of the ARLC.

Chief Executive Officer

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

NRL Executive:

- » Dave Smith (CEO)
- » Suzanne Young (COO)
- » Peter Brown (CFO)
- » Adam Check (Head of Community)
- » Tony Crawford (Head of Club & State Services)
- » Todd Greenberg (Head of Football)
- » Sandy Olsen (Head of Media & Communications)
- » Lewis Pullen (Head of Marketing, Digital & Content)

DIRECTORS' REPORT

The Directors present their report for the Australian Rugby League Commission Limited ("ARLC" or "the Company") for the year ended 31 October 2014.

DIRECTORS

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

John Grant BEng (Chairman)

Mr Grant is the Managing Director of Data#3 Limited and a Director of the Australian Information Industry Association, Discovery Technology Pty Ltd and the Business Aspect Group.

Catherine Harris AO PSM BCom

Ms Harris is the Chairperson of Harris Farm Markets, a Director of the National Gallery of Australia, The Australian Ballet, The Australian School of Business and a Governor of The University of Notre Dame.

Dr Chris Sarra Dip Ed BEd MEd Ph.D EMPA

Dr Sarra is Founding Chairman of the Stronger Smarter Institute. Dr Sarra is the Chairman of the Workplace, Education, Culture and Remuneration Committee.

Ian Elliot

Mr Elliot is previous CEO & Chairman of George Patterson Advertising. Mr Elliot is a Director of Salmat Limited, Hills Limited and McMillan Shakespeare Group Limited and a Graduate of Harvard Business School Advanced Management Program.

Jeremy Sutcliffe LLB (Hons)

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

Wayne Pearce OAM BSc Dip Ed

Mr Pearce is a former Kangaroos Captain and Coach of the New South Wales Origin side who is a business consultant and Director of Wayne Pearce Advantage.

Graeme Samuel AC LLM (Appointed 1 November 2013)

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

Tony McGrath (Appointed 8 July 2014)

Mr McGrath is a former partner at KPMG and is the co-founder and Co-Chairman of McGrathNicol. Mr McGrath is a director of QBE Insurance (Australia) Limited, the National Foundation for Medical Research and Innovation as well as Special Olympics Australia.

Peter Gregg BEc (Resigned 24 February 2014)

Mr Gregg is a former Executive Director, Deputy Chief Executive Officer and the Chief Financial Officer of Leighton Holdings Limited.

COMPANY SECRETARY

Eleni North (General Counsel and Company Secretary). Ms North has been the Company Secretary of the Australian Rugby League Commission Limited and National Rugby League Limited since 13 August 2014. Prior to her appointment, Nick Weeks had been Company Secretary since 15 July 2013.

PRINCIPAL ACTIVITY

The principal activity of the Company during the course of the financial year was the fostering and propagation of the game of Rugby League Football throughout the States and Territories of Australia and internationally.

The short and long-term objectives of the Australian Rugby League Commission are to foster, develop, extend and adequately fund the game from grass roots to elite level; conduct State of Origin and Australian representative matches; organise, conduct and foster the NRL competition; liaise with the Rugby League International Federation on the international game and to promote and encourage sport, recreation and the general welfare of young people in the community. The success of the Company's performance of these objectives is indicated by the growing awareness and participation in Rugby League.

REVIEW OF OPERATIONS

The Group's operating surplus (comprising earnings before interest, tax, depreciation, amortisation and significant items) was \$50,667,932 (2013: \$51,749,575).

FINANCIAL RESULTS

The Group's net surplus was \$20,232,617 (2013: \$45,341,125). The net surplus includes significant items of \$28,141,127 (2013: \$4,307,690) relating to growth initiatives and strategic priorities for the game.

	NOTES	2014 \$	2013 \$
GROUP OPERATING SURPLUS		50,667,932	51,749,175
Significant Items	2(b)	(28,141,127)	(4,307,690)
Depreciation and Amortisation		(2,198,925)	(2,029,835)
Interest Expense		(95,263)	(70,525)
GROUP NET SURPLUS		20,232,617	45,341,125

BOARD MEETINGS

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

DIRECTORS	BOARD MEETINGS	
	Eligible to Attend	Attended
John Grant (Chairman)	11	11
Catherine Harris AO PSM	11	10
Dr Chris Sarra	11	10
Ian Elliot	11	10
Jeremy Sutcliffe	11	11
Wayne Pearce OAM	11	10
Graeme Samuel (appointed November 2013)	11	11
Tony McGrath (appointed July 2014)	4	4
Peter Gregg (resigned February 2014)	4	3

DIVIDENDS

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

SIGNIFICANT EVENTS AFTER THE YEAR END

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

LIKELY DEVELOPMENTS AND FUTURE RESULTS

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

ENVIRONMENTAL ISSUES

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

DIRECTORS INTERESTS AND BENEFITS

Since the end of the previous financial year, no Director of the Company has

received or become entitled to receive any benefit because of a contract made by the Company or a related body corporate with a Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial interest.

INDEMNIFICATION OF OFFICERS

The Group paid an insurance premium of \$94,069 (2013: \$96,439) in respect of a contract insuring the Directors of the Company named earlier in this report and each full-time executive officer, against liabilities and expenses arising as a result of work performed in their respective capacities, to the extent permitted by law, up to the policy limit.

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify the auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

MEMBERS' GUARANTEE

The Company is a company limited by guarantee. If the Company is wound up, the Articles of Association state that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the Company. At 31 October 2014 the number of members was 26 (2013: 26).

REGISTERED OFFICE

The registered office of Australian Rugby League Commission Limited is located at: Rugby League Central, Driver Avenue, Moore Park, NSW, Australia, 2021.

CORPORATE STRUCTURE

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

AUSTRALIAN RUGBY LEAGUE COMMISSION LIMITED – CONCISE FINANCIAL REPORT



Building a better working world.

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Fax: +61 2 9248 5999
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Auditor's Independence Declaration to the Directors of Australian Rugby League Commission Limited

In relation to our audit of the concise financial report of Australian Rugby League Commission Limited for the financial year ended 31 October 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of any applicable code of professional conduct.



Ernst & Young



Christopher George
Partner

Sydney
5 February 2015

Signed in accordance with a resolution of the Directors.



John Grant
Chairman



Graeme Samuel
Director
Sydney
5 February 2015

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

YEAR ENDED 31 OCTOBER	2014 (\$'000)	2013 (\$'000)
REVENUE		
Broadcast (note 2a)	225,818	221,345
Other Income (note 2a)	125,084	99,030
	350,902	320,375
EXPENSE		
Operating	(90,069)	(66,252)
Marketing and media	(41,120)	(32,069)
Administration	(19,892)	(17,942)
Community, Education and Welfare	(11,022)	(9,100)
Club participation grants	(117,883)	(113,600)
Other club support and assistance	(25,822)	(16,920)
States and Affiliates	(22,941)	(17,050)
Depreciation and amortisation	(2,199)	(2,030)
Interest expense	(95)	(71)
Gain on acquisition	373	—
	(330,670)	(275,034)
SURPLUS	20,232	45,341
Income tax	—	—
NET SURPLUS	20,232	45,341
Other Comprehensive Income for Period	—	—
Total Comprehensive Income for the Period Attributable to the members of ARLC Limited	20,232	45,341

DISCUSSION AND ANALYSIS OF THE STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

Consolidated net surplus decreased by \$25.1m to \$20.2m.

Consolidated revenue increased by \$30.5m to \$350.9m. The main reasons for this were:

- » An increase in Broadcast revenue of \$4.4m
- » An increase in Other income of \$26.1m

Other income made up of:

- » An increase in Game receipts totalling \$14.9m
- » An increase in Other income totalling \$4.6m
- » An increase in Sponsorship totalling \$3.0m
- » An increase in Merchandise program totalling \$2.4m
- » An increase in Government incentives totalling \$1.1m

Consolidated expenditure increased by \$55.6m to \$330.7m. The main reasons for this were:

- » An increase in Operating of \$23.8m
- » An increase in Other club support and assistance of \$8.9m
- » An increase in Marketing and media of \$9.1m
- » An increase in States and affiliates of \$5.9m
- » An increase in Club participation grants of \$4.3m
- » An increase in Administration of \$2.0m
- » An increase in Community, education and welfare of \$1.9m

The accompanying notes form an integral part of this Statement of Consolidated Comprehensive Income.

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

YEAR ENDED 31 OCTOBER	2014 (\$'000)	2013 (\$'000)
CURRENT ASSETS		
Cash and cash equivalents	66,348	117,066
Trade receivables	19,163	18,181
Financial Assets	38,967	—
Prepayments and other receivables	35,497	14,771
Inventory	119	436
TOTAL CURRENT ASSETS	160,094	150,454
NON-CURRENT ASSETS		
Intangibles	1,072	396
Property, plant and equipment	20,142	21,540
Other receivables	18,292	15,684
TOTAL NON-CURRENT ASSETS	39,506	37,620
TOTAL ASSETS	199,600	188,074
CURRENT LIABILITIES		
Trade payables	8,339	11,938
Other payables	87,089	84,850
Provisions	5,017	3,875
TOTAL CURRENT LIABILITIES	100,445	100,663
NON-CURRENT LIABILITIES		
Payables	13,492	22,120
Provisions	740	600
TOTAL NON-CURRENT LIABILITIES	14,232	22,720
TOTAL LIABILITIES	114,677	123,383
NET ASSETS	84,923	64,691
EQUITY		
Reserves	2,228	2,228
Retained surplus	82,695	62,463
TOTAL EQUITY	84,923	64,691

DISCUSSION AND ANALYSIS OF THE STATEMENT OF CONSOLIDATED FINANCIAL POSITION

Consolidated total assets increased by \$11.5m to \$199.6m. The movement in total assets principally comprised:

- » An increase in prepayments and other receivables of \$23.3m
- » An increase in financial assets of \$39.0m
- » A decrease in cash and cash equivalents of \$50.7m

Consolidated total liabilities decreased by \$8.7m to \$114.7m. The movement in total liabilities principally comprised:

- » A decrease in payables (non-current) of \$8.6m
- » A decrease in trade payables of \$3.6m
- » An increase in other payables of \$2.2m

The accompanying notes form an integral part of this Statement of Consolidated Financial Position.

STATEMENT OF CONSOLIDATED CASH FLOWS

YEAR ENDED 31 OCTOBER	2014 (\$'000)	2013 (\$'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Revenue from ordinary operations	333,995	365,558
Payments to suppliers and employees	(187,113)	(158,375)
Club participation grants	(130,633)	(113,600)
Other club support and assistance	(29,650)	(17,118)
Interest received	2,845	2,821
Interest paid	—	(71)
NET CASH FLOWS FROM OPERATING ACTIVITIES	(10,556)	79,215
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property plant and equipment	(557)	(1,375)
Payments for intangibles	(841)	(436)
Issue of loans and cash advances	(7,880)	(4,046)
Proceeds from loans and cash advances	—	112
Investment in financial instruments	(38,211)	—
Cash transferred on acquisition of Newcastle Knights	7,327	—
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(40,162)	(5,745)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(50,718)	73,470
CASH AT THE BEGINNING OF THE PERIOD	117,066	43,596
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	66,348	117,066

DISCUSSION AND ANALYSIS OF THE STATEMENT OF CONSOLIDATED CASH FLOWS

There was a net decrease in cash holdings of the consolidated entity, during the year, totalling \$50.7m.

The major reason for the decrease in cash during the year was:

- » Club participation grants \$130.6m
- » Investment in financial instruments \$38.2m
- » Other Club support and assistance \$29.7m
- » Issue of loans and cash advances \$7.9m
- » Payments for intangibles \$0.8m
- » Payments for property plant and equipment \$0.6m

Offsetting this was receipts during the year being:

- » Funds provided by ordinary operations less payment to suppliers and employees totalling \$146.9m
- » Acquisition of Newcastle Knights \$7.3m
- » Interest received \$2.9m

The accompanying notes form an integral part of this Statement of Consolidated Cash Flows.

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

YEAR ENDED 31 OCTOBER 2014	Reserves (\$'000)	Retained Surplus (\$'000)	Total (\$'000)
AS AT 1 NOVEMBER 2013	2,228	62,463	64,691
Surplus for the year	—	20,232	20,232
As at 31 October 2014	2,228	82,695	84,923

YEAR ENDED 31 OCTOBER 2013	Reserves (\$'000)	Retained (\$'000)	Total (\$'000)
AS AT 1 NOVEMBER 2012	2,228	17,122	19,350
Surplus for the year	—	45,341	45,341
As at 31 October 2013	2,228	62,463	64,691

The accompanying notes form an integral part of this Statement of Consolidated Changes in Equity.

NOTES TO THE CONCISE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2014

1. BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

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

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

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

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

NOTES	2014 (\$'000)	2013 (\$'000)
2A. REVENUE		
Broadcast revenue	225,818	221,345
OTHER INCOME		
Game receipts	51,390	36,473
Sponsorship	28,678	25,637
Government incentives	10,906	9,781
Digital revenue	5,008	5,029
Financing income	2,845	2,803
Merchandise program	13,039	10,649
Other Income	13,218	8,658
TOTAL OTHER INCOME	125,084	99,030
TOTAL REVENUE	350,902	320,375
2B. SIGNIFICANT ITEMS		
The following items are included in the Net Surplus.		
Club grants, support and assistance	13,920	332
State competitions and capability	4,114	—
Community, Education and Welfare	3,077	1,431
Other strategic priorities and growth initiatives	7,030	2,545
TOTAL SIGNIFICANT ITEMS	28,141	4,308

2. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

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

AUSTRALIAN RUGBY LEAGUE COMMISSION LIMITED— CONCISE FINANCIAL REPORT

Directors' Declaration

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

In the opinion of the directors:

- (a) the financial statements and notes of the Company has been prepared in accordance with AASB 1039 Concise Financial Reports; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board


John Grant
Chairman


Graeme Samuel
Director

Sydney
5 February 2015

INDEPENDENT AUDITOR'S REPORT TO THE ARLC LTD MEMBERS

REPORT ON THE CONCISE FINANCIAL REPORT

We have audited the accompanying concise financial report of Australian Rugby League Commission Limited which comprises the statement of consolidated financial position as at 31 October 2014, the statement of consolidated comprehensive income, the statement of consolidated changes in equity and the statement of consolidated cash flows for the year then ended and related notes, derived from the audited financial report of Australian Rugby League Limited for the year ended 31 October 2014. The concise financial report also includes discussion and analysis and the directors' declaration. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

DIRECTORS' RESPONSIBILITY FOR THE CONCISE FINANCIAL REPORT

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with ASA 810 Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Australian Rugby League Commission Limited for the year ended 31 October 2014. We expressed an unmodified audit opinion on the financial report in our report dated 5 February 2015. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report for the year is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the concise financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls.

Our procedures included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of audit evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with the requirements laid down in AASB 1039 *Concise Financial Reports*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENCE

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



Opinion

In our opinion, the concise financial report (including the discussion and analysis and the directors' declaration) of Australian Rugby League Commission Limited for the year ended 31 October 2014 complies with Accounting Standard AASB 1039 *Concise Financial Reports*.

Ernst & Young

Christopher George
Partner

Sydney
5 February 2015



MESSAGE FROM THE AUSTRALIAN SPORTS COMMISSION

It has been another significant year for the Australian Sports Commission and the sports network as we continue working together to encourage all Australians to experience the joy of sport.

The sporting field is where friendships are formed, life skills are learned and heroes are made – and this is why in 2013–14 the Australian Government invested almost \$120m in our national sporting organisations despite a challenging economic environment.

In the past year the ASC has worked with sports to reform their governance structures and develop strategic and commercial capabilities. The ASC is determined to create better businesses – ones that will thrive in the years ahead – and we are leading the way with a lean and agile operating model and ongoing commitment to our own good governance.

One of the highlights of 2013–14 was the Australian Government's announcement of the Sporting Schools program. This \$100m program, which builds upon the successful Active After-school Communities program, will commence in 2015 and reach more than 850,000 children. It will allow the sports to boost their participation numbers and is a significant endorsement of the importance of community sport to the Government.

OTHER HIGHLIGHTS IN 2013–14 HAVE INCLUDED:

- » Community Coaching General Principles - a free online training course that provides coaches with the basic skills they need
- » Grants programs - a number of national grant programs were delivered to improve the participation of people from under-represented groups

The ASC also continues to pursue success on the world stage – both in Olympic and non-Olympic sports – to deliver Australians the exceptional performances they crave.

There have been few periods in Australia's sporting history filled with so much activity or promise, and on behalf of the ASC I thank you for your hard work and support. You continue to prove your capacity to succeed in an ever-changing sporting landscape, and I look forward to working with you in the future.

JOHN WYLIE AM
Chairman,
Australian Sports Commission

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



