

MELBOURNE CRICKET CLUB



Annual Report 2010/11
Melbourne Cricket Club





President's Report

PAUL SHEAHAN, PRESIDENT

It is my pleasure to report to members for the first time as president of our club.

I begin by paying tribute to my predecessor, David Meiklejohn, who stepped down in February this year after a highly successful four-year reign.

David joined the committee in 1987, the same year as I did, and progressed to the treasury, then vice-presidency before his presidency, and I feel sure that he can look back on his time at the top with no small measure of pride.

His hand is quite visible in the redevelopment of the northern side of the ground (including the Members Reserve) and, importantly, in the successful signing of long-term agreements with Cricket Victoria and the Australian Football League. In addition, he initiated arrangements for the ground-breaking water recycling facility in Yarra Park and "professionalising" the process of committee succession.

All of this without ever losing sight of the membership and its needs.

History will justifiably judge David Meiklejohn kindly for the meticulous manner in which he went about things and for the considerable improvements to club facilities.

Mention must also be made of the tireless way in which his wife, Wendy, took on the responsibility of making guests feel so welcome in the Committee Room and at the club generally.

Turning to club matters particularly, I can report that the MCC is in a sound financial position and it can look to the future with confidence. The year yielded strong attendances at football matches and what little international cricket was staged at the ground played to generous crowds.

The 2010 AFL Grand Final was played at the 'G, this time between a resurgent Collingwood and a St Kilda team that might well have seen its best days in this chapter of their history.

For Collingwood, a proud MCC tenant, it was an opportunity to celebrate a premiership that has not been theirs for 20 years, although they first had to survive a heart-stopping drawn match before emerging triumphant in the replay. I congratulate president Eddie McGuire and everyone at Collingwood on their success.

The stadium was presented in spectacular fashion and spectators and television viewers alike were impressed. The arena was in excellent shape and for this I congratulate Cameron Hodgkins and his team for their fine work throughout the season.

Within the sporting sections there has been success, too. The MCC Third XI



won the Premier Cricket premiership, while our baseball men won their way back into the main competition with a dominant performance in winning the Division 2 pennant.

Work has begun on the water recycling facility in Yarra Park and this will not only supply a large measure of the requirements for the MCG and its operations, it will also provide the Punt Road Oval with a significant proportion of its annual requirement.

The recycling facility is an important element of our environment management plan and will ensure that we do what we can to allow this beautiful parkland to thrive long into the future. The process undertaken to reach this point has been long and challenging, but we are now in a position to implement a landscape upgrade and other features of our Yarra Park Master Plan. I thank the State Government of Victoria for their financial assistance with the project and their support for this important initiative.

The other major project to begin in this calendar year is the refurbishment of the Great Southern Stand. This work will afford more efficient use of that part of the ground and will also provide patrons with facilities that match those on the northern side of the ground. Work begins immediately after this year's grand final and should be completed by the start of the 2013 AFL season.

My committee colleagues invest an enormous amount of time in consideration of club issues, and I thank them sincerely for a wonderful contribution. Two particularly

ABOVE: The MCC Members Reserve was packed to the rafters for the 2010 AFL Grand Final, as 100,016 people witnessed the first drawn grand final since 1977.

long-serving committee members departed this year — Bob Lloyd and Peter Mitchell.

Bob joined the committee in 1987, rising to the rank of vice-president, and Peter in 1983. Peter was chairman of the Sporting Sections for the past eight years. Both of them made splendid contributions in their own individual ways and the club is in their debt for what they gave.

I extend my thanks to the MCG Trust, under the chairmanship of John Wylie, now in his 13th year of heading the body charged by the State Government with the oversight of the ground.

I also thank MCC CEO, Stephen Gough, for the consummate way in which he manages the affairs of the club, both on a membership level and when representing the club in the local, national and international communities. He and his staff are true professionals and the fact that events run so smoothly is due largely not only to the quality of the CEO and his staff but also their dedication to the task.

Each year presents its challenges. No doubt the coming year will continue to keep us on our toes but that is a prospect that excites us all, as we strive to become the best sports stadium and sporting club in the world.

Paul Sheahan



MCC Committee 2010/11



PAUL SHEAHAN
PRESIDENT

Joined the committee in 1987. Elected vice-president in 2003 and president in 2011. Chairman of the Executive Sub-committee and ex-officio of all other sub-committees. A director of the MCC Foundation and the National Sports Museum Ltd.



PETER DAKIN

Joined the committee in 2003. A member of the Cricket, Ground and Finance & Audit sub-committees, a director of the MCC Foundation and a member of the National Sports Museum Advisory Board. Chairman of the MCC Sporting Sections.



DAVID CRAWFORD AO
VICE-PRESIDENT

Joined the committee in 1997. Elected treasurer in 2001 and vice-president in 2009. Chairman of the Ground Sub-committee. Joint Steering Committee chairman for Yarra Park and Great Southern Stand projects. A member of the Executive, Finance & Audit sub-committees and a director of the MCC Foundation and the National Sports Museum Ltd.



WILL FOWLES

Joined the committee in 2005. A member of the Club, Finance & Audit and MCC Foundation sub-committees and a director of the MCC Foundation.



STEVEN SMITH
VICE-PRESIDENT

Joined the committee in 1998. Elected vice-president in 2011. Chairman of the Club Sub-committee and a director of the MCC Foundation and National Sports Museum Ltd. A former 200-game Melbourne Football Club player.



JANE NATHAN

Joined the committee in 2004. A member of the Ground and MCC Foundation sub-committees and a director of the MCC Foundation.



STEPHEN SPARGO
VICE-PRESIDENT

Joined the committee in 2000. Elected vice-president in 2011. Chairman of the MCC Foundation Sub-committee, a member of the Finance & Audit Sub-committee and a director of the MCC Foundation and National Sports Museum Ltd.



KAREN WOOD

Joined the committee in 2009. A member of the Club Sub-committee and a director of the MCC Foundation.



MICHAEL ANDREW
TREASURER

Joined the committee in April 2007. Elected treasurer in 2009. Chairman of the Finance & Audit Sub-committee and a member of the MCC Foundation Sub-committee. Chairman of the National Sports Museum Advisory Board and a director of the MCC Foundation and the National Sports Museum Ltd.



TED YENCKEN

Joined the committee in 2001. A member of the Ground Sub-committee and the Joint Steering Committee for Yarra Park and Great Southern Stand projects. A director of the MCC Foundation.



DAVID CROW

Joined the committee in 1993. Chairman of the Cricket Sub-committee and a member of the Club, Finance & Audit and MCC Foundation sub-committees. A director of the MCC Foundation.



MICHAEL HAPPELL was appointed to the committee on May 10, 2011 to fill the casual vacancy created by the retirement of David Meiklejohn. A member of the Finance & Audit Sub-committee and a director of the MCC Foundation.

NOTES

DAVID MEIKLEJOHN AM retired as president and vacated the committee on February 17, 2011.

BOB LLOYD retired as vice-president and vacated the committee on March 15, 2011.

PETER MITCHELL retired and vacated the committee on June 6, 2011.

MCC Senior Management



STEPHEN GOUGH
CHIEF EXECUTIVE OFFICER

Overall responsibility for the delivery of the strategic plan and day-to-day operation of the club, MCG, National Sports Museum and Yarra Park via his senior management team. Reports to the MCC Committee and MCG Trust.



SCOTT BUTLER
**GENERAL MANAGER,
MEMBER AND CUSTOMER SERVICES**

Responsible for activities relating to MCC membership and club life, including functions, database management, customer service, event delivery and the club's cricket, sporting sections and special interest groups. Oversees the organisation's communications plan, main customer interface and delivery of the Affinity membership system project. Manages activities associated with the MCC Foundation.



TREVOR DOHNT
**GENERAL MANAGER,
EVENT OPERATIONS**

Responsible for the planning and delivery of all major events staged at the MCG and to liaise and negotiate with existing and potential venue hirers. A member of the Great Southern Stand refurbishment project team and Yarra Park project team.



CLIVE DRISCOLL
**GENERAL MANAGER,
FINANCE AND INFORMATION SYSTEMS**

Administers the finances of the club's entities, including reporting, performance management, investment, compliance and debt management. Delivers and maintains IT systems and network technology for the business.



PETER FRENCH
ASSISTANT TO CHIEF EXECUTIVE OFFICER

Acts as an internal resource to the president, committee and chief executive officer on various projects and plans as required.



GERARD GRIFFIN
**EXECUTIVE MANAGER,
PROJECTS AND STRATEGY**

Responsible for the management of key projects, including the Great Southern Stand refurbishment and stadium theming and branding strategy. Co-ordinates the strategic planning process, including the club's annual business plan and risk assessment system, as well as business improvement and analysis. Member of Destination MCG project team.



REBECCA HARVEY
**EXECUTIVE MANAGER,
HOSPITALITY**

Works with the club's hospitality provider to review the food and beverage offerings throughout the MCG. Investigates opportunities to ensure the MCG provides innovative and quality products, as well as developing the venue's function business. Member of Destination MCG project team.



MARGARET BIRTLEY
**GENERAL MANAGER,
HERITAGE AND TOURISM**

Oversees operation of the National Sports Museum and MCG Tours, key elements of the Destination MCG initiative, as well as the MCC Museum, MCC Library and MCC Archives. Responsible for the heritage collections owned by the club, National Sports Museum and MCG Trust.



KATHRYN PILE
**GENERAL MANAGER,
HUMAN RESOURCES**

Ensures that the MCC has a comprehensive and effective human resources system, including safety management, that supports the club's business plan objectives.



LISA TRAINOR
**GENERAL MANAGER,
COMMERCIAL OPERATIONS**

Responsible for the MCG's marketing initiatives, including corporate sales, business development, advertising, merchandise and commercial arrangements with sponsors and suppliers. A member of the Destination MCG and Yarra Park project teams.



TONY WARE
**EXECUTIVE MANAGER,
ENVIRONMENT AND TURF DEVELOPMENT**

Responsible for the strategic initiative relating to environmental responsibility, including delivery of a water recycling facility to Yarra Park and reducing the stadium's carbon footprint, and developing long-term solutions for the maintenance of the MCG playing surface.



PETER WEARNE
**GENERAL MANAGER,
FACILITIES**

Responsible for the strategic and operational performance of the built assets at the MCG and other MCC-managed sites, including building services, security and turf management. A member of the Great Southern Stand refurbishment project and Yarra Park project teams.



Chief Executive's Report

STEPHEN GOUGH, CEO

Two grand finals, an Ashes Boxing Day Test, strong attendances and a thriving club life were just some of the many features of 2010/11 for the Melbourne Cricket Club. It is my pleasure to outline here our key achievements and challenges during that time.

AFL

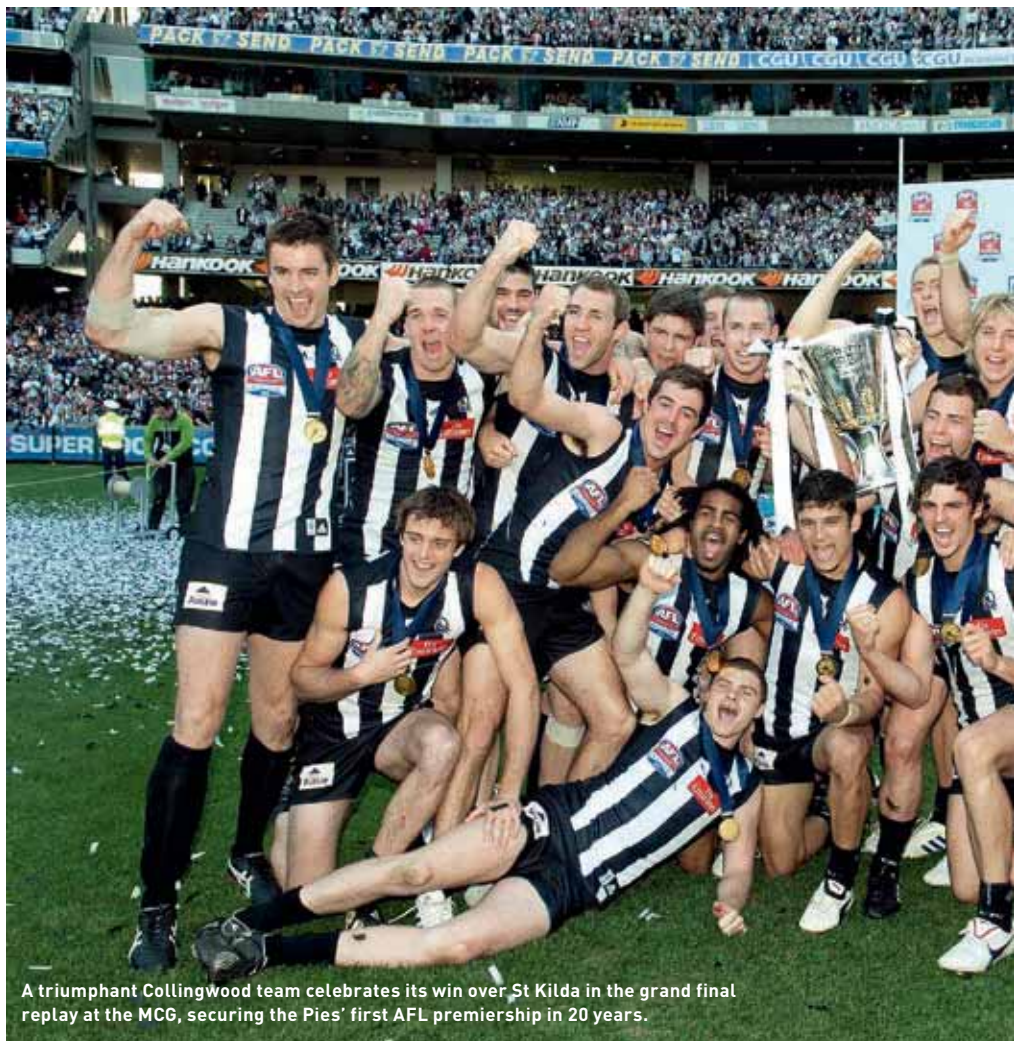
The 2010 AFL season proved to be very successful for the MCG. The ground's 47 home and away matches attracted 2,515,421 people through the turnstiles at an average of 53,519 per game. This represented a nine per cent increase on the previous season. In addition, the MCG hosted the 25 best-attended home and away matches, thanks predominantly to the strong form of many Victorian-based clubs.

For the first time since 1977, the AFL Grand Final produced a drawn match, with Collingwood and St Kilda tying in a gripping affair watched by 100,016. It was just the second time in 25 years that the ground had broken the 100,000 attendance mark.

The draw meant the premiership would be contested again the following Saturday afternoon, representing a massive logistical exercise for all involved. It is a credit to the AFL, both clubs, our own staff, particularly the event management team, and our key suppliers/partners that the grand final replay was conducted smoothly.

We congratulate Collingwood on its emphatic triumph in the replay, before a lower-than-expected crowd of 93,853. The club was some 3900 people short of capacity in the Reserve, which was a disappointing outcome but one we feel can be attributed to the anomaly of a grand final replay. We will review our arrangements in the Reserve to deal with a similar scenario in future.

The replay meant the MCG hosted eight finals (including two grand finals), allowing the ground to record a total attendance for the season of 3,082,334. It was the first time the MCG has reached this milestone since 1998. This resulted in AFL clubs receiving



A triumphant Collingwood team celebrates its win over St Kilda in the grand final replay at the MCG, securing the Pies' first AFL premiership in 20 years.

an additional financial bonus in line with the agreement reached between the MCC and AFL in 2009.

CRICKET

The MCG hosted the Boxing Day Test, a Twenty20 international and two one-day internationals in the 2010/11 cricket season, attracting 352,189 patrons at an average of 50,312 per day.

The marquee event of the summer was the much-anticipated Boxing Day Test between Australia and England. With the series tied at one-all, hopes were high that the world record crowd for a single day of Test cricket (90,800) would be toppled.

While this didn't eventuate, the 84,384 who attended the opening day saw a dominance from England not seen by a visiting team in many a long year. Australia was bundled out for 98 and when England cruised to 0/157 at stumps the Ashes were destined to remain in the Old Dart.

Despite the lopsided contest, more than 240,000 people witnessed the three-and-a-half

Highest AFL home and away attendances at the MCG in 2010

ATTENDANCE	MATCH	DATE
90,070	Collingwood v Essendon	April 25
88,115	Collingwood v Geelong Cats	May 21
84,401	Geelong Cats v Collingwood	August 7
81,386	Collingwood v St Kilda	July 17
80,645	Carlton v Collingwood	May 2
76,980	Collingwood v Carlton	July 31
76,218	Hawthorn v Collingwood	August 28
72,010	Richmond v Carlton	March 25
71,399	Carlton v Geelong	April 26
71,006	Carlton v Essendon	April 10



days of Test action. This was the second-highest MCG Test crowd since 1982/83.

Australia also played two 50-over contests at the MCG, against Sri Lanka and England, as well as a Twenty20 international clash with England which attracted 58,846 fans.

The Victorian Bushrangers hosted three matches of the Twenty20 Big Bash competition at the MCG in January, with total attendances of almost 50,000. We hope there will be much interest in the new Big Bash League that commences in December 2011, with two teams based in Melbourne as part of an eight-team competition.

OTHER EVENTS

The MCG hosted an international football match between the Socceroos and New Zealand on May 24, 2010. A crowd of 55,659 farewelled the home team before their disappointing World Cup campaign in South Africa.



Shane Watson's match winning 161 not out in a one-day international against England was one of few highlights for the home team last summer.



The first ball of the 2010 Boxing Day Test, which was attended by almost 85,000 fans.



RIGHT: A view over Melbourne, with the MCG/ Yarra Park precinct in all its glory.

OPPOSITE TOP: The Young Members' Anzac Ball has become a feature event on the functions calendar.

OPPOSITE BELOW: Geoff Miller in full stride at the Members' Dinner in December.

OPERATING RESULTS

The club recorded a net profit for the financial year ending March 31, 2011 of \$11.529 million, which included a government grant of \$8 million for the Great Southern Stand.

We continue to meet our obligations with respect to the MCG's redevelopment debt, which stands at \$293 million. The treasurer, Michael Andrew, will speak in detail to the financial report at the Annual General Meeting.

AUSTRALIA POST AVENUE OF LEGENDS

During the year the club reached agreement with Australia Post to commission further statues within the MCG/Yarra Park precinct.

The Australia Post Avenue of Legends project will see a minimum of one statue annually placed in Yarra Park for the next five years, extending from the Gate 2 MCC members' entrance up the avenue towards Wellington Parade.

The first two statue subjects have been announced, with cricketer Shane Warne and legendary VFL player and coach Norm Smith set to appear during the next 12-18 months. Further announcements will be made in due course.

We are delighted to partner Australia Post in this initiative to further preserve and celebrate our rich sporting heritage.

YARRA PARK

As has been noted previously, the club was granted the responsibility of day-to-day management of Yarra Park on March 15, 2010 through a change in legislation.

Our long-term objective is to greatly improve the parkland and permanently protect it from drought. To that end, the Yarra Park Master Plan has been developed and approved. The key element of the project is an \$18 million underground water recycling facility, located in the park to the north of the members' entrance. A further \$6 million from the State Government of Victoria is to be spent within Yarra Park in the coming years as part of the master plan.

Construction of this recycling facility commenced in June 2011 and is scheduled for completion in April 2012. It will provide 180 million litres of non-potable water annually, sufficient for a revitalised Yarra Park and a significant reduction in the MCG's water usage.

The master plan will also see the re-establishment of avenues of trees and the introduction of tree protection measures, selected tree planting and additional mulching, new garden beds, lawn upgrades, playground improvements and new pedestrian paths.

GREAT SOUTHERN STAND

During the year the club completed a feasibility study for a refurbishment of the



Great Southern Stand, the result of which led to our commitment to a \$55 million upgrade. The MCC will contribute \$30 million and the State Government of Victoria \$25 million.

The project will commence in October 2011 after the AFL Grand Final. The works will include improved entry points to the ground, upgrades to food and beverage areas and refurbishment of function and dining rooms for greater patron comfort.

At the time of writing, the tender process had commenced for a building contractor. It is expected that the project will be completed prior to the 2013 AFL season.

MCC MEMBERSHIP

Membership intake

The election of Full members in July 2010 comprised candidates on the waiting list nominated from October 1, 1988 to December 31, 1988.

Waiting list candidates nominated from February 1, 1995 to May 31, 1995 inclusive were offered Restricted or Restricted Junior membership, while those nominated prior to February 1, 1995 and who turned 15 years of age prior to September 1, 2010 were offered Restricted Junior membership.

The development of a new membership database system is currently in progress, which will significantly enhance our data collection, management and service to members. This project will run over two years.

Members by category at August 31, 2010

Full	61,180
Restricted	40,329
Total	101,509
Waiting List	205,732

Functions

The club again held a number of entertaining functions for members and guests. These included induction functions for new members, a football season launch, luncheons for our volunteers and 50-year members, a Members' Dinner and a Brownlow Medal night with the Coodabeen Champions.

Former Test all-rounder and current England chairman of selectors Geoff Miller was a thoroughly entertaining speaker at the Members' Dinner in December. His self-deprecating humour and passion for the game had many nominating it as one of the finest after-dinner addresses seen at the club in recent years. Geoff was well supported by Cricket Australia CEO James Sutherland who proposed the toast to cricket.

In addition to the annual functions offering, several new events were added to the schedule, with the most prominent of these

the inaugural Norm Smith Oration on June 7, 2011. In what will be an annual, high-class football function inspired by Smith's legacy, former Melbourne captain Garry Lyon and media doyen Tony Charlton excelled in their speaking roles.

MCC Cricket

The club continued to develop and produce first-class cricketers. In addition to the consistent performances of Brad Hodge (Ryobi Cup Player of the Year) and Andrew McDonald (Sheffield Shield Team of the Year), batsman Michael Hill scored his maiden first-class century for Victoria against England at the MCG.

Talented teenage all-rounder Alex Keath made his debut in the aforementioned match, while Sebastian Gotch represented the Australian Under 19 team in a series against the West Indies in Dubai in April, 2011.

The MCC's Third XI won its sixth Premier Cricket premiership in 11 years to provide the club with its only title for the summer.

Sporting Sections/Special Interest Groups

The club's Sporting Sections — baseball, bowls, croquet, football, golf, hockey, lacrosse, real tennis, target shooting, squash and tennis — produced many commendable performances during the year.

The club's website and individual section websites record these in detail, but the MCC Baseball Section men's first nine deserves special mention after sealing promotion to Division 1 by taking out the Division 2 premiership in March.

The club's special interest groups — Bridge Club, Long Room Wine and Food Society, War Veterans Group, Women of MCC, XXIX Club and Young Members Club — continue to prosper. We encourage our members to become involved with the various activities undertaken by these groups.

Reciprocal club visits

The club hosted reciprocal counterpart Hong Kong Cricket Club in a six-sport competition from January 30 to February 5 this year. The clubs competed in cricket, squash, golf, tennis, hockey and netball, as well as attending a dinner hosted by MCC in the Members Dining Room.

The MCC paid a return visit in April when our cricketers and golfers helped Hong Kong CC celebrate its 160th birthday.

The club also hosted a contingent of Marylebone Cricket Club sportsmen visiting Australia as part of the Ashes Test series. The local MCC played the visitors at cricket, golf and real tennis.

HERITAGE

Home to Australia's premier repository of sports-related collections, including those of the Australian Gallery of Sport and Olympic Museum, the activities of the National Sports Museum (NSM) complement those of the club's museum, library and archives.

In its third year of operation, the NSM and MCG Tours combined for a visitation of more than 140,000 people.



Pictures: The new horse racing gallery at the National Sports Museum is alive with items from the fascinating history of the turf.



The major highlight of the year was the opening in October 2010 of Champions – Thoroughbred Racing Gallery. This gallery is the result of an ongoing funding agreement between the NSM and the Australian Racing Museum (ARM). It incorporates exhibitions curated from the ARM's collections, plus the Australian Racing Hall of Fame. We are delighted to welcome racing into the NSM.

The NSM's program of temporary exhibitions and displays continued to provide additional and timely attractions for visitors. In the ISS Exhibitions Gallery, the program featured motor sport, soccer, Australian football and the clashes between English and Australian cricket teams since 1861.

Focus cases displayed rock climbing and mountaineering, the 30th anniversary of the founding of the Australian Institute of Sport and new acquisitions. Annual updates were unveiled in relation to the Australian Football Hall of Fame, Sport Australia Hall of Fame and Australian Cricket Hall of Fame, while a major redesign of the boxing showcase introduced a digital representation of the Australian National Boxing Hall of Fame.

Holiday programs were delivered in partnership with Cadbury, providing activities

and athlete appearances for children of all ages to enjoy during the school holiday period. The museum also co-ordinated a successful MCG Community Day on October 3, 2010.

Artists Kate Daw and Stewart Russell completed their National Sports Museum Basil Sellers Creative Arts Fellowship and donated a work of art arising from their 2009/2010 fellowship project. Ms Ponch Hawkes, a Melbourne photographer, has been selected as the 2011/12 Basil Sellers fellow. We thank Basil Sellers for his continued support of sport and art, especially at the NSM.

New sponsors this year were ISS and Cadbury, and their involvement is gratefully acknowledged. The NSM entered into a second sponsorship with United Group Limited (UGL) whereby UGL sponsored the Great Netball Shootout. The support of these partners and the museum's foundation sponsors Coca-Cola and Spotless has been appreciated, as is the continuing commitment shown by the Herald and Weekly Times, Ticketek, the AFL and its broadcast partners.

MCC Library exhibitions during the year featured Richie Benaud's writings, the FIFA World Cup, the 150th anniversary of the

Melbourne Cup, and The Crooked Staffe: Four Centuries of Cricket in Print.

The NSM, MCG Tours, MCC Library and MCC Archives are all assisted by volunteer personnel. We thank these dedicated people for their generous and ongoing contributions to the presentation of our heritage and collections.

COMMUNITY ACTIVITY

The MCC continued to play an active role in community events. Examples include hosting the Melbourne Marathon, holding the annual Rite of Passage day for families and sponsoring grass-root AFL Victoria programs to deliver statewide competitions, coaches' education clinics and the promotion of girls' football.

This year, our involvement extended to supporting the RSL's Raise a Glass Appeal and the annual Dreamtime at the 'G match, which recognises the significant role the indigenous community has played in shaping Australian football.

PARTNERS/SUPPLIERS

The club is very grateful for the support of the ground's key commercial Icon partners Coca-Cola Amatil, Herald & Weekly Times, National Australia Bank and Foster's Group. Following a successful tender process, Spotless/Epicure was awarded the catering services contract for the MCG for the next five years.

We also maintained strong commercial relationships with a number of licensees, partners and suppliers, among them Stadia Media, The Promotions Factory, Patties Foods, Cadbury, Tabcorp Holdings, Nestlé Peters Ice Cream, Internode, Sharp Corporation of Australia, Simplot Australia, Mars Food Australia (Masterfoods), The Smith's Snackfood Company, Douwe Egberts, Closed Loop and Don KRC.

ACKNOWLEDGEMENTS

I am grateful for the assistance and advice provided during the year by outgoing MCC president David Meiklejohn, his successor Paul Sheahan, who took over the presidency in February 2011, and members of the MCC Committee. In particular, I congratulate David and his fellow departing committee members Bob Lloyd and Peter Mitchell for their contribution to both the MCC and MCG over many years.

I also wish to acknowledge the MCC management team, staff and volunteers for their efforts during the year, as well as the support provided by the MCG Trustees, led by chairman John Wylie, and our key stakeholders — the AFL, Cricket Australia, Cricket Victoria and the State Government of Victoria.

Finally, to the members, thank you for your contribution to the club and I trust that you will continue to enjoy the many benefits available through MCC membership.

Stephen Gough
Chief Executive Officer



Melbourne Cricket Club & Controlled Entities

Annual Concise Financial Report for the year ended 31 March 2011

IMPORTANT INFORMATION FOR MEMBERS

The Committee Report, Concise Financial Report and Auditor's Report contained within this document represent a Concise Report.

Members wishing to receive the full financial report and Auditor's Report may arrange delivery by calling the Melbourne Cricket Club office on (+61 3) 9657 8888.

The Concise Report contained within this document has been derived from the full financial report of the Melbourne Cricket Club & Controlled Entities for the financial year ended 31 March 2011 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.



Committee Report

Your Committee submit their report for the year ended 31 March 2011.

COMMITTEE MEMBERS

The names of the Committee members of the Melbourne Cricket Club ("the Club") in office during the financial year and until the date of this report are as follows. Committee members were in office for the entire period unless otherwise stated.

A. Paul Sheahan, David A. Crawford AO, Steven J. Smith, Stephen C. Spargo, Michael J. Andrew, David S. Crow, Peter A. Dakin, William D. Fowles, Jane L. Nathan, Karen J. Wood, Edward R. Yencken, David E. Meiklejohn AM (resigned 16 February 2011), Robert G. Lloyd (resigned 15 March 2011), Peter A. Mitchell (resigned 6 June 2011) and Michael J. Happell (appointed 17 May 2011).

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of the Club during the year were the ground management of the Melbourne Cricket Ground ("MCG") and the encouragement and promotion of sport.

There was no significant change in the nature of these activities during that period. The current financial year also reflects the first full year of the Club's role as Manager of Yarra Park.

RESULTS AND REVIEW OF OPERATIONS

The consolidated net profit of the Club and its controlled entities amounted to \$11.529 million compared with a net loss of the previous year of \$4.683 million. Included in this result is Government grant income of \$8.000 million (2010: nil) for the Great Southern Stand Project. The total grant is \$30.000 million and the project cost is \$55.000 million.

MCG event attendances were very strong in 2010/11. The Boxing Day 'Ashes' Test match boosted cricket attendances, with over 350,000 people attending international matches over the summer. Football was also very well supported with over 3.1 million patrons attending matches. Consequently, event related income and members contribution-to-the-gate expenses increased significantly. One major impact on the financial performance of the Club was the hosting of the 2010 Grand Final replay, which resulted in a net loss of approximately \$1.400 million.

In the Club's first full year of Yarra Park management, a net surplus of \$1.047 million was recorded (2010: net deficit of \$0.002 million for a one month period). This surplus will be spent on the operation, maintenance and improvement of Yarra Park as required under legislation. A Master Plan for Yarra Park has been approved as the Club begins the major improvements to Yarra Park. All monies generated within Yarra Park are used to support the Master Plan which includes major upgrades to the irrigation, grasses, soils and landscaping works.

The development of a new membership database system is currently in progress and will significantly enhance our data collection, management and service to members. This project will run over two years and has seen an investment of \$2.000 million to the end of the financial year.

It should be noted that the Club faces large capital expenditure commitments in coming years that will result in significant calls upon its cash reserves. After receipt and expenditure of Government grants, the Club will spend a further \$25.000 million on the Great Southern Stand Improvement Project and a further estimated amount of \$18.000 million will be spent on a Water Recycling Facility in Yarra Park. These commitments will be funded from Club operations.

The Club continues to generate positive operational cash flows from its activities and the Club will review the cash flows and the ability to further reduce the Club's debt.

The net operating result of the parent entity is materially in line with results of the consolidated entity.

Committee Report (continued)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the Club's state of affairs during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

There have been no significant events occurring after balance date, which may affect either the Club's operations or results of those operations or the Club's state of affairs.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Committee does not expect any significant changes to the operations of the Club.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Club has completed an environmental management plan for the MCG. The plan establishes guidelines for energy, water and waste management at the arena and is constantly under review to account for legislative amendments and changing social expectations. Major undertakings during 2011 include a sports lighting review, the commencement of construction of a Water Recycling Facility, participation in the Greener Government Buildings initiative and the establishment of an environmental committee.

SECURITY

Given the MCG's status as an iconic event venue in Australia, the Club has placed high importance upon the management and mitigation of security risk issues. Accordingly, several strategic security management initiatives are ongoing. These measures have enhanced the safety of ground users on event and non-event days. The Committee and Club management will continue to develop and implement security risk reduction strategies.

SAFETY

The Club provides a strong focus on Occupational Health and Safety at the MCG. This is evidenced by the Club maintaining its Advanced SafetyMAP accreditation following the annual independent audit.

SafetyMAP covers Committee, staff, contractors and MCG tenants and is always under review.

The review of policies and procedures occurs regularly through reporting to the Committee and its Sub-Committees, management and staff and Health and Safety Committee.

INDEMNIFICATION AND INSURANCE OF COMMITTEE MEMBERS

The Club has provided and paid premiums for Directors' and Officers' Liability and Legal Expenses insurance contracts, covering members of the Committee, and the Directors, Executives and Statutory Officers of the Club.

The insurance is in respect of legal liability for damages and legal costs arising from claims made by reason of any omission or acts (other than dishonesty) by them, whilst acting in their individual or collective capacity as members of the Committee or officers of the Club.

The total amount of insurance contract premiums paid during the period was \$51,000.

ROUNDING

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) (where rounding is applicable, with the exception of Auditors' Remuneration) under the option available to the Club under ASIC Class Order 98/0100. The Club is an entity to which the Class Order applies.

Signed in accordance with a resolution of the Committee.



A. Paul Sheahan
President



Michael J. Andrew
Treasurer

Melbourne, 7 July 2011



Consolidated Statement of Comprehensive Income

YEAR ENDED 31 MARCH 2011	Notes	CONSOLIDATED	
		2011 \$000	2010 \$000
Revenue	3	118,295	103,180
Other income		18,794	9,003
TOTAL INCOME	3	137,089	112,183
Arena expenses		(5,618)	(5,848)
Facilities expenses		(12,431)	(12,663)
Commercial Operations expenses		(8,551)	(6,878)
Member contributions to the gate		(16,470)	(11,775)
Membership and Customer Services expenses		(5,976)	(5,210)
Events Administration expenses		(15,841)	(14,081)
Administration expenses		(9,885)	(10,070)
Depreciation expenses		(26,167)	(27,056)
National Sports Museum Limited (“NSM”) expenses		(2,750)	(2,597)
Yarra Park expenses		(1,806)	(2)
Finance costs expense		(20,065)	(20,686)
NET PROFIT / (LOSS) FOR THE PERIOD		11,529	(4,683)
OTHER COMPREHENSIVE INCOME			
Fair value revaluation of National Sports Museum Collection		-	10
Changes in fair value of cash flow hedge		(499)	192
OTHER COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		(499)	202
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		11,030	(4,481)



Discussion and Analysis – Consolidated Statement of Comprehensive Income

TRENDS IN REVENUES AND EXPENDITURES

Income

Total consolidated income increased from \$112.183 million in 2010 to \$137.089 million in 2011 (see note 3 for further details). The major items contributing to this result were:

- Government grant income of \$8.000 million was received from the State Government of Victoria for the Great Southern Stand Improvement Project.
- Event related revenue increased by \$5.207 million due to very strong AFL football attendances and the 'Ashes' cricket Test match.
- Yarra Park revenues of \$2.853 million were recorded in the Club's first full year of Yarra Park management and operations.
- Contributions totalling \$1.750 million relating to the Champions Racing Gallery in the National Sports Museum were received.

Expenses

Total consolidated expenses increased by \$8.694 million to \$125.560 million. The key movements in expense categories were:

- Member contributions to the gate increased significantly, mainly due to hosting the AFL Grand Final Replay and a well attended Ashes cricket Test match.
- Yarra Park expenses of \$1.806 million were incurred for the first year of managing and operating Yarra Park.
- AFL Payments relating to incentives to the AFL Clubs and the AFL of \$6.485 million were paid for the 2010 football season.



Consolidated Statement of Financial Position

AT 31 MARCH 2011

	CONSOLIDATED	
	2011 \$000	2010 \$000
CURRENT ASSETS		
Cash and cash equivalents	47,488	39,368
Trade and other receivables	16,351	13,387
Other assets	1,135	1,168
TOTAL CURRENT ASSETS	64,974	53,923
NON-CURRENT ASSETS		
Property, plant and equipment		
MCG building improvements	484,811	507,002
Plant and equipment	13,674	12,514
Work in progress	6,963	1,933
Yarra Park assets	1,079	1,203
Other assets	34	152
Derivative financial instruments	98	88
TOTAL NON-CURRENT ASSETS	506,659	522,892
TOTAL ASSETS	571,633	576,815
CURRENT LIABILITIES		
Trade and other payables	43,121	41,463
Interest bearing loans and borrowings	12,374	11,498
Provisions	2,661	2,421
TOTAL CURRENT LIABILITIES	58,156	55,382
NON-CURRENT LIABILITIES		
Trade and other payables	6,612	10,063
Interest bearing loans and borrowings	280,641	296,231
Provisions	191	136
TOTAL NON-CURRENT LIABILITIES	287,444	306,430
TOTAL LIABILITIES	345,600	361,812
NET ASSETS	226,033	215,003
EQUITY		
Accumulated funds	225,285	214,803
Reserves	748	200
TOTAL EQUITY	226,033	215,003



Discussion and Analysis

– Consolidated Statement of Financial Position

CHANGES IN THE COMPOSITION OF ASSETS AND LIABILITIES

Consolidated Net Assets increased by \$11.030 million to \$226.033 million.

Changes in Assets

The major changes were:

Current Assets

- An increase in Cash assets of \$8.120 million. Refer to Discussion and Analysis – Consolidated Statement of Cash Flows.
- An increase in trade and other receivables of \$2.964 million.

Non-Current Assets

- A decrease in MCG building improvements of \$22.191 million due to depreciation applied to a stable asset base.
- An increase in capital work in progress of \$5.030 million, due to ongoing works on major projects, including the Great Southern Stand Improvement Project and the construction of a Water Recycling Facility in Yarra Park.

Changes in Liabilities

The major changes were:

Non-Current Liabilities

- A decrease in interest bearing liabilities due to principal repaid on term loans associated with the MCG Redevelopment.
- A decrease in trade and other payables of \$3.451 million, representing revenue received in advance.



Consolidated Statement of Changes in Equity

YEAR ENDED 31 MARCH 2011

	CONSOLIDATED				Total Equity \$'000
	Accumulated Funds \$'000	Asset Revaluation Reserve \$'000	Yarra Park Reserve \$'000	Cash Flow Hedge Reserve \$'000	
Balance at 1 April 2009	219,484	-	-	-	219,484
(Loss) for the year	(4,683)	-	-	-	(4,683)
Transfer to Yarra Park reserve	2	-	(2)	-	-
Other Comprehensive Income for the year	-	10	-	192	202
Total Comprehensive Income for the period	(4,681)	10	(2)	192	(4,481)
Balance at 31 March 2010	214,803	10	(2)	192	215,003
Profit for the year	11,529	-	-	-	11,529
Transfer to Yarra Park reserve	(1,047)	-	1,047	-	-
Other Comprehensive Income for the year	-	-	-	(499)	(499)
Total Comprehensive Income for the period	10,482	-	1,047	(499)	11,030
Balance at 31 March 2011	225,285	10	1,045	(307)	226,033



Discussion and Analysis

– Consolidated Statement of Changes in Equity

CHANGES IN THE COMPOSITION OF TOTAL EQUITY

Consolidated total equity in the current year increased by \$11.030 million to \$226.033 million.

The major equity movements during the year were:

- The reported net profit of \$11.529 million, offset by movement in the cash flow hedge reserve of \$0.499 million.

- Included in the total result is the transfer of the net surplus from Yarra Park activities of \$1.047 million to the Yarra Park Reserve. This amount must be spent on the operation, management, maintenance and improvement of Yarra Park. Refer to Note 2(b) for the Yarra Park accounting policy.



Consolidated Statement of Cash Flows

YEAR ENDED 31 MARCH 2011

	CONSOLIDATED	
	2011 \$000	2010 \$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operating activities (inclusive of GST)	111,417	104,897
Payments to suppliers and employees (inclusive of GST)	(79,600)	(72,802)
Interest received	2,490	1,262
Interest paid	(20,585)	(20,083)
NET CASH FLOWS FROM OPERATING ACTIVITIES	13,722	13,274
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(9,682)	(4,223)
Contributions relating to MCG Redevelopment	5,294	4,110
Contributions relating to Great Southern Stand Improvement Project	8,000	-
Contributions relating to the National Sports Museum	1,750	-
NET CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES	5,362	(113)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions from related party	3,750	3,690
Repayments of borrowings	(14,714)	(11,080)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES	(10,964)	(7,390)
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,120	5,771
Cash and cash equivalents at beginning of the year	39,368	33,597
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	47,488	39,368

Discussion and Analysis – Consolidated Statement of Cash Flows

CHANGES IN CASH FLOWS

There was a net increase in consolidated cash holdings during the year totalling \$8.120 million.

The major changes in cash movements during the year included the following:

- Grant funding of \$8.000 million from the State of Victoria relating to the Great Southern Stand Improvement Project was received.
- Payments to suppliers and employees increased, principally due to higher member contributions to the gate and a full year of Yarra Park expenses. Refer to Discussion and Analysis – Consolidated Statement of Comprehensive Income.
- Receipts from operating activities increased in consequence of higher event related revenues and a full year of Yarra Park revenues. Refer to Discussion and Analysis – Consolidated Statement of Comprehensive Income.

- Expenditure on property, plant and equipment increased in accordance with project work including the Great Southern Stand Improvement Project and the Water Recycling Facility in Yarra Park.
- Repayment of borrowings increased in line with the Club's debt reduction strategy.
- Contributions totalling \$1.750 million relating to the Champions Racing Gallery in the National Sports Museum were received.

Notes to the Concise Financial Statements

31 MARCH 2011

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

The consolidated concise financial report has been prepared in accordance with the requirements of Accounting Standard AASB 1039 *Concise Financial Reports*. The financial report is presented in Australian dollars.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated financial statements are those of the consolidated entity, comprising the Club, MCC Nominees Pty Ltd (a subsidiary) and NSM (a controlled entity). The ultimate parent is the Club. The Club recognises the operations of NSM within its financial statements, but the Australian Gallery of Sport and Olympic Museum ("AGOS-OM") Sporting Collection is an asset recorded in the financial statements of the Melbourne Cricket Ground Trust ("MCG Trust").

Amounts relating to the construction and fit out of NSM are recorded in the Club's financial report as they are considered part of the MCG. There are no equity investments included in the parent entity relating to NSM.

The financial statements of the subsidiary and the controlled entity are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

The subsidiary and controlled entity are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The Melbourne Cricket Club Foundation Limited ("Foundation"), a company limited by guarantee, is categorised as a director related party and is not consolidated into the Club's accounts. Established as a vehicle to encourage and promote the playing of sports and preserve and manage the Foundation's Museum and Library, it has a distinctly separate purpose to the Club, which acts as the manager of the MCG under a management agreement with the MCG Trust and the State Government of Victoria.

(b) Yarra Park

Effective from 15 March 2010, the Melbourne Cricket Ground and Yarra Park Amendment Act 2009 ("Yarra Park Amendment Act") appointed the MCG Trust as the Committee of Management for Yarra Park, thereby expanding the functions of the MCG Trust and specifying the management arrangements and the implementation of an improvements plan for Yarra Park.

Under the Yarra Park Amendment Act, the MCG Trust also assumes responsibility for car parking arrangements, receiving advice from the Yarra Park Advisory Committee on the operation and management of Yarra Park, and the honouring of existing licences and contracts. Further, any money received by or on behalf of the MCG Trust in relation to Yarra Park may only be spent on the operation, management, maintenance and improvement of Yarra Park, and such monies received and spent must be separately accounted for in the financial report.

The Yarra Park Amendment Act also allows the MCG Trust to delegate its functions and responsibilities for Yarra Park to the Club and it has done so via the execution by the MCG Trust, the Club and the relevant Ministers of the State Government of Victoria through a formal *Instrument of Delegation* and *Second Deed of Amendment to the MCG Management and Indemnity Deed*.

These agreements appoint and allow the Club to fulfil all of the responsibilities assigned to the MCG Trust under the Yarra Park Amendment Act as the Reserve Manager of Yarra Park.

The Club has agreed a separate accounting policy with the MCG Trust that details those revenue and expense items that are received or incurred by the Club in the performance of their role as the Manager of Yarra Park. These amounts are included in the totals in the Statement of Comprehensive Income of the Club.

The net surplus / deficit of these identified items is then transferred to a separate reserve as a sub-component of equity so that these amounts can be identified and spent on the operation, management, maintenance and improvement of Yarra Park.

The Club has also recorded a number of Yarra Park plant and equipment assets that have been contributed by the MCG Trust for nil consideration.



Notes to the Concise Financial Statements (continued)

31 MARCH 2011	CONSOLIDATED	
	2011 \$000	2010 \$000
3. INCOME		
Revenue from sales	568	463
Membership and Customer Services related revenue	43,442	41,189
Event related revenue	29,634	24,427
Commercial Operations revenue	26,280	23,555
NSM revenues	3,348	2,877
Yarra Park revenues	2,853	-
AFL revenues	8,195	8,013
Interest income	2,490	1,262
Other revenues	1,485	1,394
	118,295	103,180
Total other income	18,794	9,003
Total income	137,089	112,183

4. SUBSEQUENT EVENTS

There have been no significant events occurring after balance date, which may affect either the Club's operations or results of those operations or the Club's state of affairs.

Notes to the Concise Financial Statements (continued)

5. RELATED PARTY DISCLOSURES

(a) The Committee Members of the Melbourne Cricket Club and Controlled Entities during the financial year were:

A. Paul Sheahan (Vice-President, appointed President 17 February 2011)
David A. Crawford AO (Vice-President)
Steven J. Smith (appointed Vice-President 15 March 2011)
Stephen C. Spargo (appointed Vice-President 15 March 2011)
Michael J. Andrew (Treasurer)
David S. Crow
Peter A. Dakin
William D. Fowles
Peter A. Mitchell
Jane L. Nathan
Karen J. Wood
Edward R. Yencken
David E. Meiklejohn AM (resigned 16 February 2011)
Robert G. Lloyd (resigned 15 March 2011)

No remuneration was paid to the Committee Members during the year.

(b) The following related party transactions occurred during the financial year:

(i) Transactions with other related parties

a) MCG Trust

The Club is party to a “Deed of Variation of Lease” with the MCG Trust pursuant to which, the Club’s existing tenancy of the MCG was extended until 31 March 2042 with an option to extend its lease over the members’ reserve for a further 25 years.

Under a separate management agreement with the MCG Trust and the State of Victoria, the Club’s role as ground manager of the MCG has also been extended until 31 March 2042.

During the year, the Club paid the MCG Trust \$3.899 million (2010: \$3.793 million) in respect of its lease rental of the MCG.

The MCG Trust distributed \$3.750 million to the Club for the repayment of term loans and amortising inflation indexed bonds (2010: \$3.690 million).

From time to time, the Club undertakes transactions on behalf of the MCG Trust. As at year-end, amounts receivable by the Club from the MCG Trust were \$0.012 million (2010: nil). Amounts owing to the Club are settled on 30 day terms and are non interest bearing.

The MCG Trust has delegated its functions and responsibilities for the management of Yarra Park to the Club. It has done so via the execution by the MCG Trust, the Club and the relevant State Government of Victoria Ministers through a formal *Instrument of Delegation and Second Deed of Amendment to the MCG Management and Indemnity Deed*. These agreements appoint and allow the Club to fulfil all of the responsibilities assigned to the MCG Trust under the Yarra Park Amendment Act as the Reserve Manager of Yarra Park.

b) National Sports Museum

From time to time, the Club undertakes transactions on behalf of NSM. As at year-end, amounts payable by the Club to NSM were \$0.487 million (2010: receivable by the Club \$0.071 million). Amounts owing to the Club and NSM are settled on 30 day terms and are non interest bearing. These amounts are eliminated in the consolidated financial report.

c) Other

Key management personnel are determined to be the Chief Executive Officer, General Managers and Executive Managers of the Club.

During the year, a total annual remuneration of \$2,344,622 (2010: \$2,282,826) was paid to these personnel for the services provided to the Club.

(ii) Transactions with director-related entities

The Foundation is a director related entity of the Club as there are common directorships.

During the year, the Club remitted to the Foundation \$3.897 million (2010: \$3.797 million) in line with the provisions of the amended Indemnity Deed between the MCG Trust and the Club.

From time to time, the Club undertakes transactions on behalf of the Foundation. As at year-end, amounts receivable by the Club from the Foundation were \$0.273 million (2010: \$0.012 million). Amounts payable by the Club to the Foundation totalled \$0.173 million (2010: nil). Amounts receivable by NSM from the Foundation at year end were \$0.013 million (2010: \$0.001 million).

A number of the Club’s Committee members held directorships with other entities during the current year. Those entities entering into business transactions with the Club on normal commercial terms and conditions during the year were:

Mr David E. Meiklejohn AM

- Director of Coca-Cola Amatil Limited

- Director of Australia & New Zealand Banking Group Limited

Mr David A. Crawford AO

- Chairman of Foster’s Group Limited

- Director of BHP Billiton Limited

Mr Michael J. Andrew

- Chairman of KPMG Australia

These Committee members did not participate in the decisions to enter into business transactions with the Club.

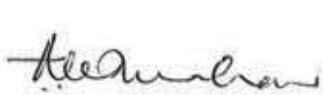
Statement by the Committee

In accordance with a resolution of the Committee of the Melbourne Cricket Club, we state that:

In the opinion of the Committee members:

- (a) The concise financial report of the consolidated entity for the year ended 31 March 2011 is in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*; and
- (b) The financial statements and specific disclosures included in this concise report have been derived from the full financial report for the year ended 31 March 2011.

On behalf of the Committee



A. Paul Sheaban
President



Michael J. Andrew
Treasurer

Melbourne, 7 July 2011

Independent auditor's report to the members of the Melbourne Cricket Club

REPORT ON THE CONCISE FINANCIAL REPORT

The accompanying concise financial report of the Melbourne Cricket Club comprises the consolidated statement of financial position as at 31 March 2011, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and related notes, derived from the audited financial report of the Melbourne Cricket Club for the year ended 31 March 2011. The concise financial report also includes discussion and analysis and the statement by the Committee. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards.

COMMITTEE'S RESPONSIBILITY FOR THE CONCISE FINANCIAL REPORT

The Committee 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 Committee 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 the Melbourne Cricket Club for the year ended 31 March 2011. We expressed an unmodified audit opinion on the financial report in our report dated 7 July 2011. The Australian Auditing Standards – Reduced Disclosure Requirements 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 judgement, 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, discussion and analysis, 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.

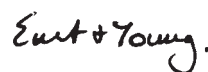
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENCE

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

AUDITOR'S OPINION

In our opinion, the concise financial report, including the discussion and analysis and the statement by the Committee of the Melbourne Cricket Club for the year ended 31 March 2011 complies with Accounting Standard AASB 1039 Concise Financial Reports.



Ernst & Young



Tim Wallace
Partner
Melbourne
7 July 2011



Governance statement

INTRODUCTION

The Melbourne Cricket Club (“the Club”) is a body corporate incorporated under the Melbourne Cricket Club Act 1974 consisting of persons who under, and in accordance with, the provisions of the Club’s rules are members of the Club.

The business and affairs of the Club are overseen and controlled by a Committee (“the Committee”). The Committee comprises members of the Club elected to the following honorary office bearer positions, namely, a president, three vice-presidents and a treasurer, and up to nine other Club members elected to the Committee.

The Club will be governed with integrity and in a responsible and accountable manner. The Committee and management are dedicated in their approach to work continuously to improve strategies and structures in pursuit of excellence. This will be achieved by critically assessing performances while respecting the boundaries between the committee and management.

The Committee meets at least 10 times a year for the purposes of overseeing all aspects of the Club’s business plan and objectives. It also deliberates on its responsibilities as ground manager of the Melbourne Cricket Ground (“MCG”) for the Melbourne Cricket Ground Trust (“MCG Trust”).

Additionally, the Committee reviews the performance of the Club’s management team in consultation with the Club’s chief executive officer, measuring results against the business plan objectives, ensuring compliance with legal requirements and monitoring the strategic risk management plan.

Eight meetings and one special meeting of the committee were held during the period April 1, 2010 to March 31, 2011 and the record of attendance of members of the Committee during the period is as follows:

D.E. Meiklejohn	8/9	P.A. Dakin	7/9
R.G. Lloyd	9/9	W.D. Fowles	8/9
P.A. Mitchell	8/9	K. Wood	9/9
A.P. Sheahan	7/9	J.L. Nathan	9/9
D.A. Crawford	6/9	S. Smith	7/9
M.J. Andrew	7/9	S.C. Spargo	7/9
D.S. Crow	6/9	E.R. Yencken	7/9

Because of inevitable Committee absences, the club rules have been amended to provide for attendance by technology. A brief description of the club’s approach to governance is outlined below.

MEMBERS’ ROLE

The Club’s rules require that a meeting of Full members of the Club be held annually (“the Annual General Meeting”). The purpose of the Annual General Meeting is to:

- Receive reports and audited financial statements from the Committee in respect of the immediately preceding financial year.
- Elect office bearers and other members of the Committee.
- Consider any other business for which notice has been given in accordance with the rules set out in the Club’s constitution.

All Full (voting) members of the Club are advised in the notice of the Annual General Meeting about Committee retirements and nominations for

election or re-election. Full members are encouraged to attend the Annual General Meeting.

COMMITTEE COMPOSITION

(as at March 31, 2011)

The names and details of the members of Committee in office at the date of this statement are set out elsewhere in this annual report.

The composition of the Committee reflects the broad range of experience, skills and knowledge required to oversee the management and control of the Club’s business and affairs.

SUB-COMMITTEES

To assist in the execution of its responsibilities, the Committee has established a number of sub-committees to which the president appoints committee members.

Sub-committees operate principally in a review or advisory capacity (except where powers are expressly conferred on or delegated to a sub-committee by the Committee).

Sub-committees meet as required either monthly or, in some cases, bi-monthly. The current composition and functions of the sub-committees are summarised below:

EXECUTIVE

Deals with specific Committee referrals, succession and urgent matters between Committee meetings.

D.E. Meiklejohn (Chairman, 4/4 meetings attended), R.G. Lloyd (4/4), A.P. Sheahan (3/4), D.A. Crawford (3/4), M.J. Andrew (4/4).

CLUB

Monitors the Club’s membership policies and arrangements including nomination and admission procedures and membership benefits and services. It also oversees compliance with the rules set out in the Club’s constitution.

A.P. Sheahan (Chairman, 6/6), D.S. Crow (5/6), W.D. Fowles (5/6), P.A. Mitchell (6/6), S. Smith (6/6), S.C. Spargo (6/6), K. Wood (6/6), D.E. Meiklejohn (ex-officio 6/6).

CRICKET

Oversees all matters in relation to the cricket activities of the Club and its relationship with cricket authorities.

R.G. Lloyd (Chairman, 6/6), D.S. Crow (6/6), A.P. Sheahan (4/6), P.A. Dakin (6/6).

FINANCE AND AUDIT

Oversees the Club’s accounting and reporting practices including effectiveness of accounting and internal control systems, management reporting and compliance with policy, regulatory and legal requirements.

Also reviews risk and evaluates procedures, the scope and quality of audit practices and oversees and monitors IT performance.
M.J. Andrew (Chairman, 5/5), D.A. Crawford (1/5), D.S. Crow (2/5), P.A. Dakin (5/5), W.D. Fowles (2/5), R.G. Lloyd (5/5), S.C. Spargo (4/5), D.E. Meiklejohn (ex-officio 2/4).

GROUND

Reviews and monitors the Club’s ground management operations including management

of the MCG and outside grounds, commercial relationships, buildings, facilities, events, human resources and occupational health and safety matters.

R.G. Lloyd (Chairman, 5/5), D.A. Crawford (1/5), P.A. Dakin (4/5), P.A. Mitchell (4/5), J.L. Nathan (5/5), E.R. Yencken (3/5), D.E. Meiklejohn (ex-officio 2/4).

NATIONAL SPORTS MUSEUM LIMITED

Responsible for all operational and financial issues to do with the National Sports Museum.
D.E. Meiklejohn (Chairman, 4/4), M.J. Andrew (3/4), D.A. Crawford (3/4), R.G. Lloyd (4/4), A.P. Sheahan (4/4).

OTHER COMMITTEE RESPONSIBILITIES

In addition to the formal sub-committees established by the Committee, members of Committee are involved in the following additional sub-committees and related funds or corporate bodies which meet on an as needs basis: MCC Sporting Sections, Legal, AFL, Melbourne Cricket Club Foundation, Melbourne Football Club and MCC Nominees. Members of the Committee who are appointed to cricket and the Club’s various Sporting Sections as Committee representatives are set out below:

Cricket:	R.G. Lloyd ¹
Baseball:	D.S. Crow ²
Bowls:	D.A. Crawford
Croquet:	S. Smith
Football:	S.C. Spargo
Golf:	P.A. Mitchell
Hockey:	D.E. Meiklejohn ³
Lacrosse:	M.J. Andrew
Real Tennis:	J.L. Nathan ⁴
Target Shooting:	A.P. Sheahan ⁵
Squash:	S.C. Spargo
Tennis:	P.A. Dakin

¹ Replaced by D.S. Crow in March 2011.
² Replaced by K. Wood May 2011.
³ Replaced by J.L. Nathan in May 2011.
⁴ Replaced by M.J. Hannell May 2011.
⁵ Replaced by W.D. Fowles May 2011.

COMMUNICATION TO MEMBERS

The Committee aims to ensure that members are informed of all major developments affecting the Club. Information is communicated as follows:

- An annual report is made available to all members, either via post or electronically. It includes relevant information about the operations of the Club during the year, changes in the state of affairs of the Club and details of future developments, in addition to other disclosures required by the Club’s rules and policies or by law.
- The *MCC News* magazine is made available to members three times yearly.
- Club member information is published every Thursday in the sporting sections of the *Herald Sun* and *The Age* newspapers.
- Regular emails are broadcast to those members who have submitted their email address to the Club.
- The MCC, MCG and NSM websites also are regularly updated.

MCC Health and Safety Policy

OUR COMMITMENT

To provide a safe environment for employees, contractors, promoters, tenants and patrons at all our sites.

We believe:

- Safety of everyone who visits or works at an MCC-managed site is a priority.
- Safety is everyone's responsibility.
- Working safely is a condition of employment for all staff and contractors.
- Everyone's involvement in health and safety is essential.
- Training and leadership are critical in creating a safety culture.
- Creating a safety-conscious workplace is a management priority.

We will create a safe environment by:

- Providing safe work conditions and safe systems of work.
- Providing the necessary training to staff and contractors.
- Ensuring legislative compliance through implementation of a rigorous health and safety system.
- Monitoring our performance through internal and external auditing of our safety systems against SafetyMAP criteria.
- Having an active and encompassing Health and Safety committee.
- Identifying risks and implementing controls to reduce the risk to as low as practicable.



MELBOURNE CRICKET CLUB

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