

Melbourne Cricket Club
ANNUAL REPORT
2016 / 17







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3,047,806



The number of people who came through the turnstiles for events at the MCG.



1029

Event staff participated in the CARE customer service training program.

 77%

Of all waste at the MCG was recycled in 2016 - a significant improvement from the 62% achieved in 2013.

99,981

People watched the Western Bulldogs win the 2016 AFL Grand Final.



835 

The number of houses that the MCG's annual energy savings would be able to power for a year, thanks to our energy efficiency upgrade.

CONSOLIDATED INCOME
\$144.881 MILLION

NET PROFIT
\$8.141 MILLION

145 MILLION

Litres of water recycled in our underground water facility in Yarra Park.



73,756

People packed the arena and the grandstands for Guns N' Roses.

405,739



Users connected to the MCG free WiFi network.

366

Volunteers who give their time for MCG Tours, National Sports Museum and the MCC Library, ranging from 21-93 years of age.



The MCC has developed a strategic plan for 2016-2020, building on the achievements of previous plans, as well as responding to the current environment. Below is a summary of the five key pillars of the plan, and examples of major projects to be undertaken during the period.

GIVING ALL CUSTOMERS AN ENGAGING, MEMORABLE AND SAFE EXPERIENCE

DELIVER EXCEPTIONAL MEMBER SERVICES

"Provide unparalleled service, experiences, benefits and facilities for our members."

- 1 Monitor delivery of Provisional member category and adjust facilities and service as required.
- 2 Provide a members' hospitality experience in Yarra Park on major event days.
- 3 Deliver an enhanced MCC membership card with a rewards program.

DEVELOP A NIMBLE AND CUSTOMER-FOCUSED CULTURE

"Encourage innovation, efficiency and data-driven insights by enhancing our processes and systems, and develop our people and their capabilities."

- 1 Implement CARE (Courteous, Anticipate, Respond, Efficient) customer service project.
- 2 Improve the customer journey touch points for MCG visitors.
- 3 Implement a business intelligence strategy.

ENHANCE EXPERIENCES AT THE MCG AND BEYOND

"Provide compelling reasons for people to visit, and return, to the MCG precinct through products and superior delivery of services in a safe and secure environment."

- 1 Enhance our tourism product offering.
- 2 Deliver the hospitality strategic plan.
- 3 Review the MCG corporate market footprint.

DEMONSTRATE COMMUNITY LEADERSHIP

"Be recognised as a leading contributor to the community in environmental sustainability, social responsibility and local sport."

- 1 Develop and implement a corporate social responsibility framework.
- 2 Implement energy savings identified in energy master plan.
- 3 Proactively deliver environmental sustainability messages.
- 4 Attain a Green Star rating for the MCG.

STRENGTHEN OUR KEY PARTNERSHIPS

"Deepen our relationships with key stakeholders whilst being a positive influencer of our external environment."

- 1 Upgrade security, safety and emergency management master plan.
- 2 Actively encourage stakeholders, hirers and industry to use Yarra Park for events.
- 3 Develop a stakeholder map for MCC relationships with key partners.



PRESIDENT'S REPORT

STEVEN SMITH, PRESIDENT

The 2016/17 financial year saw the club continue to deliver high-quality events at the ground, establish a stronger customer focus on our strategic agenda and oversee the transition of some important leadership changes.

The environment that the MCC operates in continues to evolve.

Our customers and their experiences are at the heart of our continued success. In the implementation of our strategic direction for the next five years, our customers – whether they be members, public patrons, tourists, event hirers or industry stakeholders – will be front of mind in our future decisions.

Our key focus will be on customer service and ensuring we provide a safe experience for all our customers. I look forward to updating members on our progress along the way, and taking feedback as to how we can meet and exceed expectations.

Attracting and delivering high-quality events at the MCG is central to our business model, and in February this year we hosted our first concert (Guns N' Roses) in nearly a decade. It is hoped that the success of the event will open up discussions with more promoters about the MCG as a large-scale concert venue.

A huge crowd of 95,569 saw South America's powerhouse soccer nations – Brazil and Argentina – compete in the Superclasico in June this year. Thousands of visitors from interstate and overseas came to Melbourne to see Argentina's Lionel Messi and several Brazilian stars, and the Victorian Government and its major events arm, Visit Victoria, should be congratulated for continuing to attract such events to our city.

One of the highlights of the year, of course,

was the AFL Grand Final win by the Western Bulldogs, achieving premierships success for the first time in 62 years. Australians love an underdog, and this was a fairytale come true. I congratulate president Peter Gordon and everyone involved in such a memorable story.

I also congratulate the Victorian Bushrangers on winning its third consecutive Sheffield Shield title in March. From an MCC perspective, we were delighted that a former player, Andrew McDonald, was at the helm in his debut year as coach.

We continue to operate in a heightened security environment. Incidents of terrorism, both overseas and closer to home, reinforce the need for us to constantly examine our procedures – along with advice from authorities – to ensure we are doing all that we can to protect our staff and customers.

At club level, we oversaw the first full year of Provisional membership, which was introduced in late-2015 as a method to deal with the growing waiting list.

Introducing a new membership category can be complex operationally, but to this point in time we have been happy with the transition. As promised, we will continue to review the uptake of Provisional membership, and any impact on existing members' amenities, when considering future intakes.

An important development during the year was an agreement reached between

the MCC and the Victorian Government to provide sporting facilities at a new school in Melbourne's bayside suburbs.

In a Victorian-first, the MCC is funding two competition grade ovals, a pavilion and a multipurpose pitch as part of the redevelopment of Beaumaris Secondary College, due for opening in 2018.

The sporting facilities will be used by the school during school hours and by the MCC and local sporting groups outside of school hours. This will provide long-term tenure for MCC cricket teams as well as a unique opportunity for students and the local sporting clubs to access world-class facilities supported by the MCC.

The 2016/17 year also saw a number of significant leadership changes within the club, and in key positions among our stakeholders.

March saw a changeover of chief executives at the club for the first time in 17 years, with Stuart Fox arriving from Hawthorn Football Club to replace the retiring Stephen Gough. Stuart comes to us with extensive experience in sports administration, particularly at two successful AFL clubs, but equally we have been impressed by his strong people skills and willingness to innovate.

Stephen Gough was an outstanding leader during a period of great change in not only our club, but also the MCG and the relationships we have with our key codes, tenants and stakeholders. I would like to thank Stephen for all that he has achieved

"Introducing a new membership category can be complex operationally, but to this point in time we have been happy with the transition."

during his term as CEO, and we wish him well with whatever the future holds.

At the end of our financial year, we welcomed two new committee members, The Hon. Ted Baillieu and Christian Johnston, to fill casual vacancies created by the retirement of vice-presidents David Crow and Stephen Spargo.

Ted and Christian will add valuable expertise in the areas of government and finance respectively, and I am looking forward to the significant contributions both will make to our club.

Ted will be well known to members, having served as Premier of Victoria for almost three years, and as leader of the Victorian Liberal Party for four years prior to becoming Premier. Christian has more than 20 years' experience as a corporate advisor, including more than 10 years as head of investment banking for Goldman Sachs in Australia and New Zealand.

I would like to acknowledge the enormous contribution made by David Crow and Stephen Spargo during their time on the committee. I thank them for their tireless work to ensure we retain a strong and vibrant club.

David joined the committee in 1993 and was elected as a vice-president in 2013. In that time, he served as chairman of MCC Cricket, as well as the Australian Cricket Hall of Fame. He was a driving force behind the establishment of MCC women's cricket teams, as well as the Australia Post Avenue of Legends statue series in Yarra Park.

Stephen served on the committee for 17 years (the same number as his father, Colin), including the last six as vice-president. In addition to being an important contributor during the northern stand redevelopment, he played a key role in the club's acquisition of MCC Kew Sports Club and the current development at Beaumaris Secondary College.

There were also a number of changes to the committee's executive that followed the departure of David and Stephen.

Fred Oldfield and Karen Wood were appointed as vice-presidents. Michael Happell, who under the club rules was required to retire as treasurer, was appointed a vice-president to fill the position vacated by Michael Andrew, who agreed to move from the position of vice-president to be treasurer.

I'd also like to acknowledge Mike Fitzpatrick, the outgoing AFL chairman, on the tremendous success and growth of the competition during his 10 years at the helm. We will continue to work with his successor, Richard Goyder, and CEO Gillon McLachlan to build on the strong relationship between the two parties. Former Premier of Victoria, The Hon. Steve Bracks, has been appointed chairman of the MCG Trust, replacing the

retiring Bob Herbert, who steps down after four years as chair and 14 years as an MCG Trustee. I thank Bob for his outstanding service and dedication to the MCG, and we look forward to working closely with Steve and his fellow trustees, as we fulfil our role of managing the MCG and Yarra Park on behalf of all Victorians.

I wish to acknowledge our external stakeholders and partners, major sponsors and suppliers, who are crucial to the successful operation of the club and the MCG, as is our band of volunteers who do so much for the club.

Finally, my thanks to my committee colleagues and the talented MCC management team for all their hard work during the past twelve months as we look forward to another exciting year ahead.

Our event day staff play a vital role in the MCG customer experience.



Western Bulldogs won the 2016 AFL Grand Final in a fairytale finish to the season.



FROM THE CEO

STUART FOX, CHIEF EXECUTIVE OFFICER

Stuart Fox commenced as MCC CEO in March, taking the reins from Stephen Gough. Here, Stuart reflects on some of the major events and achievements throughout the year.

It is my pleasure to report on the club's performance in 2016/17. I am really enjoying the role and have learnt so much in my first four months. As I meet more and more members, staff and volunteers, it is clear how much pride is associated with their connection to this historic institution and the iconic stadium we nurture.

AFL

The MCG attracted 2,087,796 people to 46 matches during the 2016 AFL home and away season. The average of 45,386 per game, compared to 48,329 from the previous season.

After a bright start, the late-season performance of some of our tenant clubs and home teams, as well as a wet winter, contributed to this overall decline in crowd numbers.

The MCG then hosted four pulsating finals matches – one in each week of the series – that drew a total of 347,109 people.

A near-capacity crowd of 99,981 watched the Western Bulldogs defeat Sydney Swans by 22 points to record its second premiership, and its first flag since 1954. Classy half-back Jason Johannisen claimed the Norm Smith Medal for best afield on a memorable day at the footy.

With an increase in daytime matches at the MCG in the 2017 home and away fixture, we will continue to focus our efforts on improving the customer experience for football fans, including family-friendly offerings such as lower food prices and children's activities in the National Sports Museum.

CRICKET

More than 432,000 people attended the 12 days of international and BBL cricket contests in 2016/17, whetting the appetite for next summer's Ashes contest.

A stunning display by Australia on the final day of the Boxing Day Test against Pakistan, whereby they turned a rain-marred contest into a pulsating victory, was one of the highlights of the season.

The home team also won the MCG one-day international (ODI) on December 9 against New Zealand, thanks to a blistering 156 from 128 balls by David Warner – the fourth-highest individual ODI innings at the MCG. However, Australia lost an ODI to Pakistan in January and a T20 against Sri Lanka in February, albeit with an undermanned lineup.

As we entered the New Year, all eyes were on the MCG for the Big Bash League derby between Melbourne Stars and Melbourne Renegades. The final crowd of 71,162 was the second-highest domestic T20 crowd at the MCG.

The average attendance across the four MCG BBL matches was 49,578 – the highest figure of the six BBL tournaments – and up considerably from 28,248 the previous season. It was the first time that every Melbourne Stars match at the MCG had drawn a crowd of more than 40,000.

OTHER EVENTS

This year saw the MCG again host a number of major events that demonstrated the versatility of the stadium and the precinct.

In February, US rock band Guns N' Roses

performed in front of 73,756 fans – the second-highest MCG concert crowd in history. It was the first concert at the MCG in eight years, a highly successful event that is hopefully a forerunner to more music acts at the stadium in future.

In July 2016 we again hosted soccer matches in the Australia leg of the International Champions Cup. Juventus, Tottenham Hotspur, Atletico Madrid and Melbourne Victory all took part in the club-based tournament.

Soccer also took centre stage in June 2017 when Brazil played two MCG matches – against Argentina in front of 95,569 fans and against our Socceroos four days later.

We look forward to hosting a State of Origin rugby league encounter in 2018, as well as assisting with Victoria's bid to host men's and women's matches in the 2020 T20 World Cup.

AUSTRALIA POST AVENUE OF LEGENDS

Richmond legend Kevin Bartlett became the latest sporting legend to have a statue unveiled in their honour outside the MCG.

In March this year, Bartlett and his former Tigers teammate Kevin Sheedy were watched on by family, friends and football identities as they revealed the one-and-a-half times-life-size bronzed sculpture of "KB", depicting his arms raised in the air in celebration, a pose he made famous in the 1980 grand final.

The statue, by sculptor Lis Johnson, was the sixth commissioned in the Australia Post Avenue of Legends project, following cricketer Shane Warne (2011) football

legends Norm Smith (2012) and John Coleman (2013), cricketer Neil Harvey (2014) and footballer Jim Stynes (2014).

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

STADIUM TECHNOLOGY

After investing \$40 million undertaking improvements to stadium technology, this year our focus was to embed the use of that technology into the MCG match day experience for customers.

A high-density WiFi network, exterior LED lighting system and hundreds of connected television screens throughout the stadium have all been popular additions to life at the MCG.

The 2016 AFL Grand Final saw connectivity within the MCG reach unprecedented levels, thanks to our WiFi network and an enhanced Telstra 3G/4G mobile network.

A massive 3.5 terabytes of internet traffic was generated on grand final day by fans using their devices to stream video, browse the Internet, upload photos to social media and receive and make telephone calls.

MCC MEMBERSHIP

Membership intake

The election of Full members in July 2016 comprised candidates on the waiting list nominated from September 1, 1990 to November 30, 1990.

Existing Provisional members nominated from December 1, 1996 to May 31, 1997 inclusive were offered Restricted membership.

Waiting list candidates nominated from November 1, 1997 to January 31, 1999 inclusive were offered Provisional membership.

Functions

The club again held a number of entertaining functions for members and guests.

Among them were The Bradman Luncheon, Members' Dinner, Football Season Launch Luncheon, Norm Smith Oration, Brownlow Medal dinner with the Coodabeen Champions, Test match breakfasts, comedy nights, golf days, Long Room chef dinners, induction functions for new members and luncheons for our volunteers and 50-year members.

New events during the year included a yoga session on the MCG for young members, and a cocktail party at the Guns N' Roses concert.

We will continue to review and expand our offering of functions. I encourage members to get involved in this important and most enjoyable element of club life.

ROOF EXPERIENCE

The proposed concept of a zip line and roof walk at the MCG was abandoned during the year. After securing some funding from the Federal Government, it was our initial intention to construct and operate a cross-stadium zip line and a roof walk experience for MCG visitors.

However, the structural impact on the stadium, the associated capital cost, the stadium's heavy event schedule and safety imperatives were all contributing factors in deeming the project not viable at this point in time. Operating a standalone roof walk was also deemed not feasible.

We remain committed to enhancing the MCG's tourism offering, and will continue to explore opportunities to complement the existing MCG Tour and National Sports Museum.

71,162 turned out for the Big Bash League derby between Melbourne Stars and Melbourne Renegades on New Year's Day.



OPERATING RESULTS

The club recorded a net profit for the financial year ending March 31, 2017 of \$8.141 million.

We continue to meet our obligations with respect to the redevelopment debt, which stands at \$176 million (down from \$196 million in 2015/16) at year end. March 2017 saw the final payment against the \$150 million Great Southern Stand borrowings.

Extensive reporting to the State Government provides for our business plan and objectives to be assessed, and therefore gives them confidence in our ability to meet our debt schedule.

Treasurer Michael Andrew will report in more detail on the club's financial results at the Annual General Meeting

MCC Cricket

Our senior men's cricket team went agonisingly close to winning the First XI premiership this season, losing the final to Fitzroy-Doncaster by just 43 runs. An unbeaten century by our captain, Matthew Brown, saw him awarded the John Scholes Medal for player of the match.

We congratulate Fitzroy-Doncaster on winning the First XI title, and Melbourne University on securing the JA Seitz Club Championship. We also acknowledge Old Geelong, Caulfield Grammarians and Old Trinity, who took out the MCC Club XI Division 1, 2 and 3 titles respectively.

Our women's seconds team took out the one-day Premier Reserve premiership and the Premier Seconds Twenty20 trophy, to underline their dominant season. The development of our female cricketers in recent times has been most pleasing.

At representative level, paceman Chris Tremain made his one-day international debut for Australia, while Seb Gotch and Will Pucovski made their Sheffield Shield debut for Victoria. Pucovski also broke the record for the most runs scored in an Australian under 19 tournament.

We also note the retirement of former captain-coach Andrew Kent, who ended his career as the MCC First XI games record holder and the sixth-highest runscore in Victorian Premier Cricket history. A fine player and a wonderful ambassador for our club.

Our Olympians

Our long-standing and strong connection to the Olympic movement was enhanced considerably by the performance of several MCC members at the 2016 Olympic and Paralympic Games in Rio.

Ten MCC members wore the green and gold across seven sports, with two athletes – rowers Kim Brennan (gold) and Will Lockwood (silver) – among the medals. The club congratulates those athletes on their medal-winning performances as well as those members who competed for their country at the elite level.

"A massive 3.5 terabytes of internet traffic was generated on grand final day by fans..."

In line with our strategic vision, there are a number of exciting projects and initiatives being planned for this year and beyond.

I look forward to providing updates to members as the year unfolds.

Governance

Melbourne Cricket Club is a body corporate incorporated under the Melbourne Cricket Club Act 1974, consisting of persons who are members of the club.

The business and affairs of the club are overseen and controlled by a committee. The committee comprises members of the club elected to the following honorary office bearer positions – a president, three vice-presidents and a treasurer, and up to nine other club members elected to the committee.

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 and Yarra Park for the 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.

Annual General Meeting

A meeting of Full members of the club is held annually to receive reports and audited financial statements from the committee, elect office bearers and other committee members, and to consider other business for which notice has been given in accordance with club rules.

Full members 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 AGM.

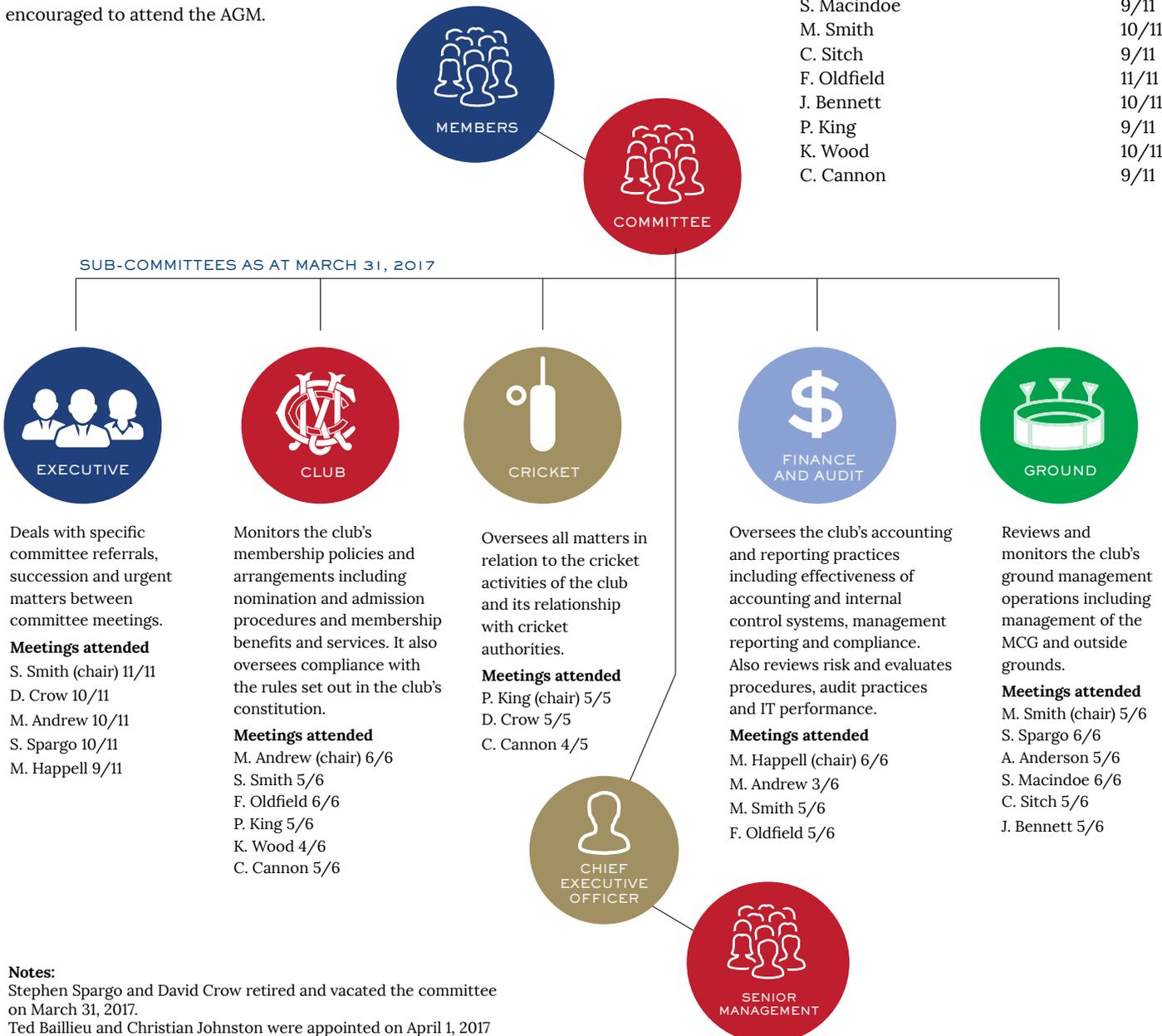
Communication to members

Information regarding membership and all major developments affecting the club is communicated via mcc.org.au, an annual report and a thrice-yearly newsletter (in print and online). Regular emails are broadcast to members, and the club also uses social networking sites as a forum to engage with members.

Committee attendance

Eleven meetings of the committee were held during the period April 1, 2016 to March 31, 2017. The attendance of members of the committee during the period is as follows:

S. Smith	11/11
D. Crow	11/11
M. Andrew	10/11
S. Spargo	10/11
M. Happell	9/10
A. Anderson	11/11
S. Macindoe	9/11
M. Smith	10/11
C. Sitch	9/11
F. Oldfield	11/11
J. Bennett	10/11
P. King	9/11
K. Wood	10/11
C. Cannon	9/11



Notes:
 Stephen Spargo and David Crow retired and vacated the committee on March 31, 2017.
 Ted Baillieu and Christian Johnston were appointed on April 1, 2017 to fill casual vacancies.

MCC Committee



Steven Smith
President

Joined committee in 1998. Elected vice-president in 2011 and president in 2015. Chairman of Executive Sub-committee. Director of MCC Foundation and National Sports Museum Ltd. Partner in HWL Ebsworth Lawyers' Melbourne property team with more than 30 years' experience as a lawyer.



James Bennett

Joined committee in 2015. Member of MCC Foundation Sub-committee and director of National Sports Museum Ltd. Managing director of Built Environment market for Aurecon Ltd, the global engineering and advisory company.



Fred Oldfield
Vice-president

Joined committee in 2012. Chair of MCC Foundation and Sporting Sections sub-committees. Member of Executive and Finance & Audit sub-committees. Director of MCC Foundation. Former senior executive at Transurban and UBS. Non-executive director of Westbourne Capital.



Clare Cannon

Joined committee in 2016. Member of Club and MCC Foundation sub-committees. Former chair of the Women of the MCC interest group. Founding CEO of Earthwatch Australia. Founding chair of Cricket Without Borders.



Michael Happell
Vice-president

Joined committee in 2011. Treasurer from 2011-17. Chair of Ground Sub-committee. Member of Executive and Finance & Audit sub-committees. Director of MCC Foundation and chair of National Sports Museum Ltd. Retired in 2016 as a partner with PricewaterhouseCoopers.



Christian Johnston

Joined committee in April 2017. A member of the Finance & Audit Sub-committee. Head of investment banking, Goldman Sachs Australia and New Zealand.



Karen Wood
Vice-president

Joined committee in 2009. Chair of Club Sub-committee and a member of Executive Sub-committee. Director of MCC Foundation and National Sports Museum Ltd. Former senior executive at BHP Billiton. Chairman BHP Billiton Foundation. Non-executive director of Djerriwarrh Investments Ltd.



Peter King

Joined committee in 2014. Chairman of Cricket Sub-committee. Member of Ground Sub-committee. Director of MCC Foundation. CEO of Melbourne Convention and Exhibition Centre since 2012.



Michael Andrew AO
Treasurer

Joined committee in 2007, retiring in 2011 to assume the role as global CEO of KPMG international. Treasurer 2007-11. Returned to committee in 2014. Reappointed treasurer in 2017. Chairman of Finance and Audit Sub-committee. Member of Executive sub-committee. A director of Racing Victoria.



Sally Macindoe

Joined committee in 2014. Member of Ground Sub-committee and director of MCC Foundation. A planning law expert. Partner and Global Head of Diversity and Inclusion at legal firm Norton Rose Fulbright, where she has worked for more than 25 years.



Adrian Anderson

Joined committee in 2015. A member of Ground Sub-committee. A former partner of Corrs Chambers Westgarth. Served nine years as AFL as general manager of football operations before joining the Victorian Bar in 2015.



Charles Sitch

Joined committee in 2011. Member of Ground and Finance & Audit sub-committees. Director of MCC Foundation. Director of Spark New Zealand Ltd and Apiam Animal Health Ltd. Former Melbourne FC board member and a director of McKinsey and Co for 24 years.



Ted Baillieu

Joined committee in April 2017. Member of Club and MCC Foundation sub-committees. Served as Premier of Victoria from 2010-13, and as leader of the Victorian Liberal Party for four years prior. Currently chairman of the Victorian Anzac Centenary Committee.



Mark Smith

Joined committee in 2011. Member of Ground and Finance & Audit sub-committees. A director of MCC Foundation. Non-executive director of GUD Holdings. Former chairman of Patties Foods. Former managing director of Cadbury Confectionery Australia and New Zealand and Cadbury Schweppes Australia and New Zealand.

Senior Management



Stuart Fox

Chief Executive Officer

Overall responsibility for the delivery of the strategic plan, business plan and day-to-day operation of the club, MCG, National Sports Museum and Yarra Park via his senior leadership team. Also responsible for key stakeholder relationships. Reports to MCC Committee and MCG Trust.



Scott Butler

General Manager Membership and Heritage

Responsible for activities relating to MCC membership and club life, including customer service, functions, database management, event delivery and the club's cricket, sporting sections (and their facilities) and special interest groups.
Manages heritage activities, including the various collections, operation and customer interface of the National Sports Museum and MCG tours, as well as the MCC Library, Museum and Archives. Also responsible for activities associated with the MCC Foundation.



Trevor Dohnt

General Manager Strategic and Industry Partnerships

Responsible for enhancing MCC's relationships with key hirers and stakeholders in the context of strategic issues and future requirements. Also responsible for securing major/special events to the MCG and is presently the acting general manager of commercial operations.



Clive Driscoll

General Manager Finance and Business Performance

Administers the finances of the club's entities, including reporting, financial performance management, investment, compliance, financial integrity and debt management.
Also responsible for major project management, business intelligence, strategic and business planning, risk management, internal auditing, contract management, business resilience and legislative compliance.



Gerard Griffin

General Manager Venue and Event Services

Responsible for managing the operational elements of delivering all events at the MCG - including catering, security and event operations - as well as emergency management and safety. Also responsible for day-to-day security of the MCG and other MCC-managed venues.



Donna Price

General Manager People and Culture

Through a comprehensive human resources system, is responsible for maximising employee engagement and performance to assist with achievement of MCC business objectives. Key areas include organisational culture, recruitment and talent acquisition, learning and development, workforce capability, policy development, reward and remuneration, payroll and employee relations. Responsible for delivery of the CARE customer service program.



Rey Sumaru

General Manager IT and Innovation

Responsible for the delivery and management of information and communications technology (ICT), digital and broadcasting systems, and network security, as well as operational integrity of technology.
Responsible for the development of organisationally-aligned ICT strategies to enable the business to achieve strategic and operational goals, and to maximise returns from ICT investments to improve operational effectiveness. Evaluates new and emerging technologies, innovations, digital presence and service delivery models.



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 and turf management. Manages the environment management system and implementation of the Yarra Park master plan, as well as being responsible for key operational contracts associated with Yarra Park.

Community

A key pillar of the club's strategic vision is to be recognised as a leading contributor to the community, in particular our support for suitable causes and groups.

MCC continued to support the community through a variety of initiatives, large and small, in association with many of our partners and stakeholders.

The highest profile of these initiatives centred around three events at the MCG to raise awareness and funds for charitable causes.

Breast Cancer Network Australia

MCC provided support for the Pink Lady Match between Melbourne and Western Bulldogs on May 15, 2016. Proceeds from public tickets were donated to Breast Cancer Network Australia to support Australians with breast cancer.

Our association with BCNA stretches back to the inaugural Field of Women event in 2005, when a giant Pink Lady silhouette on the MCG symbolised the number of Australians each year who are affected by breast cancer.

Sleep at the 'G

In the same month, the MCG again opened its doors for the annual Sleep at the 'G event, raising more than \$530,000

922

PEOPLE TOOK PART
IN SLEEP AT THE 'G

to help Melbourne City Mission in its fight against youth homelessness.

A record 922 participants braved the elements and slept on cardboard boxes at the MCG on May 26. The MCC raised awareness and vital funds to help the many thousands of Victorian youths who don't have a place to call home every night by opening the gates of the MCG.

With participants served hot soup and bread rolls and given a cardboard box, the event aims to provide an insight into sleeping rough for one evening and understanding the difficulties many young people of Melbourne face on a day-to-day basis.

A group of MCC staff raised well in excess of \$23,000 and had more than 20 participants, which is a measure of our commitment to this worthy cause.

Freeze MND

At the Queen's Birthday AFL match between Melbourne and Collingwood, the Freeze at the 'G concept returned for the second time, raising more than \$2.9 million

for Motor Neurone Disease research.

Celebrities and football personalities, including Eddie McGuire, Kevin Sheedy and Samantha Armytage, put their pride aside and took an icy plunge in front of a blockbuster MCG crowd in a bid to freeze MND.

MCC was an official supporter of the event, and was heavily involved in delivering the event and providing substantial promotional and in-kind support. Former Melbourne coach and MND sufferer Neale Daniher's role in the success of this event cannot be overstated, as he led this significant cause.

Other activities

The MCC also continued commercial partnerships with organisations that stage events at the MCG, out of which comes a benefit to a community group or charitable organisation. Notable examples

are the waiving of stadium rental and provision of substantial promotional support for Stadium Stomp, raising funds for Leukaemia Foundation, and Cinema at the 'G, which supports Bank of Melbourne's Neighbourhood Fund.

Other examples of our community support include hosting MCG Open Day, waiving of commercial filming fees and provision of National Sports Museum tickets and MCG Tour vouchers for local sporting and community groups. There are also staff initiatives, MCC Foundation grants to talented sportspeople, purchase of tables at fundraiser functions, and corporate dining packages discounts for charitable organisations.

A formal program and framework through which we provide community support will be implemented in 2017 and beyond.



Pink lady silhouettes in Yarra Park symbolically represent those affected by breast cancer.



Sleep at the 'G in its fourth year, raised a total of **\$530,582** for youth homelessness.



Over \$2.9 million was raised for Motor Neurone Disease research, with celebrities taking the icy plunge!

As Australia's most recognisable stadium, we have an opportunity at the MCG to lead by example through the implementation of environmental and sustainable initiatives.

Ongoing upgrades and efforts in water conservation, environmental protection, energy efficiency and waste management have significantly improved the stadium's green credentials, and confirmed the MCG's standing as one of the most sustainable stadia in the world.

MCC remains at the forefront of water conservation, with the innovative underground water recycling facility housed outside the ground providing secure, long-term sustainable water supply to the heritage-listed Yarra Park and MCG.

Working in tandem with Siemens, the club has also completed a significant energy efficiency upgrade that has seen the MCG generate enough energy savings annually

to power more than 835 houses for a year.

We are seeing significantly reduced environmental impact of our operations through replacement of existing lighting systems with low-energy lighting technologies, installing a new building management system, implementing changes to heating and ventilation systems and installing new chilled water systems and modernised room control systems.

As a founding member of the Sports Environment Alliance, the MCC has demonstrated a longstanding commitment to operating the MCG in an environmentally responsible manner.

Major environmental undertakings during the year included a partnership to produce

bollards for use in Yarra Park from recycled soft plastics at the MCG, the replacement of internal carpets with environmentally friendly carpets which can be recycled at the end of its lifecycle, and a zero tolerance approach towards giveaways to MCG event day patrons containing non-recyclable materials.

The club undertakes waste management audits, assists subcontractors in developing environmental plans, provides environmental training and awareness to MCC staff and contractors, and annual reporting to the Clean Energy Regulator through the National Greenhouse and Energy Reporting System.

RECYCLING

Waste

As host of more than 90 major sporting events and 3.5 million visitors annually, it is no surprise that the MCG produces a lot of rubbish – from pie wrappers and plastic cups to cardboard packaging and food waste.

However, thanks to comprehensive waste recycling efforts, in 2016 alone the stadium has been able to divert more than 1377 tonnes of rubbish from landfill – this amounts to recycling 77.7 per cent of all waste created at the 'G, up from 60 per cent four years ago.

The MCC's commitment to recycling is managed via strict policies regarding the materials and products allowed to be brought into the stadium, and thorough waste segregation via 20 different streams – including glass, organics, soil and turf and soft plastics.

MCC was recognised earlier this year for its achievements in sustainability, receiving the inaugural #SEA Change Solutions award at the Sports Environment Alliance summit in Melbourne. It is a fantastic endorsement by leaders within our industry that the MCG's sustainability efforts are at the forefront of best practice.

Beyond this accolade, we are proud of the continued improvement of our recycling facilities at the MCG.

Soft plastics

In 2016 the MCC identified areas where recycling was not occurring, or could be

improved.

A challenge we have faced is MCG event hirers bring in and distribute to patrons non-recyclable and non-reusable products. These products then end up contaminating our recyclable loads, resulting in items that could have been recycled being sent to landfill.

The other environmental concern was the amount of soft plastic that had been sent to landfill from the MCG. Almost all forms of merchandise, food packaging and deliveries come wrapped in a soft plastic. The MCC initiated a partnership with Red Group and Replas, a transporter and recycler of soft plastics, to formulate a program to combat these issues. We introduced bins to high-volume kitchens, office space, loading bays and docks to capture the majority of soft plastics used in these spaces.

The soft plastics recycling program has continued to grow and is exceeding our expectations. Red Group had to increase weekly collections to twice weekly to manage the volume of soft plastics being recycled and new collection points were introduced around the MCG.

To then fully close the loop, MCC purchased 40 plastic bollards from Replas for use in Yarra Park. This resulted in 100,000 plastic bags being diverted from landfill.

The MCC is continually looking for new ways to improve waste management and become a more sustainable venue at the



ANNUAL RECYCLING RATE PERCENTAGES



MCG.

We have entered into partnerships with recyclers and manufactures of recyclable products and we offer staff and contractors the opportunity to bring house hold waste to the MCG to be recycled. The impact an organisation has on the environment is evaluated prior to the MCC engaging its services.

MCC has also opened its doors to members of Take 2 and the Sport Environment Alliance to run back-of-house tours regarding our waste management and suitability measures. This initiative promotes sustainability and brings like-minded organisations together to improve work practices.

WATER

The water recycling facility in Yarra Park continues to underpin our environmental efforts, and it is also the cornerstone of our long-term vision for the health and wellbeing of Yarra Park.

More than 145 million litres of recycled water was produced in 2016/17, which was reused primarily as irrigation in Yarra Park and at nearby Punt Road Oval, as well as for cleaning and toilet flushing at the MCG.

The facility has reduced the MCC's use of potable water by more than 50 per cent and is equivalent to 58 Olympic-sized swimming pools.

YARRA PARK

Our management of Yarra Park as a multi-use parkland continued during the year. As part of our ongoing commitment to the health and vitality of Yarra Park's trees, MCC engaged a professional tree services company to carry out invasive decay inspections of at-risk trees.

Of the nine trees assessed, three were identified for removal where remedial works were determined to be impractical. The remaining six trees had remediation works undertaken through weight reduction in their crowns.

In the winter of 2017, plans are in place to plant 90 new trees and remove 68 trees that have had their health or structure compromised. The program will ensure the ongoing rejuvenation of the park by diversifying the species and age profile of Yarra Park's trees for generations of park users to come.



The water recycling facility in Yarra Park has reduced the MCC's use of potable water by **50%**



90 new trees will be planted in Yarra Park to ensure the ongoing rejuvenation of the park.

100,000
PLASTIC BAGS
were recycled, and made into 40 bollards for use in Yarra Park

MAKING A DIFFERENCE BY THINKING ENVIRONMENTALLY

Just before Christmas, MCC staff performed a cleanout of its storage spaces at the MCG.

Some of the footballs found in the cleanup made their way to Fiji via charity volunteer, Jasmine Friedrichsen. Jasmine distributed the footballs between two primary schools and two secondary schools.

It was great to see our waste management hierarchy - through our dedication to avoidance and reuse - having an impact on children who need it most.

1377
TONNES
Of rubbish was diverted from landfill

#1

The MCG won the inaugural Sports Environment Alliance award, recognising the numerous sustainability solutions implemented at the stadium.



Pictured here is Jasmine and her sister along with school children, parents and a primary school principal when the footballs were delivered.

Where possible, the club's Sporting Sections are encouraged to compete at the highest level in their respective sports. Most sections provide an opportunity for players of all ages and capabilities to enjoy their sport.

Along with the playing of cricket, today's MCC is an umbrella organisation for hundreds of participants in 12 sporting sections.



Baseball FOUNDED 1888

Widely regarded as the oldest continuous baseball club in Australia, MCC has a number of senior, junior, female and masters teams. New participants are actively encouraged.

The summer season is from October until February. Men play Sundays, women play Saturdays and juniors play Friday night or Sunday morning.

The majority of matches are played at Surrey Park in Box Hill. Some matches are played at Macleay Park (Myrtle Park) in North Balwyn.

 **211 PARTICIPANTS**

COMMITTEE REPRESENTATIVE: KAREN WOOD
MELBOURNEDEMONS.BASEBALL.COM.AU



Bowls FOUNDED 1894

The MCC Bowls Section currently fields teams in pennant competitions, which can be a mix of men and women, across a range of divisions played on Saturdays and mid-week.

Regularly hosting social bowls events, the section's headquarters are based at Swinburne Avenue, Hawthorn, in addition to a grass and synthetic green at Glen Street, Hawthorn.

 **266 PARTICIPANTS**

COMMITTEE REPRESENTATIVE: FRED OLDFIELD
MCCBOWLS.ORG



Croquet FOUNDED 2008

Croquet was first played as a social sport by MCC members and their guests in the 'ladies' enclosure' at the MCG in the mid-1870s.

Following the 2001 merger between the MCC Bowls Section and the Glenferrie Hill Recreation Club, the MCC Croquet Club was formed to carry on the sport at the Glen Street, Hawthorn courts before becoming the Croquet Section in 2008.

The section holds an open annual tournament and encourages players of all ages and abilities from MCC and other clubs to participate.

 **86 PARTICIPANTS**

COMMITTEE REPRESENTATIVE: CLARE CANNON
MCC.ORG.AU/CROQUET

Football FOUNDED 1890

Melbourne Football Club and MCC have shared a close history since the inception of Australian Football in 1859. The football club first became an MCC Sporting Section in 1890. Separating in 1980, the two clubs reunited in 2009.

The MFC has enjoyed several periods of dominance - particularly between 1954 and 1964 when the club played in eight VFL Grand Finals, winning six. Several Melbourne players have been honoured in the Australian Football Hall of Fame, including Legends Ron Barassi Jnr and Norm Smith.

In 2017, Melbourne FC fielded a team in the inaugural AFL Women's competition.

 **73 PARTICIPANTS**

COMMITTEE REPRESENTATIVE: CHARLES SITCH
MELBOURNEFC.COM.AU



Golf FOUNDED 2003

Following the success of the annual MCC members' golf day, an MCC Golf Club was established as a special interest group in 1998. Golf was elevated to MCC Sporting Section status in 2003.

Welcoming players of all ages and abilities, the Golf Section is a wandering club, playing monthly at many of Melbourne's best courses. The section also undertakes and hosts overseas tours, typically in partnership with reciprocal clubs.

Additional members are welcome at any time.

 **290 PARTICIPANTS**

COMMITTEE REPRESENTATIVE: MICHAEL ANDREW
MCC.ORG.AU/GOLF



Hockey FOUNDED 1961

The MCC Hockey Section was established in 1961, winning B Grade and C Grade premierships in its debut year. The club played at Albert Park from 1962 before establishing a home at Melbourne High School in 1995.

Fielding men's, women's, juniors and veterans teams for players of all levels, the section regularly competes in the Hockey Victoria competition.

A number of past and present MCC players have gone on to compete at state and national levels - including selection for Australia's gold medal winning women's hockey teams at the 1996 Atlanta and 2000 Sydney Olympic Games.

 **451 PARTICIPANTS**

COMMITTEE REPRESENTATIVE: SALLY MACINDOE
MCCHOCKEY.ORG





Cricket FOUNDED 1838

Since its foundation, the Melbourne Cricket Club has played a major role in developing cricket in Australia. MCC fields both men's and women's teams in Cricket Victoria competitions and has won more than 50 premierships across all grades. The MCC also manages a Club XI Competition, in which it fields two teams, and plays cricket socially through the XXIX Club.

More than 40 MCC cricketers have represented Australia in international matches, and many more have represented Victoria. The MCC teams are based at the Albert Ground.



250 PARTICIPANTS

COMMITTEE REPRESENTATIVE: PETER KING
MCC.ORG.AU/MCCCRICKET



Lacrosse FOUNDED 1896

MCC Lacrosse Section won its first premiership in 1898 and in 1920 they were premiers in the senior section of the Victorian Lacrosse Association (now Lacrosse Victoria).

MCC currently fields senior and junior teams in Lacrosse Victoria men's and women's competitions. A number of MCC players have competed at both state and national levels, including world championships.

The teams train and play matches at the Albert Cricket Ground, Queens Road, Melbourne



91 PARTICIPANTS

COMMITTEE REPRESENTATIVE: TED BAILLIEU
MCCCLACROSSE.COM.AU

Netball FOUNDED 2013

The genesis of the MCC Netball Section was the formation of teams to play against Hong Kong Cricket Club in 2011. Netball was granted Sporting Section status two years later.

MCC teams compete in the Parkville Netball and Hockey Centre. Our teams compete in Premier divisions on Tuesday evenings and in Monday night open grades.

MCC Netball prioritises player development and enjoyment. There is also a busy social calendar.



52 PARTICIPANTS

COMMITTEE REPRESENTATIVE: JAMES BENNETT
MCCNETBALL.ORG.AU



Real tennis FOUNDED 2007

The forerunner to lawn tennis, real tennis is played on an indoor court with traditional wooden racquets and solid, hand-made balls.

Playing most of its games at the Royal Melbourne Tennis Club in Richmond, MCC Real Tennis section also competes in Ballarat and Hobart.

MCC takes part in several team events. Individual MCC players also compete in state-based competitions, as well as at international level.

New members are welcome. Introductory sessions are typically held on the second Friday of every month.



128 PARTICIPANTS

COMMITTEE REPRESENTATIVE: MICHAEL HAPPELL
MCCRTS.COM.AU



Squash FOUNDED 1968

The MCC Squash Section originally played out of two courts located in the Ponsford Stand at the MCG. It currently plays at Goodlife Health Clubs in Fitzroy.

Fielding teams for players of all ability levels, the section primarily competes in Victoria's club circuit, state grade and masters competitions.

Members are able to compete in a wide range of grades from A-F, and several MCC members have competed at national and international level.

MCC Squash Section conducts two annual championships.



134 PARTICIPANTS

COMMITTEE REPRESENTATIVE: ADRIAN ANDERSON
MCC.ORG.AU/SQUASH



Target Shooting FOUNDED 1900

The MCC rifle club, which quickly was renamed the Shooting Section in 1973 to recognise the establishment of the Small-bore Rifle Club, and with the addition of clay target discipline in 2006, it is now known as the Target Shooting Section.

The Full-bore Rifle Club and Small-bore Rifle Club compete in the Victorian Rifle Association and the Target Rifle Victoria pennant competitions respectively, with members also entering individual and team state and national competitions at all age levels.

The Clay Target Club hosts interclub days at various ranges, in addition to entering teams in the Victorian Clay Target Association Zone Competition.



132 PARTICIPANTS MCC.ORG.AU/TARGETSHOOTING

COMMITTEE REPRESENTATIVE: CHRISTIAN JOHNSTON



Tennis FOUNDED 1879

After a merger with the Glen Iris Valley Tennis Club in 2016, MCC tennis now plays under the name of MCC Glen Iris Valley Tennis Club. The main centre is at the Glen Iris Valley Recreation Club in Mount Waverley. The secondary base is at the corner of Roy St and St Kilda Rd in Melbourne.

The club fields teams for men and women in the Tennis Victoria winter pennant competition. MCC teams also compete in Tennis Victoria's summer Premier League and in the Asia Pacific Tennis League.



155 PARTICIPANTS

COMMITTEE REPRESENTATIVE: MARK SMITH
MCCGLENIRISVALLEY.ORG.AU

Special Interest Groups

Melbourne Cricket Club has many special interest groups and facilities for members to enjoy.



Bridge Club

The MCC Bridge Club holds regular sessions of the world's most famous card game at the MCG. Duplicate bridge is played in the Hans Ebeling Room on Thursday afternoons, while the club also plays regular matches against other bridge clubs. All MCC members are welcome to apply for membership of the MCC Bridge Club.

Our Thursday afternoon bridge sessions require an understanding of the fundamentals of the game of Bridge and in particular how Duplicate Bridge is played. All members without significant prior playing experience need to have completed at least a beginner course in bridge.

BRIDGEWEBS.COM/MCCBRIDGE



Long Room Wine and Food Society

The Long Room Wine and Food Society holds monthly luncheons in the Long Room on the last Wednesday of each month and has been doing so since its inception in 1987.

Other special events such as the annual dinner held in April and the November luncheon, which is devoted to international wines, are conducted through the year.

The society has established a substantial cellar beneath the Members Pavilion and draws occasionally from this resource for "cellar days", which are held two or three times each year. Winemakers are invited to show their wines at all other functions. Outstanding cuisine is provided by a rotating band of high-class chefs.

MCC.ORG.AU/WINEANDFOOD

War Veterans Group

To be a member of the MCC War Veterans Group, an applicant must be an MCC member and be an eligible ex-service person.

The group holds three lunches a year generally during March, June and October (also the date of the Annual General Meeting). Luncheons generally take place in the Members Dining Room.

On Anzac Day, MCC makes available the Hans Ebeling Room for refreshments before and during the AFL match between Collingwood and Essendon.



MCC.ORG.AU/WARVETERANS



Women of MCC

The Women of MCC special interest group was created in 2006.

The aims of the group are to encourage the use of MCC facilities by women members; to create and enhance opportunities to network and build friendships; to profile and promote the achievements of women in sport; and to provide support to groups using sport to improve the confidence and skills of women and girls.

A number of functions are held each year including Women in Cricket Test Breakfast, Women in Wine and Women in Football to which we invite both female and male members as well as their guests. Women of the MCC membership is free and is available to all MCC members.

MCC.ORG.AU/WOMENOFMCC



XXIX Club

The XXIX Club was formed in 1956 by a group of MCC senior players of the day who wanted to play pleasant social cricket.

The club is still flourishing, with a fixture list of 15-20 games each year and, every two years or so, an overseas tour.

Mid-week games, usually played at the Albert Ground, are a great opportunity to play in the best conditions in Australia.

XXIX Club teams have visited England, south-east Asia, Canada, Singapore and Thailand.

MCC members and Playing members on the waiting list are eligible for XXIX Club membership.

MCC.ORG.AU/XXIXCLUB

Young Members Club

The MCC Young Members is an active group of more than 10,000 members who are aged between 18 and 40 years.

Run by a committee of young professionals, events are designed to cater for the interests of all young members.

In addition to regular football and cricket functions, events include the ever popular Anzac Ball, the Scotch Malt Whiskey Appreciation Night, champagne and wine appreciation functions and lawn bowls events.

The Young Members Club presents a great opportunity to develop new friendships and meet people from diverse backgrounds, careers and sporting knowledge. These events are your chance to network, socialise and enjoy the MCG.

MCC.ORG.AU/YOUNGMEMBERS



Heritage

The ninth year of operation of the National Sports Museum and MCG Tours recorded in excess of 156,000 visitors.

The museum's temporary exhibitions and displays continued to provide additional and timely attractions for visitors, as well as maintaining the museum's public profile.

Our staff worked with Cricket Australia and other key partners to create a series of activities that commemorated the 150th anniversary of the events of 1866, when an indigenous cricket team faced the MCC at the MCG on Boxing Day. Outcomes included Boxing Day Test activations, a lecture/seminar event and a dedicated edition of the MCC Library's *The Yorker*, which was made available free of charge to MCC members.

156 000

VISITORS IN THE NATIONAL SPORTS MUSEUM AND TOURS

New objects were installed into the NSM's Rio 2016 showcase in the 'Faster Higher Stronger' gallery, the result of a proactive object collecting strategy for the Rio Olympics, with assistance from the Victorian Olympic Council. Featured objects included a swimming cap worn by Emma McKeon in the women's 4x100m freestyle relay final, and swimming goggles worn by Mack Horton during the men's 400m freestyle.

The 60th anniversary of the 1956 Melbourne Olympics was also celebrated in the form of an Olympic-themed package for school groups. Activities included meeting an Australian Olympian and hearing about their experiences, and taking an Olympic-themed tour of the MCG.

A range of themes was covered by focus case displays on subjects as diverse as Lleyton Hewitt, the aforementioned 1866 Aboriginal match, lacrosse, diving, the inaugural AFL Pride Game, Prince of Penzance's 2015 Melbourne Cup victory and women in racing.

An MCC Museum display featured objects which have recently come into the MCC collection. These included a pink cricket ball associated with the inaugural day night Test match; a draft design of a losing Melbourne Football Club premiership poster by William Ellis Green (WEG); and a trophy awarded to RJ Parker for winning the one mile single tricycle race held at the MCG in 1884.

Importantly, the five-yearly Museum

Accreditation Program renewal was confirmed for the three museums and museum collections managed by the club – the National Sports Museum, MCC Museum and Australian Gallery of Sport & Olympic Museum. The first ever valuation of the MCC Archives collection was also completed.

On the international front, we witnessed visits to the NSM from groups representing proposed National Sports Museums in New Zealand, Jamaica and South Korea. An NSM audio tour in Chinese Mandarin was created and launched as part of the business's 'China Ready' strategy.

A new initiative was a school holiday program whereby current and former cricketers, AFL and AFL Women's players took visitors through their 'My Match Day At The MCG' experience. The program was a great success and has continued throughout 2017 to sold-out groups of visitors.

The NSM also trialled 'Conversation Cards' and 'Teacher Trails' – two education group resources intended to provide teachers with a simple way of engaging their group in the NSM if they do not have the time to utilise the online AUSVEL education resources.

Multimedia artist Khaled Sabsabi, last year's National Sports Museum Basil Sellers Creative Arts Fellowship recipient, displayed some of his completed work exclusively on the MCG's LED boards and big screens. The fifth and final fellow – Vipoo Srivilasa – will commence his fellowship early in 2018.

Our volunteer personnel continued to play a vital role in the delivery of the NSM, MCG Tours, MCC Library and MCC Archives. Their generosity of time and commitment is sincerely appreciated, as it contributes strongly to the fabric of what makes the MCC and the MCG such compelling institutions.



Going behind the scenes on the 'My Match Day At The MCG' experience.



The National Sports Museum displayed a racket and shoes used by Lleyton Hewitt at the Australian Open.



One of hundreds of our dedicated volunteers taking an MCG Tour.

Our Partners

The club is grateful for the support of our key commercial partners, stakeholders and suppliers.

Icon Partners



Official Partners

CADBURY
HERALD SUN
TREASURY WINE ESTATES
FOUR N' TWENTY
TELSTRA
MKTG
EPICURE
TICKETEK
PLAYBILL

Preferred Suppliers

SIMPLOT
PETERS ICE CREAM
GEORGE WESTON FOODS
MASTERFOODS
ISS
LAVAZZA
THE SMITH'S SNACKFOOD COMPANY

Major Stakeholders

AFL
CRICKET AUSTRALIA
STATE GOVERNMENT OF VICTORIA

Home Teams

MELBOURNE FC
RICHMOND FC
HAWTHORN FC
COLLINGWOOD FC
CARLTON FC
MELBOURNE STARS
VICTORIAN BUSHRANGERS

Melbourne Cricket Club

AND CONTROLLED ENTITIES

ANNUAL CONCISE FINANCIAL REPORT
FOR THE YEAR ENDING 31 MARCH 2017.

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 2017 and cannot be expected to provide as full an understanding of the financial performance, financial position and operating, financing and investing cash flows of the consolidated entity as the full financial report.



Committee Report

Your Committee submit their report for the year ended 31 March 2017.

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.

Steven J. Smith, Michael J. Happell, Frederick H. Oldfield, Karen J. Wood, Michael J. Andrew AO, Adrian C.R. Anderson, James D. Bennett, Clare V. Cannon, Peter D. King, Sally G. Macindoe, Charles T. Sitch, Mark G. Smith, David S. Crow (resigned 21 March 2017), Stephen C. Spargo (resigned 21 March 2017), Edward N. Baillieu (appointed 18 April 2017) and Christian W. Johnston (appointed 18 April 2017).

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. The Club also performs the role of the Reserve Manager of Yarra Park and management of the National Sports Museum located at the MCG.

There was no significant change in the nature of these activities during the period.

RESULTS AND REVIEW OF OPERATIONS

The consolidated net profit of the Club amounted to \$8.141 million compared with the previous year’s net profit of \$14.173 million.

During 2016/17, more than 3.13 million patrons attended events held at the MCG. The 2016 AFL season was attended by approximately 2.5 million patrons, comprising 47 home and away matches and four finals within the financial year. The Boxing Day Test between Australia and Pakistan drew 140,000 people while the one-day and Twenty20 internationals against Pakistan, New Zealand and Sri Lanka provided a further 94,000 people. The domestic T20 Big Bash League tournament continues to draw strong crowds, with approximately 200,000 attendees and the highlight being the clash between the Stars and the Renegades on New Year’s Day, which drew 71,000 people. The MCG also hosted four additional events for the financial year – three International Champions Cup soccer matches featuring Juventus FC, Tottenham Hotspur, Atletico de Madrid and Melbourne Victory, and the highly anticipated Guns N’ Roses “Not In This Lifetime” tour concert, that drew an audience of 73,756.

The success of the Club operations is underpinned by a robust business model, which for the year generated revenues of more than \$138 million. The MCC membership model, unique to stadia globally, provides a foundation in excess of 40 per cent of consolidated revenues. Membership revenues to the Club include annual subscriptions, entrance fees, MCC reserved seats and nomination fees. The two other major revenue sources for the Club are event-related revenue and commercial operations revenues. Event-related revenue includes revenue generated through catering and venue hire, whilst commercial revenues comprise the income derived from corporate suites, advertising and commercial relationships with MCC/MCG stakeholders. Offsetting the key revenues of the Club are major expenditure items such as contributions payable to our key venue hire stakeholders, being the Australian Football League (AFL), AFL clubs and Cricket Australia, as well as the considerable cost of maintaining, upgrading, securing and preserving the MCG.

The Club continues to generate positive cash flows from its operating activities and cash flow management remains an important strategic focus for the Club. The Club’s objectives regarding cash flow management include: providing sufficient cash reserves to allow for the payment of significant debt that falls due in 2024 (\$26.160 million); continued investment in the latest technology programs and short-term working capital objectives; commitment to longer-term MCG and Yarra Park capital projects and the ongoing Asset Replacement Program required to keep the MCG as a world-class venue.

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 undertaken its annual review and update of its Environmental Management Plan for the MCG to reflect additional objectives and targets, and incorporate any legislative and regulative changes required. The plan provides guidelines and targets for energy, water and waste management in addition to meeting the obligations associated with legislative and regulatory compliance and social expectations. The Club has implemented energy-minimising solutions identified in the Energy Performance Contract, such as energy efficient lighting around the stadium, which will help drive energy and carbon reduction of up to 20 percent at the MCG.

Major environmental undertakings during the year included a partnership to produce bollards for use in Yarra Park from recycled soft plastics at the MCG, the installation of environmentally friendly carpets which can be recycled at the end of its lifecycle, and a zero tolerance approach towards giveaways to MCG event day patrons containing non-recyclable materials. The Club undertakes waste management audits, assists subcontractors in developing environmental plans, provides environmental training and awareness to MCC staff and contractors, and annual reporting to the Clean Energy Regulator through the National Greenhouse and Energy Reporting System.

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, implement and assess 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 continuously under review.

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

In the upcoming financial year, the Club will invest further into safety by moving its accreditation to Australian Standard 4801.

INDEMNIFICATION AND INSURANCE OF COMMITTEE MEMBERS

The Club 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 \$54,000 (2016: \$54,150).

ROUNDING

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) (where rounding is applicable) under the option available to the Club under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. The Club is an entity to which the Class Order applies.

Signed in accordance with a resolution of the Committee.



Steven J. Smith
President



Michael J. Andrew AO
Treasurer

Melbourne, 5 July 2017

Consolidated Statement of Comprehensive Income

Year Ended 31 March 2017	NOTES	CONSOLIDATED	
		2017	2016
		\$000	\$000
Revenue	3(a)	138,285	138,081
Other income	3(b)	6,596	10,586
TOTAL INCOME		144,881	148,667
Arena expenses		(6,375)	(6,266)
Facilities expenses		(13,853)	(13,220)
Commercial Operations expenses		(8,106)	(8,689)
Member contributions to the gate		(14,561)	(12,316)
Membership and Customer Services expenses		(5,027)	(4,722)
Events Administration expenses		(17,170)	(17,488)
Security and Safety expenses		(3,088)	(2,605)
Administration expenses		(13,228)	(13,802)
Depreciation expenses		(37,258)	(32,653)
National Sports Museum Limited ("NSM") expenses		(3,346)	(3,400)
Yarra Park expenses		(2,632)	(3,047)
Finance costs		(12,096)	(16,286)
TOTAL EXPENSES		(136,740)	(134,494)
NET PROFIT		8,141	14,173
OTHER COMPREHENSIVE INCOME			
<i>Items that will be reclassified to profit and loss in subsequent periods:</i>			
Net changes in fair value of cash flow hedge		-	(156)
<i>Items that will not be reclassified to profit and loss in subsequent periods:</i>			
Revaluation increment on NSM Collection assets		-	16
Net changes in fair value of cash flow hedge		(530)	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD		(530)	(140)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		7,611	14,033

Discussion and Analysis

Consolidated Statement of Comprehensive Income

TRENDS IN REVENUES AND EXPENDITURES

Income

Total consolidated income decreased from \$148.667 million in 2016 to \$144.881 million in 2017 (see note 3 for further details). The major items contributing to the decrease in consolidated income were:

- Membership related revenues increased from \$54.780 million to \$56.745 million, predominantly driven by the continued uptake of the new Provisional Membership category.
- Commercial Operations revenue decreased \$0.831 million for the year, mainly due to a drop in sales for corporate functions throughout the 2016 AFL Home & Away Season.
- Other income decreased due to sponsor contributions reducing from \$6.328 million to \$2.173 million. This revenue relates to capital contributions from corporate sponsors for capital re-investment into the MCG.
- Yarra Park revenues decreased from \$2.755 million to \$2.407 million due to an increased amount of car park closures as a result of bad weather. The Club is committed to improving the health and amenity of Yarra Park, and therefore only open Yarra Park for parking when weather and ground conditions permit.

Expenses

Total consolidated expenses increased by \$2.246 million from \$134.494 million in 2016 to \$136.740 million in 2017. The key movements in material expense categories were:

- Member contributions to the gate increased by \$2.245 million, due to increased Member's attendance over the 2016 AFL Finals Series compared to 2015.
- Depreciation expense increased by \$4.605 million as a result of a number of the Club's investment in technology upgrades being completed in the prior year, and therefore a full year of depreciation being applied.
- Finance costs decreased by \$4.190 million due to cost efficiencies associated with the early repayment of debt made in November 2015 by the Club.
- Commercial Operations expenditure decreased by \$0.583 million, in line with the decrease in Commercial Operations revenue, which has been noted above.

Consolidated Statement of Financial Position

At 31 March 2017	NOTES	CONSOLIDATED	
		2017	2016
		\$000	\$000
CURRENT ASSETS			
Cash and cash equivalents		49,244	31,307
Trade and other receivables		15,844	16,354
Other assets		1,269	1,125
Derivative financial instruments		-	381
TOTAL CURRENT ASSETS		66,357	49,167
NON-CURRENT ASSETS			
Property, plant and equipment			
MCG building improvements		442,862	474,046
Plant and equipment		19,313	19,678
Work in progress		3,036	1,173
Yarra Park assets		14,290	15,302
NSM Collection assets		473	473
TOTAL NON-CURRENT ASSETS		479,974	510,672
TOTAL ASSETS		546,331	559,839
CURRENT LIABILITIES			
Trade and other payables		17,854	15,077
Income in advance		32,344	31,828
Interest bearing loans and borrowings		12,880	19,357
Provisions		3,584	3,577
TOTAL CURRENT LIABILITIES		66,662	69,839
NON-CURRENT LIABILITIES			
Income in advance		10,231	15,242
Interest bearing loans and borrowings		163,673	176,552
Provisions		255	307
TOTAL NON-CURRENT LIABILITIES		174,159	192,101
TOTAL LIABILITIES		240,821	261,940
NET ASSETS		305,510	297,899
EQUITY			
Accumulated funds		304,619	296,178
Reserves		891	1,721
TOTAL EQUITY		305,510	297,899

Discussion and Analysis

Consolidated Statement of Financial Position

CHANGES IN THE COMPOSITION OF ASSETS AND LIABILITIES

Consolidated Net Assets increased from \$297.899 million to \$305.510 million

Changes in Assets

The major changes were:

Current Assets

- Cash and cash equivalents has increased substantially in the current financial year by \$17.937 million. With increased expenditure on major capital works in the prior year, the increase in cash levels is primarily a result of a reduced capital spend in the current year.

Non-Current Assets

- A decrease in MCG building improvements of \$31.184 million due to a full year of depreciation being applied to the Club's technology upgrades that were completed in the prior year.

Changes in Liabilities

The major changes were:

Current Liabilities

- A decrease in Current interest bearing liabilities of \$6.477 million due to principal repaid on term loans associated with the MCG Redevelopment, and the Inflation Indexed Annuity Bonds, which were fully repaid in March 2017.

Non-Current Liabilities

- A decrease in Non-Current interest bearing liabilities of \$12.879 million due to principal repaid on term loans associated with the MCG Redevelopment.
- A decrease in income in advance of \$5.011 million in respect of funds received from contractual arrangements with key MCG stakeholders in the prior year.

Consolidated Statement of Changes in Equity

Year Ended 31 March 2017	CONSOLIDATED				
	Accumulated Funds	Asset Revaluation Reserve	Yarra Park Reserve	Cash Flow Hedge Reserve	Total Equity
	\$000	\$000	\$000	\$000	\$000
Balance at 31 March 2015	281,487	10	1,683	686	283,866
Profit for the year	14,173	-	-	-	14,173
Transfer to Yarra Park reserve	292	-	(292)	-	-
Transfer of amounts for capital expenditure	226	-	(226)	-	-
Other Comprehensive Income for the year	-	16	-	(156)	(140)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	14,691	16	(518)	(156)	14,033
BALANCE AT 31 MARCH 2016	296,178	26	1,165	530	297,899
Profit for the year	8,141	-	-	-	8,141
Transfer to Yarra Park reserve	235	-	(235)	-	-
Transfer of amounts for capital expenditure	65	-	(65)	-	-
Other Comprehensive Income for the year	-	-	-	(530)	(530)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	8,441	-	(300)	(530)	7,611
BALANCE AT 31 MARCH 2017	304,619	26	865	-	305,510

Discussion and Analysis

Consolidated Statement of Changes in Equity

CHANGES IN THE COMPOSITION OF TOTAL EQUITY

Consolidated total equity in the current year increased from \$297.899 million to \$305.510 million.

The major equity movements during the year were:

- The reported net profit of \$8.141 million and the movement in the cash flow hedge reserve of \$0.530 million.
- Included in the total result is the transfer of the deficit from the Club's management of Yarra Park of \$0.235 million to the Yarra Park Reserve.
- In accordance with the Yarra Park accounting policy, \$0.065 million was transferred out of the Yarra Park Reserve during the year, for expenditure relating to an ongoing project in the Yarra Park Reserve.

Consolidated Statement of Cash Flows

Year Ended 31 March 2017	NOTES	CONSOLIDATED	
		2017	2016
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from operating activities (inclusive of GST)		133,142	130,488
Payments to suppliers and employees (inclusive of GST)		(84,500)	(88,195)
Interest received		916	1,039
Interest paid		(12,201)	(16,227)
NET CASH FLOWS FROM OPERATING ACTIVITIES		37,357	27,105
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(6,559)	(34,027)
Contributions relating to MCG contractual arrangements		2,201	6,366
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		(4,358)	(27,661)
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributions from related party	3(b)	4,295	4,220
Repayments of borrowings		(19,357)	(29,982)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		(15,062)	(25,762)
NET INCREASE IN CASH AND CASH EQUIVALENTS		17,937	(26,319)
Cash and Cash equivalents at beginning of the year		31,307	57,626
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		49,244	31,307

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 \$17.937 million, with the Club reporting a closing cash position of \$49.244 million.

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

- Reduced loan repayments of \$10.625 million due to early debt repayments made by the Club in November 2015.
- With a number of major projects being completed and capitalised in the prior year, purchase of property, plant and equipment has reduced by \$27.468 million as a result of no major projects occurring in 2016/17.

Cash flow management remains an important strategic focus of the Club, with objectives to:

1. Increase the cash reserves to provide for the repayment of significant debt that falls due in 2024 (\$26.160 million).
2. Continue to invest in the latest technology programs and short term working capital objectives.
3. Commit to longer term capital projects and the ongoing Asset Replacement Program required to keep the MCG as a world class venue.

1. Debt Repayment

The club is forecasting to fund the repayment of external borrowings

in accordance with the contractual repayment terms. The maturing repayment in 2024 of the interest only loan facility is \$26.160 million. The Club is aiming to build sufficient cash reserves over the period to 2024 to facilitate the repayment of this debt.

2. Short Term Working Capital Objective / Technology investment

In addition to building up cash reserves to meet the debt repayments, operating cash flow associated with the MCG is forecast to fund the following capital works in the next two years:

- Grandstand Facility Refurbishments
- Asset Replacement Program
- National Sports Museum Upgrade
- PA system Upgrade

3. Long Term Capital Projects and Programmes

The following special capital projects are currently forecast to be completed in the next 2-10 years:

- Refurbishment and asset replacement under the Great Southern Stand Master Plan
- National Sports Museum Upgrade
- Northern Stand refurbishments including upgrade of existing facilities in both the Members and public areas

In addition to the projects forecasted above the Asset Replacement Program for the period of 2017 to 2026 has been estimated at \$65 million, which will also draw upon existing and future cash reserves.

Notes to the Concise Financial Statements

31 MARCH 2017

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 and National Sports Museum Limited (“NSM”) (a controlled entity). The ultimate parent is the Club.

Specifically, the Club controls an investee if and only if the Club has:

- Power over the investee;
- Exposure, or, rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

When the Club has less than a majority of the voting or similar rights of an investee, the Club considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- Contractual arrangements with other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Club’s voting rights and potential voting rights.

The Club has determined it controls the NSM. The operations of NSM are consolidated 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 MCG Trust. The principal activities of the NSM are the operation of a sports museum at the MCG.

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.

In preparing the consolidated financial statements, all intergroup 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 and cease to be consolidated from the date on which control is transferred out of the consolidated Group.

The Melbourne Cricket Club Foundation Limited (“Foundation”), a company limited by guarantee, is categorised as a director related entity and is not consolidated into the Club’s accounts on the basis that not all the three elements of the control definition are satisfied. 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. The Foundation provides funds for the MCC’s sporting sections to enable the participation and development of the 12 sports currently played.

(b) Yarra Park

Effective 15 March 2010, the Melbourne Cricket Ground and Yarra Park Amendment Act 2009 (“Yarra Park Amendment Act”) appointed the Melbourne Cricket Ground Trust (“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 assumed responsibility for car parking arrangements, receiving advice from the Yarra Park Advisory Committee on the operation and

management of Yarra Park, and the management of 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 allowed 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 Reserve 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 were contributed by the MCG Trust for nil consideration.

Notes to the Concise Financial Statements (continued)

31 MARCH 2017

Note 3	CONSOLIDATED	
	2017	2016
	\$000	\$000
3. INCOME		
(A) REVENUE		
Membership and Customer Services related revenue	56,745	54,780
Event related revenue	29,482	29,820
Commercial Operations revenue	31,341	32,172
NSM revenues	4,033	3,825
Yarra Park revenues	2,407	2,755
AFL revenues	9,134	9,001
Interest income	917	1,039
Revenue from sales	444	583
Other revenues	3,782	4,106
	138,285	138,081
(B) OTHER INCOME		
Distribution from the MCG Trust for repayment of debt	4,295	4,220
MCG contractual arrangement contributions	2,173	6,328
State Government of Victoria contribution – Yarra Park Landscape Upgrade	100	-
NSM contributions	28	38
	6,596	10,586
TOTAL INCOME	144,881	148,667

Notes to the Concise Financial Statements (continued)

31 MARCH 2017

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.

5. RELATED PARTY DISCLOSURES

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

Steven J. Smith (President)
Michael J. Happell (appointed Vice-President 21 March 2017)
Frederick H. Oldfield (appointed Vice-President 21 March 2017)
Karen J. Wood (appointed Vice-President 21 March 2017)
Michael J. Andrew AO (appointed Treasurer 21 March 2017)
Adrian C. R. Anderson
James D. Bennett
Clare V. Cannon
Peter D. King
Sally G. Macindoe
Charles T. Sitch
Mark G. Smith
David S. Crow (resigned 21 March 2017)
Stephen C. Spargo (resigned 21 March 2017)
Edward N. Baillieu (appointed 18 April 2017)
Christian W. Johnston (appointed 18 April 2017)

No remuneration was paid to the Committee Members during the year (2016: nil)

(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 \$4.429 million (2016: \$4.355 million) in respect of its lease rental of the MCG.

The MCG Trust distributed \$4.295 million to the Club for the repayment of term loans and amortising inflation indexed bonds (2016: \$4.220 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 nil (2016: 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 Limited

From time to time, the Club undertakes transactions on behalf of NSM. As at year-end, amounts receivable by the Club from NSM were \$0.261 million (2016: \$0.035 million). Amounts payable by the Club to NSM were \$0.776 million (2016: nil). Amounts owing between 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 \$3,732,329 (2016: \$3,062,513) 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.

During the year, the Club remitted to the Foundation \$7.558 million (2016: \$5.690 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 \$0.366 million (2016: \$0.012 million). Amounts payable by the Club to the Foundation were \$0.111 million (2016: \$0.003 million). Amounts receivable by NSM from the Foundation at year end were nil (2016: nil).

A number of the Club's Committee members held directorships with other entities during the current year. Names of Committee members and details of the relevant director related entities entering into business transactions with the Club on normal commercial terms and conditions during the year were:

Mr Michael J. Happell
-Chairman of PricewaterhouseCoopers Australia's Board of Partners
(resigned 30 June 2016)

Mr James D. Bennett
-Managing Director of Aurecon

Mr Christian W. Johnston
-Director of Goldman Sachs Australia Pty Ltd

Mr Mark G. Smith
-Chairman of Patties Foods Limited (resigned 23 September 2016)

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 2017 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 2017.

On behalf of the Committee



Steven J. Smith
President



Michael J. Andrew AO
Treasurer

Melbourne, 5 July 2017



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MELBOURNE CRICKET CLUB

REPORT ON THE CONCISE FINANCIAL REPORT

OPINION

The Concise Financial Report, which comprise the consolidated statement of financial position as at 31 March 2017, 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, are derived from the audited Financial Report of Melbourne Cricket Club and its controlled entities (collectively the Club) for the year ended 31 March 2017. The Concise Financial Report also includes discussion and analysis and the Committee of the Club's declaration.

In our opinion, the accompanying Concise Financial Report, including the discussion and analysis and the Committee of the Club's declaration complies with Accounting Standard AASB 1039 Concise Financial Reports.

CONCISE FINANCIAL REPORT

The Concise Financial Report does not contain all the disclosures required by Australian Accounting Standards. Reading the Concise Financial Report and the auditor's report thereon, therefore, is not a substitute for reading the audited Financial Report and the auditor's report thereon.

THE AUDITED FINANCIAL REPORT AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited Financial Report in our report dated 5 July 2017.

RESPONSIBILITY OF THE COMMITTEE FOR THE CONCISE FINANCIAL REPORT

The Committee of the Club 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 of the Club determine are necessary to enable the preparation of the Concise Financial Report.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on whether the Concise Financial Report complies, in all material respects, with AASB 1039 *Concise Financial Reports* based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

Ernst & Young

Tim Wallace
Partner

Melbourne
5 July 2017



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