

Cricket West Indies Inc.

Consolidated Financial Statements

September 30, 2022

(expressed in United States dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Cricket West Indies Inc

Opinion

We have audited the accompanying consolidated financial statements of **Cricket West Indies Inc** (the "Company") which comprise the consolidated statement of financial position as of September 30, 2022, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of September 30, 2022, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities ("IFRS for SMEs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in the Eastern Caribbean, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS for SMEs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Partners:

Antigua
Charles Walwyn - Managing partner
Robert Wilkinson
Kathy David

St. Kitts
Jefferson Hunte
Lisa Roberts

Barbados
Jefferson Hunte

Audit | Tax | Advisory

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.


Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the Company's internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the Group's internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Chartered Accountants
March 10, 2023
St. John's, Antigua


Cricket West Indies Inc.
Consolidated Statement of Financial Position
As of September 30, 2022

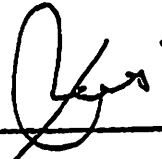
(expressed in United States dollars)

	Notes	2022 \$	As restated 2021 \$
Assets			
Current assets			
Cash and cash equivalents	4	1,853,960	708,477
Trade and other receivables	5	19,557,291	7,442,460
Inventories		297,010	249,179
Due from territorial boards, cricket associations and franchises		67,813	29,682
		<u>21,776,074</u>	<u>8,429,798</u>
Non-current assets			
Property, plant and equipment	7	<u>7,237,652</u>	<u>7,132,182</u>
Total assets		<u>29,013,726</u>	<u>15,561,980</u>
Liabilities			
Current liabilities			
Borrowings	8	4,550,385	4,473,446
Trade and other payables	9	13,916,714	11,154,028
Deferred revenue	10	912,950	10,774,468
Due to territorial boards, cricket associations and franchises	6	8,516,507	7,631,305
		<u>27,896,556</u>	<u>34,033,247</u>
Non-current liabilities			
Borrowings	8	<u>1,126,881</u>	<u>2,253,108</u>
		<u>1,126,881</u>	<u>2,253,108</u>
Equity			
Stated capital	11	17	17
Accumulated deficit		(2,493,753)	(23,257,164)
Non-controlling interest		2,484,025	2,532,772
Total shareholders' deficiency		<u>(9,711)</u>	<u>(20,724,375)</u>
Total Liabilities and Shareholders' Deficiency		<u>29,013,726</u>	<u>15,561,980</u>

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Directors on March 9, 2023.


 _____ Director


 _____ Director

Cricket West Indies Inc.

Consolidated Statement of Comprehensive Income For the year ended September 30, 2022

(expressed in United States dollars)

	Notes	2022 \$	As restated 2021 \$
Revenues	15	78,646,235	27,879,487
Expenses from tours and tournaments	16	<u>(32,031,708)</u>	<u>(21,974,976)</u>
Gross operating profit		<u>46,614,527</u>	<u>5,904,511</u>
Operating expenses	17	(25,512,091)	(16,106,478)
Other (expense)/income	20	<u>(136,078)</u>	<u>254,917</u>
Operating income/(loss) for the year		<u>20,966,358</u>	<u>(9,947,050)</u>
Finance costs		<u>(251,694)</u>	<u>(323,145)</u>
Net income/(loss) including non-controlling interests		20,714,664	(10,270,195)
Net income attributable to non-controlling interests		<u>(48,747)</u>	<u>59,889</u>
Total comprehensive income/(loss) for the year		<u>20,763,411</u>	<u>(10,210,306)</u>

The accompanying notes are an integral part of these financial statements.

Cricket West Indies Inc.
Consolidated Statement of Changes in Equity
For the year ended September 30, 2022

(expressed in United States dollars)

	Stated capital \$	Accumulated deficit \$	Non- controlling interest \$	Total \$
Balance as of September 30, 2020	17	(13,340,398)	2,592,661	(10,747,720)
Total comprehensive loss for the year	—	(10,278,883)	(105,977)	(10,384,860)
Balance as of September 30, 2021 as previously stated	17	(23,619,281)	2,486,684	(21,132,580)
Effect of prior period adjustment (note 23)	—	362,117	46,088	408,205
Balance as of September 30, 2021 restated	17	(23,257,164)	2,532,772	(20,724,375)
Total comprehensive income for the year	—	20,763,411	(48,747)	20,714,664
Balance as of September 30, 2022	17	(2,493,753)	2,484,025	(9,711)

The accompanying notes are an integral part of these financial statements.

Cricket West Indies Inc.
Consolidated Statement of Cash Flows
For the year ended September 30, 2022

(expressed in United States dollars)

	Notes	2022 \$	As restated 2021 \$
Cash flows from operating activities			
Operating income/(loss) for the year		20,966,358	(9,947,050)
Interest received		465	28
Interest paid		(1,132)	(22,884)
Items not affecting cash:			
Depreciation	7	182,806	197,605
		<u>21,148,497</u>	<u>(9,772,301)</u>
Changes in non-cash working capital balances			
Trade and other receivables		(12,114,831)	(2,522,802)
Inventories		(47,831)	(159,991)
Trade and other payables		2,762,686	3,392,731
Deferred revenue		(9,861,518)	9,677,468
Other liabilities		-	(1,757,922)
Due to/from territorial boards and cricket associations, net		847,071	2,107,301
		<u>2,734,074</u>	<u>964,484</u>
Net cash flows generated from operating activities		<u>2,734,074</u>	<u>964,484</u>
Cash flows from investing activities			
Purchase of property and equipment	7	(288,276)	(9,494)
		<u>(288,276)</u>	<u>(9,494)</u>
Net cash flows used in investing activities		<u>(288,276)</u>	<u>(9,494)</u>
Cash flows from financing activities			
Proceeds from borrowings		7,000,000	1,250,000
Repayment of borrowings		(8,049,288)	(1,581,986)
Interest paid		(251,027)	(300,289)
		<u>(1,300,315)</u>	<u>(632,275)</u>
Net cash used in financing activities		<u>(1,300,315)</u>	<u>(632,275)</u>
Net increase in cash and cash equivalents		1,145,483	322,715
Cash and cash equivalents, beginning of year		708,477	385,762
Cash and cash equivalents, at end of year		<u>1,853,960</u>	<u>708,477</u>
Represented by:			
Cash in hand and at bank		<u>1,853,960</u>	<u>708,477</u>

The accompanying notes are an integral part of these financial statements.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

1. Nature of operations and going concern

The West Indies Cricket Board Inc. (“the Board”) was incorporated on November 27, 1998 under the International Business Companies Act, Cap. 291 of the British Virgin Islands (BVI).

The Board was also registered in Antigua and Barbuda on April 25, 2000 under the Companies Act of 1995.

The Board was re-registered in the BVI under the BVI Business Companies Act, 2004 on January 1, 2007 and effective February 23, 2017, has changed its name to Cricket West Indies Inc. (“the Company”). The registered office is located at Simmond’s Building, 30 De Castro Street, Road Town, Tortola, British Virgin Islands. The administrative and executive offices of the Company are located in St. John’s, Antigua and Basseterre, St Kitts.

The Company is responsible for the administration of domestic and international cricket within the Caribbean region, and is a full member of the International Cricket Council (ICC).

The Company is owned jointly by six (6) regional territorial boards as follows:

- Leeward Islands Cricket Board
- Windward Islands Cricket Board of Control
- Jamaica Cricket Association
- Barbados Cricket Association
- Trinidad and Tobago Cricket Board
- Guyana Cricket Board

These consolidated financial statements comprise the Company and its subsidiary, Coolidge Cricket Ground Inc. (“CCG”), together referred to as the (“Group”).

The Group employed fifty (54) (2021: 54) persons at the year end.

A Memorandum of Understanding was established between the Government of Antigua & Barbuda and Cricket West Indies Inc. in relation to the joint acquisition of the restaurant facility and cricket ground at Coolidge. The Company holds a 60% ownership interest of the investment in the CCG and the Government of Antigua & Barbuda holds a 40% ownership interest. The sale/purchase agreements and lease agreements between the respective parties and the liquidators of Stanford Development Company Limited and Stanford Investment Bank Limited were approved by a sitting of the Parliament on November 9, 2017. The Coolidge Cricket Ground facilities include a cricket field, gymnasium, carpark and restaurant. The facilities are ideal for the conduct of training camps and the High-Performance Programmes and are complementary to the Company’s ongoing preparation of representative teams for international tours and events. The final payment towards the purchase of this investment was scheduled for and paid on February 29th, 2020. The transaction was finalized in August 2020. The final purchase price was \$6,500,000 hence the Company’s 60% share was reduced from \$4,500,000 to \$3,900,000 with the difference being included in the receivable due from the Government of Antigua and Barbuda.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

1. Nature of operations and going concern ... *continued*

The consolidated financial statements have been prepared on the going concern basis which assumes that the Group will continue in operation for the foreseeable future. They do not purport to give effect to adjustments, if any, that may be necessary should the Group be unable to realise its assets and discharge its liabilities in other than the ordinary course of business.

The Group's revenue is cyclical in nature and depends on the popularity of the various reciprocal tours undertaken by the West Indies Cricket Team. As of the current date, the Group's current liabilities exceeded its current assets by \$6,120,482 (2021: \$25,603,449) and its total liabilities exceeded its total assets by \$9,711 (2021: \$20,724,375).

The Group has taken, and will continue to take, steps to enhance the likelihood of its long-term viability. It has identified its projected requirements over the next two (2) years through to 2024, and undertook a review of its financial and business practices. This resulted in key recommendations including a re-structuring of the finance function and a new emphasis on cost reduction initiatives supported by the implementation of a comprehensive and functional procurement system.

Subsequent to the financial year end, the Group has entered into two (2) new sponsorship agreements with CG United and IMG Arena, for USD\$6 Mil and USD\$1.4 Mil, over the next four (4) years 2023-2026.

Management believes that, with the full ownership of the Coolidge Cricket Ground in Antigua finalised subsequent to the year end, they will be able to better leverage these assets to provide suitable long-term funding options.

With the COVID-19 pandemic now almost behind us, the Group has projected positive cash flows over the next two (2) years based on the anticipated plans and initiatives, including the hosting of the Men's T20 World Cup in 2024. In addition to the annual distribution from ICC of USD\$17 Mil, the Group will receive a surplus of USD\$9 Mil in April 2024, further strengthening the Group's cashflow position. Although 2021 was a loss-making year, because of the England and India tours in 2022, the Group has fully recovered these losses, ending the year with Net Income of USD\$21 Mil.

The Directors believe that they have considered all material uncertainties, which may cast significant doubt upon the Group's ability to continue as a going concern. The Directors are aware that some risk remains as there is a degree of uncertainty as to the level of results that will be achieved in the year ahead. However, having carefully considered all factors, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

2 General information and statement of compliance with IFRS for SMEs

The consolidated financial statements of Cricket West Indies, Inc. for the year ended September 30, 2022 have been prepared in accordance with the 'International Financial Reporting Standard for Small and Medium Sized-Entities' (IFRS for SMEs) issued by the International Accounting Standards Board (IASB). They have been prepared under the historical cost convention and assumption that the Group operates on a going concern basis.

The consolidated financial statements were approved for issuance on March 9, 2023.

3 Summary of significant accounting policies

3.1 Overall considerations

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. These accounting policies have been used throughout all periods presented in the financial statements.

3.2 Basis of consolidation

The Group financial statements consolidate those of the parent company and its subsidiary as of September 30, 2022. The parent controls a subsidiary if it is exposed, or has rights to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The subsidiary has a reporting date of September 30.

All transactions and balances between Group companies are eliminated on consolidation, including unrealized gains and losses on transactions between Group companies. Where unrealized losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiary have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiary acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of acquisition, or up to the effective date of disposal as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiary between the owners of the parent and the non-controlling interest based on their respective ownership interests.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

3 Summary of significant accounting policies...continued

3.3 Foreign currency translation

These statements are presented in United States dollars, which is the Group's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (spot exchange rates). Monetary assets and liabilities denominated in currencies other than the functional currency are reported at the exchange rate prevailing at the year end. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognised in the statement of comprehensive income. As the Eastern Caribbean dollar is pegged to the United States dollar, the Group follows the policy of using a rate of exchange of US\$1.00 equalling EC\$2.72 and accordingly all transactions and amounts payable and receivable in EC\$ have been converted at this rate.

Non-monetary items that are measured at historical cost are not re-translated. Non-monetary items that are measured at fair value are translated at the exchange rates at the date fair value was determined.

3.4 Revenue

Revenue is measured by reference to the fair value of the consideration received or receivable. The Group recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for the Group's activities as described below:

a) *Match and events revenue*

Revenue is recognized in the statement of comprehensive income or loss upon the occurrence of a particular cricket event according to media rights contracts, sponsorship contracts, licensing contracts, tour guarantees, and ticket sales.

b) *International Cricket Council (ICC) revenue*

Annual distribution granted by the ICC is recognized in income in the period for which it is due and approved.

c) *Rental income*

Rental income from operating leases is recognised in the statement of comprehensive income on a straight-line basis.

d) *Car park income*

Car park income is recognised when earned.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

3 Summary of significant accounting policies...continued

3.5 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method at the following annual rates:

Building	26 - 36 years
Leasehold improvements	3 years to 50 years or term of lease, whichever is shorter
Office furniture and equipment	3 years to 10 years
Computer equipment	3 years
HPC Team equipment	5 years
Motor vehicles	3 years to 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The amount of this write-down or impairment is recognised in the statement of comprehensive income.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the statement of comprehensive income.

3.6 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

3 Summary of significant accounting policies...continued

3.7 Provisions, contingent assets and contingent liabilities

Provisions for legal disputes, onerous contracts or other claims are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the likelihood of an outflow of resources is remote.

3.8 Financial instruments

Financial assets

The Group's financial assets include cash and cash equivalents, trade and other receivables and due from territorial boards, cricket associations, franchises and subsidiary.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, if any, are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

These financial assets are recognised initially at the transaction price. Subsequently they are measured at amortised cost using the effective interest method, less provision for impairment. Sales are made on normal credit terms and trade receivables do not bear interest. Where there is objective evidence that the carrying amounts of receivables are not recoverable, an impairment loss is recognised in profit or loss.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

3 Summary of significant accounting policies...continued

3.8 Financial instruments...continued

Financial assets...continued

Due from territorial boards, cricket associations, franchises

Due from territorial boards and cricket associations represent trading balance and advances. They are unsecured, non-interest bearing and without fixed repayment terms. Where there is objective evidence that the carrying amounts are not recoverable, an impairment loss is recognized in profit or loss.

Financial liabilities

The Group's financial liabilities include borrowings, due to territorial boards, cricket associations, franchises and trade and other payables. Financial liabilities are recognised initially at transaction price. After initial recognition they are measured at amortised cost using the effective interest method. Trade payables are on normal credit terms and do not bear interest.

3.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Cost of inventory includes purchase price, import duties, other taxes and other costs incurred to bring the inventory to their present location and condition. At each reporting date, inventories are assessed for impairment. Impairment losses on inventory are recognised immediately in the statement of comprehensive income.

3.10 Related party transactions and relationships

Related party transactions are transfers of resources, services or obligations between the Group and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These parties include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Group; (b) associates; and (c) individuals or entities owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group and close members of the family of any such individual. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

3 Summary of significant accounting policies...continued

3.11 Equity and reserves

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Deficit includes all current and prior period retained profits or losses.

3.12 Expenses from tours and tournaments

Expenses from tours and tournaments are recognised in the statement of comprehensive income on an accrual basis as they are incurred.

3.13 Operating expenses

Operating expenses are recognised in the statement of comprehensive income upon utilisation of the service or at the date of their origin.

3.14 Employee benefits

(i) Pension Benefits

The Group's contributions to a defined contribution pension plan (Provident Fund) are charged to profit or loss in the period to which the contributions relate. (note 12).

(i) Statutory Deductions

Obligations for contributions to the Social Security Fund and Medical Benefits Scheme are recognised as an expense in profit or loss as incurred.

3.15 Leased assets

Operating Leases:

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

3.16 Borrowing costs

All borrowing costs are expensed in the period in which they are incurred.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

3 Summary of significant accounting policies...continued

3.16 Estimation uncertainty

When preparing the financial statements, management makes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The actual outcomes may differ.

Where there are estimates and judgments used in the preparation of the financial statements these are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Other than the establishment of routine provisions for trade and other receivables, management has made no estimates and assumptions that have significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year.

4 Cash and cash equivalents

	2022	2021
	\$	\$
Cash on hand	10,316	17,203
Cash at bank	1,843,644	691,274
Total cash and cash equivalents	1,853,960	708,477

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

5 Trade and other receivables

	2022 \$	2021 \$
Trade receivables	21,660,910	9,626,755
Prepayments and other assets	251,549	170,873
	<hr/>	<hr/>
	21,912,459	9,797,628
Less: Impairment of trade receivables	(2,355,168)	(2,355,168)
	<hr/>	<hr/>
Total trade and other receivables	19,557,291	7,442,460

Included in trade receivables is the amount of \$2,100,000 (2021: \$2,100,000) which is due from the Government of Antigua & Barbuda (GOAB) with respect to the purchase of the Coolidge Cricket Ground (CCG).

Pursuant to a Unanimous Shareholders' Agreement, the GOAB has indicated its willingness to convey full ownership of the property to the Company which would reduce its debt accordingly.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

6 Related Party balances and transactions

	2022	2021
	\$	\$
Due to territorial boards, cricket associations, franchises and subsidiary		
Trinidad and Tobago Cricket Board	1,869,151	1,230,655
West Indies Retired Players Foundation	1,290,942	1,129,063
Guyana Cricket Board	1,081,078	843,696
Barbados Cricket Association	885,264	948,652
Jamaica Cricket Association	764,753	876,345
Windward Islands Cricket Board of Control	552,399	570,825
St. Vincent & Grenadines Cricket Association	366,584	7,200
Leeward Islands Cricket Board	360,629	386,818
Antigua and Barbuda Cricket Association	306,823	480,776
Cricket Franchise of Barbados	269,294	262,319
St. Lucia National Cricket Association	120,758	193,901
Red Force T & T Inc.	106,009	106,009
Jamaica Cricket Franchise Development Inc.	101,240	73,720
Windies Development Foundation	99,975	99,975
Leeward Cricket Development Inc.	91,973	92,957
Grenada Cricket Association	68,279	136,479
Windward Cricket Inc.	61,006	12,830
Cricket Guy Inc.	40,627	23,128
Anguilla Cricket Association	27,106	27,106
St. Kitts Cricket Association	25,767	-
St Maarten Cricket Association	11,700	11,700
Montserrat Cricket Association	7,400	7,400
Dominica Cricket Association	7,200	7,200
Twin City Cricket Association	550	550
Other	-	102,000
Total due to territorial boards, cricket associations, franchises and subsidiary	8,516,507	7,631,305

The related party balances are unsecured, interest free and have no specific terms of repayment.

Cricket West Indies Inc.

Notes to Consolidated Financial statements
September 30, 2022

(expressed in United States dollars)

6 Related Party balances and transactions...continued

	2022	2021
	\$	\$
Expenses from tours and tournaments includes the following related party transactions:		
Antigua & Barbuda Cricket Association	890,265	1,143,246
Guyana Cricket Board	756,679	207,346
Trinidad & Tobago Cricket Board	743,007	-
Barbados Cricket Association	648,458	267,447
St. Vincent and the Grenadines Cricket Association	587,234	-
Jamaica Cricket Association	484,230	360,131
Grenada Cricket Association	270,324	189,867
St. Lucia National Cricket Association	227,425	328,905
Windward Cricket Inc.	109,867	-
Dominica Cricket Association	104,224	-
Total	4,821,713	2,496,942

These relate to match costs and host management fees.

	2022	2021
	\$	\$
Operating expenses include the following related party transactions:		
Guyana Cricket Board	510,000	262,500
Jamaica Cricket Association	325,000	262,500
Trinidad and Tobago Cricket Board	300,000	262,500
Barbados Cricket Association	300,000	262,500
Leeward Islands Cricket Board	300,000	262,500
Windward Islands Cricket Board of Control	300,000	262,500
Cricket Franchise of Barbados	227,500	35,439
Jamaica Cricket Franchise Development Co.	227,500	17,500
Red Force T & T Inc.	227,500	11,241
Windwards Cricket Inc.	227,500	3,500
Leeward Islands Cricket Development Company	210,000	7,250
Cricket Guy Inc.	17,500	-
Total	3,172,500	1,649,930

These relate to Development Grants, Player Production Fees.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

6 Related Party balances and transactions...continued

(a) *Transactions with Territorial Boards, Cricket Associations, Franchises and Subsidiary*

The transactions with territorial boards, cricket associations, franchises and subsidiary comprise advances made to cover the cost of hosting regional first class matches and international matches involving ICC Full Member Countries touring the West Indies as well as to cover franchise operating expenses under the Professional Cricket League (which was launched in October 2014). Territorial cricket boards and cricket associations earn host management fees in relation to the hosting of international matches.

(b) *Key management personnel compensation comprises*

The total remuneration of key management personnel (including salaries and benefits) was \$2,327,580 in 2022 (2021: \$994,769).

Cricket West Indies Inc.

Notes to Consolidated Financial statements
September 30, 2022

(expressed in United States dollars)

7 Property, Plant and Equipment

	Lease asset \$	Leasehold improvements \$	Office furniture and equipment \$	Computer equipment \$	HPC Team equipment \$	Motor Vehicles \$	Land \$	Buildings \$	Total \$
At September 30, 2020									
Cost or valuation	73,667	675,187	984,201	711,112	15,101	31,729	–	–	2,490,997
Accumulated depreciation	(18,603)	(194,206)	(746,886)	(677,107)	(11,690)	(22,212)	–	–	(1,670,704)
Net book amount	55,064	480,981	237,315	34,005	3,411	9,517	–	–	820,293
Year ended September 30, 2021									
Opening net book amount	55,064	480,981	237,315	34,005	3,411	9,517	–	–	820,293
Additions	–	–	–	9,494	–	–	2,665,547	3,834,453	6,509,494
Depreciation charge	(744)	(13,504)	(44,490)	(23,042)	(697)	(7,960)	–	(107,168)	(197,605)
Closing net book amount	54,320	467,477	192,825	20,457	2,714	1,557	2,665,547	3,727,285	7,132,182
At September 30, 2021									
Cost or valuation	73,667	675,187	984,201	720,606	15,101	31,729	2,665,547	3,834,453	9,000,491
Accumulated depreciation	(19,347)	(207,710)	(791,376)	(700,149)	(12,387)	(30,172)	–	(107,168)	(1,868,309)
Net book amount	54,320	467,477	192,825	20,457	2,714	1,557	2,665,547	3,727,285	7,132,182

Cricket West Indies Inc.

Notes to Consolidated Financial statements
September 30, 2022

(expressed in United States dollars)

7 Property, Plant and Equipment ... continued

	Lease asset \$	Leasehold improvements \$	Office furniture and equipment \$	Computer equipment \$	HPC Team equipment \$	Motor Vehicles \$	Land \$	Buildings \$	Total \$
Year ended September 30, 2022									
Opening net book amount	54,320	467,477	192,825	20,457	2,714	1,557	2,665,547	3,727,285	7,132,182
Additions	–	259,826	4,295	24,155	–	–	–	–	288,276
Depreciation charge	(745)	(25,950)	(42,468)	(7,777)	(69)	(1,557)	–	(104,240)	(182,806)
Closing net book amount	53,575	701,353	154,652	36,835	2,645	–	2,665,547	3,623,045	7,237,652
At September 30, 2022									
Cost or valuation	73,667	935,013	988,496	744,761	15,101	31,729	2,665,547	3,834,453	9,288,767
Accumulated depreciation	(20,092)	(233,660)	(833,844)	(707,926)	(12,456)	(31,729)	–	(211,408)	(2,051,115)
Net book amount	53,575	701,353	154,652	36,835	2,645	–	2,665,547	3,623,045	7,237,652

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

8 Borrowings

	2022 \$	2021 \$
RBL EC Limited – short term loan	3,500,000	3,500,000
RBL EC Limited - medium-term loan	2,177,266	(3,226,554)
	5,677,266	6,726,554
Less: current portion	(4,550,385)	(4,473,446)
Total non-current borrowings	1,126,881	2,253,108

The Company obtained a Medium-term loan of US\$4,200,000 and a Revolving Credit loan of US\$2,500,000 from Republic Bank EC Limited in St Lucia, the proceeds of which were disbursed on June 2nd 2020. The revolving credit facility was increased to US\$3,500,000 on July 13th, 2021. The facilities are secured by:

- a. Assignment of funds from the International Cricket Council (ICC) supported by a Letter of Comfort from ICC.
- b. A Letter of Undertaking from the Borrower agreeing to provide Republic Bank (EC) Limited with the assignment of cash flow from all existing and future Media Rights and Sponsorship agreements as secondary and supplementary sources of debt servicing
- c. A Letter of Undertaking from the Borrower agreeing to not assign cash flows from any existing or future contracts to any third party without prior written consent of the bank.
- d. A Letter of Undertaking from the Borrower giving Republic Bank (EC) Limited the right of first refusal with respect to any Mortgage or legal charge on the Coolidge Cricket Ground Inc.
- e. A Letter of Undertaking from the Borrower agreeing that facilities will not be availed from any other Institution (financial or non-financial) without the prior consent of the bank.
- f. A Letter of Undertaking from the Borrower agreeing to a Debenture over the Fixed and floating assets of the company when Republic Bank (EC) Limited is registered to operate in Antigua & Barbuda.
- g. A Letter of Undertaking from the Borrower agreeing to not dispose/relinquish their 60% stake in the Coolidge Cricket Ground Inc. without prior consent of the bank.
- h. A Letter of Undertaking from the Borrower agreeing to a Debenture over the fixed and floating assets of the Company for the total facilities granted once all legal hurdles are cleared.

The Revolving Credit bears interest at a current effective rate of 4.83% and is repayable by February 13, 2023.

The Medium-term loan is repayable in eight (8) semi-annual instalments of US \$592,286 over four (4) years 2021 to 2024, starting January 2021. The loan bears interest at an effective interest rate of 7.0696% and matures on July 31, 2024.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

9 Trade and other payables

	2022	As restated 2021
	\$	\$
Trade payables	10,385,136	8,075,901
Accruals	3,531,578	3,078,127
Total trade and other payables	13,916,714	11,154,028

Accruals relate to statutory contributions, release fees and gratuities.

10 Deferred Revenue

	2022	2021
	\$	\$
ESPN Caribbean	575,000	—
Sky NZ (Pitch)	201,150	—
SuperSport South Africa	130,750	—
BT Sport	4,939	—
Other deposits	1,111	1,111
BT Sport	—	7,562,357
FanCode	—	2,615,000
Betway (Sponsorship)	—	250,000
ICC	—	346,000
Total deferred revenues	912,950	10,774,468

The deferred revenue from ESPN Caribbean is advance media rights fees payable on or before October 1, 2022 for the Caribbean Super 50 Cup Series beginning in October 2022.

The deferred revenue from Sky NZ (Pitch) is advance media rights fees payable on or before October 1, 2022 for the 2023 series.

The deferred revenue from SuperSport South Africa is advance media rights fees payable on or before October 1, 2022 for the 2023 series.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

11 Stated Capital

	2022	2021
	\$	\$
Authorised		
20,000 Class "A" voting shares of US\$1.00 each	20,000	20,000
10 Class "AP" voting shares of US \$1.00 each	10	10
10,000 Class "B" non-voting shares of US \$1.00 each	10,000	10,000
10,000 Class "C" non-voting shares of US \$1.00 each	10,000	10,000
	<u>40,010</u>	<u>40,010</u>
Issued		
12 (2020: 12) Class "A" voting shares of US \$1.00 each	12	12
3 (2020: 3) Class "C" non-voting shares of US \$1.00 each	3	3
2 (2020: 2) Class "AP" voting shares of US \$1.00 each	2	2
	<u>17</u>	<u>17</u>

The authorised capital is made up of four (4) classes of shares divided into 20,000 Class A voting shares of \$1.00 par value each with one vote per share, 10 Class AP voting shares of \$1.00 par value each with one vote per share exercisable as provided in the Articles of Association, 10,000 non-voting Class B shares of \$1.00 par value each and 10,000 non-voting Class C shares of \$1.00 par value each.

12 Provident Fund

The Group operates a defined contribution provident fund for players and employees. The fund is being administered by Zurich International Life Limited (formerly Eagle Star International Life).

The provident fund expense for the year amounted to US\$439,096 (2021: US\$660,696). This fund does not form part of these financial statements.

13 Lease Commitment

An operating lease for the premises presently occupied by the Group has been executed by the Government of Antigua and Barbuda, which provides for a term of fifty (50) years from September 1, 1996 at a total amount of US\$148,148 (EC\$400,000). This amount was expensed. The lease also offers an option to a further forty-nine (49) years at a yearly rental of US\$37 (EC\$100).

14 Taxation

The Group has been granted exemption from income taxes in Antigua and Barbuda and the British Virgin Islands.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

15 Revenues

	2022	2021
	\$	\$
Media rights	34,078,957	7,542,925
ICC Distributions, Host Management Fees & Participation Fees	24,342,470	14,100,000
Sponsorship fees	8,103,319	4,962,930
Ticketing revenue	7,723,028	16,068
Release fees	2,583,538	231,811
Rights and licenses	1,237,500	550,000
Development income	364,000	204,982
Coolidge Cricket Ground Inc.	166,148	222,331
Merchandise	47,275	48,440
Total revenues	78,646,235	27,879,487

The revenues of the Group are cyclical in nature as per the bilateral tour arrangements by which international cricket is organised and planned. Each full member of the ICC is able to sell the rights associated with their respective international home tours with the value of those rights fluctuating depending on the tour content and on which country is visiting the West Indies.

The ICC Revised Financial Model was approved at the ICC Annual Meeting held in June 2017. It provides for a significant improvement in the overall expected distributions payable to Cricket West Indies Inc. over the eight-year cycle 2015 to 2023.

This is premised on the ICC revenues generated from the sale of rights for the next eight (8) years covering the ICC Events scheduled to take place from 2015 to 2023. These events include two (2) ICC Cricket World Cups, two (2) ICC World Twenty20 events and two (2) ICC Champions Trophy events.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

16 Expenses from tours and tournaments

	Notes	2022 \$	As restated 2021 \$
Players' payments	19	11,016,825	8,758,878
Hosting fees paid to territorial boards		6,549,825	2,644,623
Accommodation		4,377,784	3,527,641
Airfares		3,328,260	2,480,393
Other direct costs		1,903,538	841,795
Professional Cricket League Franchise		1,365,000	1,075,607
Meal allowances		757,025	615,668
Umpires' costs		568,419	479,304
Prize money		530,489	141,000
Training		374,789	410,720
Medical expenses		366,509	207,539
Balls and gear		331,744	251,169
Selectors' costs		287,530	188,445
President's box		195,759	12,235
Meeting expense		28,800	—
Team management fees		23,100	59,878
Contingency float and visas		15,669	9,999
Fitness and conditioning		8,699	265,945
In transit flights		1,944	4,137
Total expenses from tours and tournaments		32,031,708	21,974,976

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

17 Operating Expenses

	Notes	2022 \$	As restated 2021 \$
Television and audio production costs		6,233,370	4,754,897
Personnel expenses	18	5,793,200	4,808,690
Marketing, communication and publications		4,185,062	454,119
Development expenses		2,581,483	1,922,972
Release fees		1,526,896	199,452
Material, equipment, third party fees		1,365,939	860,501
Ticket and sponsorship commissions		1,137,600	820,006
Grant to West Indies Players Association		465,696	407,484
Bank charges		343,301	183,535
Travel and representation		341,212	96,348
Directors' fees		298,000	255,500
Professional fees		256,463	378,143
IT and telecommunication		239,464	257,057
High Performance Centre		195,825	341,258
Meeting expenses		188,513	80,206
Depreciation		182,806	197,605
Foreign exchange differences		77,244	59,501
Kiddie cricket		57,506	—
Courier charges and donations		21,316	7,795
Player programmes		13,035	2,455
Bad debts		8,160	4,074
Insurance		—	24,319
Ambassadorship programme		—	14,880
		25,512,091	16,106,478

18 Personnel Expenses

	2022 \$	As restated 2021 \$
Salaries and wages	3,643,754	4,222,226
Payroll related costs	2,149,446	586,464
	5,793,200	4,808,690
Average number of employees	54	50

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

19 Players' Payments

	2022	As restated 2021
	\$	\$
Match fees	5,120,449	3,622,476
International retainers	2,377,848	2,248,583
Franchise retainers	2,087,579	1,869,389
Players insurance	475,913	290,120
Incentives	453,000	280,000
Provident fund	365,536	306,560
Franchise housing allowance	136,500	141,750
Total players' payments	11,016,825	8,758,878

20 Other Income

Other income is comprised of writebacks of provisions brought forward from prior years in relation to operational matters.

21 Contingencies and Claims

i) Contingencies

There are no material lawsuits pending against the Group.

ii) Claims

On May 30th, 2018, the Headquarters Agreement between the Group and the Government of Antigua & Barbuda was re-negotiated. One of the outcomes of the re-negotiated Headquarters Agreement was the clarification in relation to statutory deductions, namely, that it was applicable to all employees of the Group. As such, compliance commenced with immediate effect. In relation to any retrospective effect of the outcome, there will be a negotiation with the statutory organizations in Antigua and Barbuda accordingly. In Barbados, the Group is in discussion with another statutory authority in respect of income taxes. Both of these matters are ongoing, and the outcome cannot be ascertained at this time. In the event there is a final determination that the Group is liable to the two statutory authorities, the respective amounts would be recognized in the year of occurrence and charged against income for that year.

22 Comparatives

The classification of certain items in the financial statements has been changed from the prior period to achieve a clearer or more appropriate presentation. The comparative figures have been similarly reformatted and reclassified in order to achieve comparability with the current period.

Cricket West Indies Inc.

Notes to Consolidated Financial statements

September 30, 2022

(expressed in United States dollars)

23 Correction of prior period error

The correction of prior period errors in 2022 relate to:

- Reversal of expenses totaling \$87,874 recorded in the subsidiary's books which were already recorded and paid by its shareholder, Cricket West Indies Inc.
- Reversal of transactions recorded in opening balance equity totaling \$122,877 over a number of years which are unsubstantiated.
- Reversal of transactions recorded in contributed capital totaling \$649,757 being liabilities reversed as they were recorded and paid by its shareholder, Cricket West Indies Inc.
- Reclassification of amounts totaling \$102,000 from trade and other payables to amounts due to shareholders as the liability was already paid by shareholder, Cricket West Indies Inc.
- Reversal of debit balances included in trade and other payables amounting to \$23,424 which are unsubstantiated.
- Reclassification of amounts due to shareholders amounting to \$6,500,000 to stated capital as shares were issued in 2017 through 2019.
- Consolidated accounts in the prior year being prepared with management accounts for the subsidiary which differ from the audited accounts issued in 2022.

The financial statements were restated in order to correct the prior period errors as follows:

	As previously stated 2021 \$	Adjustment \$	As restated 2021 \$
Cash	708,551	(74)	708,477
Trade and other receivables	7,434,284	8,176	7,442,460
Property, plant & equipment	7,081,659	50,523	7,132,182
Trade and other payables	(11,606,719)	452,691	(11,154,028)
Deferred revenue	(10,773,357)	(1,111)	(10,774,468)
Due to territorial boards, franchises and related parties	(7,529,305)	(102,000)	7,631,305
Minority interest	2,486,684	(46,088)	2,532,772
Net income	(10,278,883)	(68,577)	(10,210,306)
Beginning accumulated deficit	(13,340,398)	(293,540)	(13,046,858)

24 Events after reporting date

Subsequent to the year end, the Company completed the full acquisition of Coolidge Cricket Ground Inc. and agreed with the Government of Antigua and Barbuda that Cricket West Indies Inc. will own all the shares (100%) of Coolidge Cricket Ground Inc. This agreement was finalised on November 1, 2022.