



**LORD'S**

**DEBENTURES AT LORD'S**

**OFFER DOCUMENT**

**2023 - 2026**

# DEBENTURES AT LORD'S

OFFER DOCUMENT

2023 - 2026

# WELCOME TO LORD'S

This document outlines the rights and benefits available to Debenture Holders from 2023 onwards. I am delighted to introduce you to all we have to offer at Lord's for your time as a Debenture Holder.

The 2023 season itself is an exciting one, with two Test Matches, a One-Day International, the ever-popular Middlesex Twenty20 Matches as well as the third season of The Hundred.

Lord's is unique in world cricket in staging two Test Matches every year, with this position confirmed until 2024 - the latest year for which venues have been confirmed in this country. It's not just Test cricket though, as the breadth of our fixture list ensures there is always a good reason to come to watch the outstanding cricket on display.

Incredible cricket needs world-class facilities. The support we receive from our Debenture Holders is fundamental to our custodianship of the Home of Cricket. Nowhere is this support more clearly represented than within the Club's masterplan for the redevelopment of Lord's. Through a phased plan, we aim to continue to provide the very best facilities in world cricket and unparalleled service to all our visitors, whilst preserving the charm and character which is unique to Lord's.

The Ground has long held a reputation for architectural excellence and the masterplan reflects the standards set by the Grade II\*-listed Pavilion and the RIBA Stirling Prize-winning J.P. Morgan Media Centre. For over two centuries, Lord's has retained an unmistakable presence as a cricket ground; its green spaces providing a haven from the hectic pace of modern life.

The latest phase has been focused on the Nursery End, with the replacement of the Compton and Edrich Stands, completed in the summer of 2021, which has transformed the Ground and provides new facilities for Debenture Holders to enjoy.

We have exciting plans for Lord's and we simply cannot achieve them without you. I hope you will join us over the coming seasons for some memorable cricket at our exceptional ground, from your very own seat.

*G. W. Lavender*

Guy Lavender  
Chief Executive & Secretary, MCC





ICC CRICKET WORLD CUP 2019

FINAL

# PUSHING BOUNDARIES



From the enduring battles of Test Match cricket, to one of the most unforgettable One-Day Internationals the game has ever seen, Lord's has played host to an ever-growing list of incredible and dramatic moments.

It is the ground where cricketers walk in the footsteps of legends and dream of emulating the greatest feats while representing their country. With an exciting and diverse fixture list in prospect, we can look forward to many more magical moments to come.

## DEBENTURES AT LORD'S PUSHING BOUNDARIES



“As a kid you have big dreams and one of them was playing at Lord’s.”

Sachin Tendulkar

# LIVE THE EMOTIONS, OVER AND OVER

The famous Ashes Urn



There's no place like the Home of Cricket.

Steeped in over 200 years of history, Lord's is the most famous cricket ground in the world.

Over the centuries, it has provided the backdrop for some of the sport's greatest contests.

Recent years have been no different, as the Ground has witnessed memorable performances that will live forever in the history of the game.

The unique characteristics of Lord's, combining charm and tradition, make it a ground with a long and distinguished history. The Grade II\*-listed Pavilion, the Long Room, the hallowed turf, the Lord's Hum - these are some of the things that make the Home of Cricket so special. It has that indefinable something, a distinctive atmosphere that descends on a small corner of north-west London.

Our busy international and domestic calendar offers a variety of top-quality cricket across multiple formats.

The redevelopment of the Compton and Edrich Stands represents another iconic addition to the Ground, with superb facilities and amenities for our guests.

## DEBENTURES AT LORD'S LIVE THE EMOTIONS, OVER AND OVER



"I've always loved playing at Lord's - it's absolutely my favourite venue in the world and that's not just because of the food. Winning the ICC Women's World Cup in 2017 was without doubt my best moment on a cricket field, and it was made all the more special by doing it there."

**Heather Knight**



“I love it here. It does seem to bring the best out of me. I made my debut and took my first five-for here, and to get seven five-fors is incredible. There's something that extra bit special about Lord's. Hopefully it's not the last time I'm on the honours board.”

James Anderson



# WHERE THE BEST MEET

Lord's will continue to stage a wide range of cricket over the coming years. Test Matches and One-Day Internationals provide all the tension and drama you could wish for in the international game. There are thrills galore in the shorter formats too, with plenty of Twenty20 action continuing to entertain those in attendance, along with The Hundred, which launched to great success in the summer of 2021. In addition, for romance and charm, there's little to beat a day watching recreational cricketers living out their dreams on the hallowed turf in the Village Cup Final.

India celebrate victory over England at the end of a gruelling five-day Test in 2021



Lord's will continue to host two Test Matches and a One-Day International in each of the 2023 and 2024 Cricket Seasons and the Club will look for the same outcome for the 2025 and 2026 Cricket Seasons so as to ensure that the biggest names in world cricket continue to grace Lord's and provide iconic moments for us all to enjoy.

The summer of 2023 will see the biggest rivalry in Test cricket resume, with Lord's scheduled to host England and Australia in an Ashes Test Match.







“It’s always a very special place. I felt that the emphasis was always about doing well here at the headquarters of the game.”

Sir Vivian Richards

# DEBENTURES AT LORD'S 2023 - 2026

The purchase of a Debenture is the only way to guarantee your right to buy a ticket for your very own seat at the Home of Cricket.

Marylebone Cricket Club offers its new Debenture schemes at Lord's with Ticket Rights for four Cricket Seasons, commencing from and including 2023. Compton and Edrich Debentures, Compton and Edrich Non-Dining Debentures, Mound Stand Gold Debentures, Mound Stand Silver Debentures, Grand Stand Silver Debentures and Grand Stand Bronze Debentures are available.

The new Compton and Edrich Stands offer breath-taking views from behind the bowler's arm, facing the iconic Lord's Pavilion. Compton and Edrich Debenture Holders will also have access to bar facilities and the ability to reserve a table in one of its premium dining venues.

Debenture seats in the Mound and Grand Stands are situated in the upper tier of each stand, offering superb views of Lord's, with Debenture Holders having access to their own bar facilities on Debenture Match Days. Gold and Silver Debenture Holders in each stand also benefit from access to restaurant facilities on those match days.

"Is it a buzz or a hum?" asked Phil Tufnell.  
"It's a hum," decided Jonathan Agnew.  
"A contented hum, I'd say."

## BBC Test Match Special

Spectators in the Upper Mound Stand watch India bat against England in the 2021 Test Match



Each of the new Debenture schemes comprises a 75-year non-interest bearing loan element (**Nominal Value**) and a non-repayable premium and VAT element.

Page 76 sets out a breakdown of these elements as they relate to each type of Debenture. Even though the Nominal Value of the

Debentures is repayable, the fact that no interest will be paid, combined with the effect of inflation over the 75-year term, will severely erode the "real" value of the repayment.

Applications are welcome from both individuals and corporate entities alike. The best way to ensure you apply for the type of

Debenture that is right for you is by contacting the Club's Premium Seating Team:

Marylebone Cricket Club  
Lord's Ground, London NW8 8QN  
020 7616 8726  
debentures@mcc.org.uk

# THE SPECTACLE, THE PINNACLE, THE UNFORGETTABLE

The moment of victory



### All Debenture Holders enjoy the below rights:

- Your own designated seat at Lord's.
- Complimentary access to the Ground on certain other days of matches which could include the fifth days of Test Matches; together with such other days of certain matches which may be scheduled to be played at Lord's, for example, Middlesex match days (except days of Middlesex Twenty20 Matches); MCC match days and the finals of the Club, Village and Minor Counties competitions (**Other Match Days**). The summary set out on pages 4-21 constitutes a summary of the key benefits associated with Debentures and is not exhaustive.
- Your entitlement to buy a ticket at face value for your own designated seat for all Test Matches, One-Day Internationals, International Twenty20 Matches, Middlesex Twenty20 Matches and London Spirit The Hundred Matches to be played at Lord's.

## DEBENTURES AT LORD'S THE SPECTACLE, THE PINNACLE, THE UNFORGETTABLE



Those benefits, as well as the offer and issue of the Debentures, are subject to conditions and are governed by the Terms and Conditions set out on pages

50-80 of this document and the Application Form supplied in connection with it. Applicants should read the whole of this document and the Application

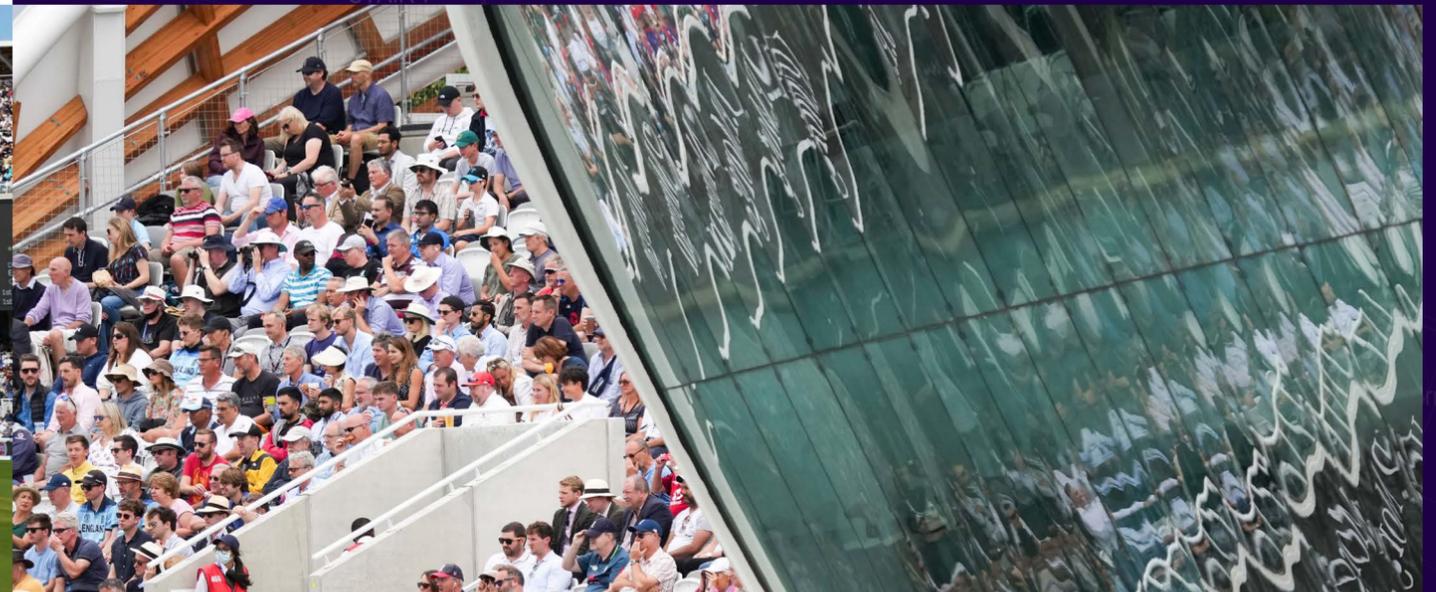
Form supplied in connection with it before applying for any Debentures.

DEBENTURES AT LORD'S  
COMPTON AND EDRICH

DEBENTURES  
COMPTON  
AND EDRICH



# COMPTON AND EDRICH DEBENTURES



Construction of the Compton and Edrich Stands was completed in the summer of 2021. These stands deliver a truly world-class experience to Debenture Holders.

Compton and Edrich Debenture seats and supporting facilities are situated on the balcony level of each of the new stands, providing unparalleled views behind the bowler's arm and across to the Grade II\* -listed Lord's Pavilion.

Subject to making a reservation, Compton and Edrich Debenture Holders are able to dine in style, benefitting from access to one of two restaurants within the stands.

## The Edrich

The Edrich is perfect for that special occasion. With pitch views and the iconic Pavilion as the backdrop, The Edrich provides a formal setting offering a set menu, prepared by award-winning chefs, using the finest British produce, with a changing menu every day. With breakfast, lunch, afternoon tea and post-match snacks available, The Edrich is an outstanding experience in its own right.

## Compton's

Located behind your seats in the Compton Stand, Compton's offers Compton and Edrich Debenture Holders the chance to

enjoy all-day dining in a flexible and informal style. With no allocated tables but plenty of space, those who have booked can enjoy gourmet food stations, with menus prepared in-house by our award-winning team of chefs. The informal style allows Debenture Holders to tailor their day according to their needs, all whilst maintaining a stunning view of the hallowed turf.

**COMPTON AND EDRICH  
FOUR-YEAR DEBENTURES – £17,600**

DEBENTURES AT LORD'S  
COMPTON AND EDRICH 8 no.

Bar

STAIR 7

02.034  
Kitchen  
F.F.L. +90.410

# COMPTON AND EDRICH NON-DINING DEBENTURES



**The new Compton and Edrich Stands opened at Lord's in the summer of 2021.**

These stands deliver a truly world-class experience to Debenture Holders. The new stands house 11,600 seats in total with integrated facilities through an outstanding design by award-winning architects WilkinsonEyre, which complements the existing architectural excellence of the Ground. The stands incorporate 400 debenture seats in an exclusive area, of which 234 have already been sold under existing debenture schemes.

Compton and Edrich Non-Dining Debentures have the benefit of Ticket Rights only and offer no dining rights. However, Compton and Edrich Non-Dining Debenture Holders will have access to three bars located on the balcony level.

The views from the Compton and Edrich Non-Dining Debenture seats are exceptional, looking back towards to the Grade II\* -listed Lord's Pavilion.

**COMPTON AND EDRICH NON-DINING FOUR-YEAR DEBENTURES  
- £9,000**



DEBENTURES AT LORD'S  
MOUND STAND DEBENTURES

DEBENTURES  
MOUND STAND



# MOUND STAND GOLD DEBENTURES



**Mound Stand Gold Debenture seats are situated on the upper level of the Mound Stand,**

providing exceptional viewing in attractive surroundings, as well as exclusive access to the bar and dining facilities for Debenture Holders.

Mound Stand Gold Debenture Holders are able to dine in style, benefitting from a range of catering options, all located within the stand:

- The Terrace** □ an open-air à la carte style restaurant located at the western end of the stand;
- Centurions** □ an open-air restaurant offering a casual yet refined setting, located at the eastern end of the stand; and
- Fitzgerald's** □ an indoor restaurant located on level two of the Mound Stand.

**MOUND STAND GOLD FOUR-YEAR DEBENTURES – £11,000**



# MOUND STAND SILVER DEBENTURES



**Mound Stand Silver  
Debenture seats  
are situated on the  
upper level of the  
Mound Stand,**

providing exceptional viewing  
in attractive surroundings, as well  
as exclusive access to the bar and  
priority access to dining facilities  
for Debenture Holders.

Mound Stand Silver Debentures  
offer the opportunity to dine  
in facilities located around the  
Ground, all benefitting from  
the exceptional standards of  
ingredients and presentation  
that Debenture Holders have  
come to expect from the Club's  
Catering Department.

**MOUND STAND SILVER FOUR-YEAR  
DEBENTURES – £9,900**



## DEBENTURES AT LORD'S MOUND STAND SILVER DEBENTURES

STAIR 7

02.033  
Hospitality

F.F.L. +50.410

02.034  
Kitchen  
F.F.L. +50.410



SMITH	138	PAINT	20
LAST BATT WICKET	5	STOKES	1
HOW OUT		LEACH	1
C. BIRCHALL		DRIS AUIS	2 ENG 2
FIELDER		EXTRAS	19
OVERS	59.2	EMP: 1st	258
OVERS LEFT	77	AUG: 1st	138

DEBENTURES AT LORD'S  
GRAND STAND DEBENTURES

DEBENTURES  
GRAND STAND



# GRAND STAND SILVER DEBENTURES



**Grand Stand Silver  
Debenture seats  
are situated on the  
upper level of the  
Grand Stand,**

affording superb views over the field of play and include access to bar facilities for Debenture Holders within easy reach.

Grand Stand Silver Debentures come with dining rights that provide access to the nearby Two Seven Eight Restaurant, ensuring Debenture Holders are equipped to enjoy every aspect of the day, including the fine cuisine and service that is associated with Lord's.

**GRAND STAND SILVER FOUR-YEAR DEBENTURES – £7,700**

## DEBENTURES AT LORD'S GRAND STAND SILVER DEBENTURES

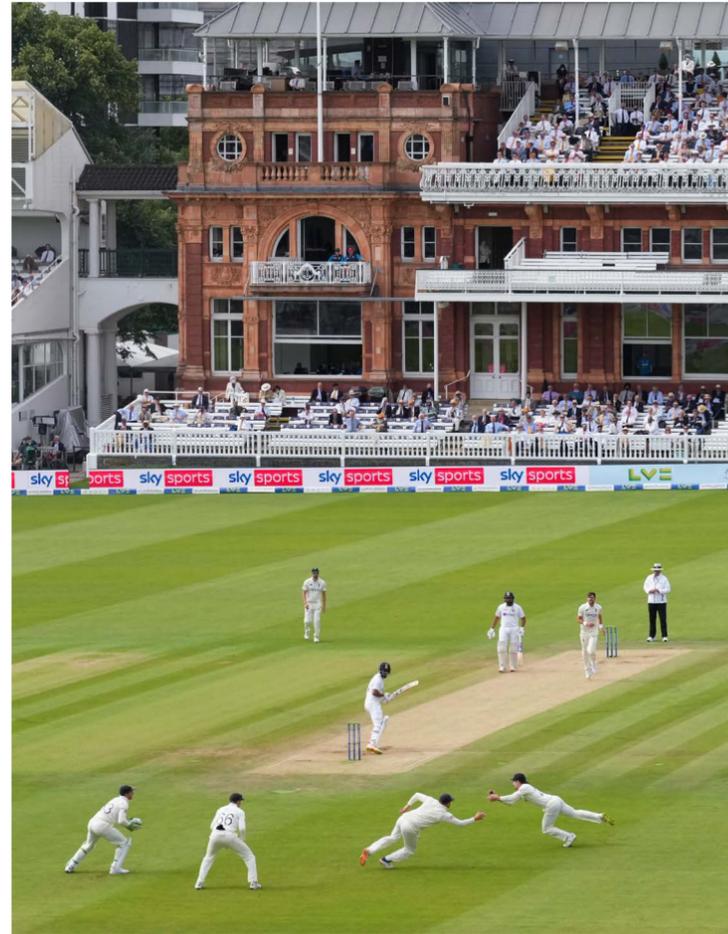
STAIR 7

02.034  
Kitchen  
F.F.L. +50.410

02.033  
Hospitality  
F.F.L. +50.410

F.F.L. +50.410

# GRAND STAND BRONZE DEBENTURES



**Grand Stand Bronze  
Debenture seats  
are situated on the  
upper level of the  
Grand Stand,**

affording superb views over the field of play and access to light and airy bar facilities within easy reach of cushioned seating.

Quite simply, Grand Stand Bronze Debentures are the easiest way to guarantee access to the best days of cricket at Lord's.

**GRAND STAND BRONZE FOUR-YEAR  
DEBENTURES – £4,000**

## DEBENTURES AT LORD'S GRAND STAND BRONZE DEBENTURES

STAIR 7

02.034  
Kitchen  
F.F.L. 150.419

02.033  
Hospitality

F.F.L. 150.419

CONGRATULATIONS ENGLAND

CONGRATULATIONS ENGLAND

45



GLOBAL PARTNERS

SPONSORS



# FREQUENTLY ASKED QUESTIONS



## 1. Why are the Debentures structured as a loan repayable after 75 years?

Structuring the Debentures as loans repayable after 75 years (as opposed to offering the Debentures for an equivalent non-repayable capital payment) has financial benefits for the Club. You should note that the loan will not attract any interest (or dividend). This, combined with the 75-year term, means that the “real” value of the repayment of the loan will be severely eroded by the effects of inflation.

## 2. Are the Debentures transferable?

No. Making Debentures transferable would involve considerable extra expense to comply with the requirements of the Prospectus Regulation Rules of the FCA, which currently govern the offers of transferable securities to the public.

## 3. For which major matches will a Debenture give me the right to buy a ticket?

Each Debenture will give its holder the right to purchase one ticket for each day of the following cricket matches held at Lord's during the Ticket Rights Period:

- (i) each scheduled Test Match;
- (ii) each scheduled One-Day International;
- (iii) each scheduled International Twenty20 Match;
- (iv) each scheduled Middlesex Twenty20 Match; and
- (v) each scheduled The Hundred Match,

and any other scheduled cricket match designated as a Debenture Match by the MCC Committee.

## DEBENTURES AT LORD'S FREQUENTLY ASKED QUESTIONS

### 4. Do I have to purchase a seat ticket even though I own a Debenture?

Yes, except for Other Match Days, as designated from time to time by the MCC Committee, when your Debenture Pass will entitle you to free entry to the Ground and access to your seat. Other Match Days could include, for example, the fifth days of Test Matches; Middlesex match days (except days of Middlesex Twenty20 Matches), MCC match days and the finals of the Club, Village and Minor Counties competitions.

Where attendance at Other Match Days is expected to be modest, if the Debenture areas are not open, free entry will be allowed to the Members' Friends' Enclosures. The MCC Committee retains the right either to designate further match days as, or to exclude previously designated match days from being, Other Match Days at any time.

### 5. What happens when the Ticket Rights Period of the Debenture expires?

Assuming the Price for their Debentures has been paid in full, Debenture Holders will have priority in subscribing for any succeeding issue of Debentures on the terms then offered. As the loan element of the new Debentures will not be repaid at the end of the Ticket Rights Period, another payment for the succeeding issue of Debentures will be required at that time.

### 6. How many Debentures may I buy?

Initially, the Club will limit applications to eight Debentures per applicant, aside from Grand Stand Bronze Debentures where the maximum number shall be limited to twelve, but the Club will have discretion to increase these limits, dependent upon overall demand. Applications may be scaled back if the Offer is oversubscribed.



### 7. Can I view the Debenture area before buying?

Please contact the Club's Premium Seating Team by email: [debentures@mcc.org.uk](mailto:debentures@mcc.org.uk), by telephone: 020 7616 8726 or via [www.lords.org](http://www.lords.org) to discuss a viewing or with any other questions you may have with regard to the terms of the new Debenture Offer.

### 8. Will purchasing Debentures mean that I am a Member of Marylebone Cricket Club (MCC)?

No. The holding of a Debenture will not mean that the Debenture Holder is a Member of MCC. Applicants should also note that membership of any club associated with Debentures does not confer membership of MCC.

### 9. What Pavilion access does a Debenture Holder have?

Debenture Holders will benefit from access to the Pavilion on Other Match Days, subject to meeting the dress regulations for the Pavilion and such other regulations as may be laid down by the MCC Committee from time to time.



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## SECTION I GENERAL INFORMATION

### 1. INTRODUCTION

- 1.1** This document, together with the Application Form to be provided in connection with it (together, **Offer Document**), constitute an invitation to apply for debentures (**Debentures**) to be issued by Marylebone Cricket Club (**Club**) (acting by the MCC Committee with the approval of the Treasurer) (**Offer**).
- 1.2** The Debentures will be non-convertible, unsecured, non-interest bearing loans repayable in 75 years and will have the other rights and benefits set out in the terms and conditions set out in Section III of this document.
- 1.3** This document and the contents of the Application Form to be provided in connection with it set out the terms of the Offer (**Offer Terms**).
- 1.4** You should note that the price payable for a Debenture includes a premium and VAT element, which will not form part of the Nominal Value of the loan to the Club. The premium and VAT element, therefore, will not be repayable to Debenture Holders on the redemption or repayment of the Debentures (which is due in 75 years). Please refer to Part I of Section V of this document, which sets out the level of the Nominal Value of the loan and the premium and VAT element applicable to the types of Debentures that are being offered.
- 1.5** Unless the context requires otherwise, words and expressions defined in Section VI of this document shall apply throughout the Offer Document.
- 1.6** You should ensure that you read and understand all of this document and the contents of the Application Form to be provided in connection with it before applying for Debentures. In particular, your attention is drawn to the risk factors set out in Section II of this document. If you are in any doubt as to the contents of the Offer Document, or whether subscribing for Debentures is suitable for you, you should seek your own independent advice from an appropriately qualified adviser.
- 1.7** Please note that in respect of the Debentures, no advice is being, or will be, provided to you by the Club, its officers, employees, advisers or agents.
- 1.8** The Debentures are not transferable (save on the death of a Debenture Holder and then only to the legal personal representative of such Debenture Holder or to a beneficiary so entitled under the estate of such Debenture Holder). Therefore, Debenture Holders will not be able to realise any value by selling their Debentures.
- 1.9** The Debentures are an unsecured debt of the Club.

### 2. RESPONSIBILITY

The information contained in this document is, to the best of the knowledge and belief of the MCC Committee and the Treasurer, fair, clear and not misleading.

### 3. THE CLUB

- 3.1** The Club is a body corporate established by Royal Charter.
- 3.2** The issue of a Debenture does not confer on a Debenture Holder any entitlement to become any class of member of the Club.
- 3.3** The principal place of business of the Club is at Lord's Ground, London NW8 8QN.

### 4. FINANCIAL PROMOTION AND OTHER ISSUES

The Offer Document constitutes a communication to which the financial promotion restriction under the Financial Services and Markets Act 2000 (**FSMA**) applies and consequently the contents of the Offer Document have been approved for the purposes of section 21 of FSMA by VSA Capital Limited of Park House, 16-18 Finsbury Circus, London EC2M 7EB (**VSA**). VSA is authorised and regulated by the Financial Conduct Authority (**FCA**) and is entered in the Financial Services Register with firm reference number 158790. The main business of VSA is the provision of corporate finance advisory and corporate broking services. VSA is acting exclusively for the Club and for no one else in connection with the approval of the Offer Document as a financial promotion and will not be responsible to anyone other than the Club for providing the protections afforded to clients of VSA or for providing advice in relation to the Offer. VSA accepts no fiduciary duties to any recipient of the Offer Document and in approving the Offer Document as a financial promotion it is not acting in a fiduciary capacity in respect of any recipient of it. VSA excludes any liability other than to the Club in respect of approving the Offer Document as a financial promotion, to the fullest extent possible by law.

The Offer does not constitute an offer of transferable securities to the public and accordingly the Offer Document does not constitute a prospectus to which the Prospectus Regulation Rules of the FCA apply. Therefore, the Offer Document has not been approved by the FCA or any other regulatory body.

### 5. TYPES, NUMBERS, EFFECTIVE DATE AND PRICE OF DEBENTURES

Six types of Debentures are being offered pursuant to the Offer:

- (i)** up to an aggregate of 21 Compton and Edrich Four-Year Debentures under scheme Issue No. 60;
- (ii)** up to an aggregate of 145 Compton and Edrich Non-Dining Four-Year Debentures under scheme Issue No. 61;
- (iii)** up to an aggregate of 218 Mound Stand Gold Four-Year Debentures under scheme Issue No. 62;
- (iv)** up to an aggregate of 192 Mound Stand Silver Four-Year Debentures under scheme Issue No. 63;
- (v)** up to an aggregate of 73 Grand Stand Silver Four-Year Debentures under scheme Issue No. 64; and

## SECTION I GENERAL INFORMATION

- (vi)** up to an aggregate of 1,518 Grand Stand Bronze Four-Year Debentures under scheme Issue No. 65, each of which confer different rights.

The Club is also offering debenture holders in certain Upgradable Schemes the opportunity to upgrade their debentures to Debentures on the terms set out in the Supplementary Offer Document. Any uptake of Debentures by debenture holders in Upgradable Schemes upgrading pursuant to the Supplementary Offer Document may result in the available number of new Debentures set out above being commensurately adjusted. Equally, the available numbers of new Debentures set out above are maximum numbers that may be available and are based on the Club's reasonable projections of debenture holders in Upgradable Schemes who may wish to upgrade. To the extent these projections do not accurately reflect the appetite of such debenture holders to upgrade, the available number of new Debentures set out above may be commensurately adjusted. Any such adjustment will be in the Club's sole discretion and may result in no new Debentures in a particular Issue being available.

All of the Debentures will be issued with an effective date of 1 November 2022.

The new Debentures shall be designated as:

- (i)** Compton and Edrich Four-Year Debentures - Issue No. 60;
- (ii)** Compton and Edrich Non-Dining Four-Year Debentures - Issue No. 61;
- (iii)** Mound Stand Gold Four-Year Debentures - Issue No. 62;
- (iv)** Mound Stand Silver Four-Year Debentures - Issue No. 63;
- (v)** Grand Stand Silver Four-Year Debentures - Issue No. 64; and
- (vi)** Grand Stand Bronze Four-Year Debentures - Issue No. 65.

The Price for each type of Debenture is set out in Part I of Section V of this document.

### 6. FINANCIAL INFORMATION

Section IV of this document contains financial information which has been extracted without material adjustment from the latest available audited financial statements of the Club, being those for the year ended 31 December 2021.

### 7. TAX

There should be very few tax consequences under current United Kingdom tax law and HM Revenue & Customs practice for a natural person acquiring, holding or disposing of a Debenture. The Debentures are exempt from capital gains tax as they are qualifying corporate bonds, so no capital gain or loss will arise on disposal. There should generally be no income tax consequences as no interest will be paid.

For corporate investors, the Debentures will be taxed as loan relationships. Although losses arising from amortising the premium, or from following a mark to market basis of accounting, would normally be allowable, tax relief may in practice be denied on the grounds that the cost is incurred for the purpose of providing business hospitality. Additionally, recovery of VAT incurred on the premium may in practice be denied on the grounds that the cost is incurred for the purpose of business entertaining or other non-business purpose.

The subscription for a Debenture will not give rise to a liability to either stamp duty or stamp duty reserve tax.

The above is not an exhaustive treatment of the tax implications relating to the subscription of Debentures and such treatment will depend upon an applicant's individual circumstances. Whilst provided in good faith, the Club does not hold itself out as providing tax advice to applicants and applicants should not therefore rely upon the information set out above. Applicants should take their own independent tax advice from an appropriately qualified tax adviser in respect of the tax implications applicable to them regarding the subscription for and holding of Debentures. Applicants should note that tax law and practice is subject to change and revision.

### 8. OVERSEAS DISTRIBUTION

The distribution of the Offer Document into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession the Offer Document comes should inform themselves about and observe all such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The Offer Document does not constitute an offer, or the solicitation of an offer, to subscribe for or purchase Debentures to any person in any jurisdiction to whom it is unlawful to make such an offer or solicitation in such jurisdiction, and no transaction in respect of Debentures will be entered into with any such person.

## SECTION II

### RISK FACTORS

Prospective Debenture Holders should carefully consider the risk factors described below, in addition to the other information contained in the Offer Document, before making a decision to apply for a Debenture.

The risk factors set out below are not exhaustive. Whilst provided in good faith, applicants should consider their individual circumstances and take their own independent advice.

#### DEBENTURE RISK FACTORS

##### Purpose and benefits

The purpose of the Debentures is to provide long-term financing to the Club to be utilised towards the long-term development of the Ground.

The principal benefits attaching to the Debentures are the rights to purchase certain tickets and use certain facilities of the Club, subject to availability, in accordance with the terms of the relevant type of Debenture, for the period from 1 November 2022 to 31 October 2026.

The Debentures will not provide a commercial return. Prospective Debenture Holders should bear in mind that the Debentures are not intended or designed to provide any capital or income return.

##### Long-term commitment and wasting asset

Purchasing a Debenture is a long-term commitment, since the Nominal Value of the Debentures is required to be repaid only at the end of the 75-year Term. Prospective Debenture Holders should bear in mind that the Debentures are a wasting asset and when the specified period during which benefits arise has expired (as specified under the paragraphs headed "Purpose and benefits" above), the only rights attaching to the Debentures will be the right for the Nominal Value of the Debentures to be redeemed on the stated maturity date of 1 November 2097. The capital value of the Debentures is likely to be eroded by the effects of inflation over the Term.

##### No interest or dividends

No interest or dividends are payable in respect of the Debentures.

##### Non-transferable

The Debentures are non-transferable (save on the death of a Debenture Holder and then only to the legal personal representative of such Debenture Holder or to a beneficiary so entitled under the estate of such Debenture Holder). As a result, a Debenture Holder will not be able to sell their Debentures in order to realise any value.

This is likely to have a negative effect on the value of Debentures.

##### Difficult to value

As the Debentures will be non-transferable (save on the death of a Debenture Holder as aforesaid) there will not be any market in the Debentures, and it is therefore likely that it will be difficult to value the Debentures.

##### Premium not repayable

Each Debenture for which a subscription is made attracts a premium and VAT element, the details of which are set

out in Part I of Section V of this document. The premium and VAT element do not form part of the loan being advanced to the Club under a Debenture and, therefore, will not be repayable to a Debenture Holder.

##### VAT changes

Applicants should note that should the VAT rate (currently 20 per cent) change prior to the date on which the Second Instalment is payable, the Club reserves the right to adjust the VAT element which may increase or reduce the amount payable in the Second Instalment.

##### Unsecured debt

The Nominal Value of each Debenture is an unsecured loan made by the Debenture Holder to the Club. As an unsecured debt, the Debentures will rank *pari passu* with all present and future unsecured debts of the Club. In the event of an insolvency of the Club there is a risk that some or all of the Nominal Value of the Debentures will not be repaid. Therefore, the capital of a Debenture Holder is at risk and they may not get back the full Nominal Value of a Debenture or any at all.

##### Redemption on bankruptcy etc. and/or suspension of rights

The Club, in the event of the bankruptcy or similar occurrence in relation to a Debenture Holder, shall not redeem (unless the MCC Committee determines otherwise in its absolute discretion) such a Debenture by repayment to the Debenture Holder of the Nominal Value thereof. Where a Debenture Holder breaches the Offer Terms, the Conditions for the Sale of Tickets, the Dress Regulations or the Ground Regulations, the Club may suspend or withhold the rights attaching to a Debenture and/or redeem the Nominal Value of a Debenture.

##### No membership rights

Purchase of a Debenture does not confer on a Debenture Holder any entitlement to become any class of member of the Club.

##### Payment by Instalment

Applicants for Debentures have the option to pay for their Debentures in two instalments. Applicants choosing to pay by instalment should be aware that upon acceptance of their application they will become liable to pay the full Price to the Club in two instalments. To the extent any Debenture Holder fails to honour the obligation to pay the full Price to the Club in two instalments, such Debenture Holder will become a debtor to the Club, which reserves the right to recover the relevant unpaid Price by any means permitted by law. Failure by any Debenture Holder to pay any required Second Instalment may also result in suspension and/or termination of Ticket Rights and/or denial of priority as against non-Debenture Holders in applying for future issues of debentures in accordance with Clause 9.2 of Section III of this document.

##### No access to either the Financial Services Compensation Scheme or the Financial Ombudsman Service

Neither the Offer nor the Debentures themselves are covered by either the Financial Services Compensation Scheme or the Financial Ombudsman Service. Debenture Holders will not be customers of VSA for the purposes

## SECTION II

### RISK FACTORS

of access to either scheme, and the Club itself is not regulated by the FCA.

##### Is a Debenture appropriate?

Prospective Debenture Holders should carefully consider whether a Debenture is appropriate for them, bearing in mind the risk factors and the characteristics of the Debentures.

##### TICKET RISK FACTORS

##### No sale of tickets

Debenture Holders will not be entitled to sell their tickets obtained by virtue of being a Debenture Holder.

##### Bad weather

Play at the Ground is subject to the weather and may be suspended or terminated on any day due to bad weather or bad light. Any refund policy in respect of any tickets purchased

by Debenture Holders pursuant to the Ticket Rights will be in accordance with the Conditions for the Sale of Tickets as may be stipulated by the Club from time to time.

##### Programme of matches

The programme of Debenture Matches at the Ground has been agreed for the period to the end of the 2024 Cricket Season, although certain further matches may be added. It should be noted in particular that the programme of Debenture Matches for each of the 2025 and 2026 Cricket Seasons is subject to agreement with the relevant authorities, and no particular programme of Debenture Matches in respect of those Cricket Seasons can be guaranteed. Furthermore, the terms of the agreements relating to the staging of Debenture Matches may be breached, leading to Debenture Matches not being held.



**External factors**

Debenture Matches or Debenture Match Days could be disrupted by external factors such as security alerts, political situations, disagreements within the cricketing bodies, countries and clubs and the imposition of restrictions on health and safety grounds.

**Pandemic risk**

Without limitation to the risk factor entitled "External factors" above, a local, regional, national or international outbreak of a contagious disease, including, but not limited to, COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu or any other similar illness, or a fear of any of the foregoing (including as a result of government regulation and prevention measures), may result in the termination, suspension or cancellation of play on any day.

Your attention is specifically drawn to Clause 12 of the Debenture Terms and Conditions set out in Section III of this document (**force majeure**). The effect of the force majeure clause is that the Club is under no obligation to compensate or refund Debenture Holders in respect of parts of Debenture Matches, entire Debenture Matches, parts of Cricket Seasons or entire Cricket Seasons during which admission to the Ground is not possible due to an outbreak of a contagious disease of the type referred to in the paragraph above. Any refund policy in respect of any tickets actually purchased by Debenture Holders for Debenture Matches that are so disrupted pursuant to the Ticket Rights will be in accordance with the Conditions for the Sale of Tickets as may be stipulated by the Club from time to time.



## SECTION III

### DEBENTURE TERMS AND CONDITIONS

#### 1. APPLICABILITY

The terms set out in this Section III apply to all Debentures issued pursuant to this Offer.

#### 2. NO MEMBERSHIP AND REPAYMENT

**2.1** The Debentures are not convertible into any interest in the Club. The issue of a Debenture will not confer on the Debenture Holder membership of the Club or the right to become a member of the Club.

**2.2** Each Debenture takes effect as from 1 November 2022 and, subject to any early repayment made in accordance with the Offer Terms, the Nominal Value of each Debenture shall be repayable at par on 1 November 2027.

#### 3. SECURITY AND INTEREST

**3.1** The Debentures are unsecured loans made by Debenture Holders to the Club. Debenture Holders will not be entitled to any charge over or interest in any property or funds of the Club, but are entitled to the applicable rights and benefits specified in the Offer Terms. A Debenture Holder's right to the repayment of the Nominal Value of the Debenture will be enforceable only against the property and funds of the Club as an unsecured creditor and not against any Member or any officer, employee, adviser or agent of the Club personally.

**3.2** Debenture Holders will not be entitled to any interest on the Nominal Value of the Debentures or howsoever otherwise from the Club.

#### 4. RANKING

The Debentures issued pursuant to the Offer shall rank equally in all respects with regard to repayment and without any priority as between one another.

#### 5. TICKET RIGHTS

**5.1** A Debenture Holder shall have the right, exercisable only during the Ticket Rights Period, to purchase (from the Club or its nominee) one ticket in the Debenture Seating Area (subject to Clause 5.11 below) for each Debenture held on payment of the face value of such ticket and upon the Conditions for the Sale of Tickets and all other terms and conditions from time to time applicable on the occasion of each Debenture Match Day.

**5.2** The Club, by no later than 1 February 2023 (or such later date as the Club may determine) in respect of the 2023 Cricket Season and in respect of each subsequent Cricket Season during the Ticket Rights Period, by no later than 10 January preceding each such Cricket Season, shall write to Debenture Holders (a **Ticket Notification**) to invite them to exercise their right to purchase a ticket in

respect of each Debenture they hold for each Debenture Match Day in that Cricket Season.

**5.3** Each Debenture Holder, by no later than 24 February 2023 in respect of the 2023 Cricket Season and by no later than 1 March in respect of each subsequent Cricket Season during the Ticket Rights Period (**Cut-Off Time**), shall be required to elect to purchase the ticket(s) pursuant to their Ticket Rights (a **Ticket Election**) for each Debenture Match Day to be held in that Cricket Season.

**5.4** In the event that the Club does not receive from a Debenture Holder by the Cut-Off Time a Ticket Election in respect of a relevant Debenture Match Day, the Debenture Holder shall be deemed to have forgone and surrendered their Ticket Right in respect of that Debenture Match Day. In such event, the Club shall be entitled to sell the relevant ticket to a third party and shall not be obliged to account to the Debenture Holder for any proceeds raised from the sale of such ticket.

**5.5** The Club will procure that holders of tickets purchased pursuant to the Ticket Rights for Debenture Match Days shall have use of a licensed bar provided always that the use of such bar shall be subject to capacity, health and safety and/or licensing restrictions. Such bar will be for the use of persons with tickets in the Compton Balcony and Edrich Balcony or in the Upper Mound Stand or in the Upper Grand Stand as appropriate (subject to Clause 5.11 below).

**5.6** The Club, in its absolute discretion, may provide such other benefits in respect of the Debentures and/or the tickets purchased pursuant to the Ticket Rights from time to time.

**5.7** In respect of any Additional Match for which the Club has the unfettered right to allocate tickets, the Club shall provide to Debenture Holders a reasonable preferential booking period during which each Debenture Holder shall have the right to purchase from the Club (or its nominee) one ticket (subject to the payment of the face value of such ticket and upon the Conditions for the Sale of Tickets) for such Additional Match for each Debenture they hold. The Club shall notify Debenture Holders in writing of the dates of each such preferential booking period. A Debenture Holder's right to purchase tickets for an Additional Match shall lapse if it is not exercised before the end of such preferential booking period provided always that the Club shall have no obligations under this Clause 5.7 if the stand in which the relevant Debenture Seating Area is located is not scheduled to be open for such Additional Match, or if the Club does not have the unfettered right to allocate such tickets, or if any other legally binding obligation on the Club prohibits it from complying the terms of this Clause 5.7.

## SECTION III

### DEBENTURE TERMS AND CONDITIONS

**5.8** Tickets issued to Debenture Holders pursuant to the Ticket Rights shall be non-transferable and may not be resold by them. However such prohibitions are not contravened: (a) in the case of any Debenture Holder which is a company, other body corporate, partnership, club or other organisation (a **Corporate Debenture Holder**), where a ticket purchased by such Corporate Debenture Holder pursuant to the Ticket Rights is transferred to any of such Corporate Debenture Holder's bona fide employees, officers or guests provided that no payment is made or consideration given to such Corporate Debenture Holder (or to any third party other than the Club) in respect of such ticket or otherwise in connection with the transfer of such ticket; and (b) if in the case of a Debenture Holder who is a natural person, who holds more than one Debenture and who has purchased more than one ticket pursuant to the Ticket Rights for a specific Debenture Match Day, by the provision by such Debenture Holder of such additional ticket(s) to guest(s) of such Debenture Holder and that such Debenture Holder and/or guest(s) do not transfer or resell such additional ticket(s) and that no payment is made or consideration given to such Debenture Holder (or to any third party other than the Club) in respect of such additional ticket(s) or otherwise in connection with the transfer of such additional ticket(s).

**5.9** The Club does not make or give, and no officer, employee, adviser or agent of the Club has any authority to make or give any representation, condition or warranty regarding the number or frequency of Debenture Matches or Debenture Match Days in any Cricket Season during the Ticket Rights Period and any such representation, condition or warranty is hereby excluded.

**5.10** Each Debenture issued shall have (subject to Clause 5.11 below) a specific designated seat (a **Designated Seat**) allocated to it in the Debenture Seating Area. The allocation of a Designated Seat to a Debenture shall be entirely within the Club's absolute discretion. Each ticket purchased by a Debenture Holder pursuant to the Ticket Rights shall be in respect of the Designated Seat allocated to the relevant Debenture (subject to Clause 5.11 below). The Club reserves the right to change the Designated Seat allocated to a Debenture for health and safety reasons or for other reasons which arise and which are outside the reasonable control of the Club. For the avoidance of doubt and subject to Clause 5.11 below, the rights of any Debenture Holder to purchase tickets pursuant to the Ticket Rights shall be in respect of the Designated Seat allocated to the relevant Debenture only, and shall not extend to any other seat in the Debenture Seating Area or in any other part of the Ground.

**5.11** The Club may determine (in its sole discretion) that the Upper Grand Stand will not be open for Debenture Holders on a particular Debenture Match Day. On each such occasion; (i) the Designated Seat in respect of all Debentures will be

a seat in the Compton and Edrich Stands or Upper Mound Stand as allocated by the Club (and not a seat in the Upper Grand Stand); (ii) holders of tickets purchased pursuant to the Ticket Rights for such a Debenture Match Day shall have use of a licensed bar in the Compton and Edrich Stands or Upper Mound Stand (which will be for the use of persons with tickets in the Compton and Edrich Stands or Upper Mound Stand) subject to capacity, health and safety and licensing restrictions and; (iii) each Grand Stand Silver Debenture shall entitle its holder (provided always that they have exercised their right to buy a ticket for such match) to one reservation in a restaurant facility located in the Ground (and not in the Grand Stand) provided that such Debenture Holder notifies the Club (in such manner as the Club may prescribe from time to time) that they would like to take up their reservation by no later than 24 February 2023 in respect of any such Debenture Match Day scheduled to be held on or before 1 July 2023 and, in relation to any such subsequent Debenture Match Day, two months prior to such match. In addition, the Club may determine (in its sole discretion) that Compton's and/or The Edrich may not be open on a particular Debenture Match Day, even though the Compton and/or Edrich Stands are open. On each such occasion each Compton and Edrich Debenture shall entitle its holder (provided always that they have exercised their right to buy a ticket for such match) to one reservation in a restaurant facility located in the Ground (and not in the Compton or Edrich Stand) provided that such Debenture Holder notifies the Club (in such manner as the Club may prescribe from time to time) that they would like to take up their reservation by no later than 24 February 2023 in respect of any such Debenture Match Day scheduled to be held on or before 1 July 2023 and, in relation to any such subsequent Debenture Match Day, two months prior to such match.

**5.12** The Debenture Holder acknowledges that any visual representation (electronic or otherwise) of the view from any seat, or of the condition of any other facility within the Ground that the Club may provide in connection with the Offer is for illustrative purposes only and may not correspond to the view from any particular Debenture Seat or the condition of the relevant facility.

#### 6. APPLICATIONS FOR AND ALLOCATION OF DEBENTURES

**6.1** The maximum aggregate number of Debentures for which each applicant may apply shall be limited to eight, save that in the case of Grand Stand Bronze Four-Year Debentures, the maximum aggregate number shall be limited to twelve, or in both cases, such greater number or numbers as the Club, in its absolute discretion, may prescribe in respect of any particular applicant or generally.

## SECTION III DEBENTURE TERMS AND CONDITIONS

- 6.2** Applications for Debentures must be made in accordance with the application procedure set out in Part 3 of Section V of this document and on the Application Form to be provided in connection with it.
- 6.3** The allocation of Debentures will be made by the Club to successful applicants in accordance with the allocation procedure set out in Part 2 of Section V of this document.

### 7. REGISTER OF DEBENTURE HOLDERS

- 7.1** The Club shall maintain a Register of the Debentures comprised in the Offer, containing the name and address and email address of the Debenture Holder and particulars of the Debentures held by that person.
- 7.2** Each Debenture issued to a natural person shall be registered in the name of that person.
- 7.3** Following the allocation of Debentures, and on payment of (i) where the applicant elects to pay for a Debenture by two instalments, the First Instalment; or (ii) in all other cases, the relevant Price and adherence to the Offer Terms, the Club shall enter the name of the Debenture Holder in the Register and shall issue Certificate(s) in respect of the Debenture(s) allocated to them in electronic form by email.
- 7.4** In respect of any Corporate Debenture Holder, the Register at all times shall contain the name and business address of a natural person which such Corporate Debenture Holder has nominated as its representative (a **Corporate Representative**). Such Corporate Representative in respect of each Corporate Debenture Holder shall be specified in the relevant Application Form submitted by such Corporate Debenture Holder. Each Corporate Debenture Holder hereby agrees and acknowledges with the Club that its Corporate Representative shall be entitled to receive for and on its behalf, any and all notifications and communications to be given by the Club to that Corporate Debenture Holder, that all notifications and communications to be given by the Corporate Debenture Holder shall be given by its Corporate Representative and the Club shall be entitled to rely on all such notifications and communications as being from, and binding on, the Corporate Debenture Holder. A senior officer of a Corporate Debenture Holder shall notify the Club in writing of any change in the identity of or the address of its Corporate Representative and must at all times ensure that it has appointed a Corporate Representative.
- 7.5** The Club will treat the Debenture Holder as the absolute owner of the Debenture and subject to Clause 7.6 below, shall not be bound to take notice of or see to the execution of any trust, whether express, implied or constructive, to which the Debenture may be subject and the receipt of the Debenture Holder shall be a good discharge to the Club, notwithstanding any notice

it may have, whether express or otherwise, of the right, title, interest or claim of any other person to or in the Debenture.

- 7.6** The legal personal representative(s) of a deceased Debenture Holder who is a natural person shall alone be recognised by the Club in place of the Debenture Holder and, subsequently, the beneficiary so entitled under the estate of the deceased Debenture Holder. During the period from the death of the Debenture Holder until the Debenture has been transferred to the beneficiary, the MCC Committee, in its absolute discretion, shall determine how to administer the benefits attaching to a Debenture.
- 7.7** It shall be the responsibility of the Debenture Holder to notify the Club in writing of their change of address. Such notifications should be signed by the Debenture Holder and sent to the Premium Seating Manager, Marylebone Cricket Club, Lord's Ground, London NW8 8QN or to such other address as is notified by the Club. Upon actual receipt of such notice, the Club shall record the Debenture Holder's new address in the Register and acknowledge receipt of the same to them.

### 8. TRANSFER OF DEBENTURES AND NO CHARGING

- 8.1** Debentures may not be transferred save to a legal personal representative of a deceased Debenture Holder or the beneficiary so entitled under the estate of a deceased Debenture Holder.
- 8.2** Debenture Holders may not mortgage, charge, pledge, or otherwise dispose of or grant any encumbrance or interest over any Debenture or part of any Debenture.

### 9. REDEMPTION AND SUSPENSION OF TICKET RIGHTS

- 9.1** If the Debenture Holder, at any time during the Term, shall go into liquidation, have a receiver (whether administrative, under the Law of Property Act 1925 or otherwise) appointed or an administration order made or an administrator is appointed in respect of it or, being a natural person, shall become or be adjudicated bankrupt or have a receiver as aforesaid appointed in respect of their property, the MCC Committee shall not, due to such event, redeem (unless it determines otherwise in its absolute discretion) such Debenture by repayment to the Debenture Holder (or the relevant liquidator, receiver, administrator or trustee in bankruptcy) of the Nominal Value thereof. If the MCC Committee does determine (in its absolute discretion) to redeem and repay the Nominal Value of any such Debenture due to such an event, the Ticket Rights attached to such Debenture shall cease forthwith. In the event that the MCC Committee does not redeem a Debenture following such an event, the MCC Committee may impose such conditions on the holding and/or use of such Debenture (including the Ticket Rights) as it sees fit.

## SECTION III DEBENTURE TERMS AND CONDITIONS



- 9.2** If the rights attaching to a Debenture (including the Ticket Rights) or any other applicable rules or regulations of the Club are contravened or abused, including without limitation, as follows: (a) failure by a Debenture Holder to pay any required Second Instalment in accordance with Clause 3 of Part II of Section V of this document; (b) seats allocated to the Debenture Holder being occupied by persons in respect of whose conduct the Club has previously complained to the Debenture Holder; or (c) there is a breach of the Offer Terms, the Conditions for the Sale of Tickets, the Ground Regulations and/or the Dress Regulations, then the MCC Committee reserves the right in its absolute discretion: (i) to withhold the issue of tickets pursuant to the Ticket Rights in respect of the relevant Debenture Holder for such period as the MCC Committee in its absolute discretion may deem fit, and/or demand the return of tickets already issued, as the case may be; (ii) to deny the Debenture Holder priority as against non-Debenture Holders in applying for future issues of debentures; and/or (iii) in cases of gross abuse of the Ticket Rights or persistent breaches of the Offer Terms, the Conditions for the Sale of Tickets, the Ground Regulations and/or the Dress Regulations to terminate the Ticket Rights in their entirety and in such circumstances the Club shall not be required to repay to the Debenture Holder the Nominal Value of the Debenture until the end of the Term.
- 9.3** If at any time during the Ticket Rights Period, the Debenture Holder fails, when so requested by the Club, to give written confirmation and such evidence as may be required by the Club that any ticket issued pursuant to the Ticket Rights is being and/or will be used in accordance with the Offer Terms, the Conditions for the Sale

of Tickets, the Ground Regulations and/or the Dress Regulations, the Club, in its absolute discretion, may withhold the issue of, and/or demand the return of, tickets, until such confirmation and evidence is forthcoming, or terminate the Ticket Rights in their entirety and in such circumstances the Club shall not be required to repay to the Debenture Holder the Nominal Value of the Debenture until the end of the Term.

### 10. EARLY REPAYMENT

The Nominal Value of the Debentures comprised in this issue shall become immediately repayable before the end of the Term: (a) on such date or dates as the Club in its absolute discretion may prescribe; or (b) on an effective resolution being passed by the Members to dissolve the Club.

### 11. CONDUCT

MCC expects Debenture Holders to respect each other, the Club, Lord's and all who visit or work at Lord's Any Debenture Holder and/or guest(s) who, in the Club's reasonable opinion, fails to show respect, whether as a result of abusive, discriminatory or inappropriate behaviour, language or otherwise or whose presence, as determined by the Club in its reasonable opinion, is a source of danger, nuisance or annoyance to others, may be liable to having their Ticket Rights suspended for such length of time as the Club in its absolute discretion shall determine, being ejected from Lord's and any such other action as may be determined by the Club. If a Debenture Holder's Ticket Rights are suspended, the Debenture Holder shall not be entitled to any refunds for tickets purchased.

## SECTION III

### DEBENTURE TERMS AND CONDITIONS

#### 12. REPLACEMENT CERTIFICATES

If a Debenture Holder has printed out the Certificate they have been sent in electronic form and irrevocably deleted the electronic Certificate and the printed out electronic Certificate becomes worn out, defaced or lost, or if a Debenture Holder irrevocably deletes the Certificate they have been sent in electronic form and therefore has lost the electronic Certificate, it may be replaced on payment of such reasonable amount and on such terms as to identity, indemnity and expense incurred by the Club in investigating title as the Club thinks fit, and subject to, in the case of the replacement of a worn out or defaced printed out electronic Certificate, the surrender to the Club of the original electronic Certificate which has been printed out before the issue of the replacement.

#### 13. FORCE MAJEURE

**13.1** In these Offer Terms **force majeure** shall mean any cause preventing, hindering or delaying the Club from performing any or all of its obligations which arise from or which are attributable to acts, events, omissions or accidents beyond the reasonable control of the Club including strikes, lock-outs or other industrial disputes (whether involving the workforce of the Club or of any other party), act of God, war, terrorism, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, death of the Monarch or other senior member of the Royal Family, accident, breakdown of plant or machinery, natural disaster including fire, flood or storm, threat to public health and safety including epidemic or pandemic, default of suppliers or sub-contractors, acts or omissions of governmental or non-governmental authority, acts or omissions of the ICC (or any successor body), acts or omissions of any member country of the ICC (or any successor body) from time to time, or acts or omissions of the ECB (or any successor body).

**13.2** If the Club is prevented, hindered or delayed in the performance of any of its obligations under the Offer Terms by force majeure, it shall have no liability in respect of the performance of such of its obligations as are prevented, hindered or delayed by the force majeure events during the continuation of such events, and the time for performance of such obligations shall be extended accordingly.

#### NOTICES

**14.1** A notice sent by email to the email address of a Debenture Holder contained in the Register from time to time shall be deemed due service of such notice on such Debenture Holder and shall be deemed to have been served at the time of transmission.

**14.2** A notice sent through the post in a prepaid envelope addressed to the Debenture Holder at the address of such Debenture Holder contained

in the Register from time to time shall be deemed due service of such notice on such Debenture Holder and shall be deemed to have been served seven days after the same is posted.

#### 14. ENTIRE AGREEMENT, REPRESENTATIONS AND TAX INDEMNITY

**15.1** Each applicant for a Debenture confirms that the Offer Terms (upon their application to subscribe for Debentures being accepted by the Club) will constitute the entire agreement between the applicant and the Club in respect of the issue of such Debentures. Each applicant acknowledges and agrees that in applying to subscribe for Debentures they do not rely on, and shall have no remedy in respect of, any statement (whether written or oral), representation, warranty or understanding (whether negligently or innocently made) of any person (including without limitation the Club, its officers, employees, advisers and agents) other than as expressly set out in the Offer Terms. However, the foregoing shall not operate to limit or exclude any liability for fraud.

**15.2** Any Debenture Holder who is resident for tax purposes in any jurisdiction other than the United Kingdom or who is otherwise subject to tax in any jurisdiction other than the United Kingdom (**non-UK tax status**) undertakes and agrees to indemnify the Club against any tax, duty, levy, charge, withholding and/or reasonable costs and expenses incurred by the Club as a direct result of such Debenture Holder's non-UK tax status.

#### 15. VARIATION AND FUTURE OFFERS

**16.1** The Offer Terms may be varied by a resolution of the MCC Committee where such change is necessary or desirable in order to comply with any applicable legal or regulatory requirement. In such circumstances, the Club shall inform the Debenture Holders in writing forthwith.

**16.2** Variations to the Offer Terms, other than those specified in Clause 16.1, may be made by a resolution of the MCC Committee, subject to the Club receiving the written consent of Debenture Holders who between them hold more than 50% in value of the outstanding Nominal Value of the Debentures. Such written consent can be given by such Debenture Holders signing different documents. The Club shall ensure that a request for any such consent is emailed to all Debenture Holders at the same time.

**16.3** Shortly before or upon the expiry of the Ticket Rights Period relating to the Debentures the Club may implement or offer (but shall not be bound so to do) a new debenture scheme or schemes in relation to the Designated Seats which will become available on the expiry of the Ticket Rights Period (**Expired Seats**) on terms and at such

## SECTION III

### DEBENTURE TERMS AND CONDITIONS

prices to be determined by the Club in its absolute discretion at such times (**Future Schemes**).

**16.4** Save where the failure by any Debenture Holder to pay any required Second Instalment in accordance with Clause 3 of Part II of Section V of this document has resulted in denial of priority as against non-Debenture Holders in applying for future offers of Debentures pursuant to Clause 9.2 (ii) above, the holder of the Debenture to which an Expired Seat relates will be given priority (in such form and on such terms as the Club may determine at the relevant time in its absolute discretion) to participate in the Future Schemes which relate to such Expired Seat.

#### 16. THIRD PARTY RIGHTS

A person who is not an applicant for a Debenture or a Debenture Holder may not enforce any of the Offer Terms or rights conferred by the Debentures and each applicant and Debenture Holder agrees that the Contracts (Rights of Third Parties) Act 1999 shall not apply to the Offer Terms and/or the Debentures.

#### 17. LANGUAGE

These Offer Terms and all communications with Debenture Holders shall be in the English Language.

#### 18. GOVERNING LAW

The Offer Terms and the Debentures and any disputes that may arise in connection therewith shall be construed in all respects by English law. For the exclusive benefit of the Club, Debenture Holders irrevocably submit to the exclusive jurisdiction of the English courts, although the foregoing will not prevent an action being taken against a Debenture Holder in any other jurisdiction.

#### 19. INTERPRETATION ISSUES

Any issue or dispute relating to or arising out of the interpretation of any provision of the Offer Document (including any relevant definitions) shall be determined by the MCC Committee, which shall act in a fair and reasonable manner in respect of the same. Any such determination shall be binding on all Debenture Holders.

#### 20. DEBENTURE SEATING AREA

For the avoidance of doubt, and subject to Clause 5.11 above and the Offer Terms, the Debenture Seating Area for the Debentures shall be located in the Compton Balcony and Edrich Balcony in respect of the Compton and Edrich Debentures and the Compton and Edrich Non-Dining Debentures, the Upper Grand Stand in respect of the Grand Stand Silver and Grand Stand Bronze Debentures and in the Upper Mound Stand in respect of the Mound Stand Gold and Mound Stand Silver Debentures.

#### 21. PROVISIONS FOR COMPTON AND EDRICH DEBENTURE HOLDERS ONLY

Each Compton and Edrich Debenture shall entitle its holder (subject to Clause 5.11 above) to one reservation on each Debenture Match Day (provided always they have exercised their right to buy a ticket for such Debenture Match) in Compton's or The Edrich, provided that such Debenture Holder notifies the Club (in such manner as the Club may prescribe from time to time) that they would like to take up their reservation by no later than 24 February 2023 in respect of the Debenture Matches scheduled to be held on or before 1 July 2023 and, in relation to subsequent Debenture Matches, two months prior to the relevant Debenture Match.

#### 22. PROVISIONS FOR MOUND STAND GOLD DEBENTURES ONLY

Each Mound Stand Gold Debenture shall entitle its holder to one reservation on each Debenture Match Day (provided always they have exercised their right to buy a ticket for such Debenture Match) in a restaurant facility located in the Mound Stand, provided that such Debenture Holder notifies the Club (in such manner as the Club may prescribe from time to time) that they would like to take up their reservation by no later than 24 February 2023 in respect of Debenture Matches scheduled to be held on or before 1 July 2023 and, in relation to subsequent Debenture Matches, two months prior to the relevant Debenture Match.

#### 23. PROVISIONS FOR MOUND STAND SILVER DEBENTURES ONLY

Each Mound Stand Silver Debenture shall entitle its holder to one reservation on each Debenture Match Day (provided always they have exercised their right to buy a ticket for such Debenture Match) in a restaurant facility located in the Ground outside of the Mound Stand, provided that such Debenture Holder notifies the Club (in such manner as the Club may prescribe from time to time) that they would like to take up their reservation by no later than 24 February 2023 in respect of Debenture Matches scheduled to be held on or before 1 July 2023 and, in relation to subsequent Debenture Matches, two months prior to the relevant Debenture Match.

#### 24. PROVISIONS FOR GRAND STAND SILVER DEBENTURES ONLY

Each Grand Stand Silver Debenture shall entitle its holder (subject to Clause 5.11 above) to one reservation on each Debenture Match Day (provided always they have exercised their right to buy a ticket for such Debenture Match) in the Two Seven Eight Restaurant, provided that such Debenture Holder notifies the Club (in such manner as the Club may prescribe from time to time) that they would like to take up their reservation by no later than 24 February 2023 in respect of Debenture Matches scheduled to be held on or before 1 July 2023 and, in relation to subsequent Debenture Matches, two months prior to the relevant Debenture Match.

## SECTION IV FINANCIAL INFORMATION

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £000	2020 £000
<b>OPERATING INCOME</b>			
Subscriptions	2	8,422	8,536
Match receipts	3	22,025	12,340
Catering and hospitality income	4	9,322	575
Other income	5	7,267	7,081
		<b>47,036</b>	<b>28,532</b>
<b>OPERATING EXPENDITURE</b>			
Administration	6	14,332	11,932
Cricket and match expenses	7	9,528	1,207
Catering and hospitality expenditure	4	9,365	4,247
Direct expenses relating to other income	5	2,668	1,632
Maintenance of buildings	8	2,689	1,863
		<b>38,582</b>	<b>20,881</b>
<b>NET OPERATING SURPLUS BEFORE NON-RECURRING ITEMS, DEPRECIATION AND FINANCING</b>			
		<b>8,454</b>	<b>7,651</b>
Non-recurring items	9	7,720	1,340
Depreciation	12	(5,022)	(4,892)
Loss on revaluation of investments	13	(10)	(7)
Interest receivable and investment income	10	62	163
Debenture amortisation and charges	10	(52)	(27)
<b>NET OPERATING SURPLUS AFTER NON-RECURRING ITEMS, DEPRECIATION AND FINANCING</b>			
		<b>11,152</b>	<b>4,228</b>
Profit/(Loss) on sale of investments		84	(21)
Write-down of tangible assets	12	(10)	-
<b>SURPLUS FOR THE YEAR BEFORE TAXATION</b>			
		<b>11,226</b>	<b>4,207</b>
Taxation charge	11	(926)	(793)
<b>SURPLUS FOR THE YEAR</b>			
	19	<b>10,300</b>	<b>3,414</b>
<b>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2021</b>			
		2021 £000	2020 £000
Surplus for the year		10,300	3,414
Increase in revaluation reserve	20	185	425
<b>TOTAL RECOGNISED GAINS RELATING TO THE YEAR</b>			
		<b>10,485</b>	<b>3,839</b>

## SECTION IV FINANCIAL INFORMATION

BALANCE SHEET AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
<b>FIXED ASSETS</b>			
Tangible and intangible assets	12	103,519	97,477
Investments	13	2,406	2,126
		<b>105,925</b>	<b>99,603</b>
<b>CURRENT ASSETS</b>			
Stocks	14	376	472
Debtors	15	4,716	4,097
Cash and cash equivalents		36,538	37,574
		<b>41,630</b>	<b>42,143</b>
<b>CURRENT LIABILITIES</b>			
Creditors - amounts falling due within one year	16	(16,409)	(23,063)
<b>NET CURRENT ASSETS</b>			
		<b>25,221</b>	<b>19,080</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>131,146</b>	<b>118,683</b>
Creditors - amounts falling due after more than one year:			
Debenture loans	17	(40,675)	(37,794)
Deferred income	18	(18,546)	(19,449)
		(59,221)	(57,243)
		<b>71,925</b>	<b>61,440</b>
Representing:			
<b>MEMBERS' FUNDS</b>			
General fund	19	68,127	57,827
Revaluation reserve	20	3,798	3,613
		<b>71,925</b>	<b>61,440</b>

These Accounts were approved by the MCC Committee on 10 March 2021.



A.B. Elgood, Treasurer



G.W. Lavender, Chief Executive &amp; Secretary

**SECTION IV FINANCIAL INFORMATION**  
CASH-FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021		2020	
		£000	£000	£000	£000
<b>OPERATING ACTIVITIES</b>					
Net cash inflow from operating activities, excluding Life Memberships	23	8,062		5,275	
Receipts from sales of Life Memberships	18	-		25,596	
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>			8,062		30,871
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>					
Interest and investment income received	10	62		163	
Bank charges paid	10	(41)		(23)	
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			21		140
<b>TAXATION PAID</b>			(894)		(897)
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS</b>					
Payments to acquire tangible and intangible assets	12	(10,889)		(29,846)	
Payments to acquire long-term investments	13	(318)		(1,035)	
Receipts from sales of long-term investments	13	283		989	
Transfer to long-term investments	13	(171)		(178)	
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS</b>			(11,095)		(30,070)
<b>FINANCING</b>					
Debenture loans issued	17	3,083		3,842	
Debenture loans redeemed	17	(198)		(715)	
Debenture issue costs paid	17	(15)		(50)	
<b>NET CASH INFLOW FROM FINANCING</b>			2,870		3,077
<b>[(DECREASE)]/INCREASE IN CASH</b>			<b>(1,036)</b>		<b>3,121</b>
<b>ANALYSIS OF CHANGE IN TOTAL LIQUID FUNDS</b>					
		At 1 Jan 2021	Funds flow	At 31 Dec 2021	
		£000	£000	£000	
Cash and cash equivalents		<b>37,574</b>	<b>(1,036)</b>	<b>36,538</b>	

**SECTION IV FINANCIAL INFORMATION**  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

**1. ACCOUNTING POLICIES**

*Basis of Preparation*

The Accounts have been prepared under the historical cost convention. Certain fixed assets are held under the revaluation model. The Accounts have been prepared on the going concern basis and in accordance with the Club's accounting policies and Club Rule 13.5. The Club's accounting policies largely follow accounting standard FRS102, except for certain areas where the added complexity and detail needed to adopt is not considered sufficiently beneficial.

*Accounting Estimates and Judgements*

In applying its accounting policies, the Club is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following estimates and assumptions have a significant risk of causing a fair value adjustment to the carrying amount of assets and liabilities:

*Tangible Assets*

The Club carries a property subject to lease at fair value. The property is valued by a directors' valuation or an external professional valuation at least every three years on an open market basis, primarily using comparable open market sales transactions and market rents from published data and information from other agents and valuers. The fair value is highly sensitive to the circumstances and market conditions at the date of valuation. The carrying amount of the property is referred to in note 12.

*Going Concern and Covid-19*

The Club has prepared cash-flow forecasts for the period to 31 March 2023 which indicate that, taking account of reasonable possible downsides and the potential impact of Covid-19 on its operations and financial resources, the Club will have sufficient funds to meet its liabilities as they fall due for that period.

Among others, the reasonable possible downsides considered by the Club have included playing matches behind closed doors, the impact of further lockdowns on non-match commercial activities and the risk of ticket insurance monies not being paid out to the Club.

Specifically, in light of past Covid-19 impacts, the Club has also considered severe but plausible downsides in preparing forecasts, which includes additional sensitivities including but not limited to:

- a further reduction in the expected insurance payout from ECB for lost ticket sales;
- an additional reduction in non-match day commercial income;
- a reduction in J.P. Morgan sponsorship.

These severe but plausible downsides indicate that, even taking these potential adverse scenarios into account, the Club will have sufficient funds to meet its liabilities as they fall due over the forecast period. As a result of this assessment, the Club considers it remains appropriate to continue to apply the going concern basis of accounting for the preparation of these financial statements.

*Group Accounts*

The Club has presented full group non-statutory Accounts which include MCC Overseas Limited and has opted not to present separate parent company Accounts.

*Income*

Subscription income and entrance fees are recognised in the calendar year of membership to which the income relates.

Match receipts and catering and hospitality income are recognised in the year in which the match or event takes place and any fees or income received in advance before the year end are treated as deferred income.

All other income, including revenue grants, is recognised in the year in which the obligation takes place. All income, where appropriate, is stated net of Value Added Tax.

*Non-Recurring Items*

The Club presents certain non-recurring items separately on the Income and Expenditure Account. Items are disclosed by virtue of their nature or size in order to obtain a clear and consistent presentation of the Club's underlying performance. Items that have been classified as non-recurring in the year are disclosed in note 9.

*Tangible and Intangible Assets*

Lord's Ground is included in freehold land and property at a nominal value of £1 for assets which were held at 31 December 1965.

Additions subsequent to 31 December 1965 are stated at cost, less depreciation, impairment and capital grants received where applicable. Material capital grants received are held on the Balance Sheet as a liability within deferred income and released to the Income and Expenditure Account as income over the useful economic life of the asset.

Tangible assets include a property subject to lease, which is valued based on a directors' valuation or an external professional valuation at least every three years. Gains on revaluation are recognised in the revaluation reserve. Losses are recognised in the revaluation reserve up to the revaluation gain. Further losses are charged to the Income and Expenditure Account.

Plant and equipment assets also include certain intangibles such as website and software assets.

No depreciation is provided on freehold land. Depreciation is provided on a straight line basis on assets at rates calculated to write off the cost, less the estimated residual value, of each asset over its expected useful life, as follows:

Freehold Land	-	no depreciation
Freehold Property	-	between 5 and 50 years
Plant and Equipment	-	between 3 and 10 years
Website and Software	-	between 3 and 5 years

*Investments*

Investments are classified as either long-term investments in fixed assets or short-term investments in current assets.

Both long-term investments, which are listed on a recognised Stock Exchange, and short-term investments are valued at the lower of cost and the mid-market value at the Balance Sheet date.

*Stocks*

Stocks held for resale are valued at the lower of cost and net realisable value.

*Debentures*

Debenture loans are recognised at historical cost, not at the present value of future payments discounted at a market rate of interest, and therefore subsequently are not stated at amortised cost using the effective interest method, less any impairment losses. Debenture premiums and issue costs are released to the Income and Expenditure Account over the life of the rights.

*Deferred Taxation*

The Club does not account for deferred taxation.

*Heritage and Collections*

Expenditure for acquisitions of cricket and real tennis memorabilia is charged to the Income and Expenditure Account.

*Pension Scheme*

The Club does not account for Pension Scheme assets and liabilities on its Balance Sheet. The assets of the Scheme are held separately from those of the Club.

As at 31 December 2021, the Club operated a hybrid Pension Scheme. The Scheme comprises two elements:

*Defined Benefit Element*

All members of the Scheme receive benefits based on final pensionable pay. For members who joined after 1 January 1999, the salary that is eligible to be included in the final salary scheme is subject to a salary cap currently set at £29,000.

## SECTION IV FINANCIAL INFORMATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

Contribution rates for this Scheme are paid in accordance with recommendations from a qualified actuary. Contributions are charged to the Income and Expenditure Account on a cash basis.

### Defined Contribution Element

For those members who joined the Scheme after 1 January 1999, the Club provides a Defined Contribution element. Contributions are made by the Club and Scheme members based on age and status, as a percentage of the balance of any salary over and above the defined benefit cap.

### Long-Term Deferred Income

Deferred income includes the relevant annual subscriptions for Life Membership which are not repayable and are being credited to the Income and Expenditure Account at the rate equivalent to the annual subscription each year.

Candidates' registration fees are shown in long-term deferred income as amounts received in advance. They are credited to the Income and Expenditure Account in the year in which Candidates are elected as Members.

Father Time Wall plaque sales are credited to the Income and Expenditure Account over an expected life of ten years after installation of the plaques.

### Related Parties

The Club does not maintain a formal listing of related parties. In line with Club Rule 261, Committee members are required to self-declare any interests.

### 2. SUBSCRIPTIONS

	2021	2020
	£000	£000
Subscriptions		
Full and Senior Members	5,250	6,028
Associate Members	1,317	1,256
2020 Life Members	944	-
1996 Life Members	93	94
Subscriptions Rebate for 2020	(359)	-
	<u>7,245</u>	<u>7,378</u>
Entrance Fees	833	801
VAT reclaimed on subscriptions	344	357
	<u><b>8,422</b></u>	<u><b>8,536</b></u>

### 3. MATCH RECEIPTS

	2021	2020
	£000	£000
Major Matches		
Ticket sales and commissions	16,255	12,335
Suites	2,767	-
Hundred hosting fees and distributions	1,721	-
	<u>20,743</u>	<u>12,335</u>
Other Matches		
Middlesex CCC	1,219	-
MCC and other matches	63	5
	<u>22,025</u>	<u>12,340</u>

### Total Match Receipts

	2021	2020
	£000	£000
Match Expenses (see note 7)		
Staging fees to ECB	(4,877)	-
Major Match running costs	(2,890)	(285)
Middlesex CCC match running costs	(837)	(51)
Other match expenses	(311)	(95)
	<u>(8,915)</u>	<u>(431)</u>
<b>Net Match Returns</b>	<u><b>13,110</b></u>	<u><b>11,909</b></u>

In 2021, MCC was covered by an insurance scheme operated by ECB for major match ticketing income. Per the staging agreement, ECB reimburses MCC and then MCC processes all ticketing refund payments due to customers. ECB has confirmed that this arrangement will continue in 2022.

### 4. CATERING AND HOSPITALITY INCOME AND EXPENDITURE

	2021	2020
	£000	£000
Income	9,322	575
Expenditure	(9,365)	(4,247)
<b>Deficit</b>	<u><b>(43)</b></u>	<u><b>(3,672)</b></u>

Due to Covid-19, the Club was only able to operate without restrictions for four full months of the year and all related activity, including catering and hospitality, was adversely impacted by the continued limitations and the Club's decision to prioritise the health and safety of its Members, customers and staff.

### 5. OTHER INCOME AND EXPENDITURE

	2021		2020	
	Income	Expenses	Income	Expenses
	£000	£000	£000	£000
Marketing and Advertising	4,121	(83)	1,509	(11)
Retail	1,120	(909)	207	(461)
Indoor Cricket Centre	564	(454)	413	(496)
Tours of Lord's	169	(109)	98	(180)
Father Time Wall	130	(489)	-	-
Golf and other Societies	148	(157)	39	(71)
Tennis and Squash	60	(96)	60	(95)
Heritage and Collections	10	(343)	14	(317)
Heritage and Collections Acquisitions	-	(28)	-	(1)
Rents Receivable	457	-	431	-
Coronavirus Job Retention Scheme	230	-	3,135	-
Debenture Premium	166	-	-	-
Donations and Grants Received	92	-	1,175	-
	<u><b>7,267</b></u>	<u><b>(2,668)</b></u>	<u><b>7,081</b></u>	<u><b>(1,632)</b></u>

As part of the Government's financial support measures, the Club originally received £632,000 in grants from the Coronavirus Job Retention Scheme before deciding to repay £402,000 voluntarily at the end of the season relating to full time employees to leave a net total received in the year of £230,000 (2020: £3135,000).

The Club recognised £130,000 of income relating to the first full year of the Father Time Wall. Costs to install the Wall have been fully expensed in the year. Costs of installing individual plaques are recognised in full in the year in which the plaque is installed.

### 6. ADMINISTRATION

	2021	2020
	£000	£000
Payroll costs included in administration		
Secretariat and PAs	2,247	1,820
Marketing and Community	348	322
Legal and Human Resources	477	528

## SECTION IV FINANCIAL INFORMATION

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£000	£000
Finance, Payroll and IT	1,241	1,276
Membership, Club Facilities and Ticket offices	1,309	1,270
Cricket Office	132	125
Ground Superintendent's Office	799	911
Brand, Design and Digital	776	697
Special pension contribution	1,254	270
Medical insurance premium	265	312
	<u>8,848</u>	<u>7,531</u>

Pavilion and office expenses	1,371	1,107
IT and website expenditure	1,214	842
Rent, rates and insurance	807	862
Energy costs	940	641
Marketing and Community	251	164
Travel and motor expenses	51	68
Official hospitality	85	-
Committee and sub-committee expenses	29	13
Legal and Professional charges	628	500
AGM expenses	27	39
Audit fee	79	74
Non audit-related fees paid to auditors:		
ACM scrutineering	2	2
	<u>5,484</u>	<u>4,401</u>
	<u><b>14,332</b></u>	<u><b>11,932</b></u>

The costs of salaries and wages include any payments made to staff who were placed on furlough in the year and exclude any grants received from the Government as part of the Coronavirus Job Retention Scheme (see note 5).

The costs of salaries and wages not relating to administration are charged directly to each of the Club's activities individually.

The Club made a special pension payment of £1,254,000 (2020: £270,000) as part of a plan to reduce the pension scheme deficit (see note 22).

No business rates were payable between January and June 2021 as part of the Government's financial support measures during the pandemic.

A further Government business rates discount of 66% was applied between July and December 2021.

The total cost of salaries and wages of the Club, excluding any grants received from the Coronavirus Job Retention Scheme, was as follows:

	2021	2020
	£000	£000
Permanent and fixed-term contract workers	9,120	8,845
Casual workers	2,982	1,592
Social security costs	1,197	1,132
Pension contributions	946	1,024
Special pension contributions	1,254	270
Medical insurance premium	265	312
	<u><b>15,764</b></u>	<u><b>13,175</b></u>

The number of permanent and fixed-term contract workers at the end of the year was:

	2021	2020
Office and administration	79	83
Ground maintenance and security	25	29
Cricket activity and playing-area maintenance	9	14
Catering and events	37	46
Other activities	40	37
	<u><b>190</b></u>	<u><b>209</b></u>

During a regular cricket season, the Club employs a significant number of casual workers. The total number of individuals on the payroll, including permanent workers, peaked at 1,008 during the year (2020 peak: 467).

The number of permanent and fixed-term contract workers who received salaries and bonuses (excluding pension contributions or payments in lieu thereof and excluding any grants received from the Coronavirus Job Retention Scheme) in the following ranges were:

	2021	2020
£1 - £20,000	24	17
£20,001 - £40,000	103	127
£40,001 - £60,000	39	45
£60,001 - £80,000	11	9
£80,001 - £100,000	6	4
£100,001 - £120,000	2	-
£120,001 - £140,000	-	2
£140,001 - £160,000	-	3
£160,001 - £180,000	2	1
£180,001 - £200,000	-	1
£200,001 - £220,000	1	-
£220,001 - £240,000	1	-
£240,001 and above	1	-
	<u><b>190</b></u>	<u><b>209</b></u>

No bonuses were paid in 2020.

### 7. CRICKET AND MATCH EXPENSES

	2021	2020
	£000	£000
Match Expenses		
Staging fees to ECB	4,877	-
Major Match running costs	2,890	285
Middlesex CCC match running costs	837	51
Other match expenses	311	95
	<u><b>8,915</b></u>	<u><b>431</b></u>
Cricket Playing Staff		
Payroll costs	7	137
Other expenses	-	26
	<u><b>7</b></u>	<u><b>163</b></u>
Ground Expenses		
Payroll costs	307	233
Other Expenses	142	88
	<u><b>449</b></u>	<u><b>321</b></u>
General Support of Cricket		
Payroll costs	94	87
Research and Laws	8	-
MCC Universities	-	95
Other support	55	110
	<u><b>157</b></u>	<u><b>292</b></u>
	<u><b>9,528</b></u>	<u><b>1,207</b></u>

## SECTION IV FINANCIAL INFORMATION

### NOTES FOR THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 8. MAINTENANCE OF BUILDINGS

	2021	2020
	£000	£000
Payroll costs	482	660
Routine maintenance	1,685	664
Project expenditure	522	539
	<b>2,689</b>	<b>1,863</b>

#### 9. NON-RECURRING ITEMS

	2021	2020
	£000	£000
Non-recurring Items	<b>7,720</b>	<b>1,340</b>

The non-recurring item in the year relates to entrance fees from the sale of new Life Memberships in 2020 made up of the transfer of £7,691,000 from Creditors (see note 16) and a transfer of £29,000 from Candidates' registration fees. The prior year item relates to business rates appeal refund monies.

#### 10. INTEREST RECEIVABLE, INVESTMENT INCOME, DEBENTURE AMORTISATION AND CHARGES

	2021	2020
	£000	£000

##### Income:

Interest receivable	12	103
Investment income	50	60
	<b>62</b>	<b>163</b>

	2021	2020
	£000	£000

##### Expenses:

Debenture amortisation	(11)	(4)
Bank charges and interest payable	(41)	(23)
	<b>(52)</b>	<b>(27)</b>

Bank charges include £28,000 (2020: £9,000) of non-utilisation fees relating to the Club's credit facility with Lloyds Bank (see note 16).

#### 11. TAXATION

	2021	2020
	£000	£000
Surplus before tax	11,226	4,207
Corporation tax (at tax rate 2021: 19%, 2020: 19%)	(2,133)	(799)
Tax impact of adjustments for depreciation in excess of capital allowances	279	(335)
Tax impact of disallowable expenditure	(29)	(44)
Tax impact of non-taxable portion of operating surplus attributable to Members	518	329
Tax impact of non-taxable income and other adjustments	31	15
Corporation tax	(1,334)	(834)
Adjustments in respect of prior years	408	41
Taxation charge in year	<b>(926)</b>	<b>(793)</b>

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 Sept 2016. The March 2020 budget announced that a rate of 19% would continue to apply with effect from 1 April 2020 and this change was substantively enacted on 17 March 2020. An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Club's future current tax charge accordingly.

#### 12. TANGIBLE AND INTANGIBLE ASSETS

	Land and Property £000	Plant and Equipment £000	Total £000
<i>Book value</i> at 1 January 2021			
At cost	118,053	33,788	156,841
Additions	166	10,723	10,889
Revaluations during the year	185	-	185
Disposals	-	(478)	(478)
<i>Book value</i> at 31 December 2021	<b>118,404</b>	<b>49,033</b>	<b>167,437</b>

##### Depreciation

At 1 January 2021	36,807	22,557	59,364
Depreciation charge in the year	2,348	2,674	5,022
Disposals	-	(468)	(468)
At 31 December 2021	<b>39,155</b>	<b>24,763</b>	<b>63,918</b>

	Land and Property £000	Plant and Equipment £000	Total £000
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##### Net book value

At 31 December 2021	<b>79,249</b>	<b>24,270</b>	<b>103,519</b>
At 31 December 2020	<b>81,246</b>	<b>16,231</b>	<b>97,477</b>

The Club spent £10,889,000 on additions, of which £9,407,000 was spent on Compton and Edrich stands' fees and construction. A further £1,482,000 was spent on other Estates projects and minor capital expenditure.

No. 12 Grove End Road, which is a property subject to lease, was valued externally at £3,960,000 as at 31 December 2021 versus a carrying value of £3,775,000. The increase in valuation of £185,000 has been reflected through the revaluation reserve (see note 20).

No. 4 and No. 6 Grove End Road, which are operational assets as at 31 December 2021, have been tested for impairment. No impairment has been required to be recognised in the year.

£464,000 of assets with a zero net book value and no longer in use within the Club have also been processed as disposals.

#### 13. INVESTMENTS

##### Fixed Asset Investments:

	Sinking Fund £000	Cash £000	Total £000
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Investments listed on a recognised Stock Exchange:

<i>Book value</i> at 1 January 2021	2,102	24	2,126
Transfer to sinking fund	-	171	171
Additions	318	-	318
Disposals	(34)	(165)	(199)
Revaluations during the year	(10)	-	(10)

<i>Book value</i> at 31 December 2021	<b>2,376</b>	<b>30</b>	<b>2,406</b>
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Aggregate market value of listed investments:

31 December 2021	<b>4,239</b>	<b>30</b>	<b>4,269</b>
31 December 2020	<b>3,626</b>	<b>24</b>	<b>3,650</b>

All dividend income is reinvested in the sinking fund with the aim of delivering long-term capital growth sufficient to repay Debenture loans in full when they fall due in the future (see note 17). Cash injections to the fund of £171,000 were made

## SECTION IV FINANCIAL INFORMATION

### NOTES FOR THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

in the year. Cash transfers are made every June and December each year equating to 5.7% of the increase in the Debenture loan balances over the preceding six months.

The market value of the investment fund as at 31 December 2021 was £4,269,000 (2020: £3,650,000) and there is an estimated unrealised Capital Gains Tax liability of £350,000 which would become payable if the investments were sold.

#### 14. STOCK

	2021	2020
	£000	£000
Catering	279	137
Retail	83	312
Tennis and Squash	9	6
Heritage and Collections	5	17
	<b>376</b>	<b>472</b>

Retail stock is shown after deducting a provision of £75,000 (2020: £169,000) for slow-moving and potentially obsolete stock.

There is no provision at the end of the year for obsolete Catering stock (2020: £62,000).

Stock for Tennis and Squash and Heritage and Collections relates to stock purchased for resale, net of a provision of £5,000 (2020: £3,000).

#### 15. DEBTORS

	2021	2020
	£000	£000
Amounts falling due within one year:		
Trade debtors	1,424	711
Other debtors	124	672
Debtors on advance sales	2,782	2,365
Advance match expenditure	59	34
Prepayments	327	315
	<b>4,716</b>	<b>4,097</b>

#### 16. CREDITORS — AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£000	£000
Trade creditors	(1,288)	(669)
Corporation tax	(571)	(539)
Other taxation and social security costs	(1,150)	(398)
Other creditors	(1,171)	(2,557)
Accruals and provisions	(2,642)	(3,928)
Deferred income received in advance	(8,459)	(6,135)
1996 Life Membership subscriptions	(90)	(93)
2020 Life Membership subscriptions	(943)	(944)
2020 Life Membership entrance fees	-	(7,691)
Members' subscriptions received in advance	(95)	(109)
	<b>(16,409)</b>	<b>(23,063)</b>

Other creditors includes £1167,000 of Debentures Covid-19 credits (2020: £2,520,000) which can be redeemed by holders against future ticket and dining sales.

The Club has a four-year revolving credit facility of £7.5m with Lloyds Bank which was renegotiated in October 2020. No funds were drawn down or utilised in the year. £28,000 of non-utilisation fees have been incurred (see note 10). The interest rate on any funds drawn down is Base Rate plus 0.95%.

#### 17. DEBENTURE LOANS — AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Compton and Edrich Debentures £000	Gold Debentures £000	Silver Debentures £000	Bronze Debentures £000	Deferred Debenture Issue Costs £000	Total £000
At 1 January 2021	<b>(3,000)</b>	<b>(11,177)</b>	<b>(11,438)</b>	<b>(12,255)</b>	<b>76</b>	<b>(37,794)</b>
Debenture loans issued	(2,057)	(155)	(408)	(463)	-	(3,083)
Debenture loans redeemed	-	50	98	50	-	198
Issue costs on additions	-	-	-	-	15	15
Amortisation charge	-	-	-	-	(11)	(11)
At 31 December 2021	<b>(5,057)</b>	<b>(11,282)</b>	<b>(11,748)</b>	<b>(12,668)</b>	<b>80</b>	<b>(40,675)</b>

The Debenture schemes have been categorised into Compton and Edrich, Gold, Silver or Bronze, with the price varying dependent on the length and extent of rights related to that Debenture. Rights range from two to eight years.

£15,000 of issue costs (2020: £50,000) for new Debentures have been incurred in the year and £11,000 of deferred issue costs have been amortised in 2021 (2020: £4,000).

£166,000 of premium (2020: £Nil) has been recognised in Other income in 2021, while £180,000 (2020: £151,000) has been included within Creditors falling due within one year (being the amount to be released in 2022).

The balance of the Debenture is treated as an interest-free loan to the Club for development of the Ground and facilities.

These loans become payable 75 years after the issue date. The first year that any loans will become repayable is in 2082. The loan liabilities are recorded at face value in accordance with the public benefit entity concessionary loan treatment provided for under FRS102.

In order to ensure that the Club can repay the Debenture loans in the future, a sinking fund was set up in 2009 (see note 13).

Total Debentures with active rights issued as at the year end numbered 2,020 (2020: 1,789).

A total of £3,068,000 (2020: £3,326,000) was raised during the year from new sales less redemptions, including loans and premiums and before costs.

#### 18. LONG-TERM DEFERRED INCOME

	2021	2020
	£000	£000
Candidates' registration fees	(875)	(940)
1996 Life Members' fund	(156)	(246)
2020 Life Members' fund	(16,018)	(16,961)
Debenture premium	(424)	(465)
Deferred capital grant	(612)	(681)
Father Time Wall	(461)	(156)
	<b>(18,546)</b>	<b>(19,449)</b>

#### 19. GENERAL FUND

	2021	2020
	£000	£000
Balance at 1 January	57,827	54,413
Surplus for the year	10,300	3,414
Balance at 31 December	<b>68,127</b>	<b>57,827</b>

## SECTION IV FINANCIAL INFORMATION

### NOTES FOR THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 20. REVALUATION RESERVE

	2021	2020
	£000	£000
Balance at 1 January	3,613	3,188
Revaluation of No. 12 Grove End Road	185	425
Balance at 31 December	<b>3,798</b>	<b>3,613</b>

#### 21. CAPITAL COMMITMENTS

	2021	2020
	£000	£000
The Club had the following capital commitments as at 31 December:		

Capital expenditure contracted for but not provided for in the Accounts	<b>1,304</b>	<b>10,409</b>
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#### 22. PENSION SCHEME

##### Defined Benefit:

The gross normal pension contributions made to the Scheme by the Club during the year were £711,000 (2020: £789,000), based on the attained age funding method, as advised by the actuary as being the most appropriate to spread the cost of pensions over the working lives of the Club's employees.

The Club made special contribution payments to the Scheme of £1,254,000 during the year (2020: £254,000) as part of the plan agreed with the Pension Scheme Trustees to eliminate the Pension Scheme actuarial deficit. The Club has an obligation to pay the following special contributions:

2022 to 2031	£254,000 per annum
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##### FRS102 valuation as at 31 December 2021:

For disclosure purposes only, the Club commissioned a valuation under FRS102 which shows a deficit of £11.8m (2020: deficit £12.8m). The movement in valuation of £1m is outlined below and is primarily caused by actuarial gains in the year from the change in the discount rate and the higher employer contributions made in the year.

	2021	2020
	£m	£m
FRS102 deficit at 1 January	<b>(12.8)</b>	<b>(6.5)</b>
Current service cost	(2.4)	(1.4)
Return on assets	0.6	0.8
Interest cost	(0.7)	(1.0)
Actuarial gains/(losses)	1.6	(5.7)
Employer pension contributions	2.0	1.1
Expenses paid by the Scheme	(0.1)	(0.1)
FRS102 deficit at 31 December	<b>(11.8)</b>	<b>(12.8)</b>

The key assumptions used in the FRS102 valuation are as follows:

RPI	- at 3.2% per annum (2020: 2.9%)
Current pension payments	- to increase by 2.5% (2020: 2.2%)
Pensionable salaries	- to increase by 31% (2020: 2.9%)
Liabilities	- discounted at 1.9% based on AA rated bonds (2020: 1.4%)

At 31 December 2021, the Scheme had assets of £44.9m (2020: £41.4m) and liabilities of £56.7m (2020: £54.2m).

##### Defined Contribution:

Gross contributions to the Scheme by members and the Club were £368,000 (2020: £304,000). Employer contribution rates vary depending on age and seniority.

#### 23. CASH-FLOW STATEMENT

	2021	2020
	£000	£000
<i>Reconciliation of operating surplus to net cash inflow from operating activities excluding Life Memberships:</i>		
Operating surplus after non-recurring items, depreciation and revaluation	11,142	4,092
Depreciation charge	5,022	4,892
Loss on revaluation of investments	10	7
Decrease/(Increase) in stocks	96	(11)
(Increase)/Decrease in debtors	(619)	1,003
Decrease in creditors due in less than one year	(6,686)	(2,201)
Debenture loans credit	-	(2,369)
Decrease in long-term deferred income	(903)	(138)
<b>Net cash inflow from operating activities excluding Life Memberships</b>	<b>8,062</b>	<b>5,275</b>

#### 24. RELATED PARTY TRANSACTIONS

MCC Property (No. 6 GER) Limited was dissolved on 16 March 2021. MCC Overseas Limited was inactive in 2021.

The Club also transacts with the MCC Foundation, its charitable arm, resulting in related party purchases and sales between the two entities.

#### 25. SUBSEQUENT EVENTS

On 20 January 2022, the MCC Committee approved the recommendations of a consultation process for the existing Pension Scheme which had begun on 19 October 2021 and ended on 5 January 2022.

The main changes approved were that the Scheme would close to new members from 31 January 2022 and that on 31 March 2022, the Scheme would also close to future accrual of benefits for all active members. From those dates, all new and existing members would be enrolled in a new defined contribution only scheme under a Master-Trust arrangement with Aviva.

As part of the change, additional contributions will be made by the Club for staff for the first twelve months of the new arrangements.

The Club took professional advice and the new arrangements are in line with market practice and very competitive when benchmarked against other schemes.

## SECTION IV FINANCIAL INFORMATION

### INDEPENDENT AUDITOR'S REPORT TO MARYLEBONE CRICKET CLUB

#### OPINION

We have audited the Accounts of Marylebone Cricket Club ("the Club") for the year ended 31 December 2021 which comprise the Income and Expenditure Account, Balance Sheet and Cash-Flow Statement and related notes, including the accounting policies in note 1.

In our opinion the Accounts of the Club for the year ended 31 December 2021 have been properly prepared, in all material respects, in accordance with the special purpose basis of preparation set out in note 1 to the Accounts.

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), including ISA (UK) 800, and the terms of our engagement letter dated 9 December 2019. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Club in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### EMPHASIS OF MATTER – SPECIAL PURPOSE BASIS OF PREPARATION

We draw attention to note 1 to the Accounts, which describes their basis of preparation. As explained in that note, the Accounts are prepared to assist the Club in complying with the financial reporting provisions of Rule 13.5 of the Club's Rules. As a result, the Accounts may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### GOING CONCERN

The Committee has prepared the Accounts on the going concern basis as it does not intend to liquidate the Club or to cease its operations, and as they have concluded that the Club's financial position means that this is realistic. It has also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the Accounts ("the going concern period").

In our evaluation of the Committee's conclusions, we considered the inherent risks to the Club's business model and analysed how those risks might affect the Club's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Committee's use of the going concern basis of accounting in the preparation of the Accounts is appropriate;
- we have not identified, and concur with the Committee's assessment, that there is not a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Club's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Club will continue in operation.

#### FRAUD AND BREACHES OF LAWS AND REGULATIONS – ABILITY TO DETECT

##### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Club and inspection of policy documentation as to the Club's high-level policies and procedures to prevent and detect fraud, as well as whether it has knowledge of any actual, suspected or alleged fraud.
- Reading committee meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that match receipts and catering revenue is recorded in the wrong period and the risk that the Club's management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual Accounts.

##### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Club's management (as required by auditing standards), and discussed with the Club the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Club is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Club is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### OTHER INFORMATION

The Committee is responsible for the other information, which comprises the other information presented in the Annual Report together with the Accounts. Our opinion on the Accounts does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our Accounts audit work, the information therein is materially misstated or inconsistent with the Accounts or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

#### MARYLEBONE CRICKET CLUB COMMITTEE'S RESPONSIBILITIES

As explained more fully in their statement set out below, the Committee is responsible for: the preparation of the Accounts in accordance with the special purpose basis of preparation as set out in note 1 to the Accounts; determining that the basis of preparation is acceptable in the circumstances; such internal control as they determine is necessary to enable the preparation of Accounts that are free from material misstatement, whether due to fraud or error; assessing the Club'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 they either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

#### AUDITOR'S RESPONSIBILITIES

Our objectives are to obtain reasonable assurance about whether the Accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Accounts.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

Our report has been prepared for the Club solely in accordance with Rule 13.5 of the Club's Rules. It has been released to the Club on the basis that our report shall not be copied, referred to or disclosed, in whole (save for the Club's own internal purposes) or in part, without our prior written consent.

Our report was designed to meet the agreed requirements of the Club determined by the Club's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Club for any purpose or in any context. Any party other than the Club who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

Paul Barron, for and on behalf of KPMG LLP,  
Chartered Accountants, 15 Canada Square, London, E14 5GL

8 March 2022

## STATEMENT OF MCC COMMITTEE'S RESPONSIBILITIES

The MCC Committee ('the Committee') of Marylebone Cricket Club ('the Club') has accepted responsibility to prepare these Accounts for the year ending 31 December 2021 on the special purpose basis of preparation set out in note 1 to the Accounts.

In preparing these Accounts, the Committee has:

- determined that the basis of preparation is acceptable in the circumstances;
- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- assessed the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- used the going concern basis of accounting unless they either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

The Committee is responsible for such internal control as it determines is necessary to enable the preparation of Accounts that are free from material misstatement, whether due to fraud or error, and has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the Club and to prevent and detect fraud and other irregularities.

## SECTION IV FINANCIAL INFORMATION FIVE YEAR RECORD

THE FIVE-YEAR RECORD DOES NOT FORM PART OF  
THE ACCOUNTS OF THE CLUB AND IS UNAUDITED

	2021	2020	2019	2018	2017
	£000	£000	£000	£000	£000
<b>OPERATING INCOME</b>					
Subscriptions	8,422	8,536	8,109	7,147	6,908
Match receipts	22,025	12,340	23,578	21,791	19,591
Catering and hospitality income	9,322	575	19,794	15,339	15,422
Other income	7,267	7,081	7,876	7,538	7,308
	<b>47,036</b>	<b>28,532</b>	<b>59,357</b>	<b>51,815</b>	<b>49,229</b>
<b>OPERATING EXPENDITURE</b>					
Administration	14,332	11,932	15,349	14,524	13,876
Cricket and match expenses	9,528	1,207	14,775	12,336	11,126
Catering and hospitality expenditure	9,365	4,247	13,427	11,727	11,590
Expenses relating to other income	2,668	1,632	2,981	3,152	3,272
Maintenance of buildings	2,689	1,863	2,308	2,168	2,378
	<b>38,582</b>	<b>20,881</b>	<b>48,840</b>	<b>43,907</b>	<b>42,242</b>
<b>NET OPERATING SURPLUS BEFORE NON-RECURRING ITEMS, DEPRECIATION AND FINANCING</b>	<b>8,454</b>	<b>7,651</b>	<b>10,517</b>	<b>7,908</b>	<b>6,987</b>
Non-recurring items	7,720	1,340	-	-	-
Depreciation	(5,022)	(4,892)	(4,454)	(4,637)	(4,603)
Loss on revaluation of tangible assets	-	-	-	(4,498)	-
Loss on revaluation of investments	(10)	(7)	(24)	(42)	-
Interest receivable and investment income	62	163	405	254	194
Debenture amortisation and charges	(52)	(27)	(96)	(53)	(54)
<b>NET OPERATING SURPLUS/(DEFICIT) AFTER NON-RECURRING ITEMS, DEPRECIATION AND FINANCING</b>	<b>11,152</b>	<b>4,228</b>	<b>6,348</b>	<b>(1,068)</b>	<b>2,524</b>
Profit/(Loss) on sale of investments	84	(21)	16	1	-
Loss on write-down or disposal of tangible assets	(10)	-	(6,606)	(57)	(17)
<b>SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAXATION</b>	<b>11,226</b>	<b>4,207</b>	<b>(242)</b>	<b>(1,124)</b>	<b>2,507</b>
Taxation charge	(926)	(793)	(1,040)	(628)	(496)
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b>10,300</b>	<b>3,414</b>	<b>(1,282)</b>	<b>(1,752)</b>	<b>2,011</b>
<b>MEMORANDUM NOTES</b>					
Subscription rates (Full Members)					
Inner Town	£582	£582	£563	£524	£504
Outer Town	£485	£485	£470	£437	£420
Country	£291	£291	£282	£262	£252
Number of permanent and fixed-term contract employees	190	209	229	244	248



When it matters, GoCompare

Specsavers

When it matters

Specsavers

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## SECTION V

### APPLICATION AND ALLOCATION PROCEDURE

#### PART 1 – PRICE INFORMATION

1. The Price of the Debentures is as follows:
  - (i) Compton and Edrich Four-Year Debentures - Issue No. 60: £17,600, which comprises a non-convertible, unsecured, non-interest bearing loan of 75 years with a Nominal Value of £16,544 and a non-repayable premium of £880 plus VAT of £176;
  - (ii) Compton and Edrich Non-Dining Four-Year Debentures - Issue No. 61: £9,000, which comprises a non-convertible, unsecured, non-interest bearing loan of 75 years with a Nominal Value of £8,460 and a non-repayable premium of £450 plus VAT of £90;
  - (iii) Mound Stand Gold Four-Year Debentures - Issue No. 62: £11,000, which comprises a non-convertible, unsecured, non-interest bearing loan of 75 years with a Nominal Value of £10,340 and a non-repayable premium of £550 plus VAT of £110;
  - (iv) Mound Stand Silver Four-Year Debentures - Issue No. 63: £9,900 which comprises a non-convertible, unsecured, non-interest bearing loan of 75 years with a Nominal Value of £9,306 and a non-repayable premium of £495 plus VAT of £99;
  - (v) Grand Stand Silver Four-Year Debentures - Issue No. 64: £7,700, which comprises a non-convertible, unsecured, non-interest bearing loan of 75 years with a Nominal Value of £7,238 and a non-repayable premium of £385 plus VAT of £77; and
  - (vi) Grand Stand Bronze Four-Year Debentures - Issue No. 65: £4,000, which comprises a non-convertible, unsecured, non-interest bearing loan of 75 years with a Nominal Value of £3,760 and a non-repayable premium of £200 plus VAT of £40.
2. Applicants wishing to purchase Debentures may opt to pay for such Debentures in two instalments by ticking the relevant box on the Application Form.
3. Where an applicant opts to pay for their Debenture(s) in two instalments, such instalments shall be payable as follows:
  - (i) in respect of Compton and Edrich Four-Year Debentures, a First Instalment of £11,440 with a Second Instalment of £6,160 for a total of £17,600;
  - (ii) in respect of Compton and Edrich Non-Dining Four-Year Debentures, a First Instalment of £5,850 with a Second Instalment of £3,150 for a total of £9,000;
  - (iii) in respect of Mound Stand Gold Four-Year Debentures, a First Instalment of £7,150 with a Second Instalment of £3,850 for a total of £11,000;
  - (iv) in respect of Mound Stand Silver Four-Year Debentures, a First Instalment of £6,435 with a Second Instalment of £3,465 for a total of £9,900;

- (v) in respect of Grand Stand Silver Four-Year Debentures, a First Instalment of £5,500 with a Second Instalment of £2,200 for a total of £7,700; and
  - (vi) in respect of Grand Stand Bronze Four-Year Debentures, a First Instalment of £2,600 with a Second Instalment of £1,400 for a total of £4,000.
4. Applicants should note that should the VAT rate (currently 20 per cent) change prior to the date on which the Second Instalment is payable, the Club reserves the right to adjust the VAT element which may increase or reduce the amount payable in the Second Instalment.
  5. In each case referred to in Clause 3 above, the Second Instalment shall be payable by bank transfer in cleared funds on or before 27 October 2023.

#### PART 2 – PROCEDURE FOR ALLOCATION OF DEBENTURES

1. Subject to Clause 2 below, allocation of Debentures will be made by the Club in its absolute discretion and successful applicants will be notified by an allocation letter sent by email by no later than four months after the date on which the application is received by the Club. The Club shall not be required to give any reasons for its decisions and no correspondence will be entered into.
2. The Club will give priority to applications in the following order of preference: (a) holders of Debentures under Upgradable Schemes wishing to upgrade their Debentures pursuant to the Supplementary Offer Document and holders of Debentures under Old Schemes wishing to take out new debentures (b) Full Members; (c) Associate Members; (d) Candidates for membership of the Club; and (e) other applicants.
3. In the event of any dispute as to the allocation of Debentures, the decision of the MCC Committee shall be final and binding.

#### PART 3 – PROCEDURE FOR APPLICATIONS FOR DEBENTURES AND PAYMENT

1. Applicants in receipt of this document must request an Application Form from the Head of Premium Seating, Ben Porter, by email: debentures@mcc.org.uk or by telephone: 020 7616 8726. The Application Form will then be provided via the online platform, DocuSign.
2. Completed and signed Application Forms must be returned to the Club via Docusign on or before 31 March 2023 signed by the applicant. Applications may only be made online via DocuSign.

## SECTION V

### APPLICATION AND ALLOCATION PROCEDURE

3. All payments for Debentures must be made by bank transfer in cleared funds to such bank account as shall be notified to an applicant by the Club.
4. Once an applicant has been advised that their application is successful:
  - (i) in the case of an application for a Debenture in respect of which the applicant has opted to pay by instalment, the applicant will be required on the Application Form to give an undertaking, subject only to the allotment of Debentures to pay the Price in two separate instalments as set out in Clause 3 of Part 1 of Section V of this document, the First Instalment to be paid by the applicant by bank transfer in cleared funds not later than the date specified by the Club; or
  - (ii) in respect of all other applications, the applicant shall pay the Price to such account as is notified by the Club by bank transfer in cleared funds no later than the date specified by the Club.
5. Where an applicant elects to pay for a Debenture by two instalments, the applicant must pay a sum equal to the relevant Second Instalment by bank transfer in cleared funds on or before 27 October 2023.
6. Failure to complete the Application Form(s) fully and accurately may lead to its or their rejection.
7. Once submitted, an application shall be irrevocable. Cancellation of an application is not permitted without the prior written consent of the Club. However, applicants who apply for two or more Debentures and are allocated one Debenture only will not be bound to proceed with their application. In this case, the Club will write to relevant applicants to ascertain if they wish to proceed with their application on the basis that only one Debenture has been allocated to them. All such applicants must respond in writing to such letter within seven days of the date thereof if they do wish to proceed with the allocation of one Debenture only. If the Club does not receive written notification from any such applicant to that effect within such seven-day period, the relevant application may be rejected in its totality.
8. Certificates in respect of Debentures which are allocated shall be sent in electronic form by email no later than the date specified in the Application Form.

## SECTION VI DEFINITIONS

### 1. DEFINITIONS AND INTERPRETATIONS AND APPLICATION

**1.1** In the Offer Document, unless the context requires otherwise, the following words shall have the following meanings:

**Additional Match** means any cricket match scheduled to be held at the Ground other than Debenture Matches. For the avoidance of doubt, any other sporting or other event held at the Ground shall not be classed as an Additional Match;

**Application Form** means any application form to be provided in connection with the Offer Document;

**Associate Member** means a person elected as an associate member of the Club;

**Certificate** means a Debenture certificate issued to a Debenture Holder;

**Club** means Marylebone Cricket Club being a body corporate incorporated by Royal Charter with registered number RC000862;

**Compton's** means the restaurant facility located on the Compton Balcony;

**Compton and Edrich Debentures** means the Compton and Edrich Four-Year Debentures;

**Compton and Edrich Four-Year Debentures** means the 75-year, non-convertible, unsecured and non-interest bearing Debentures in debenture scheme issue No. 60, having a Nominal Value of £16,544 and having the rights and obligations set out in Section III of this document;

**Compton and Edrich Non-Dining Debentures** means the Compton and Edrich Non-Dining Four-Year Debentures;

**Compton and Edrich Non-Dining Four-Year Debentures** means the 75-year, non-convertible, unsecured and non-interest bearing Debentures in debenture scheme issue No. 61, having a Nominal Value of £8,460 and having the rights and obligations set out in Section III of this document;

**Compton Balcony** means the second level of the Compton Stand at the Ground;

**Conditions for the Sale of Tickets** means such conditions applying to the issue of tickets pursuant to the Ticket Rights as the Club may stipulate from time to time;

**Corporate Debenture Holder** means as defined in Clause 5.8(a) of Section III of this document;

**Corporate Representative** means as defined in Clause 7.4 of Section III of this document;

**Cricket Season** means the cricket season beginning on or around 1 April of any given calendar year and ending on or around 30 September of such calendar year;

**Debentures** means together the Compton and Edrich Four-Year Debentures, the Compton and Edrich Non-Dining Four-Year Debentures, the Mound Stand Gold Four-Year Debentures, the Mound Stand Silver Four-Year Debentures, the Grand Stand Silver Four-Year Debentures

and the Grand Stand Bronze Four-Year Debentures and the term **Debenture** shall be construed accordingly, all such Debentures being for a term of 75 years;

**Debenture Holder(s)** means the person or persons specified in the Register as the holder of a Debenture and shall include the legal personal representative of a deceased Debenture Holder;

**Debenture Match** means:

- (i) each scheduled Test Match;
- (ii) each scheduled ODI;
- (iii) each scheduled International Twenty20 Match;
- (iv) each scheduled Middlesex Twenty20 Match;
- (v) each scheduled Hundred Match; and
- (vi) any other scheduled match designated as a Debenture Match by the MCC Committee,

to be held at the Ground within the Ticket Rights Period applying to the Debentures;

**Debenture Match Day** means any day on which a Debenture Match is scheduled to take place;

**Debenture Seating Area** means the seating area or areas on the Compton and Edrich Balconies (in the case of the Compton and Edrich Debentures and Compton and Edrich Non-Dining Debentures) Upper Mound Stand (in the case of the Mound Stand Gold Debentures and the Mound Stand Silver Debentures) or, subject to Clause 5.11 of Section III of this document, the Upper Grand Stand (in the case of the Grand Stand Silver Debentures and the Grand Stand Bronze Debentures) and as may be designated by the Club from time to time in which seats purchased pursuant to the Ticket Rights attaching to the Debentures will be situated;

**Designated Seat** has the meaning set out in Clause 5.10 of Section III of this document;

**Dress Regulations** means the dress regulations of the Club applicable to persons entering the relevant area(s) of the Ground, as the Club from time to time may notify to Debenture Holders;

**ECB** means The England and Wales Cricket Board Limited;

**Edrich Balcony** means the second level of the Edrich Stand at the Ground;

**Expired Seats** has the meaning set out in Clause 16.3 of Section III of this document;

**FCA** means the Financial Conduct Authority;

**First Instalment** means the sum referred to as such in Clause 3 of Part 1 of Section V of this document;

**FSMA** means the Financial Services and Markets Act 2000;

**Full Member** means a person elected as a full member of the Club;

**Future Schemes** has the meaning set out in Clause 16.3 of Section III of this document;

**Grand Stand Bronze Debentures** means the Grand Stand Bronze Four-Year Debentures;

## SECTION VI DEFINITIONS

cricket match, limited to 20 overs per innings held under the auspices and control of ECB;

**Mound Stand Gold Debentures** means the Mound Stand Gold Four-Year Debentures;

**Mound Stand Gold Four-Year Debentures** means the 75-year, non-convertible, unsecured and non-interest bearing Debentures in debenture scheme Issue No. 62, having a Nominal Value of £10,340 and having the rights and obligations set out in Section III of this document;

**Mound Stand Silver Debentures** means the Mound Stand Silver Four-Year Debentures;

**Mound Stand Silver Four-Year Debentures** means the 75-year, non-convertible, unsecured and non-interest bearing Debentures in debenture scheme Issue No.63, having a Nominal Value of £9,306 and having the rights and obligations set out in Section III of this document;

**Nominal Value** means the nominal value of the loan to be advanced to the Club (and which will be repayable in 75 years) in respect of each type of Debenture as follows:

- (i) in respect of the Compton and Edrich Four-Year Debentures, £16,544;
- (ii) in respect of the Compton and Edrich Non-Dining Four-Year Debentures, £8,460;
- (iii) in respect of the Mound Stand Gold Four-Year Debentures £10,340;
- (iv) in respect of the Mound Stand Silver Four-Year Debentures, £9,306;
- (v) in respect of the Grand Stand Silver Four-Year Debentures £7,238; and
- (vi) in respect of the Grand Stand Bronze Four-Year Debentures, £3,760;

or, in each case, such portion thereof as may have been advanced by a Debenture Holder and not repaid by the Club, as the case may be;

**ODI** means a 50 overs per innings cricket match scheduled to be held under the auspices and control of ECB involving the most senior England international cricket team (as selected and notified by ECB from time to time) and any international cricket teams recognised as such by ICC, but excluding (for the avoidance of doubt) any exhibition matches, any ICC World Cup matches, any ICC Champions Trophy matches and any ICC Twenty20 matches (and the MCC Committee's decision as to whether any match constitutes an Additional Match as opposed to an ODI (so long as the MCC Committee has acted reasonably in making such decision) shall be final and binding on Debenture Holders);

**Offer** means as defined in Clause 1 of Section I of this document;

**Offer Document** means as defined in Clause 1 of Section I of this document;

**Offer Terms** means the terms and conditions relating to the issue of and the rights attaching to the Debentures as set out in this document and the Application Form;

**Old Schemes** means Debenture Issues 42, 44, 46, 48 and 54 inclusive previously offered by the Club;

**Grand Stand Bronze Four-Year Debentures** means the 75-year, non-convertible, unsecured and non-interest bearing Debentures in debenture scheme Issue No.65, having a Nominal Value of £3,760 and having the rights and obligations set out in Section III of this document;

**Grand Stand Silver Debentures** means the Grand Stand Silver Four-Year Debentures;

**Grand Stand Silver Four-Year Debentures** means the 75-year, non-convertible, unsecured and non-interest bearing Debentures in debenture scheme Issue No. 64, having a Nominal Value of £7,238 and having the rights and obligations set out in Section III of this document;

**Ground** or **Lord's** means Lord's Ground, London NW8 8QN;

**Ground Regulations** means the ground regulations of the Club in operation at the Ground from time to time and/or any other rule or regulation invoked or passed by the Club in respect of the operation of the Ground from time to time including those relating to health, safety and security;

**Hundred Match** means a cricket match forming part of the domestic cricket competition, The Hundred, both men's and women's, in a "100-ball" format;

**ICC** means the International Cricket Council;

**International Twenty20 Match** means a 20 overs per innings cricket match scheduled to be held under the auspices and control of ECB involving the most senior England international cricket team (as selected and notified by ECB from time to time) and any international cricket teams recognised as such by ICC, but excluding (for the avoidance of doubt) any exhibition matches, any ICC World Cup matches, any ICC Champions Trophy matches and any ICC Twenty20 matches (and the MCC Committee's decision as to whether any match constitutes an Additional Match as opposed to an International Twenty20 Match (so long as the MCC Committee has acted reasonably in making such decision) shall be final and binding on Debenture Holders);

**Issue No.** means the scheme issue number in respect of each type of Debenture as follows:

- (i) in respect of the Compton and Edrich Four-Year Debentures, Issue No. 60;
- (ii) in respect of the Compton and Edrich Non-Dining Four-Year Debentures, Issue No. 61;
- (iii) in respect of the Mound Stand Gold Four-Year Debentures, Issue No. 62;
- (iv) in respect of the Mound Stand Silver Four-Year Debentures, Issue No. 63;
- (v) in respect of the Grand Stand Silver Four-Year Debentures, Issue No. 64; and
- (vi) in respect of the Grand Stand Bronze Four-Year Debentures, Issue No. 65;

**MCC Committee** means the MCC Committee as constituted by the Rules of the Club;

**Member** means the members of the Club from time to time;

**Middlesex Twenty20 Match** means a domestic cup

## SECTION VI DEFINITIONS

**Price** means the subscription price (including a premium and VAT element) applicable to the Debentures as set out in Part I of Section V of this document;

**Register** means the register of Debenture Holders maintained by the Club pursuant to Clause 7 of Section III of this document;

**Rules of the Club** means the rules and regulations of the Club from time to time;

**Second Instalment** means the sum referred to as such in Clause 3 of Part I of Section V of this document;

**Supplementary Offer Document** means the supplementary offer document being issued to debenture holders in Upgradable Schemes offering them the opportunity to upgrade their existing debentures issued under such Upgradable Schemes to Debentures;

**Term** means the period commencing on 1 November 2022 and ending on 31 October 2027;

**Test Match** means any five-day or four-day cricket match scheduled to be held under the auspices and control of ECB involving the most senior England international cricket team (as selected and notified by ECB from time to time) and a senior international cricket team representing any other country which match is recognised as a "Test Match" by ICC, but excluding, for the avoidance of doubt, any exhibition matches and any ICC World Test Championship matches (and the MCC Committee's decision as to whether any match constitutes an Additional Match as opposed to a Test Match, so long as the MCC Committee has acted reasonably in making such a decision, shall be final and binding on Debenture Holders);

**The Edrich** means the restaurant facility located on the Edrich Balcony;

**Ticket Election** means as defined in Clause 5.3 of Section III of this document;

**Ticket Notification** means as defined in Clause 5.2 of Section III of this document;

**Ticket Rights** means the rights to purchase tickets pursuant to Clause 5 of Section III of this document during the Ticket Rights Period;

**Ticket Rights Period** means in respect of the Debentures, the period commencing on 1 November 2022 and expiring 31 October 2026;

**Treasurer** means the Treasurer of the Club as referred to in the Rules of the Club;

**Two Seven Eight Restaurant** means the restaurant facility located on level two of the Grand Stand;

**Upgradable Schemes** means Debenture Issues 43, 45, 47, 49, 51, 52, 53, 56, 57, 58 and 59 previously offered by the Club;

**Upper Grand Stand** means the upper level of the Grand Stand at the Ground;

**Upper Mound Stand** means the upper level of the Mound Stand at the Ground; and

**VAT** means value added tax chargeable under the Value Added Tax Act 1994 and any similar replacement tax and any similar additional tax.

**1.2** In the Offer Document, unless the context requires otherwise:

(a) the headings are for convenience only and are to be ignored in the construction of the relevant clauses;

(b) unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing any gender shall include all other genders;

(c) a reference to **person** shall include any person, individual, company, firm, government, state, regional or local authority, agency of a state, joint venture, trust, charity, security, fund, association, club or partnership (whether or not having separate legal personality and whether incorporated or not);

(d) **includes** or **including** shall mean including without limitation; and

(e) all references to the Club in this document shall be construed as being references to the Club as acting by the MCC Committee and any rights or obligations of the Club hereunder will be exercisable by the MCC Committee or via any delegated authority given by the MCC Committee.

**12 August 2022**







**Marylebone Cricket Club,**  
Lord's Ground, London NW8 8QN

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