

Mons Calpe Sports Club Limited

**Report and Audited Accounts
for the year ended 31 December 2021**

Registered number: 111667

Mons Calpe Sports Club Limited

Report and audited accounts

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Mons Calpe Sports Club Limited

Company information

Directors

Jose Alfredo Reygadas del Valle
Scott Edward Moran
Humberto Marino Sanchez (appointed on 1 October 2021)

Secretary

Until 1 October 2021:
Attlev Secretaries Limited
Suite 5, First Floor Suites
39 Irish Town
PO Box 466
Gibraltar

Appointed 1 October 2021:
Max Dillon
Portal 2. Bajo A
Calle Guadalajara
La Linea De La Concepcion
11300
Cadiz
Spain

Independent auditor

RSM Audit (Gibraltar) Limited
21 Engineer Lane
Gibraltar

Registered office

Until 1 October 2021:
Suite 5, First Floor Suites
39 Irish Town
PO Box 466
Gibraltar

As from 1 October 2021:
3.22 Eurotowers
Gibraltar

Mons Calpe Sports Club Limited

Directors' report for the year ended 31 December 2021

The Directors present their report and the audited accounts of Mons Calpe Sports Club Limited (referred to as the "Company" or "MCSCL") for the year ended 31 December 2021.

Principal activities, review of the business and future developments

The Company's principal activity during the year was that of a sports club in Gibraltar. The Company aims to involve teams in various local sport associations.

Leaning on a solid sport project, a recognised know-how regarding training and a rich culture, Mons Calpe Sports Club Limited intends to represent proudly the City of Gibraltar, faithful to its roots and history.

MCSCL has already successfully started up and affiliated more than ten sports teams in four years. This includes teams within Gibraltar:

- (i) one senior men's professional Football team;
- (ii) one senior men's Futsal team;
- (iii) one U23 Football team; and
- (iv) five junior Football teams competing in the 2021/2022

With the sole purpose of internationalizing the Mons Calpe brand, along with Gibraltar, as part of the brand awareness and internationalization, the Club has secured two affiliated teams overseas:

- (i) one junior U16 Football team in Florida US, under the name of Davie Mons Calpe; and
- (ii) one senior franchise for a professional football team in Mexico, Yucatan city in the Merida state.

The Company is looking forward to increase the number of youth teams considering the geographical and population limitations in Gibraltar and to continue to increase its footprint outside of Gibraltar by affiliating local youth teams in Spain, Argentina, Mexico and the United States.

Following a successful takeover in October 2016, the Company is managed and controlled by the international sports company Reygadas Sports Group.

In October 2018, MOCA Sports Holding Limited became the sole shareholder of the Company. MOCA Sports Holding Limited is jointly owned by Reygadas Sports Group LLC and Aventin Corporation.

Starting in the season 2020/2021, the Company began representing the image rights of some of its players to promote the sale and/or transfer of players abroad to other football markets around the world. Likewise, the Company will begin aggressively promoting the brand and the name Mons Calpe and Gibraltar.

The Company achieved an agreement during the summer of 2021 with Union Deportiva Los Barrios in Spain for a club house and training facility to become the permanent home of MCSCL in Spain for training purposes due to space restrictions within the Gibraltar geographical area.

COVID-19 impact

Following the development of a significant number of cases of the coronavirus disease (COVID-19) across the world, a public health emergency of international concern was declared in January 2020 and was declared as a global pandemic in March 2020. This resulted in national governments implementing a number of stringent measures including city lockdowns and closure of non-essential stores and workplaces to contain the growth of the pandemic. The development of COVID-19 during the first quarter of 2020 directly affected the Company with the abrupt and premature suspension of Gibraltar's football league by the GFA for the end of the season (2019/2020).

Mons Calpe Sports Club Limited

Directors' report for the year ended 31 December 2021 (continued)

COVID-19 impact (continued)

In line with this, the Company adjusted training sessions and motivational meetings through remote online facilities. When the matches resumed, the Company adopted policies for the use of the lockers, hygiene, bio-secure protocols among other changes in order to prevent spreading the virus.

Furthermore, due to another lockdown imposed in Gibraltar towards the end of 2020, the HM Government of Gibraltar ("HMGoG") introduced its BEAT COVID-19 grant scheme for the benefit of businesses agreeing to participate, provided that these businesses follow the conditions set out by the HMGoG. On 26 January 2021, the Company's application was first approved after abiding to the conditions set. This grant has helped the Company fund some payroll expenses during the lockdown. The Company continued to receive funds under the said grant scheme in February and March 2021.

Going concern

The financial statements have been prepared on a going concern basis, as the directors believe that the company is a going concern. The going concern basis of presentation assumes continuity of operations, realisation of assets and satisfaction of liabilities in the ordinary course of business. Funding is primarily required to support the Company and underlying investments for a minimum of 12 months from the date of signing the financial statements. The directors have received confirmation from Jose A. Reygadas, Director, and from the Company's ultimate shareholders of their continuing financial support.

During 2022, the Company has continued to receive significant funding from the shareholders. The directors believe that sufficient funding will be in place to cover its expenses for the next 12 months from the date of signing the financial statements.

The Directors therefore believe that the Company is a going concern.

Results

The results for the year are shown in the profit and loss account on page 8.

Dividends

The Directors do not recommend the payment of a dividend (2020: £nil) and consequently the loss for the year of £146,820 (2020: £112,761) has been deducted from reserves.

Directors

The Directors who held office during the period and up to the date of signing these financial statements are disclosed on page 1.

Mons Calpe Sports Club Limited

Directors' report for the year ended 31 December 2021 (continued)

Statement of directors' responsibilities

The Directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Gibraltar Company law requires the directors to prepare financial statements for each financial period. Under that law, the directors have prepared the Company's financial statements in accordance with Gibraltar Generally Accepted Accounting Practice (Gibraltar Financial Reporting Standard 102 and applicable law). Under Gibraltar law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014 and other applicable legislation. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

The Company qualifies for exemption from audit under Gibraltar Law as it qualifies as a small company. Nevertheless, the directors have elected for a non-statutory audit since the directors believe this is best practice.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

RSM Audit (Gibraltar) Limited were appointed auditors to the Company. They have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the next board meeting.

This report was approved by the board on 30 March 2023 and signed on its behalf.



Jose Alfred Reygadas del Valle
Director

RSM Audit (Gibraltar) Limited

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Gibraltar
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Independent auditors' report

To the shareholders of Mons Calpe Sports Club Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Mons Calpe Sports Club Limited ("the Company"), which comprises the Balance Sheet as at 31 December 2021, the Profit and Loss Account, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss and cash flows for the year then ended; and
- have been properly prepared in accordance with Gibraltar Financial Reporting Standards applicable to smaller entities.

Basis for opinion

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

Emphasis of matter – going concern

Without further qualifying our opinion, we draw attention to the balance sheet in the financial statements which indicates that the Company has net liabilities of £362,165 as at 31 December 2021 (2020: £529,345). We have considered the adequacy of the disclosure made in note 2 to the non-statutory financial statements concerning the support of the shareholders and the Company's ability to continue as a going concern. These conditions, along with the other matters explained in note 2, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

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RSM is a Gibraltar registered trading name for the following Gibraltar companies: RSM Gibraltar Limited, RSM Audit (Gibraltar) Limited (FSC permission number FSC0766FSA), RSM Fund Services (Gibraltar) Limited (FSC permission number 11808) and RSM Fiduciary (Gibraltar) Limited (FSC permission number 20018). All companies are registered at 21 Engineer Lane, Gibraltar, GX11 1AA.

All the above named companies are members of the RSM network and trade as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable law in Gibraltar and Gibraltar Financial Reporting Standards, and for such internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

This report, including the opinion, has been prepared for and only for the Company's members and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

RSM Audit (Gibraltar) Limited

RSM Audit (Gibraltar) Limited

21 Engineer Lane
Gibraltar

30 March 2023

Mons Calpe Sports Club Limited

Profit and Loss Account for the year ended 31 December 2021

	Notes	2021 £	2020 £
Turnover		307,719	133,076
Administrative expenses		(454,539)	(245,837)
Loss for the year before taxation	3	(146,820)	(112,761)
Taxation	4	-	-
Loss for the year		(146,820)	(112,761)

The notes on pages 12 to 17 form part of these financial statements.

Mons Calpe Sports Club Limited

Balance Sheet as at 31 December 2021

	Notes	2021 £	2020 £
Current assets			
Debtors	6	7,069	1,247
Cash at bank		324	2,560
		<u>7,393</u>	<u>3,807</u>
Creditors: amounts falling due within one year	7	(369,558)	(533,152)
Net current liabilities		<u>(362,165)</u>	<u>(529,345)</u>
Total assets less current liabilities		<u>(362,165)</u>	<u>(529,345)</u>
Net liabilities		<u>(362,165)</u>	<u>(529,345)</u>
Capital and reserves			
Called up share capital	8	100	100
Capital reserve	9	1,214,000	900,000
Profit and loss account		(1,576,265)	(1,429,445)
		<u></u>	<u></u>
Shareholders' deficit		<u>(362,165)</u>	<u>(529,345)</u>

The financial statements have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of GFRS 102 Section 1A - small entities.

The financial statements on pages 8 to 17 were approved by the board of directors on 30 March 2023 and were signed on its behalf by:


Jose Alfredo Reygadas del Valle
 Director


Scott Edward Moran
 Director

The notes on pages 12 to 17 form part of these financial statements.

Mons Calpe Sports Club Limited

Statement of Changes in Equity for the year ended 31 December 2021

	Share capital £	Capital reserve £	Profit and loss account £	Total £
At 1 January 2020	100	800,000	(1,316,684)	(516,584)
Loss for the financial year	-	-	(112,761)	(112,761)
Addition (note 9)	-	100,000	-	100,000
At 31 December 2020	100	900,000	(1,429,445)	(529,345)
Loss for the financial year	-	-	(146,820)	(146,820)
Addition (note 9)	-	314,000	-	314,000
At 31 December 2021	100	1,214,000	(1,576,265)	(362,165)

The notes on pages 12 to 17 form part of these financial statements.

Mons Calpe Sports Club Limited

Statement of Cash Flows for the year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities		
Loss before taxation	(146,820)	(112,761)
Reconciliation to cash used in operations:		
(AIncrease)/decrease in debtors	(5,822)	2,378
(Decrease)/increase in creditors	(42,622)	103,765
<i>Net cash used in operating activities</i>	<u>(195,264)</u>	<u>(6,618)</u>
Cash flows from financing activities		
Net loan/capital amounts granted by shareholder (note 10)	193,028	9,178
<i>Net cash from financing activities</i>	<u>193,028</u>	<u>9,178</u>
Net movement in cash at bank		
Cash at bank at 1 January	(2,236)	2,560
	<u>2,560</u>	<u>-</u>
Cash at bank at 31 December	<u>324</u>	<u>2,560</u>

The notes on pages 12 to 17 form part of these financial statements.

Mons Calpe Sports Club Limited

Notes to the financial statements for the year ended 31 December 2021

1 General information

Mons Calpe Sports Club Limited ("the Company") is a private company limited by shares domiciled in Gibraltar. Its registered office is 3.22 Eurotowers, Gibraltar.

The Company's principal activity during the year was that of a sports club in Gibraltar. The club aims to involve teams in various local sport associations.

2 Summary of significant accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Gibraltar Financial Reporting Standard 102 ("GFRS 102") and the requirements of the Gibraltar Companies Act 2014 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of GFRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The preparation of financial statements in conformity with GFRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Critical accounting estimates and judgements made by management in the application of GFRS 102 that have significant effects on the financial statements are disclosed, where applicable, in the relevant notes to the financial statements.

As a result of the Company's simple business structure and few transactions there are no critical accounting estimates or judgements to be made by management.

Going concern

The financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes continuity of operations, realisation of assets and satisfaction of liabilities in the ordinary course of business. Funding is primarily required to support the Company and underlying investments for a minimum of 12 months from the date of signing the financial statements. The directors have received confirmation from Jose A. Reygadas, Director, and from the Company's shareholders of their continuing financial support.

During 2022, the Company has continued to receive significant funding from the shareholders. The directors believe that sufficient funding will be in place to cover its expenses for the next 12 months from the date of signing the financial statements.

The Directors therefore believe that the Company is a going concern.

Turnover

Turnover represents the amounts earned and receivable in relation to sponsorships for the Company during the year. This also includes prize money earned for joining and winning leagues and competitions.

Mons Calpe Sports Club Limited

2 Summary of significant accounting policies (continued)

Current taxation

Provision is made at the applicable rate for corporation tax payable on the profits for the year, as adjusted for tax purposes.

Deferred taxation

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Deferred tax assets are recognised only to the extent that the Directors consider it more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash deposits held with banks.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of GFRS 102 to all of its financial instruments.

Financial instruments are recognised when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are classified into specific categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets

Basic financial assets, which include trade and other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Mons Calpe Sports Club Limited

2 Summary of significant accounting policies (continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for impairment.

Where there is objective evidence that an asset is impaired, the impairment loss is the shortfall between an asset's carrying value and its estimated discounted cash flows, and is recognised in the profit and loss account.

A decrease in an earlier period's impairment loss is credited to the profit and loss account to the extent that the asset's revised carrying value does not exceed its original carrying amount.

Derecognition of financial assets

Financial assets are derecognised when the Company has no further right to the cash flows from the asset.

Prepayments

Prepayments, presented as part of debtors, represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as they are consumed in operations or expire with the passage of time.

Classification of financial liabilities

Financial liabilities and equity instruments are classified in accordance with their respective contractual arrangements.

Basic financial liabilities

Basic financial liabilities are recognised at historical cost unless the arrangement constitutes a financing transaction, in which case the liability is measured at the present value of the future payments.

Trade creditors

Trade creditors payable within one year are initially measured at their historical cost.

When a trade creditor constitutes a financing transaction, the payable is measured at the present value of future payments.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations are fully discharged.

Ordinary shares

Ordinary shares issued by the company are recorded at the fair value of proceeds received, net of direct issue costs.

Capital reserve

Capital reserve in the equity section of the balance sheet includes additional capital contribution as a result of conversion of shareholders' loan.

Mons Calpe Sports Club Limited

3 Loss before taxation

This is stated after charging:

	2021	2020
	£	£
Wages and salaries	218,501	77,148
Social insurance costs	25,228	8,274
Audit fees	<u>12,010</u>	<u>12,000</u>

4 Taxation

The Company is subject to corporation tax in Gibraltar on any profits which are accrued in or derived from Gibraltar or any passive income which is taxable. The corporation tax rate in Gibraltar for the year ended 31 December 2021 is 12.5% (2020: 10%).

The Company has taxable losses to carry forward, consequently no provision for corporate tax has been made in these financial statements.

As at 31 December 2021 and as at 31 December 2020, the Company has no deferred tax assets and no deferred tax liabilities.

5 Employees

Average number of persons employed and contracted by the Company (excluding directors) during the year was 21 (2020: 13).

	2021	2020
	No.	No.
Management	1	1
Players	20	12

6 Debtors

	2021	2020
	£	£
Prepayments	652	431
Other debtors	6,317	716
Unpaid share capital	<u>100</u>	<u>100</u>
	<u>7,069</u>	<u>1,247</u>

Mons Calpe Sports Club Limited

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts payable to employees and consultants	58,432	31,317
Other creditors including taxation	190,552	155,249
Shareholders' loan (note 10)	15,469	136,441
Accruals (note 12)	<u>105,105</u>	<u>210,145</u>
	369,558	533,152
	<hr/>	<hr/>

8 Share capital

	2021 No	2020 No	2021 £	2020 £
Authorised:				
Ordinary shares of £1 each	100	100	100	100
Allotted, called up and fully paid:				
Ordinary shares of £1 each	100	100	100	100

Ordinary shares have unlimited voting rights and, upon a winding-up, will participate in the available assets for distribution to the extent of the amount paid up and any surplus assets then remaining.

9 Capital reserve

During the year, the immediate controlling parties converted £314,000 (2020: £100,000) of the shareholder loan into a capital reserve.

10 Related party transactions

During the year, the immediate controlling party provided a net loan of £279,028 (2020: £9,178). This amount is unsecured, payable on demand and bears no interest and remains outstanding at year end. Balance payable to MOCA Sports Holding Ltd. at the end of the reporting year was as stated in note 7 after the conversion of shareholder loan into capital reserve as stated in note 9.

During the year, the Company also provided advances to C.D. La Rock Puente F.C., Mons Calpe F.C. Yucatán, and Unión Deportiva Los Barrios, related parties under common ownership, also football clubs, to assist in covering their expenses. However, these advances totalling £108,816 (2020: £nil) have been adjusted against the outstanding shareholder loan, as there was no formal connection to the Company.

11 Controlling party

The immediate controlling company is MOCA Sports Holdings Ltd. which is registered in Gibraltar with registered address: 3.22 Eurotowers, Gibraltar. MOCA Sports Holdings Ltd. is equally owned by Reygadas Sports Group LLC and Aventin Corporation, which are incorporated in Miami, Florida, USA and in Barbados, respectively. The ultimate beneficial owners of the Company are Jose Alfredo Reygadas del Valle and Maria Margarita Sosa Abascal.

Mons Calpe Sports Club Limited

12 Contingent liabilities

In 2021 and 2020, the Company received a summary of all claims against the Company which includes those that have received a ruling by Fédération Internationale de Football Association (FIFA) or are currently with FIFA for consideration. These claims pertain to disputes, some of which, date back to 2018 and 2019 but it was only in 2021 and 2020 when FIFA made some decisions.

For the matters which have final resolution by FIFA, the estimated provision for claims including interest as at 31 December 2021 and 31 December 2020 is recognised as part of Accruals (note 7).

For the matters which are currently with FIFA for consideration or for which the resolution process is ongoing, the Company has provided sufficient evidence to FIFA to mitigate any significant liability. The directors are of the opinion that the FIFA's resolution will result in favour of the Company. However, a reasonable provision for these claims have been included within these financial statements.

13 COVID-19

The coronavirus disease (COVID-19) became a global pandemic in March 2020. The spread of COVID-19 has severely impacted countries, businesses and people across the globe. The duration and impact of the COVID-19 pandemic remains unclear.

The directors are closely monitoring the COVID-19 situation. The Company continues to have sufficient resources (note 2 - Going Concern) in place to meet its future obligations. The directors still consider that the outstanding debtors, apart from those provided with bad debt provisions, are recoverable as recorded in the balance sheet.

Considering the above and the matters discussed within the Directors' Report regarding COVID-19 impact, the Company is expected to continue to operate as a going concern for the next 12 months from the date of signing the financial statements.

14 Events after the reporting date

Prior to year-end, Mons Calpe was among a list of eight European football clubs sanctioned by UEFA due to non-compliance with the "no overdue payables" requirement. This included a fine of EUR16,000, which is recognised as part of Other creditors at year-end. This was paid in full after year-end on 5 July 2022.

The sanction also included a conditional exclusion from participating in the next UEFA club competition for which the club would otherwise qualify in the next three seasons (i.e. 2022/23, 2023/24 and 2024/25 seasons), unless they could prove by 31 January 2022 that they had paid the outstanding overdue amounts. As the overdue payables were not settled by 31 January 2022, this conditional exclusion came into effect, which will affect Mons Calpe's ability to access UEFA funds in 2022/23 and possibly 2023/24 and 2024/25 football seasons.

There have been no further significant events after the reporting date which require disclosure in the financial statements.