

Registered number
111667

Mons Calpe Sports Club Limited

FINANCIAL STATEMENTS

For the year ended 31 December 2018

Mons Calpe Sports Club Limited
Report and financial statements
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**Mons Calpe Sports Club Limited
Company Information**

Directors

Andres Otero

Jansen Kurt Dalli

Jose Alfredo Reygadas del Valle

Scott Edward Moran

Adolfo Doval Esparga

Evaristo Cobos Lopez

Fernando Reygadas Anfossi

(resigned on 1 February 2018)

(resigned on 1 February 2018)

Secretary

Attlev Secretaries Limited

Suite 5

First floor suites

39 Irish Town

PO Box 466

Gibraltar

Independent auditors

RSM Audit (Gibraltar) Limited

21 Engineer Lane

Gibraltar

Registered number

111667

Mons Calpe Sports Club Limited Directors' Report

The directors present their report and financial statements for the year ended 31 December 2018.

Principal activities

Mons Calpe Sports Club Limited ("the Company" or "MCSCCL")'s principal activity during the year was that of a sports club in Gibraltar. The club aims to involve teams into 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.

MCSCCL has already successfully started up and affiliated ten teams in three years. This includes two senior mens Football teams, a senior mens Futsal team, one senior Dart team and five junior Football teams competing in the 2017/2018 and 2018/2019 sporting seasons.

Following a successful takeover in October 2016, the Company is majority owned by international sports company Reygadas Sports Group led by businessman Jose A. Reygadas del Valle. Directors, Kieran C. Alman, Philip Debono, John Paul Bacarese, Dwayne D. Ballestero and Jansen K. Dalli are also shareholders of the Company.

In October 2018, MOCA Sports Holdings Limited, become the sole shareholder of the Company. MOCA Sports Holdings Limited is jointly owned by Reygadas Sports Group LLC and Aventin Corporation, represented by Jose Alfredo Reygadas del Valle and Arturo Ignacio Siso Sosa, respectively.

Principal risks and uncertainties

The Company does not have any specific risks or uncertainties except those of the Gibraltar Sporting market generally.

Results

The results for the year are shown in the profit and loss account on page 7.

Dividends

The directors do not recommend the payment of a dividend (2017 : £nil) and consequently the loss for the year of £513,887 (2017 : £242,275) has been deducted from reserves.

Directors

The directors who served during the year were as stated on page 1.

Mons Calpe Sports Club Limited
Directors' Report

Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

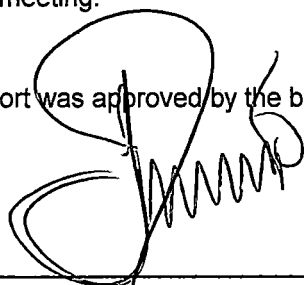
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with applicable law. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 annual general meeting.

This report was approved by the board on 12 April 2019 and signed on its behalf.



Jose Alfredo Reygadas del Valle
Director



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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 2018, 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 2018 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

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 £395,949 as at 31 December 2018 (2017: £382,062). We have considered the adequacy of the disclosure made in note 2 to the non-statutory financial statements concerning the support of the majority shareholder 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.

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.

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RSM is a Gibraltar registered trading name for the following Gibraltar companies: RSM Gibraltar Limited, RSM Audit (Gibraltar) Limited (FSC licence number FSC0013AUD), RSM Fund Services (Gibraltar) Limited (FSC licence number FSC0234CIS) and RSM Fiduciary (Gibraltar) Limited and its subsidiary companies (FSC licence numbers FSC1241B-FSC1247B). All companies are registered at 21 Engineer Lane, Gibraltar, GX111AA. A list of Directors and Company Numbers are available on request.

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.

**Independent auditors' report
To the shareholders of Mons Calpe Sports Club Limited**

Report on the audit of the financial statements

Responsibilities of the directors for the financial statements (continued)

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.

**Independent auditors' report
To the shareholders of Mons Calpe Sports Club Limited**

Report on the audit of the financial statements

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

12 APRIL 2019

Mons Calpe Sports Club Limited
Profit and Loss Account
for the year ended 31 December 2018

	Notes	2018 £	2017 £
Turnover		71,100	25,357
Administrative expenses		(584,987)	(267,632)
Loss for the year before taxation	3	<u>(513,887)</u>	<u>(242,275)</u>
Taxation	4	-	-
Loss for the year		<u>(513,887)</u>	<u>(242,275)</u>

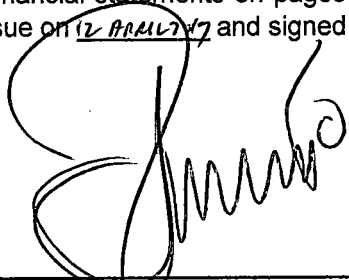
The notes on pages 11 to 15 form part of these financial statements.

Mons Calpe Sports Club Limited
Balance Sheet
as at 31 December 2018

	Notes	2018 £	2017 £
Current assets			
Debtors	6	13,106	10,379
Cash at bank and in hand		<u>13,219</u>	<u>3,674</u>
		26,325	14,053
Creditors: amounts falling due within one year			
	7	<u>(422,274)</u>	<u>(396,115)</u>
Net current liabilities		(395,949)	(382,062)
Total assets less current liabilities		(395,949)	(382,062)
Net liabilities		<u>(395,949)</u>	<u>(382,062)</u>
Capital and reserves			
Called up share capital	8	100	100
Capital rserve	9	500,000	-
Profit and loss account		<u>(896,049)</u>	<u>(382,162)</u>
Shareholders' deficit		<u>(395,949)</u>	<u>(382,062)</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 7 to 15 were approved by the Board of Directors and authorised for issue on 12 APRIL 2019 and signed on its behalf.



Jose Alfredo Reygadas del Valle
Director



Jansen Kurt Dalli
Director

The notes on pages 11 to 15 form part of these financial statements.

Mons Calpe Sports Club Limited
Statement of Changes in Equity
for the year ended 31 December 2018

	Share capital	Capital reserve	Profit and loss account	Total
	£	£	£	£
At 1 January 2017	100	-	(139,887)	(139,787)
Loss for the financial year	-	-	(242,275)	(242,275)
At 31 December 2017	100	-	(382,162)	(382,062)
At 1 January 2018	100	-	(382,162)	(382,062)
Loss for the financial year	-	-	(513,887)	(513,887)
Addition	-	500,000	-	500,000
At 31 December 2018	100	500,000	(896,049)	(395,949)

The notes on pages 11 to 15 form part of these financial statements.

Mons Calpe Sports Club Limited
Statement of Cash Flows
for the year ended 31 December 2018

	2018	2017
	£	£
Cash flows from operating activities		
Operating loss	(513,887)	(242,275)
Reconciliation to cash generated from operations:		
Increase in debtors	(2,727)	(6,518)
Increase in creditors	88,085	37,557
<i>Net cash used in operating activities</i>	<u>(428,529)</u>	<u>(211,236)</u>
Cash flows from financing activities		
Loan/capital amounts granted by shareholder	438,074	202,601
<i>Net cash from financing activities</i>	<u>438,074</u>	<u>202,601</u>
Net increase/(decrease) in cash and cash equivalents	9,545	(8,635)
Cash and cash equivalents at 1 January	3,674	12,309
Cash and cash equivalents at 31 December	<u>13,219</u>	<u>3,674</u>
Consisting of:		
Cash at bank and in hand	<u>13,219</u>	<u>3,674</u>

The notes on pages 11 to 15 form part of these financial statements.

Mons Calpe Sports Club Limited
Notes to the Financial Statements
for the year ended 31 December 2018

1 General information

Mons Calpe Sports Club Limited ("the Company") is a private company limited by shares domiciled in Gibraltar. Its registered office is Suite 5, First floor suites 39 Irish Town, Gibraltar.

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

2 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 Alfredo Reygadas del Valle and Arturo Ignacio Siso Sosa for their financial support.

Turnover

Turnover represents the amounts earned and receivable in relation to sponsorships for the Company during the year.

Current taxation

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

Mons Calpe Sports Club Limited
Notes to the Financial Statements
for the year ended 31 December 2018

2 Accounting policies (continued)

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
Notes to the Financial Statements
for the year ended 31 December 2018

2 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 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.

Mons Calpe Sports Club Limited
Notes to the Financial Statements
for the year ended 31 December 2018

3 Loss before taxation	2018	2017
	£	£

This is stated after charging:

Wages and salaries	138,730	146,210
Social insurance costs	20,284	22,190
Audit fees	10,060	7,000
	<u>169,074</u>	<u>175,400</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 2018 is 10% (2017: 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 2018 and as at 31 December 2017, the Company has no deferred tax assets and no deferred tax liabilities.

5 Employees

Average number of persons employed by the company (excluding directors) during the year was 15 (2017: 14).

	2018	2017
	No.	No.
Management	1	2
Players	13	11
Others	1	1
	<u>15</u>	<u>14</u>

6 Debtors	2018	2017
	£	£

Prepayments	431	431
Other debtors	12,575	9,848
Unpaid share capital	100	100
	<u>13,106</u>	<u>10,379</u>

7 Creditors: amounts falling due within one year	2018	2017
	£	£

Amounts payable to employees and consultants	44,806	4,533
Other creditors including taxation	98,561	49,249
Shareholder's loan (note 10)	267,907	329,833
Accruals	11,000	12,500
	<u>422,274</u>	<u>396,115</u>

Mons Calpe Sports Club Limited
Notes to the Financial Statements
for the year ended 31 December 2018

8 Share capital

	2018	2017	2018	2017
	No	No	£	£
Authorised:				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

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 party converted £500,000 of the shareholder loan into a capital reserve.

10 Related party transactions

During the year, MOCA Sports Holdings Limited and Jose Alfredo Reygadas del Valle paid expenses of £438,074 (2017: £202,601). The balance due to Jose Alfredo Reygadas del Valle was assigned to MOCA Sports Holdings Limited. These amounts are unsecured, payable on demand, bear no interest and remain outstanding at year end. Balance payable to MOCA Sports Holdings Limited at the end of the reporting year was as stated on note 7.

11 Controlling party

The immediate controlling company is MOCA Sports Holdings Limited which is incorporated in Gibraltar. There is no ultimate controlling party.

12 Events after the reporting year

There have been no significant post balance sheet events to disclose in these financial statements.

Mons Calpe Sports Club Limited
Detailed profit and loss account
for the year ended 31 December 2018

	2018	2017
	£	£
Turnover		
Sponsorship	4,250	25,357
UEFA income	38,293	-
GFA Income	26,057	-
Other income	2,500	-
	<u>71,100</u>	<u>25,357</u>
Administrative expenses		
Wages and salaries	138,730	146,210
Employer's Social Insurance	20,284	22,190
Other staff costs	196,720	-
Rent and electricity	77,667	51,743
GFA registration fees	8,878	5,860
GFA Fines	978	60
Sporting Materials	12,898	1,742
Bank charges	3,100	2,507
Training facilities	32,841	9,773
Insurance	892	900
Office expenses	1,849	2,461
Travel and subsistence	16,520	12,610
Sundry expenses	2,587	4,576
Legal and professional	8,042	-
Audit fees	10,060	7,000
Management fees	52,941	-
	<u>584,987</u>	<u>267,632</u>