

Registered number  
111667

**Mons Calpe Sports Club Limited**

FINANCIAL STATEMENTS

For the year ended 31 December 2017

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

**Directors**

Andres Otero  
Evaristo Cobos Lopez  
Fernando Reygadas Anfossi  
Jansen Kurt Dalli  
Jose Alfredo Reygadas del Valle  
Scott Edward Moran  
Dwayne Domingo Ballestero (resigned on 06/06/2017)  
John Paul Bacarese (resigned on 30/03/2017)  
Kieran Charles Alman (resigned on 11/05/2017)  
Phillip Louis Debono (resigned on 17/05/2017)

**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 2017.

**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

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, two ladies Netball teams, a senior Badminton doubles team, two senior Darts teams and two junior Football teams competing in the 2016/2017 sporting season.

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. Directors, Kieran C. Alman, Philip Debono, John Paul Bacarese, Dwayne D. Ballesterero and Jansen K. Dalli are also shareholders of the Company.

**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 (2016 : £nil) and consequently the loss for the year of £242,275 (2016 : £139,887) has been deducted from reserves.

**Directors**

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

**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:

**Mons Calpe Sports Club Limited**  
**Directors' Report**

**Directors' responsibilities (continued)**

- 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 20 April 2018 and signed on its behalf.



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**Jansen Kurt Dalli**  
**Director**

**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 2017, 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 2017 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 £139,787 as at 31 December 2017 (2016: £379,698). 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.

**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

**20 April 2018**

**Mons Calpe Sports Club Limited**  
**Profit and Loss Account**  
**for the year ended 31 December 2017**

	Notes	2017 £	2016 £
<b>Turnover</b>			
Sponsorship		25,357	4,500
		<u>25,357</u>	<u>4,500</u>
Administrative expenses		(267,632)	(144,387)
<b>Loss for the year before taxation</b>	3	<u>(242,275)</u>	<u>(139,887)</u>
Taxation	4	-	-
<b>Loss for the year</b>		<u>(242,275)</u>	<u>(139,887)</u>

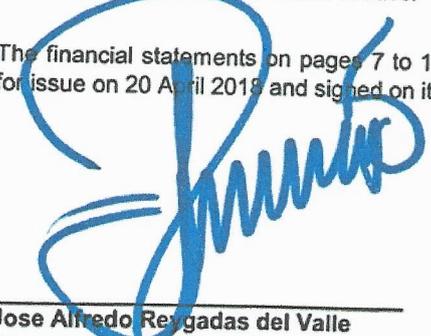
The notes on pages 11 to 15 form part of these financial statements.

**Mons Calpe Sports Club Limited**  
**Balance Sheet**  
as at 31 December 2017

	Notes	2017 £	2016 £
<b>Current assets</b>			
Debtors	6	10,379	3,861
Cash at bank and in hand		<u>3,674</u>	<u>12,309</u>
		14,053	16,170
<b>Creditors: amounts falling due within one year</b>			
	7	(396,115)	(155,957)
<b>Net current liabilities</b>		<u>(382,062)</u>	<u>(139,787)</u>
<b>Total assets less current liabilities</b>		<u>(382,062)</u>	<u>(139,787)</u>
<b>Net liabilities</b>		<u>(382,062)</u>	<u>(139,787)</u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Profit and loss account		(382,162)	(139,887)
<b>Shareholders' deficit</b>		<u>(382,062)</u>	<u>(139,787)</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 20 April 2018 and signed on its behalf.

  
\_\_\_\_\_  
**Jose Alfredo Rengadas 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 2017**

	<b>Share capital</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2016	100	-	100
Loss for the financial year	-	(139,887)	(139,887)
At 31 December 2016	<u>100</u>	<u>(139,887)</u>	<u>(139,787)</u>
At 1 January 2017	100	(139,887)	(139,787)
Loss for the financial year	-	(242,275)	(242,275)
<b>At 31 December 2017</b>	<b><u>100</u></b>	<b><u>(382,162)</u></b>	<b><u>(382,062)</u></b>

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 2017**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Operating loss	(242,275)	(139,887)
Reconciliation to cash generated from operations:		
Increase in debtors	(6,518)	(3,761)
Increase in creditors	37,557	28,725
<i>Net cash used in operating activities</i>	<u>(211,236)</u>	<u>(114,923)</u>
<b>Cash flows from financing activities</b>		
Loan amounts granted by shareholder	202,601	127,232
<i>Net cash from financing activities</i>	<u>202,601</u>	<u>127,232</u>
<b>Net increase in cash and cash equivalents</b>	(8,635)	12,309
Cash and cash equivalents at 1 January	12,309	-
<b>Cash and cash equivalents at 31 December</b>	<u><b>3,674</b></u>	<u><b>12,309</b></u>
Consisting of:		
Cash at bank and in hand	<u><b>3,674</b></u>	<u><b>12,309</b></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 2017**

**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 A. Reygadas, Director and ultimate principal beneficial owner, of his continuing 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 2017**

**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 2017**

**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.

**3 Loss before taxation**

	<b>2017</b>	<b>2016</b>
	£	£
This is stated after charging:		
Wages and salaries	146,210	81,247
Social insurance costs	22,190	9,177
Audit fees	7,000	4,500
	<u>175,400</u>	<u>94,924</u>

**Mons Calpe Sports Club Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2017**

**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 2017 is 10% (2016: 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 2017 and as at 31 December 2016, 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 14 (2016: 23).

	<b>2017</b>	<b>2016</b>
	<b>No.</b>	<b>No.</b>
Management	2	2
Players	11	19
Others	<u>1</u>	<u>2</u>

**6 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Prepayments	431	431
Other debtors	9,848	3,330
Unpaid share capital	<u>100</u>	<u>100</u>
	<u>10,379</u>	<u>3,861</u>

**7 Creditors: amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade creditors	4,533	-
Other creditors including taxation	49,249	23,225
Shareholders loan (note 10)	329,833	127,232
Accruals	<u>12,500</u>	<u>5,500</u>
	<u>396,115</u>	<u>155,957</u>

**8 Share capital**

	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>No</b>	<b>No</b>	<b>£</b>	<b>£</b>
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>

**Mons Calpe Sports Club Limited**  
**Notes to the Financial Statements**  
**for the year ended 31 December 2017**

**8 Share capital (continued)**

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 Other financial commitments**

The Company had total commitments at the balance sheet date of £38,591 (2016: £20,891).

**10 Related party transactions**

During the year, Jose Alfredo Reygadas del Valle paid expenses of £202,601 (2016: £127,232). These amounts are unsecured, payable on demand and bears no interest and remains outstanding at year end. Balance payable to Jose Alfredo Reygadas del Valle at the end of the reporting year was as stated on note 7.

**11 Controlling party**

The immediate controlling company is Reygadas Sports Group LLC which is incorporated in Miami Florida. The ultimate beneficial owner of the Company is Jose Alfredo Reygadas del Valle.

**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 2017**

	2017 £	2016 £
<b>Turnover</b>		
Income	25,357	4,500
	<u>25,357</u>	<u>4,500</u>
<b>Administrative expenses</b>		
Employee costs:		
Wages and salaries	146,210	81,247
Employer's NI	22,190	9,177
	<u>168,400</u>	<u>90,424</u>
Premises costs:		
Rent and electricity	51,743	10,035
	<u>51,743</u>	<u>10,035</u>
General administrative expenses:		
GFA registration fees	5,860	1,850
GFA Fines	60	130
GFA tickets - Portugal Match	-	485
Sporting Materials	1,742	15,499
Signing fee	-	800
Bank charges	2,507	526
Training facilities	9,773	3,638
Advertising	-	202
Insurance	900	-
Office expenses	2,461	920
Travel and subsistence	12,610	5,085
Other sports	-	274
Sundry expenses	4,576	3,019
	<u>40,489</u>	<u>32,428</u>
Legal and professional costs:		
Legal and professional	-	7,000
Audit fees	7,000	4,500
	<u>7,000</u>	<u>11,500</u>
	<u>267,632</u>	<u>144,387</u>