

# **LIONS FOOTBALL CLUB LIMITED**

## **FINANCIAL STATEMENTS**

**31 DECEMBER 2021**

**REGISTERED NUMBER: 112095**

# **LIONS FOOTBALL CLUB LIMITED**

## **CONTENTS OF THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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	<b>Page</b>
Company Information	1
Directors' Report	2 - 3
Independent Auditors' report to the members	4 - 6
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Shareholders' Equity	9
Statement of cash flow	10
Notes to the Financial Statements	11 - 13

# LIONS FOOTBALL CLUB LIMITED

## COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2021

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**DIRECTORS:** AC Grech  
D Buhagiar  
KJ Bugeja

**SECRETARY:** Laser Services Limited

**REGISTERED OFFICE:** Suite 4, 10<sup>th</sup> Floor  
International Commercial Centre  
Gibraltar

**REGISTERED NUMBER:** 112095

**AUDITORS:** AMS Limited  
Statutory Auditors  
Suite 16  
Water Gardens 5  
Gibraltar

# LIONS FOOTBALL CLUB LIMITED

## DIRECTORS' REPORT

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The directors present their annual report and audited financial statements for the year ending 31 December 2021.

### Principal Activities and review

The Company's main activity is that of managing variety of local sports such as football at all levels.

The directors are satisfied with the performance of the company and club.

### Results and dividends

The Company profit for the year was £26,050 (2020 profit: £32,910). The directors do not recommend payment of a dividend.

### Directors

The directors who have held office during the whole of the year and to the date of this report is shown on page 1.

### Statement of directors' responsibilities

The directors are responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year which meet the requirements of the Gibraltar Companies Act 2014. In addition, the directors have elected to prepare the financial statements in accordance with Gibraltar Financial Reporting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the profit for that year. In preparing those financial statements, 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 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 Gibraltar 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.

# LIONS FOOTBALL CLUB LIMITED

## DIRECTORS' REPORT - *Continued*

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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

A resolution to appoint AMS Limited will be proposed at the next Annual General Meeting.

Director





# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIONS FOOTBALL CLUB LIMITED**

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## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of **Lions Football Club Limited** (the Company), which comprise the balance sheet as at 31 December 2021, and statement of comprehensive income, statement of changes in equity for the year then ended, 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 the company's profit and cashflows for the year then ended;
- have been properly prepared in accordance with Gibraltar Financial Reporting Standards;
- have been prepared in accordance with the Companies Act 2014.

### **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.

### **Responsibilities of the director 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 control as the director 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 director 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LIONS FOOTBALL CLUB LIMITED – continued**

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### **Auditor's Responsibilities for the Audit of the Financial Statements – continued**

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

As part of an audit in accordance with ISAs, we exercise professional 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 director.
- 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 director 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 MEMBERS OF LIONS FOOTBALL CLUB LIMITED – continued

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### Report on Other Legal and Regulatory Requirements

#### *Opinion on other matter prescribed by the Companies Act 2014*

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

#### *Matters on which we are required to report by exception*

We have nothing to report in respect of the matter where the Companies Act 2014 requires us to report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 257 of the Companies Act 2014 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.



**Adrian Stevenson**  
Statutory auditor  
For and on behalf of  
**AMS Limited**  
Suite 16  
Water Gardens 5  
Gibraltar,

4<sup>th</sup> May 2022



# LIONS FOOTBALL CLUB LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

		<u>2021</u>	<u>2020</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>
<b>TURNOVER</b>	<b>3</b>		
<b>Sponsorship &amp; advertising</b>		<b>8,000</b>	-
<b>Other operating income</b>			
Membership and registration fees		5,590	5,258
Rental income		4,250	5,595
<b>Other income</b>			
GFA Grant		103,194	95,519
Other income		4,468	6,330
		<u>125,502</u>	<u>112,702</u>
<b>EXPENDITURE</b>			
<b>Player related costs</b>			
GFA registration fees		4,150	1,140
GFA player disciplinary fees		4,090	630
Player expenses		64,887	53,316
Training expenses		1,580	663
Coaching & consultancy fees		5,552	2,912
<b>Other operating expenses</b>			
Repairs & maintenance		2,091	2,684
Rent/ rates & licenses		2,202	1,145
Electricity and water		4,663	4,588
Telephone		852	630
Insurance		473	303
Travel and entertainment		398	1,053
Audit fees		1,500	-
Legal & professional fees		684	1,586
Miscellaneous		1,770	2,495
<b>Depreciation</b>		<b>4,560</b>	<b>6,647</b>
		<u>99,452</u>	<u>79,792</u>
<b>PROFIT ON ORDINARY ACTIVITIES</b>		<b>26,050</b>	<b>32,910</b>
Other comprehensive income		-	-
<b>Total comprehensive profit for the financial year</b>		<u><b>£ 26,050</b></u>	<u><b>£ 32,910</b></u>

The notes on pages 11 to 13 form part of these accounts.

# LIONS FOOTBALL CLUB LIMITED

## BALANCE SHEET AT 31 DECEMBER 2021

	<u>Notes</u>	<u>2021</u> £	<u>2020</u> £
<b>FIXED ASSETS</b>			
Tangible assets	5	8,607	10,083
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Cash at bank		59,164	32,125
		<hr/>	<hr/>
		59,164	32,125
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	6	(2,181)	(2,668)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		56,983	29,457
		<hr/>	<hr/>
<b>NET ASSETS</b>		£ 65,590	£ 39,540
		<hr/> <hr/>	<hr/> <hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	150,100	150,100
Profit and loss account		(84,510)	(110,560)
		<hr/>	<hr/>
<b>EQUITY SHAREHOLDERS' FUNDS</b>		£ 65,590	£ 39,540
		<hr/> <hr/>	<hr/> <hr/>

Approved by the Board on 4 May 2022

Director

Director

The notes on pages 11 to 13 form part of these accounts.

## LIONS FOOTBALL CLUB LIMITED

### STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

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	<u>Share Capital</u> £	<u>Retained Earnings</u> £	<u>Total</u> £
Balance at 1 January 2020	150,100	(143,470)	11,953
Total comprehensive profit for the year	-	32,910	32,910
Balance as at 31 December 2020	150,100	(110,560)	39,540
Total comprehensive profit for the year	-	26,050	26,050
Balance as at 31 December 2021	<u>£ 150,100</u>	<u>£ (84,510)</u>	<u>£ 65,590</u>

# LIONS FOOTBALL CLUB LIMITED

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2021

	<u>Notes</u>	<u>2021</u> £	<u>2020</u> £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		26,050	32,910
<b>Adjustment for:</b>			
Depreciation		4,560	6,647
Decrease in debtors		-	2,004
Decrease in creditors		(487)	(156)
<b>Cashflow from operations</b>		<u>30,123</u>	<u>41,405</u>
Income taxes paid		-	-
<b>Net cash inflow from operating activities</b>		<u>30,123</u>	<u>42,405</u>
<b>Cashflow on capital activities</b>			
Payments to acquire to tangible assets		(3,084)	(9,993)
<b>Increase in cash</b>		<u>£ 27,039</u>	<u>£ 31,412</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Cash and cash equivalents at beginning of year		32,125	713
Cash and cash equivalents at end of year		59,164	32,125
<b>Increase in cash in year</b>		<u>£ 27,039</u>	<u>£ 31,412</u>



# LIONS FOOTBALL CLUB LIMITED

## NOTES TO THE COMPANY ACCOUNTS

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### 1. COMPANY INFORMATION

Lions Football Club Limited (the 'Company') is a private company limited by shares incorporated and registered in Gibraltar. The Company is ultimately controlled by its directors, Alexander Grech, Daniel Buhagiar and Kadrian Bugeja.

The address of its registered office is Suite 4, 10<sup>th</sup> Floor International Commercial Centre, Gibraltar.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with applicable Gibraltar Generally Accepted Accounting Practice, including Financial Reporting Standards ('FRS 102') as modified by section 1A applicable to small entities. FRS 102 as modified by section 1A applicable to small entities issued by the Financial Reporting Council was adopted by the Gibraltar Society of Accountants as part of Gibraltar Accounting Standards – Gibraltar Generally Accepted Accounting Practice.

The financial statements are presented in Sterling Pounds (£), which is also the Company's functional currency.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Turnover

Turnover represents the fair value of the consideration received and receivable from the Company's principal activities. The Company's principal activities include membership fees, rental income from concessions granted for the operation of the 'The Den' (restaurant/bar situated in the Club's premises) and income from football activities including GFA grants and sponsorships.

Turnover is recognised when the amounts of revenue is performed and provided that the amount can be measured reliably.

Income from Club's sponsorships and advertising is recognised over the term of the contract of the sponsorship agreement and therefore done on a straight-line basis.

Membership income is accounted for on a cash received basis.

#### Turnover - continued

GFA subsidy grants represents revenue which is received for the club's licencing, pitch allowance, their grassroots programme, and their homegrown player incentives. The timing of the receipt of these grants and the amounts are at the discretion of the GFA and therefore accounted for on a receipt basis.

#### Expenditure

Expenditure is accounted for an accrual basis.

# LIONS FOOTBALL CLUB LIMITED

## NOTES TO THE COMPANY ACCOUNTS – *continued*

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – *continued*

#### Tangible assets

All tangible assets are initially recorded at cost.

#### Depreciation

Depreciation is provided on all tangible fixed assets at rates, calculated to write each asset down to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Sports equipment	over 3 years
Other equipment	over 3 years
Motor Vehicles	over 3 years
Furniture, fixtures and fittings	over 5 years
Leasehold improvement	over 5 years

#### Impairment

Assets are subject to an impairment review if there are events or changes in circumstances which indicate that their carrying amount may not be recoverable in full. The impairment review comprises a comparison of the carrying amount of the assets with their recoverable amount, which is the higher of net realisable value and value in use. The carrying value of an asset is written down by the amount of any impairment and this loss is recognised in the statement of comprehensive income in the year in which it occurs. If an external event gives rise to the reversal of an impairment loss, the reversal is recognised in the statement of comprehensive income by increasing the carrying amount of the asset in the year in which it occurs.

The carrying amount of the asset will only be increased up to the amount that it would have been had the original impairment not occurred.

#### Debtors

Debtors are included in current assets, except for maturities greater than twelve months after the end of the reporting year which are classified as part of fixed assets.

#### Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as fixed liabilities. Creditors are recognised initially at fair value and subsequently measured at their recoverable value.

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the statement of comprehensive income.



# LIONS FOOTBALL CLUB LIMITED

## NOTES TO THE COMPANY ACCOUNTS – *continued*

### 4. EMPLOYEES INFORMATION

The average number of employees employed during the year was nil (2020: nil).

### 5. TANGIBLE ASSETS

	<i>Sports Equipment</i>	<i>Other Equipment</i>	<i>Motor Vehicles</i>	<i>Furniture, fixtures &amp; fittings</i>	<i>Leasehold Improvement</i>	<i>Total</i>
<i>Cost:</i>						
At 1 January 2021	50,649	4,391	934	15,245	22,306	93,525
Additions	1,028	2,056	-	-	-	3,084
At 31 December 2021	51,677	6,447	934	15,245	22,306	96,609
<i>Depreciation:</i>						
At 1 January 2021	41,645	3,435	934	15,201	22,227	83,442
Charged for the year	3,770	667	-	44	79	4,560
At 31 December 2021	45,415	4,102	934	15,245	22,306	88,002
<i>Net book value</i>						
<b>31 December 2021</b>	<b>6,262</b>	<b>2,345</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,607</b>
31 December 2020	9,004	956	-	44	79	10,083

### 6. CALLED UP SHARE CAPITAL

	<u>2021</u>	<u>2020</u>
Authorised:		
199,900 ordinary A non-voting shares of £1 each	199,900	199,900
100 ordinary B voting share of £1 each	100	100
	<u>£ 200,000</u>	<u>£ 200,000</u>
Called up, issued and fully paid:		
150,000 ordinary A non-voting shares of £1 each	150,000	150,000
100 ordinary B voting share of £1 each	100	100
	<u>£ 150,100</u>	<u>£ 150,100</u>