

XXXXXX F.C.

Annual Financial Report

&

Financial Statements

31 December 2021

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GENERAL INFORMATION

Registration

XXXXX Football Club is registered in Malta with the Malta Football Association.

Officials & other Committee Members:

President:

Secretary:

Treasurer:

Other Committee Members:

Club Address:

Bankers Address:

Auditors:

COMMITTEE MEMBERS' REPORT

The Committee Members submit their annual report and the audited financial statements for the year ended 31 December 2021.

Principal activity

XXXXX Football Club is constituted in accordance with the rules and regulations of the Malta Football Association and observes the rules, regulations, and decisions of the Malta Football Association as well as those of the Fédération Internationale de Football Association (FIFA) and of the Union des Associations Européennes de Football (UEFA).

Results

The statement of comprehensive income is set out on page ____.

Review of the year

The Club generated a profit/incurred a loss of € _____ during the year under review.
[INCLUDE DETAIL OF THE YEAR'S PERFORMANCE].

Committee Members

During the year ended 31 December 2021, the Committee Members were as listed on page 3.

Statement of Committee Members' responsibilities

In terms of the licensing regulations applicable to Premier Division member clubs, the Club is to prepare financial statements for each financial period which give a true and fair view of the financial position of the Club as at the end of the financial period and of the profit or loss for that period.

In preparing the financial statements, the Club is required to: -

- adopt the going concern basis unless it is inappropriate to presume that the Club will continue to function.
- select suitable accounting policies and apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- account for income and charges relating to the accounting period on the accrual basis.
- value separately the components of asset and liability items.
- report comparative figures corresponding to those of the preceding accounting period; and
- prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union.

COMMITTEE MEMBERS' REPORT - continued

Statement of Committee Members' responsibilities (continued)

The Committee Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Club. This responsibility includes designing, implementing, and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. They are also responsible for safeguarding the assets of the Club and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

_____ have expressed their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

The Committee Members' report was approved by the members and was signed on its behalf by
(according to Club statute):

Name & Signature (President)

Name & Signature (Treasurer)

Name & Signature (Secretary)

Date: _____

INDEPENDENT AUDITOR'S REPORT
To the members of XXXXX Football Club

Opinion

We have audited the financial statements of XXXXX Football Club ("the Club"), set out on pages xx - xx, which comprise the statement of financial position as of 31 December 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Club as of 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Club in accordance with the ethical requirements of both the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Code of Ethics for Warrant Holders in Malta. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Committee Members are responsible for the other information. The other information comprises the general information and the Committee Members' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (continued)

To the members of XXXXX Football Club

Responsibilities of the Committee Members

The Committee Members are responsible for the preparation and fair presentation of the financial statements in accordance with GAPSME, and for such internal control as they 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 Committee Members are responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

The Committee Members are responsible for overseeing the Club's financial reporting process.

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 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 judgment and maintain professional scepticism 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 Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members.

INDEPENDENT AUDITOR'S REPORT (continued)

To the members of XXXXX Football Club

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the Committee Members' 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 Club'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 Club to cease to continue as a going concern; and
- 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 Committee Members 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.

Signature in the name of the audit firm, the personal name of the auditor, or both, as appropriate for the particular jurisdiction]

[Auditor Address]

[Date]

XXXXX Football Club
Annual Financial Statements for the year ended 31 December 2021

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2021 €	2020 €
Income	3	-	-
Expenditure	4	-	-
Operating profit/(loss)		-	-
Interest receivable and similar income	6	-	-
Interest payable and similar charges	7	-	-
Realised gain on disposal of financial asset		-	-
Gain/(loss) on disposal of tangible fixed asset		-	-
Profit/(loss) for the year:		-	-
Other comprehensive income:			
(INSERT HERE IF APPLICABLE)			
Total comprehensive income/(loss) for the year			

XXXXX Football Club
Annual Financial Statements for the year ended 31 December 2021

STATEMENT OF FINANCIAL POSITION

At 31 December

	Notes	2021 €	2020 €
Non-current assets			
Intangible assets	9		
Property, plant, and equipment	11		
Financial assets	12		
Current assets			
Stocks	13		
Receivables	14		
Cash at bank and in hand			
TOTAL ASSETS			
ACCUMULATED FUNDS AND LIABILITIES			
Accumulated fund and surplus			
Accumulated fund			
Reserves			
Total equity			
Non-current liabilities			
Interest bearing borrowings	15		
Other liabilities	16		
Current liabilities			
Interest bearing borrowings	15		
Trade and other liabilities	17		
Total liabilities			
TOTAL ACCUMULATED FUND AND LIABILITIES			

The financial statements on pages ____ to ____ have been authorised for issue by the Committee Members and signed on their behalf by:

Name & Signature
(President)

Name & Signature
(Treasurer)

Name & Signature
(Secretary)

Date:

STATEMENT OF CHANGES IN EQUITY

	Note	General reserve €	Accumulated fund €	Total €
Financial year ended 31 December 2020				
Balance at 01 December June 2020		-	-	-
Total comprehensive income for the period				
- <i>profit/(loss) for the financial period</i>		-	-	-
- <i>other comprehensive income/(loss)</i>		-	-	-
Balance at 31 December 2020		-	-	-
Financial year ended 31 December 2021				
Balance at 01 January 2021		-	-	-
Total comprehensive income for the year				
- <i>profit/(loss) for the financial year</i>		-	-	-
- <i>other comprehensive income/(loss)</i>		-	-	-
Balance at 31 December 2021		-	-	-

XXXXX Football Club
Annual Financial Statements for the year ended 31 December 2021

STATEMENT OF CASH FLOWS

	2021	2020
Note	€	€
Cash flows from operating activities		
Net income/(loss) before tax		
Adjustments for:		
Depreciation of tangible fixed assets	-	-
Amortisation of player registration costs	-	-
Amortisation of other intangible assets	-	-
Increase/(decrease) in provision for doubtful debts	-	-
Profit on disposal of financial assets	-	-
Profit on disposal of fixed tangible assets	-	-
Profit on sale of players		
Interest receivable	-	-
	<hr/>	<hr/>
Operating profit/(loss) before working capital changes	-	-
Decrease/(increase) in stocks	-	-
Increase in debtors	-	-
Increase in creditors		
	<hr/>	<hr/>
Cash generated from/(used in) operations	-	-
Interest received	-	-
	<hr/>	<hr/>
Net cash from/(used in) operating activities	<hr/>	<hr/>
Cash flows from investing activities		
Players registration costs	-	-
Purchase of financial assets	-	-
Purchase of fixed tangible assets	-	-
Proceeds from sale of players	-	-
Proceeds from disposal of financial assets	-	-
Proceeds from disposal of tangible fixed assets	-	-
	<hr/>	<hr/>
Net cash from/(used in) investing activities	<hr/>	<hr/>
Cash flows from financing activities		
Injection of capital	-	-
Amounts (repaid) in respect of loans	-	-
	<hr/>	<hr/>
Net cash from/(used in) financing activities	<hr/>	<hr/>
Net movement in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	<hr/>	<hr/>
	18	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING CONVENTION AND BASIS OF PREPARATION

These financial statements are prepared in accordance with the provisions of licensing Regulations for Premier Division member clubs and in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

These financial statements are prepared under the historical cost convention, unless otherwise disclosed in the relevant accounting policy.

These are the Club's first financial statements prepared under IFRS as adopted by the EU. The Club's previous financial statements, for the year ended 31 December 2020, were prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME"). The date of transition to IFRS as adopted by the EU is the beginning of the earliest period for which the Club presents full comparative information in accordance with GAPSME in these financial statements, hence 1 January 2020.

An explanation of how the transition to GAPSME has affected the Club's reported financial position and financial performance is provided in note 23.

These financial statements are presented in Euro (€) which is the Club's functional currency.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

New or revised standards, interpretations, and amendments adopted

Several new or revised standards, interpretations and amendments were in issue and endorsed by the EU but are not yet effective for the current financial year. The Club has not early adopted the new or amended standards in preparing these financial statements. The Committee members anticipate that the adoption of the new standards, interpretations, or amendments thereto, will not have a material impact on the financial statements upon initial application.

(OR, IF THEY ARE EXPECTED TO HAVE AN IMPACT.....)

Except as otherwise disclosed below, the other standards, interpretations or amendments are not relevant and not expected to have a material impact on these Club's financial statements.

(YOU WILL NEED TO INSERT IMPACT HERE, OTHERWISE DELETE THE ABOVE PARAGRAPH)

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES - continued

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Club and the revenue can be reliably measured, at an amount that reflects the consideration to which the Club is expected to be entitled when performance obligation is satisfied in a manner that depicts the transfer of control over the goods or services promised to the customer. A performance obligation may be satisfied either at a point in time or over time.

The consideration relates to the transaction price [or a portion of the transaction price] allocated to each performance obligation as defined in the contract with the customer. The transaction price reflects discounts, rebates, refunds, and other allowances granted to customers and excludes sales taxes, if any.

The transaction price may include variable consideration and time value of money. Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events.

Variable consideration subject to a measurement constraint is initially recognised as a deferred revenue and is recognised only as revenue when it is highly probable that a significant reversal in the amount of cumulative revenue will not occur.

The following specific recognition criteria must also be met before revenue is recognised:

- *gate receipts are recognised over the period of the season.*
- *marketing, sponsorship, and advertising are recognised over the duration of the respective contracts.*
- *broadcasting rights are taken in proportion to the number of matches played.*
- *merchandising and catering are recognised on an earned basis.*
- *football related rental income is recognised over the duration of the contract.*
- *donations and other third-party contributions are recognised on a cost basis.*
- *interest income is recognised as the interest accrues unless collectability is in doubt.*

Foreign currencies

Transactions in foreign currencies are converted into euro at the rates of exchange ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the balance sheet date. All resulting differences are taken to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets

Player registration costs

Player registration costs are recognised as an asset to the extent that it is expected that such players will be utilised throughout their contract period.

Player registration costs (including agent and other directly attributable costs) are amortised on a straight-line basis over the period of their contract.

At each statement of financial position date, the club assesses whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated, impairment is passed through the profit and loss.

Internally generated intangible assets are held at nil value. Any costs (including, but not necessarily limited to agent and other directly attributable costs) incurred in extensions to player's original contract are capitalised and amortised over the period of the extended contract.

Gains and losses on sale of players are determined by reference to their carrying amount and are taken into account in determining the profit on ordinary activities.

Other intangibles

[Relevant note if required]

Property, plant, and equipment

Recognition and measurement

Property, plant, and equipment is recognised as an asset when it is probable that the future economic benefits that are associated with the asset will flow to the entity and the cost can be measured reliably. An item of property, plant and equipment is initially measured at cost comprising the purchase price, any costs directly attributable to bringing the assets to a working condition for their intended use, and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure is capitalised as part of the cost of tangible fixed assets only if it enhances the economic benefits of an asset more than the previously assessed standards of performance, or it replaces or restores a component that has been separately depreciated over its useful life.

After initial recognition, an item of property, plant and equipment is carried under the cost model, that is at cost less any accumulated depreciation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant, and equipment (continued)

Depreciation

Depreciation is calculated to write down the carrying amount of the asset on a systematic basis over its expected useful life. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) or the date that the asset is derecognised. The depreciation charge for each period is recognised in profit or loss.

Land is not depreciated. The rates of depreciation used for other items of tangible fixed assets are the following:

	%
Motor vehicles	00 to 00
Office equipment and furnishings	00 & 00
Building equipment and services	00 & 00
Club buildings and improvements	00 & 00
Plant and machinery (including machine tools)	00 & 00
IT equipment and software	00 & 00

Depreciation method, useful life, and residual value

The depreciation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively.

Derecognition of property, plant, and equipment

On disposal of an item of property, plant and equipment, the cost and related accumulated depreciation and impairment losses, if any are derecognised and the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Club becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. Financial liabilities are derecognised when they are extinguished, discharged, cancelled, or expire.

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets

Financial assets are classified at initial recognition in accordance with how they are subsequently measured, as follows:

- financial assets at amortised cost.
- financial assets at fair value through other comprehensive income; and
- financial assets at fair value through profit or loss.

Financial assets at amortised cost

Financial assets at amortised costs are financial assets that are held within the business model whose objective is to collect contractual cash flows ("hold to collect") and the contractual terms give rise to cash flows that are solely payments of principal and interest.

On initial recognition, financial assets at amortised cost are recognised at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Discounting is omitted where the effect of discounting is immaterial. Trade receivables without a significant financing component are measured at the transaction price as a practical expedient.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method less impairment losses, if any. Gain or losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

Financial asset at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise of:

- equity instruments not held-for-trading, which the Club elected to classify irrevocably as equity instruments designated at fair value through OCI at initial recognition; and
- debt instruments held within the business model whose objective is to collect contractual cash flows and to sell the financial assets ("hold to collect and sell") and the contractual terms give rise to cash flows that are solely payments of principal and interest.

On initial recognition, FVOCI are measured at fair value plus transaction costs. Subsequently, these are remeasured to fair value at each reporting date with fair value changes recognised in OCI.

Interest income, foreign currency revaluations, and impairments or reversals on debt instruments at FVOCI are recognised in profit or loss. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Dividends (except return of investment) on equity instruments at FVOCI are recognised in profit or loss when the right of payment has been established. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is reclassified to retained earnings, and never recycled to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss (FVTPL) include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

On initial recognition, these are measured at fair value and transaction costs are charged to profit or loss. Subsequently, these are remeasured at fair value with fair value changes recognised in profit or loss. Dividends are recognised in profit or loss when the right of payment has been established.

Impairment of financial assets

The Club recognises an allowance for expected credit losses (ECLs) on financial assets that are measured at amortised cost. Equity instruments are not subject to impairment assessment.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Club expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECL).

The Club considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Club may also consider a financial asset to be in default when internal or external information indicates that the Club is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

For certain assets, the Club applies a simplified approach to measuring ECLs which recognises lifetime ECLs. The ECLs on these financial assets are estimated using a provision matrix based on the Club's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

NOTES TO THE FINANCIAL STATEMENTS - continued

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities

Financial liabilities are classified at initial recognition in accordance with how they are subsequently measured, as follows:

- financial liabilities at amortised cost; and
- financial liabilities at fair value through profit or loss.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method. All interest-related charges under the interest amortisation process are recognised in profit or loss.

On derecognition, the difference between the carrying amount of the financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, are recognised in profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVPL) are financial liabilities that are held for trading and/or financial liabilities that are designated at initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities at FVPL are initially recognised at and subsequently measured at fair value with fair value changes recognised in profit or loss.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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 realise the asset and settle the liability simultaneously.

Cash and cash equivalents

Cash in hand and at banks and short-term deposits which are held to maturity are carried at cost.

Cash and cash equivalents are defined as cash in hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash in hand and deposits at banks, net of outstanding bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS - continued

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined by the first-in first-out method.

Stocks are measured at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs to be incurred in marketing, selling and distribution.

Leases

The Club assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Right-of-use

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Club expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Lease liability

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS - continued

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Lease liability (continued)

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Impairment of non-financial assets

The Club's non-financial and financial assets are tested for impairment.

The carrying amounts of the Club's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset.

The carrying amounts of Club's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at a revalued amount, in which case they are treated as a revaluation increase unless an impairment loss on the same asset was previously recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets (continued)

If there is objective evidence that an impairment loss on financial assets carried at amortised cost or cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost/cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Events after the reporting period

Post year-end events that provide additional information about the Club's financial position at the end of reporting period (adjusting events) are recognised in the financial statements when material. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

NOTES TO THE FINANCIAL STATEMENTS - continued

3. INCOME

Income attributable to the football activity and ancillary items is as follows:-

	2021	2020
Commercial		
Membership Fees		
National competitions participation & prize money		
Merchandising		
Pitch hiring		
Income from disposal of player registrations (including loan income)		
Transfer Fees		
Profit/(loss) on disposal of intangible fixed assets (player registrations)		
Contributions/Donations from related parties		
Donations and voluntary contributions		
Other/Non-Split		
Gate receipts		
Commercial		Leasing
		Women's Team
		Nursery
		Fund raising activities
Broadcasting Rights		TV
Solidarity & Prize Money		UEFA solidarity & participation
		Payment
Advertising		
Sponsorships		
Other Income		
(please specify if amount is over €1,000)		

NOTES TO THE FINANCIAL STATEMENTS - continued

4. EXPENDITURE

	2021	2020
	€	€
<u>Cost of Sales/Materials</u>		
Affiliation fees and other dues		
Kits		
Medical expenses		
Overseas travel and accommodation		
Transport		
Work permit and visas		
<u>Other/Non-Split</u>		
Other operating expenses		
		Players' wages and salaries including NI
		Players' wages and salaries including NI (Nursery / Futsal / Women)
		Other staff salaries including NI
		Other staff salaries including NI (Nursery / Futsal / Women)
		Accommodation (foreign players/staff)
		Nursery (excluding salaries and wages)
		Women (excluding salaries and wages)
		Futsal (excluding salaries and wages)
		Other
		(Specify if amount is over €1,000)
		Fines
<u>Cost of acquiring player registrations (including non-capitalised agent fees and loan fees)</u>		
Transfer fees		
Agents' fees		
<u>Match expenses</u>		

NOTES TO THE FINANCIAL STATEMENTS - continued

4. EXPENDITURE (continued)

	2021	2020
	€	€
<u>Expenses of Non-Football</u>		
<u>Operations</u>		
Office expenses		
Audit fees		
Professional fees		
<u>Property & Facilities expenses</u>		
Ground maintenance		
Rent & Insurance		
Repair and maintenance		
Water and Electricity		
<u>Sponsorship and advertising expenses</u>		
Donations		
<u>Commercial activities expenses</u>		
Events		
Finance expenses		
Bank charges		
Amortisation of intangible fixed assets (player registrations)		
Depreciation of Tangible Fixed Assets		

NOTES TO THE FINANCIAL STATEMENTS - continued

5. STAFF COSTS

The staff costs incurred during the year was as follows:

	2021	2020
	€	€
Wages and salaries – players	-	-
Wages and salaries – others	-	-
Social security costs	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

An amount of € _____ in relation to salaries and wages paid to nursery & women's staff is included in Other/Non-Split/Nursery expenses.

The average number of persons employed by the Club during the year was ____ (2020: ____ :).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	€	€
On bank balances	-	-
	<hr/>	<hr/>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2021	2020
	€	€
On bank loans	-	-
On bank overdraft	-	-
On bank charges	-	-
	<hr/>	<hr/>

8. INCOME TAX

XXXXXX Football Club is exempt from tax in terms of Section 12 (1) of the Income Tax Act.

NOTES TO THE FINANCIAL STATEMENTS - continued

9. INTANGIBLE ASSETS

	Player registration costs €	Other intangible assets €	Total intangible assets €
Year ended 31 December 2021			
Opening net book amount			
Additions			
Disposals	()	()	()
Amortisation for the year	()	()	()
Impairment of assets	()	()	()
Closing net book amount			
At 31st December 2021			
Cost			
Accumulated amortisation	()	()	()
Net book amount			
At 31st December 2020			
Cost			
Accumulated amortisation	()	()	()
Net book amount			

XXXXX Football Club
Annual Financial Statements for the year ended 31 December 2021

NOTES TO THE FINANCIAL STATEMENTS - continued

10. INTANGIBLE ASSETS (continued)

PLAYER IDENTIFICATION TABLE

	Date of Birth	Start Date of Contract	End Date of Contract	Cost of Registration	Amortisation at 01 Jan 2021	Amortisation for the year	Amortisation at 31 Dec 2021	Disposal (cost)	Disposal (amortisation)	Closing net book value
				€	€	€	€	€	€	€
Financial year ended 31/12/21										
Name of player	__/__/__	__/__/__	__/__/__							
Name of player	__/__/__	__/__/__	__/__/__							
Name of player	__/__/__	__/__/__	__/__/__							
Name of player	__/__/__	__/__/__	__/__/__							
Name of player	__/__/__	__/__/__	__/__/__							
Name of player	__/__/__	__/__/__	__/__/__							
Name of player	__/__/__	__/__/__	__/__/__							
Balance at 31 Dec 2021										

During the period under review the following players were sold at the profit/ (loss) as stated below:

		€
Name of player	Date transferred	-
Name of player	Date transferred	-
Total for year		<u>-</u>

XXXXX Football Club
Annual Financial Statements for the year ended 31 December 2021

NOTES TO THE FINANCIAL STATEMENTS - continued

11. TANGIBLE FIXED ASSETS

	Land and buildings	Office equipment	Right of use assets	Motor vehicles	Fixtures and furnishings	Total
	€	€	€	€	€	€
Year ended 31 December 2021						
Opening net book amount	-	-	-	-	-	-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Depreciation charge	-	-	-	-	-	-
Depreciation released on disposals	-	-	-	-	-	-
Closing net book amount	-	-	-	-	-	-
At 31 December 2021						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Net book amount	-	-	-	-	-	-
At 31 December 2020						
Cost	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-
Net book amount	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. FINANCIAL ASSETS

[INSERT DETAILS AS APPLICABLE]

13. STOCKS

	2021	2020
	€	€
Merchandising goods	-	-
Other stocks	-	-
	<hr/>	<hr/>
	-	-

14. RECEIVABLES

	2021	2020
	€	€
Dues in relation to player transfers	-	-
Amounts owed from related parties	-	-
Prepayments	-	-
Other debtors	-	-
	<hr/>	<hr/>
	-	-

Debtors are stated net of provision for bad debts amounting to €xx (2020: €xx). During the year, the Club has written off bad debts amounting to €xx (2020: €xx).

Amounts due from related parties are unsecured. Interest-free and collectible upon demand.

15. INTEREST BEARING BORROWINGS

	2021	2020
	€	€
Falling due after more than one year		
Bank loans	<hr/>	<hr/>
	-	-
Falling due within one year		
Bank loans	-	-
Bank overdraft	-	-
	<hr/>	<hr/>
	-	-
Total borrowings	<hr/>	<hr/>
	-	-

NOTES TO THE FINANCIAL STATEMENTS - continued

15. INTEREST BEARING BORROWINGS (continued)

The Club has bank facilities of €_____. The bank overdraft and bank loans are secured by _____.

The average interest rates on the Club's borrowings were as follows:

	2021	2020
	%	%
Bank overdraft	-	-
Bank loan	-	-
	<hr/>	<hr/>

Maturity of borrowings following due after more than one year:

	2021	2020
	€	€
Between 1 to 2 years	-	-
Between 2 and 5 years	-	-
Over 5 years	-	-
	<hr/>	<hr/>
Total borrowings	<hr/> -	<hr/> -

16. OTHER LIABILITIES

	2021	2020
	€	€
Falling due after one year		
Creditors in relation to player transfers	-	-
Players' dues	-	-
Amount owed to related parties (note i)	-	-
Other creditors	-	-
Indirect tax and social security contributions	-	-
Provisions	-	-
Accruals and deferred income	-	-
	<hr/>	<hr/>
	<hr/> -	<hr/> -

Amounts due to related parties are *[insert details as applicable - security, interest, and repayment]*.

[Insert other details as applicable - security, interest, and repayment].

NOTES TO THE FINANCIAL STATEMENTS - continued

17. TRADE AND OTHER LIABILITIES

	2021	2020
	€	€
Falling due within one year		
Creditors in relation to player transfers	-	-
Players' dues	-	-
Amount owed to related parties	-	-
Other creditors	-	-
Indirect tax and social security contributions	-	-
Provisions	-	-
Accruals and deferred income	-	-
	<hr/>	<hr/>
	<hr/>	<hr/>

Amounts due to related parties are unsecured, interest free and repayable on demand.

[Insert other details as applicable - security, interest, and repayment]

18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and balance with banks. Cash and cash equivalents included in the cash flow statement reconcile to the balance sheet amounts as follows:

	2021	2020
	€	€
Cash at bank and in hand	-	-
	<hr/>	<hr/>

19. CAPITAL COMMITMENTS

	2021	2020
	€	€
Authorised but not contracted for	-	-
	<hr/>	<hr/>

20. CONTINGENT LIABILITIES

At the balance sheet date, the Club had a contingent liability amounting to €_____ in respect of claims by the _____.

The Club's lawyers are reasonably confident that the Club will not suffer liabilities. In view of this, the Committee Members have not recognised these amounts as a liability.

Judgment is expected by _____.

NOTES TO THE FINANCIAL STATEMENTS - continued

21. RELATED PARTIES

Loans from Committee Members

The Club took out a loan from _____. The amount due to the member is unsecured, bears no interest and has no fixed date for repayment. The outstanding balance on this loan is shown with other creditors in Note ____.

Loans from related parties

The Club took out a loan from _____, a related party. The amount due to the related party is unsecured, bears no interest and has no fixed date for repayment.

The outstanding balance on this loan is shown with other creditors in Note ____.

Other transactions with other related parties

The following transactions with related parties were also conducted:

(A description of related party transactions during the year under review and the comparative period must be included here)

Outstanding balances with other related parties on these transactions are shown with debtors in Note xx.

22. FINANCIAL RISK MANAGEMENT

At year-end, the Club's main financial assets on the statement of financial position comprised (PLEASE INSERT – FOR EXAMPLE: cash at banks, trade and other receivables). The Club had no off-balance sheet financial assets.

At year-end, the Club's main financial liabilities on the statement of financial position consisted of (PLEASE INSERT – FOR EXAMPLE: trade and other payables and borrowings). The Club had no off-balance sheet financial liabilities.

Exposure to credit, liquidity and currency risks arise in the normal course of the Club's business. The Club is not significantly exposed to interest rate risk since it does not have borrowings which are subject to fluctuating interest rates.

Timing of cash flows

The presentation of the financial assets and liabilities listed under the current and non-current headings within the statement of financial position is intended to indicate the timing in which cash flows will arise.

NOTES TO THE FINANCIAL STATEMENTS - continued

22. FINANCIAL RISK MANAGEMENT (continued)

Capital risk management

The Club manages its capital to ensure that it will be able to continue as a going concern.

The capital structure of the Club consists of retained earnings and other reserves as disclosed in Note xx to these financial statements and in the statement of changes in equity, respectively.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial assets which potentially subject the Club to concentrations of credit risk consist principally of (PLEASE INSERT – FOR EXAMPLE: trade and other receivables and cash at banks).

The credit risk relating to cash at financial institutions is considered to be low in view of the committee Members' policy of placing it with reputable financial institutions. Carrying amounts for receivables are stated net of the expected credit loss allowance.

The credit quality of the Club's financial assets is viewed by the Committee Members as neither past due nor impaired considering the collectability of debts and the credit history of the counter parties.

Liquidity risk

Liquidity risk arises in the general funding of the Club's activities and in the management of positions. It includes the risk that obligations cannot be met as and when they fall due. In this year of operation, the Club has raised funds mainly from operations. Liquidity risk is managed by maintaining significant levels of liquid funds and identifying and monitoring changes in funding required to meet operational goals driven by the Committee Members.

Foreign currency risk

The Club is not significantly exposed to foreign currency risk on payments of expenses and collection of receivables since the Club operates primarily in Euro.

Fair values

The carrying amounts of cash at banks, trade and other receivables and trade and other payables approximated their fair values due to their short-term maturities.

23. FIRST-TIME ADOPTION OF IFRS AS ADOPTED BY THE EU

As explained in Note 1, the Club adopted IFRS as adopted by the EU for the first time in these financial statements. The date of transition to IFRS as adopted by the EU is 1 January 2020. The accounting policies applied by the Club upon transition to IFRS as adopted by the EU were consistent with those applied under GAPSME. As a result, the transition to IFRS as adopted by the EU had no effect on the Club's reported financial position and financial performance.

(this note is to be amended accordingly if the transition resulted in changes).

NOTES TO THE FINANCIAL STATEMENTS - continued

24. MINIMUM DISCLOSURES

These financial statements include the minimum disclosure requirements in accordance with current licence regulations. Where amounts relating to such minimum disclosures were nil, no disclosure was made in the financial statements.