



Albanian Football Association

Albanian Football Association's Club Licensing Regulations for participation in UEFA Club Competitions

Edition 2019

PREAMBLE

Based on Articles 34 & 52 of the AFA Statutes, the following regulations have been adopted:

PART I. GENERAL PROVISIONS

Article 1 – Scope of application

- 1 These regulations apply to all Albanian clubs willing to enter the UEFA club competitions..
- 2 These regulations govern the rights, duties and responsibilities of all parties involved in the AFA club licensing system and define in particular:
 - a) the minimum requirements to be fulfilled by the Albanian Football Association (AFA) in order to act as the licensor for its clubs, as well as the minimum procedures to be followed by the licensor in its assessment of the club licensing criteria (chapter 1);
 - b) the licence applicant and the licence required to enter the UEFA club competitions (UEFA Licence) (chapter 2);
 - c) the minimum sporting, infrastructure, personnel and administrative, legal and financial criteria to be fulfilled by a club in order to be granted the UEFA Licence by AFA as part of the admission procedure to enter the UEFA club competitions (chapter 3).

Article 2 – Objectives

- 1 These regulations aim:
 - a) to further promote and continuously improve the standard of all aspects of football in Albania and to give continued priority to the training and care of young players in every club;

- b) to ensure that clubs have an adequate level of management and organisation;
- c) to adapt clubs' sporting infrastructure to provide players, spectators and media representatives with suitable, well-equipped and safe facilities;
- d) to protect the integrity and smooth running of the UEFA club competitions;
- e) to allow the development of benchmarking for clubs in financial, sporting, legal, personnel, administrative and infrastructure-related criteria throughout Albania;
- f) to improve the economic and financial capability of the clubs, increasing their transparency and credibility;
- g) to place the necessary importance on the protection of creditors and to ensure that clubs settle their liabilities with employees, social/tax authorities and other clubs punctually; and
- h) to introduce more discipline and rationality in club football finances.

Article 3 – Definition of terms

1 For the purpose of these regulations, the following definitions apply:

Administration procedures	A voluntary or mandatory process that may be used as an alternative to the liquidation of an entity, often known as going into administration. The day-to-day management of the activities of an entity in administration may be operated by the administrator on behalf of the creditors.
Agent/intermediary	A natural or legal person who, for a fee or free of charge, represents players and/ or clubs in negotiations with a view to concluding an employment contract or represents clubs in negotiations with a view to concluding a transfer agreement.

Agreed-upon procedures	In an engagement to perform agreed-upon procedures, an auditor is engaged to carry out those procedures of an audit nature to which the auditor and the entity and any appropriate third parties have agreed and to report on factual findings. The recipients of the report must form their own conclusions from the report by the auditor. The report is restricted to those parties that have agreed to the procedures to be performed since others, unaware of the reasons for the procedures, may misinterpret the results.
Associate	An entity, including an unincorporated entity such as a partnership, which is neither a subsidiary nor an interest in a joint venture and over which the investor has significant influence.
Club licensing criteria	Requirements, divided into five categories (sporting, infrastructure, personnel and administrative, legal and financial), to be fulfilled by a licence applicant for it to be granted the UEFA Licence.
Club Licensing Quality Standard	Document that defines the minimum requirements with which the licensor must comply to operate its club licensing system.
Club monitoring requirements	Requirements to be fulfilled by a licensee that has qualified for a UEFA club competition, with the exception of the UEFA Women’s Champions League.

Control	The power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Control may be gained by share ownership, statutes or agreement.
Costs of acquiring a player's registration	<p>Amounts paid and/or payable for the acquisition of a player's registration, excluding any internal development or other costs. They include:</p> <ul style="list-style-type: none"> - transfer fee and realized conditional transfer amounts, including training compensation and solidarity contributions, paid and/or payable to another football club and/or a third party to transfer-in the player's registration; - agents/intermediaries fees; and - other direct costs of acquiring the player's registration, e.g. transfer fee levy.
Deadline for submission of the application to the licensor (AFA)	The date by which the licensor requires its licence applicants to have submitted all relevant information for their applications for the UEFA Licence.
Event or condition of major economic importance	An event or condition that is considered material to the financial statements of the reporting entity/entities and would require a different (adverse) presentation of the results of the operations, financial position and net assets of the reporting entity/entities if it occurred during the preceding reporting period or interim period.

Future financial information	Information in respect of the financial performance and position of the club in the reporting periods ending in the years following commencement of the UEFA club competitions (reporting periods T+1 and later).
Government	Any form of government, including government agencies, departments and similar bodies, whether local or national.
Group	A parent and all its subsidiaries. A parent is an entity that has one or more subsidiaries. A subsidiary is an entity, including an unincorporated entity such as a partnership that is controlled by another entity (known as the parent).
Image rights payments	Amounts due to employees (either directly or indirectly) as a result of contractual agreements with the applicant for the right to exploit their image or reputation in relation to football and/or non-football activities.
Interim period	A financial reporting period that is shorter than a full financial year. It does not necessarily have to be a six-month period.
International Financial Reporting Standards (IFRS)	Standards and Interpretations adopted by International Accounting Board (IASB). They comprise: International Financial Standards; International Accounting Standards; and Interpretations originated by the International Financial Interpretations Committee (IFRIC) or the former Standing Committee (SIC).

Joint control	The contractually agreed sharing of control over an economic activity, which exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the ventures).
Joint venture	A contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.
Key management personnel	Persons having authority over and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly, including but not limited to any director (executive or otherwise) of the entity.
UEFA Licence	Certificate granted by the licensor confirming fulfilment of all minimum criteria by the licence applicant as part of the admission procedure for entering UEFA club competitions.
Licence applicant	Legal entity fully and solely responsible for the football first team participating in national and international club competitions which applies for the UEFA Licence.
Licensee	Licence applicant that has been granted the UEFA Licence by the licensor.
Licence season	Season for which a licence applicant has applied for/been granted the UEFA Licence. It starts the day following the deadline for submission of the list of licensing decisions by the licensor to UEFA (this deadline being, principle, 31 May) and lasts until the same deadline the following year.
Licensor	Body that operates the club licensing system, grants licences and undertakes certain tasks

	in respect of the club monitoring process. In Albania and in these regulations, the licensor is the Albanian Football Association (AFA).
List of licensing decisions	List submitted by the licensor to UEFA containing, among other things, information about the licence applicants that have undergone the licensing process and been granted or refused the UEFA Licence by the national decision-making bodies in the format established and communicated by the UEFA administration.
Materiality	Omissions or misstatements of items or information are material if they could individually or collectively influence the decisions of users taken on the basis of the information submitted by the club. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances or context. The size or nature of the item or information, or a combination of both, could be the determining factor.
Minimum criteria	Criteria to be fulfilled by a licence applicant in order to be granted the UEFA Licence.
National accounting practice	The accounting and reporting practices and disclosures required of entities in Albania.
Parties involved	Any person or entity involved in the AFA club licensing system, including the licensor, the licence applicant/licensee and any individual involved on their behalf.
Party	A person or a legal entity.
Protection from creditors	Procedures pursuant to laws or regulations whose objectives are to protect an entity from creditors, rescue insolvent entities and allow

them to carry on running their business as a going concern. This process encompasses administration procedures and other insolvency proceedings (that might result in a compromise with creditors, bankruptcy or liquidation).

Reporting entity/entities	A registered member and/or football company or group of entities or some other combination of entities which is included in the reporting perimeter and which must provide AFA with information for both club licensing and club monitoring purposes.
Reporting period	A financial reporting period ending on a statutory closing date, whether this is a year or not.
Significant change	An event that is considered material to the documentation previously submitted to the licensor and that would require a different presentation if it occurred prior to submission of the documentation.
Significant influence	<p>Ability to influence but not control financial and operating policy decision-making. Significant influence may be gained by share ownership, statute or agreement.</p> <p>For the avoidance of doubt, a party or in aggregate parties with the same ultimate controlling party (excluding AFA & UEFA, a AFA member association and an affiliated league) is deemed to have significant influence if it provides within a reporting period an amount equivalent to 30% or more of the licensee's total revenue.</p>
Stadium	The venue for a competition match including, but not limited to, all surrounding properties and facilities (for example offices, hospitality

	areas, press centre and accreditation centre).
Statutory closing date	The annual accounting reference date of a reporting entity.
Supplementary information	<p>Financial information to be submitted to the licensor in addition to the financial statements if the minimum requirements for disclosure and accounting are not met.</p> <p>The supplementary information must be prepared on a basis of accounting, and accounting policies, consistent with the financial statements. Financial information must be extracted from sources consistent with those used for the preparation of the annual financial statements. Where appropriate, disclosures in the supplementary information must agree with, or be reconciled to, the relevant disclosures in the financial statements.</p>

2 In these regulations, the use of the masculine form refers equally to the feminine.

- e) Financial resources (available budget, contribution by licence applicant, players or local community, etc.);
 - f) Football education programme for the different age groups (playing skills, technical, tactical and physical);
 - g) Education programmes (Laws of the Game; anti-doping; integrity; anti-racism)
 - h) Medical support for youth players (including maintaining medical records);
 - i) Review and feedback process to evaluate the results and the achievements of the set objectives;
 - j) Validity of the programme (at least three years but maximum seven).
- 3 The licence applicant must further ensure that:
- a) every youth player involved in its youth development programme has the possibility to follow mandatory school education in accordance with national law; and
 - b) no youth player involved in its youth development programme is prevented from continuing his non-football education.

Article 17 – Youth teams

- 1 The licence applicant must at least have the following youth teams within its legal entity, another legal entity included in the reporting perimeter or a club affiliated to its legal entity:
- a) At least two youth teams within the age range of 15 to 19;
 - b) At least one youth team within the age range of 10 to 14;
 - c) At least one under-10 team.
- 2 Each youth team, except of the under-10s, must take part in official competitions or programmes played at national, regional or local level and recognised by AFA.

Article 18 – Medical care of players

- 1 The licence applicant must establish and apply a policy to ensure that all players eligible to play for its first squad undergo a yearly medical examination in accordance with the relevant provisions of the *UEFA Medical Regulations*.
- 2 The licence applicant must establish and apply a policy to ensure that all players above the age of 12 undergo a yearly medical examination in accordance with the relevant provisions defined by its licensor in line with its domestic legislation.

Article 19 – Registration of players

All the licence applicant's players, including youth players above the age of 10, must be registered with AFA in accordance with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

Article 20 – Written contract with professional players

All licence applicants' professional players must have a written contract with the licence applicant in accordance with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

Article 21 – Refereeing matters and Laws of the Game

- 1 The licence applicant must attend a session or an event on refereeing matters provided by AFA or with its collaboration during the year prior to the licence season.
- 2 As a minimum, the first squad captain (or his replacement) and the first squad head coach (or the assistant head coach) must attend this session or event.

Article 22 – Racial equality and anti-discrimination practice

The licence applicant must establish and apply a policy to tackle racism and discrimination in football in line with UEFA's 10-point plan on racism as defined in the *UEFA Safety and Security Regulations*.

Article 22 bis – *Child protection and welfare*

The licence applicant must establish and apply measures, in line with any relevant AFA & UEFA guidelines, to protect, safeguard and ensure the welfare of youth players and ensure they are in a safe environment when participating in activities organised by the licence applicant.

INFRASTRUCTURE CRITERIA

Article 23 – Stadium for UEFA club competitions

- 1 The licence applicant must have a stadium available for UEFA club competitions which must be within the territory of AFA and approved by AFA.
- 2 If the license applicant is not the owner of the stadium, it must provide a written contract with the owner(s) of the stadium(s) it will use.
- 3 It must be guaranteed that the stadium(s) can be used for the licence applicant's UEFA home matches during the licence season.
- 4 The stadium(s) must fulfil the minimum requirements defined in the *UEFA Stadium Infrastructure Regulations* and be classified at least as a UEFA category 2 stadium.

Article 24 – Training facilities – Availability

- 1 The licence applicant must have training facilities available throughout the year.

Article 27 – General manager

The licence applicant must have appointed a general manager who is responsible for running its operative matters.

Article 28 – Finance officer

- 1 The licence applicant must have appointed a qualified finance officer who is responsible for its financial matters.
- 2 The finance officer must hold as a minimum one of the following qualifications:
 - a) Diploma of certified public accountant;
 - b) Diploma of qualified auditor;
 - c) Finance officer diploma issued by the licensor or an organisation recognised by the licensor.

Article 29 –Media officer

- 1 The licence applicant must have appointed a qualified media officer who is responsible for media matters.
- 2 The media officer must hold as a minimum one of the following qualifications:
 - a) Diploma in journalism;
 - b) Media officer diploma issued by AFA or an organisation recognised by AFA;
 - c) “Recognition of competence” issued by AFA, based on practical experience of at least three years in such matters.

Article 30 – Medical doctor

- 1 The licence applicant must have appointed at least one doctor who is responsible for medical support during matches and training as well as for doping prevention.
- 2 The qualification of the medical doctor must be recognized by the appropriate national health authorities.
- 3 He must be duly registered with AFA.

Article 31 – Physiotherapist

- 1 The licence applicant must have appointed at least one physiotherapist who is responsible for medical treatment and massages for the first squad during training and matches.
- 2 The qualification of the physiotherapist must be recognised by the Ministry of Education and by the Albanian Medics Order.
- 3 He must be duly registered with AFA.

Article 31bis – Youth teams medic

The licence applicant must have appointed at least one doctor or physiotherapist recognised as such by the Ministry of Education and by the Albanian Medics Order.

Article 32 –Security officer

- 1 The licence applicant must have appointed a qualified security officer who is responsible for safety and security matters.
- 2 The security officer must hold as a minimum one of the following qualifications:

Article 40 –Rights and duties

The rights and duties of the personnel defined in Articles 28 to 39 above must be defined in writing.

Article 41 –Duty of replacement during the season

- 1 If a function defined in Articles 27 to 38 becomes vacant during the licence season, the licensee must ensure that, within a period of a maximum of 60 days, the function is taken over by someone who holds the required qualification.
- 2 In the event that a function becomes vacant due to illness or accident, the licensor may grant an extension to the 60-day period only if reasonably satisfied that the person concerned is still medically unfit to resume his duties.
- 3 The licensee must promptly notify the licensor of any such replacement.

LEGAL CRITERIA

Article 42 – Declaration in respect of participation in UEFA club competitions

1. The licence applicant must submit a legally valid declaration confirming the following:
 - a) It recognises as legally binding the statutes, regulations, directives and decisions of FIFA, UEFA, AFA as well as the jurisdiction of the Court of Arbitration for Sport (CAS) in Lausanne as provided in the relevant articles of the UEFA Statutes;
 - b) At national level it will play in competitions recognised and endorsed by AFA;

- c) At international level it will participate in competitions recognised by UEFA and FIFA (to avoid any doubt, this provision does not relate to friendly matches);
 - d) It will promptly inform AFA about any significant change, event or condition of major economic importance;
 - e) It will abide by and observe the club licensing regulations of the licensor;
 - f) It will abide by and observe the UEFA Club Licensing and Financial Fair Play Regulations;
 - g) Its reporting perimeter is defined in accordance with Article 45bis;
 - h) It will be accountable for any consequences of an entity included in the reporting perimeter not abiding by and observing items e) and f) above;
 - i) All submitted documents are complete and correct;
 - j) It authorises the AFA club licensing administration and national club licensing bodies and UEFA to examine any relevant document and seek information from any relevant public authority or private body in accordance with national law;
 - k) It acknowledges that UEFA reserves the right to execute compliance audits at national level.
- 2 The declaration must be executed by an authorised signatory of the licence applicant no more than three months prior to the deadline for its submission to AFA.

Article 43 – Minimum legal information

- 1 The licence applicant must submit a copy of its current, valid statutes (e.g. company act).
- 2 The licence applicant must further submit an extract from National Registration Centre (NRC) or a Certification by the Court on active status of the applicant containing the following minimum information:

- a) Complete legal name;
- b) Address of headquarters;
- c) Legal form;
- d) List of authorised signatories;
- e) Type of required signature (e.g. individual, collective).

Article 44 – Written contract with a football company

- 1 If the licence applicant is a football company as defined in Article 11(1) (b), it must provide a written contract of assignment with a registered member.
- 2 The contract must stipulate the following, as a minimum:
 - a) The football company must comply with the applicable statutes, regulations, directives and decisions of FIFA, UEFA and AFA.
 - b) The football company must not further assign its right to participate in a competition at national or international level.
 - c) The right of this football company to participate in such a competition ceases to apply if the assigning club’s membership of the association ceases.
 - d) If the football company is put into bankruptcy or enters liquidation, this is deemed to be an interruption of membership or contractual relationship within the meaning of Article 11. For the sake of clarity, should the UEFA Licence have already been granted to the football company, then it cannot be transferred from the football company to the registered member.
 - e) AFA must be reserved the right to approve the name under which the football company participates in the national competitions.
 - f) The football company must, at the request of the competent national arbitration tribunal or CAS, provide views, information, and documents on matters regarding the football company’s participation in the national and/or international competition.

- 3 The contract of assignment and any amendment to it must be approved by AFA.

Article 45 – Legal group structure and ultimate controlling party

- 1 The licence applicant must provide the licensor with information on its legal group structure at the statutory closing date prior to the deadline for the submission of the application to the licensor. It must be presented in a chart and duly approved by management. The licensor must be informed of any changes there may have been to the legal group structure during the period between the statutory closing date and the submission of the chart to the licensor.
- 2 This document must clearly identify and include information on:
 - a) the licence applicant and, if different, the registered member;
 - b) any subsidiary of the licence applicant and, if different, the registered member;
 - c) any associate entity of the licence applicant and, if different, the registered member;
 - d) any direct or indirect controlling entity of the licence applicant, up to and including the ultimate controlling party;
 - e) any party that has 10% or greater direct or indirect ownership of the licence applicant, or 10% or greater voting rights;
 - f) any party with a significant influence over the licence applicant;
 - g) any other football club, in respect of which any of the parties identified in (a) to (f) or any of their key management personnel have any ownership interest, voting rights, and/or any involvement or influence whatsoever in relation to the governance of its financial and operating policies.

The reporting perimeter as defined in Article 45bis must also be clearly identified in the document.

- 3 If deemed relevant the licensor may request the licence applicant to provide additional information other than that listed above (e.g. information about any subsidiaries and/or associates of the ultimate controlling entity and/or direct controlling entity).
- 4 The following information must be provided in relation to all entities included in the legal group structure:
 - a) Name of legal entity;
 - b) Type of legal entity;
 - c) Main activity of legal entity;
 - d) Percentage of ownership interest (and, if different, percentage of voting power held).

For any subsidiary of the licence applicant and, if different, the registered member, the following information must also be provided:

- e) Share capital;
- f) Total assets;
- g) Total revenues;
- h) Total equity.

FINANCIAL CRITERIA

Article 45bis – Reporting entity/entities and reporting perimeter

- 1 The licence applicant determines and provides to the licensor the reporting perimeter, i.e. the entity or combination of entities in respect of which financial information (e.g. single entity, consolidated or combined financial statements) has to be provided in accordance with Annex VI and assessed in accordance with Annex VI.
- 2 The reporting perimeter must include:
 - a) the licence applicant and, if different, the registered member;
 - b) any subsidiary of the licence applicant and, if different, the registered member;

- c) any other entity included in the legal group structure which generates revenues and/or performs services and/or incurs costs in respect of the football activities defined in paragraph 3 c) to j) below;
 - d) any entity, irrespective of whether it is included in the legal group structure, which generates revenues and/or performs services and/or incurs costs in respect of football activities as defined in paragraph 3 a) and b) below.
- 3 Football activities include:
- a) employing/engaging personnel (as defined in Article 49) including payment of all forms of consideration to employees arising from contractual or legal obligations;
 - b) acquiring/selling players' registrations (including loans);
 - c) ticketing;
 - d) sponsorship and advertising;
 - e) broadcasting;
 - f) merchandising and hospitality;
 - g) club operations (e.g. administration, matchday activities, travel, scouting, etc.);
 - h) financing (including financing secured or pledged against the assets of the licence applicant);
 - i) use and management of stadium and training facilities;
 - j) women's football;
 - k) youth sector.
- 4 An entity may be excluded from the reporting perimeter only if:
- a) its activities are entirely unrelated to the football activities defined in paragraph 3 above and/or the locations, assets or brand of the football club; or
 - b) it is immaterial compared with all the entities that form the reporting perimeter and it does not perform any of the football activities defined in paragraph 3 a) and b) above; or

- c) the football activities it performs are already entirely reflected in the financial statements of one of the entities included in the reporting perimeter.
- 5 The licence applicant must submit a declaration by an authorised signatory which confirms:
- a) that all revenues and costs related to each of the football activities indicated in paragraph 3 have been included in the reporting perimeter and provide a detailed explanation should this not be the case; and
 - b) whether any entity included in the legal group structure has been excluded from the reporting perimeter, justifying any such exclusion with reference to paragraph 4.

Article 46 –Annual financial statements

- 1 Annual financial statements in respect of the statutory closing date prior to the deadline for submission of the application to the licensor and prior to the deadline for submission of the list of licensing decisions to UEFA (in principle, 31 May) must be prepared and submitted.
- 2 Annual financial statements must be audited by an independent auditor as defined in Annex VI.
- 3 The annual financial statements must consist of:
 - a) a balance sheet;
 - b) a profit and loss account;
 - c) a cash flow statement;
 - d) notes, comprising a summary of significant accounting policies and other explanatory notes; and
 - e) a financial review by management.
- 4 The annual financial statements must meet the minimum disclosure requirements as set out in Annex VI and the accounting principles as set out in Annex VI. Comparative figures in respect of the prior statutory closing date must be provided.

- 5 If the minimum requirements for the content and accounting as set out in paragraph 4 above are not met in the annual financial statements, then the licence applicant must prepare supplementary information in order to meet the minimum information requirements that must be assessed by an independent auditor as defined in Annex VI.

Article 46bis – *Publication of financial information*

The licence applicant must publish on its website or on the website of its licensor by the date (which cannot be later than the date of the submission of the list of licensing decision to the UEFA administration) and in the form communicated by the licensor:

- a) the total amount paid in the latest reporting period to or for the benefit of agents/intermediaries; and
- b) the last audited annual financial information assessed by the licensor.

Article 47 –*Financial statements for the interim period*

- 1 If the statutory closing date of the licence applicant is not 31 December, then additional financial statements covering the interim period must be prepared and submitted.
- 2 The interim period starts the day immediately after the statutory closing date and ends on 31 December.
- 3 Interim financial statements must be reviewed or audited by an independent auditor as defined in Annex VI.
- 4 The interim financial statements must consist of:
 - a) a balance sheet as of the end of the interim period and a comparative balance sheet as of the end of the immediately preceding full financial year;
 - b) a profit and loss account for the interim period, with comparative profit and loss accounts for the comparable interim period of the immediately preceding financial year;

- c) a cash flow statement for the interim period, with a comparative statement for the comparable interim period of the immediately preceding financial year;
 - d) specific explanatory notes.
- 5 If the licence applicant did not have to prepare interim financial statements for the comparable interim period of the immediately preceding financial year, comparative figures may refer to the figures from the financial statements of the immediately preceding full financial year.
 - 6 The interim financial statements must meet the minimum disclosure requirements as set out in Annex VI. Additional line items or notes must be included if their omission would make the interim financial statements misleading.
 - 7 The interim financial statements must follow the same accounting policies as those followed for the preparation of the annual financial statements, except for accounting policy changes made after the date of the most recent full annual financial statements that are to be reflected in the next annual financial statements – in which case details must be disclosed in the interim financial statements.
 - 8 If the minimum requirements for the content and accounting as set out in paragraphs 6 and 7 above are not met in the interim financial statements, then the licence applicant must prepare supplementary information in order to meet the minimum information requirements that must be assessed by an independent auditor as defined in Annex VI.

Article 48 –No overdue payables towards football clubs

1. The licence applicant must prove that as at 31 March preceding the licence season it has no overdue payables (as defined in Annex V) towards other football clubs as a result of transfers undertaken prior to the previous 31 December.

2. Payables are those amounts due to football clubs as a result of:
 - a. transfer activities, including any amount due upon fulfilment of certain conditions;
 - b. training compensation and solidarity contributions as defined in the FIFA Regulations on the Status and Transfer of Players;
 - c. any joint and several liability decided by a competent authority for the termination of a contract by a player.
3. The licence applicant must prepare and submit to the licensor a transfers table. It must be prepared even if there have been no transfers/loans during the relevant period.
4. The licence applicant must disclose:
 - a. all new player registrations (including loans) in the 12-month period up to 31 December, irrespective of whether there is an amount outstanding to be paid as at 31 December;
 - b. all transfers for which an amount is outstanding to be paid as at 31 December, irrespective of whether they were undertaken in the 12-month period up to 31 December or before; and
 - c. all transfers subject to a claim pending before the competent authority under national law or proceedings pending before a national or international football authority or relevant arbitration tribunal.
5. The transfers table must contain the following information as a minimum (in respect of each player transfer, including loans):
 - a. Player (identification by name and date of birth);
 - b. Date of the transfer/loan agreement;
 - c. Name of the football club that formerly held the registration;
 - d. Transfer (or loan) fee paid and/or payable (including training compensation and solidarity contribution) even if payment has not been requested by the creditor;
 - e. Other direct costs of acquiring the registration paid and/or payable
 - f. Amounts settled and payment dates;

- g. Balance payable as at 31 December in respect of each player transfer including the due date for each unpaid element;
 - h. Balance payable as at 31 March (rolled forward from 31 December) including the due date for each unpaid element, together with explanatory comment;
 - i. Conditional amounts (contingent liabilities) not yet recognised in the balance sheet as at 31 December; and
 - j. Amounts subject to any claim/proceedings pending as at 31 March.
6. The licence applicant must reconcile the total liability as per the transfers table to the figure in the financial statements balance sheet for 'Accounts payable relating to player transfers' (if applicable) or to the underlying accounting records.
7. The transfers table must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the licence applicant.

Article 49 –No overdue payables in respect of employees

1. The licence applicant must prove that as at 31 March preceding the licence season it has no overdue payables (as defined in Annex V) in respect of its employees as a result of contractual or legal obligations that arose prior to the previous 31 December.
2. Payables are all forms of consideration due in respect of employees as a result of contractual or legal obligations, including wages, salaries, image rights payments, bonuses and other benefits. Amounts payable to people who, for various reasons, are no longer employed by the licence applicant fall within the scope of this criterion and must be settled within the period stipulated in the contract and/or defined by law, regardless of how such payables are accounted for in the financial statements.
3. The term “employees” includes the following persons:
- a. All professional players according to the applicable FIFA Regulations on the Status and Transfer of Players; and

- b. The administrative, technical, medical and security staff specified in Articles 27 to 32 and 34 to 38.
4. The licence applicant must prepare and submit to the licensor an employee's table showing:
 - a. all employees who were employed at any time during the year up to 31 December; i.e. not just those who remain at 31 December;
 - b. all employees in respect of whom there is an amount outstanding to be paid as at 31 December, irrespective of whether they were employed during the year up to 31 December; and
 - c. all employees in respect of whom there is a claim pending before the competent authority under national law or proceedings pending before a national or international football authority or relevant arbitration tribunal.
5. The following information must be given, as a minimum, in respect of each employee:
 - a. Name of the employee;
 - b. Position/function of the employee;
 - c. Start date;
 - d. End date (if applicable);
 - e. The balance payable as at 31 December, including the due date for each unpaid element;
 - f. Any payable as at 31 March (rolled forward from 31 December), including the due date for each unpaid element, together with explanatory comment; and
 - g. Amounts subject to any claim/proceedings pending as at 31 March.
6. The licence applicant must reconcile the total liability as per the employees table to the figure in the financial statements balance sheet for 'Accounts payable towards employees' or to the underlying accounting records.
7. The employees table must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the licence applicant.

Article 49 bis – No overdue payables towards social/tax authorities

1. The licence applicant must prove that as at 31 March preceding the licence season it has no overdue payables (as defined in Annex V) towards social/tax authorities as a result of contractual or legal obligations in respect of its employees that arose prior to the previous 31 December.
2. The licence applicant must submit to the auditor and the licensor a social/tax table showing:
 - a. the amount payable (if any) to the competent social/tax authorities as at 31 December of the year preceding the licence season;
 - b. any claim/proceedings pending.
3. The following information must be given, as a minimum, in respect of each payable towards social/tax authorities, together with explanatory comment:
 - a. Name of the creditor;
 - b. Any payable as at 31 December, including the due date for each unpaid element;
 - c. Any payable as at 31 March (rolled forward from 31 December), including the due date for each unpaid element, together with explanatory comment and supporting evidence;
 - d. Amounts subject to any claim/proceedings pending as at 31 March; and
 - e. the financial situation every three months so that at the end of the year the situation will not be problematic.
4. The licence applicant must reconcile the total liability as per the social/tax table to the figure in the financial statements balance sheet for 'Accounts payable to social/tax authorities' or to the underlying accounting records.
5. The social/tax table must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the licence applicant.

Article 50 –Written representations prior to the licensing decision

1. Within the seven days prior to the start of the period in which the licensing decision is to be made by the First Instance Body, the licence applicant must make written representations to the licensor.
2. The licence applicant must confirm the following:
 - a. That all documents submitted to the licensor are complete and correct;
 - b. Whether or not any significant change has occurred in relation to any of the club licensing criteria;
 - c. Whether or not any events or conditions of major economic importance have occurred that may have an adverse impact on the licence applicant’s financial position since the balance sheet date of the preceding audited annual financial statements or reviewed interim financial statements (if applicable). If any events or conditions of major economic importance have occurred, the management representations letter must include a description of the nature of the event or condition and an estimate of its financial effect, or a statement that such an estimate cannot be made;
 - d. Whether or not the licence applicant (or the registered member of AFA which has a contractual relationship with the licence applicant within the meaning of Article 11) or any parent company of the licence applicant included in the reporting perimeter is seeking or has received protection from its creditors pursuant to laws or regulations within the 12 months preceding the licence season.
3. Approval by management must be evidenced by way of a signature on behalf of the executive body of the licence applicant.

Article 51 – Future financial information

1. The licence applicant must prepare and submit future financial information in order to demonstrate to the licensor its ability to continue as a going concern until the end of the licence season if it has breached any of the indicators defined in paragraph 2 below.

2. If a licence applicant exhibits any of the conditions described by indicator 1 or 2, it is considered in breach of the indicator:
 - a. Indicator 1: *Going concern*

The auditor's report in respect of the annual or interim financial statements submitted in accordance with Articles 46 and 47 includes, regarding the going concern, either a key audit matter or a qualified opinion/conclusion.
 - b. Indicator 2: *Negative equity*

The annual financial statements (including, where required, the supplementary information) submitted in accordance with Article 46 disclose a net liabilities position (negative equity) that has deteriorated relative to the comparative figure contained in the previous year's annual financial statements, or the interim financial statements submitted in accordance with Article 47 (including, where required, the supplementary information) disclose a net liabilities position (negative equity) that has deteriorated relative to the comparative figure at the preceding statutory closing date.
3. Future financial information must cover the period commencing immediately after the later of the statutory closing date of the annual financial statements or, if applicable, the balance sheet date of the interim financial statements, and it must cover at least the entire licence season.
4. Future financial information consists of:
 - a. a budgeted profit and loss account, with comparative figures for the immediately preceding financial year and interim period (if applicable);
 - b. a budgeted cash flow, with comparative figures for the immediately preceding financial year and interim period (if applicable);
 - c. explanatory notes, including a brief description of each of the significant assumptions (with reference to the relevant aspects of historic financial and other information) that have been used to prepare the budgeted profit and loss account and cash flow

statement, as well as of the key risks that may affect the future financial results.

5. Future financial information must be prepared, as a minimum, on a quarterly basis.
6. Future financial information must be prepared on a consistent basis with the audited annual financial statements and follow the same accounting policies as those applied for the preparation of the annual financial statements, except for accounting policy changes made after the date of the most recent annual financial statements that are to be reflected in the next annual financial statements – in which case details must be disclosed.
7. Future financial information must meet the minimum disclosure requirements as set out in Annex VI and the accounting principles. Additional line items or notes must be included if they provide clarification or if their omission would make the future financial information misleading.
8. Future financial information with the assumptions upon which they are based must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the reporting entity.

PART III - FINAL PROVISIONS

Article 52 – Authoritative text and language of correspondence

- 1 If there is any discrepancy in the interpretation of the English and the Albanian versions of these regulations, the English version prevails.
- 2 All correspondence between UEFA and AFA and/or the licensee must be in English and UEFA may ask AFA and/or the licensee for a certified translation of documents at their expense.

Article 53 – Annexes

All annexes to the present regulations form an integral part thereof.

Article 54 – *Compliance audits*

- 1 UEFA and/or its nominated bodies/agencies reserve the right to, at any time, conduct compliance audits of the licensor and, in the presence of the latter, of the licence applicant/licensee.
2. Compliance audits aim to ensure that the licensor, as well as the licence applicant/licensee, have fulfilled their obligations as defined in these regulations and that the UEFA Licence was correctly awarded at the time of the final and binding decision of AFA.
3. For the purpose of compliance audits by UEFA, in the event of any discrepancy in the interpretation of these regulations between the English version and the Albanian version, the English version is authoritative.

Article 55 – *Disciplinary procedures*

1. Any breach of these regulations may be dealt with by AFA.

Article 56 – Implementing provisions

1. The licensing administration will take the decisions and adopt, in the form of directives or any other written documents, the detailed provisions necessary for implementing these regulations.

Article 57 – Adoption, abrogation and entry into force

1. These regulations were adopted by the AFA Executive Committee at its meeting on 21 November 2019.
2. These regulations replace the AFA Club Licensing Regulations (Edition 2018).
3. These regulations come into force on 1st December 2019

For the AFA Executive Committee:

Armand DUKA

President

Ilir SHULKU

General Secretary

ANNEX I

EXTRAORDINARY APPLICATION OF THE UEFA CLUB LICENSING SYSTEM

1. The UEFA administration defines the necessary deadlines and the minimum criteria for the extraordinary application of the UEFA club licensing system as specified in Article 14(1) and communicates them to AFA at the latest by 31 August of the year preceding the licence season.
2. AFA must notify the UEFA administration of such extraordinary application requests in writing and stating the name of the club concerned by the deadline communicated by the UEFA administration.
3. AFA is responsible for submitting the criteria to the club concerned for the assessment for the extraordinary procedure at national level. It must also take immediate action with the club concerned to prepare for the extraordinary procedure.
4. The club concerned must provide the necessary documentary proof to AFA. AFA will assess the club against the fixed minimum standards and forward the following documentation in English to the UEFA administration by the deadline communicated by the latter:
 - a. a written request to apply for special permission to enter the corresponding UEFA club competition;
 - b. a recommendation by AFA based on its assessment (including the dates and names of the persons having assessed the club);
 - c. all documentary evidence provided by the club and AFA as requested by the UEFA administration;
 - d. any other documents requested by the UEFA administration during the extraordinary procedure.
5. The UEFA administration bases its decision on the documentation received and grants special permission to enter the UEFA club competitions if all the set criteria are fulfilled and if the club ultimately

qualifies on sporting merit. The decision will be communicated to AFA, which has to forward it to the club concerned.

6. If such a club is eliminated on sporting merit during this extraordinary procedure, AFA has to notify the UEFA administration immediately, and this procedure is immediately terminated, without further decision. Such a terminated procedure cannot be restarted at a later stage.
7. Appeals can be lodged against decisions made by the UEFA administration in writing before the Court of Arbitration for Sport (CAS) in accordance with the relevant provisions laid down in the UEFA Statutes.

ANNEX II: DETERMINATION OF THE AUDITOR AND AUDITOR'S ASSESSMENT PROCEDURES

A. Principle

1. The auditor must be independent in compliance with the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants (see Articles 46 and 47).
2. The auditor must be a member of one of the Institute of Authorised Chartered Accountants of Albania (IEKA).

B. Assessment procedures

1. The auditor must audit the annual financial statements. The auditor's report must:
 - a. include a statement confirming that the audit was conducted in accordance with the International Standards on Auditing or relevant national auditing standards or practices where these comply with, as a minimum, the requirements of the International Standards on Auditing; and
 - b. be submitted to the licensor together with the annual financial statements to form a basis for its licensing decision.
2. The auditor must, as a minimum, review the interim financial statements. The auditor's report must:
 - a. include a statement confirming that the review was conducted in accordance with either the International Standard on Review Engagements (ISRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', or relevant national standards or practices for such reviews where these comply with, as a minimum, the requirements of ISRE 2410; and

- b. be submitted to the licensor together with the interim financial statements to form a basis for its licensing decision.
- 3. The auditor must assess supplementary information, if any. The auditor's report of factual findings must:
 - a. include a statement confirming that the assessment was conducted by way of agreed-upon procedures according to the International Standard on Related Services (ISRS) 4400 or relevant national standards or practices where these comply with, as a minimum, the requirements of ISRS 4400; and
 - b. be submitted to the licensor together with the supplementary information to form a basis for its licensing decision.
- 4. Financial information other than that defined in paragraphs 1 to 3 above may be assessed by an auditor. In this case, the auditor's report must:
 - a. include a statement confirming that the assessment was conducted either:
 - i. by way of agreed-upon procedures according to the International Standard on Related Services (ISRS) 4400 or relevant national standards or practices where these comply with, as a minimum, the requirements of ISRS 4400; or
 - ii. for the assessment of future financial information (if applicable), according to the International Standards for Assurance Engagements (ISAE) 3400 or relevant national standards or practices where these comply with, as a minimum, the requirements of ISAE 3400; and
 - b. be submitted to the licensor together with the relevant documentation to form a basis for its licensing decision.

ANNEX III: MINIMUM DISCLOSURE REQUIREMENTS FOR THE FINANCIAL STATEMENTS

A. Principle

- 1 Not with standing the requirements of national accounting practice, the International Financial Reporting Standards or the International Financial Reporting Standard for Small and Medium-sized Entities, the financial criteria of these regulations require licence applicants to present a specific minimum level of financial information to the licensor as set out in Articles 46, 47 and 51.
2. Each component of the financial statements must be identified clearly. The following information must be displayed prominently, and repeated where necessary within the financial statements, for a proper understanding of the information presented:
 - a The name (and legal form), domicile and business address of the reporting entity/entities and any change in that information since the previous statutory closing date;
 - b Whether the financial information covers the individual licence applicant or a group of entities or some other combination of entities, and a description of the structure and composition of any such group or combination;
 - c. The statutory closing date and the period covered by the financial information (for both current and comparative information); and
 - d. The presentation currency.

B. Balance sheet

- 1 The minimum disclosure requirements for balance sheet items are stated below. Assets
 - a. cash and cash equivalents
 - b. accounts receivable from player transfers (current and non-current)

- c. accounts receivable from group entities and other related parties (current and non-current)
- d. other current accounts receivable
- e. tax assets (current and non-current)
- f. inventories
- g. other assets (current and non-current)
- h. tangible fixed assets
- i. intangible assets – players
- j. intangible assets – other
- k. investments

Liabilities

- l. bank overdrafts
- m. bank and other loans (current and non-current)
- n. accounts payable to group entities and other related parties (current and non-current)
- o. accounts payable relating to player transfers (current and non-current)
- p. accounts payable to employees (current and non-current)
- q. accounts payable to social/tax authorities (current and non-current)
- r. accruals and deferred income (current and non-current)
- s. other tax liabilities (current and non-current)
- t. other current accounts payable
- v. provisions (short-term and long-term)
- w. other liabilities (current and non-current)

Net assets/liabilities

- x. net assets/liabilities

Equity

- u. share/fund capital
 - y. retained earnings
 - z. other reserves
- 2 Management may consider that line items are best presented on the face of the balance sheet or in the notes.
- 3 The net assets/liabilities figure, being the aggregate of total assets less total liabilities, is used to determine whether or not the licence applicant is in breach of indicator 2 described in Article 51.

C. Profit and loss account

1. The minimum disclosure requirements for the profit and loss account are stated below.

Revenue

- a. gate receipts
- b. sponsorship and advertising
- c. broadcasting rights
- d. commercial
- e. UEFA solidarity and prize money
- f. other operating income
- g. total revenue

Expenses

- h. cost of sales/materials
- i. employee benefits expenses (players and other employees)
- j. depreciation and impairment of tangible fixed assets
- k. amortisation and impairment of other intangible assets (excluding player registrations)
- l. other operating expenses

m. total operating expenses

Player transfers:

- n. amortisation and impairment of intangible assets - player registrations or costs of acquiring player registrations
- o. profit/loss on disposal of intangible assets - player registrations or income from the disposal of player registrations
- p. total net result from player transfers.

Other

- q. profit/loss on disposal of tangible fixed assets
- r. finance income and expense
- s. non-operating income/expense
- t. tax income/expense
- v. profit or loss after taxation

2. Management may consider that line items are best presented on the face of the profit and loss account or in the notes.

D. Cash flow statement

- 1. The cash flow statement must report cash flows for the financial period, classified separately as stated below.

Cash flow from operating activities

Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities. Therefore, they generally result from the transactions and other events that enter into the determination of net profit or loss. The minimum disclosure requirements are stated below:

- a. Net cash inflow/outflow from operating activities

Cash flows from investing activities

Investing activities are the acquisition and disposal of long-term assets (including player registrations) and other investments not included in cash equivalents. The entity must report separately major classes of gross cash receipts and gross cash payments arising from investing activities. The minimum disclosure requirements are stated below:

- b. Cash inflow/outflows from acquisition/disposal of player registrations
- c. Cash inflow/outflows from acquisition/disposal of tangible fixed assets
- d. Other cash inflow/outflows from investing activities

Cash flows from financing activities

Financing activities are activities that result in changes in the size and composition of the contributed equity share capital and borrowings of the entity. The entity must report separately major classes of gross cash receipts and gross cash payments arising from financing activities. The minimum disclosure requirements are stated below:

- e. Cash inflow/outflows from borrowings – shareholders and related party
- f. Cash inflow/outflows from borrowings – financial institutions
- g. Cash inflow from increase of capital/equity
- h. Cash outflows from dividends paid to owners/shareholders
- i. Other cash inflow/outflows from financing activities

Other cash flows

Cash flows from interest and dividends received and paid must each be disclosed separately. Each must be disclosed in a consistent manner from period to period as either operating, investing or financing

activities.

Cash flows arising from taxes on income must be disclosed separately and classified as cash flows from operating activities unless they can be appropriately and specifically identified as financing and investing activities.

2. The components of cash and cash equivalents must be disclosed and a reconciliation of the amounts in the cash flow statement presented, with the equivalent items reported in the balance sheet.

E. Notes to the financial statements

1. Notes to the annual financial statements must be presented in a systematic manner. Each item on the face of the balance sheet, profit and loss account and cash flow statement must be cross-referenced to any related information in the notes. The minimum requirements for disclosure in notes are as follows:

a. Accounting policies

The basis of preparation of the financial statements and a summary of the significant accounting policies used.

b. Tangible fixed assets

Each class of tangible fixed asset must be disclosed separately (e.g. property, stadium and equipment, right-of-use assets).

The following information must be disclosed for each class of tangible fixed asset:

- I. the gross carrying amount and the accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period; and
- II. a reconciliation of the carrying amount at the beginning and the end of the period, showing additions, disposals, increases or decreases during the period resulting from revaluations, impairment losses recognised in the profit and loss account during the period (if any), impairment losses reversed in the profit and

loss account during the period (if any) and depreciation.

The depreciation methods and useful lives (or depreciation rates) used must be disclosed in the accounting policy notes.

c. Intangible assets

Each class of intangible asset must be disclosed separately (e.g. player registrations, goodwill, other intangible assets).

The following information must be disclosed for each class of intangible asset:

- I. the gross carrying amount and the accumulated amortisation (aggregated with accumulated impairment losses) at the beginning and end of the period; and
- II. a reconciliation of the carrying amount at the beginning and the end of the period, showing additions, disposals, decreases during the period resulting from impairment losses recognised in the profit and loss account during the period (if any) and amortisation.

For further information in relation to accounting requirements for player registrations, refer to Annex IV.

d. Pledged assets and assets under reservation of title

The existence and amounts of restrictions on title, and property, stadium and equipment pledged as security for liabilities or guarantees, must be disclosed.

The existence and carrying amounts of intangible assets whose title is restricted and the carrying amount of intangible assets pledged as security for liabilities must be disclosed.

e. Investments

Investments must include investments in subsidiaries, jointly controlled entities and associates. In respect of investments in subsidiaries, jointly controlled entities and associates, the following information must be disclosed as a minimum for each investment:

- I. name;
- II. country of incorporation or residence;
- III. type of business/operations of the entity;
- IV. proportion of ownership interest;
- V. if different, proportion of voting power held; and
- VI. description of the method used to account for the investments.

f. Bank overdrafts and loans

For each class of financial liability the following must be disclosed:

- I. information about the extent and nature of the financial instruments, including amounts and duration and any significant terms and conditions that may affect the amount, timing and certainty of future cash flows; and
- II. the accounting policies and methods adopted, including the criteria for recognition and the basis of measurement applied.

g. Provisions

Provisions must be disclosed in separate classes. In determining which provisions may be aggregated to form a class, it is necessary to consider whether the nature of the items is sufficiently similar to be combined in a statement of a single amount.

For each class of provision, the carrying amount at the beginning and end of the period, the amount utilised and any amount released, or credited, in the period must be disclosed.

h. Issued capital and reserves

Share capital, other reserves and retained earnings must be disclosed separately.

I. Share/fund capital

In relation to share capital issued during the current year the following must be disclosed:

- number and type of shares issued;
- share premium (if applicable) arising on the shares issued;
- total amount raised as a result of the issuing of shares;
- reason for the issuing of new shares.

II. Other reserves

Where items of property, stadium and equipment are stated at revalued amounts, the revaluation surplus, indicating the change for the period and any restrictions on the distribution of the balance to shareholders, must be disclosed.

III. Retained earnings

The balance of retained earnings (i.e. accumulated profit or loss) at the beginning of the reporting period and at the balance sheet date, and the changes during the reporting period, must be disclosed.

i. Controlling party

When the reporting entity is controlled by another party, the related party relationship and the name of that party must be disclosed and, if different, that of the ultimate controlling party. This information must be disclosed irrespective of whether any transactions have taken place between the controlling parties and the reporting entity.

j. Related party transactions

If there have been transactions between related parties during the periods covered by the financial statements, the reporting entity must disclose the nature of the related party relationship, as well as information about those transactions and outstanding balances, including commitments, necessary for an understanding of the potential effect of the relationship on the financial statements. Items of a similar nature may be disclosed in aggregate except when separate

disclosure is necessary for an understanding of the effects of related party transactions on the financial statements of the reporting entity.

As a minimum, disclosures must include for each related party:

- I. the amount and the nature of the transactions;
- II. the amount of outstanding balances, including commitments, and:
 - their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
 - details of any guarantees given or received;
- III. provisions for doubtful debts related to the amount of outstanding balances; and
- IV. the expense recognised during the period in respect of bad or doubtful debts due from related parties.

The disclosures required must be made separately for each of the following categories:

- the parent;
- entities with joint control or significant influence over the reporting entity;
- subsidiaries;
- associates;
- joint ventures in which the reporting entity is a venturer;
- key management personnel of the entity or its parent; and
- other related parties.

Confirmation that related party transactions were made on terms equivalent to those that prevail in arm's length transactions must be made if such terms can be substantiated.

k. Contingent liabilities

Unless the possibility of any outflow in settlement is remote, the reporting entity must disclose for each class of contingent liability at the statutory closing date a brief description of the nature of the

contingent liability and, where practicable:

- I. an estimate of its financial effect;
- II. an indication of the uncertainties relating to the amount or timing of any outflow; and
- III. the possibility of any reimbursement.

L. Events after the balance sheet date

Material non-adjusting events after the balance sheet date must be disclosed (the nature of the event and an estimate of its financial effect, or a statement that such an estimate cannot be made). Examples of such events are:

- I. fixed-term borrowing approaching maturity without realistic prospects of renewal or repayment;
- II. substantial operating losses;
- III. discovery of material fraud or errors that show the financial statements are incorrect;
- IV. management determining that it intends to liquidate the entity or to cease trading, or that it has no realistic alternative but to so do,
- V. player transactions where the amounts paid or received are significant;
- VI. transactions relating to property – for example, in relation to the club’s stadium.

m. Other disclosures

- I. Agents/intermediaries fees

The total amount paid in the reporting period to or for the benefit of agents/intermediaries must be disclosed.

- II. Players’ economic rights (or similar)

For any player for whom the economic rights or similar are not fully owned by the licence applicant, the name of the player and the percentage of economic rights or similar held by the licence applicant at the beginning of the period (or on acquisition of the

registration) and at the end of the period must be disclosed.

III. Tax expense

The components of tax expense must be disclosed separately. That is, the aggregate amount included in the determination of net profit or loss for the reporting period in respect of current and/or deferred tax.

IV. Miscellaneous

Any additional information or disclosure that is not presented on the face of the balance sheet, profit and loss account or cash flow statement, but is relevant to an understanding of any of those statements and/or is required to meet the minimum financial information requirements, must be disclosed.

2. Notes to the interim financial statements consist as a minimum, of:

- a. a statement that the same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements or, if those policies or methods have been changed, a description of the nature and effect of the change; and
- b. disclosure of any events or transactions that are material to an understanding of the current interim period.

F. Player identification table

1. All licence applicants must prepare and submit to the licensor a player identification table.
2. The player identification table must be provided to the auditor, which must reconcile the aggregate figures in the player identification table to the relevant figures in the balance sheet and profit and loss account in the audited annual financial statements. However, the player identification table does not need to be disclosed within the annual financial statements.

3. The minimum information to be included in the player identification table in respect of each relevant player is as follows:
 - a. Name and date of birth;
 - b. Start date of original player contract and end date of current contract;
 - c. Costs of acquiring the player's registration;
 - d. Accumulated amortisation brought forward and as at the end of the period;
 - e. Expense/amortisation in the period;
 - f. Impairment cost in the period;
 - g. Disposals (cost and accumulated amortisation);
 - h. Net book value (carrying amount);
 - i. Profit/(loss) from disposal of player's registration; and
 - j. Sell-on rights (or similar), i.e. description and (if possible) quantification of any sell-on rights to a football club that formerly held the player's registration, excluding training compensation and/or solidarity contributions.
4. Relevant players, about whom details are required in the table, are:
 - a. all players whose registration is held by the licence applicant at any time during the period and in respect of whom some direct acquisition cost has been incurred (at some point in time in the reporting period or prior periods); and
 - b. all players in respect of whom some income/profit (or loss) has been recognised (at some point in time in the reporting period).
5. For licence applicants who have restated player accounting figures to meet the accounting requirements of these regulations, these aggregate figures from the player identification table must agree with/ be reconciled to the restated figures in the supplementary information.

G. Financial review by management

1. The annual financial statements must include a financial review or commentary by management (sometimes referred to as a directors' report) that describes and explains the main features of the reporting entity's financial performance and financial position and the principal risks and uncertainties it faces.
2. The annual financial statements must also include the names of persons who were members of the executive body, or board of directors, and of the supervisory bodies of the reporting entity at any time during the year.

ANNEX IV: BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

A. Principles

1. Financial statements as defined in Articles 46 and 47 must be based on the accounting standards required by the Albanian legislation for incorporated companies – either the applicable financial reporting framework of Albania, the International Financial Reporting Standards or the International Financial Reporting Standard for Small and Medium-sized Entities – regardless of the legal structure of the licence applicant.
2. Financial statements must be prepared on the assumption that the licence applicant is a going concern, meaning it will continue in operation for the foreseeable future. It is assumed that the licence applicant has neither the intention nor the necessity to go into liquidation, cease trading or seek protection from creditors pursuant to laws or regulations.
3. The financial reporting framework, suitable as a basis for the preparation of financial statements, must contain certain underlying principles including:
 - a. fair presentation;
 - b. consistency of presentation;
 - c. accrual basis for accounting;
 - d. separate presentation of each material class of items;
 - e. no offsetting of assets and liabilities or income and expenses.
4. Notwithstanding that each licence applicant has to prepare audited annual financial statements under its own national accounting practice for incorporated companies, the International Financial Reporting Standards or the International Financial Reporting Standard for

- Small and Medium-sized Entities, these regulations include specific accounting requirements to be complied with as set out in Annex VI.
5. The licence applicant must prepare supplementary information (to be submitted to the licensor) if the accounting requirements described in this Annex are not met by the disclosures and accounting treatment in the audited annual financial statements. The supplementary information must include a restated balance sheet, profit and loss account and any associated notes to meet the requirements set out below. There must also be included a note (or notes) reconciling the results and financial position shown in the supplementary information document to those shown in the audited financial statements (that were prepared under the national accounting practice). The restated financial information must be assessed by the auditor by way of agreed-upon procedures.
 6. The financial statements must be approved by management and this must be evidenced by way of a brief statement and signature on behalf of the executive body of the reporting entity.

B. Consolidation/combination requirements

1. The financial information of all entities included in the reporting perimeter (as defined in Article 45bis) must be either consolidated or combined as if they were a single company.
2. Consolidated financial statements are the financial statements of a group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single company.
3. Combined financial statements are those that include information about two or more commonly controlled entities without information about the controlling entity.

C. Accounting requirements for the permanent transfer of a player's registration

1. Licence applicants that capitalise the costs of acquiring a player's registration as an intangible asset must apply certain minimum accounting requirements as described in paragraph 3 of this part C.
2. If a licence applicant has an accounting policy to expense the costs of acquiring a player's registration rather than capitalise them as an intangible asset, and this is permitted under its national accounting practice, it must apply the minimum accounting requirements set out below.
3. The minimum accounting requirements for licence applicants that capitalise the costs of acquiring a player's registration as an intangible asset are as follows:
 - a. The acquisition of a player's registration must be recognised in the financial statements when all significant conditions for the transfer to take place have been satisfied, i.e. it is effectively unconditional, which means that there must be a legally binding agreement between the two clubs and between the acquiring club and the player.
 - b. Only direct costs of acquiring a player's registration can be capitalised. For accounting purposes, the carrying value of an individual player must not be revalued upwards, even though management may believe market value is higher than carrying value. In addition, whilst it is acknowledged that a licence applicant may be able to generate some value from the use and/or transfer of locally trained players, for accounting purposes costs relating to an applicant's own youth sector must not be included in the balance sheet – as only the cost of players purchased is to be capitalised. All forms of consideration to and/or benefit of players (such as sign-on fees) must be treated as employee benefits expenses and not costs of acquiring a player's registration. Finance costs arising in respect of borrowings are treated as finance costs and are not costs of acquiring a player's registration even if the borrowings were obtained to help finance the acquisition of player registrations.

- c. Amortisation must begin when the player's registration is acquired. Amortisation ceases when the asset is fully amortised or derecognised (i.e. the registration is considered as being permanently transferred to another club), whichever comes first.
- d. In respect of each individual player's registration, the depreciable amount must be allocated on a systematic basis over its useful life. This is achieved by the systematic allocation of the cost of the asset as an expense over the period of the player's contract. If the period of a player's contract with the club is extended, then the intangible asset carrying value of the player's registration plus any additional directly attributable contract negotiation costs (e.g. agent/intermediary fees) are to be amortised over the extended period of the player's contract or over the remaining period of the original contract.
- e. All capitalised player values must be reviewed each year by management for impairment. If the recoverable amount for an individual player is lower than the carrying amount on the balance sheet, the carrying amount must be adjusted to the recoverable amount and the adjustment charged to the profit and loss account as an impairment cost. Each licence applicant must apply consistent accounting policies in respect of player registration costs. In exceptional circumstances when it becomes clear by the statutory closing date that:
 - i. a player will not be able to play again with the club, for example if he suffers a career-threatening injury or he is permanently unable to play professional football, then the net book value of the player's registration on the balance sheet must be fully impaired in that reporting period. The following events do not represent a cause for recognising impairment loss:
 - A player suffers an injury in a reporting period and is temporarily unable to play professional football with the club, or
 - A player suffers a decline in fitness or ability and is not selected for participation in first-team matches.

- In this regard, future wages of players suffering from a career-threatening injury or he is permanently unable to play professional football must continue to be recognised as employee benefits expenses throughout the duration of the player's contract.
- II. the management of the club is committed to permanently transfer theregistration of a player and the transfer occurs just after the statutoryclosing date, then the net book value of the player's registration on the balance sheet can be impaired if the disposal proceeds for the permanent transfer of the player's registration to the new club is lower than his net book value. The accounting principle must be disclosed in the financial statements and must be applied consistently from one accounting period to another.
- f. The profit/(loss) on the disposal of a player's registration to another club to be recognised in the profit and loss account is the difference between the disposal proceeds (net of any sales costs) and the residual carrying value of the player's registration in the balance sheet as at the date of the transfer.

The disposal of a player's registration must be recognised in the licence applicant's financial statements when all significant conditions for the transfer to take place have been satisfied, i.e. it is effectively unconditional and the risks and rewards have been transferred to the new club.

D. Accounting requirements for the temporary transfer of a player's registration

1. The minimum accounting requirements for licence applicants that have transactions in respect of the temporary transfer of a player's registration (loan) are as follows:
2. Loan fees received/paid must be reported as player transfer income/expense.

3. Loan of a player from the lender club to the new club with no obligation/option to buy
 - a. The loan fees received/receivable by the lender club, if any, must be recognised as income over the period of the loan arrangement. The lender club will continue to recognise the original costs of acquiring the player's registration as an intangible asset on its balance sheet and to allocate systematically the cost of the asset as an amortisation expense over the period of the player's contract.
 - b. The loan fees paid/payable by the new club, if any, must be recognised as an expense over the period of the loan arrangement. If the player's salary is taken over by the new club, it must be recognised as an employee benefits expense over the player's loan term.
4. Loan of a player from the lender club to the new club with an unconditional obligation to buy
 - a. The loan must be reflected by the lender club as a permanent transfer and the player's registration rights must be derecognised from its intangible assets. The proceeds from the loan and from the future permanent transfer must be recognised from the inception of the loan agreement.
 - b. The direct costs of the loan and the future permanent transfer for the new club must be recognised by the new club in accordance with the accounting requirements for permanent acquisition of a player's registration.
5. Loan of a player from the lender club to the new club with an option to buy
 - a. The transaction must be recorded as a loan by the lender club until the option is exercised by the new club. When the option is exercised, any remaining proceeds of the loan and proceeds of the future permanent transfer must be recognised in accordance with the accounting requirements for the permanent disposal of player's registration.

- b. When the option is exercised by the new club, any remaining costs of the loan and the costs of the future permanent transfer must be recognised by the new club in accordance with the accounting requirements for the permanent acquisition of a player's registration.
6. Loan of a player from the lender club to the new club with a conditional obligation to buy
- a. If a condition is considered to be virtually certain, then the player's registration must be recognised by both clubs as a permanent transfer from the inception of the loan agreement.
 - b. If the fulfilment of a condition cannot be assessed with sufficient certainty to trigger the permanent transfer from the inception of the loan, then the player's registration must be recognised first as a loan and then as a permanent transfer once the condition is met.

E. Accounting requirements for specific expense items

1. Incentive/bonus expenses for employees
- a. All forms of consideration given by an entity in exchange for service rendered by an employee, including any bonuses and incentives such as performance-related consideration, contract signing fees, and loyalty incentives, must be reported as employee benefits expenses.
 - b. Bonus and/or incentive payments that are payable in full by the club to a person with no further condition or service obligation (i.e. the club has no choice but to make the payments) must be recognised as employee benefits expenses when triggered.
 - c. Bonus and/or incentive payments that are dependent on a certain future condition being satisfied by the player and/or the club, such as a player's participation in matches and/or the club's competition performance, must be recognised as employee benefits expenses at the point in time when the condition has been satisfied or its fulfilment becomes highly probable.

- d. Incentive and/or bonus to players when entering and/or extending an employment agreement with any condition or service obligation must be recognised on a systematic basis over the relevant period.
2. Termination benefits to employees
- A club must recognise in full the expense of termination benefits to an employee when the club can no longer withdraw the offer of those benefits.

F. Accounting requirements for specific revenue items

1. Season tickets and similar revenues

Revenue in respect of season ticket sales or similar match-related sales must be recognised on a proportionate basis at the point in time when the relevant matches take place during the season.

2. Broadcasting and/or prize money revenues

- a. Revenue in respect of broadcasting rights and/or other consideration for participation in a competition which are fixed considerations must be recognised on a proportionate basis at the point in time when the relevant matches take place during the season.
- b. Revenue in respect of broadcasting rights and/or consideration for participation in a competition which are variable considerations dependent on certain conditions being satisfied by the club (such as competition performance bonuses) must be recognised at the point in time when the performance obligations are satisfied.

3. Sponsorship and commercial revenues

- a. Revenue in respect of sponsorship rights which are fixed considerations must be recognised on a proportionate basis over the period covered by the sponsorship rights contract.
- b. Revenue in respect of sponsorship rights which are variable considerations dependent on certain conditions being satisfied by the club (such as competition performance bonuses) must be recognised at the point in time when the performance obligations are satisfied.

- c. Any non-cash consideration as part of a sponsorship contract must be measured at fair value.

4. Donations and grants

- a. A donation is an unconditional gift of consideration that must be recognised as other operating income when received.
- b. Grants must not be recognised in the accounts of the club until there is reasonable assurance that the club will comply with the conditions to receive the grant and the grant will be received. Then, a grant must be recognised in profit and loss on a systematic basis over the reporting periods in which the club recognises as expenses the related costs for which the grants were intended to compensate. Therefore, grants in respect of specific expenses are recognised in profit and loss in the same reporting period(s) as the relevant expenses. Similarly, grants related to depreciable assets are recognised in profit and loss over the reporting periods and in the proportions in which depreciation expenses on those assets is recognised. A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs must be recognised in profit or loss in the period in which it becomes receivable.

ANNEX V: NOTION OF 'OVERDUE PAYABLES'

1. Payables are considered as overdue if they are not paid according to the contractual or legal terms.
2. Payables are not considered as overdue, within the meaning of these regulations, if the licence applicant (i.e. debtor club) is able to prove by 31 March (in respect of Articles 48, 49 and 49bis) that:
 - a. it has paid the relevant amount in full; or
 - b. it has concluded an agreement which has been accepted in writing by the creditor to extend the deadline for payment beyond the applicable deadline (note: the fact that a creditor may not have requested payment of an amount does not constitute an extension of the deadline); or
 - c. it has brought a legal claim which has been deemed admissible by the competent authority under national law or has opened proceedings with the national or international football authorities or relevant arbitration tribunal contesting liability in relation to the overdue payables; however, if the decision-making bodies of AFA consider that such claim has been brought or such proceedings have been opened for the sole purpose of avoiding the applicable deadlines set out in these regulations (i.e. in order to buy time), the relevant amount will still be considered as an overdue payable; or
 - d. it has contested to the competent authority under national law, the national or international football authorities or the relevant arbitration tribunal, a claim which has been brought or proceedings which have been opened against it by a creditor in respect of overdue payables and is able to demonstrate to the reasonable satisfaction of the decision-making bodies of AFA that it has established reasons for contesting the claim or proceedings which have been opened; however, if the decision-making bodies of AFA consider the reasons for contesting the claim or proceedings which

have been opened as manifestly unfounded, the amount will still be considered as an overdue payable; or

- e. it is able to demonstrate to the reasonable satisfaction of the decision-making bodies of AFA that it has taken all reasonable measures to identify and pay the creditor club(s) in respect of training compensation and solidarity contributions (as defined in the *FIFA Regulations on the Status and Transfer of Players*).

ANNEX VI: LICENSOR'S (AFA) ASSESSMENT PROCEDURES

A. Principle

The licensor defines the assessment procedures, ensuring equal treatment of all clubs applying for the UEFA Licence. It assesses the documentation submitted by the clubs, considers whether this is appropriate and determines to its reasonable satisfaction whether each criterion has been met and what further information, if any, is needed for the UEFA Licence to be granted.

The assessment processes to check compliance with the financial criteria set out in Article 9 comprise specific assessment steps that must be followed by the licensor as set out below.

B. Assessment of the auditor's report on the annual and interim financial statements

1. In respect of the annual and interim financial statements, the licensor must perform the following minimum assessment procedures:
 - a. Assess whether the reporting perimeter is appropriate for club licensing purposes.
 - b. Assess the information (annual and interim financial statements that may also include supplementary information) submitted to form a basis for its licensing decision.
 - c. Read and consider the annual and interim financial statements and the auditor's report thereon.
 - d. Address the consequences of any modifications to the auditor's report (compared to the normal form of unqualified report) and/or deficiencies compared to the minimum disclosure and accounting requirements according to paragraph 2 below.
2. Having assessed the reporting perimeter and read the auditor's report on the annual and interim financial statements, the licensor must assess these according to the items below:

- a. If the reporting perimeter does not meet the requirements of Article 46bis, the UEFA Licence must be refused.
- b. If the auditor's report has an unqualified opinion, without any modification, this provides a satisfactory basis for granting the UEFA Licence.
- c. If the auditor's report has a disclaimer of opinion or an adverse opinion, the UEFA Licence must be refused, unless a subsequent audit opinion without disclaimer of opinion or adverse opinion is provided (in relation to another set of financial statements for the same financial year that meet the minimum requirements) and the licensor is satisfied with the subsequent audit opinion.
- d. If the auditor's report has, in respect of going concern, either a key audit matter or a qualified 'except for' opinion, the UEFA Licence must be refused, unless either:
 - i. a subsequent audit opinion without going concern key audit matters or qualification is provided, in relation to the same financial year; or
 - ii. additional documentary evidence demonstrating the licence applicant's ability to continue as a going concern until at least the end of the licence season has been provided to, and assessed by, the licensor to its satisfaction. The additional documentary evidence includes, but is not necessarily limited to, the information described in Article 51 (Future financial information).
- e. If the auditor's report has, in respect of a matter other than going concern, either a key audit matter or a qualified 'except for' opinion, then the licensor must consider the implications of the modification for club licensing purposes. The UEFA Licence may be refused unless additional documentary evidence is provided and assessed to the satisfaction of the licensor. The additional evidence that may be requested by the licensor will be dependent on the reason for the modification to the audit report.
- f. If the auditor's report makes a reference to any situation defined in Article 50 paragraph 2(d), the UEFA Licence must be refused.

3. If the licence applicant provides supplementary information, the licensor must additionally assess the auditor's report on the agreed-upon procedures in respect of the supplementary information. The UEFA Licence may be refused if this includes reference to errors and/or exceptions found.

C. Assessment of overdue payables towards other clubs, employees and social/tax authorities

1. In respect of the overdue payables towards other clubs, employees and social/tax authorities, AFA may decide:
 - a. to assess itself the information submitted by the licence applicant, in which case it must perform the corresponding assessment according to paragraph 2, 3 and 4 below; or
 - b. to have independent auditors carry out the assessment procedures, in which case it must review the auditor's report and, in particular, verify that the sample selected by the auditor is satisfactory, and it may carry out any additional assessment it believes necessary, i.e. extend the sample and/or request additional documentary evidence from the licence applicant.
2. With regard to overdue payables towards other clubs, if the assessment is done by AFA, it must assess the information submitted by the licence applicant, in particular the transfers table and corresponding supporting documents, as detailed below. If the assessment is carried out by an auditor, the same minimum steps must be performed by the auditor.
 - a. Reconcile the total in the transfers table to the 'Accounts payable relating to player transfers' amount in the annual or interim financial statements as at 31 December.
 - b. Check the mathematical accuracy of the transfers table.
 - c. Select all or a sample of player transfers/loans, compare the corresponding agreements with the information contained in the transfers table and highlight the selected transfers/loans.
 - d. Select all or a sample of transfer payments, compare them with

the information contained in the transfers table and highlight the selected payments.

- e. If there is an amount due as at 31 March that concerns a transfer that occurred before 31 December of the previous year, examine that by 31 March at the latest:
 - i. an agreement has been reached; or
 - ii. a dispute/claim/proceeding has been brought or has been contested; or
 - iii. all reasonable measures have been taken.
 - f. Examine all or a selection of bank statements in support of payments.
 - g. If applicable, examine documents, including agreements with the relevant football club(s) and/or correspondence with the competent body, in support of e(i), e(ii) and/or e(iii) above.
3. With regard to overdue payables in respect of employees, if the assessment is done by the licensor, it must assess the information submitted by the licence applicant, in particular the employees table and other corresponding supporting documents, as detailed below. If the assessment is carried out by an auditor, the same minimum steps must be performed by the auditor.
- a. Obtain the employees table prepared by management.
 - b. Reconcile the total payable in the list of employees to the 'Accounts payable to employees' amount in the annual or interim financial statements as at 31 December.
 - c. Obtain and inspect all or a randomly selected sample of employee confirmation letters and compare the information to that contained in the list of employees.
 - d. If there is an amount due as at 31 March that refers to payables in respect of contractual or legal obligations in respect of its employees that arose before the previous 31 December, examine that, by 31 March at the latest:

- i. an agreement has been reached; or
 - ii. a dispute/claim/proceeding has been brought or has been contested.
 - e. Examine all or a selection of bank statements in support of payments.
 - f. If applicable, examine documents, including agreements with the relevant employee(s) and/or correspondence with the competent body, in support of the representations under d(i) and/or d(ii) above.
4. With regard to overdue payables towards social/tax authorities, if the assessment is done by the licensor, it must assess the information submitted by the licence applicant, in particular the social/tax table and other corresponding supporting documents, as detailed below. If the assessment is carried out by an auditor, the same minimum steps must be performed by the auditor.
- a. Obtain the social/tax table prepared by management.
 - b. Reconcile the total payable in the social/tax table to the 'Accounts payable to social/tax authorities' amount in the annual or interim financial statements as at 31 December.
 - c. Obtain corresponding supporting documents.
 - d. If there is an amount due as at 31 March that refers to payables towards social/tax authorities as a result of contractual or legal obligations in respect of its employees that arose before the previous 31 December, examine that, by 31 March at the latest:
 - i. an agreement has been reached; or
 - ii. a dispute/claim/proceeding has been brought or has been contested.
 - e. Examine all or a selection of bank statements in support of payments.
 - f. If applicable, examine documents, including agreements with the relevant social/tax authorities and/or correspondence with the competent body, in support of the representations under d(i) and/or d(ii) above.

D. Assessment of the written representation letter prior to the licensing decision

1. In respect of the written representation letter, AFA must read and consider
the impact of any significant change that has occurred in relation to the club licensing criteria.
2. AFA must also read and consider the information in respect of any event or condition of major economic importance, in combination with the financial statements, future financial information and any additional documentary evidence provided by the licence applicant. The licensor may decide to have this assessment carried out by an auditor.
3. AFA must assess the club's ability to continue as a going concern until at least the end of the licence season. The UEFA Licence must be refused if, based on the financial information that AFA has assessed, in the licensor's judgement, the licence applicant may not be able to continue as a going concern until at least the end of the licence season.
4. If the licence applicant (or the registered member of AFA which has a contractual relationship with the licence applicant within the meaning of Article 12) or any parent company of the licence applicant included in the reporting perimeter is/was seeking protection or has received/is still receiving protection from its creditors pursuant to laws or regulations within the 12 months preceding the licence season then the UEFA Licence must be refused. For the avoidance of doubt the UEFA Licence must also be refused even if the concerned entity is no longer receiving protection from its creditors at the moment the licensing decision is taken.
5. The licensor must check that the total amount paid in the latest reporting period to or for the benefit of agents/intermediaries and the last audited annual financial information assessed by the licensor have been made publicly available either on the licence applicant's website or the licensor's website.

E. Assessment of the future financial information

1. In respect of the future financial information, the licensor must assess whether or not an indicator as defined in Article 51 has been breached. If any indicator has been breached, the licensor may decide:
 - a) To assess itself the information submitted by the licence applicant, in which case it must perform the assessment according to paragraph 2 below; or
 - b) to have independent auditors carry out the assessment procedures, in which case AFA must review the auditor's report to ensure they performed the assessment procedures as described in paragraph 2 below.
2. The assessment procedures must include, as a minimum, the following:
 - a. Check whether the future financial information is arithmetically accurate;
 - b. Through discussion with management and review of the future financial information, determine whether the future financial information has been prepared using the disclosed assumptions and risks;
 - c. Check that the opening balances contained within the future financial information are consistent with the balance sheet shown in the immediately preceding audited annual financial statements or reviewed interim financial statements (if such interim statements have been submitted); and
 - d. Check that the future financial information has been formally approved by the executive body of the licence applicant.
 - e. If applicable: examine corresponding supporting documents, including for example agreements with sponsors, banking facilities, share capital increase, bank guarantees and minutes of the board.
3. AFA must assess the liquidity of the licence applicant (i.e. the availability of cash after taking account of financial commitments) and its ability to continue as a going concern until at least the end of the licence season. The UEFA Licence must be refused if, based on the financial information

that the licensor has assessed, in the licensor's judgement, the licence applicant may not be able to meet its financial commitments as they fall due and continue as a going concern until at least the end of the licence season.

ANNEX VII:

CLUB LICENSING CRITERIA FOR THE UEFA WOMEN'S CHAMPIONS LEAGUE

To be eligible to participate in the UEFA Women's Champions League, a licence applicant must fulfil the following club licensing criteria:

Sporting Criteria

1. Youth teams

- a. The licence applicant must at least have one women's youth team within the age range of 12 to 17.
- b. Each women's youth team within this age range must take part in official competitions or programmes played at national, regional or local level and recognised by the UEFA member association.

2. Medical care of players

- a. The licence applicant must establish and apply a policy to ensure that all players eligible to play for its women's senior team undergo a yearly medical examination in accordance with the relevant provisions of the UEFA Medical Regulations.
- b. The licence applicant must establish and apply a policy to ensure that all players above the age of 12 undergo a yearly medical examination in accordance with the relevant provisions defined by their licensor in line with their domestic legislation.

3. Registration of players

All the licence applicant's players, including youth players above the age of 12, must be registered with the UEFA member association and/or its affiliated league in accordance with the relevant provisions of the *FIFA Regulations on the Status and Transfer of Players*.

4. Written contract with professional players

All licence applicants' professional players must have a written contract with the licence applicant in accordance with the relevant provisions

of the *FIFA Regulations on the Status and Transfer of Players*.

5. Refereeing matters and Laws of the Game
 - a. The licence applicant must attend a session or an event on refereeing matters provided by the UEFA member association or with its collaboration during the year prior to the licence season.
 - b. As a minimum, the women's senior team captain or her replacement and the women's senior team head coach or the assistant head coach must attend this session or event.
6. Racial equality and anti-discrimination practice

The licence applicant must establish and apply a policy to tackle racism and discrimination in football in line with UEFA's 10-point plan on racism as defined in the *UEFA Safety and Security Regulations*.
7. Child protection and welfare

The licence applicant must establish and apply measures, in line with any relevant UEFA guidelines, to protect, safeguard and ensure the welfare of youth players and ensure they are in a safe environment when participating in activities organised by the licence applicant.

Infrastructure Criteria

8. Stadium for UEFA Women's Champions League
 - a. The licence applicant must have a stadium available for the UEFA Women's Champions League which must be within the territory of the UEFA member association and approved by the UEFA member association.
 - b. If the licence applicant is not the owner of a stadium, it must provide a written contract with the owner(s) of the stadium(s) it will use.
 - c. It must be guaranteed that the stadium(s) can be used for the licence applicant's UEFA home matches during the licence season.
 - d. The stadium(s) must fulfil the minimum requirements defined in the UEFA Stadium Infrastructure Regulations and be classified at least as a UEFA category 1 stadium.

9. Training facilities - Availability
 - a. The licence applicant must have training facilities available throughout the year.
 - b. It must be guaranteed that the training facilities can be used by all teams of the licence applicant during the licence season.

Personnel and Administrative Criteria

10. Club secretariat

The licence applicant must have appointed an adequate number of skilled secretarial staff according to its needs to run its daily business. It must have an office space in which to run its administration. It must ensure that its office is open to communicate with the licensor and the public and that it is equipped, as a minimum, with phone, fax, email facilities and a website.

11. Administrative manager

The licence applicant must have appointed a manager who is responsible for running its operative matters linked to women's football.

12. Medical doctor

- a. The licence applicant must have appointed at least one doctor who is responsible for medical support of the women's senior team during matches and trainings as well as for doping prevention.
- b. The qualification of the medical doctor must be recognised by the appropriate national health authorities.

13. Physiotherapist

- a. The licence applicant must have appointed at least one physiotherapist who is responsible for medical treatment and massages for the women's senior team during training and matches.
- b. The qualification of the physiotherapist must be recognised by the appropriate national health authorities.

14. Head coach of women's senior team

- a. The licence applicant must have appointed a qualified head coach who is responsible for football matters of the women's senior team.
- b. The head coach must hold one of the following minimum coaching qualifications:
 - i. Valid UEFA A coaching licence of a UEFA member association ;
 - ii. Valid non-UEFA coaching diploma which is equivalent to the one required for the licence under i) above and recognised by UEFA as such.

15. Youth coach

- a. The licence applicant must have appointed at least one qualified coach who is responsible for all football matters related to the youth team(s) as defined under item 1(a) above.
- b. The youth coach must hold the minimum coaching qualification as defined by the UEFA member association.

16. Rights and duties

The rights and duties of the personnel defined under items 10 to 15 above must be defined in writing.

17. Duty of replacement during the season

- a. If a function defined in items 10 to 15 becomes vacant during the licence season, the licensee must ensure that, within a period of a maximum of 60 days, the function is taken over by someone who holds the required qualification.
- b. In the event that a function becomes vacant due to illness or accident, the licensor may grant an extension to the 60-day period only if reasonably satisfied that the person concerned is still medically unfit to resume his/her duties.
- c. The licensee must promptly notify the licensor of any such replacement.

Legal Criteria

18. Declaration in respect of participation in the UEFA Women's Champions League
 1. The licence applicant must submit a legally valid declaration confirming the following:
 - a. It recognises as legally binding the statutes, regulations, directives and decisions of FIFA, UEFA, the UEFA member association and, if any, the national league as well as the jurisdiction of the Court of Arbitration for Sport (CAS) in Lausanne as provided in the relevant articles of the *UEFA Statutes*;
 - b. At national level it will play in competitions that are recognised by AFA;
 - c. At international level it will participate in competitions recognised by UEFA or FIFA (to avoid any doubt, this provision does not relate to friendly matches);
 - d. It will promptly inform the licensor about any significant change, event or condition of major economic importance;
 - e. It will abide by and observe the club licensing regulations of the licensor;
 - f. It will abide by and observe the *UEFA Club Licensing and Financial Fair Play Regulations*;
 - g. All submitted documents are complete and correct;
 - h. It authorises AFA licensing administration and club licensing bodies, the UEFA administration and the UEFA Organs for the Administration of Justice to examine any relevant document and seek information from any relevant public authority or private body in accordance with national law;
 - l. It acknowledges that UEFA reserves the right to execute compliance audits at national level.
 2. The declaration must be executed by an authorised signatory of the licence applicant no more than three months prior to the deadline for its submission to the AFA.

19. Minimum legal information

1. The licence applicant must submit a copy of its current, valid statutes (e.g. company act).
2. The licence applicant must further submit an extract from National Registration Centre (NRC) or a Certification by the Court on active status of the applicant containing the following minimum information:
 - a. Complete legal name;
 - b. Address of headquarters;
 - c. Legal form;
 - d. List of authorised signatories;
 - e. Type of required signature.

Financial Criteria

20. Annual financial statements

- a. Annual financial statements in respect of the statutory closing date prior to the deadline for submission of the application to the licensor and prior to the deadline for submission of the list of licensing decisions to UEFA must be prepared and submitted in accordance with national legislation.
 - b. The annual financial statements must consist of a balance sheet and a profit and loss account as a minimum.
21. No overdue payables towards football clubs, employees and social/tax authorities The licence applicant must prove that it has no overdue payables towards other football clubs, employees and social/tax authorities, as set out in Articles 48, 49 and 49bis. For the purpose of this provision, the term “employees” includes all professional players according to the applicable FIFA Regulations on the Status and Transfer of Players as well as the administrative, technical and medical staff specified under items 11 to 15 above.

ANNEX VIII: THE CORE PROCESS

The chart below provides the core process

The **numbers** in the chart detail in logical order refer to the steps to be taken in terms of processing a licence on behalf of the licence applicants. The chart follows the sequence of numbers from 1 to 17 (left column). These steps will be the ones to follow where no issues arise in the process, i.e. a licence applicant meets all the requirements and the licensor proceeds according to the ideal plan.

The **letters** in the chart refer to the issues that may or are likely to arise in the process and which need to be dealt with appropriately. The chart follows the sequence of letters from (A) to (I) (central column). The right column provides the reader with a short description of each single step.

Shortenings:

LM- Licensing Manager

LA- Licensing Administration

FIB- First Instance Body

AB- Appeals Body

ANNEXE IX: PROCEDURAL RULES REGARDING THE LICENSING PROCESS

1. Headquarters

The Licensing Committee's headquarters shall be in a different office from the one AFA carries out its activity and the expenses related to the provision of the appropriate facilities shall be covered by AFA. The Licensing Committee shall hold all its meetings in its headquarters, except when it is not possible. In this case, the meetings could be held in another facility, only after the Licensing Committee as made an informed decision thereof. In this case, the place where the meeting is held, shall be notified to the stakeholders pursuant to general regulation on notification of the acts.

2. Official language of the Licensing Committee

The proceedings shall be held in the Albanian language. The Licensing Committee may hire a translator during the proceedings, depending on the respective situation.

3. Confidentiality

The members of the Licensing Committee are bound to maintain confidentiality on the evidence, facts, information and in particular, the content of deliberations during the exercise of their duty.

4. Parties

Only the clubs registered in AFA and the Licensing Manager of the AFA can participate in the quality of the party during the proceedings.

5. Fundamental procedural rights

- a. The parties' fundamental procedural rights, such as the right to equal treatment, the right to be heard, the right to explain one's actions, the right to consult files and other acts, the rights to provide evidence taken and ensure participation in the evidence provision process and the right to obtain a reasonable decision shall be guaranteed to the parties.
- b. Procedural rights shall be ensured to the parties in an equal manner and equal conditions for their exercise shall be established.

6. Representation

- a. The parties may appoint legal representatives to represent them during the judgement proceedings in the Licensing Committee.
- b. The representative shall be issued a written power of attorney in cases when the party he represents is an individual and is not present in the judging. In the cases when the party is a legal person, the representative must have a written power of attorney or an authorization signed from the legal representative of the legal person and with the stamp of the legal person.
- c. Representatives of the parties during the Licensing Committee's proceeding cannot be:
 - 1) Persons under 18;
 - 2) Persons whose capacity to act has been revoked with a court decision;
 - 3) Members of the Licensing Committees;
 - 4) Members of the Executive Committee of AFA;
- d. Persons under 14 are represented in the court from their parents, guardian or another representative appointed by them.

7. Form of proceedings

- a. The examination of the case in front of the Licensing Committee shall be carried out in a verbal form, but the parties may file a written document with their explanations and claims related to the case under judgement.
- b. During the proceeding, minutes shall be held where the explanations of the parties are presented, the evidence taken, and the decisions issued by the Licensing Committee. Upon termination of the proceedings, the minutes are regularly signed by all the Licensing Committee Members present during the proceeding.

8. Compliance with time limits

- a. The parties shall make their submissions within the time limits set by the regulations of the AFA or the Licensing Committee. The time limit shall be deemed as complied with when the submission is executed by midnight on the day of the deadline and is verified through a document of receipt by the AFA's secretariat or by post stamp.
- b. The burden of proof for demonstrating that the above deadline is complied with lies on the sender of the document.
- c. Generally, the time limits set by the Licensing Committee may not be shorter than 10 days and not longer than 20 days. In cases of emergency, the Licensing Committee Chairman may decide to reduce the time limits to 24 hours.
- d. In case of non-compliance with the time limit, the Licensing Committee shall decide on the consequences to the parties.

9. Calculation of time limits

- a. Mandatory time limits shall start the day after the parties have received the relevant notification. Days off and national holidays in the country where the addressee is a resident shall not be included in the time limits.

- b. The time limit shall expire at midnight on the last day of the deadline. If the last day of the deadline is not a working day or national holiday in the country where the addressee is a resident, the time limit shall expire the next day.

10. Requests

- a. The parties shall draw up their requests to the Licensing Committee in a written form in Albanian language and shall contain:
- b. The identity of the claimant, his address and/or his representative;
- c. Power of attorney, if the request is presented by the representative;
- d. Summary of the facts;
- e. Conclusions;
- f. Legal basis;
- g. Any evidence the parties may possess (original documents or certified copies relating to the request);
- gj. The name and address of the individuals or the legal person involved in the dispute and in case of absence of the full identity, any information that can help to identify them;
- h. The value of the financial request, particularly if the dispute concerns financial issues.
- i. The request should be dated, signed, stamped and submitted in 2 (two) original copies to the Licensing Committee.

11. Hearing sessions for inquiry and judgement; minutes

- a. The head of the decision-making body shall lead the proceedings and is responsible for its progress. The Chairman or any other member of decision-making body determined by him shall briefly summarize the subject matter of the judgement.
- b. The decision-making body may summon the parties to submit their claims, when considering the case ready for judgement.
- c. After the session has been determined, the Chairman, shall ap-

point a responsible person for the minutes. This document will be signed by the Chairman, the involved parties and when depended to the case, from its witnessed and experts. An external secretary, who is subject to the same obligations as other members of the decision-making body, may be called to record the minutes.

- d. Judgement in the decision-making bodies is closed, and unauthorized persons are not allowed to participate.

12. Types of evidence

The decision-making body shall consider only the evidence submitted in writing by the parties.

13. Decisions

- a. The decision-making body shall reach a decision by a simple majority. The chairman and the other members present have one vote each. If the votes are equal, the chairman shall have the casting vote.
- b. The voting shall start with the vote of the youngest judge and the final vote shall be the vote of the chairman of the decision-making body. No member may abstain. The opinion of the member in minority, presented on a written form, may be attached to the decision.

14. Form and content of decisions

The decision shall contain an introduction, the argumentative part and the ordinative part.

- a. In the introduction shall be stated:
- b. The composition of the decision-making body and the secretary, their identities;
- c. The date and place on which the decision was passed;
- d. The parties, including their identity and the identity of their representative;

- e. The subject of the request;
- f. The final research of the parties.
- g. The argumentative part shall include:
 - gj. The circumstances of the case, as identified during the proceedings and the conclusions drawn by the decision-making body.
- h. The evidence and the reasons on which the decision is based.
- i. The legal basis on which the decision is based.
- j. The ordinator part shall include:
 - k. The decision of the decision-making body;
 - l. Who shall bear the costs;
- m. The right to appeal, the time limits for its submission and the body where the appeal should be submitted.
- n. The decision shall be signed by all the members of the decision-making body who was part of the decision-making. The member in minority, writes "against" and signs the decision.

15. Notification of decisions

- a. After taking the decision, the decision-making body shall file a copy of the decision to the AFAs Secretariat, which then immediately will notify the parties or their representatives.
- b. In complicated cases, the Licensing Committee may declare only the provision of the decision by argumenting it no later than 10 days from the date of its receipt or postpone the announcement of the grounds of the decision no later than 5 days.
- c. The parties will be considered notified from the moment they have received it by e-mail or fax. Notification of decision at the parties' representatives will be also considered as valid.

16. Procedural costs

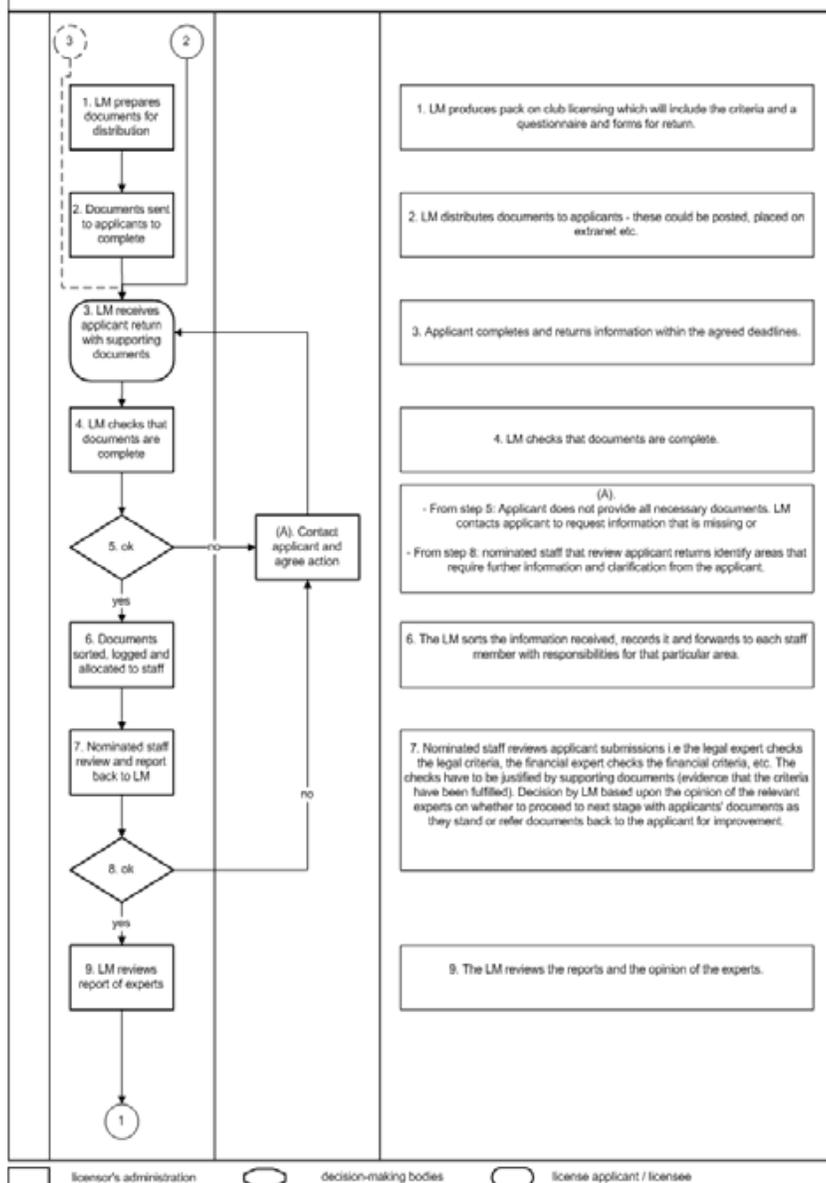
The costs of proceedings in front of the First Instance Body shall be beared by the Albanian Football Association.

17. Publication

Each decision with public interest, may be published by the AFA at its discretion.

18. Appeals

- a. The decision of the First Instance Body may be appealed to the Appeals Body within 5 (five) working days from the receipt of the decision. The appellant submit the appeal together with a proof of payment of a 100.000 (onehundrethousand) ALL.
- b. As a last mean, the decision taken by the Appeals Body, may be appealed before the Court of Arbitration for Sport (CAS) Lausanne, Switzerland.



ALBANIAN FOOTBALL ASSOCIATION
21 November 2019