On Sunday, Barcelona lost to Real Madrid in the 256th edition of El Clásico. It was a close game -- Barça twice took the lead, only for Madrid to roar back and win 3-2 on Jude Bellingham's injury time goal -- and it's always been too close to call between the two biggest teams in LaLiga.

Madrid have won 104 meetings between the two sides and Barça 100, with 52 draws. Carlo Ancelotti's side look all-but-certain to wrestle back the league title from Barça, who were crowned champions last year. Los Blancos are 11 points clear of their rivals at the top of the league with six games to play as they chase a 35th championship; Barça, by contrast, have won 27.

Off the pitch, however, a chasm has grown between the two. This summer, Madrid are expected to follow up the arrival of midfielder Bellingham, who signed from Borussia Dortmund for an initial €103 million, by finally completing a deal to bring in France and Paris Saint-Germain forward Kylian Mbappé, who would arrive as a free agent though with a sizable salary and signing-on fee.

Barça, meanwhile, are in dire financial straits: such is the state of things that they're not even sure if they can register contract extensions for existing players due to LaLiga's financial rules, let alone bring in new players this summer. It has been a familiar story in recent years, with player registrations often completed as late as the eve of a new season due to budget impositions from the league.

The most recent figures revealed that the Blaugrana's league-imposed annual spending cap for wages and the amortisation -- the cost of a transfer is divided by the length of the contract to apply a book-keeping value to each signing -- of transfer fees has been cut to €204m. They are in excess of that amount by over €200m -- according to LaLiga's calculations -- and must work to get that figure down until they're able to operate freely again in the transfer market.

By contrast, Madrid's limit stands at an impressive €727m.

Barça's success last year and their run to the Champions League quarterfinals, where they were eliminated by PSG, has come on the back of asset sales, famously dubbed "palancas" ("levers" in English) that funded signings worth over €150m in 2022. Despite the sales of things like domestic television rights and a stake of in-house production company Barça Studios, they remain in a delicate financial position.

"The palancas are a case of bread today, hunger tomorrow," one source said.

ESPN spoke to various people with in-depth knowledge of Barça's finances to find out how bad the situation is, whether it has improved under president Joan Laporta and what can be done to steer the club back in the right direction. Could they pull more palancas? Will they have to transfer some of their best players? Will this fan-owned entity eventually have to consider selling a stake in the club to outside investors?

Barcelona declined to comment to ESPN for this story.