

Fortress Study Group CIO
Financial Statements
31 March 2022

Fortress Study Group CIO

Financial Statements

Period from 7 April 2021 to 31 March 2022

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Fortress Study Group CIO

Trustees' Annual Report (Incorporating the Director's Report)

Period from 7 April 2021 to 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the period ended 31 March 2022.

Chairman's Report

This has been a year of transition for FSG both in completing the process of converting to a Charitable Incorporated Organisation (CIO) and in starting to return to normal activity after the pandemic restrictions.

The conversion of the old FSG into FSG CIO is now complete and the old FSG is now de-registered with the Charities Commission. The conversion to a CIO was completed with the de-registration of the old Charity (288790) on 11 July 2022 with the transfer of members and funds having taken place on 31 October 2021 as reported in these accounts. This new structure and the modernised constitution will position the FSG for the future including removing personal liability for the volunteers on which we rely for everything we do.

We have established a new website which is a more attractive and easier to maintain 'shop window' for the group as well as being the major source of subscription payments. The website has the great benefit of allowing new UK members to create a direct debit which is our preferred method of payment as it is both lower cost in fees and simpler to administer than credit card payments which the website also supports. Membership remains flat at around 360 but this conceals a steady flow of new members who appear to have been attracted by the new website and the webinars as well as the traditional member offerings. It is therefore the Trustees preference, after careful consideration, to focus on member growth in 2023 rather than increasing subscriptions.

We started our return to in-person activities with members having joined a third party organised tour of Scandinavia and with the co-sponsorship of the English Civil Wars symposium in Newark. This was a great success. In 2023 we will be returning to the format of Conference and AGM. Provisionally, this will be held in the Chatham area and it is hoped that it can overlap with the General Assembly of the IFC, with opportunities to meet the delegates of other affiliated societies.

The recent survey of members views produced a response of some 30% of members. A statistical breakdown has been made and we are analysing what lessons can be learnt from this.

The Members' Handbook is being updated to take on board the changes of the last four years and to make it suitable for giving to potential members as well as newly joined members.

We are working on ideas for putting simple guides to fortification ideas and terms on to the public side of the website, as a possible incentive to join, but also as part of our commitment to improving general interest in fortifications. This material might also include simple videos.

Charitable activities include making a contribution to costs of setting up the portal to the database of British Civil Wars Memorials - the British Civil Wars Memorials Project.

Progress is being made in the task of digitising and making available to members the Quarmby collection of postcards and records of visits to fortifications. With generous support from two FSG members the plan is to make this valuable resource available in a controlled manner to FSG members and researchers with low resolution versions of some of the material being put on the public side of the website.

Charitable activities have also included the webinars which are open to other societies. We have now delivered over 100 webinars with a total audience (live and YouTube) of over 10,000 and the programme is full to summer 2023.

Fortress Study Group CIO

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 7 April 2021 to 31 March 2022

Our publications remain a key means of delivering our Object. Our magazine Casemate has been published on schedule with a good variety of high-quality content. Our peer reviewed journal, FORT 49 (2021) has been delayed but, at the time of writing, is nearly complete and ready for printing. The material for FORT 50 (2022) is largely available and so the hope is that edition will not be so delayed. The quality of FORT remains at a very high level and showcases fortification research from around the world.

Reference and administrative details

Registered charity name Fortress Study Group CIO

Charity registration number 1194017

Company registration number CE025334

Principal office and registered office 4 Royal Chase
Dringhouses
York
North Yorkshire
YO24 1LN
England

The trustees

Mr John Harris	(Appointed 7 April 2021)
Mr David H Clarke	(Appointed 7 April 2021)
Mr Nicholas J R Dougan	(Appointed 7 April 2021)
Mr Charles Blackwood	(Appointed 7 April 2021)

Company secretary David H Clarke

Auditor Geoffrey Lee
Chartered accountants & statutory auditor
Whitefields
Daisy Lane
Mill Hill
Edenbridge
Kent
England
TN8 5DB

Bankers Metro Bank PLC
One Southampton Row
London
UK
WC1B 5HA

Structure, governance and management

The Charity has a Governing Constitution which was approved by the Charity Commission in England and Wales. This outlines the objectives of the Charity and how decisions will be made. It further prevents the Charity from lawfully remunerating or granting benefits to trustees, management committee members or members whilst defining what the Charity may legitimately undertake.

Fortress Study Group CIO

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 7 April 2021 to 31 March 2022

Objectives and activities

The primary object of the CIO is to advance the education of the public in the study of all aspects of fortifications and their armaments, especially works constructed to mount or resist artillery.

In furtherance of these objects the Group may:

- a. Campaign for the preservation, conservation, protection and recording of works of fortification as heritage assets and the landscape and historic settings in which they are located.
- b. Advise governments, local authorities, other organisations and individuals on the restoration and management of forts and fortifications.
- c. Encourage the study and distribution of knowledge concerning relevant elements such as the archaeology, design and comparative design evolution, history and historical impacts of post-medieval artillery fortification.
- d. Publish and administer a website on artillery fortifications, together with a number of subsidiary and contributory sites.
- e. Maintain a social media presence.
- f. Publish annually a journal entitled FORT when possible.
- g. Publish multiple times a year a magazine entitled CASEMATE when possible.
- h. Coordinate visits to sites and museums with relevance to fortifications and their armaments throughout the World.
- i. Offer grants and bursaries for publications that fall within the scope of the Group's aims.
- j. Offer grants for specific projects to preserve or make available to the public artefacts or fortifications falling within the scope of the Group's aims.
- k. Co-operate and collaborate with societies and groups having similar interests and objectives throughout the World.
- l. Campaign for the preservation, conservation, protection and recording of works of fortification, including making representations to Planning Authorities, Heritage bodies, and other such organisations and collaborating with other organisations that have similar objectives.
- m. Campaign for the preservation, conservation, and protection of landscape settings in which works of fortification are located and within which they are often concealed/contained, again making representations and collaborating as noted under k.
- n. Recognise (with a celebratory plaque etc.) those organisations who have exceptionally well preserved and conserved artillery fortifications or who have sympathetically converted such fortifications to a new use.
- o. Actively participate in the recording and scheduling of works of fortifications and their armaments.
- p. Act as a repository for the sharing of information and expertise from both within the group and that received from other organisations. At least part of this repository will be contained within the FSG Website (see d above).

Fortress Study Group CIO

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 7 April 2021 to 31 March 2022

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

The Fortress Study Group (288790) (TFSG) was a predecessor of Fortress Study Group CIO (Group). Both charities have members who pay subscriptions for a subscription year commencing 1 April. This entitles members to receive a copy of the annual journal Fort and three sequential copies of the magazine Casemate. Membership also confers access to a website with considerable background data and a series of webinars with invited speakers; many of whom are members. Normally there is also a programme of members days for educational talks, annual conferences with visits to sites of interest and sometimes international tours. These were suspended during COVID and webinars introduced as the only practical means of holding routine meetings.

Most members pay subscriptions around the start of the year. TFSG transferred its membership to this charity along with most of its assets at 31 October 2021. During run-off of TFSG the printing of the final 2021/2022 edition of Casemate was funded and payment was made to Group to cover publication of Fort. One overseas trip to Scandinavia was commissioned through a third party, taking place after the Balance Sheet date.

Accordingly, revenue after 31 October 2021 has included a limited number of 2021/2022 subscriptions. A trustee member made a significant donation as the Group engaged in an operation to conserve the Quarmby Collection. A Management Committee Member made a similar contribution by paying for some of the copying costs directly and so this contribution is not included in these accounts. This conservation work was the main charitable activity in the period. Other charitable activities related to the website and webinar programme.

As the final step of the conversion to a CIO, the Fortress Study Group (288790) was de-registered with the Charity Commission on 11 July 2022.

Financial review

The Group's income was all received after 31 October 2021. There was therefore negligible subscription income and only one major donation mentioned above. Total income did not cover the costs of the Charitable Activities and the Governance costs. However, receipt of the retained General Fund and the Gordon Fordyce Restricted Fund from TFSG upon its closure has given the Group a good starting position.

Next year the Group will be in receipt of 2022/2023 subscriptions and the charitable activities shall expand to include publications of the Fort and Casemate journals.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

Fortress Study Group CIO

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Period from 7 April 2021 to 31 March 2022

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

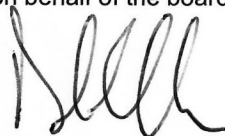
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 3 December 2022 and signed on behalf of the board of trustees by:



David H Clarke
Secretary

Fortress Study Group CIO

Independent Auditor's Report to the Members of Fortress Study Group CIO

Period from 7 April 2021 to 31 March 2022

Opinion

I have audited the financial statements of Fortress Study Group CIO (the 'charity') for the period ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Fortress Study Group CIO

Independent Auditor's Report to the Members of Fortress Study Group CIO

(continued)

Period from 7 April 2021 to 31 March 2022

Other information

The other information comprises the information included in the annual report, other than the financial statements and my auditor's report thereon. The trustees are responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which i am required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, I have not identified material misstatements in the trustees' report.

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by me; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- I have not received all the information and explanations I require for my audit.

Fortress Study Group CIO

Independent Auditor's Report to the Members of Fortress Study Group CIO

(continued)

Period from 7 April 2021 to 31 March 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which my procedures are capable of detecting irregularities, including fraud is detailed below:

Copies of all bank statements during the period and subsequently up-to the last week before the Annual General Meeting together with Card Merchant statements over a similar time range were checked to verify completeness of income recognition. A review of income transaction recordings followed to ensure that classification as receivable or deferred income was accurate. With a membership year commencing on 1 April there was no need to exercise any judgement as transaction timing and membership records clearly defined receivable or deferred position of each transaction.

These same bank statements, for the period to the Balance Sheet date and the following period before the Annual General Meeting were checked against supplier invoices and expenses claims to ensure completeness of cost recognition. The review ensured that classification as paid costs and accrued costs was accurate. Discussions with the trustees ensured that the representations of accrued costs which remained unpaid at the date of the Annual General Meeting were reasonable.

Accordingly, these steps ensured that cash at bank, investments, debtors and creditors were not mis-stated. Prepayments were agreed to evidence of payment with calculations of the split of these costs over accounting periods being checked. Deferred income was determined from the completeness and accuracy checks on income. Accruals were determined from the completeness and accuracy checks on costs.

Therefore, the likelihood of undetected irregularities or fraud was remote.

Fortress Study Group CIO

Independent Auditor's Report to the Members of Fortress Study Group CIO

(continued)

Period from 7 April 2021 to 31 March 2022

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Fortress Study Group CIO

Independent Auditor's Report to the Members of Fortress Study Group CIO

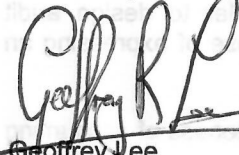
(continued)

Period from 7 April 2021 to 31 March 2022

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Use of my report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. My audit work has been undertaken so that I might state to the charity's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for my audit work, for this report, or for the opinions I have formed.



Geoffrey Lee

Chartered accountants & statutory auditor

Whitefields

Daisy Lane

Mill Hill

Edenbridge

Kent

England

TN8 5DB

3 Dec 22

Fortress Study Group CIO

Statement of Financial Activities (including income and expenditure account)

Period from 7 April 2021 to 31 March 2022

	Note	Period from 7 Apr 21 to 31 Mar 22		
		Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments				
Donations and legacies	5	1,002	—	1,002
Other trading activities	6	75	—	75
Other income	7	43,171	26,500	69,671
Total income		<u>44,248</u>	<u>26,500</u>	<u>70,748</u>
Expenditure				
Expenditure on charitable activities	8,9	4,367	—	4,367
Other expenditure	10	403	—	403
Total expenditure		<u>4,770</u>	<u>—</u>	<u>4,770</u>
Net income and net movement in funds		<u>39,478</u>	<u>26,500</u>	<u>65,978</u>
Reconciliation of funds				
Total funds brought forward		—	—	—
Total funds carried forward		<u>39,478</u>	<u>26,500</u>	<u>65,978</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 21 form part of these financial statements.

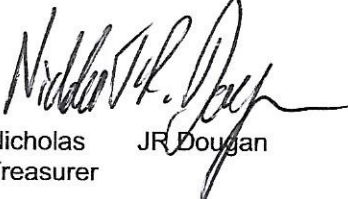
Fortress Study Group CIO

Statement of Financial Position

31 March 2022

	Note	31 Mar 22 £
Fixed assets		
Investments	14	500
Current assets		
Debtors	16	1,213
Cash at bank and in hand		77,249
		<u>78,462</u>
Prepayments and accrued income		1,220
Creditors: amounts falling due within one year		
Trade creditors		3,426
Amounts owed to group undertakings		500
		<u>3,926</u>
Net current assets		<u>75,756</u>
Total assets less current liabilities		76,256
Accruals and deferred income		10,278
Net assets		<u>65,978</u>
Funds of the charity		
Restricted funds		26,500
Unrestricted funds		39,478
Total charity funds	18	<u>65,978</u>

These financial statements were approved by the board of trustees and authorised for issue on 3 Dec 22, and are signed on behalf of the board by:


Nicholas J.R. Dougan
Treasurer

The notes on pages 15 to 21 form part of these financial statements.

Fortress Study Group CIO

Statement of Cash Flows

Period from 7 April 2021 to 31 March 2022

	31 Mar 22
	£
Cash flows from operating activities	
Net income	65,978
<i>Adjustments for:</i>	
Accrued expenses	6,675
<i>Changes in:</i>	
Trade and other debtors	(2,433)
Trade and other creditors	7,029
Cash generated from operations	<u>77,249</u>
Net cash from operating activities	<u>77,249</u>
Cash flows from investing activities	
Acquisition of subsidiaries	<u>(500)</u>
Net cash used in investing activities	<u>(500)</u>
Cash flows from financing activities	
Proceeds from loans from group undertakings	<u>500</u>
Net cash from financing activities	<u>500</u>
Net increase in cash and cash equivalents	77,249
Cash and cash equivalents at beginning of period	<u>–</u>
Cash and cash equivalents at end of period	<u>77,249</u>

The notes on pages 15 to 21 form part of these financial statements.

Fortress Study Group CIO

Notes to the Financial Statements

Period from 7 April 2021 to 31 March 2022

1. General information

The charity is a public benefit entity and a private company with limited liability, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 4 Royal Chase, Dringhouses, York, North Yorkshire, YO24 1LN, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any cash at bank and cash in hand.

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Going concern

There are no material uncertainties about the charity's ability to continue.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Consolidation

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011, and has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the entity and its dormant subsidiary undertaking comprise a small group.

Fortress Study Group CIO

Notes to the Financial Statements *(continued)*

Period from 7 April 2021 to 31 March 2022

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

In the application of the CIO's accounting policies, which are described both above and below, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that may not be readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period if the revision affects the current and future periods.

in the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Fortress Study Group CIO

Notes to the Financial Statements *(continued)*

Period from 7 April 2021 to 31 March 2022

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Fortress Study Group CIO

Notes to the Financial Statements *(continued)*

Period from 7 April 2021 to 31 March 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited Liability

The charity is an Association CIO. The liability of any trustee or member of Fortress Study Group CIO is nil.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £
Donations		
Donations from members	1,002	1,002

Fortress Study Group CIO

Notes to the Financial Statements *(continued)*

Period from 7 April 2021 to 31 March 2022

6. Other trading activities

	Unrestricted Funds £	Total Funds 2022 £
Subscriptions from members	60	60
Sales of books donated	5	5
Copyright Royalties on FSG publications	2	2
Sales of FSG Fort journal	5	5
Sales of FSG Casemate journal	3	3
	<u>75</u>	<u>75</u>

7. Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
General funds - transferred on closure of FSG (charity 288790)	43,171	—	43,171
Gordon Fordyce Restricted Fund -transferred on closure of FSG (charity 288790)	—	26,500	26,500
	<u>43,171</u>	<u>26,500</u>	<u>69,671</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £
FSG Website	942	942
Quamby Collection	3,425	3,425
	<u>4,367</u>	<u>4,367</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2022 £
FSG Website	942	942
Quamby Collection	3,425	3,425
	<u>4,367</u>	<u>4,367</u>

Fortress Study Group CIO

Notes to the Financial Statements *(continued)*

Period from 7 April 2021 to 31 March 2022

10. Other expenditure

	Unrestricted Funds £	Total Funds 2022 £
Governance costs - Stripe processing costs	113	113
Governance costs - Go Cardless processing costs	7	7
Governance costs - software licenses	199	199
Governance costs - T & O insurance	84	84
	<u>403</u>	<u>403</u>

11. Independent examination fees

The auditor is an honorary auditor with nil audit fee.

12. Trustee and volunteer costs

The charity has no formal employees. Staffing functions are undertaken by volunteers who are either trustees, or members of the management committee or simply members. The volunteer costs and benefits for the reporting period are nil.

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by any of the trustees, any member of the Management committee or any member.

14. Investments

With the closure of the Fortress Study Group (288790), the shares in the subsidiary DSG Tours Ltd were transferred to the new charity.

15. Investment entities

Subsidiaries and other investments

	Class of share	Percentage of shares held
Subsidiary undertakings		
FSG Tours Ltd	Ordinary	100

16. Debtors

	31 Mar 22 £
Trade debtors	1,213
Prepayments and accrued income	1,220
	<u>2,433</u>

Fortress Study Group CIO

Notes to the Financial Statements *(continued)*

Period from 7 April 2021 to 31 March 2022

17. Deferred income

	31 Mar 22
	£
Amount deferred in period	<u>3,603</u>

Deferred income comprise member subscriptions and member event receipts received in advance.

18. Analysis of charitable funds

Unrestricted funds

	At 7 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
General funds	<u>—</u>	<u>44,248</u>	<u>(4,770)</u>	<u>39,478</u>

On the closure of the charity Fortress Study Group (288790) the balance of the General Fund was paid to this new charity.

Restricted funds

	At 7 April 2021	Income	Expenditure	At 31 March 2022
	£	£	£	£
Gordon Fordyce Restricted Fund	<u>—</u>	<u>26,500</u>	<u>—</u>	<u>26,500</u>

On the closure of the charity Fortress Study Group (288790) the balance of the Gordon Fordyce Restricted Fund was paid to this new charity.

19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Investments	500	—	500
Current assets	53,182	26,500	79,682
Creditors less than 1 year	<u>(14,204)</u>	<u>—</u>	<u>(14,204)</u>
Net assets	<u>39,478</u>	<u>26,500</u>	<u>65,978</u>

20. Analysis of changes in net debt

	At 7 Apr 2021	Cash flows	At 31 Mar 2022
	£	£	£
Cash at bank and in hand	—	77,249	77,249
Debt due within one year	<u>—</u>	<u>(500)</u>	<u>(500)</u>
	<u>—</u>	<u>76,749</u>	<u>76,749</u>

Fortress Study Group CIO

Management Information

Period from 7 April 2021 to 31 March 2022

The following pages do not form part of the financial statements.

Fortress Study Group CIO

Detailed Statement of Financial Activities

Period from 7 April 2021 to 31 March 2022

	Period from 7 Apr 21 to 31 Mar 22 £
Income and endowments	
Donations and legacies	
Donations from members	1,002
	<u> </u>
Other trading activities	
Subscriptions from members	60
Sales of books donated	5
Copyright Royalties on FSG publications	2
Sales of FSG Fort journal	5
Sales of FSG Casemate journal	3
	<u> </u>
	75
	<u> </u>
Other income	
General funds - transferred on closure of FSG (charity 288790)	43,171
Gordon Fordyce Restricted Fund -transferred on closure of FSG (charity 288790)	26,500
	<u> </u>
	69,671
	<u> </u>
Total income	<u>70,748</u>
	<u> </u>
Expenditure	
Expenditure on charitable activities	
FSG journals, website and Quamby Collection	4,367
	<u> </u>
Other expenditure	
Governance costs - Stripe processing costs	113
Governance costs - Go Cardless processing costs	7
Governance costs - software licenses	199
Governance costs - T & O insurance	84
	<u> </u>
	403
	<u> </u>
Total expenditure	<u>4,770</u>
	<u> </u>
Net income	<u>65,978</u>

Fortress Study Group CIO

Notes to the Detailed Statement of Financial Activities

Period from 7 April 2021 to 31 March 2022

	Period from 7 Apr 21 to 31 Mar 22 £
Expenditure on charitable activities	
FSG Website	
<i>Activities undertaken directly</i>	
FSG Website - hosting costs	942
Quamby Collection	
<i>Activities undertaken directly</i>	
Quamby Collection - maintenance and preservation costs	3,425
Expenditure on charitable activities	<u>4,367</u>