

FORTITUDO GROUP LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2022

FORTITUDO GROUP LIMITED
REGISTERED NUMBER: 10373389

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 \$	2021 \$
Fixed assets			
Tangible assets	4	-	268
Investments	5	1,601,469	2,798,354
		<u>1,601,469</u>	<u>2,798,622</u>
Current assets			
Debtors: amounts falling due within one year	6	764,405	493,689
Current asset investments	7	1,888	100,948
Bank and cash balances		65,901	143,455
		<u>832,194</u>	<u>738,092</u>
Creditors: amounts falling due within one year	8	(10,786)	(7,816)
Net current assets		821,408	730,276
Net assets		<u>2,422,877</u>	<u>3,528,898</u>
Capital and reserves			
Called up share capital	9	4	4
Share premium account		8,453,414	8,453,414
Profit and loss account		(6,030,541)	(4,924,520)
		<u>2,422,877</u>	<u>3,528,898</u>

FORTITUDO GROUP LIMITED
REGISTERED NUMBER: 10373389

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The director considers that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr D Rasmussen
Director

Date: 22 September 2023

The notes on pages 3 to 9 form part of these financial statements.

FORTITUDO GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Fortitudo Group Limited is a private company, limited by shares, and is incorporated in England and Wales. The registration number is 10373389 and the address of its registered office is C/O Legalinx Limited 3rd Floor, 207 Regent Street, London, W1B 3HH.

The financial statements are presented in US Dollars which is the functional currency of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

There has been political unrest and regime change in Afghanistan, a country in which the company's investment in associates derives material revenue.

The director considers that the resources available to the company will be sufficient for it to be able to continue as a going concern for the foreseeable future. However, there is a high level of uncertainty about the full impact of the regime change in Afghanistan. Whilst the director continues to monitor the situation as it evolves, it is not yet practicable to estimate all of the impact upon the Company. The financial statements do not contain any adjustments that would be required if the Company were not able to continue as a going concern.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	25%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.8 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

2.9 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.11 Creditors

Short-term creditors are measured at the transaction price.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.12 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.12 Financial instruments (continued)

discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

3. Employees

The average monthly number of employees, including directors, during the year was 1 (2021 - 1).

FORTITUDO GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Tangible fixed assets

	Office equipment \$
Cost	
At 1 January 2022	1,075
At 31 December 2022	<u>1,075</u>
Depreciation	
At 1 January 2022	807
Charge for the year on owned assets	268
At 31 December 2022	<u>1,075</u>
Net book value	
At 31 December 2022	<u><u>-</u></u>
At 31 December 2021	<u><u>268</u></u>

5. Fixed asset investments

	Investments in associates \$	Listed investments \$	Unlisted investments \$	Total \$
Cost or valuation				
At 1 January 2022	2,066,299	446,854	285,201	2,798,354
Additions	-	135,176	-	135,176
Disposals	-	(194,662)	-	(194,662)
Revaluations	(1,054,798)	(20,801)	(61,800)	(1,137,399)
At 31 December 2022	<u><u>1,011,501</u></u>	<u><u>366,567</u></u>	<u><u>223,401</u></u>	<u><u>1,601,469</u></u>

6. Debtors

	2022 \$	2021 \$
Other debtors	<u><u>764,405</u></u>	<u><u>493,689</u></u>

FORTITUDO GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Current asset investments

	2022	2021
	\$	\$
Listed investments	<u>1,888</u>	<u>100,948</u>

8. Creditors: Amounts falling due within one year

	2022	2021
	\$	\$
Corporation tax	4,718	-
Accruals and deferred income	6,068	7,816
	<u>10,786</u>	<u>7,816</u>

9. Share capital

	2022	2021
	\$	\$
Allotted, called up and fully paid		
3 (2021 - 3) Ordinary shares of \$1.30 each	<u>4</u>	<u>4</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.