

**ACCESS FOR WIGAN LIMITED**

**ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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<b>ACCESS FOR WIGAN LIMITED</b>
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**COMPANY INFORMATION**

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<b>Directors</b>	A Duck H Holman
<b>Company secretary</b>	E Clarke
<b>Registered number</b>	06647358
<b>Registered office</b>	3rd Floor, Suite 6c Sevendale House 5-7 Dale Street Manchester M1 1JB
<b>Independent auditor</b>	Goodman Jones LLP 29/30 Fitzroy Square London W1T 6LQ

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Directors present their report and the financial statements for the year ended 31 December 2021.

**Principal activity**

The Company's principal activity is the design, construction, financing, operation and maintenance of a joint service centre in Wigan under a Government Private Finance Initiative (PFI) programme for the benefit of Wigan Borough Council.

The joint service centre comprises a swimming pool, a library and a shop. Construction of the centre commenced in June 2009. Construction of the swimming pool was completed in August 2011 and construction of the library and shop was completed in December 2011. The contract with Wigan Borough Council has now entered the operational phase; a 25 year service delivery element which runs until August 2036.

**Business review**

The results of the Company for the year are set out in the Statement of Comprehensive Income. Turnover for the year and the profit for the year before tax were in line with Directors' expectations. The Directors anticipate that the Company will perform in line with budget in the coming financial year. During the year the Company did not pay out any dividends.

The business has remained compliant with debt service and cover ratios during the year and scheduled debt interest and capital payments were made as planned.

**Results and dividends**

The profit for the year, after taxation, amounted to £2,219,000 (2020 - £1,433,000).

The Directors do not recommend the payment of a dividend (2020: £nil).

**Directors**

The Directors who served during the year were:

T Cunningham (resigned 1 March 2021)  
P Would (resigned 1 March 2021)  
A Duck (appointed 1 March 2021)  
H Holman (appointed 1 March 2021)

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<b>ACCESS FOR WIGAN LIMITED</b>
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Going concern**

The Company's business activities and principal risks and uncertainties are detailed elsewhere in the Directors' Report. The Directors have reviewed the budget for the foreseeable future and have considered the projected cash flows based on the contractual receipts and payments of cash. They project that the loan covenant terms will be met for the foreseeable future. Having considered the risks and uncertainties of the business, their projections for the future performance of the Company and the current uncertain economic environment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the financial statements.

In the annual review of Going Concern, the Directors have considered the long term impact of the Covid-19 pandemic. The Company has entered into long term contracts with both the client and suppliers, and after careful review of these contracts the Directors are confident the Company can operate as normal for the next twelve months. The Directors have committed to carrying out regular reviews of the Company's cash flows to monitor the ongoing situation.

**Future developments**

The Directors of the Company are not aware of any circumstances by which the principal activity of the Company would alter or cease.

<b>ACCESS FOR WIGAN LIMITED</b>
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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Principal risks and uncertainties**

The financial risk management policy of the Company is designed to identify and manage risk at the earliest possible point.

The Company does not undertake financial instrument transactions that are speculative or unrelated to the Company's trading activities. Board approval is required for the use of any new financial instrument, and the Company's ability to enter into any new transaction is constrained by covenants in its existing funding agreement.

The Company's exposure to and management of price risk, credit risk, liquidity risk and interest rate cash flow risk is detailed below:

**Price Risk**

The Company's price risk is managed through the twenty five year service delivery element of the project agreement with Wigan Borough Council which provides for payments that are fixed subject to performance and inflation indexation and through sub-contracts with suppliers that largely mirror the provisions of the project agreement with Wigan Borough Council.

**Credit Risk**

Cash flows are generated from the availability of the joint service centre and from the maintenance provided to Wigan Borough Council. Cash flows are secured under a long-term contract with Wigan Borough Council, whose liabilities are effectively underwritten by the Government.

**Liquidity Risk**

The Company's liquidity risk is principally managed through financing the Company by means of long-term and short-term borrowings which are tailored to match expected cost and revenues arising from the contract under the Private Finance Initiative. In addition, the Company has access to a debt service reserve facility which provides short-term liquidity against future debt service requirements.

**Interest Rate Cash Flow Risk**

The Company has interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances which earn interest at variable rates. Interest bearing liabilities comprise term loans which bear interest at fixed rates to manage the interest rate risk arising from these borrowings.

**Financial Key Performance Indicators**

The key indicators of performance revolve around the penalties which can be imposed for unavailability of facilities or for sub-standard delivery of operational services and debt service cover ratios. On both these measures, Directors are satisfied that satisfactory levels of performance are being met.

**Qualifying third party indemnity provisions**

The Directors have qualifying third party indemnity provisions put in place through other companies of which they are also directors.

**Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**ACCESS FOR WIGAN LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**Auditor**

Goodman Jones LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



H Holman  
Director

Date: 15-07-22

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<b>ACCESS FOR WIGAN LIMITED</b>
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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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



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**ACCESS FOR WIGAN LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS FOR WIGAN LIMITED**

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**Opinion**

We have audited the financial statements of Access For Wigan Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company'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.

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

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<b>ACCESS FOR WIGAN LIMITED</b>
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS FOR WIGAN LIMITED  
(CONTINUED)**

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**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

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<b>ACCESS FOR WIGAN LIMITED</b>
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS FOR WIGAN LIMITED  
(CONTINUED)**

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**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 5, the Directors 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 Directors 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 Directors are responsible for assessing the Company'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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which non compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried out. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS FOR WIGAN LIMITED  
(CONTINUED)**

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There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Goodman Jones LLP*

Paul Bailey (Senior Statutory Auditor)

for and on behalf of  
**Goodman Jones LLP**

29/30 Fitzroy Square  
London  
W1T 6LQ

Date:

15-07-22

**ACCESS FOR WIGAN LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Turnover	3	3,413	3,402
Cost of sales		(2,534)	(2,528)
<b>Gross profit</b>		<b>879</b>	<b>874</b>
Administrative expenses		(203)	(202)
<b>Operating profit</b>	4	<b>676</b>	<b>672</b>
Interest receivable and similar income	5	3,883	4,020
Interest payable and expenses	6	(2,794)	(2,923)
<b>Profit before tax</b>		<b>1,765</b>	<b>1,769</b>
Tax on profit	7	454	(336)
<b>Profit for the financial year</b>		<b>2,219</b>	<b>1,433</b>

All amounts above relate to ongoing activities.

The notes on pages 13 to 24 form part of these financial statements.

**ACCESS FOR WIGAN LIMITED**  
**REGISTERED NUMBER: 06647358**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	8	54,075	55,170
Debtors: amounts falling due within one year	8	645	523
Cash at bank and in hand	9	5,313	5,143
		<u>60,033</u>	<u>60,836</u>
Creditors: amounts falling due within one year	10	(6,975)	(6,325)
<b>Net current assets</b>		<u>53,058</u>	<u>54,511</u>
<b>Total assets less current liabilities</b>		<u>53,058</u>	<u>54,511</u>
Creditors: amounts falling due after more than one year	11	(60,500)	(64,172)
<b>Net liabilities</b>		<u>(7,442)</u>	<u>(9,661)</u>
<b>Capital and reserves</b>			
Called up share capital	15	50	50
Profit and loss account		(7,492)	(9,711)
		<u>(7,442)</u>	<u>(9,661)</u>

The Company's financial statements have been prepared in accordance with the 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:



**H Holman**  
Director

Date: 15-07-22

The notes on pages 13 to 24 form part of these financial statements.

**ACCESS FOR WIGAN LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2021	50	(9,711)	(9,661)
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,219	2,219
	<u>50</u>	<u>(7,492)</u>	<u>(7,442)</u>
<b>At 31 December 2021</b>	<u>50</u>	<u>(7,492)</u>	<u>(7,442)</u>

The notes on pages 13 to 24 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2020	50	(11,144)	(11,094)
<b>Comprehensive income for the year</b>			
Profit for the year	-	1,433	1,433
	<u>50</u>	<u>(9,711)</u>	<u>(9,661)</u>
<b>At 31 December 2020</b>	<u>50</u>	<u>(9,711)</u>	<u>(9,661)</u>

The notes on pages 13 to 24 form part of these financial statements.

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<b>ACCESS FOR WIGAN LIMITED</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

Access For Wigan Limited is a company limited by shares and incorporated and domiciled in the UK, registered in England and Wales. The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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.

In preparing the financial statements of the Company, advantage has been taken of the following disclosure exemption available in FRS 102, as a result of the Company being a small entity:

- No cash flow statement has been presented for the Company

The financial currency of the Company is Sterling and the results are presented in round £'000.

The following principal accounting policies have been applied:

**1.2 Going concern**

The Company's business activities and principal risks and uncertainties are detailed in the Directors' Report. The Directors have reviewed the budget for the foreseeable future, and have considered the projected cash flows based on the contractual receipts and payments of cash. They project that the loan covenant terms will be met for the foreseeable future. Having considered the risks and uncertainties of the business, their projections for the future performance of the Company, and the current uncertain economic environment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the financial statements.

In the annual review of Going Concern, the Directors have considered the long term impact of the Covid-19 pandemic. The Company has entered into long term contracts with both the client and suppliers, and after careful review of these contracts the Directors are confident the Company can operate as normal for the next twelve months. The Directors have committed to carrying out regular reviews of the Company's cash flows to monitor the ongoing situation.



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**ACCESS FOR WIGAN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. Accounting policies (continued)**

**1.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**1.4 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 impairment.

**1.5 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**1.6 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found,

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**ACCESS FOR WIGAN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. Accounting policies (continued)**

**1.6 Financial instruments (continued)**

an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

**1.7 Creditors**

Short term 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.

**1.8 Financial asset**

The assets of the Company fall under Service Concession Arrangements by virtue of the fact that the public sector customer ("Grantor") passes both elements of the asset control test:

- i) The Grantor controls the use of the asset via the project agreement and all service level requirements contained therein;
- ii) The Grantor controls—through ownership, beneficial entitlement or otherwise—any significant residual interest in the asset at the end of the term of the arrangement.

The Company has chosen to adopt the transitional arrangement available within FRS 102, Section 25.10 (i) and as such the service concession arrangement has continued to be accounted for using the same accounting policies being applied at the date of transition to FRS 102. The nature of the asset has therefore not changed.

Pursuant to section 23 of FRS102, revenue associated with the financial asset comprises service income related to facilities management, lifecycle maintenance and other administrative running costs of the Company.

**1.9 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

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**ACCESS FOR WIGAN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. Accounting policies (continued)**

**1.10 Interest income**

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

**1.11 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**1.12 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. 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 reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax balances are not discounted.

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**ACCESS FOR WIGAN LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Judgments in applying accounting policies and key sources of estimation uncertainty**

The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year are as follows:

**Key sources of estimation uncertainty**

**Financial Asset Interest Rate** - The financial asset interest income is based on the weighted average cost of capital of the project and is applied to the carrying value of the Financial Asset on a monthly basis. The interest rate used in 2021 is 7.44% (2020: 7.44%) per annum.

**Service Margin** - After the assets are constructed, the Company provides property management services. The remuneration for these services is recognised at cost plus an estimated mark up for profit on property management services. The average service margin rate used in 2021 is 24.19% (2020: 24.11%) per annum.

**3. Turnover**

An analysis of turnover by class of business is as follows:

	2021 £000	2020 £000
Service revenue	3,413	3,402
	<u>3,413</u>	<u>3,402</u>

All turnover arose within the United Kingdom.

**4. Operating profit**

The operating profit is stated after charging auditors remuneration of £5,670 (2020: £5,600).

The Company did not employ any staff during the year (2020: nil).

**5. Interest receivable**

	2021 £000	2020 £000
Bank interest receivable	-	6
Interest receivable from group companies	97	98
Financial asset interest receivable	3,786	3,916
	<u>3,883</u>	<u>4,020</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**6. Interest payable and similar expenses**

	2021 £000	2020 £000
Bank interest payable	1,948	2,058
Loans from group undertakings	713	724
Amortisation of debt issue costs	133	141
	2,794	2,923

**7. Taxation**

	2021 £000	2020 £000
<b>Corporation tax</b>		
Current tax on profits for the year	168	336
<b>Total current tax</b>	168	336
<b>Deferred tax</b>		
Origination and reversal of timing differences	168	-
Tax rate change	(790)	-
<b>Total deferred tax</b>	(622)	-
<b>Taxation on (loss)/profit on ordinary activities</b>	(454)	336

**ACCESS FOR WIGAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**7. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2020 - *the same as*) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £000	2020 £000
Profit on ordinary activities before tax	1,765	1,769
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	336	336
<b>Effects of:</b>		
Deferred tax - tax rate change	(790)	-
<b>Total tax charge for the year</b>	<b>(454)</b>	<b>336</b>

**Factors that may affect future tax charges**

The Company has tax losses of £15,975,206 (2020: £16,857,786) available for offset against future profits.

Corporation tax will remain at 19% until March 2023. From 2023 the main rate will increase to 25% for business profits made by the company over £250,000. A small profit rate (SPR) will also be introduced for companies with profits of £50,000 or less so that they will continue to pay tax at 19%. Companies with profits between £50,000 and £250,000 will pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.

**ACCESS FOR WIGAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**8. Debtors**

	2021 £000	2020 £000
<b>Due after more than one year</b>		
Amounts owed by group undertakings	2,974	2,974
Financial assets	47,108	48,825
Deferred taxation	3,993	3,371
	<u>54,075</u>	<u>55,170</u>
	2021 £000	2020 £000
<b>Due within one year</b>		
Trade debtors	72	54
Amounts owed by group undertakings	547	449
Prepayments and accrued income	26	20
	<u>645</u>	<u>523</u>

**9. Cash and cash equivalents**

	2021 £000	2020 £000
Cash at bank and in hand	5,313	5,143
	<u>5,313</u>	<u>5,143</u>

**10. Creditors: Amounts falling due within one year**

	2021 £000	2020 £000
Bank loans	3,684	3,395
Trade creditors	9	344
Amounts owed to group undertakings	127	97
Corporation tax	336	336
Other taxation and social security	355	341
Accruals and deferred income	2,464	1,812
	<u>6,975</u>	<u>6,325</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**11. Creditors: Amounts falling due after more than one year**

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Bank loans	<b>55,745</b>	<i>59,429</i>
Unamortised finance costs	<b>(925)</b>	<i>(1,052)</i>
Amounts owed to group undertakings	<b>5,680</b>	<i>5,795</i>
	<u><b>60,500</b></u>	<u><i>64,172</i></u>

In accordance with FRS102, issue costs of £1,017,485 (2020: £1,150,937) have been set off against the total loan drawdowns.



# ACCESS FOR WIGAN LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 12. Loans

Analysis of the maturity of loans is given below:

	2021 £000	2020 £000
<b>Amounts falling due within one year</b>		
Bank loans	3,684	3,395
Amounts owed to group undertakings	127	97
	<u>3,811</u>	<u>3,492</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	3,695	3,684
Amounts owed to group undertakings	153	115
	<u>3,848</u>	<u>3,799</u>
<b>Amounts falling due 2-5 years</b>		
Bank loans	11,910	11,263
Amounts owed to group undertakings	506	456
	<u>12,416</u>	<u>11,719</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	40,140	44,482
Amounts owed to group undertakings	5,020	5,224
Unamortised loan arrangement fees	(925)	(1,052)
	<u>44,235</u>	<u>48,654</u>
	<u>64,310</u>	<u>67,664</u>

The bank loans comprise senior debt. Amounts owed to group undertakings consist of subordinated loan notes, which carry a coupon of 12%.

The senior debt consists of a loan that is repayable by August 2035. The amount of the senior debt loan as at 31 December 2021 is £59,429,300 (2020: £62,824,600) with £3,684,400 (2020: £3,395,300) falling due with one year, and £55,744,900 (2020: £59,429,300) falling due after more than one year.

Interest on amounts drawn under the senior debt facility is charged at a fixed rate of 3.17% per annum.

Senior debt is secured onto assets of the Company. Subordinated loan notes are unsecured.

**ACCESS FOR WIGAN LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. Financial instruments**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<b>56,040</b>	<b>57,445</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<b>(68,492)</b>	<b>(70,870)</b>

Financial assets measured at amortised cost comprise cash at bank and in hand, group loan, trade debtors, accrued income and financial assets in respect of infrastructure assets.

Financial Liabilities measured at amortised cost comprise bank loans, group loans, trade creditors, accruals and other creditors.

**14. Deferred taxation**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
At beginning of year	<b>3,371</b>	<b>3,298</b>
Utilised in year	<b>622</b>	<b>73</b>
<b>At end of year</b>	<b>3,993</b>	<b>3,371</b>

The deferred taxation balance is made up as follows:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Tax losses carried forward	<b>3,993</b>	<b>3,371</b>
	<b>3,993</b>	<b>3,371</b>

In the March 2021 budget, the government announced an intention to increase the corporation tax rate will increase to 25% in 2023. As this was subsequently enacted on 24 May 2021, the deferred tax asset has been calculated at this rate.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**15. Share capital**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Allotted, called up and fully paid</b>		
50,000 (2020 - 50,000) Ordinary shares of £1.00 each	<b>50</b>	<b>50</b>

**16. Related party transactions**

The Company has taken advantage of the exemptions provided in FRS102 not to disclose transactions with companies within the group of which it is a member, where those transactions occur between entities which are 100% owned members of that group.

**17. Controlling party**

The Company's immediate parent company is Access For Wigan (Holdings) Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The Company's ultimate parent and controlling entity is Equitix Fund II LP, a limited partnership registered in England and Wales.