

Company Registration No. SC557595 (Scotland)

WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

WEDNESDAY



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**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION**

Directors	Dr N P Walker (Resigned 21 September 2022) Mr R Richmond (Resigned 24 May 2022) Mr K R Witt Mrs A R Stead (Resigned 21 September 2022) Mr A Wilson (Resigned 21 September 2022) Mr M R Kitson Mr J Kane Ms J Proudfoot (Resigned 21 February 2022) Ms S C Nyland
Secretary	Mr J Kane
Company number	SC557595
Registered office	Machars Initiative Centre 26 South Main Street Wigtown DG8 9EH
Accountants	Montpelier Professional (Galloway) Limited 1 Dashwood Square Newton Stewart Wigtownshire DG8 6EQ

**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
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**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 28 FEBRUARY 2022**

The directors present their annual report and financial statements for the year ended 28 February 2022.

Principal activities

The principal activity of the company continued to be that of a community organisation.

Objects & activities

The over-arching objectives of the company are:

- to provide or advance the accessibility of recreational, facilities, and/or organising recreational activities, which will be available to members of the Community and public at large with the object of improving the conditions of life of the Community.
- advancement of citizenship or Community development, including rural or urban regeneration.
- to advance the provisions for educational opportunities in the Community relating to environment, culture, heritage and/or history
- to advance environmental protection or improvement including preservation, sustainable development and conservation of the natural environment, the maintenance, improvement or provision of environmental amenities for the Community and/or the preservation of buildings or sites of architectural, historic or other importance to the Community.

Achievements & performance

WBCI took over ownership of the former Bank of Scotland building towards the end of the 2019-20 financial year and appointed Luce Bay Construction as lead contractor with development work initially scheduled to complete by December 2020. With the onset of COVID the completion date was originally moved to mid April 2021 and then further postponed until April 2022.

The family home was allocated and the new tenant able to move in in April 2022 as that part of the project had been completed but the full building was not handed back until September 2022 with more setbacks due to COVID and Scottish Water connection delays. The Booktown Bunkhouse welcomed its first guests on Friday, 23 September 2022 in time for the Wigtown Book Festival. The search for a tenant for the accessible flat has started now that potential tenants can access and view the property.

The Booktown Bunkhouse development project was entered into the 2022 SURF Awards and we were pleased that we were one of three projects shortlisted in the Housing & Regeneration category. The award scheme recognises projects from all over Scotland.

The Initiative's Community Right to Buy (CRtB) interest in the old Showfield fell due for renewal in June 2022 and as the owners of the land had secured planning permission for the erection of houses, this reduced the level of support for the renewal of our community interest in the land and the interest lapsed. WBCI continues to look for other opportunities for asset-based community development in the area.

Financial review

The organisation received grant support during the year totalling £224,325 from DGC's Town Centre Living Fund (£60,000), Rural Housing Fund (£146,120), and Kilgallioch Community Fund (£18,205) for development of the former Bank building.

Principal risks

The Directors have conducted their own review of major risks to the organisation and have implemented systems to mitigate same. The major external risk is the failure to have sufficient resources to complete the proposed development of the former Bank building. McGowan Miller were appointed to provide QS and Project Management services to monitor costs and ensure any additional costs are maintained within the 10% contingency in the budget for the works. The Directors have identified additional potential sources of funding to cover any eventual shortfall.

**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2022**

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Dr N P Walker	(Resigned 21 September 2022)
Mr R Richmond	(Resigned 24 May 2022)
Mr K R Witt	
Mrs A R Stead	(Resigned 21 September 2022)
Mr A Wilson	(Resigned 21 September 2022)
Mr M R Kitson	
Mr J Kane	
Ms J Proudfoot	(Resigned 21 February 2022)
Ms S C Nyland	

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



Mr J Kane
Secretary

13 January 2023

WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2022

	2022 £	2021 £
Income	-	-
Cost of sales	(2,616)	(798)
Gross deficit	<u>(2,616)</u>	<u>(798)</u>
Administrative expenses	(2,478)	(1,727)
Other operating income	-	-
(Deficit)/surplus before taxation	<u>(5,094)</u>	<u>(2,525)</u>
Tax on (deficit)/surplus	-	-
(Deficit)/surplus for the financial year	<u><u>(5,094)</u></u>	<u><u>(2,525)</u></u>

WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 28 FEBRUARY 2021

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	3		460,647		128,940
Current assets					
Cash at bank and in hand		60,644		173,120	
Creditors: amounts falling due within one year	4	(300,200)		(300,200)	
Net current liabilities			(229,556)		(127,080)
Net assets			131,091		1,860
Reserves					
Income and expenditure account			131,091		1,860
Members' funds			131,091		1,860

For the financial year ended 28 February 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 21 September 2022 and are signed on its behalf by:


Mr J Kane
Director

Company Registration No. SC557595

**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022**

1 Accounting policies

Company information

Wigtown & Bladnoch Community Initiative is a private company limited by guarantee incorporated in Scotland. The registered office is Machars Initiative Centre, 26 South Main Street, Wigtown, DG8 9EH.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Nil
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021**

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.5 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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 debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Classification of 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 deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies (Continued)

1.7 Taxation

The company is exempt from corporation tax, it being a company not carrying on a business for the purposes of making a profit.

1.8 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Total	-	-

3 Tangible fixed assets

	Land and buildings £
Cost	
At 29 February 2021	128,940
Additions	331,707
At 28 February 2022	460,647
Depreciation and impairment	
At 29 February 2021 and 28 February 2022	-
Carrying amount	
At 28 February 2022	460,747
At 28 February 2021	128,940

4 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other creditors	300,200	300,200

WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 28 FEBRUARY 2022

5 Government grants

	2022	2021
	£	£
Arising from government grants	506,320	300,000
	<u>506,320</u>	<u>300,000</u>

6 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

WIGTOWN & BLADNOCH COMMUNITY INITIATIVE
(A COMPANY LIMITED BY GUARANTEE)
DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 28 FEBRUARY 2022

	£	2022 £	£	2021 £
Income				
Donations & fundraising		-		-
Cost of sales				
<i>Purchases and other direct costs</i>				
Bank Project - Development costs	331,707		-	
Bank Project - Core costs	2,616		798	
Total purchases and other direct costs	334,323		798	
Total cost of sales		(334,323)		(798)
Gross deficit		(334,323)		(798)
Other operating income				
Government grants receivable and released		-		-
Administrative expenses				
Premises insurance	1,450		1,394	
Legal and professional fees	-		-	
Accountancy	780		200	
Bank charges	140		83	
Administration costs	108		50	
		(2,478)		(1,727)
Operating (deficit)/surplus		(336,801)		(2,525)