

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 2021**

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

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<b>Directors</b>	Dr N P Walker Mr R Richmond Mr K R Witt Mrs A R Stead Mr A Wilson Mr M R Kitson Mr J Kane Ms J Proudfoot Ms S C Nyland	(Appointed 6 May 2021)
<b>Secretary</b>	Mr J Kane	
<b>Company number</b>	SC557595	
<b>Registered office</b>	Machars Initiative Centre 26 South Main Street Wigtown DG8 9EH	
<b>Accountants</b>	Montpelier Professional (Galloway) Limited 1 Dashwood Square Newton Stewart Wigtownshire DG8 6EQ	

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# **WIGTOWN & BLADNOCH COMMUNITY INITIATIVE (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT**

***FOR THE YEAR ENDED 28 FEBRUARY 2021***

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The directors present their annual report and financial statements for the year ended 28 February 2021.

## **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 spent much of the following twelve months securing the grant support needed in connection with the development of the building together with the detailed designs which enabled Planning and building warrant approval to be granted.

We appointed Luce Bay Construction as lead contractor and the original plan was for the development work to start in early 2020 and to be completed by December 2020. With the onset of COVID in March 2020 with lockdowns, restrictions on work practices due to the need for social distancing and supply problems, the completion date was originally moved to mid April 2021 but this has now been further postponed until early April 2022.

We advertised the tenancies for both social housing units and have allocated the family home in accordance with our agreed Allocations Policy. The search for a tenant for the accessible flat will resume once the house is available for viewing by prospective tenants.

Our Community Right to Buy (CRtB) interest in the old Showfield is due for renewal in June 2022 and, while the owners of the land secured planning permission for the erection of houses, there has been no construction work that would invalidate our CRtB registration. It is our intention to apply for renewal of our community interest in the land if there is no progress in its development in the interim.

## **Financial review**

The organisation received grant support during the year of £100,000 from DGC's Town Centre Capital Fund towards the costs involved in the development of the former Bank building which was added to the £80,000 already received from SSE's Sustainable Development Fund. Capital grants received to date amount to £300,000 which will be released to the income and expenditure account to match the related depreciation charge.

## **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 2021**

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**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  
Mr R Richmond  
Mr K R Witt  
Mrs A R Stead  
Mr A Wilson  
Mr M R Kitson  
Mr J Kane  
Ms J Proudfoot  
Ms S C Nyland

(Appointed 6 May 2021)

**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**

26 January 2022

**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED  
STATUTORY ACCOUNTS OF WIGTOWN & BLADNOCH COMMUNITY INITIATIVE**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Wigtown & Bladnoch Community Initiative for the year ended 28 February 2021 which comprise the income and expenditure account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland we are subject to its ethical and other professional requirements which are detailed at <https://www.icas.com/FrameworkforthePreparationofAccounts>.

This report is made solely to the Board of Directors of Wigtown & Bladnoch Community Initiative, as a body, in accordance with the terms of our engagement letter dated 7 January 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Wigtown & Bladnoch Community Initiative and state those matters that we have agreed to state to the Board of Directors of Wigtown & Bladnoch Community Initiative, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants of Scotland as detailed at <https://www.icas.com/FrameworkforthePreparationofAccounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Wigtown & Bladnoch Community Initiative and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Wigtown & Bladnoch Community Initiative has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of Wigtown & Bladnoch Community Initiative. You consider that Wigtown & Bladnoch Community Initiative is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Wigtown & Bladnoch Community Initiative. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**Montpelier Professional (Galloway) Limited**

26 January 2022

**Chartered Accountants**

1 Dashwood Square  
Newton Stewart  
Wigtownshire  
DG8 6EQ

**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 28 FEBRUARY 2021**

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	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Income</b>	-	278
Cost of sales	(798)	(13,723)
	<u>(798)</u>	<u>(13,445)</u>
<b>Gross deficit</b>	<b>(798)</b>	<b>(13,445)</b>
Administrative expenses	(1,727)	(5,271)
Other operating income	-	21,836
	<u>(2,525)</u>	<u>3,120</u>
<b>(Deficit)/surplus before taxation</b>	<b>(2,525)</b>	<b>3,120</b>
Tax on (deficit)/surplus	-	-
	<u>(2,525)</u>	<u>3,120</u>
<b>(Deficit)/surplus for the financial year</b>	<b><u>(2,525)</u></b>	<b><u>3,120</u></b>

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

**AS AT 28 FEBRUARY 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	3		128,940		120,000
<b>Current assets</b>					
Cash at bank and in hand		173,120		84,385	
<b>Creditors: amounts falling due within one year</b>	4	(300,200)		(200,000)	
<b>Net current liabilities</b>			(127,080)		(115,615)
<b>Net assets</b>			1,860		4,385
<b>Reserves</b>					
Income and expenditure account			1,860		4,385
<b>Members' funds</b>			1,860		4,385

For the financial year ended 28 February 2021 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 26 January 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 2021**

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**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**

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**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:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Total	-	-
	<u>          </u>	<u>          </u>

**3 Tangible fixed assets**

	<b>Land and buildings</b>
	<b>£</b>
<b>Cost</b>	
At 29 February 2020	120,000
Additions	8,940
	<u>          </u>
At 28 February 2021	128,940
	<u>          </u>
<b>Depreciation and impairment</b>	
At 29 February 2020 and 28 February 2021	-
	<u>          </u>
<b>Carrying amount</b>	
At 28 February 2021	128,940
	<u>          </u>
At 28 February 2020	120,000
	<u>          </u>

**4 Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other creditors	300,200	200,000
	<u>          </u>	<u>          </u>

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

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**5 Government grants**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Arising from government grants	300,000	200,000
	<u>300,000</u>	<u>200,000</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.

**7 Prior period adjustment**

Adjustment has been made to reclassify grants of £200,000 received in 2019 and 2020 into capital grants.

**WIGTOWN & BLADNOCH COMMUNITY INITIATIVE**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 28 FEBRUARY 2021**

	£	2021 £	£	2020 £
<b>Income</b>				
Donations & fundraising		-		278
<b>Cost of sales</b>				
<i>Purchases and other direct costs</i>				
Bank Project - Development costs	-		13,091	
Bank Project - Core costs	798		632	
	<u>798</u>		<u>13,723</u>	
Total purchases and other direct costs				
	<u>798</u>		<u>13,723</u>	
Total cost of sales		(798)		(13,723)
<b>Gross deficit</b>		<u>(798)</u>		<u>(13,445)</u>
<b>Other operating income</b>				
Government grants receivable and released		-		21,836
<b>Administrative expenses</b>				
Premises insurance	1,394		1,377	
Legal and professional fees	-		3,625	
Accountancy	200		150	
Bank charges	83		56	
Administration costs	50		63	
	<u>1,727</u>		<u>5,271</u>	
<b>Operating (deficit)/surplus</b>		<u>(2,525)</u>		<u>3,120</u>