

**Report of the Directors and
Financial Statements
for the Year Ended 31 May 2023
for
Alice Springs Lodge Limited**

**Contents of the Financial Statements
for the Year Ended 31 May 2023**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Alice Springs Lodge Limited

**Company Information
for the Year Ended 31 May 2023**

DIRECTORS:

A J Morgan
D W Morgan
N D Morgan
S J Smith

REGISTERED OFFICE:

21 Gold Tops
Newport
South Wales
NP20 4PG

REGISTERED NUMBER:

12986062 (England and Wales)

AUDITORS:

Guilfoyle, Sage & Co.
Chartered Accountants and Statutory Auditor
21 Gold Tops
Newport
South Wales
NP20 4PG

**Report of the Directors
for the Year Ended 31 May 2023**

The directors present their report with the financial statements of the company for the year ended 31 May 2023.

DIVIDENDS

No dividends will be distributed for the year ended 31 May 2023.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2022 to the date of this report.

A J Morgan
D W Morgan
N D Morgan
S J Smith

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Alice Springs Lodge Limited (Registered number: 12986062)

**Report of the Directors
for the Year Ended 31 May 2023**

AUDITORS

The auditors, Guilfoyle, Sage & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

D W Morgan - Director

29 February 2024

Report of the Independent Auditors to the Members of Alice Springs Lodge Limited

Opinion

We have audited the financial statements of Alice Springs Lodge Limited (the 'company') for the year ended 31 May 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 May 2023 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 Auditors' 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 UK, including the FRC'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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Report of the Independent Auditors to the Members of Alice Springs Lodge Limited

Opinions 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors 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 Report of the Directors.

We have nothing to report in respect of the following matters where 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

Report of the Independent Auditors to the Members of Alice Springs Lodge Limited

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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 both the company and industry, we identified the principal risks of non-compliance with laws and regulations, including those related to UK tax legislation and considered the extent to which any non-compliance might have 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 ensured that all those involved in the audit undergo regular update training, including on how to identify or recognize fraud and non-compliance with laws and regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inaccurate journals and management bias in accounting estimates. We addressed these risks by carrying out specifically targeted procedures, which included:

- discussions with management, including consideration of any known or suspected instances of non-compliance with laws and regulations and/or fraud;
- reading minutes of meetings of those charged with governance;
- the appropriateness of journal entries and other adjustments;
- challenging management in relation to significant accounting estimates;
- evaluating the reasons for any large or unusual transactions;
- reviewing disclosures in the financial statements to underlying supporting documentation

As outlined above, reasonable assurance is a high level of assurance, but is not a guarantee that a material misstatement may always be detected.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
Alice Springs Lodge Limited**

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 a Report of the Auditors 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.

D L Evans BA ACA (Senior Statutory Auditor)
for and on behalf of Guilfoyle, Sage & Co.
Chartered Accountants and Statutory Auditor
21 Gold Tops
Newport
South Wales
NP20 4PG

29 February 2024

**Statement of Comprehensive Income
for the Year Ended 31 May 2023**

	Notes	31.5.23 £	31.5.22 £
TURNOVER	4	147,288	171,184
Cost of sales		<u>27,626</u>	<u>22,434</u>
GROSS PROFIT		119,662	148,750
Administrative expenses		<u>81,950</u>	<u>68,754</u>
		37,712	79,996
Other operating income		<u>120</u>	<u>47</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		37,832	80,043
Tax on profit	7	<u>7,510</u>	<u>13,731</u>
PROFIT FOR THE FINANCIAL YEAR		30,322	66,312
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>30,322</u>	<u>66,312</u>

Alice Springs Lodge Limited (Registered number: 12986062)

Balance Sheet
31 May 2023

	Notes	31.5.23 £	£	31.5.22 £	£
FIXED ASSETS					
Tangible assets	8		1,880		-
CURRENT ASSETS					
Stocks	9	615		585	
Debtors	10	73,115		8,455	
Cash at bank and in hand		<u>141,908</u>		<u>149,813</u>	
		215,638		158,853	
CREDITORS					
Amounts falling due within one year	11	<u>128,351</u>		<u>100,215</u>	
NET CURRENT ASSETS			<u>87,287</u>		<u>58,638</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			89,167		58,638
PROVISIONS FOR LIABILITIES	12		<u>207</u>		<u>-</u>
NET ASSETS			<u>88,960</u>		<u>58,638</u>
CAPITAL AND RESERVES					
Called up share capital	13		100		100
Retained earnings	14		<u>88,860</u>		<u>58,538</u>
SHAREHOLDERS' FUNDS			<u>88,960</u>		<u>58,638</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 February 2024 and were signed on its behalf by:

D W Morgan - Director

N D Morgan - Director

A J Morgan - Director

S J Smith - Director

The notes form part of these financial statements

**Statement of Changes in Equity
for the Year Ended 31 May 2023**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 June 2021	100	(7,774)	(7,674)
Changes in equity			
Total comprehensive income	-	66,312	66,312
Balance at 31 May 2022	100	58,538	58,638
Changes in equity			
Total comprehensive income	-	30,322	30,322
Balance at 31 May 2023	100	88,860	88,960

**Notes to the Financial Statements
for the Year Ended 31 May 2023**

1. STATUTORY INFORMATION

Alice Springs Lodge Limited is a private company, limited by shares and is incorporated in England and Wales. The company's registered number is 12986062 and the address of its registered office is 21 Gold Tops, Newport, South Wales, NP20 4PG. The principal place of business is Alice Springs Lodge, Kemeys Commander, Usk, Mon, NP15 1PP.

These financial statements are the company's separate financial statements, covering the year to 31 May 2023 and are presented in Sterling (£), the company's functional currency, rounded to the nearest pound.

The company is a wholly owned subsidiary of Morgans of Usk Group Limited. It is included in the consolidated financial statements of Morgans of Usk Group Limited which are publicly available.

The significant accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

2. STATEMENT OF COMPLIANCE

The individual financial statements of Alice Springs Lodge Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Related party exemption

The company has taken advantage of the exemption under S33.1A of the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' not to disclose group transactions as this company is a wholly owned subsidiary and its fellow subsidiaries are too.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results.

Turnover

Turnover represents the sale of holiday let services and is recognised when the company obtains the right to consideration on the letting date.

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2023**

3. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter:

Fixtures and fittings - 10% on cost

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost include costs directly attributable to making the asset capable of operating as intended.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2023**

3. ACCOUNTING POLICIES - continued

Non-derivative financial instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, trade and other creditors and interest free loans.

Debtors and creditors with no stated interest rate are receivable or payable within one year and are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents comprise cash at bank and in hand. For the purpose of the cash flow statement cash and cash equivalents are net of bank overdrafts and advances which are repayable on demand.

Loans and borrowings and concessionary loans are initially recognised at transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method less impairment. If an arrangement constitutes a finance transaction it is measured at present value. Loans and borrowings receivable within one year are not discounted.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	31.5.23	31.5.22
	£	£
Letting income	146,217	168,633
Utilities income	1,071	2,551
	<u>147,288</u>	<u>171,184</u>

An analysis of turnover by geographical market is given below:

	31.5.23	31.5.22
	£	£
United Kingdom	147,288	171,184
	<u>147,288</u>	<u>171,184</u>

5. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 May 2023 nor for the year ended 31 May 2022.

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2023**

5. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	31.5.23	31.5.22
Directors	<u>4</u>	<u>4</u>
Directors' remuneration	<u>31.5.23 £ -</u>	<u>31.5.22 £ -</u>

6. OPERATING PROFIT

The operating profit is stated after charging:

	31.5.23	31.5.22
Depreciation - owned assets	£ 115	£ -
Auditors' remuneration	2,016	1,920
Foreign exchange differences	<u>-</u>	<u>316</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.5.23	31.5.22
Current tax:	£	£
UK corporation tax	7,303	13,731
Deferred tax	<u>207</u>	<u>-</u>
Tax on profit	<u>7,510</u>	<u>13,731</u>

UK corporation tax has been charged at 19% (2022 - 19%).

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2023**

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.5.23	31.5.22
	£	£
Profit before tax	<u>37,832</u>	<u>80,043</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	7,188	15,208
Effects of:		
Capital allowances in excess of depreciation	(263)	-
Utilisation of tax losses	-	(1,477)
Accelerated capital allowances	207	-
Change in tax rate	<u>378</u>	<u>-</u>
Total tax charge	<u>7,510</u>	<u>13,731</u>

The corporation tax rates varied between 19% and 25% during the year under review.

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
Additions	<u>1,995</u>
At 31 May 2023	<u>1,995</u>
DEPRECIATION	
Charge for year	<u>115</u>
At 31 May 2023	<u>115</u>
NET BOOK VALUE	
At 31 May 2023	<u>1,880</u>

9. STOCKS

	31.5.23	31.5.22
	£	£
Stocks	<u>615</u>	<u>585</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
		31.5.23	31.5.22	
		£	£	
Trade debtors		11,706	938	
Amounts owed by group undertakings		60,219	-	
Amounts due from related parties		175	-	
Prepayments and accrued income		<u>1,015</u>	<u>7,517</u>	
		<u>73,115</u>	<u>8,455</u>	
11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
		31.5.23	31.5.22	
		£	£	
Trade creditors		8,802	2,978	
Amounts owed to group undertakings		85,252	67,369	
Corporation tax		7,303	13,731	
Other creditors		96	96	
Accruals and deferred income		<u>26,898</u>	<u>16,041</u>	
		<u>128,351</u>	<u>100,215</u>	
12. PROVISIONS FOR LIABILITIES				
		31.5.23	31.5.22	
		£	£	
Deferred tax		<u>207</u>	<u>-</u>	
			Deferred tax	
			£	
Accelerated capital allowances			<u>207</u>	
Balance at 31 May 2023			<u>207</u>	
13. CALLED UP SHARE CAPITAL				
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.5.23	31.5.22
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2023**

14. RESERVES

	Retained earnings £
At 1 June 2022	58,538
Profit for the year	<u>30,322</u>
At 31 May 2023	<u>88,860</u>

15. CONTROL

The company's parent undertaking at the balance sheet date was Morgans of Usk Group Limited, a company incorporated in England and Wales. Copies of the group consolidated financial statements can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

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.