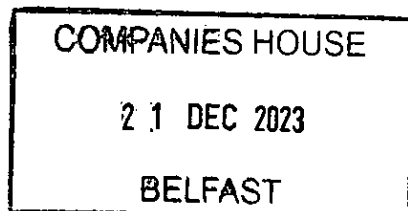


Trump International Golf Club Scotland Limited

Reports and Financial Statements

for the financial year ended 31 December 2022



Company Number: SC292100

Trump International Golf Club Scotland Limited
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**Trump International Golf Club Scotland Limited
Directors and Other Information**

Directors

Eric Trump
Donald Trump Junior

Company Registration Number

SC292100

Registered Office and Business Address

4th Floor
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN
Scotland

Independent Auditors

BDO
Chartered Accounts, Statutory Audit Firm
103/104 O'Connell Street
Limerick
Ireland

Solicitors

CMS Cameron McKenna Nabarro Olswang LLP
Saltire Court,
20 Castle Terrace,
Edinburgh,
EH1 2EN

Trump International Golf Club Scotland Limited
Strategic Report
for the financial year ended 31 December 2022

The directors present their strategic report on the company for the financial year ended 31 December 2022.

Principal Activities and Business Model

The company's principal activity during the year was the operation of a pay-and-play championship links golf course, golfing memberships, country house hotel, golf shop, bar and restaurant.

Review of the Company's Business

During the year ended December 31, 2022, the company successfully welcomed back guests following the full re-opening of global tourism and the hospitality industry post pandemic. In particular, the business delivered increased sales across its golf green fees, membership, accommodation and hotel services.

Year-end trading results reflect an improvement on the prior year with turnover increasing by 74% and gross profit exceeding £1 million, representing its best performing year to date.

The property celebrated its 10-year anniversary and continued to maintain and attract coveted industry ratings including a top 100 ranking within Golf Digest's World's Greatest Golf Courses. In addition, the business secured its first high-profile professional tournament with the Legends Tour. The Tour's flagship event, The PGA Seniors Championship, is the oldest seniors golf tournament in the world, attracting many of the greatest professional and amateur golfers. Hosting this prestigious event is testament to the calibre, reputation, and status of the business.

The company also committed to the construction of a second world-class championship links golf course and embarked on the next phase of its masterplan development with the reengagement of its project management team. Two additional properties were acquired during the year, further enhancing the development opportunities within the estate.

Ownership remains committed to the long-term vision for the resort and confidently foresees the positive fiscal improvement trend continuing in the medium and longer term with the golf course now fully established as a world-class destination.

Results

The profit and loss account is set out on page 11. The operating loss before depreciation for the year ended December 31, 2022, amounted to (£504,381) (2021 - £505,565).

Key Performance Indicators

Management provides the directors with monthly reports with key performance indicators including changes in revenue and operating profit before depreciation.

The key financial indicators remain the growth and development of new and existing revenue streams, alongside other non-financial indicators. Despite macroeconomic headwinds, the business continues to report improved fiscal results year-on-year.

Principal Risks & Uncertainties

The directors have undertaken a comprehensive review of the key risks facing the company. The key risks identified and the related controls over these risks are as follows:

Market Risk

The industry in which the company operates is competitive and challenging, however, the directors and management have detailed knowledge and experience of this sector. External factors such as adverse weather and macroeconomic conditions may also have an effect on customer demand for luxury travel.

These factors are being monitored closely by management on an ongoing basis and operational changes made in response, as required.

Liquidity Risk

The company is funded by its operations and may receive funding from its parent, if required for working capital. Management monitors income and expenditures carefully to ensure that there are sufficient funds to meet the company's obligations when they arise. The company's policy is to ensure that sufficient resources are available either from cash balances or cash flows to ensure all obligations can be met when they fall due.

Trump International Golf Club Scotland Limited
Strategic Report
for the financial year ended 31 December 2022

Principal Risks & Uncertainties (continued)
Currency Risk

The company's activities with non-national customers result in a transaction risk with variances in currency transactions recorded in the profit and loss account in the year in which they arise.

Macroeconomic Risk

The operating environment and global economic trading conditions remain uncertain in the short and medium terms with inflation, generally, and energy costs, specifically, impacting on the leisure sector. Transportation, freight and import duty charges have increased, as well as the overall cost of goods.

The directors and management have detailed knowledge and experience of the sector and have established business policies, practices and organisational structures to mitigate these risks and proactively limit their impact.

Future Developments

Ownership remains committed to the long-term vision for the resort and confidently foresees the positive fiscal improvement trend continuing in the medium and longer term with the golf course now fully established as a world-class destination

On behalf of the board



Eric Trump
Director

Date: 19/12/2023

Trump International Golf Club Scotland Limited
Directors' Report
for the financial year ended 31 December 2022

The directors present their report and the audited financial statements for the financial year ended 31 December 2022.

Principal Activity

The principal activities, strategy, risks and objectives of the company are included in the Strategic Report on pages 4 and 5.

Results and Dividends

The operating loss before depreciation for the year ended 31 December 2022 amounted to (£504,381) (2021 - (£505,565)).

The directors do not recommend payment of a dividend.

Directors

The directors who served during the financial year are as follows:

Eric Trump
Donald Trump Junior

Future Developments

Information on likely future developments in the business of the company has been included in the Strategic Report on page 4 and 5.

Post-Balance Sheet Events

There have been no significant events affecting the company since the financial year-end.

Political Contributions

The company did not make any disclosable political donations in the current financial year.

Auditors

The auditors, BDO, (Chartered Accounts, Statutory Audit Firm) have indicated their willingness to continue in office in accordance with the provisions of Section 485 of the Companies Act 2006.

On behalf of the board



Eric Trump
Director

Date: 19/12/2023

Trump International Golf Club Scotland Limited
Statement of Directors' Responsibilities
for the financial year ended 31 December 2022

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 "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 and 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.

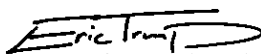
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Disclosure of Information to Auditor

Each persons who are directors at the date of approval of this report confirms that:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Eric Trump
Director

Date: 19/12/2023



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bdo.ie

103/104 O'Connell Street
Limerick
V94 AT85
Ireland

**Independent Auditor's Report
to the Members of Trump International Golf Club Scotland Limited**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Trump International Golf Club Scotland Limited ('the company') for the financial year ended 31 December 2022 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes to the financial statements, including significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is applicable Law and United Kingdom Accounting Standards, including FRS 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 2022 and of its loss for the financial 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 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 the date 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 other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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.

Other Offices:	Brian McEnery (Managing Partner)	Angela Fleming	Liam Hession	Teresa Morahan	Mark O'Sullivan
	Andrew Bourg	Brian Gartlan	Brian Hughes	Ursula Moran	Patrick Sheehan
Block 3, Miesian Plaza,	Katharine Byrne	David Giles	Ken Kilmartin	Paul Nestor	Gavin Smyth
50-58 Baggot Street	Simon Carbery	Derry Gray	Carol Lynch	Philip Nolan	Shane Stafford
Lower, Dublin D02 Y754	Peter Carroll	Sinead Heaney	Stephen McCaffion	David O'Connor	Noel Taylor
	Michael Costello	Diarmuid Hendrick	David McCormick	David N O'Connor	
Penrose Two, Penrose	Kevin Doyle	Derek Henry	Aidan McHugh	Stephen O'Flaherty	
Dock, Victorian Quarter	Stewart Dunne	Denis Herlihy	Claran Medlar	Rory O'Keefe	
Cork, T23 YV09					



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Ireland

**Independent Auditor's Report
to the Members of Trump International Golf Club Scotland Limited**

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

Matters on which we are required to report by exception

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

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
- 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 for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, 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 they 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 has 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.

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:

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management; and
- considering the effectiveness of the control environment and monitoring compliance with laws and regulations.

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. As in all our audits, we addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a material misstatement due to fraud.

Other Offices:

Block 3, Miesian Plaza,
50-58 Baggot Street
Lower, Dublin D02 Y754

Penrose Two, Penrose
Dock, Victorian Quarter
Cork, T23-YV09

Brian McEnery (Managing Partner)
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Aidan McHugh
Ciara Medlar

Teresa Morahan
Ursula Moran
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Rory O'Keefe

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**Independent Auditor's Report
to the Members of Trump International Golf Club Scotland Limited**

Auditor's responsibilities for the audit of the financial statements (continued)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations, or through collusion. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is, from events and transactions reflected in the financial statements, the less likely we would become aware of it.

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 Auditor's Report.

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.

Liam Hession (Senior Statutory Auditor)
for and on behalf of

BDO

Chartered Accounts, Statutory Audit Firm
103/104 O'Connell Street
Limerick
Ireland

Date: 20/12/2023

Other Offices:

Block 3, Milesian Plaza,
50-58 Baggot Street
Lower, Dublin D02 Y754

Penrose Two, Penrose
Dock, Victorian Quarter
Cork, T23 YY09

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Ciarán Medlar

Teresa Morahan
Ursula Moran
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Stephen O'Flaherty
Rory O'Keefe

Mark O'Sullivan
Patrick Sheehan
Gavin Smyth
Shane Stafford
Noel Taylor


Trump International Golf Club Scotland Limited
Profit and Loss Account
for the financial year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover	4	3,593,122	2,070,487
Cost of sales		<u>(2,585,884)</u>	<u>(1,859,010)</u>
Gross profit		1,007,238	211,477
Administrative expenses		(1,521,690)	(845,634)
Other operating income		<u>10,071</u>	<u>128,592</u>
Operating loss before depreciation/amortisation		(504,381)	(505,565)
Depreciation and amortisation expense		<u>(233,963)</u>	<u>(191,280)</u>
Loss before taxation		(738,344)	(696,845)
Tax on loss	7	<u>-</u>	<u>-</u>
Loss for the financial year		<u>(738,344)</u>	<u>(696,845)</u>

Trump International Golf Club Scotland Limited
Company Registration Number: SC292100
Balance Sheet
as at 31 December 2022

	Notes	2022 £	2021 £
Fixed Assets			
Intangible assets	8	512	725
Tangible assets	9	33,219,249	32,312,176
		<u>33,219,761</u>	<u>32,312,901</u>
Current Assets			
Stocks	10	198,078	185,477
Debtors	11	99,193	129,666
Cash and cash equivalents	12	113,139	136,831
		<u>410,410</u>	<u>451,974</u>
Creditors: amounts falling due within one year	13	<u>(1,142,753)</u>	<u>(1,206,723)</u>
Net Current Liabilities		<u>(732,343)</u>	<u>(754,749)</u>
Total Assets less Current Liabilities		32,487,418	31,558,152
Creditors:			
amounts falling due after more than one year	14	<u>(47,875,849)</u>	<u>(46,271,664)</u>
Net Liabilities		<u><u>(15,388,431)</u></u>	<u><u>(14,713,512)</u></u>
Capital and Reserves			
Called up share capital	16	1,000	1,000
Other reserves including the fair value reserve		1,905,320	1,841,895
Retained earnings		<u>(17,294,751)</u>	<u>(16,556,407)</u>
Equity attributable to owners of the company		<u><u>(15,388,431)</u></u>	<u><u>(14,713,512)</u></u>

Approved by the Board and authorised for issue on 19/12/2023 and signed on its behalf by


Eric Trump
Director

Trump International Golf Club Scotland Limited
Statement of Changes in Equity
as at 31 December 2022

	Called up share capital £	Retained earnings £	Other Reserves £	Total £
At 1 January 2021	1,000	(15,859,562)	1,813,039	(14,045,523)
Loss for the financial year	-	(696,845)	-	(696,845)
Other movements in equity attributable to owners	-	-	28,856	28,856
At 31 December 2021	1,000	(16,556,407)	1,841,895	(14,713,512)
Loss for the financial year	-	(738,344)	-	(738,344)
Other movements in equity attributable to owners	-	-	63,425	63,425
At 31 December 2022	1,000	(17,294,751)	1,905,320	(15,388,431)

Trump International Golf Club Scotland Limited
Statement of Cash Flows
for the financial year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Loss for the financial year		(738,344)	(696,845)
Adjustments for:			
Depreciation		233,963	191,280
Profit/loss on disposal of intangible fixed assets		(24,640)	(2,363)
		<u>(529,021)</u>	<u>(507,928)</u>
Movements in working capital:			
Movement in stocks		(12,601)	31,278
Movement in debtors		30,473	(51,216)
Movement in creditors		(92,345)	5,870
		<u>(603,494)</u>	<u>(521,996)</u>
Cash used in operations		(603,494)	(521,996)
Tax repaid		-	2,507
		<u>(603,494)</u>	<u>(519,489)</u>
Cash flows from investing activities			
Payments to acquire tangible assets		(1,129,967)	(331,477)
Receipts from sales of tangible assets		32,333	21,026
		<u>(1,097,634)</u>	<u>(310,451)</u>
Cash flows from financing activities			
Capital element of finance lease contracts		28,375	71,253
Movement in funding to group companies		1,649,061	774,800
		<u>1,677,436</u>	<u>846,053</u>
Net cash generated from financing activities		<u>1,677,436</u>	<u>846,053</u>
Net decrease in cash and cash equivalents		<u>(23,692)</u>	<u>16,113</u>
Cash and cash equivalents at beginning of financial year		<u>136,831</u>	<u>120,718</u>
Cash and cash equivalents at end of financial year	12	<u><u>113,139</u></u>	<u><u>136,831</u></u>

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
for the financial year ended 31 December 2022

1. General Information

Trump International Golf Club Scotland Limited is a company limited by shares incorporated and registered in Scotland. The registered number of the company is SC 292100. The registered office of the company is 4th Floor, Saltire Court, 20 Castle Terrace, Edinburgh, Lothian, EH1 2EN, United Kingdom. The nature of the company's operations and its principal activities are set out in the Strategic Report. The financial statements have been presented in Pound Sterling (£) which is also the functional currency of the company.

2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Statement of compliance

The financial statements of the company for the financial year ended 31 December 2022 have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council and in accordance with the Companies Act 2006.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and VAT.

Golf green fees and membership income are recognised in the period to which they relate.

Room revenue is recognised at the point at which the rooms are occupied, whilst shop food and beverage sales are recognised at the point of sale.

Employee benefits

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Impairment of financial assets

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit and loss.

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
for the financial year ended 31 December 2022

Intellectual property rights

Intellectual property rights are valued at cost less accumulated amortisation. Amortisation is charged on a straight line basis over the expected useful lives as follows:

Intellectual property rights - 25% straight line

Tangible assets and depreciation

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

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

Land and buildings freehold	-	Not depreciated
Plant and machinery	-	25% Straight line
Fixtures, fittings and equipment	-	15% Straight line
Motor vehicles	-	15% Straight line

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 recognised in the profit and loss account.

All costs directly associated with the development of the golf resort have been capitalised under land and buildings. The golf resort, which currently comprises the golf course, certain buildings, and associated land, is not depreciated as it is being developed and maintained to a high standard. Ongoing maintenance costs are charged to the profit and loss account when incurred.

Impairment of fixed assets

At each reporting end date, the company reviews the carrying value 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 to which 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 the fair value less cost 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 discounted rate that reflects current market assessment 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 is estimated to be less than it is carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss account.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are capitalised in the balance sheet and are depreciated over their estimated useful lives or the lease term, whichever is shorter. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
for the financial year ended 31 December 2022

Stocks

Stocks are valued on a first in, first out basis at the lower of cost and net realisable value after making due allowance for any obsolete or slow-moving items. Cost comprises the invoice purchase price net of trade rebates and trade discounts, together with costs of freight and duty and an appropriate allocation of overhead expenses included under normal production.

Net realisable value comprises the actual or estimated selling price, net of trade rebated and trade discounts, less all further costs to be incurred in marketing, selling and distribution.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

Cash and cash equivalents

Cash and cash equivalents 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.

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

Taxation and deferred taxation

Current tax represents the amount expected to be paid or recovered in respect of taxable profits for the financial year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date. Deferred tax is provided in full of timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

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.

Government grants relating to Coronavirus Job Retention Scheme are recognised in other income in the period to which they relate.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Profit and Loss Account.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
for the financial year ended 31 December 2022

3. Critical Accounting Judgements and Estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following are considered to be either judgements that have had the most significant effect on amounts recognised in the financial statements, or estimates that are dependent on assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the balance sheet date.

Going concern

The directors have considered the financial position of the company for a period of at least 12 months from the date of these financial statements and have prepared a written assessment on the entity's ability to continue as a going concern. Management have also prepared detailed forecasts and budgets for this period to substantiate this assessment.

The appropriateness of the going concern basis, which has been used to prepare the financial statements, is dependent on the continued support and advancement of funding facilities from the company's ultimate parent. The directors are not aware of any circumstances to indicate that this funding or support will not be forthcoming, and a letter of support has been received for a period of at least 12 months from the date of signing these financial statements to substantiate this.

Budgets and projections are reviewed on an ongoing basis and compared to actual trading results. The directors and management team have detailed knowledge and experience in this sector and are adequately placed to make informed decisions on a timely basis to any risks or going concern issues as they occur, albeit that the company has the support of its ultimate parent in any case as noted above.

The directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. On this basis, the directors believe that it is appropriate for the accounts, to be prepared on the going concern basis. The financial statements do not include any adjustments that may result should the company not continue to receive the support of its funders.

Carrying value of fixed assets

The directors have considered the carrying value of the resort and conducted a detailed impairment assessment on same. The resort has planning permission for significant development on its grounds and the impairment assessment completed is dependent on these being realised. While the specifics of the developments have not yet been formalised, the directors are of the intention that this will be completed in the future and accordingly have included this future development potential in their impairment review.

Other long-lived assets comprising primarily of plant and machinery and fixtures and fittings represent a significant portion of total assets. The annual depreciation charge on these assets depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The director's regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the asset. Changes in useful lives can have a significant impact on the depreciation and amortisation charge of the financial year.

The net book value of all tangible assets at year-end amounted to £33,219,249 (2021: £32,312,176) and the directors are satisfied based on the above, that no impairment exists at year end.

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
for the financial year ended 31 December 2022

Impairment of financial assets

At the end of each reporting period, the company assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost, including trade debtors and cash. The company use estimates based on historical experience and current information and if there is objective evidence of impairment, impairment losses are recognised in the profit and loss account in that financial year.

4. Turnover

The whole of the company's turnover is attributable to its market in the United Kingdom and is derived from the principal activity of the company.

5. Operating loss	2022	2021
	£	£
Operating loss is stated after charging/(crediting):		
Amortisation of intangible assets	213	283
Depreciation of tangible assets	233,750	190,997
Profit on disposal of intangible fixed assets	(24,640)	(2,363)
(Profit)/loss on foreign currencies	(6)	11,783
Operating lease rentals		
- Plant and machinery	1,558	8,317
Auditor's remuneration		
- audit services	18,500	37,400
Government grants received	(10,071)	(128,592)
	<u> </u>	<u> </u>

6. Employees and remuneration

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2022	2021
	Number	Number
Administration	8	8
Golf operations	8	5
Grounds, landscaping and maintenance	20	17
Food, beverage and accommodation	45	23
	<u> </u>	<u> </u>
	81	53
	<u> </u>	<u> </u>

The staff costs comprise:

	2022	2021
	£	£
Wages and salaries	1,882,541	1,456,058
Social security costs	163,605	111,652
Pension costs	41,456	34,042
	<u> </u>	<u> </u>
	2,087,602	1,601,752
	<u> </u>	<u> </u>

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
for the financial year ended 31 December 2022

7. Tax on loss

	2022 £	2021 £
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 19.00% (2021 - 19.00%) (Note 7 (b))	-	-
(b) Factors affecting tax charge for the financial year		
The tax assessed for the financial year differs from the standard rate of corporation tax in the United Kingdom 19.00% (2021 - 19.00%). The differences are explained below:		
	2022 £	2021 £
Loss taxable at 19.00%	(738,344)	(696,845)
Loss before tax multiplied by the standard rate of corporation tax in the United Kingdom at 19.00% (2021 - 19.00%)	(140,285)	(132,401)
Effects of:		
Tax losses available to carry forward	140,285	132,401
Total tax charge for the financial year (Note 7 (a))	-	-

A potential deferred tax asset of £2,661,345 (2021: £ 2,643,691) has not been recognised due to uncertainty around its future use.

8. Intangible assets

	Intellectual property rights £
Cost	
At 1 January 2022	1,512
At 31 December 2022	1,512
Amortisation	
At 1 January 2022	787
Charge for financial year	213
At 31 December 2022	1,000
Net book value	
At 31 December 2022	512
At 31 December 2021	725

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
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9. Tangible assets

	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2022	31,404,420	1,806,240	1,263,249	9,600	34,483,509
Additions	766,355	313,796	68,365	-	1,148,516
Disposals	-	(105,190)	-	-	(105,190)
At 31 December 2022	<u>32,170,775</u>	<u>2,014,846</u>	<u>1,331,614</u>	<u>9,600</u>	<u>35,526,835</u>
Depreciation					
At 1 January 2022	-	1,263,243	900,128	7,962	2,171,333
Charge for the financial year	-	170,773	62,735	242	233,750
On disposals	-	(97,497)	-	-	(97,497)
At 31 December 2022	<u>-</u>	<u>1,336,519</u>	<u>962,863</u>	<u>8,204</u>	<u>2,307,586</u>
Net book value					
At 31 December 2022	<u>32,170,775</u>	<u>678,327</u>	<u>368,751</u>	<u>1,396</u>	<u>33,219,249</u>
At 31 December 2021	<u>31,404,420</u>	<u>542,997</u>	<u>363,121</u>	<u>1,638</u>	<u>32,312,176</u>

The net book value of assets held under finance leases in plant and machinery at cost are £507,965 (2021: £404,131), depreciation charge for the year in respect of leased assets are £121,298 (2021: £111,832).

10. Stocks	2022	2021
	£	£
Finished goods and goods for resale	<u>198,078</u>	<u>185,477</u>

11. Debtors	2022	2021
	£	£
Trade debtors	33,191	32,394
Amounts owed by group undertakings	118	118
Other debtors	2,440	67,751
Taxation (Note 15)	2,745	-
Prepayments and accrued income	60,699	29,403
	<u>99,193</u>	<u>129,666</u>

All debtors are due within one year. All trade debtors are due within the company's normal terms. Trade debtors are shown net of impairment in respect of doubtful debts.

12. Cash and cash equivalents	2022	2021
	£	£
Cash and bank balances	<u>113,139</u>	<u>136,831</u>

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
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13. Creditors	2022	2021
Amounts falling due within one year	£	£
Net obligations under finance leases and hire purchase contracts	175,402	147,027
Trade creditors	97,701	206,400
Taxation (Note 15)	59,653	59,169
Other creditors	50,573	17,607
Accruals and deferred income	759,424	776,520
	<u>1,142,753</u>	<u>1,206,723</u>

The repayment terms of trade creditors vary between on demand and ninety days. No interest is payable on trade creditors.

The terms of accruals are based on underlying contracts.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

Amounts due under finance leases are secured on the assets to which they relate.

14. Creditors	2022	2021
Amounts falling due after more than one year	£	£
Finance leases and hire purchase contracts	242,854	224,305
Amounts owed to group undertakings	7,016,674	5,431,038
Amounts owed to connected parties (Note 21)	40,616,321	40,616,321
	<u>47,875,849</u>	<u>46,271,664</u>
 Net obligations under finance leases and hire purchase contracts		
Repayable within one year	175,402	147,027
Repayable between one and five years	242,854	224,305
	<u>418,256</u>	<u>371,332</u>

15. Taxation	2022	2021
	£	£
Debtors:		
VAT	2,745	-
Creditors:		
VAT	-	4,830
PAYE / NI	59,653	54,339
	<u>59,653</u>	<u>59,169</u>

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
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16. Share capital			2022	2021
			£	£
Description	Number of shares	Value of units		
Allotted, called up and fully paid Ordinary shares	1,000	£1 each	<u>1,000</u>	<u>1,000</u>

17. Financial commitments

Net obligations under finance leases are secured by fixed charges on the assets concerned.

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

18. Capital commitments

The company had no material capital commitments at the financial year-ended 31 December 2022.

19. Pensions

The company operates a defined contribution scheme for directors and employees. The pension entitlements are secured by contributions by the company to a separately administrated pension fund. The pension charge for the year was £41,456 (2021: £34,042).

Total outstanding contributions due to the pension scheme and included within creditors at the year end is £10,691 (2021: £7,979).

20. Reserves

Capital redemption reserve

The capital redemption reserve represents amounts retained as fixed capital following redemptions of share capital under companies' legislation.

Other reserves

Other reserves represent amounts taken to equity as a result of the release of inter-company creditors, and the equity component of financing loans received from the parent company in line with the requirements of FRS 102.

Profit and loss reserves

Profit and loss reserves represent accumulated comprehensive income for the year and prior periods less dividends paid.

Trump International Golf Club Scotland Limited
Notes to the Financial Statements
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21. Related party transactions

The following amounts are due to other connected parties:

	2022	2021
	£	£
Amounts falling due after more than one year	<u>40,616,321</u>	<u>40,616,321</u>

The ultimate parent undertaking of the company is The Donald J. Trump Revocable Trust a Florida State grantor trust registered in Florida, USA. Mr. D J Trump, beneficiary of The Donald J. Trump Revocable Trust, is a close family member of the directors and included within creditors greater than one year is a loan due to Mr. D J Trump of £40,616,321 (2021: £40,616,321). This loan is interest free and has been discounted at a market rate of interest with the equity component transferred to other reserves. The loan has a rolling repayment term and requires the lender to provide 12 months' written notice of any request for full or partial repayment.

Also included within creditors greater than one year, is a loan of £7,016,674 (2021: £5,431,038) from DJT Holdings LLC, the company's parent company. This loan is interest free and has been discounted at a market rate of interest with the equity component transferred to other reserves. The loan has a rolling repayment term and requires the lender to provide 12 months' written notice of any request for full or partial repayment.

The directors are regarded as the key management personnel and did not receive any remuneration from the company during the year.

22. Post-Balance Sheet Events

There have been no significant events affecting the company since the financial year-end.

23 Reconciliation of Net Cash Flow to Movement in Net Debt

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Finance lease and hire purchase	(371,332)	(28,375)	(18,549)	(418,256)
Total liabilities from financing activities	<u>(371,332)</u>	<u>(28,375)</u>	<u>(18,549)</u>	<u>(418,256)</u>
Total Cash and cash equivalents (Note 12)				113,139
Total net debt				<u>(305,117)</u>

24. Parent and ultimate parent

The immediate parent undertaking is DJT Holdings LLC, a company registered in the United States of America.

The ultimate owner of the company is The Donald J. Trump Revocable Trust, dated April 7th, 2014, a Florida State grantor trust registered in Florida, USA. The ultimate controlling parties are The Trustees of the Donald J. Trump Revocable Trust.

25. Comparative amounts

Comparatives have been regrouped, where necessary, in a manner consistent with the current year.