

**Company Registration No. SC406447 (Scotland)**

**Tom Morris International Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2015**  
**Pages for filing with Registrar**



# **Tom Morris International Limited**

## **Company information**

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|                          |  |
|--------------------------|--|
| <b>Directors</b>         | D J Campbell<br>W E B Loudon<br>I Carnegie-Brown<br>R D Muckart<br>P D Forster       |
| <b>Secretary</b>         | E J M MacGregor  |
| <b>Company number</b>    | SC406447   |
| <b>Registered office</b> | Pilmour House<br>St Andrews<br>Fife<br>KY16 9SF                                      |
| <b>Auditors</b>          | Henderson Loggie<br>The Vision Building<br>20 Greenmarket<br>Dundee<br>DD1 4QB       |
| <b>Bankers</b>           | Royal Bank of Scotland plc<br>113-115 South Street<br>St Andrews<br>Fife<br>KY16 9QB |
| <b>Solicitors</b>        | Thorntons Law LLP<br>Kinburn Castle<br>St Andrews<br>Fife<br>KY16 9DR                |

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# **Tom Morris International Limited**

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# Tom Morris International Limited

## Balance sheet


as at 31 December 2015

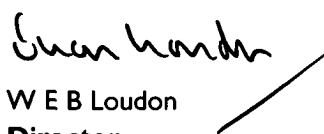
|  | Notes | 2015<br>£ | £           | 2014<br>£ | £           |
|--|-------|-----------|-------------|-----------|-------------|
| <b>Fixed assets</b>  |       |           |             |           |             |
| Tangible assets  | 3     |           | -           |           | 108,401     |
| <b>Current assets</b>  |       |           |             |           |             |
| Stocks   |       | -         |             | 1,414,425 |             |
| Debtors  | 4     | -         |             | 265,467   |             |
| Cash at bank and in hand                                       |       | 160       |             | 9,164     |             |
|  |       | 160       |             | 1,689,056 |             |
| <b>Creditors: amounts falling due within one year</b>          | 5     | (4,992)   |             | (274,977) |             |
| Net current (liabilities)/assets                               |       |           | (4,832)     |           | 1,414,079   |
| <b>Total assets less current liabilities</b>                   |       |           | (4,832)     |           | 1,522,480   |
| <b>Creditors: amounts falling due after more than one year</b> | 6     |           | (1,788,449) |           | (3,809,000) |
| <b>Net liabilities</b>   |       |           | (1,793,281) |           | (2,286,520) |
| <b>Capital and reserves</b>                                    |       |           |             |           |             |
| Called up share capital  | 7     |           | 100         |           | 100         |
| Profit and loss reserves                                       |       |           | (1,793,381) |           | (2,286,620) |
| <b>Total equity</b>  |       |           | (1,793,281) |           | (2,286,520) |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 27 May 2016 and are signed on its behalf by:

  
D J Campbell  
Director

  
W E B Loudon  
Director

Company Registration No. SC406447

# **Tom Morris International Limited**

## **Notes to the financial statements**

**for the year ended 31 December 2015**

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### **1 Accounting policies**

#### **Company information**

Tom Morris International Limited is a private company limited by shares incorporated in Scotland. The registered office is Pilmour House, St Andrews, Fife, KY16 9SF.

#### **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 on 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.

These financial statements for the year ended 31 December 2015 are the first financial statements of Tom Morris International Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### **1.2 Going concern**

The financial statements have been prepared on the going concern basis on the basis that confirmation has been received from the Parent Undertaking that it will continue to support the company. On this basis, the directors are satisfied that the company is a going concern.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# **Tom Morris International Limited**

## **Notes to the financial statements (continued)**

**for the year ended 31 December 2015**

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### **1 Accounting policies (continued)**

#### **1.4 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:

|                                |   |
|--------------------------------|---|
| Plant and machinery            | Between 20% and 33.33% on a straight line basis |
| Fixtures, fittings & equipment | Between 20% and 33.33% on a straight line basis |

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 profit or loss.

#### **1.5 Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible 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 profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# **Tom Morris International Limited**

## **Notes to the financial statements (continued)**

**for the year ended 31 December 2015**

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### **1 Accounting policies (continued)**

#### **1.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **1.7 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. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.8 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 statement of financial position 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 trade and other receivables 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.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, 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 or 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 or loss.

# **Tom Morris International Limited**

## **Notes to the financial statements (continued)**

**for the year ended 31 December 2015**

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### **1 Accounting policies (continued)**

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **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, including trade and other payables, 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 receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### **1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.



# **Tom Morris International Limited**

## **Notes to the financial statements (continued)**

**for the year ended 31 December 2015**

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### **1 Accounting policies (continued)**

#### **Deferred tax**

The tax expense represents the sum of the corporation tax and deferred tax charge for the year.

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases, as used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all temporary timing differences that have not reversed by the balance sheet date and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available. Deferred tax is calculated at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the profit and loss accounts, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### **1.11 Employee benefits**

The costs 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.

#### **1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

## Tom Morris International Limited

### Notes to the financial statements (continued)

for the year ended 31 December 2015

#### 2 Judgements and key sources of estimation uncertainty

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.

#### 3 Tangible fixed assets

|                                    | Plant and<br>machinery | Fixtures,<br>fittings &<br>equipment | Total     |
|------------------------------------|------------------------|--------------------------------------|-----------|
|                                    | £                      | £                                    | £         |
| <b>Cost</b>                        |                        |                                      |           |
| At 1 January 2015                  | 66,373                 | 220,407                              | 286,780   |
| Disposals                          | (66,373)               | (220,407)                            | (286,780) |
| At 31 December 2015                | -                      | -                                    | -         |
| <b>Depreciation and impairment</b> |                        |                                      |           |
| At 1 January 2015                  | 21,151                 | 157,228                              | 178,379   |
| Depreciation charged in the year   | 7,792                  | 8,333                                | 16,125    |
| Eliminated in respect of disposals | (28,943)               | (165,561)                            | (194,504) |
| At 31 December 2015                | -                      | -                                    | -         |
| <b>Carrying amount</b>             |                        |                                      |           |
| At 31 December 2015                | -                      | -                                    | -         |
| At 31 December 2014                | 45,222                 | 63,179                               | 108,401   |

# Tom Morris International Limited

## Notes to the financial statements (continued)

for the year ended 31 December 2015

### 4 Debtors

|   | 2015     | 2014           |
|---|----------|----------------|
|   | £        | £              |
| <b>Amounts falling due within one year:</b> |          |                |
| Trade debtors                               | -        | 14,267         |
| Amounts due from group undertakings         | -        | 239,062        |
| Other debtors                               | -        | 12,138         |
|   | <u>-</u> | <u>265,467</u> |

### 5 Creditors: amounts falling due within one year

|                                    | 2015         | 2014           |
|------------------------------------|--------------|----------------|
|                                    | £            | £              |
| Bank loans and overdrafts          | -            | 13,862         |
| Trade creditors                    | 766          | 28,847         |
| Amounts due to group undertakings  | -            | 109,890        |
| Other taxation and social security | -            | 2,199          |
| Other creditors                    | 4,226        | 120,179        |
|                                    | <u>4,992</u> | <u>274,977</u> |

### 6 Creditors: amounts falling due after more than one year

|                 | 2015             | 2014             |
|-----------------|------------------|------------------|
|                 | £                | £                |
| Other creditors | <u>1,788,449</u> | <u>3,809,000</u> |

### 7 Called up share capital

|                                | 2015       | 2014       |
|--------------------------------|------------|------------|
|                                | £          | £          |
| <b>Ordinary share capital</b>  |            |            |
| <b>Issued and fully paid</b>   |            |            |
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |

### 8 Audit report information

As the profit and loss account been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

The auditor's report was unqualified.

# Tom Morris International Limited

## Notes to the financial statements (continued)

for the year ended 31 December 2015

### 8 Audit report information (continued)

The senior statutory auditor was George M Hay.  
The auditor was Henderson Loggie.

### 9 Financial commitments, guarantees and contingent liabilities

The company granted its bankers a cross guarantee in respect of the bank balance of St Andrews Links Trust. At 31 December 2015 the amount covered under the arrangement was £4,780,000 (2014 - £4,780,000).

A floating charge secured over all the assets of the company exists in favour of the company's bankers.

### 10 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

|                       | Purchase of goods |                |
|-----------------------|-------------------|----------------|
|                       | 2015              | 2014           |
|                       | £                 | £              |
| Other related parties | 97,515            | 114,074        |
|                       | <u>97,515</u>     | <u>114,074</u> |

The following amounts were outstanding at the reporting end date:

|                       | Amounts owed to related parties |              |
|-----------------------|---------------------------------|--------------|
|                       | 2015                            | 2014         |
|                       | £                               | £            |
| Other related parties | -                               | 5,108        |
|                       | <u>-</u>                        | <u>5,108</u> |

The company has taken advantage of the exemption under FRS 102 paragraph 33.1A from disclosing transactions with any wholly owned undertaking of the St Andrews Links Trust group.

**Tom Morris International Limited**

**Notes to the financial statements (continued)**

**for the year ended 31 December 2015**

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**11 Parent company**

The company regards itself as wholly owned by St Andrews Links Trust, a charitable trust registered in Scotland, Charity No. SC006161.