

Company Registration No: 08087723  
Charity Registration No: 1148421

**The LTA Trust**

**Annual Report and Financial Statements for the year ended  
31 December 2020**

# The LTA Trust

## Contents

Administrative information	3
Report of the Trustees	4
Statement of the Trustees' Responsibilities	7
Independent Auditors' Report to the Members of The LTA Trust	8
Statement of Financial Activities Incorporating an income and expenditure account	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Financial Statements	14

## **The LTA Trust Administrative Information**

### **Board of Trustees**

Serena Hedley-Dent  
Born Barikor (appointed 22 July 2020)  
Gavin Murgatroyd  
Christopher Mills (appointed 22 July 2020)  
Simon Steele  
Sandra Procter (appointed 07 October 2020)

### **Company Secretary**

Sabina Meehan

### **Registered (and Principal) Office**

The National Tennis Centre  
100 Priory Lane  
Roehampton  
London, SW15 5JQ

### **Independent Auditors**

PricewaterhouseCoopers LLP,  
Chartered Accountants and Statutory Auditors  
1 Embankment Place, London, WC2N 6RH

### **Bankers**

Coutts Bank,  
44 Strand, London, WC2R 0QS

### **Solicitors**

Farrer and Co,  
66 Lincoln's Inn Fields  
London, WC2A 3LH

### **Investment Managers**

Cannacord Genuity Wealth Management  
41 Lothbury, London EC2R 7AE

Brooks Macdonald Asset Management Limited  
72 Welbeck Street, London W1G 0AY

JPMorgan Asset Management (Europe) S.à r.l.  
European Bank & Business Centre, 6 route de Trèves,  
L-2633 Senningerberg, Luxembourg

## **The LTA Trust**

### **Report of the Trustees for the year ended 31 December 2020**

The Board of Trustees of The LTA Trust (“the Trust”) presents the annual report and the audited financial statements, for the year ended 31 December 2020. The trustees have prepared this report and financial statements in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, the Charities Act 2011 and Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005).

The Trust is a registered charity and a company limited by guarantee, having no share capital. It was incorporated on 29 May 2012 and is bound by its Memorandum and Articles of Association. The Trust was registered by the Charity Commission (Charity Number 1148421) on 2 August 2012.

The Trust’s only member is LTA Operations Limited (“the LTA”). The Trust is an independent charity with six (2019: three) trustees, four (2019: two) independent and two (2019: one) appointed by the LTA. The LTA does not have control over the day to day operations.

#### **Charitable Objectives of the Trust**

The Trust’s objectives, as approved by the Charity Commission are to advance for the public benefit such charitable purposes associated with the game of tennis in any part of Great Britain, the Channel Islands and the Isle of Man that are consistent with the purposes of the Lawn Tennis Association Limited. The aims of the charity are to promote community participation by providing facilities for playing tennis, mini tennis or other tennis related activity in line with the Lawn Tennis Association Limited’s strategic plan and facilities strategy.

The Trust only invests in projects that are for the public benefit and meet its charitable objectives.

#### **Achievements and Performance**

During 2020, the Trust made significant progress towards achieving its charitable objectives. Tennis participation increased during the year and was supported by the Trust through grant and loan funding to venues wishing to make their facilities more accessible to the public. Grant funding for the installation of gate access systems was approved at 166 venues (target 100) and 26 quick access loans (post-COVID-19 impact target 25) were awarded to venues looking to improve their facilities. During the year, £1.3m grant funding (2019: £1.8m) and £2.9m (2019: £2.9m) loan funding was committed towards venues projects as part of the LTA facilities strategy. The projects that were awarded grant and loan funding included development of tennis facilities in parks, clubs, schools and universities to provide affordable access of these facilities to the community.

In 2019, a project was awarded grant (£0.6m) and loan (£2.1m) funding to build four indoor courts, clubhouse and gym. However, due to complications the size of the project has been scaled back and the support required reduced to £0.3m in loan funding. The release of the accrued grant expenditure for this project is reflected in the financial statements this year.

All funding applications to the Trust are assessed against the objectives of the Trust and the outcomes of funding provided will be monitored and reviewed so that insight can be applied to future applications.

#### **Public Benefit**

The trustees confirm that they have complied with the duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission’s general guidance on public benefit and seek to meet the Trust’s charitable purposes in following its objectives.

# **The LTA Trust**

## **Report of the Trustees for the year ended 31 December 2020**

### **Structure, Governance and Management**

#### **The Trustees**

The appointment of the trustees is governed by the Trust's Articles of Association. Trustees are appointed by LTA Operations Limited in its capacity as the sole member of The LTA Trust, for their specific expertise in areas relevant to the charity.

Upon appointment, all new trustees are made familiar with the terms of the charitable company's governing documents, its objectives and aims as part of the formal induction process. Trustees are assisted in the fulfilment of their duties, with on-going training provided as appropriate.

The Board comprises six (2019: three) trustees who met six (2019: four) times during the year. Further details of the trustees can be found on page 3.

During the year, Born Barikor, Christopher Mills and Sandra Procter were appointed as Trustees.

#### **Management**

A major aspect of the Trust's work is the provision of capital and revenue grants and loan funding. Applications that are eligible for funding are assessed, in principle, on behalf of the Trust by the Facilities Investment Panel of the LTA in line with its Facilities Strategy. Final approval on whether the Trust's funds are utilised for those projects is at the Board's discretion as the ultimate decision maker. A service level agreement is in place under which the LTA provides administrative services to the Trust and administers grant and loan funding awards on behalf of the Trust.

#### **Financial Review**

The statement of financial activities for the year is set out on page 11 of the financial statements.

The total net movement in funds for the year ended 31 December 2020 was a surplus of £0.2m (2019: £8.2m surplus). Incoming resources were £0.3m (2019: £8.4m) largely due to dividends received from the investment portfolio of £0.3m (2019: £0.4m). In the year there was £0.1m (2019: £0.1m) of expenditure on management fees associated with the investment portfolio. Net gain on the investment portfolio of £0.7m (2019: £1.9m gain) also contributed to the surplus in the year. The total net assets held by the Trust at 31 December 2020 were £37.6m (2019: £37.5m) with no restricted funds held (2019: £nil).

#### **Responsibilities and Policies**

##### **Conflicts of Interest Policy**

The Trust's Conflict of Interest policy sets out guidelines and procedures for identifying, monitoring and managing actual and potential conflicts of interest. Trustees are required to complete an annual declaration of conflicts and to state any new conflicts at the beginning of each meeting.

##### **Reserves Policy**

The reserves policy of the Trust is to maintain reserves to meet the commitments made under its facility investment strategy which aims to support and invest in community accessible tennis facilities. The majority of the Trust's reserves will be recycled through providing loan funding to third parties however grants will also be awarded. Future loan repayments are likely to be the primary source for replenishing the Trust's reserves.

# **The LTA Trust**

## **Report of the Trustees for the year ended 31 December 2020**

### **Risk Management**

The Board has assessed the major risks to which the charity is exposed as being: too few sources of income, negative publicity, failure to meet legal requirements, exposure to fraud and not having adequate insurance cover.

Trustees have reviewed these areas of potential risk and concluded that, operationally, these risks are significantly mitigated; record keeping is performed by the LTA which has adequate internal controls, insurance cover is reviewed every year and a lawyer is on hand when needed. The exposure to a loss of income is taken into account when reviewing the investment and reserves policies. Long term commitments are not made without having the cash in hand.

### **Investment Policy**

The investment policy of the Trust is to generate a positive financial return on funds over the medium term through a balanced portfolio with a low risk profile and low capital volatility. The portfolio is to be fully liquid so that funds can be invested in projects as the need arises.

The Board has delegated responsibility to the Lawn Tennis Association Limited Investment Advisory Group to implement the investment policy and monitor the performance of the Trust's investments. The Board is updated on the performance of the investments on an annual basis and seeks professional advice when appropriate.

### **Indemnity Insurance**

Directors' and Officer's Liability Insurance to indemnify the trustees against the consequence of neglect or default on their part was purchased by the LTA but not recharged to the Trust.

### **Related Parties**

The Trust works closely with the Lawn Tennis Association Limited, the national governing body of tennis in Great Britain in pursuit of its charitable objectives.

For further information on related parties see Note 14 of the Financial Statements.

The Report of the Trustees was approved and authorised for issue by the Board of Trustees on 17 June 2021 and signed on its behalf by:



S Hedley-Dent  
Trustee

17 June 2021

## The LTA Trust

### Statement of the Trustees' Responsibilities

The trustees (who are also directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Section 418, trustees' reports shall include a statement, in the case of each trustee in office at the date the trustees' report is approved, that:

- so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The Statement of Trustees' Responsibilities was approved and authorised for issue by the Board of Trustees on 17 June 2021 and signed by its order by:



S Meehan  
Company Secretary

# **The LTA Trust**

## **Independent Auditors' Report to the Members of The LTA Trust**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, The LTA Trust's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2020; the statement of financial activities (incorporating an income and expenditure statement), and the cash flow statement for the year then ended; the accounting policies; and the notes to the financial statements which include a summary of significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Independence***

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

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 charitable company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the charitable company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.



## **The LTA Trust**

### **Independent Auditors' Report to the Members of The LTA Trust**

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### ***Trustees' Annual Report***

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Annual Report. We have nothing to report in this respect.

#### **Responsibilities for the financial statements and the audit**

##### ***Responsibilities of the trustees for the financial statements***

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

##### ***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 an auditors' 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.

## The LTA Trust

### Independent Auditors' Report to the Members of The LTA Trust

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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 inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed included:

- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions made by management in its accounting estimates; and
- Identifying and testing the validity of journal entries, in particular any journal entries posted with unusual account combinations, journals posted by senior management and consolidation journals.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, 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 or intentional misrepresentations or through collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### ***Use of this report***

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Philip Stokes (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London EP  
23 June 2021

**The LTA Trust**  
**Statement of Financial Activities**  
**Incorporating an income and expenditure account**  
**for the year ended 31 December 2020**

	Note	Unrestricted Funds 2020 £000	Total Funds 2020 £000	Total Funds 2019 £000
<b>Income and endowments</b>				
Funds received	2	-	-	7,999
Income from investments	3	312	312	385
<b>Total income and endowments</b>		<b>312</b>	<b>312</b>	<b>8,384</b>
<b>Expenditure</b>				
Expenditure on raising funds	4	(77)	(77)	(180)
Expenditure on charitable activities	5	(805)	(805)	(1,831)
<b>Total expenditure</b>		<b>(882)</b>	<b>(882)</b>	<b>(2,011)</b>
<b>Other recognised gains</b>				
Net gain on investments		725	725	1,875
<b>Net income</b>		<b>155</b>	<b>155</b>	<b>8,248</b>
<b>Net movement in funds</b>		<b>155</b>	<b>155</b>	<b>8,248</b>
Fund balances brought forward at 1 January	8	37,454	37,454	29,206
<b>Fund balances carried forward at 31 December</b>	<b>8</b>	<b>37,609</b>	<b>37,609</b>	<b>37,454</b>

The net movement in funds for the years derives from the continuing activities of the Trust.

The Trust has no recognised gains or losses other than the net gain or loss in funds for the years stated above.

There is no material difference between the net movement in funds stated and their historical cost equivalents.

The notes on pages 14 to 17 form part of these financial statements.

## The LTA Trust

Company Registration No: 08087723

Charity Registration No: 1148421

### Balance Sheet as at 31 December 2020

	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Investments	7	39,407	39,444
<b>Current assets</b>			
Trade and other receivables – amounts falling due after more than one year	11	458	-
Trade and other receivables – amounts falling due within one year	11	95	-
Cash at bank and in hand	12	611	958
		<u>1,164</u>	<u>958</u>
Creditors: amounts falling due within one year	13	(2,962)	(2,948)
		<u>(1,798)</u>	<u>(1,990)</u>
<b>Net current liabilities</b>			
		<u>(1,798)</u>	<u>(1,990)</u>
<b>Net assets</b>		<u>37,609</u>	<u>37,454</u>
<b>The funds of the charity:</b>			
Unrestricted income funds	8	<u>37,609</u>	<u>37,454</u>
Total Charity funds		<u>37,609</u>	<u>37,454</u>

The financial statements on pages 11 to 17 were approved and authorised for issue by the Board of Trustees on 17 June 2021 and signed on its behalf by:



S Hedley-Dent  
Trustee

## The LTA Trust

### Cash Flow Statement for the year ended 31 December 2020

	Note	2020 £000	2019 £000
<b>Net income</b>		155	8,248
<b>Net cash inflow from operating activities</b>		<hr/> 155	<hr/> 8,248
Interest received	3	(8)	(4)
Dividends received	3	(304)	(381)
Realised gains		(37)	(16)
Unrealised gains on investment revaluation		(686)	(1,875)
Realised gain on foreign exchange		-	-
Fund managers	4	70	66
Audit fee	4	4	5
Loans issued		(553)	-
Cash transfer from investments		1,008	(6,986)
Increase/(decrease) in creditors, grant accruals and sundry expenses		<hr/> 4	<hr/> 1,831
<b>Net cash (outflow) from investment activities</b>		<hr/> (502)	<hr/> (7,360)
<b>Decrease/increase in cash in the year</b>		<hr/> <hr/> (347)	<hr/> <hr/> 888

The movement in cash relates solely to movements in cash and deposits.

The notes on pages 14 to 17 form part of these financial statements

Notes to the Financial Statements

1 Statement of accounting policies

a) **Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value, and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, Charities Act 2011 and applicable United Kingdom Accounting Standards. The financial statements also comply with the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005). The Trust has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Trust's activities. The Trustees believe the Trust will be able to meet its debts as they fall due given the high level of liquid investments held and as such have prepared the financial statements on a going concern basis. The accounting policies have been applied consistently.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and as such no strategic report has been prepared.

b) **Fund accounting**

The Trust's funds comprise of unrestricted funds which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

c) **Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

i) **Gift aid**

Donations under gift aid together with income tax recoverable are recognised when the donation is receivable.

ii) **Investment income**

Investment income from investments is recognised on an accruals basis and reinvested. Interest income from cash at bank is recognised on an accruals basis. Credit is taken for interest in the period in which the Trust is entitled to receipt.

All incoming resources are generated in the United Kingdom.

d) **Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to that activity.

i) **Investment management costs**

Investment management costs comprise the costs directly associated with management of the Trust's investments. These are deducted from investments by fund managers and hence included in the net value of investments.

e) **Taxation**

No charge to corporation tax arises as the Company is a registered charity. The Trust is not registered for value added tax (VAT) and, accordingly its expenditure is recorded inclusive of any VAT incurred.

## The LTA Trust

### Notes to the Financial Statements (continued)

2 Funds received	2020 £000	2019 £000
Funds received	-	7,999
	<u>-</u>	<u>7,999</u>

During the year, the LTA made a transfer of £nil (2019: £7,998,852) to The LTA Trust.

3 Income from investments	2020 £000	2019 £000
Income from listed investments and investment funds	311	385
Interest from cash deposits	1	0
	<u>312</u>	<u>385</u>

4 Expenditure on raising funds	2020 £000	2019 £000
Investment management costs	70	66
Audit fee	3	5
Administrative expenses	4	109
	<u>77</u>	<u>180</u>

5 Expenditure on charitable activities	2020 £000	2019 £000
Facility grants awarded	805	1,831
	<u>805</u>	<u>1,831</u>

### 6 Employees

The average monthly number of full time employees (excluding Trustees) employed directly by the Trust during the year was nil (2019: nil).

#### Trustees remuneration

During the year no trustees received remuneration nor reimbursement for expenses from the Trust.

### 7 Investments

	2020 £000	2020 £000	2020 £000	2020 £000	2020 £000	2019 £000
Listed securities at market value:	Canaccord	Fidelity	JP Morgan	Brooks Macdonald	Total	Total
Balance at beginning of year	7,565	12,236	12,235	7,408	39,444	30,260
Additions during the year	1,653	-	-	694	2,347	11,293
Disposals during the year	(1,538)	(498)	-	(712)	(2,748)	(3,790)
Fund cash movement	5	-	(467)	156	(306)	(184)
Fair value increase/(decrease)	249	23	-	398	670	1,865
Balance at end of year	<u>7,934</u>	<u>11,761</u>	<u>11,768</u>	<u>7,944</u>	<u>39,407</u>	<u>39,444</u>
Listed securities at historical cost					<u>37,061</u>	<u>37,767</u>

The Trust hold investments in shares, fixed interest products and corporate bonds as part of its low risk investment strategy providing an investment return for the Trust. The trustees believe that the carrying value of the investments is supported by the underlying net assets.

### 8 Unrestricted income funds

	Fund at start of 2020 £000	Income £000	Expenditure £000	Net (expense)/ income £000	Fund at end of 2020 £000
General unrestricted funds	34,606	312	(882)	(570)	34,036
Other unrestricted recognised gains/gains	2,848	725	-	725	3,573
Total unrestricted funds	<u>37,454</u>	<u>1,037</u>	<u>(882)</u>	<u>155</u>	<u>37,609</u>

## The LTA Trust

### Notes to the Financial Statements (continued)

#### 9 Analysis of net assets between funds

	Unrestricted Funds 2020 £000	Total Funds 2020 £000	Total Funds 2019 £000
Cash	611	611	958
Investments	39,407	39,407	39,444
Trade and other receivables	553	553	-
Creditors	(2,962)	(2,962)	(2,948)
Total	<u>37,609</u>	<u>37,609</u>	<u>37,454</u>

#### 10 Reconciliation of net (outgoing)/incoming resources to net cash flow from operating activities

	Note	2020 £000	2019 £000
Net (outgoing)/incoming resources before other recognised gains and losses	8	(570)	6,373
Interest receivable	3	(1)	(0)
Investment income receivable	3	(311)	(385)
Investment managers fees	4	70	66
Dividends received in bank		-	-
Audit fee		(4)	(4)
Increase in receivables	11	(553)	-
Cash transfer to/(from) investments		1,008	(6,986)
Increase in creditors/cost accruals	13	14	1,824
Net cash (outflow)/inflow from operating activities		<u>(347)</u>	<u>888</u>

#### 11 Receivables: amounts falling due within one year

	2020 £000	2019 £000
Trade and other receivables – amounts falling due after more than one year	458	-
Trade and other receivables – amounts falling due within one year	95	-
	<u>553</u>	<u>-</u>

#### 12 Cash at bank and in hand

	Note	2020 £000	2019 £000
Cash at 1 January		958	70
Movement from operating activities	10	(347)	888
Cash at 31 December		<u>611</u>	<u>958</u>

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

	2020 £000	2019 £000
Creditors due within one year	(2,962)	(2,948)
	<u>(2,962)</u>	<u>(2,948)</u>

#### 14 Related parties

The Lawn Tennis Association Limited is the national governing body of tennis in Great Britain, the Channel Islands and the Isle of Man. Its objectives are to promote and develop tennis and to advance and safeguard the interests of the sport. During the year ended 31 December 2020 the LTA donated £nil (2019: £7,998,852) to the Trust. Governance and administration costs (other than 2020's audit fees) and costs linked to the strategic management of the charity are borne by the LTA.



## **Notes to the Financial Statements (continued)**

### **15 Ultimate Controlling Party**

The Trust is a company limited by guarantee and the members undertake to contribute £1 in the event of the company being wound up. As at 31 December 2020 there was one member, being LTA Operations Limited.

The Trust is an independent charity with six (2019: three) trustees, four (2019: two) independent and two (2019: one) appointed by LTA Operations Limited in its capacity as the sole member of The LTA Trust. The LTA does not have control over the day to day operations.

### **16 Non-adjusting event after the end of the reporting period**

As at 17 June 2021, the Trust's Board of Trustees is considering whether or not a merger with another charity would be in the best interests of the Trust. A potential merger could result in a transfer of approximately £4.5m net assets to the Trust. A decision has not yet been taken on whether or not the Trust will proceed with a potential merger.