
LTA DEVELOPMENTS LIMITED

Unaudited

Annual Report and Financial Statements

For the Year Ended 31 December 2020

MONDAY



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LTA DEVELOPMENTS LIMITED

Company Information

Directors	S Lloyd S Steele
Registered number	02878268
Registered office	National Tennis Centre 100 Priory Lane London SW15 5JQ

LTA DEVELOPMENTS LIMITED

Contents

	Page
Strategic Report	1
Directors' Report	2 - 3
Statement of Income and Retained Earnings	4
Statement of Financial Position	5
Notes to the Financial Statements	6 - 11

LTA DEVELOPMENTS LIMITED

**Strategic Report
For the Year Ended 31 December 2020**

The directors present their report and financial statements for the year ended 31 December 2020.

Review of the business

The profit for the financial year of £1,364 (2019: £2,729) was transferred to reserves.

Future development and performance

The Company will continue to manage tennis developments on behalf of the LTA Group.

Key performance indicators ("KPIs")

Given the nature of the business, the Company's directors are of the opinion that analysis using KPI's is not necessary.

This report was approved by the board on 15 September 2021 and signed on its behalf by:



S Lloyd
Director

LTA DEVELOPMENTS LIMITED

Directors' Report For the Year Ended 31 December 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

The directors present their report and financial statements for the year ended 31 December 2020. LTA Developments Limited qualifies for the exemption to audit under section 479A of the Companies Act 2006 for the year ending 31 December 2020. The liabilities of the company are guaranteed by the ultimate parent company and controlling party of the LTA Group, Lawn Tennis Associated Limited whose accounts are publicly available at Companies House.

Principal activity

The Company's principal activity is to manage tennis developments on behalf of the Lawn Tennis Association Group. Both the level of business and the year end position were satisfactory. The Company is currently owed £3,258,497 (2019: £3,278,967) in relation to cost of work on tennis developments at West Hants LTC.

Results and dividends

The profit for the year, after taxation, amounted to £1,364 (2019: £2,728).

The directors recommend that no dividend is paid this year (2019: £nil).

Principal risks and uncertainties

The financial risk of the non payment of the amount owed by West Hants LTC is mitigated through a charge over the lease of the land at West Hants LTC being held by the Company.

Directors Indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. LTA Operations Limited purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of the Company and its directors.

The directors who served during the year and to the date of this report were:

S Lloyd
S Steele

LTA DEVELOPMENTS LIMITED

Directors' Report (continued) For the Year Ended 31 December 2020

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 '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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 15 September 2021 and signed on its behalf by:



S Steele
Director

LTA DEVELOPMENTS LIMITED

**Statement of Income and Retained Earnings
For the Year Ended 31 December 2020**

	Note	2020 £	2019 £
Revenue		1,364	2,728
Profit before taxation		<u>1,364</u>	<u>2,728</u>
Tax on profit	4	-	-
Profit for the financial year		<u><u>1,364</u></u>	<u><u>2,728</u></u>
Statement of retained earnings			
Retained earnings at 1 January		100,658	97,930
Profit for the financial year		1,364	2,728
Retained earnings at 31 December		<u><u>102,022</u></u>	<u><u>100,658</u></u>

All operations in the current year and prior year are continuing.

The company has no items of other comprehensive income or had any transactions with equity-holders between 1 January 2019 and 31 December 2020 so a Statement of retained earnings has therefore been presented in place of a Statement of comprehensive income and Statement of changes in equity.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and the historical cost equivalents for either 2020 or 2019.

The notes on pages 6 to 11 form part of these financial statements.

LTA DEVELOPMENTS LIMITED
Registered number: 02878268

Statement of Financial Position
As at 31 December 2020

	Note	2020 £	2019 £
Current assets			
Trade and other receivables: amounts falling due within one year	5	226,995	177,893
Trade and other receivables: amounts falling due after more than one year	5	3,031,502	3,101,074
Cash and cash equivalents	6	10,000	265,370
		<u>3,268,497</u>	<u>3,544,337</u>
Trade and other payables: amounts falling due within one year	7	(3,116,475)	(3,393,679)
Net current assets		<u>152,022</u>	<u>150,658</u>
Total assets less current liabilities		<u>152,022</u>	<u>150,658</u>
Net assets		<u>152,022</u>	<u>150,658</u>
Capital and reserves			
Called up share capital	8	50,000	50,000
Retained earnings		102,022	100,658
		<u>152,022</u>	<u>150,658</u>

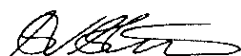
The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 September 2021.



S Steele
Director

The notes on pages 6 to 11 form part of these financial statements.

LTA DEVELOPMENTS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

1. General information

LTA Developments Limited is a private company limited by share capital and is incorporated and domiciled in United Kingdom. The address of its registered office is National Tennis Centre, 100 Priory Lane, London, SW15 5JQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to both the current year and prior year, unless otherwise stated.

The following principal accounting policies have been applied:

2.2 Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company Lawn Tennis Association Limited. The directors have received confirmation that Lawn Tennis Association Limited intends to support the Company for at least one year after these financial statements are signed.

2.3 Exemptions for qualifying entities under FRS 102

As the Company is a member of the group whose consolidated financial statements are publicly available it meets the exemption for qualifying entities as defined by FRS 102. As a qualifying entity it is entitled to certain disclosure exemptions, subject to certain conditions that have been complied with, including notification of, and no objection to, the use of exemptions by the Company's members. The Company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in LTA Limited's financial statements, includes the Company's cash flows;
- from disclosing the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

2.4 Revenue

Revenue consists entirely of revenue generated in the UK. It represents the recognition of the profit element of the tennis development, over the term of the related sales and purchase agreement.

LTA DEVELOPMENTS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.5 Taxation including deferred taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Taxation represents the amount estimated to be payable or recoverable in respect of the taxable profit or loss for the year, along with adjustments to estimates in respect of previous periods. Current or deferred taxation assets and liabilities are not discounted.

Current tax:

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

2.6 Tennis developments held for disposal

Tennis developments held for disposal are stated at the lower of cost and net realisable value.

2.7 Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting year, financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 immediately.

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 immediately.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, 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.

LTA DEVELOPMENTS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.7 Financial instruments (continued)

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.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

The company does not hold or issue derivative financial instruments.

3. Profit on ordinary activities before taxation

The directors received no remuneration in respect of their services to the Company during the year (2019: £nil). The Company had no employees (2019: none).

4. Tax on profit

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the year	-	-
Total current tax	<u>-</u>	<u>-</u>

LTA DEVELOPMENTS LIMITED

Notes to the Financial Statements
For the Year Ended 31 December 2020

4. Tax on profit (continued)

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before taxation	1,364	2,728
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	259	518
Group relief	3,824	5,176
Transfer pricing adjustments	(4,083)	(5,694)
Total current tax charge	-	-

LTA DEVELOPMENTS LIMITED

Notes to the Financial Statements For the Year Ended 31 December 2020

5. Trade and other receivables

	2020 £	2019 £
Due after more than one year		
Tennis developments held for disposal	3,031,502	3,101,074
	<u>3,031,502</u>	<u>3,101,074</u>
	2020 £	2019 £
Due within one year		
Trade debtors	85,123	36,022
Tennis developments held for disposal	141,872	141,871
	<u>226,995</u>	<u>177,893</u>

This represents the cost of work on tennis developments at West Hants LTC. West Hants LTC agreed to purchase the interest in the development over a 20 year period beginning in 2005. West Hants LTC were to pay 80 quarterly instalments of £64,509 each over the 20 year period of the sale and purchase agreement totalling £5,160,700.

Subsequently a moratorium was agreed to defer the instalments due in the calendar years 2007 and 2008, thus extending the repayment period to 22 years.

During the 2009 financial year, a proposal was submitted by West Hants LTC to extend the period of the agreement. It was agreed that repayment amounts would be reduced whilst the proposal was considered.

A decision was made that the outstanding balance as at 31 December 2009 would be repaid over a period of 30 years, starting 1 January 2010.

During the year ended 31 December 2020, payments totalling £70,936 (2019: £141,872) were due from West Hants LTC. At 31 December 2019, £70,936 was outstanding (2019: £30,018).

The profit element of £94,891, being the difference between the total recoverable value of £5,160,700 and the original cost of £5,065,809 of the development, is recognised as income on a straight line basis over the term of the sale and purchase agreement. No income was recognised during the moratorium period.

6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	10,000	265,370
	<u>10,000</u>	<u>265,370</u>

LTA DEVELOPMENTS LIMITED

**Notes to the Financial Statements
For the Year Ended 31 December 2020**

7. Trade and other payables: amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	3,110,471	3,387,675
Other creditors	6,004	6,004
	<u>3,116,475</u>	<u>3,393,679</u>

8. Called up share capital

	2020 £	2019 £
Authorised, allotted, called up and fully paid		
50,000 Ordinary shares shares of £1 each	<u>50,000</u>	<u>50,000</u>

9. Reconciliation of movements in equity

At 1 January	150,658	147,930
Profit for the financial year	1,364	2,728
At 31 December	<u>152,022</u>	<u>150,658</u>

10. Ultimate parent undertaking

The Company's immediate parent undertaking is LTA Holdings Limited, a company registered in England and Wales.

The Company's ultimate parent undertaking and controlling party is Lawn Tennis Association Limited, which is the parent undertaking and the smallest and largest group to consolidate these financial statements. Copies of the Lawn Tennis Association Limited financial statements are available from Companies House.