

LTA Services Limited

Report and financial statements

For the 12 months ended 30 September 2011

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LTA Services Limited

Report and financial statements

For the 12 months ended 30 September 2011

Contents

Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 11

LTA Services Limited

Directors' report

The Directors present their report and the audited financial statements for the year ended 30 September 2011

Principal activity

The Company's principal activity is the provision of manpower services to the LTA Group

Review of business

Both the level of business and the year end position were satisfactory. There are no significant financial risks facing the Company.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately.

Key performance indicators ("KPIs")

Given the nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The profit for the financial year was £139,135 (2010: £100,574) and the Directors recommend that no dividend is paid this year (2010: £nil). The profit for the financial year has been transferred to reserves.

Employee engagement

During the year the policy of providing employees with information about the LTA and British tennis has continued through internal communications in which employees have also been encouraged to present their suggestions and views. Regular meetings are held between management and employees to allow a free flow of information and ideas and the LTA places considerable value on the views and involvement of its employees.

Disabled employees

The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The company gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the company. If members of staff become disabled the company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

Directors

The Directors of the Company who served during the year are listed below:

P Bretherton
R J Draper
D P Howorth (resigned 12 January 2011)
C Sabin (appointed 12 January 2011)

LTA Services Limited

Directors' report (continued)

Statement of directors' responsibilities

The directors are responsible for preparing 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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 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.

Independent auditors

In accordance with section 487(2) of the Companies Act 2006, the auditors, PricewaterhouseCoopers LLP, will be deemed to have been re-appointed at the end of the period of 28 days beginning with the day on which copies of the Report and Financial Statements are sent to members unless a resolution is passed under section 488 of the Companies Act 2006 to the effect that they should not be re-appointed.

So far as each director is aware, there is no information relevant to the audit of which the company's auditors are unaware. Each director has taken all steps that he ought to have taken in order to make himself aware of any information relevant to the audit and to establish that the company's auditors are aware of that information.

By order of the Board



P A Preston
Company Secretary

14 December 2011

Independent auditors' report to the members of LTA Services Limited

We have audited the financial statements of LTA Services Limited for the year ended which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors. This report, including the opinions, has been prepared for and only for the company'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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent auditors' report to the members of

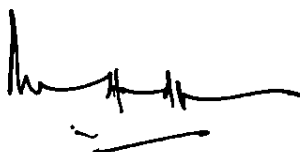
LTA Services Limited

(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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



Martin Hodgson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 December 2011

LTA Services Limited

Profit and loss account

For the 12 months ended 30 September 2011

	Notes	2011 £	2010 £
Turnover	1	14,219,014	14,729,435
Operating expenses		(14,079,826)	(14,628,930)
Operating profit	2	139,188	100,505
Interest receivable and similar income		-	69
Interest payable and similar charges		(53)	-
Profit on ordinary activities before taxation		139,135	100,574
Tax on profit on ordinary activities	4	-	-
Profit for the financial year	8	139,135	100,574

All the operations in the current and prior year were continuing

The company has no recognised gains or losses other than the profits above and no separate statement of total recognised gains and losses has therefore been presented

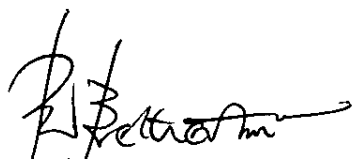
The notes on pages 7 to 11 form part of these financial statements

LTA Services Limited**Balance sheet**

As at 30 September 2011

	Notes	2011 £	2010 £
Current assets			
Debtors	5	1,335,677	473,252
Cash at bank and in hand		2,747,885	4,159,194
		<u>4,083,562</u>	<u>4,632,446</u>
Creditors: amounts falling due within one year	6	(2,228,623)	(2,916,642)
Net assets		<u>1,854,939</u>	<u>1,715,804</u>
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account	8	1,854,839	1,715,704
Total shareholders' funds	9	<u>1,854,939</u>	<u>1,715,804</u>

The financial statements on pages 5 to 11 were approved and authorised for issue by the Board of directors on 14 December 2011 and were signed on its behalf by



P. Bretherton
Director

The notes on pages 7 to 11 form part of these financial statements

LTA Services Limited

Notes to the financial statements

For the 12 months ended 30 September 2011

1 Accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards and have been applied consistently throughout the year. The principal accounting policies are set out below.

Turnover

Turnover, which excludes value added tax, consists entirely of turnover generated in the UK. It represents income from manpower services.

Pension costs

The company operates various defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes or as agreed with individual employees.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted by the balance sheet date.

Operating leases

Rentals payable under operating leases are charged on a straight line basis over the lease term.

Cash flow statement and related party disclosure exemptions

The company is a wholly-owned subsidiary of the Lawn Tennis Association and is included in the group financial statements of the Lawn Tennis Association, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement in accordance with Financial Reporting Standard 1 (revised 1996) - Cash Flow Statements.

The company is also exempt under Financial Reporting Standard 8 - Related Party Disclosures from disclosing related party transactions with entities that are part of the Lawn Tennis Association group.

LTA Services Limited

Notes to the financial statements (continued)

For the 12 months ended 30 September 2011

2. Operating profit

Operating profit is stated after charging

	2011	2010
	£	£
Operating lease rentals - vehicles	<u>209,588</u>	<u>174,579</u>

The directors received no remuneration from the company during the year

Auditors' remuneration was borne by the company's ultimate parent undertaking, the Lawn Tennis Association

3. Employees

The average monthly number of employees of the company during the year was made up as follows

	2011	2010
Development	113	104
Central services	77	70
National training	61	68
Tournament and events	20	17
Marketing and sponsorship	21	17
Coaching	4	4
	<u>296</u>	<u>280</u>

The aggregate amounts payable to employees of the company during the year were as follows

	2011	2010
	£	£
Salaries and fees	11,464,133	11,403,245
Social security costs	1,272,617	1,313,317
Other pension costs	562,356	507,549
	<u>13,299,106</u>	<u>13,224,111</u>

LTA Services Limited

Notes to the financial statements (continued)

For the 12 months ended 30 September 2011

4. Tax on profit on ordinary activities

	2011	2010
	£	£
Current tax:		
UK Corporation tax on profits for the year	-	-
Adjustment in respect of previous years	-	-
Total tax on profit on ordinary activities	-	-
Reconciliation of current tax charge:		
Profit on ordinary activities before taxation	139,135	100,574
Profit on ordinary activities multiplied by standard corporation tax rate in the UK of 21% (2010 21%)	28,523	21,121
Effects of		
Expense imputed or non-deductible for tax purposes	-	1,190
Group relief	(28,523)	(22,311)
Total current tax	-	-

5. Debtors

	2011	2010
	£	£
Trade debtors	52,081	23,500
Amounts owed by ultimate parent undertaking	854,205	-
Amounts owed by group undertakings	-	172,474
Amounts owed by Tennis Foundation	352,624	139,580
Prepayments and accrued income	76,767	137,698
	1,335,677	473,252

6 Creditors amounts falling due within one year

	2011	2010
	£	£
Trade creditors	-	1,357
Amounts owed to ultimate parent undertaking	-	450,353
Taxation and social security	356,720	350,649
Other creditors	569,759	508,548
Accruals and deferred income	1,302,144	1,605,735
	2,228,623	2,916,642

LTA Services Limited

Notes to the financial statements (continued)

For the 12 months ended 30 September 2011

7 Called up share capital

	2011	2010
	£	£
Equity share capital:		
Authorised		
100 ordinary shares of £1 each	100	100
Allotted and fully paid		
100 ordinary shares of £1 each	100	100

8 Reserves

	Profit and loss account £
At 1 October 2010	1,715,704
Profit for the financial year	139,135
At 30 September 2011	1,854,839

9. Reconciliation of movements in shareholders' funds

	2011	2010
	£	£
At 1 October	1,715,804	1,615,230
Profit for the financial year	139,135	100,574
At 30 September	1,854,939	1,715,804

10. Pension commitments

The company operates various defined contribution pension schemes for its employees. The LTA Group Money Purchase Pension Plan is closed for new contributions and members, but has assets which are held in a separate trustee administered fund. The trustees of the scheme are all officers of the Lawn Tennis Association. All new contributions are paid into the LTA Group Personal Pension Plan or private personal pension plans.

The pension plans are funded by contributions from the company and the employees. Annual contributions to the schemes by the company are related to pensionable salaries and length of service of employees. The total pension cost for the year amounted to £562,356 (2010 £507,549). Contributions of £nil (2010 £nil) were outstanding at the year end.

LTA Services Limited

Notes to the financial statements (continued)

For the 12 months ended 30 September 2011

11 Financial commitments

At 30 September 2011 LTA Services Limited had annual commitments under non-cancellable operating leases for assets, other than land and buildings, and other financial commitments as follows

	2011	2010
	£	£
Operating leases which expire		
within one year	89,395	-
within two to five years	47,976	158,435
	<u>137,371</u>	<u>158,435</u>

12. 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 is the Lawn Tennis Association. Copies of its group financial statements, which include the company, are available from The National Tennis Centre, 100 Priory Lane, Roehampton, London, SW15 5JQ