

Private & Confidential

LTA OPERATIONS LIMITED

Company number 07475460
(the “Company”)

Minutes of a meeting of the BOARD OF DIRECTORS of the Company (the “Board”) held on Wednesday 23rd September 2021 at 08.30 am at the National Tennis Centre, 100 Priory Lane, Roehampton SW15 5JQ and by Teams

Present Lord Davies of Abersoch, Rachel Baillache (via Teams), Sara Bennison, Sanjay Bhandari, Lesley Cundy, Craig Haworth, Anil Jhingan, Scott Lloyd, Sandi Procter, David Rawlinson, Roy Staniland, Simon Steele and Sir David Tanner

In attendance Jackie Freeman (Minutes), Richard Daish (item 6.3), David Humphrey (item 5), Chris Pollard (item 6.1), Olly Scadgell (items 5 and 6.1), Gary Stewart (item 6.2), Ben Wiseman (item 6.4) and Pamela Woodman (Company Secretary)

Minutes

1. Welcome and Declarations of Interest

Lord Davies opened the meeting and welcomed Anil Jhingan and Sanjay Bhandari to their first Board meeting.

In accordance with section 177 of the Companies Act 2006, each director present confirmed that they had no direct or indirect interest in any of the business to be transacted at the meeting, other than as set out in the minutes below.

Otherwise, the declarations of interest were as previously recorded and Board members were reminded to continue to declare any interest which may arise during the meeting at the appropriate time.

2. Minutes of the meetings held on 5th May 2021 and 25th June 2021

These were respectively approved as a correct record.

Matters Arising

- **Item 8.2** It was agreed that Martin Corrie would be invited to attend a Board meeting in 2022.

3. CEO Executive Summary

The summary provided in the Board pack was taken as read and Scott Lloyd highlighted the following:

Visibility: The LTA is increasing use of its own and new broadcast channels to improve visibility and will bring the Broadcast strategy to the Board in due course.

Accessibility: The LTA Youth secondary schools programme would be launched at the end of September. It was also noted that Emma Raducanu is an ambassador for the LTA Youth programme.

Domestic Calendar: Scott Lloyd said that the announcement of the doubling of the number of international tournaments had been well received and work was now taking place to ensure the swings work for the players.

Performance: Plans have been developed to offer a 10U Performance programme to 68 centres in line with the planned extension to and renaming of the Local Player Development centre network.

Scott Lloyd highlighted that there are a number of players who are at or close to their career high rankings and are starting to challenge the trajectory they are on and beginning to move up against their peer groups.

Leadership: Scott Lloyd drew Board's attention to the Inclusion update in the Board pack.

Sport England: The LTA's funding application has been submitted and Scott Lloyd offered to circulate it to those Board members who might be interested.

3.1 Business Dashboard

A copy of the latest dashboard was included in the Board pack. Scott Lloyd pointed out that the participation figures are 12-month trailing figures and a review will be undertaken at the end of the year to fully understand the trends as far as possible.

Lesley Cundy asked whether it would be possible to have a breakdown of the number of children playing by boys and girls.

Sandi Procter felt counties could do with help with the kind of social media content they could use at a local level and Scott Lloyd said that he would arrange to feed back the thinking that has been done to look at this specific topic.

4. Finance Update

Simon Steele's report was included in the pack.

4.1 Management Accounts

These were noted.

4.2 Loan Facility Approval - The Secretary of State for the Department of Media, Culture and Sport

The paper and supporting documentation included in the Board pack was noted.

Loan Facility

The Chairman noted that the Meeting was to consider, and if thought fit approve and authorise, the establishment of a committee of the Board to finalise and execute certain documents in connection with a loan facility (the **Loan Facility**) of £14,300,000 proposed to be made by The Secretary of State for the Department for Digital, Culture, Media and Sport (the **Lender**) and administered by The English Sports Council (the **Programme Manager**) to the Company.

Documents

It was noted that the principal financing documents were as follows:

- (a) a loan facility agreement proposed to be made between the Lender, the Programme Manager and the Company pursuant to which the Lender will make available the Loan Facility to the Company (the **Loan Facility Agreement**); and
- (b) a guarantee and debenture to be given by the Company and its parent company Lawn Tennis Association Limited in favour of the Programme Manager acting as security trustee for the Lender and the Programme Manager (the **Guarantee and Debenture**),

together the **Documents**.

A document provided by Farrer & Co – legal advisers to the Company in respect of the Loan Facility – summarising the key terms of the Loan Facility was produced to the Meeting (the **Summary Document**).

The Directors discussed the Summary Document and the key terms of the Documents set out therein, including, without limitation:

- (c) the representations, covenants and events of default under the Loan Facility Agreement;
- (d) the term, interest rate, fees and other elements of pricing in the Loan Facility Agreement; and
- (e) the obligations imposed by the Guarantee and Debenture.

The Directors noted that:

- (f) the Company has the power under its memorandum and articles of association to enter into the Loan Facility;
- (g) there are no borrowing, guarantee or security restrictions in the articles of association of the Company;
- (h) the Directors present at the meeting are empowered under Article 5 of the Company's articles of association to delegate any of the powers which are conferred on them under the articles of association to a person or committee; and

- (i) the implementation of the Loan Facility would, by providing the Company and wider group with additional liquidity, promote the success of the Company for the benefit of its members as a whole and would be for the purpose of carrying on the Company's business.

Resolutions

After further due and careful consideration, including consideration of the matters referred to in Section 172(1) of the Companies Act 2006, and having concluded that to do so would promote the success of the Company for the benefit of its members as a whole, IT WAS RESOLVED that:

- (j) Scott Lloyd and Simon Steele be appointed to a committee (**Committee**) pursuant to Article 6 of the Company's articles of association to act on behalf of the board of directors in relation to the Loan Facility and all documents and formalities connected with it;
- (k) the quorum of any meeting of the Committee be set at two members; and
- (l) the Committee be delegated all the powers of the board of directors required to enter into all agreements, deeds and documents on behalf of the Company in connection with the Loan Facility (including without limitation the Documents) as the Committee shall consider necessary or desirable in the interests of the Company, subject to any regulations, resolutions or restrictions that may be imposed by the board of directors from time to time.

4.3 2022 Budget and Financial Planning

Simon Steele's paper was included in the Board pack. Simon Steele explained that due to the challenges faced by Covid, the usual five year plan was not produced in 2020 and therefore a 3 year plan (2022-2024) had been developed. It is anticipated that a fuller five year planning exercise will be undertaken aligned to the Board strategy day planned for March 2022. An overview of the work completed to date on the 2022 budget was provided.

After further discussion, the Board approved the direction of travel and it was noted that the final 2022 budget would be presented to the Board in December.

5. Safeguarding Report

[David Humphrey and Olly Scadgell joined the meeting]

The Safeguarding report was taken as read.

The Board congratulated the LTA on receiving the highest possible rating, once again, by the CSPU in its annual safeguarding review.

David Humphrey explained that a decision had been taken to delay the mandatory coach accreditation project to level 2 coaches until next year due to the disruption to coaches caused by the pandemic and the pressure on them to resume coaching programmes post lockdown.

[David Humphrey left the meeting]

6. Key Business updates

6.1 British Nationals

[Chris Pollard joined the meeting]

Olly Scadgell and Chris Pollard briefed the Board on a proposal to stage a men's and women's British Nationals event.

[Chris Pollard left the meeting]

6.2 Parks Strategy

[Gary Stewart joined the meeting]

Gary Stewart, Head of Operations, gave the Board an update on the Parks Strategy. He explained that in addition to the £8.4m of grant funding being invested into existing park tennis facilities via the LTA Trust, the LTA is seeking a further £22m from Government to enable the parks strategy to be developed at pace.

When asked about the investment into indoor tennis facilities, Scott Lloyd said that, post Covid, the LTA is necessarily focussing, in the short term on improving existing indoor courts to ensure they are not lost to the sport.

[Gary Stewart left the meeting]

6.3 Charity merger

[Richard Daish joined the meeting]

Simon Steele gave an update on the merger of the two charities and the Vision, Mission, Objectives, Strategies and Tactics for the new charity. He noted that the board of The LTA Trust had been expanded by the appointment of the pre-merger trustees of The Tennis Foundation to the board of The LTA Trust. A new Chair will be appointed next year and a list of the Trustees will be circulated post the meeting. Sara Bennison felt it would be useful to have a chart to see where it fits with other tennis charities.

Richard Daish took the Board through the visual identity for the new charity the LTA Tennis Foundation.

6.4 Win Plan

[Ben Wiseman joined the meeting]

The Board received a presentation of the LTA's planned activities to celebrate the success of Emma Raducanu's win at the US Open.

Ben Wiseman gave an update on the Homecoming event being arranged for the four British US Open winners and the accompanying broadcast event.

[Richard Daish and Ben Wiseman left the meeting]

7. Corporate Governance

7.1 Statutory accounts of LTA Operations Limited

The accounts for LTA Operations Limited for the financial year ended 31st December 2020 were approved.

8. Reports for noting

9.1 Business update

Scott Lloyd's business update was noted.

9. Any Other Business

Due to a clash with the Davis Cup finals, the next Board meeting will take place on 7th December 2021 (rather than on 1st December 2021) with a dinner on the evening of 6th December 2021.

10. Closed session

Pamela Woodman, Simon Steele and Jackie Freeman left the meeting.

There being no further business, the meeting closed at 1.45pm

E. Mervyn Davies

Signed:

Dated 7th December 2021