



FINANCE AND GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025



TENNIS
FOR BRITAIN



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CHAIR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025



CHAIR'S REPORT

Welcome to the LTA's Annual Report and Financial Statements for 2025.

After joining the LTA as Chairman last July, I'm delighted to reflect on the strong progress we have made in Tennis and Padel during the year, and highlight some key successes as we continue to drive forward our vision of Tennis Opened Up and support the exciting growth of Padel.

I am pleased to report that we have achieved good results among our elite and junior players, continued to grow both Tennis and Padel's fan base and maintained very strong participation figures. We have also strengthened our financial position and continued to promote inclusion in all that we do.

Tennis Participation and Facilities

At the grass roots of the game, annual adult participation rose to 5.8m in the summer of 2025, the highest level we have recorded. We are particularly pleased with the growth of children's participation, with the number of children playing annually growing to over 4m for the first time. Most encouragingly the number of children playing monthly has risen 15% to a record 1.8m, and the number of children playing weekly has risen by 26% to 0.8m, another record high.

In 2025 we concluded our project, funded by the UK Government, LTA Tennis Foundation ('LTA TF') and third party local funding, to renovate over 3,000 park tennis courts across Britain, to ensure they are in good condition and sustainable for the long-term. With funding of over £45m committed, the aim was to get half a million more people playing tennis in parks every year. The effects of this have been immediate with the number of park participants achieving that aim and rising to a new high of 2.2m, with the share of players using park courts at 40%, the highest proportion for three years.

Sir Andy Murray marked this milestone by visiting redeveloped courts in West Byfleet in the summer alongside local school children to celebrate the project's conclusion. Over three years, these dilapidated park tennis courts have been restored to long-term sustainable use for local communities, with over half of these in areas of highest social deprivation. Alongside this, we've also been developing our Barclays Free Parks Tennis product delivered by local volunteers or activators. These free, weekly tennis sessions will help encourage even more people to take part in the sport by removing the main barriers to playing as participants have people to play with and equipment is provided.

Performance

This year our British players made strong progress across singles, doubles, and wheelchair events. We had a record 11 men in the ATP singles top 200 in the same week for the first time since 1976. There were 13 men in the top 200 in total over the course of the year. We also finished the year with five British men in the ATP doubles Top 10 rankings – the first time in 32 years any nation has achieved this. On the WTA tour Francesca Jones became the fifth British woman in the top 100 during the year and our GB team reached the semi-finals of the Billie Jean King Cup for the third time in the past four years.

At The Championships, Wimbledon, we had 23 British players in the main draw of the singles for the first time since 1984. Julian Cash and Lloyd Glasspool became the first all British pair to win the men's doubles since 1936, and finished the year as the No.1 doubles team in the world.

In the women's singles, Sonay Kartal reached the fourth round of a Grand Slam for the first time, with a new career-high inside the world's top 50. Joe Salisbury made the mixed doubles final with Brazil's Luisa Stefani – narrowly missing out on the title. Mimi Xu made the semi-final of the girls' singles and Oliver Bonding was the runner-up in the boys' doubles with American Jagger Leach.

Other highlights of 2025 included: Henry Patten and Finnish partner Harri Heliövaara winning the Australian Open men's doubles title; Alfie Hewett winning the Australian Open 2025 men's wheelchair singles title to add to the doubles titles he again won with Gordon Reid in Melbourne and Paris; Andy Lapthorne combined with Sam Schroder to win his eighth Australian Open quad doubles title; and Jack Draper winning the biggest title of his career at Indian Wells, joining 99 other Britons to win a professional title in the calendar year.

Supporting our pro-players, our Performance Competition Calendar saw over 40 weeks of competition and prize money earning opportunities on home soil with more opportunities to win ranking points for British players. To further support our elite players' performance, we've also continued to invest in facilities at the National Tennis Centre in Roehampton and Lexus Nottingham Tennis Centre.

Major Events

The Championships at Wimbledon continue to be widely recognised as the premier tennis tournament in the world. The event is organised by a joint Committee of Management on behalf of both the LTA and the AELTC. It is a showcase for British tennis, which importantly benefits materially from the financial success of the Tournament. Funds from the Tournament are critical to the game in this country and are used to support LTA initiatives, from grassroots to elite level, including our work to increase participation among young people and in disadvantaged communities, as well as our work to drive an inclusive culture in tennis across Britain.

Noted above are the successes of British men and women at The Championships in 2025. The LTA believes that such performances benefit not only tennis in Britain more widely, but very importantly

also The Championships itself, including through the public attention and media coverage this brings to the event.

A major milestone for the LTA last year was the HSBC Championships returning professional women's tennis to The Queen's Club after more than 50 years. For the first time we hosted a women's WTA 500 event in the week before the men's ATP event. We announced a significant uplift in women's prize money for 2025 and a commitment to equalising the men's and women's prize money at both the HSBC Championships at Queen's and the Lexus Eastbourne Open, no later than 2029. There were over 62,000 spectators at Queen's – one of the highest attendances for a WTA 500 anywhere on the tour. The event also significantly raised the visibility of tennis more widely with a dramatic growth in both TV and digital audiences. Across the fortnight the average audience (on the BBC and Tennis Channel) was 651,000 (up 51% on 2024) and the share of TV audience rose to 11.7% (up 64% on 2024), with a peak audience of 1.7m tuning into the BBC for the men's final and nearly 4.1m digital interactions from the HSBC Championships.

During the event we announced the next phase of our She Rallies plan, our strategic focus on women and girls, in collaboration with the Women's Sport Collective. The occasion brought together 60 of the most senior and influential leaders from across sport to discuss the progress made so far in this area, and to share ideas about how to increase visibility, drive participation and increase female representation in the workforce.

The two-week celebration of tennis at Queen's was part of the new grass court calendar we introduced in 2025, with the highest profile events at the start of the season to ensure maximum visibility for tennis across the whole grass court season, promotion of women's tennis to a larger audience and every tournament venue hosting both male and female events. As well as showcasing the talent of our top players, we once again used LTA Major Events to provide a shop window to promote major programmes of LTA work, hosting dozens of activations and 'have a try' sessions.

Padel

As the National Governing Body for Padel we are doing all we can to drive sustainable growth for one of the fastest growing sports in Britain. In 2025 we reached a major milestone with 1,553 courts available across 559 venues nationwide. We also now have padel infrastructure across all County associations in England, Scotland and Wales. There were 400,000 adults and juniors playing padel in Britain at the start of 2025, and following the continued growth in courts and venues through the year, the total number of players now stands at 860,000. Alongside this, we are growing the number of competitions and playing opportunities for British padel players through both our 654 LTA sanctioned grade 3-5 recreational padel competitions and our Padel Performance Competitions Calendar for 2026 which now includes 36 tournaments.

In December we staged the inaugural LTA Padel National Championships at Rocket Padel in Bristol. Top seeds and British No. 1 and No. 2 Aimee Gibson and Catherine Rose took home the women's open title, while Alex Loughlan and Louie Harris were crowned men's open champions. Aimee also won a string of titles over the year. Elsewhere, Catherine Rose broke into the FIP world top 100 and Great Britain put in a strong performance with the cream of European countries for padel by reaching the Final 8 of the FIP Euro Padel Cup in Spain in October.

Young People

Our LTA Youth and LTA Youth Schools programmes are seeing 1.4m children playing in schools as part of our overall children's participation numbers. In 2025 we reached a crucial milestone of 30,000 teachers trained and, with over half of all schools in Britain signed up, we can see that the initiative is making a tangible difference. Last year the yoghurt brand FAGE became the lead partner of our LTA Youth pathway, designed to help more children enjoy the benefits of playing and staying in tennis, and this will allow us to expand the programme even faster. This partnership saw the launch of our FAGE LTA Youth Starter Offer which provides everything needed for children to get involved in tennis for

the first time and discover their love for the game. In 2026 we are looking to expand LTA Youth further into the early years sector.

The successful LTA SERVES programme, which helps people who might not previously have had the opportunity to experience tennis, continues to enable significant numbers of young people to pick up a racquet. Last year we hit the milestone of 1,000 venues engaged to deliver the programme, a record high. This included community centres, faith venues, youth clubs and prisons, and meant that more than 35,000 young people took part regularly last year. Alongside this, we hit a record number of venues delivering the LTA's Open Court Programme, our national scheme that actively promotes and delivers opportunities for disabled people and those with long-term health conditions to get involved in tennis. This enabled nearly 25,000 participants to play regularly, also a record high. Both of these programmes are supported by Sport England.

LTA Tennis Foundation

We know there are still disadvantaged communities across Britain where tennis is less well established. LTA TF is the LTA's official charity with a mission to improve lives through tennis, with a particular focus on the grassroots of the game and diverse and under-served communities. As a grant and loan giving charity, its ambition is that every child, young person and adult can have access to the unique and life-changing benefits that tennis offers. LTA TF delivered Round 4 of its Grant Making Framework in 2025, awarding over £1m to 16 organisations.

Over the course of the year, LTA TF also continued funding both tuition and equipment to make tennis accessible to all, through LTA SERVES, LTA Open Court, and FAGE LTA Youth Schools. It has also been improving access to tennis by developing, often neglected, facilities and courts, through the Facility Loan Scheme (previously the Quick Access Loan scheme), the Park Tennis Project, and strategic indoor projects.





LTA TF facility loans have supported a variety of projects including 14 new covered courts and 34 new floodlit courts for tennis and padel. Loan recipients have seen significant growth in membership and expanded adult and junior programme offerings. A new indoor tennis centre at the King George V sports complex in Dumfries is also part of our commitment to investing in indoor facilities in Scotland under the Transforming Scottish Indoor Tennis (TSIT) scheme.

To continue this work, the LTA has made a donation of £3m to LTA TF, to further support their efforts to help improve even more people's lives.

Innovation and Technology

Innovation remains a driving force in all that we do. We increased adoption of the LTA Play booking platform with more than 500,000 bookings through the Play Tennis mobile app. This is important for us in increasing participation and frequency of play as the mobile app makes it even easier to book places to play. During the summer events we also successfully launched our mobile fan app LTA Courtside. The plan is to develop this platform to become a year-round fan engagement platform for British tennis.

More widely we continue to engage fans and players through our Advantage membership programme. At the end of the year the number of people on our Advantage database was up 25% at 2.5m. Our data also shows both coach engagement and volunteer engagement are at record high levels.

Diversity and Inclusion

Underpinning all this, inclusion remains integral to all our work. In 2025 we launched our updated Equity, Diversity and Inclusion Plan - Belonging in Tennis - to continue our drive to change the culture of tennis in Britain to be more inclusive. To do this we have been delivering actions against a range of plans and initiatives to drive participation and engagement with women, under-served communities and people with an impairment.

We continue to support the Tennis Black List event, which this year was held at the HSBC Championships to celebrate tennis role models from black and mixed black communities, building on the success of previous events. We also supported and part funded a new innovative piece of research with Women in Sport and other sport National Governing Bodies exploring the needs and experiences of Black Girls in Sport. In addition, we announced a collaboration with Brown Girl Sport, a media platform that promotes South Asian stories in sports with the aim of increasing representation and visibility.

Elsewhere, we again held Friday Pride Days across our Major Events with Pride inspired branding on umpires' chairs, and officials, ball crews and staff were offered rainbow laces and wristbands to wear, and the LGBTQ+ Progress flag was flying above the show courts across the summer.

The year also saw wider success for Great Britain's senior players and disability groups. In 2025 Deaf, Visually Impaired, Learning Disability, and Parastanding had medal success at a range of tournaments including the US Open, Virtus World Championships, Tokyo 2025 Deaflympics and the 2025 IBTA European Championships. Great Britain's Seniors tennis players from ages of over 30s through to over 85s won an impressive haul of medals. In total 24 age group teams represented GB in the Team World Championships events with GB winning eight team medals and there were 25 medals in individual World Championship events. Of special note was the men's 30s team who were crowned World Champions.

During 2025 we signed a Memorandum of Understanding with Special Olympics Great Britain (SOGB), to enhance opportunities for people in Learning Disability Tennis. Disability Tennis will take centre stage in 2026, with a significant increase in opportunities to compete through the LTA's disability competitions calendar, and grass court wheelchair tennis events being enhanced. In the 50th anniversary year of the invention of wheelchair tennis, LTA investment in wheelchair tennis during the 2026 grass court season will increase by over 20%.

Sustainability

Finally, we've made progress in the delivery of our Environmental Sustainability Plan. We've continued to work hard to reduce waste through a number of initiatives across the National Tennis Centre, Lexus Nottingham Tennis Centre and at LTA Major Events. This included, thanks to commercial partnerships, the removal of nearly 500,000 single use plastic bottles from our events, an entirely electric tournament fleet at the Lexus Nottingham Open and the donation of over three tonnes of food to local food charities, representing more than 7,500 meals.

As I reflect on my first full year in post, I am immensely proud of all that we have achieved together, and of the strong position in which both Tennis and Padel in Britain now find themselves. I would like to extend my sincere thanks to tennis venues, coaches, officials and volunteers, as well as to our dedicated LTA colleagues, our important partners at the AELTC with whom we work so closely, LTA Council members, my fellow Board members, and all the other individuals and organisations we work with – and I look forward to continuing that momentum in the year ahead.

Thank you



William Jackson
Chair



2025 KEY HIGHLIGHTS

5.8M
ANNUAL ADULT
TENNIS PARTICIPANTS

A RECORD HIGH
OF OVER
4M
CHILDREN PLAYING
TENNIS ANNUALLY

1.8M
CHILDREN
PLAYING TENNIS
MONTHLY
UP 15%

800,000
CHILDREN
PLAYING TENNIS WEEKLY
UP 27%



NUMBER OF PADEL PLAYERS RISING FROM
400,000
TO
860,000
DURING 2025

1,553
PADEL COURTS
AVAILABLE ACROSS
559
VENUES NATIONWIDE

2.2M
PEOPLE PLAYING
TENNIS
IN PARKS FOLLOWING THE
PARKS INVESTMENT PROJECT

30,000
TEACHERS TRAINED
and over half of all
schools in Britain signed up to
FAGE LTA Youth Schools

1.4M
CHILDREN
PLAYING IN
SCHOOLS VIA OUR
FAGE LTA Youth
Schools programme

A record high of
1,000
VENUES
delivering LTA SERVES
with over
35,000
YOUNG PEOPLE
taking part regularly

OVER
24,000
PARTICIPANTS
PLAYING DISABILITY TENNIS
at a record number
of venues delivering
LTA Open Court





OVER 62,000
SPECTATORS ON SITE AT THE NEW
HSBC CHAMPIONSHIPS WTA WEEK

5 BRITISH MEN IN THE ATP DOUBLES TOP
10 RANKINGS AT YEAR END
first time in 32 years for any nation

13 BRITISH MEN IN THE ATP TOP 200 OVER
THE COURSE OF THE YEAR

23
BRITISH PLAYERS
IN THE MAIN SINGLES DRAW AT
THE CHAMPIONSHIPS, WIMBLEDON
for first time since 1984

**THIRD TIME IN
PAST FOUR YEARS**
LEXUS GB TEAM REACHED SEMI-FINALS

of the



2.5M PEOPLE
ON OUR LTA ADVANTAGE DATABASE
UP 25% FROM 2024



**14
NEW
COVERED
COURTS**

AND
**34 NEW
FLOODLIT COURTS**
SUPPORTED FOR
TENNIS AND PADEL

by LTA TF facility loans

OVER £1M
AWARDED TO 16 ORGANISATIONS
UNDER
LTA TF GRANT MAKING FRAMEWORK

c. 500,000
SINGLE USE PLASTIC
BOTTLES
REMOVED FROM
OUR EVENTS

**OVER THREE
TONNES**
OF FOOD DONATED TO
LOCAL CHARITIES



GROUP STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL REVIEW

OVERVIEW

The Finance and Governance Report and financial statements are for Lawn Tennis Association Limited ('the Company') and its subsidiaries (altogether 'LTA' or 'the Group') for the year ended 31 December 2025, and detail the financial investments made by LTA in supporting the growth of tennis in Great Britain during the year.

The financial statements have been prepared under FRS 102 'the financial reporting standard applicable in the UK and Republic of Ireland'. The Company constitutes a 'public benefit entity' as defined by FRS 102, being an entity whose primary objective is to provide goods and services for the general public, community or social benefit and where any financial return is provided with a view to supporting the Company's primary objectives rather than providing a financial return to its members. As such, the Company has applied the reporting exemptions applicable to public benefit entities under FRS 102.

LTA Tennis Foundation ('LTA TF') is a registered charity (charity number 1148421) and a wholly owned subsidiary within LTA. LTA Operations Limited is the sole member of the charity and as such, LTA TF is included in the Group's financial statements. During the year the Company made a donation to LTA TF of £3.0m (2024: £2.4m). The Tennis Foundation (Legacy) is a registered charity (charity number 298175) and a wholly owned subsidiary within LTA. LTA Operations Limited is the sole member of the charity and as such, The Tennis Foundation (Legacy) is included in the Group's financial statements.

FINANCIAL RESULTS

For the year ended 31 December 2025, the Group's revenue was £104.4m (2024: £102.5m) and operating expenditure was £104.1m (2024: £109.1m). The operating profit for the year was £0.3m (2024: loss of £6.7m)

The movement from an operating loss of £6.7m in 2024 to a profit in 2025 of £0.3m is largely driven by: the improved performance across LTA grass court Major Events following the launch of a new event calendar and the associated commercial upside; and decreased losses in LTA TF, for which the operating loss (excluding donation from Lawn Tennis Association Limited) was £5.0m (2024: £7.5m). Existing reserves within LTA TF are being deployed to support facility developments across clubs, local authority sites, schools and communities, aligned to LTA TF's mission of improving lives through tennis.

The Group generated interest income of £0.3m (2024: £0.3m) and income from its investment portfolio of £5.3m (2024: £4.5m). Investments were revalued to fair value at 31 December 2025 in accordance with FRS 102. A tax charge of £1.9m (2024: £2.4m) was incurred, delivering a profit for the year of £3.7m (2024: loss of £4.5m).

REVENUE

LTA's revenue increased during the year to £104.4m (2024: £102.5m), an analysis of which is shown below:

| | 2025 £000 | 2024 £000 | Change £000 | Change % |
|--------------------------------|----------------|----------------|----------------|-------------|
| Surplus from The Championships | 48,613 | 50,418 | (1,805) | (4%) |
| LTA Grass Court Major Events | 27,844 | 22,372 | 5,472 | 24% |
| Other Major Events | 3,624 | 5,087 | (1,463) | (29%) |
| Commercial | 14,500 | 10,618 | 3,882 | 37% |
| Park Tennis Project Grant | - | 5,164 | (5,164) | (100%) |
| Sport England Revenue Grant | 2,653 | 2,600 | 53 | 2% |
| Other Revenue | 7,122 | 6,217 | 905 | 15% |
| Total LTA Revenue | 104,356 | 102,476 | 1,880 | 2% |

Revenue from The Championships, Wimbledon

The gross surplus of £48.6m (2024: £50.4m) inclusive of withholding tax of £0.5m (2024: £0.5m) represents 90% (2024: 90%) of the distributable surplus from The Championships. Although there remain risks and uncertainties on the absolute level of The Championships surplus in any given year, the long-term contract between the All England Lawn Tennis Club (AELTC), Lawn Tennis Association Limited and LTA Operations Limited in respect of The Championships runs through until 2053, with not less than 70% of the distributable surplus continuing to be paid to the Group in the 20 years thereafter following any termination of the contract.

LTA Grass Court Major Events revenues

The revenue earned from LTA's grass court Major Events grew to £27.8m (2024: £22.4m) and included the HSBC Championships (at The Queen's Club), the Lexus Eastbourne Open (at Eastbourne's Devonshire Park), the Lexus Nottingham Open (at Nottingham Tennis Centre), the Lexus Birmingham Open (at Edgbaston Priory Club) and the Lexus Ilkley Open (at Ilkley Lawn Tennis & Squash Club). The increased revenues in 2025 were driven by the introduction of the WTA 500 event at the HSBC Championships, with performance also improving amongst the remaining events.

Other Major Events revenues

In addition to the summer grass court season, other Major Events revenues of £3.6m (2024: £5.1m) were generated across LTA's wider event calendar, including the Davis Cup and Billie Jean King Cup ties; the management and supply of umpires and other officials at The Championships in conjunction with the Association of British Tennis Officials; five disability events; and International ITF World Tennis Tour events as part of the LTA Performance Competitions Calendar. The reduction in income is due to no home Davis Cup or Billie Jean King Cup ties occurring in 2025 (2024: Davis Cup Group Stage Finals were hosted in Manchester), alongside reduced income from the management and supply of officials for The Championships in 2025 with the introduction of Electronic Line Calling.

Commercial revenues

LTA's commercial activities produced £14.5m (2024: £10.6m) of revenue. This increase was linked to the launch of a new calendar for the grass court tennis season, with HSBC becoming the title sponsor of the HSBC Championships. Other new sponsors for 2025 included Infosys, the official AI and Innovation Partner for the HSBC Championships, and FAGE, the official yoghurt partner of British tennis and lead partner of the LTA Youth programme. Lexus also extended their partnership to become the title partner of the ATP and WTA grass court events at Nottingham and Eastbourne.

Park Tennis Project Grant

LTA has continued working with local authorities across the country, supported by the Government and LTA TF, to invest over £45m in the Park Tennis Project, to deliver the aim to substantially increase annual participation in parks by over 500,000 players. The revenue grants received

from the Department for Digital, Culture, Media and Sport (DCMS) were £Nil (2024: £5.2m) with all investment in 2025 being funded by LTA TF. The overall funding received of £21.9m has been invested in the renovation of park tennis courts across Great Britain.

Sport England Revenue

Sport England revenue grants of £2.7m (2024: £2.6m) reflected the third full year of the current agreement which began in April 2022.

LTA's stated ambition in its Inclusion Strategy is to ensure a culture of everyday inclusion across the whole of tennis, and this is wholly aligned with Sport England's strategy to tackle stubborn inequalities in sport as set out in 'Uniting The Movement'. The current agreement with Sport England is split into four funding streams:

- Governance – funding to help improve the way the highest standards of governance, including safeguarding, are driven down through the sport to Member Associations and Registered Venues;
- Systemic – to help drive long-term change to make tennis more appealing to and better able to meet the needs of under-represented groups, including Women & Girls, for example through driving greater diversity in our workforce;
- Delivery – to continue to fund pre-existing programmes like Open Court and SERVES which are sector-leading in terms of directly enabling disabled people and people from under-served communities to take part in tennis; and
- Talent – to support the diversity and quality of our Performance Pathway, in particular making the very base of the Pathway as accessible as possible.

Under the Sports Governance Code, LTA is required to show the income from public investors and to clearly account for the expenditure of these funds. The analysis and use of Sport England funds received is shown below:

| | 2025 £000 | 2024 £000 |
|----------------------------------|--------------|--------------|
| Agreement from April 2022 | | |
| Governance | 200 | 200 |
| Systemic | 1,000 | 1,000 |
| Delivery | 750 | 750 |
| Talent | 703 | 650 |
| Total spend | 2,653 | 2,600 |

Other Revenue

Other revenue of £7.1m (2024: £6.2m) arises from a range of activities, including LTA's Advantage scheme, competitions, venue registration, coaching courses, other grants, programme funding, National Tennis Centre and Lexus Nottingham Tennis Centre income. The increase on prior year is driven by improvements across those activities, including the introduction of padel and continued success of coaching programmes at the Lexus Nottingham Tennis Centre and additional paid Advantage members.

OPERATING EXPENDITURE

The operating expenditure of LTA for the year ended 31 December 2025 was £104.1m (2024: £109.1m). This decrease was predominantly a result of the lower investments made as the Park Tennis Project came to a conclusion, with a 2025 investment of £3.0m (2024: £11.0m). This was partially offset by additional investments in an enhanced 2025 grass court event calendar.

A summary of the operating expenditure is shown in the table below:

| | 2025 £000 | 2024 £000 | Change £000 | Change % |
|--|----------------|----------------|----------------|-------------|
| Direct operating expenditure | | | | |
| Participation | 26,308 | 25,736 | 572 | 2% |
| Performance | 16,339 | 16,366 | (27) | (0%) |
| LTA Grass Court Major Events | 31,098 | 26,343 | 4,755 | 18% |
| Other Major Events | 7,310 | 10,624 | (3,314) | (31%) |
| Commercial and Marketing | 8,886 | 6,649 | 2,237 | 34% |
| Business Support | 5,795 | 5,686 | 109 | 2% |
| Depreciation, Amortisation and Prepaid Court Time Charge | 6,811 | 6,988 | (177) | (3%) |
| Capital Grants | (65) | (284) | 219 | (77%) |
| Park Tennis Project | 2,952 | 11,019 | (8,067) | (73%) |
| Bad debt recovery | (1,352) | - | (1,352) | N/A |
| Total operating expenditure | 104,082 | 109,127 | (5,045) | (5%) |

The expenditure is presented in line with LTA's defined operational functions: Participation, Performance, Commercial and Marketing, Major Events and Business Support. However, these activities are interlinked and support each other in delivering LTA's mission.

Investment in Participation

Participation expenditure of £26.3m (2024: £25.7m) was on a wide range of initiatives across LTA's strategic focus areas. This included County & Island association funding, venues, workforce, diversity and inclusion, safeguarding and competition. Examples of activity in this area included growth of the recreational and national competitions calendar to provide both formal and informal competition for adults and juniors, including Local Tennis Leagues, which facilitates local, recreational league matches between players. In addition, LTA has maintained its investment in support of education venues in Great Britain, further rolling out FAGE LTA Youth in primary and secondary schools, alongside grants for further education and university establishments, as well as growing its SERVES programme supporting young people in under-served communities to get active.

Within these figures are investments made by LTA TF, with £1.1m (2024: £0.6m) being granted in 2025 as part of LTA TF's Grant Making Programme. These grants support in developing career pathways into tennis for underrepresented groups of young people, creating safe and welcoming tennis sessions for women and girls, and ensuring disabled people can access and play tennis.

Investment in Performance

LTA invested £16.3m (2024: £16.4m) in performance throughout 2025, dedicated to inspiring, educating and developing performance players to become champions at national and international level. This included investment in the National Academy in Loughborough and funding provided to Tennis Scotland, alongside the network of 14 Regional Player Development Centres (RPDCs). The investment is primarily focused on the coaching team, designed to reduce the most expensive part of the RPDC programme for families.

LTA continues to support players, across all formats of the game, and the National Tennis Centre remains the base of choice for elite training, providing a world class, safe environment for Great Britain's players to train and prepare for elite competition, with LTA investment into analysis, player welfare and other sports science support.

LTA Grass Court Major Events

Across the Major Events, LTA invested £31.1m (2024: £26.3m) to support the success of the grass court season in the lead up to The Championships. These included investments across the HSBC Championships (at The Queen's Club), the Lexus Eastbourne Open (at Eastbourne's Devonshire Park), the Lexus Nottingham Open (at Nottingham Tennis Centre), the Lexus Birmingham Open (at Edgbaston Priory Club) and the Lexus Ilkley Open (at Ilkley Lawn Tennis & Squash Club) and includes the cost of infrastructure, operational delivery and player services, including player prize money. The increase in investment is driven by the introduction of the WTA500 event at the HSBC Championships,

delivering associated increases in revenues. This includes a significant uplift in women's prize money levels for 2025 and a commitment to equalising the prize money at its men's and women's events at the HSBC Championships (at The Queen's Club) and the Lexus Eastbourne Open, no later than 2029.

Other Major Events

In addition to the summer grass court season, LTA invested: £7.3m (2024: £10.6m) in Davis Cup and Billie Jean King Cup ties; officiating at The Championships; five disability events; and International ITF World Tennis Tour events as part of LTA Performance Competitions Calendar. The reduction in investment is due to no home Davis Cup or Billie Jean King Cup ties occurring in 2025 (2024: Davis Cup Group Stage Finals were hosted in Manchester), alongside reduced supply of officials at The Championships with the introduction of Electronic Line Calling.

Commercial and Marketing

Investment in commercial and marketing was £8.9m (2024: £6.6m) driven by the cost of delivery of commercial income and marketing activity support across the LTA's operational functions.

Business Support

Business support costs of £5.8m (2024: £5.7m) reflect the costs incurred by the functions of HR, IT, Finance and Legal.

Depreciation, Amortisation and Prepaid Court Time Charge

Depreciation, amortisation and prepaid court time charge was £6.8m (2024: £7.0m), accounting for the continued investment in technology infrastructure as part of LTA's ongoing digital transformation, alongside strategic investments made across both the National Tennis Centre and Lexus Nottingham Tennis Centre.

Capital Grants and Loans

Financial support to improve facilities is one key way LTA, primarily through support from LTA TF, helps venues thrive and attract new players. In 2025, excluding the Park Tennis Project, LTA TF funded £0.6m of capital grants, and decommitted £0.1m relating to previous committed projects no longer going ahead (2024: (£0.3)m). A further £1.6m of loan funding was approved in 2025 (2024: £3.4m) and partnership funding from applicants in support of the approved projects amounted to £2.4m (2024: £4.5m).

Park Tennis Project

LTA has been working with local authorities across the country, supported by the Government and LTA TF, to invest over £45m in the Park Tennis Project. The investment in 2025 was £3.0m (2024: £11.0m), and incorporates the renovation of park tennis courts across Great Britain alongside the support costs of delivering the project which are borne by LTA TF. The reduction in investment in 2025 reflects the capital investment phase of the project reaching a conclusion.

Bad Debt Recovery

2025 includes a one off benefit of £1.4m due to a release of historical bad debt provisions following recovery of payments in respect of concessionary loans issued to venues to improve tennis facilities.

FINANCIAL POSITION

LTA Group's financial position as set out in the statement of financial position remains strong, with total equity of £151.9m (2024: £148.4m). This includes the net assets of LTA TF of £30.6m (2024: £30.9m). The increase in retained earnings is due to total comprehensive income for the year of £3.5m (2024: expense of £4.3m), of which £0.3m is the total loss in LTA TF (including donation from Lawn Tennis Association Limited). LTA Group's reserves are managed in line with the reserves policy, balancing the need to retain funds to manage periods of uncertainty or significant financial challenges, whilst being able to invest in key strategic initiatives to help deliver LTA's vision of Tennis Opened Up.

Intangible fixed assets of £9.0m (2024: £9.8m) primarily consist of capitalised software costs which include the development of the digital transformation project underpinning LTA's strategy.

Tangible fixed assets of £33.5m (2024: £34.0m) primarily comprise the investment in the National Tennis Centre and Lexus Nottingham Tennis Centre. Facility improvements at LTA tournament sites (including The Queen's Club site) that increase the future economic benefit of the tournaments are classified as tangible fixed assets.

LTA's investment portfolio of listed assets held by external investment managers is valued at £49.5m (2024: £48.4m). Included in the portfolio is £13.3m (2024: £12.0m) of investments held by LTA TF which must be spent in line with charitable objectives. As at 31 December 2025, external investments were revalued to fair value in accordance with FRS 102. Investments held increased by £1.1m in the year.

In order to cover short to medium term requirements, LTA holds £46.5m (2024: £42.6m) in current asset investments. The investments consist of UK government gilts, money market funds and short term deposits.

The overall debtors falling due within one year have increased to £39.1m (2024: £38.2m). Outside of normal trading movements, the increase is mainly attributable to additional tax recoverable of £0.9m. Debtors due after more than one year have decreased to £15.3m (2024: £15.6m).

Included within debtors are concessionary loans which are loans to clubs, indoor facilities, parks and schools to improve tennis facilities that are typically repayable for periods up to 10 years and are presented within other debtors. Also included is development funding to The West Hants Club of £2.9m (2024: £3.0m) repayable in equal instalments until 2040. The net movement of other debtors due after one year was a decrease of £0.3m to £9.4m.

Creditors falling due within one year have increased to £34.2m (2024: £32.7m). The main liabilities included in this balance are accruals and deferred income of £25.9m (2024: £23.5m) which include capital grant commitments to club venues of £0.7m (2024: £0.8m), deferred income of £14.6m (2024: £12.6m) and £1.8m for the continued repayment of the DCMS winter COVID support loan.

Creditors falling due after more than one year have decreased to £8.0m (2024: £9.8m) as £2.0m (including interest) of the DCMS winter COVID support loan of £14.3m received in 2021 will be repaid in 2026. Other provisions have increased to £1.2m (2024: £0.5m).

CASH FLOWS

During 2025 there was a net cash inflow from operating activities of £7.2m (2024: £6.4m), a net cash outflow of £0.2m (2024: inflow of £6.2m) from investing activities and a net cash outflow of £2.0m from financing activities (2024: £2.0m). This resulted in a net increase in cash and cash equivalents of £4.9m (2024: £10.5m) for the year.

PRINCIPAL RISKS & UNCERTAINTIES, KEY PERFORMANCE INDICATORS AND FUTURE DEVELOPMENTS

PRINCIPAL RISKS & UNCERTAINTIES

LTA's risk management process is designed to improve the likelihood of delivering business objectives, protect the interests of key stakeholders, enhance the quality of decision making and assist in the safeguarding of LTA assets, including people, finances, property and reputation.

The board of Lawn Tennis Association Limited (the Board) has oversight for risk management with a focus on the most significant risks facing LTA, including strategic, operational, financial, reputational and legal and compliance risks. The Board determines the risk appetite of the organisation, reviews existing risks and identifies new risks on a half-yearly basis. Suitable controls are implemented and action plans established to mitigate risks.

The Audit Committee oversees the identification and mitigation of risks for LTA and discusses with management LTA's risk assessment and risk management practices. When reviewing and approving the annual internal audit plan for LTA, the Audit Committee prioritises areas to be audited based on current and residual risk and areas of significant revenue or expenditure. The Audit Committee also oversees the policies, processes and risks relating to the financial statements, the financial reporting process, compliance and auditing.

As in any sport or organisation which engages with children, young people and vulnerable adults, there is a risk of safeguarding issues arising. This is a risk LTA takes extremely seriously, with the protection and wellbeing of those who are involved in tennis being of the utmost priority. With the safeguarding strategy in place and team to deliver it, alongside

the existing controls through the LTA Disciplinary Code and Judicial Panel, coupled with regular updates to the Board and Executive, LTA believes it is taking the necessary steps to mitigate this risk.

A key business risk relates to the certainty of future revenue streams, notably from The Championships, Sport England and commercial partners. The risk of non-receipt of revenue from The Championships is mitigated by a long-term contract in place until 2053 with not less than 70% of the surplus continuing to be paid to LTA in the 20 years following any termination of the contract. Given the large contribution that The Championships makes to its revenue, LTA is still exposed to a potential loss of revenue in any single year due to cancellation or severe curtailment of The Championships, as well as the trend of general erosion in the value of revenue from The Championships in real terms over time. Steps to mitigate or protect against this risk have been put in place, particularly with respect to the roofs over Centre Court and No.1 Court providing protection against weather losses and insurance covering major curtailment or abandonment risks where possible. However, there are isolated risks which are not insurable or capable of mitigation in relation to The Championships and also within the Major Events organised by LTA that could have a material impact on revenue streams. LTA continues to both grow and diversify its own revenue streams in order to mitigate against these risks and reduce its reliance on income from The Championships.

LTA faces an element of credit risk in its ongoing business relationships with major commercial partners and risks are managed as part of ongoing due diligence and credit management, albeit they cannot be completely mitigated.

LTA holds investments in pooled listed funds consisting of equity, hedge funds, fixed income products and corporate and government bonds as part of its overall investment strategy. LTA has appointed independent specialist investment managers who manage the portfolio on LTA's behalf in accordance with the agreed risk profiles. However, it is recognised that any investment portfolio is subject to market fluctuations and external factors. The Investment Advisory Group oversees the implementation of the investment policy and reports to the Audit Committee on this area. LTA does not use financial instruments for speculative purposes.

In addition to the measures described above, LTA has an element of natural risk mitigation in that a large element of its expenditure in the sport is discretionary in each financial year and can be reduced without breaching legal commitments.

The risk of non-delivery of LTA strategy and mission is mitigated through LTA's commitment to working alongside all the people and organisations that share LTA's vision including volunteers, coaches, officials, players, local authorities and clubs. LTA has a long-term strategic plan and resources are allocated appropriately to deliver its mission.

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 also purchases directors' and officers' liability insurance in respect of itself and its directors.

KEY PERFORMANCE INDICATORS

Over the course of 2025, LTA has continued to drive its vision of Tennis Opened Up alongside working to implement its strategic plan.

LTA sets business objectives annually to measure its performance in key areas under the six pillars in its strategic framework. The last year saw strong progress in delivering the three-year plan against these pillars.

Adult participation rose to 5.8m in the summer of 2025 - the highest level LTA has recorded. The growth of children's participation is also noted, with the number of children playing annually growing to over 4m for the first time. In addition, the number of children playing tennis on a monthly basis has risen 15% to a high point of 1.8m and the number of children playing weekly has risen by 27% to 0.8m, setting another new record.

Children's tennis in schools is primarily delivered through the LTA Youth Schools programme. The number of teachers trained on LTA Youth Schools (primary and secondary) in 2025 reached a key milestone of more than 30,000 during the year.

LTA has a number of key performance indicators underpinning its vision of Tennis Opened Up. This includes the number of players in LTA SERVES and LTA Open Court which at the end of 2025 stood at 59,433, growth in the year of 18%. Park court bookers and bookings stood at 964,906, against a target of 900,000. The number of Barclays Free Parks Tennis venues and Barclays Big Tennis Weekends also exceeded targets.

To date LTA has supported venues and operators to roll out 1,544 padel courts against a target of 1,200. There were 400,000 adults and juniors playing padel in Britain at the start of 2025 and, following the continued growth in courts and venues, the total number of players now stands at 860,000.

A number of KPIs relate to the performance pathway. At the elite end of the sport, the number of different players in the top 100 during the year was eight, having reached 11 in the 12 months to February, against a three-year plan target of 10. At the earliest stage of the pathway, the LTA surpassed the target, with 107 graduating from the 10 and under age group to the national stage of the performance pathway. The stand out GB Team success was the semi-final appearance of the Billie Jean King Cup Team for the third time in four years.

Engaging with tennis fans and members continues to be a key priority for LTA. The number of Advantage members on the database at the end of 2025 stood at 2.5m, against a target of 2m, more than 25% growth since 2024. Social media is one of the main channels for engaging fans and driving greater participation and in 2025 LTA saw over 20m interactions on social medial platforms against a target of 19m, with followers of 1.2m.

Much of this work is underpinned by the ongoing programme of digital transformation which LTA is undertaking in order to deliver against its priorities. This digital transformation supports LTA's Major Events, participation programmes, customer engagement strategy, and many other areas of the business.

As a not-for-profit organisation, LTA primarily assesses its performance through non-financial key performance indicators that reflect the delivery of its strategic objectives and purpose. In managing its financial resources, LTA's principal objective is to maintain long-term financial sustainability in supporting its activities. Financial information, including revenue, operating expenditure, financial position and cash flows are discussed elsewhere in the Strategic Report, and are monitored regularly, along with other key performance indicators, by the Board.

FUTURE DEVELOPMENTS

LTA will continue to drive its vision of Tennis Opened Up. Over the next few years, it will increase the visibility of the sport even more, further grow and diversify its audience of fans and players and look to extend the LTA's global influence.

Now that the Park Tennis Project has reached its conclusion, LTA is looking to increase the number of publicly accessible covered courts in Britain. As part of this, LTA is currently making the case to Government to secure investment so that every community has a place to play, whatever the weather. Its proposal is to develop 40 community covered tennis, padel and multi-sport hubs across Britain and it is seeking Government and third party funding in order to deliver this.

LTA will extend its LTA Youth programme into the early years sector, and will continue to scale the adoption of the LTA Play app, building on the successes of last year.

A strong domestic calendar of tennis and padel events will continue across the summer and other key points of the year. LTA will also continue to increase the visibility of padel through the development of Major Events, tournaments and player assets.

Underpinning all of this, LTA will continue to engage and motivate the tennis workforce. This includes growing, diversifying and recognising the tennis and padel competition workforce, enhancing support for head coaches and programme leads and growing the on-court workforce, with a focus on activators, as well as continuing to support recruitment and engagement of volunteers.

LTA will continue to work with and support LTA TF as it looks to maximise its impact to improve more lives through tennis in Britain.

SECTION 172(1) STATEMENT

The Board believes that, individually and together, it has acted in the way it considers, in good faith, would be most likely to promote the success of LTA for the benefit of its members as a whole, having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006 in the decisions taken during the year ended 31 December 2025. The Board has demonstrated throughout this report how it engages with stakeholders and has regard to the interests of LTA's employees, customers, suppliers and other stakeholders, the impact of its activities on the community, the environment and LTA's good reputation for business conduct.

The Board engages in formal and informal consultation with a range of stakeholders, both inside and outside the sport to understand the impact of decisions on those groups. This includes consultation with the council of the Company (the Council) both within formal Council meetings and through Development Tennis Advisory Group workstreams.

Board effectiveness reviews are completed at regular intervals helping to ensure it continues to deliver long-term success for LTA and is operating and engaging with stakeholders in the best possible way. Further information can be found on Board engagement with stakeholders during the year throughout the Strategic Report and Directors' Report.

This report was approved by the Board on 28 April 2026 and signed on its behalf.



Scott Lloyd
Chief Executive Officer



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

DIRECTOR'S REPORT

INTRODUCTION

The Directors present their report, the Strategic Report and the audited financial statements of the group for Lawn Tennis Association Limited and its subsidiaries (altogether 'LTA' or 'the Group') for the year ended 31 December 2025.

GOING CONCERN

The financial statements have been prepared on a going concern basis. In adopting the going concern basis for preparing the financial statements, the Directors have considered LTA's business activities including the principal risks and uncertainties, together with the Group's short, medium and long-term cash flow forecasts.

Based on the Group's cash flow projections which incorporate reasonable sensitivities and contingencies for a period of at least 12 months from the date of approval of these financial statements, the Board has concluded that LTA has sufficient financial resources to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Further details regarding the adoption of the going concern basis can be found in Note 2.5 to the financial statements.

EQUITY, DIVERSITY AND INCLUSION

As 2025 marked the end of the period covered by LTA's Inclusion Strategy, a new evolved EDI Plan was published in April. This plan reaffirmed LTA's inclusion ambition - for everyone in tennis to confidently choose to be inclusive every day and for all elements of tennis to reflect the diversity of the communities around us. The new plan also set out both progress made to date and set the direction out to 2029. As an example of this progress, the diversity of key groups in the tennis landscape is tracked annually, with 52% of the data points captured now RAG rated as green, reflecting the proportion of specific groups in the

population, compared to 27% at the start of the original strategy.

At the first women's event at Queen's in 50 years, the updated Women & Girls plan was also published. This is one of five "Community Plans" sitting underneath the EDI Plan setting out how the LTA is working with specific communities to improve representation and inclusion. Bringing back the WTA event to Queen's, the announcement of a commitment to equalising prize money for women at the HSBC Championships at Queen's and Lexus Eastbourne Open, and the signing of a new commercial partnership with FAGE to support the delivery of the Women & Girls plan, all demonstrate a commitment to growing the visibility and profile of women's tennis. The Queen's event also provided an opportunity to bring together leaders from across the sport sector to share and discuss ideas about how more can be achieved collectively in women's sport, in particular focusing on some of the work which has been done by LTA around female athlete health. This is being filtered down to grass roots tennis during 2026.

Alongside this, the numbers of venues participating in LTA's two key EDI focused programmes - SERVES and Open Court - both continued to set new records. SERVES, as part of the wider Breaking Down Barriers Plan targeting under-served communities, grew to hit 1,000 venues delivering under the programme, ranging from community centres, to faith venues, prisons and youth clubs, in some of the least affluent areas of the country. Open Court, as part of the wider Open for All Plan targeting disabled people, grew to over 770 venues delivering across a wide range of impairment types, including a growing number of venues building Walking Tennis into their provision. Through support from LTA TF, an agreement was also concluded with Community Integrated Care, a leading, not-for-profit social care provider for those with more complex needs, to provide support across the business to ensure programmes are even more accessible to those

with complex needs, in particular providing training to the Major Events team to better serve LTA events.

This year, groups and community leaders from diverse ethnic communities were consulted to inform the development of a community plan, planned for 2026. This led to, for example, working with members of the Muslim community to hold Iftar events during Ramadan at the National Tennis Centre and Lexus Nottingham Tennis Centre, with the call to prayer heard for the first time in both venues, as well as an all female panel discussing how best to engage Muslim women and girls in tennis. In addition, the Black and Asian Coaches Network was launched in Birmingham at the same time as the Lexus Birmingham Open, reflecting the importance of more diverse ethnic communities seeing "people like me" when they come to tennis and having role models from within their own communities.

In relation to work with LGBTQ+ communities, there was continuing support for Friday Pride Days at all LTA Major Events. In partnership with Pride in Tennis, "Rally Allies" - a training package for venues wanting specifically to demonstrate inclusion for LGBTQ+ communities - was also developed and rolled out to over 150 venues. A community plan for LGBTQ+ communities is also scheduled to be published in 2026.

Finally, as a values driven organisation, inclusion is central to all stages in the employee life cycle. The policy is to treat everyone fairly and all applications for employment are considered based only on merit. However, LTA also actively takes steps to promote equity for people from all backgrounds across all aspects of this life cycle and to ensure that there is no discrimination in any way in relation to the protected characteristics of age, sex, race (including colour, nationality, ethnic or national origin), sexual orientation, gender reassignment, pregnancy and maternity, marital status, religion or belief, and ability or disability. LTA's Employee Value Proposition is kept consistently under review with improvements being

made as necessary based upon feedback from colleagues and applicants, as well as in response to data on the diversity of LTA's workforce.

SAFEGUARDING

The safety and wellbeing of those playing tennis is of paramount importance to LTA. In 2025 LTA continued the process of carrying out safeguarding support visits, visiting over 350 Tennis and Padel venues across England, Scotland and Wales. 100 visits were also completed to competitions to support officials in embedding safeguarding standards at events.

LTA expanded the Young Person's Welfare Ambassador scheme which sees young people trained and supported to raise safeguarding awareness in their tennis venues. Over 170 young people signed up to the scheme, and LTA will be working within their venues across 2026 with applications now 'always on' to allow young people to sign up any time across the year.

October 2025 saw the largest annual safeguarding conference to date which took place to coincide with the NSPCC's Keeping Your Child Safe in Sport week. 793 attendees, over 300 more than in 2024, joined sessions focused on practical support for volunteers, coaches and officials. As a result of the continuing focus on this area, LTA once again achieved the highest possible rating from the NSPCC in its 2025 inspection.

EMPLOYEE ENGAGEMENT

LTA prioritises ensuring colleagues are well informed and involved with business performance. This is achieved through a range of activities, including colleague engagement surveys, colleague consultation forums, dedicated information on LTA's intranet, and updates in the weekly colleague newsletter. Furthermore, the monthly business-wide meeting, attended by all colleagues and led by the Executive team, affords the opportunity to share business plans and progress updates.

SUSTAINABILITY

To deliver LTA's vision of Tennis Opened Up and ensure that both tennis and padel are accessible and thriving for generations to come, it is vital that everyone rallies together to protect the sports and the places where sports are played. A greater number of venues than ever are at risk of regular and more severe flooding, while more extreme temperatures are increasingly impacting delivery of events, and the wellbeing of players who participate at them. LTA's Environmental Sustainability Plan is focused on securing a lasting future for tennis and padel in Britain, through leadership in sustainability and positive climate action.

Sustainability has now been incorporated into LTA's County Governance Framework, to drive good practice throughout County and Island Associations. A template Environmental Sustainability Policy and plan have now been developed for County and Island Association, to support compliance, and training for volunteers has also been developed to accompany this.

LTA remains a signatory to the UN's Sport for Climate Action framework, and so is part of a bigger movement committed to reducing its carbon emissions and advocating for positive action. In line with this commitment, work has continued on LTA's Carbon Reduction Plan, with a particular focus on engaging suppliers to improve the accuracy of carbon data and to identify opportunities to decarbonise. LTA's Sustainable Sourcing Code continues to provide a framework for the procurement of products and services with environmental, social and ethical issues in mind.

The LTA grass court season attracts thousands of fans every year, and across the events a series of initiatives are in place to mitigate environmental impact:

- Since 2023, a partnership with BRITA has provided water refill stations for spectators, players and officials and saved over 480,000 single use plastic bottles.
- In 2025, a partnership with Lexus meant all tournament fleet vehicles used across LTA events were hybrid, with nearly half being fully electric, while the Lexus Nottingham Open went even further, operating with a fleet that was 100% fully electric.
- Hydrotreated Vegetable Oil (HVO) fuel continues to be used to power temporary generators on site, which results in 90% fewer emissions than standard fossil fuels.
- More than three tonnes of food were donated to local food charities reducing food waste, representing more than 7,500 meals.

LTA has produced a range of resources for LTA registered venues to help them to be more sustainable, no matter their membership size or number of courts, covering topics such as reducing energy usage, supporting biodiversity, or eliminating waste. LTA Pledgeball League continues to engage registered venues and those who play at them, and work with Pledgeball is ongoing to inspire and engage more venues to take wider action across areas like energy, biodiversity and waste.

Through the LTA Buying Group, venues are able to secure preferential rates across areas like green energy tariffs, solar panel installation and electric vehicle charging points, whilst LTA Facility Loan Scheme (previously Quick Access Loan Scheme), funded by LTA TF, offers funding to venues for transition to more energy efficient floodlighting.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

Large organisations are required to report publicly on energy use and carbon emissions. Set out below is LTA's assessment for 2025, which incorporates energy used at the National Tennis Centre, Lexus Nottingham Tennis Centre, and on business travel.

Aligning more closely with LTA's wider carbon reporting, as in 2024, a more complete view of business travel for 2025 has been included. This means that alongside mileage claimed by employees, all rail and air travel booked through LTA's travel provider is also included.

This has then been converted into greenhouse gas emissions. From this assessment, a ratio of 2.82 tonnes of CO₂e emissions per average employee in the Group has been calculated.

The transport data for 2025 shows an increase compared with 2024, reflecting the fact that there was no home tie in either the Davis Cup or Billie Jean King Cup, both contributing significantly to the transport increase. As a National Governing Body, LTA does not determine the locations of Great Britain fixtures in these events, which, in 2025, took place in Japan and China. It is also important to recognise that as British players achieve greater success on the international tours, their competition schedules naturally involve more overseas events. This increased activity elevates the level of performance support required from LTA, contributing to higher travel volumes.

Intensity ratio (CO₂e per full-time equivalent)

The National Tennis Centre and the Lexus Nottingham Tennis Centre provide significantly more than just office space for LTA employees. The Lexus Nottingham Tennis Centre is one of the largest indoor tennis centres in Great Britain and

hosts a major grass court event, whilst the National Tennis Centre provides accommodation and world class facilities, sports science and training services for elite British players. Both facilities host coach education, regularly stage competitions, and operate community programmes.

The CO₂e per average number of employees in the Group is not therefore a true reflection of the environmental position, given this breadth of operations at the National Tennis Centre and Lexus Nottingham Tennis Centre.

The increase in gas usage during the reporting period was driven by several operational factors. Higher heating demand within the National Tennis Centre gas bubble contributed significantly to overall consumption, particularly during periods of sustained low temperatures. Furthermore, the clay regeneration project created a short-term rise in energy demand, adding to the overall increase in gas consumption for the year.

LTA's electricity supplier continues to provide REGO backed electricity to the National Tennis Centre and Lexus Nottingham Tennis Centre. The National Tennis Centre saw a 9% decrease in its electricity usage in 2025. However due to increased floodlight usage at Nottingham and reduced solar generation, due to a broken inverter, the Lexus Nottingham Tennis Centre saw an increase of around 20%.

Onsite solar panels partly supply the Lexus Nottingham Tennis Centre's energy. In 2025, these generated 62,151 kWh of zero emissions electricity which was consumed on site, which constituted around 15% of electricity consumption at the centre over the year, this is down from 2024 due to an inverter fault, reducing the output from the system. With the inverter now replaced, it is anticipated that the level of output in 2026 will return to 2024 levels.

Methodology

The electricity and gas quantities used during 2025 were taken from inhouse readings and supporting supplier invoices for use and upkeep of the National Tennis Centre and Lexus Nottingham Tennis Centre.

The conversion of kWh of electricity, cubic meters of gas and litres of fuel to CO₂e was based on gross calorific values. Conversion factors for this were based upon 2025 UK Government greenhouse gas conversion factors for company reporting. (www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025). As the calorific value of gas varies over time, a more accurate method of consumption and calculation is to present as kWh and convert to CO₂e from a kWh base too.

Group figures are derived by splitting total usage by the average headcount of LTA. The transport CO₂e is based on the mileage claimed by employees on business expenditure and converted to CO₂e using the 'average diesel car' and 'average petrol car' conversion factors from the above website.

Transport also incorporates emissions from business travel by rail and air, booked through LTA's travel partner.

| Group 2025 | | | | Group 2024 | | | |
|--------------|-------|-------------|------------------------|--------------|-------|-------------|------------------------|
| Activity | Units | Total Usage | CO ₂ e (kg) | Activity | Units | Total Usage | CO ₂ e (kg) |
| Electricity | kWh | 1,292,719 | 228,811 | Electricity | kWh | 1,277,550 | 264,517 |
| Solar | kWh | 62,151 | - | Solar | kWh | 79,818 | - |
| Gas | m3 | 138,073 | 285,359 | Gas | m3 | 134,390 | 274,884 |
| Transport | miles | 3,063,064 | 1,153,829 | Transport | miles | 2,773,676 | 1,173,775 |
| Total | | | 1,667,999 | Total | | | 1,713,176 |

CORPORATE GOVERNANCE

Structural information

A full substantive review and updating of the Company's governing documentation was undertaken between December 2020 and February 2022. There are no longer any LTA Standing Orders. Minor updates have been made to the governing documentation (articles of association and LTA Rules) at various times since then. The most up-to-date versions of the Company's governing documentation may be found at www.lta.org.uk/about-us/governance-and-structure/rules-regulations/.

There are three Board Standing Committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee. The terms of reference for each of them are contained in schedules to the LTA Rules. There are other advisory groups with relevant terms of reference, including the Development Tennis Advisory Group (DTAG), Performance Advisory Group (PAG), the Investment Advisory Group (IAG) and the Inclusion and Diversity Advisory Group (IDAG).

Through the articles of association, compliance with the County and Island Governance Framework is mandatory for all county and island associations. In addition, from a sports regulation perspective, the Company has in place the LTA Disciplinary Code, LTA Code of Conduct, LTA Coach Accreditation Regulations, LTA Official Licensing Regulations and LTA Venue Registration Regulations.

The registered office of Lawn Tennis Association Limited is The National Tennis Centre, 100 Priory Lane, Roehampton, London, SW15 5JQ.

THE BOARD (NAMELY THE BOARD OF LAWN TENNIS ASSOCIATION LIMITED)

The composition, role and powers of the Board are set out in the Company's governing documentation and decision-making on a number of matters is reserved to the Board. These matters are set out in the Company's articles of association and include (amongst others):

- determining the vision, mission, values and strategy of the Company
- approving and adopting appropriate and proportionate policies and procedures
- monitoring performance and risks, and determining the risk appetite
- approving the appointment of and supporting the Chief Executive Officer
- ensuring accountability and effective governance
- considering applications for membership of the Company

As at 31 December 2025, the Board comprised twelve directors (2024: thirteen), including an independent Chair, four (2024: five) other independent non-executive directors, five (2024: five) other non-executive directors (being the President, the Deputy President, two Council-Nominated Board Members and the DTAG Chairperson), and two (2024: two) executives in an ex officio capacity, namely the Chief Executive Officer and the Finance Director. The Company had (subject to certain conditions) permission from Sport England to have thirteen rather than twelve directors until 31 July 2025, in order to support the Company with regard to the recruitment of a new independent Chair and the overall diversity of the Board. Accordingly, the number of directors was reduced to twelve from 1 August 2025. The Board considers its composition appropriate in view of the size and requirements of the Company's business. This is kept under review. There is a clear division of responsibility between the Chair, the President and the Chief Executive Officer. The two executive Board members each have a role description and limits of authority. The Board meets regularly and, in 2025, it met nine times (2024: nine).

The directors of the Company that served during the year were as follows:

Lord Davies of Abersoch, Chair to 13 July 2025

Mervyn Davies, Lord Davies of Abersoch, CBE was the Chairman of LTA until he stepped down on 13 July 2025. He is also the Chairman of LetterOne and Chairman of Glyndebourne Productions Ltd, as well as a senior advisor to Teneo, and has a variety of other business interests. He was a Director of the All England Lawn Tennis Club from October 2018 to July 2025 by virtue of his LTA position.

Lord Davies is a British former banker and was previously a Labour government minister. Prior to Government, he was a Director, Chief Executive and Chairman of Standard Chartered PLC for 12 years.

Lord Davies was awarded a CBE for his services to the financial sector and the community in Hong Kong in June 2002 where he served as a member of the HK Exchange fund for seven years. Lord Davies is a JP in Hong Kong, and he is an Honorary Distinguished Professor at Cardiff Business School and a fluent Welsh speaker.

William Jackson, Chair from 14 July 2025

William Jackson is the Chair of LTA. He is the Founder of Bridgepoint, the FTSE listed company, one of the world's leading private market investors and has served on various Boards including as Chair of Pret a Manger, President of the Board of the MotoGP World Championships, and Senior Independent Director of British Land plc. He became a Director of various All England Lawn Tennis Club Committees and Boards in July 2025 by virtue of his LTA position.

William is also currently the Senior Independent Director at the Royal Marsden NHS Foundation Trust, Europe's largest comprehensive cancer centre, and Vice President and Chair of Wellington College, the leading global coeducational international schools' groups. He is also a Non-Executive Director of IFM Investors, one of the world's largest infrastructure investors, which is based in Melbourne, Australia.

William is a Bancroft Fellow of Mansfield College, Oxford.

Brigid (Bridie) Amos

Bridie joined the Board on 1 January 2024 as a Council-Nominated Board Member and became Deputy President on 1 January 2026. She was the Council representative for Hertfordshire from 2021-25 and is a member of LTA's Development Tennis Advisory Group.

Bridie has been volunteering with Hertfordshire LTA since 2015 and is involved in initiatives to grow schools' tennis and to increase female participation in playing and coaching. A former management consultant and marketing executive she now works as a level 3 LTA accredited coach. Bridie has played county tennis since junior days and has recently represented GB in ITF seniors' tennis events.

Rachel Baillache

Rachel joined the Board on 26 September 2018 and is the Senior Independent Non-Executive Director. She is Chair of the Audit Committee, a member of the Board Nominations Committee and the Board Inclusion & Diversity Champion providing oversight on the implementation of LTA's Inclusion and Diversity strategy.

Rachel was a partner at KPMG where she served as a member of the firm's global management team for eight years as the global Head of People, Performance and Culture. She was also the executive responsible for global internal and external communications. Rachel joined Access Sport as Chair in 2025, is the Chair of the UK Sports Institute, an independent Non-Executive Director of UK Sport and The Men's Professional Rugby Board. She is an avid tennis supporter.

Sara Bennison

Sara joined the Board on 6 June 2018 as an Independent Non-Executive Director. She is also Chair of the Remuneration Committee and sits on The Championships' Committee of Management.

Sara is a multi-award-winning marketer and experienced Board Director who has worked across a number of industries. She's a keen tennis fan and padel player who joined LTA Board to help 'open up' the game.

Sanjay Bhandari MBE

Sanjay joined the Board on 1 August 2021 as an Independent Non-Executive Director and stepped down on 14 July 2025. During his time on the Board he was a member of the Audit Committee and of the LTA's Inclusion and Diversity Advisory Group.

Sanjay has a portfolio career as a board member, charity trustee, and advises a number of businesses on innovation and growth strategies embracing disruptive technology.

Sanjay is experienced in driving cultural change through equality, diversity & inclusion strategies and also has a passion for sport and activity. He is Chair of Kick It Out (English football's equality and inclusion charity), Chair of Athletic Ventures, and Chair of Satellite Applications Catapult.

Prior to his portfolio career, Sanjay had a 30-year career in professional services as a lawyer specialising in international fraud and then as a consultant moving from legal and compliance technology into broader innovation roles. Sanjay was a Partner at EY for 12 years.

Sanjay was appointed MBE by His Majesty The King in the New Years Honour List 2024 for services to sport.

Roy Colabawalla

Roy joined the Board on 1 January 2023 as Deputy President and became President on 1 January 2026.

He has volunteered in tennis for over 20 years in a number of roles ranging from multiple club positions, assisting in the Cliff Richard Tennis Foundation, being involved in the Birmingham Classic WTA Tournament, multiple County committee roles and volunteering on LTA council.

Roy is a corporate partner in a regional law firm who specialises in a broad range of corporate work including mergers and acquisitions, corporate finance, private equity, joint ventures, group reorganisations and commercial transactions.

Richard Cutler

Richard joined the Board on 1 January 2023 as a Council nominated Board Member and was a member of LTA's Development Tennis Advisory Group. He stepped down from the Board on 31 December 2025.

He has been an active volunteer for Hampshire & Isle of Wight Tennis since 2006, currently fulfilling the role of Charity Manager. He also previously acted as their President, Chair, Vice Chair and a Management Committee member.

Additionally, Richard works within tennis, as the Managing Director of the Totton & Eling Tennis Centre an eight floodlit court community facility, which was custombuilt in 2004. He is a Level 3 LTA accredited coach, specialising in getting the most out of recreational youth players.

Richard also fulfils the role of Honorary Consul to the Federal Republic of Germany, representing around 12,000 German citizens in the district of Hampshire, Isle of Wight, Wiltshire and Dorset. He is a fluent German speaker.

Anil Jhingan

Anil joined the Board on 1 August 2021 as an Independent Non-Executive Director and a member of the Remuneration Committee.

He has more than two decades of media, entertainment and sports experience and is currently Chief Development Officer, International at global media company, Warner Bros. Discovery, where he leads strategic growth and expansion opportunities across Europe, the Middle East, Africa, Asia, the Pacific and Latin America. A corporate lawyer by background, Anil has previously held leadership positions at Discovery, Sky and 21st Century Fox.

Anil is passionate about tennis, having played the sport from a young age.

Nigel Jordan

Nigel joined the Board on 1 January 2023 as a Non-Executive Director by virtue of his appointment as the Chair of the Development Tennis Advisory Group and stepped down on 31 December 2025. He has supported grass roots tennis for most of his adult life - as a player, team captain, committee member and club Chair.

Nigel previously represented Kent on LTA Council, alongside his roles as County Treasurer and Management Board member at Bromley Tennis Centre.

Nigel was a career civil servant specialising in countering international tax avoidance. He established new domestic channels for sharing intelligence in the wake of the terrorist attacks on 9/11 and, as the UK Competent Authority for the exchange of information under international agreements, expanded international cooperation through the sharing of knowledge and data. His final role was to lead the end-to-end delivery of tax credits and child benefit.

Scott Lloyd

Scott joined as CEO of LTA on 8 January 2018. Prior to joining LTA, Scott has had a successful business career in the sports and leisure industry.

As Group Chief Executive of David Lloyd Leisure, Scott led the business from 2007 through to a sale to TDR Capital in September 2013. Scott stayed with the company as CEO until July 2015 and held a Non-Executive Director role until November 2025.

Sandra (Sandi) Procter

Sandi joined the Board on 6 January 2017 as a Council nominated Non-Executive Director, she became LTA Deputy President in January 2020 and then LTA President for 2023 - 2025. Sandi stepped down from her role on 31 December 2025.

Sandi represented Kent on LTA Council before she became Deputy President. She sat on the Kent LTA Board until 2022 and was involved in a wide range of Kent activities for over 25 years.

Sandi is a Trustee of LTA Tennis Foundation and The Championships Committee of Management. She is also a member of the Tennis Europe Board of Directors, Chair of the Tennis Europe Junior Committee and the ITF Olympic Committee.

Sandi is a former PE teacher turned tennis coach and Tennis Centre Manager and has a particular passion for youth tennis and champions volunteering. She created the original Mini Tennis Red, Orange and Green programme and the Tennis Leaders Programme for LTA, with resources, training materials and delivery to coaches. She has been further instrumental in the development of the Inspire Leadership Programme for female volunteers.

Simon Steele

Simon joined the Board on 28 November 2016 in his capacity as Finance Director. He is a trustee of LTA Tennis Foundation, a member of the Investment Advisory Group and is also responsible for LTA's legal team. Simon has over 15 years' experience in the sports industry across a number of different organisations. Prior to joining LTA, Simon was Head of Finance and Business Development at Team Sky and, prior to that, spent 15 years at Sky, leading finance teams supporting business areas including marketing, technology and Sky Sports. Simon is a member of the Institute of Chartered Accountants in England and Wales, having trained and qualified with KPMG.

Sir David Tanner

Sir David joined LTA Board on 1 August 2018 as an Independent Non-Executive Director. He is a member of the Nomination Committee, the lead Director for Welfare and Safety which includes Safeguarding and Anti-Doping, a member of LTA Performance Advisory Group (PAG) and LTA Integrity & Clinical Governance Group.

In his professional life, he was the Performance Director for British Rowing until he stepped down in February 2018 after 21 years in the role. During that time Great Britain became the world's leading Olympic and Paralympic rowing nation, topping the medal tables at Beijing 2008, London 2012, and Rio 2016.

Before the days of Lottery funding for elite sport, Sir David was a medal-winning Olympic coach which he combined with a successful full-time career in education, latterly as Headteacher of a West London Comprehensive School, until he took up the Performance Director role in 1996.

He was a Non-Executive Director on the Board of the UK Sports Institute between December 2015 and December 2023 and chairs the Boards of two secondary schools, Orleans Park Academy in Twickenham and Shiplake College in Henley-on-Thames and is an ardent tennis supporter.

Sir David was appointed OBE in 2003, CBE in 2009 and received a knighthood from the Queen in 2013 for services to the London 2012 Olympic and Paralympic Games.

CHANGES TO DIRECTORS FOLLOWING THE YEAR END

Yasmin Clarke, Malgorzata Grzyb and Dr Julie Wych were all appointed on 1 January 2026 following the year end, but prior to the date of signing these financial statements.

ATTENDANCE AT BOARD MEETINGS

Listed below is the attendance at Board meetings of the directors of the Company who were in office during the period covered by the financial statements:

| Name | | No. of meetings attended in 2025 |
|-------------------------|---|----------------------------------|
| Lord Davies of Abersoch | Chair to 13 July 2025 | 5 out of 6 |
| William Jackson | Chair from 14 July 2025 | 4 out of 4 |
| Bridie Amos | Council-Nominated Board Member and non-executive director | 9 out of 9 |
| Rachel Baillache | Senior independent director | 8 out of 9 |
| Sara Bennison | Independent non-executive director | 9 out of 9 |
| Sanjay Bhandari | Independent non-executive director to 31 July 2025 | 4 out of 6 |
| Roy Colabawalla | Deputy President and non-executive director | 9 out of 9 |
| Richard Cutler | Council-Nominated Board Member and non-executive director | 9 out of 9 |
| Anil Jhingan | Independent non-executive director | 9 out of 9 |
| Nigel Jordan | DTAG Chairperson and non-executive director | 9 out of 9 |
| Scott Lloyd | Chief Executive Officer | 9 out of 9 |
| Sandi Procter | President and non-executive director | 9 out of 9 |
| Simon Steele | Finance Director | 9 out of 9 |
| Sir David Tanner | Independent non-executive director | 9 out of 9 |

New Board members receive an induction to LTA and on-going training as required. Board members also have access to the Company Secretary and any external advisors and resources as required. LTA maintains director and officer's liability insurance.

BOARD STANDING COMMITTEES

As noted above, there are three Board Standing Committees, each of which has delegated responsibility for key areas and report back to the Board on a regular basis. Minutes of committee meetings are circulated to all Board members. The terms of reference for each Board Standing Committee are approved by the Board and are set out in LTA Rules.

i) Audit Committee

The role and responsibilities of the Audit Committee is to monitor the integrity of the financial statements of LTA, to keep the internal financial controls and financial risk management systems under review, to oversee LTA's Investment Advisory Group, to manage the appointment and performance and to ensure the independence of the external and internal auditors and to review and recommend the annual financial statements to the Board for approval. The Audit Committee considers and receives reports from the Executive on the nature of risks facing LTA, the categories of risk that might be considered to be acceptable, the likelihood and impact of risks materialising, LTA's ability to reduce or mitigate this likelihood and impact of risks on its business and the costs of operating the particular controls relative to the benefit obtained in managing the identified risks.

The Audit Committee reports to the Board and meets at least three times a year. The Audit Committee members during the year, and at the date of signing were:

| Name | No. of meetings attended in 2025 |
|---|----------------------------------|
| Rachel Baillache (chair) | 3 out of 3 |
| Sanjay Bhandari (resigned 31 July 2025) | 1 out of 1 |
| David Rawlinson (co-opted as a member for specialist expertise) | 3 out of 3 |

The President, Chief Executive Officer, Finance Director, Head of Group Finance and LTA's external auditors attended the Audit Committee meetings in 2025 by invitation as appropriate.

PricewaterhouseCoopers LLP, the independent external auditors, also provides tax advice to LTA via separate engagement teams. The Audit Committee is satisfied that the provision of tax advice does not compromise the external auditors' objectivity and independence.

ii) Nomination Committee

The terms of reference of the Nomination Committee are set out in LTA Rules. The Nomination Committee (amongst other things) has responsibility to keep the composition of the Board and LTA Council under review, make recommendations for appointments to the Board, LTA Council and other bodies and for succession planning, and to appoint and oversee LTA's Inclusion and Diversity Advisory Group.

The Nomination Committee reports to the Board and meets as regularly as is required for the transaction of its business.

The Nomination Committee met 5 times during the year, and the members during the year and at the date of signing were:

| Name | No. of meetings attended in 2025 |
|---|----------------------------------|
| Lord Davies of Abersoch (chair to 13 July 2025) | 2 out of 2 |
| Rachel Baillache | 4 out of 5 |
| Roy Colabawalla | 5 out of 5 |
| William Jackson (chair from 14 July 2025) | 3 out of 3 |
| Sandi Procter | 5 out of 5 |
| Sir David Tanner | 3 out of 5 |

The Company Secretary attended all meetings of the Nomination Committee in 2025 and the Chief Executive Officer and People Director were invited to attend the Nomination Committee meetings in 2025 as appropriate.

iii) Remuneration committee

The role of the Remuneration Committee is (amongst other things) to determine LTA's policy on remuneration and (within the terms of that policy) the total remuneration packages of the Chief Executive Officer, and senior executives, and oversee the results of the Gender Pay and reporting. In readiness for the requirement to report on disability and ethnicity pay gaps, information has been gathered to enable us to report voluntarily ahead of time. The Remuneration Committee engages independent external consultants to benchmark remuneration levels as required. LTA's remuneration strategy is to pay colleagues appropriate market remuneration packages to attract and retain the right calibre of individuals to deliver LTA's objectives. The Committee gives the appropriate level of scrutiny to LTA Business Objectives, both the review of the current year as well as the setting of future objectives, to continue to drive performance in the organisation. The Chair of the Committee has supported the new Chair and President as they transition into their new roles as Committee members. No remuneration is currently paid to the non-executive board members although this is now a topic reviewed on an annual basis to make sure that LTA is not out of step with the market in a way which risks undermining inclusivity.

The Remuneration Committee reports to the Board and meets at least three times a year. In 2025, as well as the usual items of business, as good governance the Committee reviewed the travel and expenses policy for volunteers on the Board. The Committee also reviewed the impact of increases of employers NI and the Real Living Wage to continue to ensure the integrity of the pay band approach and also manage costs appropriately.

The Remuneration Committee members during the year and at the date of signing were:

| Name | No. of meetings attended in 2025 |
|---|----------------------------------|
| Sara Bennison (chair) | 3 out of 3 |
| Lord Davies of Abersoch (resigned 13 July 2025) | 1 out of 1 |
| William Jackson (appointed 14 July 2025) | 2 out of 2 |
| Anil Jhingan | 3 out of 3 |
| Sandi Procter (resigned 31 December 2025) | 3 out of 3 |

The Chief Executive Officer and People Director attended the Remuneration Committee meetings in 2025 as appropriate.

LTA COUNCIL

LTA Council and its composition and powers are established through the governing documentation of the Company. LTA Council is led by the President and supported by the Deputy President. A number of the members of the Company are entitled to nominate a person as a Councillor. The role and responsibilities of LTA Council (both collectively and acting through individual Councillors) includes:

- disseminating and supporting LTA's vision, mission and values
- proactively encouraging inclusion and diversity within the tennis community
- providing a forum for representatives of certain members of the Company to come together, exchange ideas and exercise the rights set out in Appendix B to the articles of association

LTA Council met formally four times (2024: four) in the year and at those meetings received reports from the Board and various areas of the business.

THE EXECUTIVE

The Executive is responsible for the implementation of the strategy, financial plans, objectives and major policies of LTA. It is directly accountable to the Board, and responsible for briefing and updating the Board with relevant information. The Executive team at the date of signing this report consisted of:

- Scott Lloyd, Chief Executive Officer
- Simon Steele, Finance Director
- Michael Bourne, Performance Director
- Chris Pollard, Managing Director, Commercial and Operations
- Oliver Scadgell, Managing Director, Tennis Development
- Vicky Williams, People Director

DISCLOSURE IN THE GROUP STRATEGIC REPORT

In accordance with section 414C(11) of the Companies Act 2006, information relating to the principal risks and uncertainties facing the Group, including financial risks, which would otherwise be required to be included in the Directors' Report under Schedule 7 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, is included in the Group Strategic Report on pages 28 to 29.

DIRECTORS' CONFIRMATIONS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Information on the Group's risk management and future developments can be found on pages 28 to 31 as part of the Strategic Report while information on related party transactions is disclosed on page 108 as part of the notes to the financial statements.

The Directors' Report was approved and authorised for issue by the Board and is signed on its behalf by:



Scott Lloyd
Chief Executive Officer
28 April 2026





STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN RESPECT OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The directors are responsible for preparing the Finance and Governance 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 Group and the Company financial statements 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).

Under company law, 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 Group and the Company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising of FRS 102 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 Group and the Company will continue in business.

The directors are responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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



Scott Lloyd
Chief Executive Officer
28 April 2026





INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LAWN TENNIS ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAWN TENNIS ASSOCIATION LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, Lawn Tennis Association Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit and the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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 Finance and Governance Report (the "Annual Report"), which comprise:

- the Group Statement of Financial Position as at 31 December 2025;
- the Company Statement of Financial Position as at 31 December 2025;
- the Group Income Statement for the year then ended;
- the Group Statement of Comprehensive Income for the year then ended;
- the Group Statement of Changes in Equity for the year then ended;
- the Company Statement of Changes in Equity for the year then ended;

- the Group Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, which include a description of the 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 group 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 Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' 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 conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors 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 directors 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.

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.

With respect to the Group Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Group Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Group Strategic Report and Directors' Report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Group Strategic Report and Directors' Report.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors 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 directors 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 directors are responsible for assessing the Group's and the 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 directors either intend to liquidate the Group or the 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.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and 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 management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance, including consideration of any known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing the validity of journal entries, in particular any journal entries posted with unusual account combinations and consolidation journals;
- Reviewing minutes of meetings of those charged with governance; and
- Designing audit procedures to incorporate unpredictability over the nature, timing or extent of our testing.

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 the 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 FRC's website at: 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 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.

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

We have no exceptions to report arising from this responsibility.



Louise Lazarus
(Senior Statutory Auditor)
 for and on behalf of
PricewaterhouseCoopers LLP
 1 Embankment Place
 London
 WC2N 6RH
 28 April 2026





GROUP FINANCIAL STATEMENTS

GROUP INCOME STATEMENT

For the Year Ended 31 December 2025

| | Note | 2025 £000 | 2024 £000 |
|---|------|----------------|--------------|
| Turnover | 4 | 104,356 | 102,476 |
| Gross profit | | 104,356 | 102,476 |
| Administrative expenses | | (104,082) | (109,127) |
| Operating profit/(loss) | 5 | 274 | (6,651) |
| Income from other investments | | 5,331 | 4,461 |
| Interest receivable and similar income | 9 | 264 | 285 |
| Interest payable and similar expenses | 10 | (231) | (251) |
| Profit/(loss) before tax | | 5,638 | (2,156) |
| Tax on profit/(loss) | 11 | (1,900) | (2,391) |
| Profit/(loss) for the financial year | | 3,738 | (4,547) |

The notes on pages 70 to 109 form part of these financial statements.

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 December 2025

| | Note | 2025 £000 | 2024 £000 |
|--|------|--------------|--------------|
| Profit/(loss) for the financial year | | 3,738 | (4,547) |
| Other comprehensive (expense)/income | | | |
| Remeasurement of net defined benefit obligation | | (231) | 213 |
| Other comprehensive (expense)/income for the year | | (231) | 213 |
| Total comprehensive income/(expense) for the year | | 3,507 | (4,334) |

The notes on pages 70 to 109 form part of these financial statements.

GROUP STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

| | Note | 2025 £000 | 2024 £000 |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Intangible assets | 12 | 8,979 | 9,804 |
| Tangible assets | 13 | 33,495 | 34,042 |
| Investments | 14 | 49,480 | 48,359 |
| | | <u>91,954</u> | <u>92,205</u> |
| Current assets | | | |
| Stocks | 16 | 132 | 340 |
| Debtors: amounts falling due after more than one year | 17 | 15,259 | 15,592 |
| Debtors: amounts falling due within one year | 17 | 39,143 | 38,203 |
| Current asset investments | 18 | 46,547 | 42,570 |
| Cash at bank and in hand | 19 | 3,605 | 2,500 |
| | | <u>104,686</u> | <u>99,205</u> |
| Creditors: amounts falling due within one year | 20 | (34,178) | (32,742) |
| | | <u>70,508</u> | <u>66,463</u> |
| Net current assets | | | |
| | | <u>162,462</u> | <u>158,668</u> |
| Total assets less current liabilities | | | |
| Creditors: amounts falling due after more than one year | 21 | (8,044) | (9,831) |
| Provisions for liabilities | | | |
| Deferred taxation | 24 | (1,328) | (81) |
| Other provisions | 25 | (1,162) | (542) |
| | | <u>(2,490)</u> | <u>(623)</u> |
| Net assets excluding pension asset | | | |
| | | <u>151,928</u> | <u>148,214</u> |
| Post-employment benefits | 28 | - | 207 |
| | | <u>151,928</u> | <u>148,421</u> |
| Net assets | | | |

| | Note | 2025 £000 | 2024 £000 |
|-----------------------------|------|----------------|----------------|
| Capital and reserves | | | |
| Retained earnings | 26 | 151,928 | 148,421 |
| Total equity | | <u>151,928</u> | <u>148,421</u> |

The financial statements on pages 59 to 109 were approved and authorised for issue by the Board and were signed on its behalf on 28 April 2026.


Simon Steele

Finance Director

The notes on pages 70 to 109 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

| | Note | 2025 £000 | 2024 £000 |
|---|------|----------------|--------------|
| Fixed assets | | | |
| Investments | 14 | 41,136 | 38,833 |
| | | 41,136 | 38,833 |
| Current assets | | | |
| Debtors: amounts falling due after more than one year | 17 | - | 6 |
| Debtors: amounts falling due within one year | 17 | 86,811 | 101,759 |
| Current asset investments | 18 | 26,814 | 14,860 |
| Cash at bank and in hand | 19 | 42 | 138 |
| | | 113,667 | 116,763 |
| Creditors: amounts falling due within one year | 20 | (5) | (18) |
| Net current assets | | 113,662 | 116,745 |
| Total assets less current liabilities | | 154,798 | 155,578 |
| Provisions for liabilities | | | |
| Deferred taxation | 24 | (32) | - |
| | | (32) | - |
| Net assets | | 154,766 | 155,578 |
| Capital and reserves | | | |
| Retained earnings brought forward | | 155,578 | 155,612 |
| Loss for the year | | (812) | (34) |
| Retained earnings carried forward | | 154,766 | 155,578 |
| Total equity | | 154,766 | 155,578 |

The financial statements on pages 59 to 109 were approved and authorised for issue by the Board and were signed on its behalf on 28 April 2026.



Simon Steele
Finance Director

The notes on pages 70 to 109 form part of these financial statements.



GROUP STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 December 2025

| | Total retained earnings £000 | Total equity £000 |
|---|---------------------------------|----------------------|
| At 1 January 2024 | 152,755 | 152,755 |
| Loss for the year | (4,547) | (4,547) |
| Actuarial gains on pension scheme | 213 | 213 |
| Total comprehensive expense for the year | (4,334) | (4,334) |
| At 1 January 2025 | 148,421 | 148,421 |
| Profit for the year | 3,738 | 3,738 |
| Actuarial losses on pension scheme | (231) | (231) |
| Total comprehensive income for the year | 3,507 | 3,507 |
| At 31 December 2025 | 151,928 | 151,928 |

The notes on pages 70 to 109 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 December 2025

| | Total retained earnings £000 | Total equity £000 |
|---|---------------------------------|----------------------|
| At 1 January 2024 | 155,612 | 155,612 |
| Loss for the year | (34) | (34) |
| Total comprehensive expense for the year | (34) | (34) |
| At 1 January 2025 | 155,578 | 155,578 |
| Loss for the year | (812) | (812) |
| Total comprehensive expense for the year | (812) | (812) |
| At 31 December 2025 | 154,766 | 154,766 |

The notes on pages 70 to 109 form part of these financial statements.

GROUP STATEMENT OF CASH FLOWS

For the Year Ended 31 December 2025

| | 2025 £000 | 2024 £000 |
|---|--------------|--------------|
| Cash flows from operating activities | | |
| Profit/(loss) before tax | 5,638 | (2,156) |
| Adjustments for: | | |
| Amortisation of intangible assets | 3,879 | 4,025 |
| Depreciation of tangible assets | 2,561 | 2,498 |
| Loss on disposal of fixed assets | 49 | 82 |
| Net gain on other investments | (5,331) | (4,461) |
| Interest payable and similar expenses | 231 | 251 |
| Interest receivable and similar income | (264) | (285) |
| Decrease in stocks | 208 | 251 |
| Decrease in debtors | 1,523 | 2,626 |
| Increase in creditors | 1,245 | 4,788 |
| Movement on bad debt loan provisions | (1,255) | 121 |
| Movement in other provisions | 620 | (402) |
| Actuarial (losses)/gains | (24) | (15) |
| Corporation tax paid | (1,382) | (394) |
| Withholding tax adjustment | (513) | (549) |
| Net cash generated from operating activities | 7,185 | 6,380 |
| Cash flows from investing activities | | |
| Purchase of intangible fixed assets | (2,731) | (3,863) |
| Purchase of tangible fixed assets | (1,818) | (1,678) |
| Net withdrawals from investments | 877 | 7,623 |
| Interest received | 265 | 178 |
| Income from investments | 3,161 | 3,924 |
| Net cash (used in)/from investing activities | (246) | 6,184 |

| | 2025 £000 | 2024 £000 |
|---|----------------|----------------|
| Cash flows from financing activities | | |
| Repayment of loans (DCMS) | (1,787) | (1,788) |
| Interest paid (DCMS) | (240) | (260) |
| Net cash used in financing activities | (2,027) | (2,048) |
| Net increase in cash and cash equivalents | 4,912 | 10,516 |
| Cash and cash equivalents at beginning of year | 40,104 | 29,588 |
| Cash and cash equivalents at the end of year | 45,016 | 40,104 |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 3,605 | 2,500 |
| Cash equivalents* | 41,411 | 37,604 |
| | 45,016 | 40,104 |

The notes on pages 70 to 109 form part of these financial statements.

***Cash equivalents consist of:**

| | | |
|---|---------------|---------------|
| Money market funds (included in current asset investments) | 37,534 | 30,521 |
| Short-term deposits (included in current asset investments) | 3,877 | 7,083 |
| Total cash equivalents | 41,411 | 37,604 |

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

Lawn Tennis Association Limited (“the Company”) is a private company, limited by guarantee, registered in England and Wales. The Company’s registered office is The National Tennis Centre, 100 Priory Lane, Roehampton, London, SW15 5JQ.

2. SIGNIFICANT 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 (FRS 102). The Company constitutes a public benefit entity (‘PBE’) as defined by FRS 102, being an entity whose primary objective is to provide goods and services for the general public.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgment in applying the Group’s accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements.

The financial statements are presented in Pound Sterling (£). Monetary amounts in these financial statements are rounded to the nearest £1,000.

Set out below is a summary of the principal accounting policies applied in the preparation of the financial statements, all of which have been applied consistently (except as otherwise stated).

2.2 Basis of consolidation

The Group financial statements present the results of the Company and its own subsidiaries (“the Group”) as if they form a single entity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. Uniform accounting policies are used for all the companies included in the Group financial statements.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Lawn Tennis Association (unincorporated) is not directly owned by the Group but meets the definition of a quasi-sub subsidiary under paragraph 9.1 and 9.11 of FRS 102 as it is managed on a unified basis by the Group. As such, it has been accounted for in the same way as other subsidiaries and has been included in the Group financial statements in full.

The Group financial statements incorporate the results of business combinations using the purchase method. In the Group Statement of Financial Position, the acquiree’s identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Group Income Statement from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Quasi subsidiaries

In determining whether the Group controls another entity, regard should be paid to who in practice directs the entity’s financial and operating policies. Lawn Tennis Association (unincorporated) is not directly owned by the Group but meets the definition of a quasi-sub subsidiary under paragraph 9.1 and 9.11 of FRS 102 as it is managed on a unified basis by the Company. As such, it has been accounted for in the same way as other subsidiaries and included in the Group financial statements in full.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Relationship with The Championships

The relationship between The Championships and LTA is governed by a 1934 principal agreement which has been supplemented and amended by various agreements or deeds, most recently in 2011 between the All England Lawn Tennis Club (AELTC) and LTA, whereby The Championships are controlled, managed and promoted by the Committee of Management which consists of twelve members representing the AELTC and 7 members representing LTA. The Championships prepares its financial statements to 31 July.

The allocation of the financial surplus of The Championships is also governed by this agreement. The financial arrangements are designed to advance the interests of tennis in Great Britain and 90% of the surplus is distributed to LTA from the distribution as agreed by the Joint Finance Committee.

2.5 Going concern

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. The directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment.

The directors have carefully considered these risks including an assessment on uncertainty of future trading projection for a period of at least 12 months from the date of signing of the financial statements, and the extent to which they might affect the preparation of financial statements on a going concern basis.

Based on the assessment, the directors consider that the Group maintains an appropriate level of liquidity, sufficient to meet the demands of the Group including any capital and servicing obligations and external debt liabilities. In addition to the £5m overdraft facility and DCMS loan, the Group holds sufficient short-term investments to manage the known risks.

The directors have a reasonable expectation that the Group is to remain in operational existence for at least 12 months from the date of approval of these financial statements and that there are no material uncertainties that lead to significant doubts over the Group's ability to continue as a going concern. Thus, the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

2.6 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is Pound Sterling (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.7 Revenue

Revenue largely consists of the gross surplus from The Championships, Sport England grant, income from ticketing and hospitality fees from tennis tournaments, commercial and sponsorship income, government grants, advertising income and subscription fees, including venue registration.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Revenue (continued)

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Where a contract has only been partially completed at the Statement of Financial Position date, revenue represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received in advance of services provided, the amounts are recorded as deferred income and included as part of Creditors: amounts falling due within one year.

2.8 Operating leases: the Group as lessee

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals paid under operating leases are charged to the Group Income Statement on a straight-line basis over the lease term.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Group Income Statement in the same period as the related expenditure.

2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.11 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

Defined benefit pension plan

The Group participates within a Local Government Pension Scheme (LGPS), which is a multi-employer funded defined benefit plan for qualifying employees, administered by Nottinghamshire County Council. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in Pound Sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Current and deferred taxation (continued)

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.15 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation expense is recognised in administrative expenses.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined by the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Group Income Statement over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

| | |
|-------------------|--|
| Computer software | 4 - 5 years |
| Commercial rights | over the contractual period to which they relate |

Assets under construction are amortised once their useful lives commence and in accordance with their asset class.

Costs associated with maintaining computer software are recognised as an expense as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Intangible assets (continued)

Other intangible assets (continued)

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent year.

2.16 Tangible assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised.

Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

| | |
|------------------------------------|----------------|
| Land and buildings | 10 - 125 years |
| Motor vehicles | 4 years |
| Furniture, computers and equipment | 3 - 20 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Impairment of tangible fixed assets

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

At each Statement of Financial Position date tangible fixed assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Tangible assets (continued)

Impairment of tangible fixed assets (continued)

If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash generating unit) continued use.

The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset. If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the income statement, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the Group Income Statement.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the Group Income Statement.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less any provision considered necessary for permanent diminution in value.

Third party investments comprise of shares and stocks and are measured at fair value with movements going through the Group Income Statement. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

2.18 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Group Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

The Group's cash equivalents include: short-term deposits with a maturity period equalling 3 months or less since acquisition; and money market funds of sufficiently low risk. Cash equivalents represents funds that LTA utilises to meet its day-to-day obligations.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.20 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties. Increases in provisions are generally charged as an expense to profit or loss.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small. In particular:

- restructuring provisions are recognised when the Group has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring; and
- provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

2.21 Contingent liabilities

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence

or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

2.22 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Statement of Financial Position when the Group 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 debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Financial instruments (continued)

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

At the end of each reporting period 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.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Basic 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 Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other creditors, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

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

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Financial instruments (continued)

Derecognition of financial liabilities

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

2.23 Employee benefits

The Company provides a range of benefits to employees, including paid holiday arrangements.

(i) Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the year in which the service is received.

(ii) Long-term benefits

Amounts payable under the long-term incentive scheme are dependent on performance targets. Members of the scheme are key management personnel employees (and include the directors) who are required to remain in employment with the Group to receive any payment. The Group does not set aside assets to fund the payments and pays the benefits out of cash resources. A liability for the plan is raised on the estimated amount payable in terms of the incentive scheme.

(iii) Termination benefits

Termination benefits are recognised as an expense in the year in which the benefits are provided to the employees or are expensed and accrued when the Group has committed to make payments in the future. If there is an uncertainty about the number of employees who will accept an offer of termination benefits, the contingent liabilities are disclosed unless the possibility of an outflow in settlement is remote.

(iv) Pension costs

Contributions payable to defined contribution schemes are charged to the income statement in the year to which they relate.

The Group participates within the Local Government Pension Scheme (LGPS), which is a multi-employer funded defined benefit plan for qualifying employees, administered by Nottinghamshire County Council. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan. Contributions to defined benefit schemes are accounted for in line with the above disclosed policy.

2.24 Concessionary loans

The Group has applied the accounting policy choice allowed by FRS 102 paragraph PBE34.89 and is following the treatment prescribed by paragraphs PBE34.90 to 34.97. Concessionary loans made are initially measured at the amount paid. In subsequent years, the carrying amount of concessionary loans is adjusted to reflect any accrued interest payable or receivable.

To the extent that a loan that has been made is irrecoverable, an impairment loss is recognised in the Group Income Statement.

2.25 Amendments to FRS 102

The following amendments to FRS 102 (issued in July 2015) have been adopted by the Group in the financial statements.

(i) Amendments to Section 4: Statement of Financial Position:

The Group has adopted the amendments to para 4.2 of FRS 102. The Group has chosen to apply IFRS format in presenting the Statement of Financial Position. The terminology has been changed as per IFRS. The presentational change has no such material impact in the Group's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Amendments to FRS 102 (continued)

(ii) Amendments to Section 5: Income Statement and Statement of Comprehensive Income

The Group has adopted the amendments to para 5.10 of FRS 102. The Group has chosen to apply IFRS format in presenting the Income Statement and Statement of Comprehensive Income. The terminology has been changed as per IFRS. The presentational change has no such material impact in the Group's financial statements.

(iii) Amendments to Section 18: Intangible assets including goodwill:

The Group has adopted the amendments to para 18.19 and 18.20 of FRS 102. The amendments to para 18.19 clarifies if an entity is unable to make a reliable estimate of the useful life of an intangible asset, the useful life limit should not exceed ten years. As the Group does not have any intangible assets with indefinite useful life, the application of amendments has no material impact on the disclosures or on the amounts recognised in the Group's financial statements.

(iv) Amendments to Section 27: Impairment of assets

The Group has adopted the amendments to para 27.31 of FRS 102. The amendments to para 27.31 clarify the removal of hierarchy for reversing impairment charges, with the entity no longer required to allocate the amount of impairment reversal in a particular order. This is largely due to the fact that goodwill impairment reversals are no longer permitted under FRS 102. As the Group does not have any impairment charges that qualify for reversal, the application of amendments has no material impact on the disclosures or on the amounts recognised in the Group's financial statements.

(v) Amendments to Section 33: Related party disclosures

The Group has adopted the amendments to para 33.2(viii) of FRS 102. The amendments clarify the increase in scope of related parties by including an entity, or any member of a group of which it is a part, that provides key management personnel services to the reporting entity or to the parent of the reporting entity, as being a related entity.

As the Group already discloses all of its parent-subsidary relationships in the Notes to the Financial Statements, the application of amendments has no material impact on the disclosures or on the amounts recognised in the Group's financial statements.

2.26 Exemptions for qualifying entities under FRS 102

As the Company is a member of the Group whose financial statements are publicly available it meets the exemption for qualifying entities 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 exemption:

- from preparing a statement of cash flows, on the basis that the Group Statement of Cash Flows, included in these financial statements, includes the Company's cash flows.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Judgements in applying the Group's accounting policies

The judgements that the directors have made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements are discussed below:

(i) Assessing indicators and impairment

In assessing whether there have been any indicators or impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

Key sources of estimation uncertainty

The directors have considered the assumptions concerning the future and other sources of estimation uncertainty. Whilst certain accounting estimates are discussed below, the directors do not consider that these involve a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(ii) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability, the directors consider factors such as the ageing of receivables, past experience and recoverability, and the credit profile of the individual or groups of customers.

(iii) Determining residual values and useful economic lives of tangible and intangible assets

The Company depreciates tangible assets and amortises intangible assets over their estimated useful lives. The estimation of the useful lives is based on historical performance as well as expectations of future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes. Judgement is applied by management when determining the residual values for tangible and intangible assets. When determining the residual value, management aim to assess the amount that the Company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

4. TURNOVER

Revenue arises materially from trading activities in the UK. Revenue is earned from the participation of Great Britain teams in Davis Cup and Billie Jean King Cup ties overseas, however this is immaterial.

| | 2025 £000 | 2024 £000 |
|--|----------------|----------------|
| Analysis of revenue by category: | | |
| Rendering of services | 101,703 | 94,712 |
| Grant income | 2,653 | 7,764 |
| | 104,356 | 102,476 |
| Analysis of revenue by subcategory: | | |
| Surplus from The Championships | 48,613 | 50,418 |
| Commercial | 14,500 | 10,618 |
| LTA Grass Court Major Events | 27,844 | 22,372 |
| Other Major Events | 3,624 | 5,087 |
| Park Tennis Project Grant | - | 5,164 |
| Sport England revenue and other grants | 2,653 | 2,600 |
| Other revenue | 7,122 | 6,217 |
| | 104,356 | 102,476 |

5. OPERATING PROFIT/(LOSS)

The operating profit/(loss) is stated after charging:

| | 2025 £000 | 2024 £000 |
|---|--------------|--------------|
| Amortisation of intangible fixed assets (note 12) | 3,879 | 4,107 |
| Depreciation of tangible fixed assets (note 13) | 2,561 | 2,522 |
| Loss on disposal of fixed assets | 8 | 82 |
| Operating lease and other hire charges: | | |
| - Plant and machinery | 19 | 28 |
| - Motor vehicles | - | 116 |
| Auditors' remuneration (note 6) | 245 | 255 |

6. AUDITORS' REMUNERATION

During the year, the Group obtained the following services from the Company's auditors and their associates:

| | 2025 £000 | 2024 £000 |
|--|--------------|--------------|
| Fees payable to the Company's auditors and their associates for the audit of the group and parent Company's financial statements | 120 | 116 |
| Fees payable to the Company's auditors and their associates in respect of: | | |
| The auditing of subsidiary companies | 8 | 8 |
| Taxation compliance services | 109 | 93 |
| Other assurance services | 8 | 38 |

The Audit Committee has agreed with the Group's auditors that the auditors' liability for damages for breach of duty in relation to the audit of the Group's financial statements for the year to 31 December 2025 may be limited to the greater of £5 million or 5 times the auditors' fees, and that in any event the auditors' liability for damages may be limited to that part of any loss suffered by the Group as is just and equitable having regard to the extent to which the auditor, the Group and any third parties are responsible for the loss in question. The members resolved to waive the need for approval by the members of the Company of this liability limitation agreement, as permitted in terms of the Companies Act 2006, by a resolution dated 21 May 2025.

7. EMPLOYEES

Staff costs were as follows:

| | 2025 £000 | 2024 £000 |
|-----------------------|---------------|---------------|
| Wages and salaries | 22,547 | 22,063 |
| Social security costs | 2,956 | 2,599 |
| Other pension costs | 1,555 | 1,537 |
| | 27,058 | 26,199 |

Staff costs of the Group are stated net of £519k (2024: £466k) of costs which have been capitalised as intangible fixed assets.

The average monthly number of employees, including the directors, during the year was as follows:

| | 2025 No. | 2024 No. |
|--|-------------|-------------|
| Participation | 113 | 115 |
| Performance | 65 | 63 |
| Commercial, major events and marketing | 69 | 71 |
| Business support and governance | 101 | 101 |
| | 348 | 350 |

In addition to the above, the average number of casual workers on the Flexible Talent Bank during 2025 was 18 (2024: 18), reflecting the greater choice and flexibility LTA is offering since the pandemic.

The Company had no (2024: Nil) employees.

8. DIRECTORS' REMUNERATION

| | 2025 £000 | 2024 £000 |
|---|--------------|--------------|
| Directors' remuneration: | | |
| Aggregate remuneration | 954 | 936 |
| Aggregate amounts accruing under long-term incentive scheme | 196 | 199 |
| Company pension contributions to money purchase scheme | 24 | 22 |
| Aggregate emoluments | 1,174 | 1,157 |
| Highest paid director | | |
| Aggregate remuneration | 650 | 638 |
| Aggregate amounts accruing under long-term incentive scheme | 144 | 148 |
| *Aggregate emoluments | 794 | 786 |

The aggregate emoluments were paid to 2 (2024: 2) directors, both of whom were employed for the whole of 2025 (2024: 2). Retirement benefits are accruing to one (2024: 1) director under a money purchase scheme.

Amounts accruing under the long-term incentive scheme are dependent on performance targets. Directors (and other key management personnel) are required to remain in employment with the Group to receive any payment. Amounts are accrued and were unpaid in 2025. The total amounts accrued are included within Note 25 (Other provisions).

*Aggregate emoluments includes all remuneration receivable to the highest paid director, including a pension allowance.

9. INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2025 £000 | 2024 £000 |
|------------------------------------|--------------|--------------|
| Bank and other interest receivable | 264 | 285 |
| | 264 | 285 |

10. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2025 £000 | 2024 £000 |
|-------------------------------|--------------|--------------|
| Interest payable on DCMS loan | 231 | 251 |
| | 231 | 251 |

11. TAX ON PROFIT/(LOSS)

| | 2025 £000 | 2024 £000 |
|--|--------------|--------------|
| Corporation tax | | |
| Current tax on profits for the year | 1,007 | 927 |
| Adjustments in respect of previous periods | (354) | 1 |
| | <u>653</u> | <u>928</u> |
| Double taxation relief | (506) | (549) |
| | <u>147</u> | <u>379</u> |
| Foreign tax | | |
| Foreign tax on income for the year | 506 | 549 |
| | <u>506</u> | <u>549</u> |
| Total current tax | <u>653</u> | <u>928</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 1,281 | 304 |
| Adjustments in respect of previous years | (34) | 1,159 |
| Total deferred tax | <u>1,247</u> | <u>1,463</u> |
| Tax on profit/(loss) | <u>1,900</u> | <u>2,391</u> |

From 1 April 2023, the UK corporation tax rate increased to 25% on taxable profits over £250k, 19% for taxable profits below £50k and a hybrid rate for taxable profits between £50k and £250k. The rates overleaf represent the average rate of UK corporation tax payable on taxable profits accrued evenly over the year.

11. TAX ON PROFIT/(LOSS) (CONTINUED)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2024 - higher than) the standard rate of corporation tax in the UK of 25% (2024 - 25%). The differences are explained below:

| | 2025 £000 | 2024 £000 |
|---|--------------|----------------|
| Profit/(loss) before tax | <u>5,638</u> | <u>(2,156)</u> |
| Profit/(loss) before tax multiplied by standard rate of corporation tax in the UK of 25% (2024 - 25%) | <u>1,410</u> | <u>(539)</u> |
| Effects of: | | |
| Expenses not deductible for tax purposes | 314 | 1,328 |
| Deferred tax on FRS102 adjustment | 1,299 | 954 |
| Overseas tax | 506 | 549 |
| Double taxation relief | (506) | (549) |
| Non-taxable income | (773) | (587) |
| Capital gains | - | 654 |
| Adjustments in respect of previous periods | (388) | 1,160 |
| Deferred tax not recognised | - | (122) |
| Revaluation of fixed asset investments | 38 | (457) |
| Total tax charge for the year | <u>1,900</u> | <u>2,391</u> |

12. INTANGIBLE ASSETS**Group**

| | Commercial rights £000 | Assets under construction £000 | Computer software £000 | Goodwill £000 | Total £000 |
|-------------------------------------|---------------------------|-----------------------------------|---------------------------|------------------|---------------|
| Cost | | | | | |
| At 1 January 2025 | 2,080 | 473 | 21,446 | 329 | 24,328 |
| Additions | - | 380 | 2,688 | - | 3,068 |
| Additions - internal | - | 16 | - | - | 16 |
| Disposals | - | - | (30) | (329) | (359) |
| Transfer | - | (473) | 473 | - | - |
| At 31 December 2025 | 2,080 | 396 | 24,577 | - | 27,053 |
| Amortisation | | | | | |
| At 1 January 2025 | 2,080 | - | 12,115 | 329 | 14,524 |
| Charge for the year on owned assets | - | - | 3,879 | - | 3,879 |
| On disposals | - | - | - | (329) | (329) |
| At 31 December 2025 | 2,080 | - | 15,994 | - | 18,074 |
| Net book value | | | | | |
| At 31 December 2025 | - | 396 | 8,583 | - | 8,979 |
| At 31 December 2024 | - | 473 | 9,331 | - | 9,804 |

12. INTANGIBLE ASSETS (CONTINUED)**Company**

| | Commercial rights £000 |
|-----------------------|---------------------------|
| Cost | |
| At 1 January 2025 | 2,080 |
| At 31 December 2025 | 2,080 |
| Amortisation | |
| At 1 January 2025 | 2,080 |
| At 31 December 2025 | 2,080 |
| Net book value | |
| At 31 December 2025 | - |
| At 31 December 2024 | - |

Commercial rights consist of The Queen's Club Championships ATP 500 sanction. LTA acquired this sanction in 2014 at a cost of £2,080k following the upgrade of The Queen's Club Championships. This cost was being amortised in line with the accounting policy for intangible assets to 2025, resulting in a net book value at 31 December 2025 of £Nil (2024: £Nil).

13. TANGIBLE ASSETS**Group**

| | Land & buildings | Furniture, computers & equipment | Motor vehicles | Total |
|-------------------------------------|------------------|----------------------------------|----------------|--------|
| | £000 | £000 | £000 | £000 |
| Cost or valuation | | | | |
| At 1 January 2025 | 42,981 | 11,222 | 119 | 54,322 |
| Additions | 769 | 1,274 | 17 | 2,060 |
| Disposals | (8) | (790) | (28) | (826) |
| Grants | (27) | - | - | (27) |
| At 31 December 2025 | 43,715 | 11,706 | 108 | 55,529 |
| Depreciation | | | | |
| At 1 January 2025 | 13,251 | 6,940 | 89 | 20,280 |
| Charge for the year on owned assets | 1,324 | 1,221 | 16 | 2,561 |
| Disposals | - | (779) | (28) | (807) |
| At 31 December 2025 | 14,575 | 7,382 | 77 | 22,034 |
| Net book value | | | | |
| At 31 December 2025 | 29,140 | 4,324 | 31 | 33,495 |
| At 31 December 2024 | 29,730 | 4,282 | 30 | 34,042 |

The net book value of land and buildings may be further analysed as follows:

| | 2025 £000 | 2024 £000 |
|----------------|--------------|--------------|
| Long leasehold | 29,140 | 29,730 |
| | 29,140 | 29,730 |

14. FIXED ASSET INVESTMENTS**Group**

| | Third party investments £000 |
|--------------------------|---------------------------------|
| Cost or valuation | |
| At 1 January 2025 | 48,359 |
| Additions | 17,329 |
| Disposals | (19,779) |
| Other movements | 1,347 |
| Revaluations | 2,224 |
| At 31 December 2025 | 49,480 |

Included in disposals above is an amount of £2,914k in UK government gilts transferred to current asset investments due to the proximity of maturity date to the year ended 31 December 2025.

Company

| | Investments in subsidiaries £000 | Third party investments £000 | Total £000 |
|--------------------------|-------------------------------------|---------------------------------|---------------|
| Cost or valuation | | | |
| At 1 January 2025 | 11,796 | 27,037 | 38,833 |
| Additions | - | 9,420 | 9,420 |
| Disposals | - | (9,264) | (9,264) |
| Other movements | - | 557 | 557 |
| Revaluations | - | 1,590 | 1,590 |
| At 31 December 2025 | 11,796 | 29,340 | 41,136 |

14. FIXED ASSET INVESTMENTS (CONTINUED)

Subsidiary undertakings

The subsidiaries below are all incorporated in England and Wales, were directly or indirectly wholly owned by Lawn Tennis Association Limited at 31 December 2025 and each has its registered office at The National Tennis Centre, 100 Priory Lane, Roehampton, London, SW15 5JQ.

The following were subsidiary undertakings of the Company:

| Name | Principal activity | Class of shares |
|--------------------------------|---|---------------------|
| LTA Developments Limited | Manages tennis developments on behalf of the LTA | Ordinary (Indirect) |
| LTA Ground Limited | Non-trading entity | Ordinary (Indirect) |
| LTA Holdings Limited | Holding company for the Group's subsidiaries before Lawn Tennis Association Limited | Ordinary (Direct) |
| LTA Nominees Limited | Nominee company for the LTA | Ordinary (Direct) |
| LTA Operations Limited | Main trading entity for the group | Ordinary (Direct) |
| LTA Property Limited | Holding company for the land and buildings of the Group | Ordinary (Direct) |
| LTA Services Limited | Provides manpower services | Ordinary (Indirect) |
| LTA Tennis Foundation | Independent charity to promote community participation through grant and loan funding | N/A* |
| The Tennis Foundation (Legacy) | Independent charity to promote community participation through grant funding | N/A* |
| TF Enterprises Limited | Trading entity of LTA Tennis Foundation | Ordinary (Indirect) |

*LTA Operations Limited is the sole member of LTA Tennis Foundation (charity number 1148421) and The Tennis Foundation (Legacy) (charity number 298175). LTA Operations Limited is considered to exert control over the charities and as such they are treated as wholly owned subsidiaries within LTA Group and their results are included within these financial statements.

During the year, LTA Operations Limited disposed of its investment in Local Tennis Leagues Limited (LTL) following the transfer of trade in 2024. LTL was voluntarily struck off the register and dissolved on 16 December 2025.

LTA Holdings Limited disposed of investments in LTA Events Limited and Tennis GB Limited during the year. Both companies were voluntarily struck off the register and dissolved on 16 December 2025.

The directors believe that the carrying value of investments is supported by the underlying net assets.

15. LAWN TENNIS ASSOCIATION

The Statement of Comprehensive Income and Statement of Financial Position of the unincorporated entity Lawn Tennis Association are included in the Group financial statements and are provided below on the grounds that they are treated as a quasi-subsiary.

| | 2025 £000 | 2024 £000 |
|--|--------------|--------------|
| Statement of Comprehensive Income | | |
| Results for the financial year | - | - |
| Statement of Financial Position | | |
| Cash at bank and in hand | 1,227 | 1,227 |
| Creditors falling due within one year | (4) | (4) |
| Net assets | 1,223 | 1,223 |

16. STOCKS

| | Group 2025 £000 | Group 2024 £000 |
|-------------------------------------|-----------------------|-----------------------|
| Finished goods and goods for resale | 132 | 340 |
| | 132 | 340 |

There is no material difference between the replacement cost of the inventory and its carrying amount.

17. DEBTORS

| | Group 2025 £000 | Group 2024 £000 | Company 2025 £000 | Company 2024 £000 |
|-------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Due after more than one year | | | | |
| Other debtors | 9,399 | 9,689 | - | - |
| Prepayments and accrued income | 5,860 | 5,903 | - | - |
| Deferred tax asset | - | - | - | 6 |
| | <u>15,259</u> | <u>15,592</u> | <u>-</u> | <u>6</u> |

| | Group 2025 £000 | Group 2024 £000 | Company 2025 £000 | Company 2024 £000 |
|------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Due within one year | | | | |
| Trade debtors | 2,959 | 1,952 | - | - |
| Amounts owed by group undertakings | - | - | 86,811 | 101,759 |
| Other debtors | 2,775 | 2,575 | - | - |
| Prepayments and accrued income | 4,433 | 3,823 | - | - |
| Amounts owed by The Championships | 28,100 | 29,853 | - | - |
| Tax recoverable | 876 | - | - | - |
| | <u>39,143</u> | <u>38,203</u> | <u>86,811</u> | <u>101,759</u> |

Trade debtors are stated net of a bad debt provision totalling £Nil (2024: £Nil).

Amounts owed by group undertakings represent intercompany loans that are measured at cost, interest free and repayable on demand.

Amounts owed by The Championships include amounts owed by the All England Lawn Tennis Club (AELTC) in respect of the 2025 surplus on The Championships, Wimbledon. The annual surplus is interest free and measured at cost.

Included within other debtors due within one year is £2,182k (2024: £1,962k) of concessionary loans. Additionally, £7,094k (2024: £7,218k) are included within other debtors due after more than one year. These are loans issued by the Group to clubs, parks, schools and indoor facilities to improve tennis facilities. The majority of loans are repayable over 3-10 years and are recorded net of a bad debt provision totalling £227k (2024: £1,765k).

17. DEBTORS (CONTINUED)

Included within other debtors due within one year is £562k (2024: £534k) and included within other debtors due after more than one year is £2,305k (2024: £2,470k) relating to amounts repayable over a 20 year period, that commenced in 2005, from The West Hants Club (formerly The West Hants Lawn Tennis Company (Bournemouth) Limited for loans that assisted with the development of the club.

In 2006 a moratorium was agreed, deferring the instalments due in the calendar years 2007 and 2008, thus extending the repayment period to 22 years. In 2010 it was agreed to extend the repayment period to 30 years and repayments are being made on this basis. The club was given a loan repayment holiday in 2021 during the COVID-19 pandemic and as a result there is £Nil (2024: £71k) outstanding from the club in relation to that period.

Included within other debtors due within one year is £19k (2024: £13k) of hardship loans to venues and coaches. Hardship loans are stated net of a bad debt provision totalling £284k (2024: £327k).

18. CURRENT ASSET INVESTMENTS

| | Group 2025 £000 | Group 2024 £000 | Company 2025 £000 | Company 2024 £000 |
|---------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Money market funds | 38,826 | 30,521 | 26,814 | 14,860 |
| Short-term deposits | 4,807 | 10,058 | - | - |
| UK government gilts | 2,914 | 1,991 | - | - |
| | <u>46,547</u> | <u>42,570</u> | <u>26,814</u> | <u>14,860</u> |

Investments in UK government gilts have fixed coupon rates at 0.125%–1.5% (2024: 0.125%–2.0%) and mature between 30 January 2026 and 22 October 2030 (2024: 31 January 2025 and 22 October 2030). Gilts included in current asset investments are those with maturity of less than 12 months.

Money market funds are placed in UK sterling denominated listed funds whose investment objective is to invest in a diversified range of short-term instruments with the aim of maintaining capital value and liquidity whilst producing a return to the investor in line with money market rates. At 31 December 2025 the 30 day yield on these funds was between 3.85% and 3.97% (2024: 4.64% and 4.75%) and the weighted average maturity of the funds was between 39 and 45 days (2024: 36 and 41 days). Of the money market funds, £37,534k (2024: £30,521k) is included within cash and cash equivalents due to having sufficiently low risk.

Investments in short term deposits have an original maturity of less than 7 months (2024: less than 7 months). At the balance sheet date the average maturity of the deposits was 1.1 months (2024: 2.3 months) and the average interest rate was 3.12% (2024: 3.27%).

Of the short term deposits, £3,877k (2024: £7,083k) is included in cash and cash equivalents due to having a maturity period of 3 months or less from the date of acquisition.

19. CASH AT BANK AND IN HAND

| | Group 2025 £000 | Group 2024 £000 | Company 2025 £000 | Company 2024 £000 |
|--------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Cash at bank and in hand | 3,605 | 2,500 | 42 | 138 |
| | 3,605 | 2,500 | 42 | 138 |

During 2025, LTA rearranged an overdraft facility of £5m (2024: £10m), secured against its fixed asset investments, to mitigate any unexpected fluctuations in its forecast working capital.

The terms of the overdraft included an arrangement fee at 0.35% (2024: 0.25%) of the facility and interest is charged at 2.5% (2024: 2.5%) above base rate on the amount drawn down.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group 2025 £000 | Group 2024 £000 | Company 2025 £000 | Company 2024 £000 |
|------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| DCMS loan | 1,837 | 1,846 | - | - |
| Trade creditors | 2,556 | 2,948 | - | - |
| Corporation tax | - | 366 | - | 18 |
| Other taxation and social security | 3,908 | 4,079 | - | - |
| Other creditors | 2 | 4 | - | - |
| Accruals and deferred income | 25,875 | 23,499 | 5 | - |
| | 34,178 | 32,742 | 5 | 18 |

21. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | Group 2025 £000 | Group 2024 £000 |
|-----------|-----------------------|-----------------------|
| DCMS loan | 8,044 | 9,831 |
| | 8,044 | 9,831 |

22. LOANS

Analysis of the maturity of loans is given below:

| | Group 2025 £000 | Group 2024 £000 |
|--|-----------------------|-----------------------|
| Amounts falling due within one year | | |
| DCMS loan | 1,837 | 1,846 |
| | 1,837 | 1,846 |
| Amounts falling due 2-5 years | | |
| DCMS loan | 7,150 | 7,150 |
| | 7,150 | 7,150 |
| Amounts falling due after more than 5 years | | |
| DCMS loan | 894 | 2,681 |
| | 894 | 2,681 |
| | 9,881 | 11,677 |

During 2021, LTA received a loan of £14.3m from the Department of Digital, Culture, Media and Sport (DCMS) as part of the Government's 2020 COVID Sport Winter Survival Package.

The terms of the loan include an arrangement fee at 0.5% of the facility and interest charged at 2%; biannual repayments of equal value commenced on 30 September 2023 until the full loan and interest has been repaid on 31 March 2031.

23. FINANCIAL INSTRUMENTS BY CATEGORY

The Group and Company's financial instruments can be analysed as follows:

| | Group 2025 £000 | Group 2024 £000 | Company 2025 £000 | Company 2024 £000 |
|--|--------------------------------|-----------------------|----------------------------------|-------------------------|
| Financial assets | | | | |
| Financial assets measured at amortised cost | 53,341 | 58,425 | 86,825 | 101,898 |
| Financial assets measured at fair value (Note 14 & 18) | 91,219 | 80,872 | 29,368 | 41,898 |
| Financial liabilities | | | | |
| Financial liabilities measured at amortised cost | 23,730 | 25,455 | 5 | - |

Financial assets measured at fair value through the Income Statement comprise of third party listed investments traded on recognised stock exchanges. Fair value is determined using unadjusted quoted market prices in active markets at the reporting date with no use of additional valuation techniques or significant judgements. Financial assets measured at fair value does not include short-term deposits.

Financial assets measured at amortised cost comprise cash at bank and in hand, short-term deposits, trade debtors, amounts owed by group undertakings, amounts owed by The Championships, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise DCMS loans, trade creditors, other creditors and accruals.

24. DEFERRED TAXATION

Group

| | 2025 £000 | 2024 £000 |
|--------------------------------------|----------------------|--------------|
| At beginning of year | (81) | 1,382 |
| (Charged)/credited to profit or loss | (1,247) | (1,463) |
| At end of year | (1,328) | (81) |

Company

| | 2025 £000 | 2024 £000 |
|--------------------------------------|----------------------|--------------|
| At beginning of year | 6 | (637) |
| (Charged)/credited to profit or loss | (38) | 643 |
| At end of year | (32) | 6 |

The net deferred tax (liability)/asset is made up as follows:

| | Group 2025 £000 | Group 2024 £000 | Company 2025 £000 | Company 2024 £000 |
|--------------------------------|--------------------------------|-----------------------|----------------------------------|-------------------------|
| Accelerated capital allowances | (385) | 881 | (32) | 6 |
| Short-term timing differences | (943) | (26) | - | - |
| Pension surplus | - | (936) | - | - |
| | (1,328) | (81) | (32) | 6 |

25. OTHER PROVISIONS

Group

| | Long-term incentive scheme | Legal expenses | Total |
|----------------------------|----------------------------------|-------------------|--------------|
| | £000 | £000 | £000 |
| At 1 January 2025 | 518 | 24 | 542 |
| Charged to profit or loss | 638 | 6 | 644 |
| Utilised in year | - | (24) | (24) |
| At 31 December 2025 | 1,156 | 6 | 1,162 |

Other provisions include legal expenses, and the amounts payable under the long-term incentive scheme. Amounts payable under the scheme are dependent on performance targets; key management personnel (including the directors) are required to remain in employment with the Group to receive the cash payment. The Group does not set aside assets to fund the payments and pays the benefits out of cash resources.

26. RESERVES

Retained earnings

The retained earnings account includes all current and prior periods retained profits and losses.

27. CONTINGENT LIABILITIES

As disclosed in the fixed asset investments note, the Company has taken advantage of the exemption available under Section 479A of the Companies Act 2006 in respect of the requirement for audit of certain 100% owned subsidiaries. The Company guarantees the liabilities of the relevant companies at the end of the year until those liabilities have been settled in full. The contingent liability at the year-end was £42,541k (2024: £42,332k).

| Subsidiary undertaking | Nature of activities |
|--------------------------------|--|
| LTA Developments Limited | Manages tennis developments on behalf of LTA |
| LTA Ground Limited | Non-trading entity |
| LTA Holdings Limited | Holding company for the Group's subsidiaries before Lawn Tennis Association (unincorporated) |
| LTA Operations Limited | Main trading entity of the Group |
| LTA Property Limited | A holding company for land and buildings in the Group |
| LTA Services Limited | Provides manpower services |
| The Tennis Foundation (Legacy) | Independent charity to promote community participation through grant funding |

28. POST-EMPLOYMENT BENEFITS

The Group participates within the Local Government Pension Scheme (LGPS), which is a multiemployer funded defined benefit plan for qualifying employees, administered by Nottinghamshire County Council. The scheme is closed to new entrants. The assets of the scheme are held in separate trustee administered funds to meet the long-term pension liabilities to past and present employees. The trustees of the fund are required to act in the best interest of the fund's beneficiaries, which includes management of risks and appropriate investment of the scheme assets to generate returns. The appointment of trustees to the fund is determined by the scheme's governing documents and are completely independent of the Group.

The scheme exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk. Current contributions are set every 3 years as a result of the actuarial valuation of the Fund required by the Regulations. The current contributions are set at 26% of the Eligible Employees salary and the administering authority shall periodically review these contributions as a result of the actuarial valuation of the Fund required by the Regulations. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

A comprehensive actuarial valuation of the Group pension scheme, using the projected unit credit method, was carried out at 31 December 2025 by Barnett Waddingham LLP, independent consulting actuaries.

Reconciliation of present value of plan liabilities:

| | 2025 £000 | 2024 £000 |
|--|--------------|--------------|
| Reconciliation of present value of plan liabilities | | |
| At the beginning of the year | 719 | 828 |
| Current service cost | 10 | 35 |
| Net interest | 40 | 39 |
| Contributions by scheme participants | 5 | 12 |
| Benefits paid | (1) | (8) |
| Actuarial gains on change of assumptions | (74) | (187) |
| At the end of the year | 699 | 719 |

28. POST-EMPLOYMENT BENEFITS (CONTINUED)

Reconciliation of fair value of plan assets

| | 2025 £000 | 2024 £000 |
|---|--------------|--------------|
| At the beginning of the year | 926 | 807 |
| Net interest | 53 | 39 |
| Contributions by scheme participants | 5 | 12 |
| Employer contributions | 21 | 50 |
| Benefits paid | (1) | (8) |
| Return on plan assets excluding interest income | 62 | 26 |
| Derecognition of surplus | (367) | - |
| At the end of the year | 699 | 926 |

Composition of plan assets:

| | 2025 £000 | 2024 £000 |
|--------------------------|--------------|--------------|
| Equity instruments | 832 | 725 |
| Bonds | 146 | 107 |
| Property | 88 | 94 |
| Total plan assets | 1,066 | 926 |

| | 2025 £000 | 2024 £000 |
|-----------------------------------|--------------|--------------|
| Fair value of plan assets | 699 | 926 |
| Present value of plan liabilities | (699) | (719) |
| Net pension scheme asset | - | 207 |

At the year end, the unadjusted net defined benefit asset has been derecognised as LTA does not have a right to a refund of the surplus at the level required by FRS 102. Additionally, the potential economic benefit from a reduction in future contributions has been calculated by LTA actuaries to be nil. As this is less than the unadjusted net defined asset of £367k (2024: £207k), the impact of the asset ceiling is equal to this amount and thus, the net defined benefit asset has been adjusted to nil.

28. POST-EMPLOYMENT BENEFITS (CONTINUED)

The cumulative amount of actuarial gains and losses recognised in the Group Statement of Comprehensive Income was a £231k loss (2024: £213k gain).

The Group expects to contribute £26k to its Local Government Pension Scheme in 2026.

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

| | 2025 | 2024 |
|--|------|------|
| Discount rate (%) | 5.75 | 5.60 |
| Future salary increases (%) | 3.55 | 3.85 |
| Expected rate on increase of pensions in payment (%) | 2.55 | 2.85 |
| Inflation assumption (%) | 2.90 | 3.10 |
| Mortality assumptions (in years) used were as follows: | | |
| - Longevity at age 65 for current pensioners - Male | 21.1 | 20.4 |
| - Longevity at age 65 for current pensioners - Female | 24.1 | 23.3 |
| - Longevity at age 65 for future pensioners - Male | 22.7 | 21.7 |
| - Longevity at age 65 for future pensioners - Female | 25.8 | 24.7 |

Additionally, the Group provides a defined contribution scheme for other employees.

The Group Money Purchase Personal Pension Plan (Money Purchase Scheme) is closed for new contributions and members, but has assets which are held in a separate trustee administered fund. All new contributions are paid into the Group Personal Pension Plan or private personal pension plans. The scheme is funded by contributions from LTA Group and its employees. Annual contributions to the scheme by the Company are related to pensionable salaries. In 2014, LTA auto enrolled its employees in accordance with the Pensions Act 2008. At 31 December 2025, 336 (2024: 333) employees were members of the scheme.

There were no contributions outstanding at the year end (2024: £4k).

29. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2025 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | Group 2025 £000 | Group 2024 £000 |
|--|-----------------------|-----------------------|
| Not later than 1 year | 12 | 12 |
| Later than 1 year and not later than 5 years | 20 | 31 |
| | 32 | 43 |

At 31 December 2025, the Company had no future minimum lease payments under non-cancellable operating leases for assets and other financial commitments.

30. OTHER FINANCIAL COMMITMENTS

In addition to the commitments under non-cancellable operating leases noted above, there are loans of £3,625k (2024: £3,523k) that have been approved for payment to clubs and venues but have not yet been paid.

Similarly, there is £600k committed to a venue in return for court hours which has been approved but not yet drawn down upon by the recipient.

31. RELATED PARTY TRANSACTIONS

The Company has taken advantage of an exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the Group.

Transactions with key management personnel

Total compensation of key management personnel (including the directors) in the year amounted to £2.3m (2024: £2.3m).

David Lloyd Leisure Limited

David Lloyd Leisure Limited was deemed a related party by virtue of common directorship. Scott Lloyd was a Non-Executive Director of Deuce Acquisitions Limited (until resignation on 5 November 2025) which is the holding company of David Lloyd Leisure Limited. Up until the date of resignation, LTA received income of £113k (2024: £106k) and incurred costs of £12k (2024: £11k) from David Lloyd Leisure Limited.

'The Championships' which refers to the Wimbledon Championships

The Championships is one of the four annual Grand Slam tournaments held in Wimbledon. LTA operates a joint arrangement under an agreement for the governance and operation of The Championships with:

- The All England Lawn Tennis & Croquet Club Limited;
- The All England Lawn Tennis Ground plc; and
- The All England Lawn Tennis Club (Championships) Limited.

In 2025 the Joint Finance Committee of The Championships allocated 90% of the net surplus of The Championships to LTA (2024: 90%) in line with the terms of the sale of the The All England Lawn Tennis Ground plc effective 1 August 2013 which secured 90% distribution of the net Championship surplus until 31 July 2053 to LTA. LTA's share of the surplus of The Championships is based upon the audited financial statements prepared to 31 July 2024 and 2025.

The gross surplus of The Championships amounted to £48,613k (2024: £50,418k). Net of withholding tax, the surplus receivable by LTA amounted to £48,100k (2024: £49,851k). The amount due from The Championships at 31 December 2025 was £28,100k (2024: £29,853k). The costs of officiating services are charged to The Championships. This represents LTA's work in partnership with the Association of British Tennis Officials to manage, supply and pay the umpires and other officials who work at The Championships each year. In 2025, LTA recharged The Championships £984k (2024: £1,824k) for these services. The decrease is attributable to the introduction of electronic line calling at The Championships in 2025.

In 2025, LTA Operations Limited received cash of £5,300k (2024: £5,100k) from The Championships to help fund grass-court tournaments. A further £353k (2024: £353k) was received from The Championships to support the grass court venues of the Men's ATP Challenger/ Women's WTA 125 with prize money, as well as £320k (2024: £320k) distribution of sponsorship revenue. LTA Operations Limited purchased £483k (2024: £936k) of tickets at face value from The Championships for onward sale and distribution and £122k (2024: £106k) largely in relation to court hire costs for the hosting of the British Open.

The West Hants Club and The West Hants Lawn Tennis Company (Bournemouth) Limited

LTA Nominees Limited is entitled (but not required) to nominate two directors to the board of, respectively, each of: (i) The West Hants Lawn Tennis Company (Bournemouth) Limited and (ii) The West Hants Club.

Included within other debtors as part of the Group's receivables is £2,867k (2024: £3,004k) of development funding provided to The West Hants Club and is repayable over a remaining term of 14 years.

Additionally, £122k (2024: £163k) of facility funding provided to The West Hants Club is included in other debtors and is repayable in equal instalments over a total term of 10 years.

32. ULTIMATE PARENT AND CONTROLLING PARTY

Lawn Tennis Association Limited is the ultimate parent undertaking and controlling party of the Group.



A decorative graphic in the top-left corner consisting of a series of parallel, slightly curved lines in a light green color, set against a dark blue background.

LTA

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