

# LTA Facility Loan Scheme - Loan application form guidance note

Our mission is to grow tennis by making it relevant, accessible, welcoming and enjoyable. Ensuring local communities have access to quality facilities is critical to attracting and retaining more players.

The LTA's loan scheme provides loans up to £250,000 to help venues deliver projects that will grow the number of people playing tennis. The scheme prioritises projects that provide community access either at the venue or in the community.

The objectives of the fund are:-

1. Enhance facilities to create better playing environments to encourage play all year.
2. Retain and increase the number of participants at the venue.
3. Increase non-member pay and play coaching and usage opportunities.
4. Grow the numbers of adults and juniors on the coaching programme.
5. Provide online booking through clubspark.

This guide provides the information required to complete each section of the application form and enables us to assess your application appropriately. In addition, we have completed an example application form so you have a reference example to work from.

## Welcome and Instructions

This page introduces each section of the application form and provides a brief summary of what information you will need to submit.

	Cells this colour require you to complete the information.
Select From List	Cells with this wording have a pre populated list of options for you to select from.
	Cells that turn this colour indicate the information that you have submitted is not in line with the criteria for funding. Prior to submitting your application, please contact the Property Team on <a href="mailto:facilityloans@lta.org.uk">facilityloans@lta.org.uk</a> so we can discuss your project in more detail.

## Pre Submission Checklist

This page lists all the information that we need you to submit alongside the application form. Please ensure that you have completed this page before you submit your completed application and ensure that when you submit the application form, the documents listed are all attached.

We will make a decision within 6 weeks. If documentation is missing, this will delay the assessment process and our ability to give you a decision.

## Section 1 – About You

In this section we start to obtain some basic information about your venue. Please ensure that you provide the correct information which will allow us to assess your application as quickly as possible.

- 1.1 **Main Contact** – In this section we require the contact details for the person who will lead the project on behalf of the venue.
- 1.2 **Venue Details** – Please provide the main details about the venue where the project will take place. Please ensure that you complete all sections, as although some do not affect the funding decision, the information provided allows us to update colleagues in our regional teams and effectively monitor our investment.

The final question of this section is important as once the information is submitted, certain cells throughout the document are completed specifically for your project, mainly in the project outcomes and cashflow section. The completed cells will ensure you submit actual information and projections in the right years, meaning it is less likely that we will have to contact you for updated information before we can review the

application.

### 1.3 Venue Information

- **LTA registered venue** – To receive funding from the LTA, your venue needs to be registered either at the time of application or once the project is complete. This requirement is also stated in the award terms and conditions. This helps you by ensuring that your venue continues to be a safe and welcoming environment for current and prospective players, and also allows you to experience the many benefits that registering with the LTA brings. If you are already a registered venue, select yes and then enter your registration number in Cell B27. The registration number consists of a series of letters and numbers i.e. SUR999.

If you are not a registered venue please contact the British Tennis Services team on 020 8487 7000. A member of the team will be able to help you with your registration and answer any other questions you may have. Alternatively, this information is available here - [www.lta.org.uk/workforce-venues/tennis-venue-support/venue-registration/](http://www.lta.org.uk/workforce-venues/tennis-venue-support/venue-registration/)

- **Type of venue** - Please let us know whether your venue is a club, park/community venue or school.
- **Security of tenure** - Please select one of the options from the drop down list.  
**Freehold** – you hold permanent and absolute tenure of the land/property that the venue is located.  
**Leasehold** – you lease the land where the club is located on a fixed term basis from the landlord. If your tenure is leasehold, please select the number of years left remaining on the lease in Cell B30 and give the name of the freeholder in Cell B31.

If your venue doesn't have a freehold or leasehold, please contact us to discuss before developing your project.

The final part of this section is to tell us what the land registry number is for your venue. This can usually be found on your freehold or leasehold documents.

- **Venue legal status** - In this section we request details of your venues legal status to ensure that your venue is appropriately set up to allow you to be able to legally borrow the funds you are requesting from us. You will need to select from one of the options on the list, if none of the options are specific to your venue, please provide details of your constitution in Cell C33. If you have a constitution that allows you to borrow money, please ensure that you select yes in Cell B34. If your venue does not have a constitution, this will need to be created before you can make an application to our facility loan scheme. Visit [here](#) for more information.
- **VAT Registration** - This section will tell us whether or not your venue is VAT registered and whether your venue can reclaim VAT against the capital project. Once completed, this cell will auto complete other cells in the application form that remove VAT from project costs etc.

More detail on VAT registration and the ability to reclaim VAT against a capital project can be found [here](#).

- **Insurance** - To protect you as a venue we require you to have the appropriate level of buildings and contents insurance in place, to ensure that the venue is suitably covered against any unexpected events that may occur. As a guide, this insurance should cover all the facilities to the correct level of construction.

### 1.4 Facilities

This section is designed to allow you to tell us what facilities will be available at your venue if the project goes ahead. We have pre populated the document so that once you enter your facility information the sinking fund requirements for your venue are calculated. The total sinking fund required will then be transferred to the cashflow forecast when you get to that stage of the application.

The facilities listed are the ones we include within the sinking funds calculations. We appreciate that your venue may have grass courts, clubhouses, indoor structures etc. If you do, please give a brief summary of your facilities in Cell B49. If we feel the sinking fund allocation needs to be increased, we will have this conversation with you when the application is submitted.

We also require all your facilities to be accessible to all, including disabled people. If there are any areas of your venue that you feel are inaccessible to all, please give details of these areas in Cell B50. More information and advice on how to ensure your venue is accessible can be found [here](#).

### 1.5 Coaching

A good coaching programme has the ability to attract new players of all ages and abilities to the venue, retain existing participants and provide an income stream. Having the right relationship with your coach is key to ensuring that each party mutually benefits from the coaching operation that is in place at the venue, and that both parties are protected if for one reason or another if the agreement doesn't go to plan.

In Cell B53 we are looking for you to give a brief explanation of how the coaching operation is managed at your venue. Some points for you to consider are:-

- Is there a contract between your venue and the coaching team?
- Are the coaches employed?
- Do the coaches pay for the right to coach at your venue?
- Are coaches paid a retainer?
- Who keeps the income generated through the coaching programme?

We would recommend that there is a formal contract in place between you and your coaches, to protect both parties at all times. If you have a formal coaching contract with your coach, please select yes in Cell B54 and ensure that you attach a copy of this contract when you submit your application.

It is not a mandatory item for you to have a contract, however as stated previously we strongly recommend that you have a contract in place, and we may request this as a condition of our funding if approved. More information and template contracts can be found [here](#).

### 1.6 Current borrowing

In this table we are seeking to understand what liabilities the club currently has and when these liabilities will end. This will help us to ensure that any outstanding borrowings that you have are correctly integrated into the cashflow forecast later in the application form. Please complete the table for all your current liabilities telling us how much is outstanding and when the balance of the repayments will be fully paid off.

For any investment over £100,000 the LTA will take security on our investment into your venue. So that we can ensure that adequate security can be provided if needed, please inform us in cell B66 if there are any existing charges on your freehold/leasehold. We will need to know who the charge is with and when it can be removed. We will also need to know what level of security you will be able to offer in the event of the LTA approving your application for an award that exceeds £100,000.

## Section 2 – The Project

This section is where you start to tell us about the project you are looking to complete, the funding that you have obtained for the project and the funding you require from us in order to be able to complete the project.

### 2.1 Please give a brief description of the project.

In this section we are looking for you to tell us what your project will provide. We expect you to tell us the type of project you will complete e.g., the number of new or upgraded courts, how many courts you plan to light and any other relevant information that is available.

### 2.2 Why is the project needed?

Here we are looking for you to tell us the main reasons as to why you are looking to complete the project. Any evidence that you have from local insight or information on court utilisation rates should be used here to help justify the need for the project. The more justification you can provide here and through the business plan, the better.

### 2.3 How will the project grow participation?

The LTA's mission is to grow participation by making tennis more relevant, accessible, welcoming and enjoyable. Please tell us how this project will support you to grow participation at your venue, new opportunities that will be created and inform us of the impact on participation if the project doesn't take place.

### 2.4 Project Costs

Here we are looking for you to break down your specific project and start to identify how much each element of the project will cost. Please complete all the information in the table within section 2.4, including a brief description of the element of the works and the tendered cost that you have received from your preferred contractors.

Once we have a completed application, we will look to give you a decision within 6 weeks. In order to allow us to do this we want you to be in a position to progress as quickly as possible should funding be approved, this means tendered costs need to be in place before you make your application to us. If you have not received tendered cost and need to start this process, we have produced some additional guidance on [technical standards](#) and prospective contractors you can approach to complete the works. You can find this advice [here](#).

Once you start to enter information, the allocation for fees, contingencies and VAT will calculate automatically. These calculations are based on the LTA recommended levels and should be left in. If we feel the nature of your project does not require such high allowances for fees and contingencies, we can then have a discussion to determine whether there is the potential to reduce some of the allocations. Please note, the LTA is unlikely to award more funding to your project if the project cost subsequently increases and insufficient funds are available as a result of the allowances being reduced.

The final element of the cost plan is the cost of the technical services visit. If the LTA has organised a technical services visit at your venue, the cost of this visit needs to be included here. After our initial assessment we may decide that a technical support is required from one of our consultants. If this is the case we will discuss this with you and any costs associated will be included in the project cost before we make a final decision on your application.

Once the Technical Services fee has been inputted, your total project cost will be calculated for you. This should be the final project cost that you use now and later in the cashflow. After our initial assessment we will then discuss with you whether the total project cost can be changed.

### 2.5 Project Development.

#### 1. LTA Technical Services

The LTA works with a number of consultants who can help you develop your project scope and tender documents to ensure the project meets [LTA minimum technical standards](#). Consultant costs can be included in the overall project cost. To request a visit contact [facilityloans@lta.org.uk](mailto:facilityloans@lta.org.uk). 3 tendered costs and a tender report must be included with your application.

#### 2. Applicant Funding

As the LTA is seeking to be a shortfall funder for all projects, we would like you to have made applications to partner funding organisations as well as using your reserves before you submit an application to the LTA. In Cell B41 we would like to you tell us how much funding you have successfully obtained to date before telling us who has provided this funding in cell B42. Once your application is ready to submit, we will need you to ensure that you provide evidence that this funding is confirmed when you send us the application form and other associated documents. In addition to partnership funding you may also be funding part of the project from club funds. Please enter this number into cell B43.

In Cell B44 we would like you to reference any unsuccessful partnership funding applications that you have made. Again evidence that these funding requests have been turned down will be required when you submit your application to us.

If you have not submitted any funding applications to date, we would like this to be done before you make an application to us. The LTA provides a free grant finder tool on behalf of its partner organisations, this tool can be found [here](#).

### **3. Loan Funding**

The next two parts of section 2.5 (project development) involve you telling us exactly how much funding you wish to apply for from the LTA and the length of your repayment term.

The next cell looks at how long you wish the loan repayment window to be. Our maximum loan window is ten years, however if you can afford to repay the loan over a shorter period we will expect you to do so. If when we assess your project we feel that the loan can be repaid over a shorter window, this is something that we may insist on as a condition of award.

### **4. Other information**

- **Start and end dates** - In these cells we are looking for you to submit outline start and completion dates for your project. These will help us to manage internal cashflows and set up our internal monitoring on the basis of when your project is due to complete.
- **Planning Permission** - Once we receive a completed application from you we will look to make a decision within 6 weeks. In order to meet this timeframe we need you to have planning permission approved for your project if it is required.
- If you have received planning approval you will need to submit a copy of the approval when you submit your application for funding. If your application is for floodlights, we will also need a copy of the data pack/lighting design that was used to obtain planning permission so that we can ensure it aligns with our minimum lighting levels. So that we can find your application online if required please provide us with the reference number given to you by your Local Authority planning department.

## **Section 3 – Income Projections**

### **3A. Tennis Member Income/Growth**

In this section we start to get an insight into the potential growth that your project will yield. To start with you will answer two questions around VAT, which in doing so will calculate your VAT contributions (if required) for you later in the application form. You will then see that there are a number of tables for which you need to complete information. These tables include information on your current and projected membership fees and your current and projected membership levels.

The box for membership fees requires you to enter your current membership fees for each category that you have. We then ask you to project what your membership fees will be for the next five years. In some cases venues will have this information mapped out in their business plan, in other cases these figures may be unknown. All that we ask is that you complete this box to the best of your ability and as conservatively as possible so that we can start to get an understanding of how your key income stream will look like over the next five years.

We think that we have covered the main membership categories, however if your club has other membership categories that are not listed, there are spaces available for you to add your own bespoke categories.

Once you have projected the membership fees, you should project how many members your venue will have across each of the different categories over the next five years. Again there is a year of actuals to start you off, followed by five years' worth of projections. We expect you to have the membership growth calculated more accurately and we should be able to see a positive correlation between the figures listed in the table and what's included in your business plan. The business plan should show us clearly **how** you have landed on the figures including how you will attract new participants through marketing and new tennis opportunities.

Once you have completed both the boxes, you will see that the third box in this section automatically completes to show the income that you will generate from your respective charges and membership levels. Your inputs also automatically carry through to the cashflow section of the application form, meaning you do not have to re-enter

this information when you get to this stage. You will however need to re-enter the actual levels for two years as detailed in the cashflow section.

You will notice that within this section, there are no lines to represent the income that you may generate through charging your members for the right to use floodlights at the club. If your club does charge an additional fee for floodlight use, then we would like you to detail this section within the pay and play tab.

### **3B. Other Member Income**

This tab is identical to the tennis member income tab, albeit the information that we want you to submit is for other types of memberships that your venue offers. This may be a gym membership, a membership for another sport such as squash or cricket, or non-playing memberships such as a social or bar membership.

Again please enter the costs of your various membership types followed by the projected number of members for this section in the second box. The final box will again automatically calculate for you and the workings will be carried forward to the cashflow section.

***N.B. If your venue does not have any other membership types than tennis memberships, you do not have to complete this section.***

### **3C. Pay and Play Income**

The LTA's vision is "Tennis Opened Up" which will grow participation by making tennis more relevant, accessible, welcoming and enjoyable. In order to do this we are keen to work with venues who are willing to open their doors and provide non-members with access to their facilities, with a view to converting them to membership. This could be non-member access to the coaching programme for adults and juniors or the ability for non-members to book courts when they aren't being used by members.

As mentioned previously, if you charge your members additional fees for using floodlights, we would expect this information to be detailed in section 3C. Once you have decided on how you will run your pay and play offer, please complete the tables to work out what your pay and play income will be.

When completing the projections for sections 3a to 3c, please bear in mind the following points:-

- We want you to be ambitious in your attempts to grow membership and participation at your venue.
- We also want you to be realistic in what you can achieve and what you might charge.
- We don't want venues to promise the earth by projecting significant membership growth and then be unable to deliver.
- We should be able to see a clear set of workings for how you have landed on your membership growth targets in the business plan that accompanies this application form. We will want to see information on marketing, promotion, programmes etc, all of which will have a positive impact on your ability to grow membership and participation at your venue.
- You will be asked to submit a brief explanation of your projections in the following section.

## **Section 4 – Project Outcomes**

This section pulls together the information that you submitted on in the member income sections to create one project outcomes table. This table is important as it will be used in the funding contract as a way of monitoring your progress in growing participation should funding be approved for your project. The initial questions on this section about the systems you have in place to manage your venue effectively providing a good level of customer service will also help us to ensure that you have the right tools in place to effectively monitor your progress once your project is delivered.

The section ends by asking you to give a brief description of how you have calculated the projections you expect to achieve over the next five years, as well as giving us a brief insight into some of the campaigns, marketing drives that you might roll out to help you attract new players to the club. Again, a fuller description of what you envisage happening and how you will make this happen should be provided within the business plan.

## Section 5 – Cashflow Forecast

This section is designed to allow you to show us how financially viable your project is and demonstrate to us that your project is sustainable. You will need to demonstrate that you can afford to cover the loan and sinking fund requirements associated with the project you are looking to complete, whilst still having funds available to cover normal club expenditure. The cashflow forecast is split into 8 sections and we will give you a summary of what we need you to do in each of these sections. For your benefit, we have also completed a mock application form which is available alongside the accounts that were used to complete the cashflow. These documents can be found [here](#). Please refer back to these documents as they will help to show you what figures need to go where, whilst also showing you how certain figures have been calculated.

You will see that after the cashflow tab, there is a tab named “Cashflow Checks” prior to submitting your application to us, you need to ensure that all the tabs in this section are green as this then confirms that the cashflow has been completed correctly.

- **Income and Expenditure (sections 5.1 & 5.2 of cashflow)**

In this section, we ask you to tell us your income and expenditure levels of the previous two years and then provide projections for a minimum of five years after project completion. If you can complete projections for the full period this would be appreciated and will save us having to come back to you if additional projections are required, if the project year needs to be moved.

You will see that some of the income lines have been projected automatically for you based on the information that you submitted in tabs 3A, 3B and 3C. These cells are locked so if you need to change the figures within the cells you will have to revert back to the previous tabs and re-enter the information. Most of the lines have been pre populated for you based on common areas of income and expenditure that we see on most applications. If you need to add more lines there are some spaces at the foot of each section for you to add additional information, alternatively you are able to edit the titles of cells that you don't use to ensure you can cover all the income and expenditure items you have.

On the expenditure section, please ensure that the depreciation line is completed and is not changed as the information within this line is needed in other sections within the cashflow forecast. If you do not take into account depreciation please simply enter 0 into the respective cells.

If you have received grants or donations for projects, we would ask that you include these costs in section 5.4 of the cashflow as it will make it easier for us to track the fluctuations on your income and expenditure when we start to assess the project.

When completing your income and expenditure projections, we want you to be ambitious but realistic. If when assessing the projections we feel that the projections are too optimistic, it may be that we ask you to re-submit the projections as this is the only section of the form that we can't edit for you.

- **Working Capital Movements (section 5.3 of cashflow)**

This is potentially one of the trickier sections in the cashflow and one where we tend to see the most mistakes on submitted projects. This section is designed to factor in any debtors, creditors or stocks that you have which are effectively non-cash items.

You will see in the headers for each line, some of the words are in brackets and some aren't. These give you an indication of how the figures need to be entered. For example “(increase)/decrease in debtors”. If your debtors are £2,024 in 2017 and £3,044 in 2018, this is an increase of £1,000 so the entry into the respective cell should be (£1,000).

The titles give you the information that should be included in your calculations i.e. debtors and prepayments. It is important that when you get to creditors and accruals that you do exclude the loans from this calculation. Any loan repayments should be included in section **5.4** of the cashflow even if they are not connected to an LTA project.

- **Project and Club/Facility Financing (section 5.4 of cashflow)**

In this section you will detail how the project will be financed and what associated costs will be required after the project has been delivered e.g. loan repayments. The first line to complete is the receipt of the LTA loan; this is the amount of funding you are requesting from us. This figure needs to be inputted as a positive figure. You then move on to working out the loan repayments that will be connected to any award that we make to your venue. The standard repayment terms for the loans are interest free over ten years, the repayment line needs to reflect this (i.e. loan amount divided by 10). If you are opting to repay your loan back over a smaller repayment period then please adjust your loan repayment schedule accordingly.

As detailed in the funding guide the LTA is a shortfall funder in any project and we are looking for venues to have exhausted all other funding avenues before they make an application to the LTA. If you have been successful in securing partnership funding towards your project, this funding needs to be listed in section 5.4. We would like you to reference the funder and the amount that they have contributed towards the project. If you have no other sources of funding, the remaining lines of this section do not need to be completed, however we will expect you to show evidence that other funding has been applied for.

You will notice that there is no line in this section for club funds, the reason for this is the funding that you will allocate directly from club funds will be calculated when you enter the total project cost in section 5.5.

An example of the completed project financing section is provided below.

<b>5.4 Project and Club Financing</b>								
	2017	2018	2019	2020	2021	2022	2023	2024
Receipt of LTA Loan	£39,600		£84,000					
(LTA loan repayments)				(£8,400)	(£8,400)	(£8,400)	(£8,400)	(£8,400)
London Marathon Charitable Trust			£45,000					
Receipt of LTA Grant	£31,505	£20,227						
Old LTA Loan 1	(£1,000)	(£1,000)	(£500)					
Old LTA Loan 2		(£1,980)	(£3,960)	(£3,960)	(£3,960)	(£3,960)	(£3,960)	(£3,960)
<b>Total Project and Club Financing</b>	<b>£70,105</b>	<b>£17,247</b>	<b>£124,540</b>	<b>(£12,360)</b>	<b>(£12,360)</b>	<b>(£12,360)</b>	<b>(£12,360)</b>	<b>(£12,360)</b>

- **Capital Expenditure and Projects (section 5.5 of cashflow)**

In this section you need to give us the details of the capital projects that you are looking to complete in the cashflow period. The most important figure that needs to be inputted is the cost of the project that you are making the funding application for, as this will then calculate how much cash needs to be deducted from your cash balances to make up your element of the partnership funding. Given this is expenditure this figure needs to be inserted as a negative.

The other part of this section refers to other asset purchases. If you are completing other capital projects within the projection period we need you to input these into the cashflow. We expect you to have provided details of this expenditure within the business plan, so there is no need to provide any detail of the projects within the cashflow forecast. Please note this is only capital projects and again the project cost needs to be inputted as a negative figure.

5.5 Capital Expenditure and Projects								
Application Project Cost			(168,295)					
Other asset purchases	(94,022)	(18,348)					(60,000)	
<b>Total capital expenditure</b>	<b>(94,022)</b>	<b>(18,348)</b>	<b>(168,295)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(60,000)</b>	<b>-</b>

- **Tax (section 5.6 of cashflow)**

If you pay corporation tax to HMRC please enter the amount of tax you have paid in the past and expect to pay in the future. Note that for the majority of venues this section will not be relevant.

- **Cash (section 5.7 of cashflow)**

This section is critical to ensuring that the cashflow correctly balances with your venues accounts. Cell F89 is the only cell that needs to be completed in this section, however if this figure is entered incorrectly, the cashflow will not balance with the accounts. The figure you insert into cell F89 is cash balance brought



forward to the first year of accounts you will use as actuals. For example if you use actual accounts for 2017 and 2018, the figure inserted is the cash at hand and in bank sum for 2016.

As you start to populate the cashflow forecast you will notice that the cash balance carried forward is automatically calculated for you. The figures in row 91 for each respective year should then correlate with the cash at bank and in hand position on the accounts for that respective year. If these figures do not correlate then some of the workings in the above sections are not correct. We would like you to ensure that the cashflow balances before you submit your application, you will see on the check sections if there are any problems and hopefully where the problems lie. If you are struggling to get your cashflow to balance please feel free to get in touch with the Property Team and we can look at resolving the issues that you have by using the following email address – [facilityloans@lta.org.uk](mailto:facilityloans@lta.org.uk)

You will notice that within the cash section, line 92 is highlighted blue. This line tells us what your cash balance is when the sinking fund allocations have been accounted for. As stated in cell A92, the figure in row 91 should always be higher than the figure for that year in row 92. If the figure in row 92 is negative, this indicates that the club is unable to cover the sinking fund requirements associated with the project, and therefore the project is unsustainable. If this is the case, your project will not be suitable for funding and should not be submitted.

- **Sinking Fund (section 5.8 of cashflow)**

In this section are looking for you to show us what contributions you will make to the sinking fund each year and whether there will be any outgoings from the sinking fund to support the delivery of projects in the future. If you look back to the “about you” tab, you will see that in section **1.4** your total sinking fund has been worked out automatically for you. We would expect this to be the minimum amount of funding you allocate to the sinking fund each year, however some clubs opt to put more funding aside each year.

Any monies going into the sinking fund need to be entered as a positive amount, any monies that are going out of the sinking fund to support the delivery of a project need to be entered as a negative amount. As per the capital projects in section 5.5, if you are planning to remove funds from the sinking fund to support a capital project, details of this expenditure should be provided in the business plan.

An example of a the completed sinking fund section is provided below

<b>5.8 Sinking Fund (S/F)</b>								
	2017	2018	2019	2020	2021	2022	2023	2024
Balance B/F	£8,416	£10,821	£13,228	£13,228	£24,028	£34,828	£45,628	£56,428
(Movement Out)								
Movement In (Tennis)	£2,405	£2,407		£10,800	£10,800	£10,800	£10,800	£10,800
Movement In (Other Facilities)								
<b>Balance C/F</b>	<b>£10,821</b>	<b>£13,228</b>	<b>£13,228</b>	<b>£24,028</b>	<b>£34,828</b>	<b>£45,628</b>	<b>£56,428</b>	<b>£67,228</b>

### Contact

For advice and guidance please visit the LTA website in the first instance or contact [facilityloans@lta.org.uk](mailto:facilityloans@lta.org.uk)