



ESSEX TENNIS



AGM of Essex Tennis 2022
after having received the AGM 2022 papers the following
communications have been received. They are shown below
together with the Essex Tennis reply.

Correspondence between an Advantage Essex 3 court tennis club and Essex Tennis

The Essex Tennis Treasurer responded to the Club Treasurer by telephone

This was from the club treasurer on January 7th 2022

Hi

Thank you for your reply to our earlier queries sent to you by our Club Secretary.

As Club Treasurer I had been involved in drafting our original questions and our secretary has now asked me to deal directly with yourself in responding to your response

Whilst we appreciate your aim to ensure the long term viability of Essex Tennis it does seem unexplained as to why the retention of current levels of reserves of over £1.3M (excl. The lease reserve) is deemed necessary even after such a bad year as 2021 when there was a loss of £46k and with a predicted breakeven for 2022.

We were aware that interest free loans are provided and note that new loans during 2021 were covered by repayments leaving the net asset value of such loans almost unchanged.

We could not identify in the accounts the cost of any grants made during the year against your budget of £40k. With regard to Covid grants we could see a £2,664 for support grants to coaches in 2020 but nothing in 2021

We look forward to hearing about the Association's plans to invest in promoting tennis as a game for everyone and hope this includes support at grass roots level into smaller clubs like ours

We do appreciate the hard work and hours put in by volunteers at all levels in tennis and should at some time in the future fees need to be increased to cover increased salary costs at the Association then I'm sure members will bear that in mind then

As you will see from the above it does still seem to us that the Association plans to continue to hold and possibly increase reserves with no clear plan to materially use those funds to promote tennis and support clubs in Essex.

As a Club we built up our reserves up over a number of years and when they were sufficient we expended a large proportion of them (95%) in upgrading the clubhouse facilities for our members whilst retaining sufficient to hopefully cover any emergencies.

In October we submitted an AE grant application which we understand is capped at £800 whatever the cost of the project being undertaken, this equates to about 2% of our actual spend. In these difficult times no other source of grants were found and the LTA itself offered no help whatsoever. Our AE application was "submitted" in the last quarter of 2021 and a decision is awaited. In 2021 we did get a 50% grant towards our purchase of a defibrillator.

Regards Hon Treasurer

This was to the Club Secretary from the Essex Tennis Treasurer on January 5th. 2022

Good Afternoon

Firstly, its comforting to know that some club officers are reviewing our financials in detail and raising relevant questions.

I can assure you that we are not just accumulating funds for the sake of it, but our aim is to develop sufficient level of reserves to ensure the long-term viability of Essex Tennis and enable it to continue to support and aid the Essex Clubs, players and coaches.

You are correct in saying that by 2055 we are targeting a fund of £600,000, to give us flexibility when we negotiate any renewal of the lease we currently enjoy at Redbridge. At present the benefit derived from this lease is in the region of £60,000 per annum in terms of office space, performance coaching, county training and matches. Without this benefit we would have to severely restrict the services and benefits we offer to the tennis clubs in Essex. In reality, I suspect the actual cost to renew a compatible lease will be considerable more than the £600,000, and we may even have to consider developing our own facilities.

As you are no doubt aware we offer various levels of support to the Essex Club, including Interest Free Loans (which currently stands at £410,000, but had been considerable higher in the past), Grants to assist the development of clubs (a budget of £40,000 is set aside each year) and support for clubs running LTA sanctioned tournaments.

The levels of reserves enabled us to react quickly to circumstances, such as the Covid Support Package we put in place to support clubs and coaches, which was available several months before the LTA made any announcement. Another example was the floodlight inspection funds, we made available a few years ago after an incident at one of our clubs.

Essex Tennis has always endeavoured to encourage greater diversity of tennis, and support projects that widens the participation in the sport. The LTA has recently announced that its vision is for tennis to be a game for everyone, but it will require investment before any benefits returns are received. We are anticipating that we will have to increase the budget for this program.

I am sure you are aware that we have a few paid staff, but a large proportion of the work is carried out by volunteers. Unfortunately, there is an ever increasing demand on the levels of work to be carried out, in relation to compliance, safeguarding, diversity, governance and other LTA initiatives, most of which has to be covered by volunteers, some of whom work over 20hrs each week. We are uncertain if this level of volunteer work is sustainable and believe that in the future some of this work will have to be paid.

I trust the above gives you a better insight into why we feel it is necessary to ensure we have substantial reserves, that can be wisely invested, for the long-term benefit of Essex Tennis.

Finally, I note in your final paragraph, you have not received any LTA help with your renovations. I am just wondering if any of the work involved falls within the scope of our AE Grants.

Kind regards

Mike

Mike Jones, Treasurer, Essex Tennis

This was from the club secretary on December 30th. 2021

From the accounts you have submitted the Essex LTA has general reserves of £1.2M despite a bad year in 2021 with the Treasurer predicting a break even figure in 2022 stating that the Association is in a very healthy position.

We would ask what you propose doing with these reserves. Assuming the Association is run for the benefit of its members then a proportion of those reserves should be spent producing benefits to the members not just accumulating them with no plan for their use.

A separate reserve fund is building towards a £600K+ by the time the Redbridge lease ends in 2055 and there are other unspecified reserves.

Given that as of yet we have not received LTA help with our renovations (if our application is successful we may receive £800), then their support of grass roots tennis does not appear great in practice.

Regards
Secretary & Main Contact
