

# CASE STUDY

## CLUBSPARK GROUP LTD

### Company Background

ClubSpark provides sports clubs and centres with a comprehensive software platform to manage all operational activities, including court and equipment booking, membership, CRM, competitions/tournaments, courses, coaching, reporting, compliance, safeguarding and website development, whilst giving National Governing Bodies insight into participation and activity levels.

The company was founded in 2012 by ex-Lawn Tennis Association (LTA) employees David Ward and Nathan Flood. As a consultant and a developer respectively, they recognised an opportunity to design and develop a platform to manage operations for the LTA member clubs to replace historically inefficient manual methods.

Now working with over 5,000 tennis coaches and venues across the world, ClubSpark helps sports organisations expand their reach and increase engagement.

### Investment

The Foresight VCTs invested £2.15 million of growth capital in January 2019 to help extend the company's international operations, consolidate its position as the de facto standard within tennis, and explore new avenues for growth with clients in other sports such as the England Cricket Board and England Athletics. In March 2021, a £2.5 million follow-on investment was completed to roll-out the global tennis platform.

The number of user accounts has grown rapidly, more than doubling since the initial investment, which is expected to continue as tennis activities return to normal levels. The follow-on investment will continue supporting the product development and global roll-out of the ClubSpark platform. The growth of clubs has been partly driven by the requirements for clubs to manage their bookings better to comply with social distancing requirements.

To further support growth, the Manager has driven a strengthening of senior management with the appointment of a new chief technology officer and the search for a chief commercial officer.

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#### SECTOR: SOFTWARE

|                                                                                       |                |
|---------------------------------------------------------------------------------------|----------------|
| Investment type                                                                       | GROWTH CAPITAL |
| Initial investment date                                                               | JANUARY 2019   |
| Aggregate investment by all Foresight VCTs                                            | £4.62M         |
| Aggregate amount returned to all Foresight VCTs                                       | N/A            |
| Aggregate remaining accounting cost of the remaining investment by all Foresight VCTs | £4.62M         |
| Aggregate valuation of remaining investment by all Foresight VCTs                     | £7.40M         |



### **Trading and Strategy**

The company has continued to trade well, with revenues on track since investment. Notwithstanding the impact of the COVID-19 pandemic on its key markets of the UK, US and Australia, the company has still increased annual recurring revenue since investment. With new three-year licences signed, as well as the launch of the US competition platforms, this will strengthen their already strong market position for the next few years.

Since investment, the company has delivered strong growth with trading in line with budget.

