



## **SERPENTINE RUNNING CLUB**

### **ANNUAL REPORT 2023**

*(Financial Year 1 April 22 – 31 March 23)*

## **Letter from the Committee**

*Dear Serpie*

*Welcome to the Club's Annual Report for the Financial Year 2023!*

*It is our pleasure to have the opportunity to reflect on the past year, celebrate the achievements of the Club and share our areas of focus for the future. We hope you are excited as we are about the future of the Club.*

*If you have any questions, please do not hesitate to contact a Committee member, and we will be happy to assist.*

*We look forward to seeing many of you at the Annual General Meeting on 6 September 2023 at 7:30pm in St Mary's Bryanston Square Primary School, Enford St, W1H 1DL.*

*Best wishes*

### **Serpentine Running Club Committee**

*Imran Ahmed*

*Carlos Arrebola*

*Hans Ho*

*Hamilton Huxham*

*Anthony McGahan*

*Mark Smith*

*Catharine Sowerby*

*William Tucker*

*Stephanie Vaatz*

## 1. Introduction

The Club has continued to be very active across all our areas of operations this year, offering a wide range of sessions across different disciplines for all abilities, participation in multiple races, social events and much more. Highlights of these activities can be found in section 2 below.

None of our activities would have been possible without the dedication of all our volunteers, to whom the Committee is highly indebted. We are a club run by the members for the members and continue to rely on the generosity of time and resources provided by our many different volunteers, ranging from those who marshal at our races, organise our races, officiate, coach, record our results, build and maintain our website and help run the club through the Committee and many more. The club could not function and exist without everyone's support.

The Committee has also been reflecting on the Club's strategy in the past year, and we are excited to announce a number of focus areas that will help us better achieve our mission. Details of these focus areas can be found in section 3, along with next steps in section 4.

## 2. State of the Club

### a. Membership

Membership numbers have continued to fluctuate over the last 18 months with 1,145 members as of 31 March 2023, down from 1,201 members on 31 March 2022. However, membership appears to have somewhat stabilised in 2023, which is a promising sign after more than 10 years of decline.

Serpentine RC Membership Statistics - High-Level



Membership revenue declined by 9% from £37k in 2022 to £34k in 2023 reflecting the fall in membership numbers. New joiner numbers in 2023 were around 78% of the level of the previous year, although as of end of July 2023 we are around 8% higher than the previous 12 months. Our new member lapse rate remains high, as it

has been for a long time, with around 70% of new members not renewing their membership at the end of the first year.

Stabilising and increasing membership is a key priority for the Committee over the medium term.

### **b. Financials**

The last year saw the club return to something approaching normal operations following two years of disruption due to the pandemic. Revenues increased to £177k from £145k in 2022, which is the highest level achieved by the club since 2018.

Overall, the Club ended the year with a deficit of £1.5k, this was against a £22k surplus in 2022 and a £9k surplus in 2021.

The deficit is primarily due to our costs increasing by 42% vs a 22% increase in revenue. This is a result of the inflation-related increases in various services the club pays for (e.g., website hosting costs, payment processing transaction costs, Royal Parks event licence costs and many others). We also took a write-down in relation to the value of our stock of Club kit. As a club, we need to continue to actively manage our providers and look for sensible options to reduce costs.

Typically, non-profit organisations are expected to hold around 6 months of spending in cash, which in the case of Serpentine is c. £90k, as a sensible buffer against unforeseen circumstances. With our reserves currently sitting around £200k, we have reserves of around £100k that can be used to invest in the Club and secure its long-term development. The Committee is looking to investigate whether these reserves could support looking for a long-term home for Serpentine, as the temporary loss of the Seymour Centre has highlighted the risks of not having a permanent home in or around Hyde Park. The Committee will investigate the feasibility and financial implications of this further and report back to members, explaining the role of Club reserves in supporting this ambition.

Detailed financials for FY2023, which have been audited by George Hudson, can be found in the Appendix below.

### **c. Membership fee**

The Committee took the decision this year to increase our membership fee from £30 to £45. Against the backdrop of revenue and cost pressures described, we felt that this was the right decision to secure the Club's financial stability, as the membership fee had not gone up for a number of years. We believe the fee level offers good value for money, at less than £1 per week and an annual payment smaller than many monthly gym membership costs.

### **d. Sessions**

Attendance at Club runs and training sessions has continued to recover and all sessions are now operating as normal. We continue to offer what is probably the widest range of training opportunities to members in the UK across running, swimming and cycling with some of our sessions now bumping up against capacity limits. Several volunteers have completed their training to lead sessions, and a few

are on the path to qualification in running and triathlon. However, finding volunteers to coach on a weekly basis continues to be a challenge.

We also run sessions for individuals new or returning to running and have introduced 10k courses for those looking to tackle this distance for the first time, or who simply want to improve their fitness and running.

#### e. Juniors

We continue to offer coached running sessions for Juniors at Paddington Rec where we run 4 sessions a week for over 7s. These are well-attended (with ~80 members) and there is a waiting list for new joiners. The running of these sessions from a Serpentine perspective has been taken over by a new and enthusiastic team of volunteers following the great work by Ewan Maynard. We believe this is an area where the club can look to expand its footprint, with an opportunity to transition more of our Juniors into Senior members over time.

#### f. Triathlon

Triathlon and multi-sport disciplines continue to be very popular with our members. Our Lanzarote training camp attracted around 100 Serpies offering a good blend of swimming, cycling, running and triathlon activities. We also continue to provide regular coached swimming opportunities in London for our members and have run a multi-sport league to keep members engaged over the difficult winter training months, with 40 members taking part. The enthusiasm and participation from all involved has continued into this summer.

#### g. Competitions

The club offers the opportunity to members to participate in a wide range of events which appeal to a broad range of athletes. We do note that fewer of our members are currently choosing to compete in organised team events, which may be a reflection of events requiring better marketing and publicity to raise awareness or a more general trend of a lower desire to take part in such events.

- **Road running:** the Club continues to take part in the fun and family-friendly Summer League and in the Assembly League. In 2023, the Summer League has seen an increase in Serpentine participation of c.50%, with over Serpies competing in the Regent's Park fixture (which doubled as our 10k Club Championship) and our own race in Battersea Park. Whilst there have been some excellent performances in road races including the London marathon, there has been generally lower engagement than in previous years in the nominated Club Championship races.
- **Team events:** We continue to enter teams into the Welsh Castles and Green Belt relays. Serpentine won the mixed category in the 2023 Green Belt Relay. A small team also competed in the Southern Road Relays.
- **Cross Country** has been a popular part of the annual competition calendar for a number of years. In the 2023 season, there were good individual performances in the Met League, with Tash Sheel coming 3<sup>rd</sup> in Senior Women, Hugh Torry 3<sup>rd</sup> in V40 and Katy Casterton 5<sup>th</sup> in Senior Women. The season culminated with a fun weekend of racing at the National Championships in Chester.

- **Track and Field:** The 2022 season, which falls within our FY2023, saw the return of the track and field leagues and it was great to have some new members joining the teams. We achieved promotion in the Southern Athletics League to Division Two following a sterling series of performances from a small team of committed Serpies.
- **Triathlon:** Our triathletes have also been very active this year in the competition front, with many taking part in Ironman races, age group events across the World (with some notable performances from Innes Wright and Hilary Briggs in their age groups), as well as cycling events (such as the Mallorca 312 or the Ride London). We are hoping to continue the strong participation of the team in the coming year, having now rejoined the London League.
- **Juniors:** Our juniors participate in the Middlesex Young Athletes League and are eligible to compete in the Met League for Cross-Country and Summer League (although few do). We recognise more effort is required to ensure our juniors participate in these competitions.

#### **h. Serpentine Races**

As a club we deliver what is probably one of the largest programmes of public and member races in the country run by a non-profit running club. Whilst all races have been affected in the last couple of years by the pandemic, there have been encouraging signs of the racing landscape returning to more normal levels of participation.

In 2023, we sold out the NYD10k, generating significant profit for the club which currently helps subsidise other member activities. In the future, we will explore whether this (and the LFOTM) can also contribute to building funds towards other club ambitions (e.g., a permanent home).

The institution that is the LFOTM has continued to recover and is well supported by the Central London running community. Malcolm French is both the face and engine room behind making this work and we are very grateful for this and all that he does for the Club.

The Club Handicap is much beloved by our members and continues to attract a pool of regulars. Royal Parks have recently imposed an annual licence fee cost of £3,000 for the Handicap (from a previously nominal amount) which is unwelcome. Our opportunity is to look at ways to increase participation in the event, which has declined over the years, and ensure that those who experience its unique charm return for more. Simon Hardy was the proud winner of the Tom Hogshead trophy in 2022.

The Club Championship races which the Club organises were generally well attended. However, we took the decision of changing the Club Championship 5k race to a nominated race due to the high hosting cost, which was over £15 per participant in 2022.

**i. Social**

After a few years of no formal social events, we had a fantastic 40th Anniversary party last year, and a few weeks ago a lovely Summer celebration which was very well attended, with >100 Serpies all in one place. We had a great time recognising the sporting achievements of many members and the hard work that many people put into the Club. We are planning to revive a social welcome for new joiners every 6 weeks or so, something that has become patchy in recent times.

**j. Seymour relocation**

From early 2024, the Seymour Centre is being redeveloped into a multi-use space by Westminster City Council and we will lose our permanent residence over the next few years as a result. During that period, the Club will be moving to a **temporary Wednesday Club Run home at St. Mary's Primary School, Bryanston Square** with effect from the 6th of December later this year. We believe this is a good space reasonably close to our current location that offers what we need for our runs.

**k. Digitalisation**

- **Online kit:** Due to our move out of the Seymour Centre we will lose our kit room and therefore the ability to store kit. We also recognise that a single retail location model is not convenient for everyone and therefore we will be moving to an online supplier, likely in the new year. This will offer individual sales of items posted to your home address.
- **Digital cards:** We are currently hoping to launch a digital membership card enabled by the new website. This will save us significant annual costs (c.£3,000) and will also be more convenient for members.
- **New website:** There has been a lot of hard work put in by a large number of individuals to the development of a new site. We are going through testing and hope this will be ready for launch in the near future.
- **Social media:** We have also continued to grow our social media presence, notably within Instagram with our number of followers now exceeding 2,000. Special thanks are due to our social media team and Nicola Kaye for their continued support and introducing Medal Monday and Member's spotlight post. We will continue to look for ways to boost our social media presence through a new marketing plan.

### **3. Club's strategy**

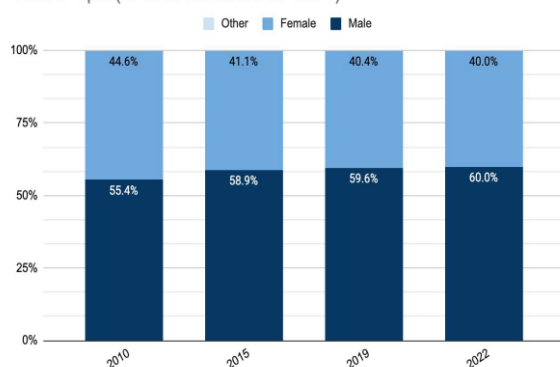
The Club's strategy has been one of the main areas of focus for the Committee this year, given the longer-term changes we have seen in the Club and the more recent pandemic-driven change in living and working patterns in London. In January 2023, a **sub-committee was set up to evaluate the current state of the club and consider the club's positioning and future areas of focus.** We gathered information through interviewing a number of current members, extensive analysis of

the club's historical membership data and publicly-available external data. The findings and recommendations were subsequently reviewed by the Committee over three separate meetings and the future club strategy approved.

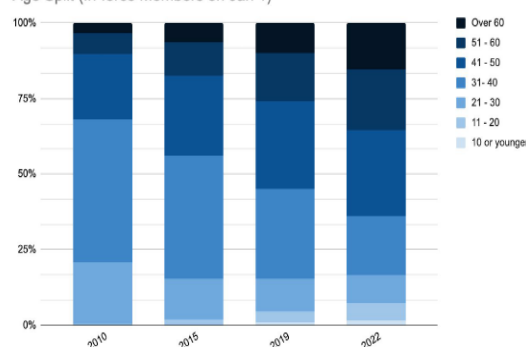
### a. Main findings

- The options available to individuals wanting to improve fitness and participate in running and multi-sports have expanded significantly in recent years.
- The **club has significantly reduced in size** (less than 50% of peak membership), and at the same time **membership has aged significantly** (27% members between 20-40 vs 70% in 2010) and **become more male** (60% vs 55% in 2010)

Gender Split (In-force Members on Jan 1)



Age Split (In-force Members on Jan 1)



- The **club's coaching capability has eroded** over time, impairing our ability to deliver the range and quality of sessions we would like.
- Volunteers of all varieties are not well-managed and recognised across the club and we are **increasingly reliant on a small number of people** to support our activities.
- Our marketing, including website, are in need of a refresh and refocus in line with the future strategy.
- We continue to offer **one of London's widest run and multi-sport offerings, but we have not evolved this over time** to cater to changing needs.
- The club's existing governance framework and structure have proven to be an increasing **barrier to effective governance and management**.

### b. Mission and positioning

**Mission:** Serpentine exists to promote participation in running and multi-sport activities to improve mental and physical health and wellbeing

**Positioning:** Serpentine should continue to position itself as a large, welcoming, inclusive, and diverse running and multisport community anchored in and around Hyde Park

- We believe that Serpentine should not materially change its current positioning. However, historically we have not actively managed the Club to ensure that our offerings and communications reflect this positioning and achieved our mission.



- Whilst we do not believe scale should be an overarching objective, being a larger club allows us to offer more to members than if we were smaller and had lower revenues. Over a 3 to 5-year horizon we are aiming to reverse the decline in membership and grow by c. 5-10% per annum.
- We also believe that specific changes around a number of focus areas need to take place to address the issues identified.

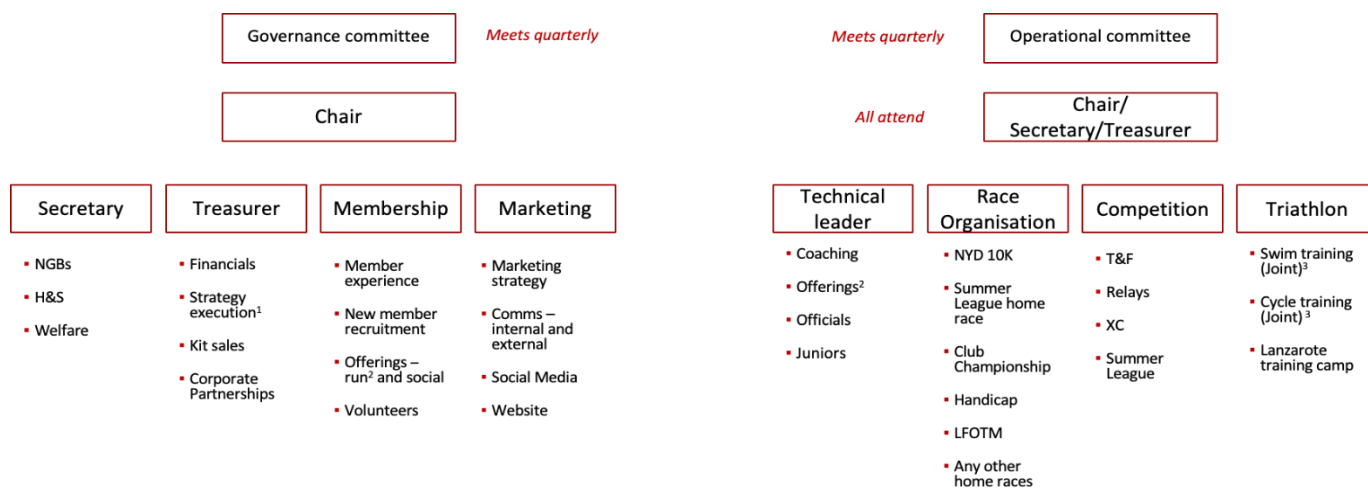
**c. Specific changes and areas of focus**

- **Marketing:** The club historically has not marketed itself extensively or systematically. In today's environment, we think it important that we place greater focus and professionalise what we do in this space. We have created a new Marketing lead role in the new governance structure and are keen to build a team of individuals who contribute to delivering against a more structured marketing plan.
- **Younger adults:** The age of our club members has increased significantly over the last 10 or more years. We need to address this urgently as our Club needs to attract, recruit, and retain younger members. We heard through the strategy interviews and discussion process about some of the reasons why the club is less attractive to younger runners. However, we need to do more to better understand the issues and develop an approach to addressing this challenge. We will form a small group to work on this initiative.
- **Female participation:** Female membership has also steadily fallen over the last 10 or more years at the Club. A disproportionate number of females leave the club each year. We do not fully understand the root causes of this decline and once again will be forming a small group to understand some of the reasons and look to recommend changes we may need to make to address the decline.
- **Coaching development:** Our coaching capability has deteriorated over time, with fewer coaches overall at the club, fewer coaches engaged in delivering sessions for our members, and a reduction in the number of more senior qualified individuals. There are encouraging signs that a number of members are coming forward to take some of the initial level of qualifications (e.g., CIRF and LIRF). We have decided we need to raise the profile and invest in coaching and have created a Technical Lead role to be responsible for this vital area. The primary objective of this role will be to build a coaching community and foster learning and coaching progression for those who want it. This role will also be responsible for Technical Officials, another area where we have challenges in part around the lack of formal community and very few new joiners.
- **Changing governance:**
  - **Incorporation:** As the nature of the environment and the shape of the club changes (e.g., more than 50% of our revenue comes from external races and the Lanzarote training camp), it requires more commercial contracts to be maintained. Our current unincorporated status presents individual members of the committee with personal risk, which whilst mitigated with adequate insurance arrangements, have made committee roles less attractive. Committee members are reluctant to sign commercial contracts.

The world around us is becoming more risk averse and litigious and therefore we feel we need to make changes.

The existing Committee have decided to proceed down the route of incorporation for the club, which would create a separate legal entity that would be capable of being party to contracts and holding property in line with our longer-term aspirations of a permanent home. This is a change that has been under consideration for some time, and we believe this is the right time to act. This is an approach many other running clubs (e.g., Highgate Harriers and VPH) have taken some time ago. The objects of the new successor organisation, should we decide to take this step, would be very similar to today's Club.

- *Split governance through two committees*: The historical nature of the existing Committee structure has meant that delivering good Club governance through having an adequate quorum for discussion and decision-making has been difficult to achieve at times. We therefore propose to split the club governance as outlined in the diagram below with different focus areas for the Governance and Operational Committees going forward.



<sup>1</sup> 24 month responsibility

<sup>2</sup> Membership works with Technical leader to develop and deliver run offerings

<sup>3</sup> Triathlon lead works with Technical leader to develop and deliver swim and cycle training offerings

## 4. Next steps

### a. Effect governance changes

In support of the governance changes outlined above, and to prepare for a vote on incorporation in the future, we are proposing some changes to our existing Rules through three proposed resolutions to be voted on at the AGM. We will also look to revise the Club's byelaws to reflect the new governance model.

### b. Incorporation

Once we are clear on the chosen model for incorporation there will be considerable set up activity for the new entity (e.g., developing the new governance documents,

informing NGBs, closing and setting up new bank accounts where needed). We will be preparing for this in the coming months and would welcome the support of anyone with project management or other relevant skills.

We expect to be in a position to call a Special General Meeting within the Financial Year 2024 to vote on any necessary steps for incorporation and dissolve the existing unincorporated CASC.

***c. Develop implementation plan on our focus areas***

What we have set out so far is our intention to make changes to improve the longer-term outlook of the club and deliver a better service for members. We now need to make it happen. A lot of work is already underway, and many members are involved, however there is much more to be done to ensure we continue to best serve the long term aims of the membership. Over the next few months, we will be doing more thinking to develop implementation plans (e.g., on how to increase female membership or how best to attract younger runners).

We hope you are as excited as we are about the future of Serpentine! If you'd like to be involved in making a difference to our Club, please contact one of the Committee members.

# Appendix

	<b>2023</b>		<b>2022</b>		<b>2021</b>
<b>Income</b>					
Club Races (NYD10K & LFOTM)	£ 30,805	£	18,526	£	(7)
England Athletics member fees	£ 6,121	£	6,019	£	2,906
External Races (inc Relays)	£ 7,047	£	(275)	£	-
Interest	£ 189	£	193	£	22
Juniors	£ 6,600	£	7,360	£	6,391
Kit	£ 17,204	£	2,292	£	230
Lanzarote	£ 56,599	£	62,229	£	-
Membership subscriptions	£ 33,706	£	37,141	£	21,655
Social events	£ 5,855	£	15	£	-
Swimming	£ 10,345	£	8,636	£	(90)
Other	£ 2,278	£	2,655	£	2,049
<b>Total Income</b>	<b>£ 176,748</b>	<b>£</b>	<b>144,791</b>	<b>£</b>	<b>33,157</b>
<b>Less Operating Expenses</b>					
Charitable Donations	£ 30	£	30	£	30
Club Athletic Body fees	£ 784	£	831	£	55
Club Races (NYD10K & LFOTM)	£ 19,712	£	9,612	£	-
England Athletics member fees	£ 6,118	£	6,234	£	2,925
Club Member Races	£ 2,792	£	1,783	£	-
External Races (inc Relays)	£ 15,141	£	4,249	£	196
Insurance	£ 1,368	£	714	£	603
Juniors	£ 10,601	£	9,815	£	6,976
Kit	£ 29,145	£	1,248	£	4,069
Lanzarote	£ 53,326	£	59,287	£	-
Membership cards	£ 3,229	£	4,263	£	1,935
Payment services	£ 2,573	£	2,998	£	1,985
Seymour Centre	£ 9,681	£	4,378	£	-
Social events	£ 7,127	£	1,748	£	93
Swimming	£ 9,143	£	9,034	£	-
Training	£ 2,221	£	2,510	£	490
Website costs	£ 3,672	£	3,533	£	3,480
Other costs	£ 1,737	£	494	£	1,077
<b>Total costs</b>	<b>£ 178,401</b>	<b>£</b>	<b>122,268</b>	<b>£</b>	<b>22,836</b>
<b>Net Profit</b>	<b>£ (1,652)</b>	<b>£</b>	<b>22,522</b>	<b>£</b>	<b>10,320</b>

## Assets

### Current Assets

Cash at bank and in hand	£ 68,805	£ 66,312	£ 34,243
Club Kit Stock	£ 11,158	£ 7,855	£ 17,200
Long-term capital	£ 114,609	£ 114,609	£ 114,421
Payment Services Accounts	£ 1,406	£ 1,142	£ 4,161
Prepayments	£ 11,318	£ 180	£ 180
Accrued Income	£ 67	£ -	£ -
Savings	£ 45,655	£ 45,466	£ 45,461
Stock adjustment/revaluation	£ (999)	£ 8,810	£ (535)
<b>Total Current Assets</b>	<b>£ 252,018</b>	<b>£ 244,374</b>	<b>£ 215,131</b>

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## Liabilities

### Current Liabilities

Accounts Payable	£ 1,811	£ 4,373	£ -
Accruals	£ 9,449	£ 5,698	£ 3,073
Rounding	£ (43)	£ (0)	£ (0)
VAT	£ -	£ (186)	£ -
Income in Advance	£ 6,520	£ -	£ -
Other Liabilities	£ 489	£ 419	£ 73
<b>Total Current Liabilities</b>	<b>£ 18,227</b>	<b>£ 10,304</b>	<b>£ 3,146</b>

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<b>Net Assets</b>	<b>£ 233,791</b>	<b>£ 234,069</b>	<b>£ 211,985</b>
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### Equity

Current Year Earnings	£ (1,562)	£ 22,084	£ 9,378
Opening Reserves	£ 213,116	£ 213,116	£ 213,116
Retained earnings	£ 22,237	£ (1,131)	£ (10,509)
<b>Total Equity</b>	<b>£ 233,791</b>	<b>£ 234,069</b>	<b>£ 211,985</b>