

March 2026

ClubED

Bite-Sized Learning

Monthly Newsletter



ClubEducation

Bite-Sized Learning Newsletter — March Edition.

Turning Lag Data into Lead Strategy

In this edition of BiteSized Learning, we take a closer look at three key trends influencing today's clubs. These emerging developments provide practical insights for directors and senior leaders, with important implications for governance, strategy and day-to-day operations.

Three Key Data-Based Trends

1. Amalgamations have moderated but remain elevated

Activity decreased year-over-year (-22%) in 2025 but remains above pre-COVID levels, reinforcing that consolidation pressures, particularly for smaller clubs, persist despite recent easing. (Source: ClubsNSW internal data)

2. Gaming growth in clubs outpaced hotels in FY25

Full year gaming growth in clubs exceeded that in hotels for the first time since 2021 (+7.7% vs +7.4%). Adjusted for inflation (CPI of 2.1% for the same period), club gaming growth was +5.6%. Most recently (December 2025), clubs have seen a double-digit increase in monthly gaming revenue (+10.1%)

Data fuels innovation when insight turns information into action.

on the previous corresponding period (December 2024). (Source: Liquor & Gaming NSW)

3. Operating income easing as costs slowly grow

An early-FY25 read indicates a gradual decline in operating margins (from 19% in FY23 to 17% in FY25) alongside slight increases to operating expenses. This suggests efficiency has slowly weakened and clubs have struggled to keep costs down. Cash reserves have also reduced (from 69% of liabilities in FY23 to 56% in FY25). Although 65% of all clubs are profitable (+3% on FY24), there is significant variation when looking at club size (clubs in profit in FY25: 85% of large clubs vs 70% of medium clubs vs 57% of small clubs). (Source: FY25 annual reports sample)

Governance Recommendations Based on Data Outlined Above

Recent data highlights ongoing consolidation pressure, strong gaming growth and tightening

operating performance. Boards should respond with clear oversight and disciplined decision-making.

1. Plan Early for Consolidation

Although amalgamations have slowed, they remain above pre-COVID levels, especially affecting smaller clubs. Boards should not wait until financial stress emerges. Governance should include regular reviews of financial health, cash flow and long-term viability. Clear triggers should be set for when to explore partnerships, shared services or amalgamation. Any structural change should include a strong focus on protecting members and community outcomes.

2. Manage Gaming Growth Carefully

Gaming revenue in clubs is growing faster than in hotels. While this supports short-term income, it increases risk if clubs become too dependent on gaming. Boards should set clear limits on gaming reliance and encourage growth in non-gaming income such as food, beverage, sport and community services. Strong responsible gambling oversight is essential, with regular reporting on harm minimisation measures and compliance.

3. Strengthen Cost and Margin Oversight

Operating margins are gradually declining and costs are rising. Boards should require regular monitoring of key costs such as labour, utilities and procurement. Clear accountability for cost control and efficiency initiatives should be in place, supported by simple performance dashboards.

4. Protect Cash and Liquidity

Cash reserves have fallen, increasing financial risk for some clubs. Boards should set minimum cash targets, regularly review cash forecasts and take a conservative approach to capital spending until financial buffers improve.

5. Adjust Governance by Club Size

Smaller clubs face greater risk. Governance settings should reflect this, with simpler reporting, closer financial oversight, and earlier consideration of collaboration or consolidation where needed.

A reminder that the Board Calendar Checklist, a tool to support directors to stay on top of their compliance governance, can be downloaded [here](#).



Upcoming Courses

Dates for Mandatory Director Training, professional development courses, and Club Education Seminars, and courses for 2026 can be accessed [here](#).

Company Directors Course™ from **Wednesday, 15 April 2026 to Tuesday, 21 April 2026** in a face-to-face session in Sydney.

Governance Foundations for Not-For-Profit Directors™ from **Thursday, 18 June 2026 to Friday, 19 June 2026** in a face-to-face session in Sydney, Dubbo and Newcastle.

Registrations for both courses are [here](#).

For any enquiries, contact ClubASSIST on 1300 730 001.

Customised Training

Interested in bespoke or mandatory training for your board or region? We're ready to deliver face-to-face sessions for groups of 10 or more! To discuss your learning needs, email me at RMendes@clubsnsw.com.au.