



Dear members,

As many of you would know, the Club has been transitioning its accounting system to Xero. This process has been completed and Xero has been fully implemented. This has resulted in significant cost savings that will be evident when the third quarter results are reported.

During the transitioning process, a number of issues were identified with some of the previously reported results for the period 1 July 2025 to 30 September. As a result, the results for the period 1 July 2025 to 30 September 2025 have been reduced from a total profit of \$198,812 to a profit of \$178,200. The majority of the reasons for the change related to 2 issues. Depreciation expense was understated by \$37,873. Poker Machine Tax was overstated by \$31,251. A number of minor individual discrepancies resulted in a further understatement of expenses of \$7,990. The attached report reflects the adjusted results for the period 1 July 2025 to 30 September 2025.

Also reported in the attachment are the results for the period 1 October 2025 to 31 December 2025. While an operating profit of \$29,815 was recorded, after deducting depreciation expense and interest expense the net result was a loss of \$148,680.

On a YTD basis for the period 1 July 2025 to 31 December 2025, the Club recorded an operating profit of \$388,179 and a net profit of \$29,520.

Clearly the result for the second quarter was a decline against the results for the first quarter. Three major factors account for the decline in profit as follows:

1. Revenue from poker machines declined by \$102k. The first quarter was a strong result and the month of July in particular where the profit from poker machines was most likely a record. These strong results were not replicated in the second quarter where we saw returns from poker machines returning to more normalised levels.
2. Returns from our KODA share market investments, while still positive, were down \$150k compared with the first quarter reflecting a reduction in the rate of growth during the second quarter compared with the first quarter.
3. The first quarter results included a one-time profit on the sale of a Club asset of \$29k which has not been repeated during the second quarter.

Other News

Carlingford Lease

The Board is pleased to advise that a lease of the Carlingford premises from Parramatta City Council has been executed and is for a 5-year term + a 1-year option reflecting the maximum term that Parramatta City Council was prepared/able to offer. This now gives us security for the next 5 – 6 years and hopefully well beyond that. The Board will continue to engage with Council in order to secure our long-term future on the Carlingford site.

Denistone EOI

The Club has been advised by the City of Ryde Council that our Expression of Interest has been short-listed (along with 7 other interested parties) with further discussion to take place in the coming months. We will keep members apprised of any developments.

Disabled Car Parking Spaces

Following member feedback, 2 new disabled car parking spaces have been added in the car park near the entrance walkway. This increases the number of spaces from 3 to 5.

Pennant Season

The current pennant season is underway with the first 4 rounds completed. Table positions are as follows:

Platinum League	8 th after 5 rounds
Carlingford Grade 3	5 th after 4 rounds
Carlingford Grade 6	2 nd after 4 rounds
Carlingford Grade 7	5 th after 4 rounds
Denistone Grade 4	3 rd after 4 rounds
Denistone Grade 6	1 st after 4 rounds
Denistone Grade 7	2 nd after 4 rounds

Cabramatta 4-a-side Sydney Masters Tournament

Our Club was represented in the recently completed Cabramatta 4-a-side Sydney Masters tournament which carried a total prize pool of \$100,000. At the completion of the preliminary rounds, our team of Darren Morrison, Bret Spurr, Ben Winther and Jay Bye-Norris were in 5th position. They made their way through to the final against the reigning champions Cabramatta. A tight game saw the 2 teams locked at 9-9 after 13 ends. With 1 bowl to be played on the 14th and final end, our Carlo Koalas were holding 3 shots with 1 hand on the trophy (and a sizeable cheque). Unfortunately for our Carlo Koalas, the final bowl was a beauty and our boys went down 9-10. A great effort guys!

Under-ground Car Park

The state of the underground car park has been a contentious issue for some time. Following the signing of the lease for the Carlingford site, we are pleased to advise that quotes are being obtained to bring the standard of the underground car park up to a more acceptable standard. Again, the Board is committed to ensuring this necessary upgrade to our parking options is carried out in a timely manner.

Bistro

The new caterer has completed their trial period and we think you would all agree the food and service is first class. They have increased their clientele which has contributed to the overall profit of the Club.

Board of Directors

Carlingford Bowling, Sports and Recreation Club