WILLOUGHBY LEGION
EX-SERVICES CLUB LIMITED
ABN: 35 000 248 117

(A Company Limited by Guarantee)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH JUNE 2026

HARLEY, RUSSELL & DAY
Chartered Accountants

Suite 16, 2 Catherine Street
ROCKDALE NSW 2216

Phone: (02) 9567 0044

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FINANCIAL STATEMENTS – 30TH JUNE 2026

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WILLOUGHBY LEGION EX-SERVICES CLUB LIMITED
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DIRECTORS' REPORT

Your Directors present their report on the Financial Statements of the Company for the year ended 30th June 2026.

NAME OF DIRECTORS

The names of Directors in Office at any time during or since the end of the year are:-

V. Campion	M. Maechler	E. Dorahy
R. Whyte	C. Maher	G. McNally

COMPANY SECRETARY

Following the resignation of Mario Machado on the 1st of May 2026, Kellie Reeve was appointed Acting CEO. Kellie has extensive experience in the Hospitality industry. Kellie joined Club Willoughby in April 2025 as Operations Manager. Previously she has worked at Hornsby RSL Club for 25 years. Her role for the last 7 years of employment at Hornsby RSL was as the Employee Relations Manager.

PRINCIPAL ACTIVITIES

The principal continuing activity of the Company was: - Licensed Ex-Service Men and Women's Club. (See below significant changes).

MEMBERS

The number of Members of the Company registered in the Register of Members at the date of this report is:

	2026	*2025*
Life Members	5	4
Ordinary Members	5,514	450
Ex-Service Members	11	16
	5,530	**470**

SIGNIFICANT CHANGES

Club Willoughby has been operational since 2nd February 2026, the Club having opened its doors to its Members and the Public after being closed for approximately four years.

OPERATING RESULTS

The Net Profit (Loss) from trading for the year, with no Provision for Income Tax, amounted to a Profit of $21,102,015 (2025: Loss $306,522), after adding other comprehensive income of $23,418,381 (2025: $120,000), and charging Depreciation $631,852 (2025: $NIL).

REVIEW OF OPERATIONS

Movements in significant items of Revenue are as follows:-

	2026	*2025*	*Increase/ (Decrease)*	*%*
	$	$	$	
Poker Machine Clearances	756,502	-	756,502	100
Bar Sales	694,281	-	694,281	100
Food Sales	1,011,441	-	1,011,411	100
Total Operating Expenses	3,970,511	-	3,970,511	100

DIRECTORS' REPORT (CONT.)

FUTURE DEVELOPMENTS

There is a proposed development in progress for the construction and design of Willoughby Seafood Restaurant which will be located on Level 1 of the Club Building. As of 30th June 2026, the building is in the final stages of preparing the written building tender process and will begin construction in September 2026.

The lease is currently being prepared, with the opening of the restaurant envisaged to be early next year. The proposed rent of $400,000 plus GST will bring further revenue to the Club.

OBJECTIVES

SHORT TERM

- To finalise the Level 1 Seafood Restaurant,
- To remain proactive in dealing with continually changing industry legislation,
- To increase membership database,
- To support local community groups,
- To provide a high level of service and members facilities,
- To continue to increase bookings in the Level 2 Event Centre.

LONG TERM

- To secure the long-term future of Club Willoughby,
- To preserve and commemorate the Willoughby Legion Ex-Services traditions, ANZAC Day and Remembrance Days,
- To maintain a financially sustainable community club,
- To maintain a solid relationship between our local residents and the local community,
- To look to expand the Flame Bistro and create an outdoor dining area and café.

PRINCIPAL STRATEGIES FOR ACHIEVING OBJECTIVES

Club Willoughby will maintain a strong focus on financial sustainability through sound financial management, responsible budgeting, effective cost control and strategic investment. The Club will seek to diversify and grow revenue streams through the successful development of the Level 1 Seafood Restaurant, continued growth of the Level 2 Event Centre, expansion of the Flame Bistro and investigation of an outdoor dining area and café. All major capital projects will be assessed against their financial viability, member benefit and long-term contribution to the Club.

The Club will focus on increasing and retaining membership by providing attractive member benefits, quality dining, events, entertainment and facilities. A strong commitment will be maintained to delivering consistently high standards of customer service, hospitality and facility presentation. Staff training, performance management and continuous improvement will support a culture of service excellence. The Club will also use member feedback and available data to better understand member needs and improve engagement, participation and overall satisfaction.

Club Willoughby will continue to strengthen its position as an important and valued part of the local community by supporting local organisations, community groups, sporting bodies and charitable initiatives. The Club will maintain strong relationships with local residents and stakeholders and seek opportunities to develop mutually beneficial partnerships. At the same time, the Club will preserve and promote its proud Willoughby Legion Ex-Services heritage, including the appropriate commemoration of ANZAC Day, Remembrance Day and other significant occasions, while maintaining meaningful relationships with veterans and ex-services organisations.

The Board and Management will maintain strong governance, risk management and compliance practices and remain proactive in responding to changes in legislation and the registered club environment. The Club will invest in its people through recruitment, training, leadership development and succession planning to ensure it has the capability to achieve its strategic objectives. Regular monitoring of financial, operational and strategic performance will be undertaken, with objectives and priorities reviewed annually. Through responsible governance, effective leadership, continuous improvement and long-term planning, the Club will ensure its facilities, services and operations remain sustainable and responsive to the changing needs of members and the community.

DIRECTORS' REPORT (CONT.)

PERFORMANCE MEASUREMENT AND KEY PERFORMANCE INDICATORS

Performance is assessed regularly against relevant internal and industry benchmarks enabling assessment as to whether strategic initiatives have been effective in achieving company short- and long-term objectives. These relevant benchmarks are detailed below and are monitored by senior management and the Board on a regular basis.

- Bar Gross Profit Margins,
- Bar Wages to Sales percentage,
- Catering Gross Profit Margins,
- Catering Wages to sales percentage,
- Gaming Wages to sales percentage,
- EBITDA,
- Industry comparisons,
- Club Objectives.

INFORMATION ON DIRECTORS AND MEETINGS

Name	*Position*	*Experience*	*Board Meetings*	*Qualification*	*Appointed (A)/ Resigned (R)*
V. Campion	President	Director, 7 years	13 of 13	AV Services Manager	(A) 2 November 2019
M. Maechler	Vice President	Director, 3 years	11 of 13	Executive Assistance Insurance Services	(A) 18 November 2023
E. Dorahy	Director	Director, 20 years	12 of 13	Retired Admin Manager	(A) 2 November 2006
R. Whyte	Director	Director, 7 years	11 of 13	Business Owner	(A) 26 November 2020
C. Maher	Director	Director, 6 years	13 of 13	Sheetmetal Worker	(A) 21 January 2021
G. McNally	Director	Director, 2 year	12 of 13	Barrister	(A) 6 April 2025

DIRECTORS BENEFITS

Except for the benefits disclosed in Note 19, since the end of the previous financial year no Director has received or become entitled to receive any benefit by reason of a contract between the Company and himself or with a firm of which he has a substantial financial interest.

DIRECTORS' REPORT (CONT.)

MEMBERS' LIMITED LIABILITY

In accordance with the Constitution of the Company, every member of the company undertakes to contribute an amount limited to $2.00 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter. The total liability in the event of winding up is $11,060 (2025: $940).

AUDITOR'S INDEPENDENT DECLARATION

The Auditor's Independent Declaration for the year ended 30th June 2026 has been received and can be found on page 5 of this report.

Dated at Willoughby this 31st day of October 2026
In accordance with a resolution of the Directors

.....
VESTER CAMPION - PRESIDENT

.....
MARISE MAECHLER – VICE-PRESIDENT

WILLOUGHBY LEGION EX-SERVICES CLUB LIMITED
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AUDITOR'S INDEPENDENT DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF WILLOUGHBY LEGION EX-SERVICES CLUB LIMITED

In accordance with s 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Willoughby Legion Ex-Services Club Limited. As the audit partner for the audit of the financial report of Willoughby Legion Ex-Services Club Limited for the year ended 30th June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and

(ii) Any applicable code of professional conduct in relation to the audit.

DATED AT SYDNEY
THIS 14TH DAY OF
OCTOBER 2026

.....
HARLEY, RUSSELL & DAY
Chartered Accountants

GARRY WILLIAM DAY
Registered Company Auditor

WILLOUGHBY LEGION
EX-SERVICES CLUB LIMITED
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STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE YEAR ENDED 30TH JUNE 2026

	Notes	2026 $	2025 $
Revenue from Continuing Operations			
Revenue from sale of goods	2	1,705,722	-
Revenue from rendering of services	2	765,038	-
Other Revenue from ordinary activities	2	65,453	424
Total Revenue		2,536,213	424
Operating Expenses			
Administration		(270,926)	-
Cost of Sales	3	(684,740)	-
Donations and Sponsorship		-	(500)
Directors' Expenses		-	(4,850)
Employment Benefits expense		(2,073,270)	(231,526)
Entertainment, Advertising & Marketing		(133,445)	-
Legal and consultancy fees		(130,916)	(7,000)
Poker machine licences and taxes		(91,190)	-
Occupancy expense		(180,445)	(7,064)
Repairs & Maintenance		(53,785)	-
Other expenses from ordinary activities		(351,794)	(175,901)
Total Operating Expenses		(3,970,511)	(426,841)
Earnings before borrowing costs, tax, depreciation and amortisation		(1,434,298)	(426,417)
Depreciation and amortisation		(631,852)	-
Finance Costs	3	(250,216)	(105)
		(882,068)	(105)
Profit (Loss) before income tax		(2,316,366)	(426,522)
Income tax expense	11	-	-
Total Profit (Loss) for the Year		(2,316,366)	(426,522)
Other Comprehensive Income	21	23,418,381	120,000
Profit (Loss) attributable to members of the entity		21,102,015	(306,522)

The above accounts should be read in conjunction with the accompanying notes.

WILLOUGHBY LEGION
EX-SERVICES CLUB LIMITED
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STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30TH JUNE 2026

	Notes	2026 $	2025 $
Current assets			
Cash assets	4	**2,630,204**	1,365,884
Receivables	5	**5,000**	2,658,593
Inventories	6	**112,264**	-
Other	7	**61,147**	-
Total current assets		**2,808,615**	4,024,477
Non-current assets			
Property, plant & equipment	8	**48,477,007**	20,469,000
Total non-current assets		**48,477,007**	20,469,000
Total assets		**51,285,622**	24,493,477
Current liabilities			
Payables	9	**306,446**	231,525
Provisions	10	**91,969**	8,664
Other	11	**-**	-
Total current liabilities		**398,415**	240,189
Non current liabilities			
Interest Bearing Liabilities	12	**10,500,000**	4,967,223
Provisions	13	**-**	873
Total non current liabilities		**10,500,000**	4,968,096
Total liabilities		**10,898,415**	5,208,285
Net assets		**40,387,207**	19,285,192
Equity			
Asset Revaluation Reserve	20	**23,348,381**	14,584,339
Land Revaluation Surplus	20	**-**	3,970,785
Retained Profits	23	**17,038,826**	730,068
Total equity		**40,387,207**	19,285,192

The above accounts should be read in conjunction with the accompanying notes.

WILLOUGHBY LEGION
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2026

	2026 $	2025 $
Cash Flow from Operating Activities		
Receipts from customers	**2,943,736**	120,000
Payment to suppliers and employees	**(3,303,207)**	(2,869,738)
Finance costs	**(750,216)**	(105)
Interest received	**89**	424
Net Cash from Operating Activities	**(1,109,598)**	(2,749,419)
Cash Flow from Investing Activities		
Payment for Property and Equipment	**(3,158,859)**	-
Net Cash Outflows from Investing Activities	**(3,158,859)**	-
Cash Flow from Financing Activities		
Borrowings - Advance Contribution HPG	**5,532,777**	3,954,605
Net Cash (Outflows) from Financing Activities	**5,532,777**	3,954,605
Net increase/(decrease) in Cash Held	**1,264,320**	1,205,186
Cash held at the beginning of the financial year	**1,365,884**	160,698
Cash held at the end of the financial year	**2,630,204**	1,365,884

The above accounts should be read in conjunction with the accompanying notes.

WILLOUGHBY LEGION
EX-SERVICES CLUB LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2026

	RETAINED PROFITS	CAPITAL RESERVE	MEMBERS EQUITY
	$	$	$
Opening Balance as at 30 June 2024	980,412	18,555,124	19,535,536
Total Comprehensive Profit / (Loss) for the year	56,178	-	56,178
Opening Balance as at 30 June 2025	**1,036,590**	**18,555,124**	**19,591,714**
Total Comprehensive Profit / (Loss) for the year	(306,522)	-	(306,522)
Opening Balance as at 30 June 2026	**730,068**	**18,555,124**	**19,285,192**
Transfer Capital Reserve to Retained Profit	18,555,124	(18,555,124)	-
Total Comprehensive Income / (Loss) for the year	**(2,246,366)**	**23,348,381**	**21,102,015**
Closing Balance at 30 June 2026	**17,038,826**	**23,348,381**	**40,387,207**

WILLOUGHBY LEGION EX-SERVICES CLUB LIMITED
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NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2026

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Willoughby Legion Ex-Services Club Limited is a Company Limited by Guarantee and incorporated and domiciled in Australia. Willoughby Legion Ex-Services Club Limited is a not-for-profit entity for the purpose of preparing the financial report. The principal activities of the Company consist of maintaining and operating a licensed club with associated sporting activities after the redevelopment of the site is completed.

Registered office:
26 Crabbes Avenue
WILLOUGHBY NORTH NSW 2068

Principal Place of Business:
26 Crabbes Avenue
WILLOUGHBY NORTH NSW 2068

BASIS OF PREPARATION

The Willoughby Legion Ex-Services Club Limited report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures. This includes compliance with the recognition and measurement requirements of all Australian Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the disclosure requirements of AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.*

The financial report of the company was prepared in accordance with Australian Accounting Standards - Simplified Disclosures. The 2022 and prior year financial reports were prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards - Simplified Disclosures has not affected the Willoughby Legion Ex-Services Club Limited reported financial position, financial performance and cash flows.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

ACCOUNTING POLICIES

a) Revenue Recognition

Sales Revenue
Sales Revenue comprises revenue earned from the provision of catering, beverage, and poker machine facilities to members and other patrons of the Club. Sales revenue is recognised when the goods and services are provided.

Asset Sales
The gross proceeds of asset sales are included as revenue of the entity. The profit or loss on disposal of assets is brought to account at the date an unconditional contract of sale is signed.

Interest Income
Interest income is recognised as it accrues.

b) Principal Activities
The company operates as a Licensed Club.

NOTE 1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) Property, Plant & Equipment

Property, plant and equipment are included at cost or at an independent valuation. All fixed assets, including buildings and capitalised leases, but excluding freehold land, are depreciated over their estimated useful lives commencing from the time the asset is held ready for use.

d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the company, and are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

The Company has applied Accounting Standard AASB 16 in respect to the Right-of-Use Assets from 1st January 2019.

e) Depreciation of property, plant and equipment

Depreciation is calculated on a straight-line basis to write off the net cost or revalued amount of each item of property, plant and equipment (excluding land) over its expected useful life. The exception is glassware, crockery and cutlery, which is expensed in the year of purchase. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

Category	***Useful Life***	***Depreciation Basis***
Buildings	40 years	straight line
Plant and equipment	5 years	diminishing value

f) Trade and other creditors

These amounts represent liabilities for goods and services provided to the club prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

g) Maintenance and repairs

The costs of maintenance, repairs and minor renewals are charged as expenses as incurred.

h) Employee Entitlements

(i) *Wages and salaries, annual leave and sick leave*
Liabilities for wages and salaries, annual leave and sick leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

(ii) *Long service leave*
A liability for long service leave is recognised for all employees of the club with ten years or more service. No adjustment is made for inflation of wage rates or discounting of expected future payments as the net effect is not expected to be material.

i) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2026

	2026 $	2025 $
NOTE 2. REVENUE FROM CONTINUING OPERATIONS		
Operating Activities		
Revenue from Sale of Goods		
Bar Sales	694,281	-
Food Sales	1,011,441	-
	1,705,722	-
Revenue from Rendering Services		
Poker Machines	756,502	-
Raffles	7,139	-
Keno	1,397	-
	765,038	-
Other Revenue from Ordinary Activities		
Donations & Sponsorship		-
Interest	89	424
Members Subscriptions	23,321	-
Commission ATM	8,138	-
Rebates - Beer	23,915	-
Rebates - Other	7,990	-
Other	2,000	-
	65,453	424
Total Revenue from Continuing Operations	2,536,213	424
NOTE 3. EXPENSES FROM OPERATING ACTIVITIES		
Cost of Goods Sold		
Bar	259,113	-
Bistro	425,627	-
	684,740	-
Finance Costs		
Borrowing Costs - Toorshi Pty Limited	250,216	105
	250,216	105
NOTE 4. CURRENT ASSETS - CASH ASSETS		
ANZ Cheque	2,110,933	1,324,554
ANZ Online Saver	41,420	41,330
CBA Main	100	-
CBA Investment	60,000	-
Cash Floats	391,000	-
Other Clearing Accounts	26,751	-
	2,630,204	1,365,884

WILLOUGHBY LEGION
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2026

	2026 $	2025 $
NOTE 5. RECEIVABLES		
Deposits		
Up front deposits without tax invoice	-	1,421,025
Up front deposits with tax invoice	-	1,185,175
	-	2,606,200
The above represents deposits paid for the purchase of Furniture, Plant & Equipment in 2025.		
Other		
TAB Security Deposit	5,000	-
GST recoverable	-	20,502
BAS	-	31,566
Credit card	-	325
	5,000	52,393
	5,000	2,658,593
NOTE 6. INVENTORIES		
Finished Goods - at cost	112,264	-
NOTE 7. OTHER		
Prepayments	61,147	-
	61,147	-
NOTE 8. NON-CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT		
LAND & BUILDINGS - AT VALUATION		
LAND - (AT VALUATION)		
Pre-CGT 19th September 1895	-	16,469,000
Post CGT Acquired from Willoughby Sub-Branch in 2024	-	4,000,000
LAND - (AT VALUATION)		
Clubhouse Land & Car Park Stratum Plan	1,250,000	-
LAND - (AT VALUATION)		
Lease of Land - Lot 2 & 3 - 99 year lease to Hyegrove CW HC Pty Ltd and Hyegrove CW CL Pty Ltd	2,900,000	-
TOTAL LAND	4,150,000	20,469,000
BUILDINGS - (AT VALUATION)		
Clubhouse Buildings & Car Park	41,800,000	-
Less Depreciation	(384,148)	-
TOTAL BUILDING	41,415,852	-
TOTAL LAND & BUILDING	45,565,852	20,469,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2026

	2026 $	2025 $
NOTE 8. NON-CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT (CONTINUED)		
PLANT & EQUIPMENT (AT COST)		
Office - Plant & Equipment	352,319	-
Less Accumulated Depreciation	(24,376)	-
	327,943	-
Plant & Equipment	213,385	-
Less: Accumulated Depreciation	(8,777)	-
	204,608	-
Office - Furniture & Fittings	42,909	-
Less: Accumulated Depreciation	(1,106)	-
	41,803	-
Bar - Plant & Equipment	741,605	-
Less: Accumulated Depreciation	(91,436)	-
	650,169	-
Bar - Furniture & Fittings	276,633	-
Less: Accumulated Depreciation	(13,869)	-
	262,764	-
Poker Machines	1,495,692	-
Less: Accumulated Depreciation	(105,178)	-
	1,390,514	-
Intangibles - IT Assets	36,314	-
Less: Accumulated Depreciation	(2,960)	-
	33,354	-
TOTAL OF PLANT & EQUIPMENT	2,911,155	-
TOTAL OF NON-CURRENT ASSETS	48,477,007	20,469,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2026

NOTE 8. NON-CURRENT ASSETS - PROPERTY, PLANT & EQUIPMENT (CONTINUED)

RECONCILIATION OF PLANT AND EQUIPMENT

	OFFICE PLANT & EQUIPMENT	PLANT & EQUIPMENT	OFFICE FURNITURE & FITTINGS	BAR PLANT & EQUIPMENT	BAR FURNITURE & FITTINGS	GAMING MACHINES	INTANGIBLES IT ASSETS	TOTAL
Carrying Amount at 30th June 2025	-	-	-	-	-	-	-	-
Additions	352,319	213,385	42,909	741,607	276,633	1,495,692	36,314	3,158,859
Depreciation	(24,377)	(8,776)	(1,106)	(91,438)	(13,869)	(105,178)	(2,960)	(247,704)
Carrying Amount at 30th June 2026	**327,942**	**204,609**	**41,803**	**650,169**	**262,764**	**1,390,514**	**33,354**	**2,911,155**

Reconciliation
Total of Land and Buildings of $41,800,000, after approval of members, is envisaged to become "Core Assets" as defined under the Registered Clubs Act.

(i) A valuation was completed by Jim Parmeter AAPI certified practicing valuer of Civicland Property Consultants as at 30th June 2026 as to the Fair Value of the property known as Club Willoughby, and its two leases Lots 2 & 3, situated at 26 Crabbes Avenue, North Willoughby.

(ii) Two leases for Lots 2 & 3 have been granted to Hyegrove CW LC Pty Ltd and Hyegrove CW HC Pty Ltd by Willoughby Legion Ex-Services Club Limited, being 99 year leases for a base rental of $1.00 plus 4% of the gross deferred fees received and paid by Hyegrove CW HC Pty Ltd, and 8% of sales.

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year.

RECONCILIATION OF LAND, BUILDINGS & LEASES

	LAND	BUILDINGS	LEASES LOTS 2&3	TOTAL
Carrying Amount at 30th June 2025	20,469,000	-	-	20,469,000
Disposals	(20,469,000)	-	-	(20,469,000)
Additions at Valuation	1,250,000	41,800,000	2,900,000	45,950,000
Depreciation	-	(384,148)	-	(384,148)
Carrying Amount at 30th June 2026	**1,250,000**	**41,415,852**	**2,900,000**	**45,565,852**

	2026 $	2025 $
NOTE 9. CURRENT LIABILITIES - PAYABLES		
Trade creditors	**187,438**	225,525
Other Payables and Accruals	**119,008**	6,000
	306,446	231,525

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2026

	2026 $	2025 $
NOTE 10. CURRENT LIABILITIES - PROVISION		
Provision for Annual Leave	**91,969**	8,664
	91,969	8,664
NOTE 11. CURRENT LIABILITIES - TAXATION		
Provision for Income Tax	-	-
	-	-
NOTE 12. NON-CURRENT - INTEREST BEARING LIABILITIES		
Loan from Toorshi Pty Ltd Secured	**3,324,955**	1,000,000
Loan from Toorshi Pty Ltd Secured - Tranche 2	**5,000,000**	3,967,223
Loan from Toorshi Pty Ltd Secured - Tranche 3	**2,175,045**	-
	10,500,000	4,967,223

The loans from Toorshi Pty Ltd are secured by mortgage. The loan will be repayable when all the units are sold, or 36 months after practical completion of the club building. There is no interest or principal payment required on the loan, however there is a flat 5% funding cost paid on the amount used by the Company.

NOTE 13. NON-CURRENT LIABILITIES - PROVISION		
Employee Entitlements - Long Service Leave - Non-Current	-	873
	-	873

NOTE 14. DIVIDENDS

Under the Club's Constitution, there is no provision for the payment of dividends.

NOTE 15. CONTINGENT LIABILITIES

There were no contingent liabilities at year end.	-	-

NOTE 16. INDUSTRY AND OPERATION LOCATIONS

The company operates predominantly in the hospitality and entertainment industry.
The Company's operations and customers are located predominantly in Sydney, New South Wales. The Company provides food, beverage, gaming and other entertainment facilities to members and guests, which has now been suspended during redevelopment.

NOTE 17. RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable that those available to other parties unless otherwise stated.

Apart from the details enclosed on this note, no other key management personnel has transacted with the Company since the end of the previous financial year and there were no outstanding balances involving key management personnel's interests existing at year-end.

NOTE 18. KEY MANAGEMENT PERSONNEL COMPENSATION

Key Management Personnel

Names and positions held of key management personnel in office at any time during the financial year are:

Ves Campion	President	Elizabeth Dorahy	Director
Marise Maechler	Vice President	Ron Whyte	Director
Chris Maher	Director	Greg McNally	Director

Other Key Management Personnel

Mario Machado	Secretary Manager / CEO (Resigned May 2026)
Kellie Reeve	Operations Manager / Acting CEO
Christopher Chilvers	Venue Manager / Operations Manager
Giri Adhikari	Executive Chef

Key Manager Personnel Compensation

	Short-term benefits		Post employment benefits	
	Cash, Salary & Commissions	Allowances	Superannuation	Total
	$	$	$	$
Total compensation - 2026	453,513	-	74,612	528,125
Total compensation - 2025	142,374	-	16,065	158,439

	2026 $	2025 $
Directors Benefits		
Honorariums	-	-
Director's Expense	-	4,850

Director's Expenses did not exceed the amount approved by Members at the last Annual General Meeting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2026

	2026 $	2025 $
NOTE 20. ASSET REVALUATION		
In prior years the Land was revalued several times. These revaluations were taken to the Asset Revaluation Reserve.		
Asset Revaluation Reserve	**14,584,339**	14,584,339
Land Revaluation Surplus	**3,970,785**	3,970,785
	18,555,124	18,555,124
Transferred to Retained Profit	**18,555,124**	-
	-	18,555,124
As the Land was exchanged for the building of a new Clubhouse and two new leases over land Lots 2 & 3, the valuation at 30th June 2026 comprises of the following:		
- New Clubhouse Building	**43,050,000**	-
- New Leases Lots 2 & 3	**2,900,000**	-
	45,950,000	-
- Less: The value of land relinquished	**(20,469,000)**	-
	25,481,000	-
- Less: Building costs paid by Club	**(2,132,619)**	-
Asset Revaluation Reserve	**23,348,381**	-
NOTE 21. OTHER COMPREHENSIVE INCOME		
During the year the company received the following other income:		
(i) Under the Project Development Agreement entered into with HPG CW HC Pty Ltd in January 2017 under Clause 20.2, the Developer has provided $5,000 per month for July and August 2022, then $20,000 per month exclusive of GST.		
Amount received up to 30th June 2026	**140,000**	240,000
(i) Less: Project Management Eastview paid	**(70,000)**	(120,000)
As described in Note 20 above, the increase in the value of the new Clubhouse building and the two leases less the value of the original land held resulted in a surplus of:	**23,348,381**	-
TOTAL OF OTHER COMPREHENSIVE INCOME	**23,418,381**	120,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2026

	2026	2025
	$	$

NOTE 22. LOAN FROM TOORSHI PTY LTD OF $10,500,000

On 23 February 2017 the company secured a loan from Toorshi Pty Ltd, which flowed from the Project Delivery Agreement with HPG CW HC Pty Ltd, and is secured by a mortgage over the company's real estate. There is no interest or principal payments required, however there is a flat 5% funding cost paid on the amount used by the Company. The loan will be repayable when all the units are sold, or 36 months after practical completion of the club building.

NOTE 23. EVENTS SUBSEQUENT TO BALANCE DATE

The accounting AASB 110 requires significant events after the reporting period for the year ended 30th June 2026 to be disclosed. No significant events have occurred subsequent to balance date.

NOTE 24. COMPARATIVE FIGURES

The Company ceased trading on 29th January 2022 to allow for redevelopment of the site, and reopened on the 2nd February 2026, therefore prior year trading figures are not available.

NOTE 25. ELECTRONIC GAMING MACHINE ENTITLEMENTS

The Company currently owns 43 Electronic Gaming Machine licences. The value of these intangible assets, in accordance with accounting standards, is not recorded on the Balance Sheet. The current market value for each entitlement is estimated by your Directors to be in the vicinity of $35,000 for a block. This would make the value of the entitlements held by the Club $501,000.

NOTE 26. AUDITOR'S REMUNERATION

Auditing the Financial Statements	**38,000**	9,193
Other - Tax	**1,500**	-
	39,500	9,193

NOTE 27. FUTURE INCOME

Leases
The operating lease states the Landlord (Willoughby Legion Ex-Services Club Limited) is entitled to be paid by the Tenant (Hyegrove CW LC Pty Ltd and HPG CW HC Pty Ltd) the equivalent to 8% of the sale proceeds less the transactional costs, at the earlier of:

(i) When all of the dwellings have been sublet, or
(ii) 36 months from the date that practical completion of the works has been achieved.

Rent
The rent from the restaurant on Level 1 is anticipated to be $400,000 plus GST, commencing early next year.

WILLOUGHBY LEGION EX-SERVICES CLUB LIMITED
ABN: 35 000 248 117
(A Company Limited by Guarantee)

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 19 are in accordance with the Corporations Act 2001:

(a) Comply with Accounting Standards - Simplified Disclosure Requirements and the Corporation Regulations 2001; and

(b) Give true and fair view of the financial position as at 30th June 2026 and of the performance for the year ended on that date of the company;

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Dated at Willoughby this 31st day of October 2026
In accordance with a resolution of the Directors

.....
VESTER CAMPION - PRESIDENT

.....
MARISE MAECHLER – VICE-PRESIDENT

WILLOUGHBY LEGION EX-SERVICES CLUB LIMITED
ABN: 35 000 248 117
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLOUGHBY LEGION EX-SERVICES CLUB LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Willoughby Legion Ex-Services Club Limited (the Company), which comprises the statement of financial position as at 30th June 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of Willoughby Legion Ex-Services Club Limited, is in accordance with the *Corporations Act 2001,* including:

(a) Giving a true and fair view of the company's financial position as at 30th June 2026, and of its financial performance for the year then ended; and

(b) Complying with Australian Accounting Standards AASB 1060: *General Purpose Financial Statements – Simplified Disclosures for Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001.*

Emphasis of Matter

The licensed Club trading operation ceased on 29th January 2022, and is no longer a going concern. The site is now currently being redeveloped.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section set out under Auditing Standard ASA 700. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001,* which has been given to the directors of the Company would be in the same terms if given to the directors as at the time of the auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLOUGHBY LEGION EX-SERVICES CLUB LIMITED (continued)

Other Information

The directors are responsible for the other information. The other information comprises the information contained in the Willoughby Legion Ex-Services Club Limited Annual Report (but does not include the financial report and our auditor's report thereon).

Our opinion on the financial report does not cover the other information and accordingly we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is no material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exits. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.

Auditor's responsibilities for the audit of the Financial Report (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern.

- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DATED AT SYDNEY
THIS 5TH DAY OF
NOVEMBER 2026

.....
HARLEY, RUSSELL & DAY
Chartered Accountants

GARRY WILLIAM DAY
Registered Company Auditor