



**WorldMark South Pacific Club and Controlled Entity**  
**A.R.S.N. 092 334 015**

**Financial Report**  
**For the Half Year ended 30 June 2018**

**WorldMark South Pacific Club and Controlled Entity**  
A.R.S.N. 092 334 015

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**For the Half Year ended 30 June 2018**

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**WorldMark South Pacific Club and Controlled Entity**  
**A.R.S.N. 092 334 015**  
**Report of the Responsible Entity**

The Directors of the Responsible Entity, Wyndham Vacation Clubs South Pacific Limited A.B.N. 11 090 503 923, submit the financial statements of WorldMark South Pacific Club and Controlled Entity (The Consolidated Entity) for the half year ended 30 June 2018.

**Directors**

The Directors of the Responsible Entity at any time during or since the end of the half year are:

<i><b>Name and qualifications</b></i>	<i><b>Appointed / Resigned</b></i>	<i><b>Special responsibilities</b></i>
Gary Martin Croker		Director
Matthew James Taplin		Director
Elizabeth Collinson	Appointed 30 April 2018	Director
Jorge de la Osa	Resigned 30 April 2018	Director

**Directors' meetings**

During the half year the Directors executed thirteen resolutions.

**Principal activities**

The Consolidated Entity owns and operates vacation ownership resort properties.

No significant changes in the Consolidated Entity's state of affairs occurred during the half year.

**Review and results of operations**

During the half year, 17 resort apartments at three resort locations and 70 weekly intervals at one resort location (financial year ended 31 December 2017: 73 resort apartments at eight resort locations and 1,534 weekly intervals at two resort locations) were placed into the Consolidated Entity for occupancy and 15,338,500 Vacation Credits were authorised (financial year ended 31 December 2017: 88,432,450 credits). At 30 June 2018, 57,185 members of the public (31 December 2017: 56,189 members) had subscribed and were allocated Vacation Credits in the Consolidated Entity.

The consolidated profit from operating activities after tax for the half year ended 30 June 2018 was \$1,909,990 (half year ended 30 June 2017: \$2,381,298).

As at 30 June 2018, the value of the consolidated total assets was \$538,275,885 (31 December 2017: \$558,156,889).

**Distributions**

Subject to clause 17.2 and except as specifically provided for (if any) in the Constitution, there shall be no distribution of income or capital to any member except upon the termination of the Consolidated Entity in accordance with clause 32 and in particular clause 32.3 of the Constitution.

**State of affairs**

In the opinion of the Directors of the Responsible Entity, there were no significant events impacting upon the state of affairs of the Consolidated Entity that occurred during the half year.

**Responsible entity fees**

During the half year, the Consolidated Entity incurred fees amounting to \$3,448,085, (half year ended 30 June 2017: \$3,133,952) for the management of the entity by the Responsible Entity. As at 30 June 2018, the Responsible Entity does not hold any direct interest in the Consolidated Entity.

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**Events subsequent to balance date**

On 2 July 2018, 438 weekly intervals at Wyndham South Pacific Club Kona, Hawaii, were placed into the Consolidated Entity for occupancy and 7,884,000 Vacation Credits were issued.

On 8 August 2018, one apartment at Wyndham Surfers Paradise was placed into the Consolidated Entity for occupancy and 1,185,900 Vacation Credits were issued.

On 9 August 2018, three apartments at Wyndham Dreamland Resort Bali were placed into the Consolidated Entity for occupancy and 3,319,350 Vacation Credits were issued.

Apart from the matters discussed above, there are no other matters of significance that have occurred since 30 June 2018 that have or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in future periods.

**Options**

The Consolidated Entity has no powers to, and has not, at any time granted to a Director or Officer of the Responsible Entity an option to have issued to them any Authorised but Unissued Vacation Credits in the Consolidated Entity.

The Consolidated Entity has not granted to any other person, including the Developer, any rights in respect of Authorised but Unissued Vacation Credits in the Club other than as stipulated in the Constitution of the Consolidated Entity.

**Likely developments**

The Consolidated Entity will continue to perform its present functions for the foreseeable future.

**Indemnification and insurance of officers and auditors**

In respect of the Consolidated Entity:

The Consolidated Entity has not, during or since the half year, in respect of any person who is or has been an auditor of the Consolidated Entity:

- (a) indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- (b) paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

In respect of the Responsible Entity:

The Responsible Entity has not, during or since the half year, in respect of any person who is or has been an auditor of the Responsible Entity:

- (a) indemnified or made any relevant agreement for indemnifying against a liability, including costs and expenses in successfully defending legal proceedings; or
- (b) paid or agreed to pay a premium in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

**WorldMark South Pacific Club and Controlled Entity**  
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**Report of the Responsible Entity**

**Insurance premiums**

A condition of the Australian Financial Services License is that the Consolidated Entity must maintain adequate insurance for professional indemnity and fraud by officers. Accordingly, throughout the financial period the Responsible Entity has maintained a policy to cover its Directors or Executive Officers for liability and legal expenses for claims up to an aggregate value of US\$15,000,000 together with an Errors and Omissions Policy to provide professional indemnity coverage to the Responsible Entity for claims up to an aggregate value of US\$15,000,000. These policies were renewed on 13 July 2018 and are next due for renewal on 13 July 2019. No claims have been made and no claims are pending under either policy. Further details in respect of the policies have not been provided as the policies prohibits such disclosure.

**Leave of proceedings**

No person has applied for leave of Court to bring proceedings on behalf of the Consolidated Entity or intervene in any proceedings to which the Consolidated Entity is a party for the purpose of taking responsibility on behalf of the Consolidated Entity for all or any part of those proceedings.

**Auditor's independence declaration**

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 6 for the half year ended 30 June 2018.

Signed in accordance with a resolution of the Board of Directors of Wyndham Vacation Resorts South Pacific Limited.

  
\_\_\_\_\_  
Matthew James Taplin  
Director  
For and on behalf of Wyndham Vacation Resorts South Pacific Limited

\_\_\_\_\_  
6 September 2018

## Auditor's Independence Declaration

As lead auditor for the review of Worldmark South Pacific Club for the half year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Worldmark South Pacific Club and the entity it controlled during the period.



**Crowe Horwath Brisbane**



**Logan Meehan**  
Partner

Signed at Brisbane, 7 September 2018

Crowe Horwath Brisbane is a member of Crowe Horwath International, a Swiss Verein. Each member of Crowe Horwath is a separate and independent legal entity. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Horwath external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

**WorldMark South Pacific Club and Controlled Entity**  
A.R.S.N. 092 334 015  
**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
**For the Half Year ended 30 June 2018**

	Note	30 Jun 18 \$	30 Jun 17 \$
<b>Revenue</b>			
Levy income	6	35,349,328	32,077,638
Resort income	6	6,169,354	6,745,825
Other income		1,073,093	1,088,360
<b>Total revenue</b>		<u>42,591,775</u>	<u>39,911,823</u>
<b>Expenditure</b>			
Resort operation costs	6	(32,492,012)	(29,692,695)
Administration costs		<u>(8,224,249)</u>	<u>(7,843,534)</u>
<b>Total expenditure</b>		<u>(40,716,261)</u>	<u>(37,536,229)</u>
Profit before income tax		1,875,514	2,375,594
Income tax benefit		<u>34,476</u>	<u>5,704</u>
Profit for the period		1,909,990	2,381,298
<b>Other comprehensive income / (loss)</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
Exchange differences arising on translation of foreign operations		<u>1,160,206</u>	<u>(225,280)</u>
Other comprehensive income / (loss) for the period net of tax		<u>1,160,206</u>	<u>(225,280)</u>
<b>Total comprehensive income for the period</b>		<u>3,070,196</u>	<u>2,156,018</u>

*Notes to and forming part of the financial statements are attached.*

WorldMark South Pacific Club and Controlled Entity  
A.R.S.N. 092 334 015  
Condensed Consolidated Statement of Financial Position  
as at 30 June 2018

	Note	30 Jun 18 \$	31 Dec 17 \$
<b>Current assets</b>			
Cash and cash equivalents		53,853,118	48,603,111
Trade and other receivables		35,227,877	63,179,132
Inventories		166,481	173,410
Other current assets		2,545,956	2,901,922
<b>Total current assets</b>		<u>91,793,432</u>	<u>114,857,575</u>
<b>Non-current assets</b>			
Property, plant and equipment		440,456,775	432,880,016
Financial Assets		6,025,678	5,671,804
<b>Total non-current assets</b>		<u>446,482,453</u>	<u>438,551,820</u>
<b>Total assets</b>		<u>538,275,885</u>	<u>553,409,395</u>
<b>Current liabilities</b>			
Trade and other payables		10,552,826	9,160,281
Other current liabilities	6	42,095,226	69,888,029
Short term provisions		1,153,560	1,068,676
<b>Total current liabilities</b>		<u>53,801,612</u>	<u>80,116,986</u>
<b>Non-current liabilities</b>			
Long term provisions		222,353	256,525
<b>Total non-current liabilities</b>		<u>222,353</u>	<u>256,525</u>
<b>Total liabilities</b>		<u>54,023,965</u>	<u>80,373,512</u>
<b>Net assets</b>		<u>484,251,920</u>	<u>473,035,883</u>
<b>Equity</b>			
Vacation credits on issue		468,601,868	460,456,027
Retained earnings	6	13,482,360	11,572,370
Foreign currency translation reserve		2,167,692	1,007,486
		<u>484,251,920</u>	<u>473,035,883</u>

Notes to and forming part of the financial statements are attached.



WorldMark South Pacific Club and Controlled Entity  
A.R.S.N. 092 334 015  
Condensed Consolidated Statement of Changes in Equity  
For the Half Year ended 30 June 2018

	Note	Vacation credits on issue \$	Retained earnings \$	Foreign currency translation reserve \$	Total \$
<b>Consolidated</b>					
Opening Balance as at 1 January 2017		423,295,359	12,814,921	2,196,123	438,306,403
Total comprehensive income / (loss) for the period		-	2,381,298	(225,280)	2,156,018
Transactions with owners in their capacity as Owners					
Vacation Credits issued		16,182,209	-	-	16,182,209
Closing balance 30 June 2017		439,477,568	15,196,219	1,970,843	456,644,630
Opening balance 1 January 2018		460,456,027	16,319,864	1,007,486	477,783,377
Adjustment to Opening Retained earnings	6		(4,747,494)		(4,747,494)
Restated Opening balance 1 January 2018		460,456,027	11,572,370	1,007,486	473,035,883
Total comprehensive income for the period		-	1,909,990	1,160,206	3,070,196
Transactions with owners in their capacity as Owners					
Vacation Credits issued		8,145,841	-	-	8,145,841
Closing balance 30 June 2018		468,601,868	13,482,360	2,167,692	484,251,920

Notes to and forming part of the financial statements are attached.

**WorldMark South Pacific Club and Controlled Entity**  
A.R.S.N. 092 334 015  
**Condensed Consolidated Statement of Cash Flows**  
**For the Half Year ended 30 June 2018**

	30 Jun 18 \$	30 Jun 17 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	40,437,212	40,608,930
Interest received	485,287	495,978
Payments to suppliers and employees	(33,571,083)	(34,462,526)
GST paid	(569,421)	(550,203)
	<hr/>	<hr/>
Net cash provided by operating activities	6,781,995	6,092,179
<b>Cash flows from investing activities</b>		
Payments for property, plant & equipment	(1,489,952)	(1,050,420)
	<hr/>	<hr/>
Net cash used in investing activities	(1,489,952)	(1,050,420)
<b>Cash flows from financing activities</b>		
Advances (to) / from related parties	(42,037)	(600,115)
	<hr/>	<hr/>
Net cash (used in) / provided by financing activities	(42,037)	(600,115)
Net increase in cash and cash equivalents held	5,250,007	4,441,644
Cash and cash equivalents at the beginning of the financial period	48,603,111	40,007,483
	<hr/>	<hr/>
Cash and cash equivalents at the end of the financial period	53,853,118	44,449,127

*Notes to and forming part of the financial statements are attached.*

WorldMark South Pacific Club and Controlled Entity  
A.R.S.N. 092 334 015  
Notes to the Condensed Consolidated Financial Statements  
For the Half Year ended 30 June 2018

**Note 1 Statement of significant accounting policies**

**(a) Basis of accounting**

The Half Year Consolidated Financial Statements are general purpose financial statements that have been prepared in accordance with AASB 134: *Interim Financial Reporting*, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The scheme is a 'for-profit' entity for financial reporting purposes under the Australian Accounting Standards.

The financial statements cover the economic entity of WorldMark South Pacific Club and the Controlled Entity as the Consolidated Entity. WorldMark South Pacific Club, ("the Club"), is domiciled and incorporated in Australia.

The financial statements of WorldMark South Pacific Club and Controlled Entity comply with International Financial Reporting Standards in their entirety.

It is recommended that these financial statements be read in conjunction with the annual financial statements for the year ended 31 December 2017 and any public announcements made by WorldMark South Pacific Club and its Controlled Entity during the half year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The half year report does not include full disclosures of the type normally included in the annual financial statements.

This financial report was authorised for issue by the Board of Directors of the Responsible Entity on 6 September 2018.

**WorldMark South Pacific Club and Controlled Entity**  
**A.R.S.N. 092 334 015**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Half Year ended 30 June 2018**

**Note 2 Equity**

The Responsible Entity expressly waives and releases all rights and remedies which it otherwise might have at law or in equity to recover money from an Owner because of any right of indemnity or subrogation but nothing shall affect an Owner's liability to pay to the Responsible Entity any maintenance levies or special levies applicable in respect of their Ownership and relating to a period prior to termination of the Consolidated Entity.

**Vacation credits on issue**

	30 Jun 18 No. of units (6 Months)	31 Dec 17 No. of units (12 Months)
Balance at 1 January	930,373,290	841,940,840
Authorised Vacation Credits issued	15,338,500	88,432,450
Balance at end of period	<u>945,711,790</u>	<u>930,373,290</u>
Vacation Credits on issue represented by:		
Authorised Vacation Credits issued and sold	944,558,760	909,214,760
Authorised Vacation Credits issued but unsold	1,153,030	21,158,530
	<u>945,711,790</u>	<u>930,373,290</u>

As at 30 June 2018 the Responsible Entity does not hold any direct interest in the Consolidated Entity.

**Note 3 Subsequent events**

On 2 July 2018, 438 weekly intervals at Wyndham South Pacific Club Kona, Hawaii, were placed into the Consolidated Entity for occupancy and 7,884,000 Vacation Credits were issued.

On 8 August 2018, one apartment at Wyndham Surfers Paradise was placed into the Consolidated Entity for occupancy and 1,185,900 Vacation Credits were issued.

On 9 August 2018, three apartments at Wyndham Dreamland Resort Bali were placed into the Consolidated Entity for occupancy and 3,319,350 Vacation Credits were issued.

**Note 4 Non cash transactions**

During the half year, 17 resort units at three locations and 70 weekly intervals at one location (half year ended 30 June 2017: 34 resort apartments at six resort locations) were acquired for the Consolidated Entity by Wyndham Destinations Asia Pacific Pty Limited - the Developer. As a result of this transaction 15,338,500 Vacation Credits were authorised (half year ended 30 June 2017: 31,282,450 credits). These transactions are non cash in nature and therefore not included in the Statement of Cash Flows. The Developer owns one special class of Vacation Credit known as the Developer Vacation Credit. Under the terms of the Constitution of the Consolidated Entity, in exchange for placing the resort apartments into the Consolidated Entity unencumbered, the Developer is entitled to the proceeds of the Vacation Credits, as and when they are issued to the general public by the Responsible Entity.

**Note 5 Transactions with related parties**

The Responsible Entity of the Consolidated Entity is Wyndham Vacation Clubs South Pacific Limited. Management fees are determined in accordance with the Constitution of the Consolidated Entity. During the half year, the Consolidated Entity incurred fees amounting to \$3,448,085 (half year ended 30 June 2017: \$3,133,952) for the management of the entity by the Responsible Entity.

The Developer is Wyndham Destinations Asia Pacific Pty Limited. During the half year, the Developer acquired 17 resort units and 70 weekly intervals (financial year ended 31 December 2017: 73 units and 1,534 weekly intervals), which it has placed into the Consolidated Entity unencumbered.

Developer levies are determined in accordance with the Constitution of the Consolidated Entity and are payable by the Developer to the Consolidated Entity within 14 days of the end of each month. During the half year ended 30 June 2018, the Developer levies were \$259,463 (half year ended 30 June 2017: \$116,379).

Other entities of the Wyndham Group provide services to the Club which are invoiced on commercial arms length terms as agreed with the Responsible Entity.

**WorldMark South Pacific Club and Controlled Entity**  
**A.R.S.N. 092 334 015**  
**Notes to the Condensed Consolidated Financial Statements**  
**For the Half Year ended 30 June 2018**

**Note 6 New accounting standards and interpretations**

**AASB 9: Financial Instruments**

AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and are solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI').

The Club has assessed that financial assets, other than equity instruments, recognised in both the prior period and current period do not meet the SPPI criterion given the financial assets have other cash flows that are not solely payments of principal and interest. Therefore no impact attributable to the new standard is noted and adjustment to the initial recognition of the financial assets is not required.

For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. The standard also introduces additional new disclosures.

In line with AASB 9, the financial assets have been classified and measured at fair value and any realised and unrealised gains and losses arising from changes in the fair value of these assets will be included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. All recognised financial assets have been assessed for indicators of changes in fair value as at the reporting date and no significant movement from the acquisition value has been established.

**AASB 15: Revenue from Contracts from Customers**

*Tours and Concessions Revenue*

As a result of the adoption of AASB15 Revenue from Contracts with Customers effective from 1 January 2018, the Consolidated Entity has amended the presentation of revenue derived from third parties for commission earned on selling third party goods and services. Under AASB15, revenue derived from tours and concessions is to be reported on a net basis rather than presented as gross revenue with the associated cost of sale.

In transitioning to the new presentation criteria for tours and concessions revenue, the Consolidated Entity has adopted the prospective approach. In accordance with this approach, the Consolidated Entity will apply the above changes under AASB15 with respect to the reporting of tours and concessions revenue as at the date of initial application, that being 1 January 2018.

The Consolidated Entity notes that had the effect of AASB15 been retrospectively applied for the prior period comparative, the impact on resort income and resort operation costs as presented in the Condensed Consolidated Statement of Profit or Loss for the period ending 30 June 2017 would have been a reduction in both revenue and associated expenditure of \$333,560.

*Housekeeping tokens*

In relation to the adoption of AASB15 Revenue from Contracts with Customers commencing 1 January 2018, the Consolidated Entity has adopted a change in the timing of recognising revenue in relation to a portion of annual membership levies that relates to the provision of a housekeeping token. Prior to 1 January 2018, total annual membership levies income was recognised on a straight line basis over the twelve month levy period. Upon adoption of AASB15, the portion of membership levies relating to housekeeping tokens will be recognised as revenue in line with the satisfaction of performance obligations, that being the time at which the housekeeping token is redeemed.

The Consolidated Entity has adopted the prospective approach in transitioning to the new recognition criteria applied to housekeeping tokens. In accordance with this approach, the Consolidated Entity has retrospectively applied the cumulative effect of initially applying AASB15 at the date of initial application (1 January 2018).

In line with this approach, the impact on Opening Retained Earnings and Deferred Income from Owner Levies as at 1 January 2018 in the Condensed Consolidated Statement of Financial Position is \$4,747,494.

**AASB 16: Leases**

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases.

Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position and measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred.

A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs).

The Club is conducting a full review of all lease agreements where the Club is Lessee and Lessor to determine the impact of any changes to AASB 16. The Club will adopt any changes to the accounting treatment of leases effective 1 January 2019. Upon initial assessment, no material impacts have been identified.

**WorldMark South Pacific Club and Controlled Entity**  
A.R.S.N. 092 334 015  
**"Responsible Entity" Directors' Declaration**

The Directors of the Responsible Entity declare that:

- (a) the financial statements and notes of WorldMark South Pacific Club and Controlled Entity set out on pages 7 to 13 are in accordance with the Corporations Act 2001, which:
  - (i) comply with AASB 134 : *Interim Financial Reporting and Corporations Regulations 2001* ; and
  - (ii) give a true and fair view of the financial position of the Consolidated Entity as at 30 June 2018 and its performance for the half year ended on that date; and
- (b) in the Directors' opinion:
  - (i) at the date of this declaration, there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors of the Responsible Entity at Bundall,

  
\_\_\_\_\_  
Matthew James Taplin  
Director  
For and on behalf of Wyndham Vacation Resorts South Pacific Limited

\_\_\_\_\_  
6 September 2018

## Independent Auditor's Review Report to the members of WorldMark South Pacific Club

### Report on the half-year financial report

We have reviewed the accompanying half-year financial report of WorldMark South Pacific Club and its controlled entity, which comprises the condensed consolidated statement of financial position as at 30 June 2018, and the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

### Directors' responsibility for the half-year financial report

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

### Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of WorldMark South Pacific Club and its controlled entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Crowe Horwath Brisbane is a member of Crowe Horwath International, a Swiss Verein. Each member of Crowe Horwath is a separate and independent legal entity. Liability limited by a scheme approved under Professional Standards Legislation other than for the acts or omissions of financial services licensees.

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Horwath external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of WorldMark South Pacific Club and its controlled entity is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard *AASB 134 Interim Financial Reporting* and *Corporations Regulations 2001*.



**Crowe Horwath Brisbane**



**Logan Meehan**  
Partner

Signed at Brisbane, 7 September 2018