



Boating Industry Association
of Victoria

Annual Report 2015



BOATING INDUSTRY ASSOCIATION OF VICTORIA LTD
1ST JULY 2014 TO 30TH JUNE 2015



*Boating Industry Association
of Victoria*

Annual Report 2014/15

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President's Report

It's an exciting time to be part of the Boating Industry here in Victoria. The economy is finally climbing out of the doldrums with record low home loan interest rates, increasing housing values, near record highs in the stock market and a slow return of confidence by sectors of the business community. Victorian manufacturers who export their product are now experiencing international sales growth because of the 30% devaluation in the Australian Dollar compared to the US dollar.

14 months ago the BIA Victorian Board of Directors created new Strategic/Operation Plan, and by operating through this lens we are experiencing a revitalization of our association, where in the last 12 months we have made great progress. Our Association exists mainly to provide value and assistance to our members, and our Strategic Plan focusses on these seven key areas:

- 1) Membership;
- 2) Advocacy;
- 3) Communication;
- 4) Business Development;
- 5) Profile / Promotion of industry to the Boating to Public;
- 6) Education & Training; and
- 7) Corporate Governance & Management of the association.

We are an industry that undergoes many challenges and opportunities each year. In these last 12 months our Association has responded well to these challenges and opportunities, as The Voice of the Marine industry.

As an Association we are committed to advocating issues that matter to the success of member businesses, other key stakeholder, and the boating public. In 2014/2015 we have been vigorous with our advocacy efforts, communicating and engaging with a prolific number of key decision-makers in partner associations, community groups, clubs, and all levels of government. Integral to our conversation with these different entities was the development of the "Boating Industry Snapshot: Drivers of Growth", which promotes the economic and

social value of our industry. Using this document in presentation to various Ministers and key decision-makers at state & national government levels, they were able to see for the first time the significant size and scope of our industry.

Amongst the various advocacy undertakings we've accomplished and/or been involved in for 2014/2015 include:

- Meeting with the Federal Treasurer for the promotion of small business and those in the Victorian Boating Industry;
- Opening of the 2015 Melbourne Boat Show by the Federal Minister for the Environment, the Hon. Greg Hunt MP;
- Opening of the Portland Boat Ramp with the Victorian Premier;
- Launch of BIAV Boating & Marine Industry Careers Guide by the Victorian Minister for Training & Skills, the Hon. Steve Herbert MP
- Launch of Destination Boating by the Victorian Minister for Tourism & Major Events, the Hon. John Eren on the steps of the Victorian Parliament
- Executive committee members of the Minister for Ports' Boating Infrastructure Stakeholders Group;
- Development of the Launching Way Master Plan;
- Development of the Demand Management Strategy for boat ramps in Victoria, increasing use of their boats and improving boater experience - Webcams Project;
- More than 100 Member of Parliament industry briefings and business meetings;
- Launch of the Blue Infrastructure Fund and safe, positive boating experience concepts; and
- Media communication and regular delivery of key messages to all Victorian members of Parliament, their advisers and senior government department heads, along with all Victorian local government CEO's.

Primary to our function as an Association is the promotion of recreational boating. Our largest initiative in this area is the Melbourne Boat Show, which this year was opened by the Federal Minister for the Environment, the Hon. Greg Hunt MP. This year's event garnered over 29,000 visitors and the support of over 130 exhibitors. We made a substantial investment in a new floor plan, creative marketing strategy, new exhibits, new café/bar areas, better food, the return of large motor and sail vessels, two boat show celebrity ambassadors, show prizes and the capture of over 14,500 email addresses from attendees for future marketing of the show. This year's Show was a major success with exhibitors experiencing the best show and post show sales figures since before the Global Financial Crisis.

A major industry promotion we launched at the end of 2014 was our "Life's Better With A Boat" campaign. Through this campaign, we have been able to bring awareness to the boating lifestyle and provide information to boaters both seasoned and new. We implemented a hugely successful social and digital media campaign for Life's Better With A Boat and will continue to drive this in the next year and develop more innovative ways to promote boating.

Paramount to the success of our Association is the support provided by you – our BIAV members. I want to thank you for being part of an Association that works tirelessly on your behalf. I encourage you to keep providing us with your feedback, so that we may continue to deliver meaning to your membership. In addition, I challenge you to become more involved with our Association if you aren't already. Our doors are always and we are just a phone call or email away. Let's share ideas and support each other for the advancement of our industry.

Lastly, I want to thank my fellow Board members and BIA staff for their time and support of this Association. Their support and guidance in helping to achieve our mission as an Association is invaluable.



Paul Benjamin
President
Boating Industry Association of Victoria



Chief Executive Officer's Report

The Boating Industry Association of Victoria has made great progress in 2014/2015, with many achievements throughout.

Guided by our Strategic Plan, the direction of our Board of Management, hard work of a dedicated team, we have been able to accomplish our objectives and establish our leadership as the voice of the marine industry. Together with this, I cannot go without recognizing the support of members for the work we do as an organisation. The passion and dedication that I have encountered from members and the industry is a true asset to moving our association forward.

Advocacy

It's important for us to educate our decision-makers on the importance of our contributions as an industry. We have had an extremely active year with our advocacy efforts, having met with many state and federal politicians and making them aware of the size and scope of our industry. By facilitating tours of our industry and holding meetings with politicians, government agencies and industry bodies; we are working collaboratively to strengthen our relationships with stakeholders. Many of these decision-makers were surprised to learn that there was more watercraft ownership in Victoria compared with motorbikes and campervans/caravans*.

In addition to conducting meetings and tours with our political and governmental stakeholders, we developed the concept of a Blue Infrastructure Fund. Through the Blue Infrastructure Fund, we have proposed several sources of funding to be considered for the long-term management of Port Phillip and Western Port bays. It's vital for us to consider the environment, access to water and the role of our coastal areas and bays in Victoria's economic and social fabric as important and irreplaceable parts of Victoria's infrastructure making future planning and management of the bays a high priority.

2015 has seen a significant focus in increasing the general understanding and awareness of our industry. This led to initiatives such as the release of the 2015 Industry Snapshot – Drivers of Growth that identifies the key opportunities for the

industry. In addition to that, we launched Industry Snapshot – Destination Boating, which features the massive opportunity our industry presents to tourism throughout our state. Working with the State government, tourism boards and tourism councils, we were able to highlight the boating tourism opportunities of various regions throughout the state.

Our advocacy efforts are prolific and we strive to continue our efforts in strengthening our relationships with stakeholders and bringing awareness to the issues that affect our industry.

Communication & Engagement

Communication is a key component to the success of our organisation and this year saw an amplification of our efforts. We increased our member visits and appreciated the feedback about the association, member businesses and the industry. I want to emphasise to members that the BIAV team is here to serve you and are just a phone call or email away.

In addition to member visits, we continue to develop the BIAV website and our social media outlets. Currently the BIAV Facebook page has over 2,800 Likes and the Life's Better With A Boat Facebook page having over 6,000 Likes, with both continuing to grow. In having to cover a large and diverse constituency, these initiatives assist the BIAV in engaging with members, the industry and stakeholders. We also continue to develop the fortnightly BIAV online newsletter to provide up-to-date news and information, in addition to highlighting and promoting our membership.

In 2015 we introduced the BIAV Industry Breakfast Briefing meetings. Held quarterly, the premise of the Industry Breakfast Briefing meetings is to bring the industry and association members together to network, share ideas, be updated on progresses being made by the association and the industry, in addition to a presentation that focuses on a business or industry topic that is of benefit to members. An evolving initiative, we continue to develop on the Industry Breakfast Briefing meetings, to deliver a forum for information sharing, while bringing together the industry and members.

Industry Promotion

Melbourne Boat Show

As the largest promotion of boating in Victoria, this year the BIAV endeavoured to maximise this opportunity regarding the Melbourne Boat Show. We actively engaged with both general and industry media, which saw the entirety of the industry being showcased. Media coverage of the show extended from mainstream media programs including Channel Ten's The Project, and coverage on mainstream news programs including Channel Nine and Channel Seven; as well as write-ups and publicity from industry media.

We were pleased to have the federal Minister for Environment, Greg Hunt MP, launch the National Clean Air Standards legislative and officially open the 2015 Melbourne Boat Show. In addition to Minister Hunt, we had a number of government and political stakeholders come through during the four days of the event, providing us with a chance to further educate them about what our industry is about.

This year's saw the participation of over 130 exhibitors and more than 29,000 visitors come through the doors of the Melbourne Convention & Exhibition Centre. A revamped show was put in place this year, with a new floorplan implemented that allowed for greater flow of traffic, and maximised space to enable exhibitors the full capacity of attracting visitors. In addition, we implemented a marketing strategy with a strong focus on data collection, which has generated over 13,5000 registered visitors who can be directly communicated with in the future. This will allow us to further enhance our marketing efforts of the Melbourne Boat Show to attract visitors.

Life's Better With A Boat

In late 2014, the BIAV launched Life's Better With A Boat, our industry-wide, public facing promotion. It aims to bring great awareness to boating as a fun, family friendly and affordable recreational activity. Garnering member and industry support, the campaign harnesses the power of new media, combined with traditional communication forms to inform, educate and make people aware of the benefits that boating can bring to their lives. Through this strategy, we aim to bring awareness to boating as a recreational outlet and increase market growth.

The BIAV enlisted 18 industry businesses as official partners of the campaign and we engaged with a number of fishing and boating personalities including Lee Rayner of Fishing Fever, the BIAV's own Darren Finklestein – the Boat Guy and Paul Worsteling of iFish, to bring awareness, information and education on a number of boating topics through video. These videos were channelled primarily through the Life's Better With A Boat website and the Facebook page. It has generated plenty of engagement amongst the boating community both new and old.

We plan to build on the campaign in the next year, with programming such as boat festivals being incorporated into the mix. We are always looking for industry and member participation and look forward to BIAV members becoming further involved to bring awareness to boating.

Training and Career Development

Developing and promoting marine training and careers is essential to the future of the industry and the BIAV has identified that we need to have a greater involvement in this area. We want the BIAV to be part of an individual's tool belt when exploring marine careers and training. Working collaboratively with the Victorian government, TAFE institutions and the Career Education Association of Victoria, this year we developed a number of initiatives to promote and increase participation in marine training and careers.

A major initiative towards this focus was the development of the Boating & Marine Industry Careers Guide. Together with members from BIAV, the State Dept. of Education & Training, GOTAFE, and Holmesglen Institute, we were able to work with the guidance of the Career Education Association of Victoria to develop an online guide that outlines a number of marine careers and provides a comprehensive guide to the various pathways towards those careers. The Careers Guide was launched during Careers Day at the 2015 Melbourne Boat Show by the Victorian Minister for Training & Skills, Hon. Steve Herbert MP and has received a great amount of positive feedback from the industry and careers practitioners throughout Victoria.

Also using the 2015 Melbourne Boat Show as a platform, we held Careers Day which was an information showcase of marine training and careers opportunities. As part of Career Day, we created an information centre that included information on various marine training courses throughout Victoria, a 3D modelling display and a display of marine textiles. Also part of Careers Day was a hands-on boat-build with apprentices working on it in real-time. The final boat served

as the main prize for the Melbourne Boat Show competition. In addition, we held an Industry Panel Discussion that drew upon the knowledge and experience of several leaders within our industry. A great success, it drew over 60 attendees from apprentices/pre-apprentices, TAFE representatives from various institutions and careers practitioners.

I am pleased to report that our efforts in promoting marine industry careers have already garnered exceptional results that have included an increase in apprenticeships for both boat building and marine fabrication.

The BIAV has made great strides in 2015 and have undertaken some important achievements for the betterment of the industry. We plan on continuing these efforts as we go into the next year and beyond. These achievements however, would not have been possible without the continuing support of our members. As such, I urge members to continually support your industry and association – the industry that is the lifeblood of your businesses; and an association whose pre-eminent existence to support the growth, improvement and professionalism of the marine industry.



Steven Potts
Chief Executive Officer
Boating Industry Association of Victoria

**2014 Roy Morgan Research*

BIAV Membership Update

The membership of the BIAV is the lifeblood of the association and as such, it constantly reviews its member offerings and endeavours to provide value added benefits, both tangible and intangible. Through these member benefits, the aim of the BIAV is always to support members with their businesses, their professional development and for the betterment of the industry.

These member benefits are continually promoted through our communication channels such as the BIAV e-News, email campaigns, website, social media and member visits. These channels have been effective in not only promoting BIAV membership to current members but have served well in attracting new members.

Government advocacy remains at the intangible end of the continuum when it comes to membership benefits. Nevertheless, member feedback has been greatly positive with the BIAV's advocacy strategy in the last 12 months. This advocacy strategy which has involved holding meetings with stakeholders, facilitating industry tours involving decision-makers and embarking on advocacy campaigns that support growth and progress of the industry. Through these efforts the BIAV membership can be assured that the entire BIAV team works tirelessly to ensure the recreational boating industry has a voice and that voice is heard.

The BIAV continues to build on its member benefit offerings including:

- **Discounted merchant banking with the Commonwealth Bank of Australia**

Through a partnership with the CBA, BIAV members have access to a number of merchant services including Albert, a new EFTPOS tablet with a discounted merchant rate

- **Free domestic and international travel insurance**

Provides members with peace of mind when travelling overseas or within Australia. This free member benefit provided through Network Insurance Group, is available to all members and their employees for business and personal travel.

- **Free BIAV OH&S manual**

Reviewed by WorkSafe Victoria, this free OH&S manual can be tailored to a member business. It is valued at \$300.

- **Tailored business and marine insurance**

Through the BIAV's partnership with Network Insurance Group/Steadfast members have access to specialised insurance products and services from a company that knows the industry.

- **Discounted rates to exhibit at the Melbourne Boat Show**

As the premier boat show in our state, members have available to them multiple discounts as exhibitors and sponsorship opportunities.

- **Access to becoming a provider of the 50-Point Safety Check program**

Available for members to provide to their customers, the 50-Point Safety Check program ensures safety and added value to a business' service.

- **Accredited Dealer Program**

The Accredited Boat Dealer/Broker Program is a way for members to raise standards and build consumer confidence in BIAV members and their businesses.

- **Free business listing on Shipmate Directory**

A free printed and online boating and marine business directory that is distributed throughout Victoria, members receive a free listing of their business/organisation as part of their BIAV membership.

- Use of National Water Sports Centre ramp/ waterway outside of public use.
- BIAV logo usage for signage and promotional materials.
- Discounted meeting room hire at Marine House.
- Up-to-date industry news, information and resources through the BIAV e-News, website and social media channels.
- Mediation between member businesses and consumers.
- Ideas and information exchange through industry networking functions and meetings.

Financial Divisional Members

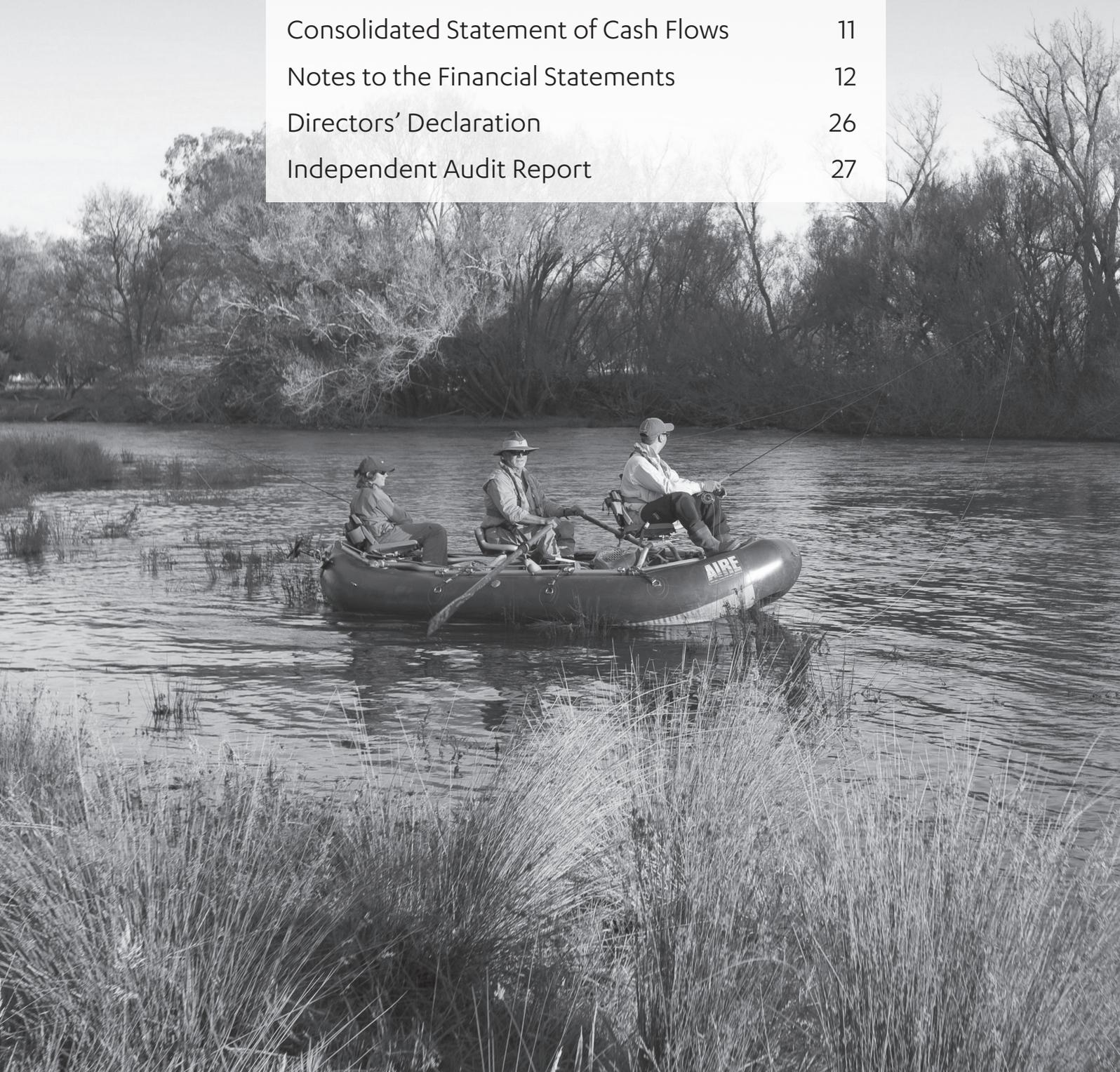
With resignations and un-financials taken into account the table of members is as follows as at 30 June 2015:

Divisions	2014/2015	2013/2014
Chandlery, Services and Associations	67	67
Manufacturers, Wholesale and Distribution	49	52
Boat Dealers	57	54
Clubs and Marinas	29	30
Life Members	22	21
Total	224	217



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DIRECTORS' REPORT

Your directors present their report on the consolidated group for the financial year ended 30 June 2015.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Paul Benjamin – President

(Appointed 25 November 2010)



Paul Benjamin is the owner of Benjamin & Benjamin Insurance Group – a third generation insurance brokerage specialising in business for members of the marine industry. Paul has been part of the insurance industry for more than 20 years and the marine industry for 14 years. A Keen boater since the age of seven, Paul has taught sailing overseas, owned sailing and sailboard businesses and was the sales director for Australian and American powerboat businesses.

With his insurance and accounting qualifications, Paul holds a Post Graduate Diploma of Management and a Masters of Business Administration.

Paul is a Fellow of the Australian and New Zealand Institute of Insurance & Finance (ANZIIF), a Fellow of the Australian Institute of Management and member of the Australian Institute of Directors.

Additionally, he is the Deputy Chairman of the Boating Industries Alliance Australia, which is the peak body for the Australian marine industry. It is the alliance of the six state Boating Industry Associations, who represent more than 90% of the businesses and groups in the Australian marine industry and contributes more than \$12.7 billion dollars to the Australia economy. Paul is also a member of the Victorian Ministerial Boating Infrastructure Stakeholder Group, advising on the application of Victorian Government grant money for boating infrastructure.

Together with his involvement in the marine industry, Paul is the Deputy Chairman of the insurance Brokers Board of Australian & New Zealand Institute for Insurance and Finance (ANZIIF), the peak body for the insurance and finance industries, which represents more than 6,800 insurance brokers across Australia, New Zealand and links to 28 other countries, cumulatively placing more than \$10 billion in premium with insurers.

Irene Hoe – Vice President

(Appointed 24 November 2005)



Irene Hoe is the General Manger of Western Port Marine in Hastings and has been in that position since 1997. She is an accredited Certified Marina Manager (CMM) and also holds a Master of Business Administration. She is currently studying for a Masters in International Relations.

Irene is an active member of the Marina Association having attended numerous marina conferences over time. She has a strong interest in growing the Marina division in Victoria, as well as fostering good relationships between all sectors of the marine industry.

David Peter Heyes

(Appointed 2 May 1996)



David Heyes has over 31 years' experience in industrial machinery engineering and a certification in Recreational Product and Small Engine Technology.

He first joined Heytrack (Australia) Pty. Ltd. in 1972 which began its operations as the exclusive distributor of the Canadian company, Bombardier, Inc., in 1960. David, as General Manager and CEO for Heytrack headed up the company for the distribution of Bombardier Seadoo Personal Watercraft in 1991 and soon became a mainstream player and market leader in this segment of the marine business.

In July 2001, Bombardier, Inc. acquired certain assets of Heytrack (Australia) Pty. Ltd. And David was appointed Executive Director for BRP Australia. This involved the management of the long-term sustainability for the BRP marine business. In addition to this, David is head of Public Affairs and manages the legislative pressures that affect the company in both Australia and New Zealand; together with managing compliance of new product introduction to the market.

Active in the marine industry, David is the Chairman of the Australian Marine Engine Council (AMEC) and a delegate of the Federal Chamber of Automotive Industries (FCAI). He is a past President and past Vice President of the BIAV and is currently sitting his tenth term as a Director on the Board of Management of the BIAV.

DIRECTORS' REPORT

Andrew Charles Warner

(Appointed 16 December 2008)



Andrew Warner is a second generation owner of the well-established – Anchor Marine. He has had a long relationship with the water, having first been taken to sea by his parents before he could walk. A keen yachtsman, Andy enjoys sailing of the beach in dinghies and large ocean keel yachts.

Andy spent 2 years in the Pacific Islands managing a fleet of ships for Fathom Fisheries, Ltd. and was a Governor to the Tongan Maritime Polytechnical Institute during this time. As a qualified naval architect, Andy is a member of the Society of Naval Architects and Marine Engineers, a member of the American Boat and Yacht Council, and a former Commodore of the Ocean Racing Club just to name a few.

For the past two years, Andy sat on the Board of the Boating Industries Alliance of Australia and in 2013 was on the organising committee of the national industry conference – Marine13.

Stuart Charles Jackson

(Appointed 15 March 2011)



Stuart Jackson is a director of R Marine Jacksons, a new and used boat broker based at the Sandringham Yacht Club. R Marine Jacksons is the sole Victorian dealer for the new range of Riviera rang of luxury boast, whilst also dealing in all brands of used boats.

Stuart has been in the Marine industry for 21 years and the Jackson family name has been involved in the marine industry for over 50 years through marina development and various boat brokerage businesses. The Jackson family has been members of the BIAV since its inception and was part of the original group of seven boat dealers that formed what is now Club Marine Insurance.

Stuart has completed a certificate in Business development and holds a Master Mariner Five ticket for commercial vessels.

Paul Junginger

(Appointed 24 November 2011)



Paul Junginger started working in the marine industry in 1988 as an apprentice boat builder in Hastings building aluminium boats. He moved to Melbourne in 1990 and began his long lasting relationship with fibreglass boats. In 2003, he began PM Marine Manufacturing with his wife Melinda, initially producing after-market fibreglass marine accessories. From there, Paul's passion for boating and fishing saw him create the award winning range of Evolution Boats. When not working, Paul enjoys spending the day on the water fishing and boating with family and friends.

Gary Freeman

(Appointed 29 November 2012)



Gary Freeman started with boating at the age of 12 and is passionate about boats, having learnt to sail in Sydney Harbour. Gary is currently a director of a number of private companies in finance and property management. He has also established two boating brands in Melbourne – the Pleasure Cruising Club, Inc. which is a membership based organisation in Docklands and Boat4hire, which offers a tow away boating

Gary has a degree in Computer Science and has considerable expertise in social media and internet marketing. Gary enjoys recreational boating with his family and friends.

DIRECTORS' REPORT

Andrew Wenzel

(Appointed 19 November 2013)



Andrew Wenzel has been boating and fishing for most of his life. He spent a great deal of his time down on the Mornington Peninsular boating in and around Port Phillip Bay.

He is currently the Marine Territory Manager for Honda MPE and looks after a large portion of business on the east coast of Australia. Having experienced countless boat shows across the country and Andrew has a strong understanding of the boating public and marine industry.

Andrew joined the board to make a difference to how boating and fishing on the Victorian water ways. Having marine dealers in all parts of Australia, Andrew has unique insight into the industry and brings with him his unique experiences to improve recreational fishing and boating in Victoria.

Neil Hancock

(Appointed 28 November 2013)



Westport Marina is Neil Hancock's passion for the marine industry started in 1985. There he ran a successful fabricating business and automotive workshop with his wife Kerri and subsequently purchased in 1989. This provided Neil with the vision for what has become extremely rewarding and amazingly enjoyable venture for himself and his family – Aussie Boat Covers.

Aussie Boat Covers was born in 1992 at a premises in Mornington. It later relocated to Patterson Lakes Marina, and was there for ten years. It is now currently located at St Kilda Marina. Neil's driving desire is to be part of a team focused on creating a sustainable proactive industry with quality services and facilities that will make Melbourne the most structured and focused marine sector in the southern hemisphere.

Theo Rozakis

(Appointed 28 November 2013)



Theo Rozakis has been involved in boating and fishing for over 40 years. After spending 14 years of his working life and gaining formal qualifications in Occupational Health and Safety it was time to make his boating passion his career. Together with his brother Michael as co-director, they formed MY Marine Pty Ltd located in Dromana on the Mornington Peninsula.

MY Marine has now been established for over 22 years specializing in award winning Stabicraft and Surtees Plate Alloy fishing boats, Raeline Fibreglass sports cruisers and bow riders, Chaparral luxury sports cruisers, Honda and Yamaha outboards. MY Marine also services and repairs most brands of outboard and inboard motors all within an accredited and fully equipped workshop facility employing trained marine mechanics and service technician.

In 2007, Theo joined the team of the popular fishing, cooking and lifestyle TV show "River To Reef" which airs nationally across various networks. In 2010, Theo pursued his other passion – cooking, and went on to complete his Certificate 111 in Commercial Cookery at the Gordon Institute of TAFE.

Now a qualified chef, Theo's passion for all things boating, fishing and cooking keeps him very busy in the exciting and forever growing marine industry.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

During the financial year, 9 meetings of directors (including committees of directors) were held.

Attendance by each director during the year were as follows:

Paul Benjamin
Irene Hoe
David Peter Heyes
Andrew Charles Warner
Stuart Charles Jackson
Paul Junginger
Gary Freeman
Andrew Wenzel
Neil Hancock
Theo Rozakis

	Directors' Meetings		Finance Committee	
	Number eligible to	Number attended	Number eligible to	Number attended
Paul Benjamin	9	7	9	7
Irene Hoe	9	8	9	6
David Peter Heyes	9	7	9	5
Andrew Charles Warner	9	7	9	7
Stuart Charles Jackson	9	5	-	-
Paul Junginger	9	8	-	-
Gary Freeman	9	8	9	7
Andrew Wenzel	9	4	-	-
Neil Hancock	9	8	-	-
Theo Rozakis	9	5	-	-

Review of Operations

The operating result of the economic entity (association) after providing for income tax was a loss of \$342,890 (2014 - profit of \$68,244)

Although this financial result was below the Budget set at the beginning of the reporting period, the Loss was incurred because Association's board and management felt the industry needed greatly increased support and promotion to consumers in a sluggish economy; and to improve its traction with corporate Australia, Local, State and Federal Governments. This led to the development of: a) the first "Size & Scope of the industry" document; b) the industry's first Careers Guide; c) re-vamping of the Melbourne Boat Show; and d) the development of the "Life Better Boat" campaign – events and websites.

The main contributing factor to the Loss was the financial result of the 2015 Boat Show. The Boat Show continues to battle rising costs, in particular venue hire and exhibitor space construction – the Association continues to absorb these rising costs which has exceeded 33% over the last 8 years which have not been passed on to exhibitors. The Association also incurred many new costs this year with: new promotional areas such as the two café/bars, exhibitor costs for the big boat exhibitions, prizes consisting of 1st Prize: Evolution 500 Cuddy on Dunbier trailer with 90HP Evinrude, 2nd Prize: Hobie Mirage Tandem Fish Sail Kayak and 3rd Prize: Gippsland Family Adventure: Accommodation for 3 nights @ The Moorings Metung, 18FT Day Boat from Bulls Cruisers with loan of a Jeep (full tank of fuel), new data capture strategies and technology, new activities in the show, new celebrity presenters and ambassadors, new signage, new marketing and new contractors engaged to re-invigorate the show.

There was a universally positive response from exhibitors and attendees to this year's show, with many exhibitors citing the 2015 Boat Show as the most successful since the 2007 Boat Show – just before Global Financial Crisis. The Association is confident the costs incurred will result in higher returns for future Boat Shows, evidenced by the fact that exhibition space has already been booked for the 2016 Boat Show – bookings & payments 10 months before the event starts! That's four months earlier than any show in the last 10 years!

To improve the financial result of future boat shows and events, the Association will bring management in house through the appointment of an Event Manager. This will ensure greater control over costs and deliver financial results inline with predetermined budgets.

Significant Changes in the State of Affairs

No significant changes in the consolidated group's state of affairs occurred during the financial year.

Principal Activities

The principal activity of the consolidated group was the promotion of boating activities and the marine industry. No significant change in the nature of these activities occurred during the year.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

Environmental Regulation

The consolidated group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

No dividends have been paid or declared during or since the end of the year.

Shares

No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

Indemnification of Officers

Professional Indemnity Insurance premiums were paid, during or since the end of the financial year, for persons who are or have been officers of the consolidated group.

No indemnities have been given during or since the end of the financial year, for any person who is or has been an officer or auditor of the consolidated group.

DIRECTORS' REPORT

Proceedings on Behalf of Company

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

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

This directors' report is signed in accordance with a resolution of the Board of Directors:



Director

Mr David Heyes

Dated this

23 October 2015



**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATION ACT 2001 TO THE BOARD OF DIRECTORS OF BOATING
INDUSTRY ASSOCIATION OF VICTORIA LIMITED**

To the Board of Directors

Boating Industry Association of Victoria Limited
Auditor's Independence Declaration under Section 307C of the Corporations Act
2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015, there have been no contraventions of:

- (i) The auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit

Name of Firm: Draffin Walker & Co

Name of Partner: Malcolm John Draffin

Dated: 23 October 2015

Address: Level 2, 395 Collins Street, Melbourne Vic 3000



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2015****BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

		Consolidated Group	
	Note	2015	2014
		\$	\$
Revenue	3	1,802,412	2,149,404
Other income	3	155,761	260,110
Employee benefits expense	4(a)	(363,013)	(394,331)
Winter Boat Show Expenses		(1,398,935)	(1,297,942)
Marine Week Expenses		-	(16,875)
Summer Boat Show Expenses		-	(228,607)
Promotional Expenses		(51,493)	(20,135)
Membership Subscriptions - BIAA		(23,940)	(23,560)
Provision for doubtful debts		-	(4,952)
Depreciation and amortisation expense		(61,568)	(55,198)
Finance costs	4(a)	(17,380)	(24,762)
Other expenses		(384,734)	(274,907)
Share of net profits of associates and joint venture entities		-	-
(Loss) / Profit before income tax		(342,890)	68,244
Tax (expense)/income	5(a)	-	-
(Loss) / Profit for the year		(342,890)	68,244
Other comprehensive income:			
Revaluation of Marine House, York Street		716,040	-
Total other comprehensive income for the year		716,040	-
Total comprehensive income for the year		373,150	68,244
(Loss) / Profit attributable to:			
Members of the parent entity		(342,890)	68,244
		(342,890)	68,244
Total comprehensive income attributable to:			
Members of the parent entity		373,150	68,244
		373,150	68,244

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2015**

		Consolidated Group	
	Note	2015	2014
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	352,367	956,689
Trade and other receivables	9	123,889	35,634
Other assets	11	1,963	-
TOTAL CURRENT ASSETS		<u>478,219</u>	<u>992,323</u>
NON-CURRENT ASSETS			
Financial assets	10	2	2
Property, plant and equipment	13	2,640,255	1,901,577
TOTAL NON-CURRENT ASSETS		<u>2,640,257</u>	<u>1,901,579</u>
TOTAL ASSETS		<u><u>3,118,476</u></u>	<u><u>2,893,902</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	301,389	451,776
Borrowings	15	50,000	50,000
Provisions	16	32,277	31,852
TOTAL CURRENT LIABILITIES		<u>383,666</u>	<u>533,628</u>
NON-CURRENT LIABILITIES			
Borrowings	15	225,000	225,000
Provisions	16	24,801	23,417
TOTAL NON-CURRENT LIABILITIES		<u>249,801</u>	<u>248,417</u>
TOTAL LIABILITIES		<u>633,467</u>	<u>782,045</u>
NET ASSETS		<u><u>2,485,009</u></u>	<u><u>2,111,859</u></u>
EQUITY			
Reserves		1,004,238	288,198
Retained earnings		1,480,771	1,823,661
TOTAL EQUITY		<u><u>2,485,009</u></u>	<u><u>2,111,859</u></u>

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2015****BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2015**

	Retained Earnings (accumulated losses) \$	Asset Revaluation Reserve \$	Total \$
Consolidated Group			
Balance at 1 July 2013	1,755,417	288,198	2,043,615
Balance at 1 July 2013 (restated)	1,755,417	288,198	2,043,615
Comprehensive income			
Profit for the year	68,244	-	68,244
Total comprehensive income for the year attributable to members of the parent entity	1,823,661	288,198	2,111,859
Balance at 30 June 2014	1,823,661	288,198	2,111,859
Balance at 1 July 2014	1,823,661	288,198	2,111,859
Comprehensive income			
Loss for the year	(342,890)	-	(342,890)
Other comprehensive income			
Revaluation of Marine House, York Street	-	716,040	716,040
Total comprehensive income for the year attributable to members of the parent entity	1,480,771	1,004,238	2,485,009
Balance at 30 June 2015	1,480,771	1,004,238	2,485,009

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30 JUNE 2015****BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2015**

	Consolidated Group	
	2015	2014
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,946,522	2,161,091
Interest received	5,634	8,113
Payments to suppliers and employees	(2,454,892)	(2,111,581)
Finance costs	(17,380)	(24,762)
Net cash (used in) / provided by operating activities	19(a) <u>(520,116)</u>	<u>32,861</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(84,206)	(6,554)
Distributions received from associates and joint ventures	-	221,549
Net cash (used in) / provided by investing activities	<u>(84,206)</u>	<u>214,994</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(275,000)
Net cash (used in) financing activities	-	<u>(275,000)</u>
Net (decrease) in cash held	(604,322)	(27,145)
Cash and cash equivalents at beginning of financial year	956,689	983,834
Cash and cash equivalents at end of financial year	8 <u><u>352,367</u></u>	<u><u>956,689</u></u>

**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

These consolidated financial statements and notes represent Boating Industry Association of Victoria Limited and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of Boating Industry Association of Victoria Limited as an individual parent entity ('Parent Entity').

The financial statements were authorised for issue on 23 October 2015 by the directors of the company.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

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. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRS). Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements except for cash flow information, have been prepared on an accruals 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.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Boating Industry Association of Victoria Limited at the end of the reporting period. A controlled entity is any entity over which Boating Industry Association of Victoria Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities are included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 12 to the financial statements.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Goodwill

Goodwill is carried at cost less any accumulated impairment losses.

Goodwill is tested for impairment annually and is allocated to the group's cash-generating units or groups of cash-generating units, which represents the lowest level at which goodwill is monitored but where such level is not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

(b) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside the profit and loss when the tax relates to items that are recognised outside the profit and loss.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

In the periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors valuations to ensure the freehold land and buildings are carried at fair value.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2015

BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(j) for details of impairment).

The cost of fixed assets constructed within the consolidated group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	3%
Plant and equipment	15 - 34%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset – but not the legal ownership – are transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(e) Financial Instruments**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015****(ii) Financial Liabilities**

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Group recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

(f) Impairment of Assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information, including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116: *Property, Plant and Equipment*). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

(g) Investments in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entity but is not control or joint control of those policies. Investments in associates are accounted for in the consolidated financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost (including transaction costs) and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate. In addition, the Group's share of the profit or loss of the associate is included in the Group's profit or loss.

Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

Details of the Company's investments in associates are shown at Note 11.

(h) Interests in Joint Arrangements

The consolidated Group's shares of the assets, liabilities, revenue and expenses of jointly controlled operations have been included in the appropriate line items of the consolidated financial statements. Details of the consolidated Group's interests are shown at Note 12.

(i) Employee Benefits**Short-term employee benefits**

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2015

BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

(j) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(k) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(l) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

All revenue is stated net of the amount of goods and services tax.

(m) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(f) for further discussion on the determination of impairment losses.

(n) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Borrowing Costs

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(q) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs it is compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

(r) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statement is presented.

(s) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates**(i) Impairment – general**

The group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Key judgements

(i) *Employee benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the Group expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the following 12-month period, obligations for annual leave entitlements are classified under AASB 119 (September 2011) as other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

(t) **New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively (subject to the provisions on hedge accounting outlined below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments and simplified requirements for hedge accounting.

The key changes that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items. Should the entity elect to change its hedge policies in line with the new hedge accounting requirements of the Standard, the application of such accounting would be

Although the directors anticipate that the adoption of AASB 9 may have an impact on the Group's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

Note 2 Parent Information

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.

	2015 \$	2014 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	323,326	937,261
Trade and other receivables	136,567	9,772
Other assets	1,963	
TOTAL CURRENT ASSETS	<u>461,856</u>	<u>947,033</u>
NON-CURRENT ASSETS		
Trade and other receivables	6,729,829	6,662,766
Financial assets	2	2
Property, plant and equipment	2,636,637	1,897,054
TOTAL NON-CURRENT ASSETS	<u>9,366,467</u>	<u>8,559,822</u>
TOTAL ASSETS	<u>9,828,323</u>	<u>9,506,854</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	300,666	43,920
Other liabilities	12,641	36,759
Provisions	32,278	31,853
TOTAL CURRENT LIABILITIES	<u>345,585</u>	<u>112,532</u>
NON-CURRENT LIABILITIES		
Provisions	24,801	23,417
TOTAL NON-CURRENT LIABILITIES	<u>24,801</u>	<u>23,417</u>
TOTAL LIABILITIES	<u>370,386</u>	<u>135,949</u>
NET ASSETS	<u>9,457,938</u>	<u>9,370,905</u>
EQUITY		
Reserves	1,254,238	538,198
Retained Earnings	8,203,700	8,832,707
TOTAL EQUITY	<u>9,457,938</u>	<u>9,370,905</u>
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		
(Loss) / profit for the year	(629,007)	1,056,682
Total comprehensive income	<u>(629,007)</u>	<u>1,056,682</u>

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2015

**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

Guarantees

Boating Industry Association of Victoria Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries except those described under contingent liabilities below.

Contingent Liabilities

At 30 June 2015, Boating Industry Association of Victoria Limited had a contingent liability of \$275,000 (2014: \$275,000) relating to a guarantee provided to National Australia Bank for its associate BIA Promotions Pty Ltd's obligation under a bank bill facility. At the end of the reporting period, the consolidated group is in a satisfactory financial position and is not likely to default on the facility.

Contractual Commitments

At 30 June 2015 Boating Industry Association of Victoria Limited had not entered into any contractual commitments for the acquisition of property, plant and equipment (2014: Nil).

Note 3 Revenue and Other Income

	Consolidated Group	
	2015	2014
	\$	\$
Operating Revenue:		
— Boat Show Income	1,693,980	1,783,124
— Membership Subscriptions	102,798	102,503
— Summer Boat Show	-	231,582
— Other Member Activities	-	24,082
Total sales revenue	<u>1,796,778</u>	<u>2,141,291</u>
Other revenue:		
— interest received		
— Financial Institutions	5,634	8,113
Total interest revenue on financial assets not at fair value through profit or loss	<u>5,634</u>	<u>8,113</u>
Total other revenue	<u>5,634</u>	<u>8,113</u>
Total revenue	<u>1,802,412</u>	<u>2,149,404</u>
Other income:		
— Rental Income	65,704	38,513
— Leisurfest Income	-	184,137
— Grants Project Fee	30,000	-
— sundry income	60,057	37,460
Total other Income	<u>155,761</u>	<u>260,110</u>

Note 4 Profit before Income Tax

	Consolidated Group	
	2015	2014
	\$	\$
Profit before income tax from continuing operations includes the following specific expenses:		
(a) Expenses		
Interest expense on financial liabilities not at fair value through profit or loss		
— Borrowing Costs Expense	17,380	24,762
Total finance costs	<u>17,380</u>	<u>24,762</u>
Employee benefits expense:		
— wages and salaries	331,846	358,853
— contributions to defined contribution superannuation funds	28,627	32,573
— workcover	2,540	2,905
	<u>363,013</u>	<u>394,331</u>

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Note 5 Tax Expense

	Consolidated Group	
	2015	2014
	\$	\$
(a) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2014:30%)		
— consolidated group	(102,867)	20,473
Add:		
Tax effect of:		
— other non-allowable items	3,211	442
	<u>(99,656)</u>	<u>20,915</u>
Less:		
Tax effect of:		
— other deductible expenses	189,755	278,375
— Exempt net income	(98,371)	27,695
— tax losses not brought into account	(191,040)	-
— recoupment of prior year tax losses not previously brought to account	-	(285,155)
Income tax attributable to entity	<u>-</u>	<u>-</u>
The applicable weighted average effective tax rates are as follows:	0.0%	0.0%

Note 6 Key Management Personnel Compensation

The totals of remuneration paid to key management personnel (KMP) of the Group during the year are as follows:

	2015	2014
	\$	\$
Short-term employee benefits	170,796	201,475
Post-employment benefits	15,799	18,636
	<u>186,595</u>	<u>220,111</u>

The General Manager and Events Operation Manager of the Association are considered to be part of the KMP, no Directors were considered as KMP due to their non executive status.

Other KMP Transactions

For details of other transactions with KMP, refer to Note 21: Related Party Transactions.

Note 7 Auditors' Remuneration

	Consolidated Group	
	2015	2014
	\$	\$
Remuneration of the auditor of the parent entity for:		
— auditing or reviewing the financial statements	7,000	7,000
Non-audit related services		
— accounting services	10,000	10,000
— taxation services	2,000	2,000
	<u>19,000</u>	<u>19,000</u>

Note 8 Cash and Cash Equivalents

	Consolidated Group	
	2015	2014
	\$	\$
CURRENT		
Cash at bank and on hand	352,367	956,689
	<u>352,367</u>	<u>956,689</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	352,367	956,689
	<u>352,367</u>	<u>956,689</u>

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2015

BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 9 Trade and Other Receivables

	Note	Consolidated Group 2015 \$	2014 \$
CURRENT			
Trade receivables		27,811	35,634
GST Receivable		96,077	-
		123,889	35,634
Total current trade and other receivables	9(a)	123,889	35,634

Credit risk

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 9. The main source of credit risk to the Group is considered to relate to the class of assets described as 'trade and other receivables'.

The following table details the Group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Group and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Group.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be of high credit quality.

Consolidated Group	Gross Amount	Past due and impaired	Past due but not impaired (days overdue)				Within initial trade terms
			< 30	31-60	61-90	>90	
2015	\$	\$	\$	\$	\$	\$	\$
Trade and term receivables	32,374	-	7,744	6,255	-	18,375	7,744
Provision for doubtful debts	(4,562)	-	-	-	-	(4,562)	-
Other receivables	96,077	-	96,077	-	-	-	96,077
Total	123,889	-	103,821	6,255	-	13,812	103,821
2014	\$	\$	\$	\$	\$	\$	\$
Trade and term receivables	40,197	-	27,054	1,255	5,961	8,662	27,054
Provision for doubtful debts	(4,562)	-	-	-	(300)	(4,262)	-
Other receivables	-	-	-	-	-	-	-
Total	35,635	-	27,054	1,255	5,661	4,400	27,054

(a) Financial Assets classified as loans and receivables

	Note	Consolidated Group 2015 \$	2014 \$
Trade and other Receivables			
— Total Current		123,889	35,635
— Total Non-Current		-	-
		123,889	35,635
Total financial assets classified as loans and receivables	23	123,889	35,635

(b) Collateral pledged

No collateral is held over trade and other receivables.

Note 10 Financial Assets

	Consolidated Group 2015 \$	2014 \$
NON-CURRENT		
Other Investments	2	2
Total Non-Current Assets	2	2
(a) Other investments		
Shares in subsidiaries	2	2
	2	2

Note 11 Other Assets

	Consolidated Group 2015 \$	2014 \$
CURRENT		
Prepayments	1,963	-
	1,963	-

**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
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Note 12 Interests in Subsidiaries

a. Information about Principal Subsidiaries

The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation or registration.

Name of subsidiary	Principal place of business	Ownership interest held by the Group		Proportion of non-controlling interests	
		2015 (%)	2014 (%)	2015 (%)	2014 (%)
BIA Promotions Pty Ltd	Australia	100	100	-	-

Note 13 Property, Plant and Equipment

	Consolidated Group	
	2015	2014
	\$	\$
LAND AND BUILDINGS		
Freehold land at:		
— directors' valuation 2015	1,223,050	1,024,441
Total land	1,223,050	1,024,441
Carrying amount of all freehold land had it been carried under the cost model		
Buildings at:		
— directors' valuation 2015	1,086,950	910,442
Accumulated depreciation	-	(316,928)
Total buildings	1,086,950	593,514
Total land and buildings	2,310,000	1,617,955
Property Improvements		
Directors' valuation	433,239	432,198
(Accumulated depreciation)	(203,810)	(184,798)
	229,429	247,400
Office Machines		
At cost	119,679	116,400
(Accumulated depreciation)	(94,889)	(84,703)
	24,790	31,697
Motor Vehicle		
At cost	21,990	21,990
(Accumulated depreciation)	(18,370)	(17,465)
	3,620	4,525
Boat Show Signage		
At Cost	79,886	-
(Accumulated depreciation)	(7,469)	-
	72,417	-
Total plant and equipment	330,256	283,622
Total property, plant and equipment	2,640,255	1,901,577

(a) Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year	Freehold Land	Buildings	Property Improvements	Office Equipment	Motor Vehicles	Boat Show Signage	Total
	\$	\$	\$	\$	\$	\$	\$
Consolidated Group:							
Balance at 1 July 2013	1,024,441	617,509	270,429	32,186	5,656	-	1,950,221
Additions	-	-	-	6,554	-	-	6,554
Depreciation expense	-	(23,995)	(23,029)	(7,043)	(1,131)	-	(55,198)
Carrying amount at 30 June 2014	1,024,441	593,514	247,400	31,697	4,525	-	1,901,577
Additions	-	-	1,041	3,279	-	79,886	84,206
Revaluation increments	198,609	176,508	-	-	-	-	375,117
Depreciation expense	-	(23,995)	(19,013)	(10,186)	(905)	(7,469)	(61,568)
Writeback of depreciation on revaluation	-	340,923	-	-	-	-	340,923
Carrying amount at 30 June 2015	1,223,050	1,086,950	229,428	24,790	3,620	72,417	2,640,255

The directors have revalued land and buildings at 30 June 2015 to \$2,310,000 in accordance with past practice. The valuation is based and supported by an independent third party who is a member of the REIV and possesses the required expertise in the local market in which the property is situated.

The directors further considered the valuation after comparison to recent sales and calculating a mean price per square metre for like properties within the area.

The directors have and will continue to monitor the value of the property at the end of each financial year. The last revaluation was accounted for 5 years ago which is in line with the relevant accounting standards.

The revaluation surplus was credited to the asset revaluation reserve in members equity.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 30 JUNE 2015

BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 14 Trade and Other Payables

	Note	Consolidated Group	
		2015	2014
		\$	\$
CURRENT			
Unsecured liabilities			
Trade payables		256,025	9,668
Sundry payables and accrued expenses		45,365	432,988
GST payables		-	9,120
	14(a)	<u>301,389</u>	<u>451,776</u>
(a) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables			
— total current		301,389	451,776
— total non-current		-	-
		<u>301,389</u>	<u>451,776</u>
Financial liabilities as trade and other payables	23	<u>301,389</u>	<u>451,776</u>

Note 15 Borrowings

		Consolidated Group	
		2015	2014
		\$	\$
CURRENT			
Bank loan secured		50,000	50,000
Total current borrowings		<u>50,000</u>	<u>50,000</u>
NON-CURRENT			
Bank loan secured		225,000	225,000
Total non-current borrowings		<u>225,000</u>	<u>225,000</u>
Total borrowings		<u>275,000</u>	<u>275,000</u>
(a) Total current and non-current secured liabilities:			
Bank loan		275,000	275,000
		<u>275,000</u>	<u>275,000</u>

The bank loan is secured by a first ranking registered mortgage over the freehold property owned and occupied by the Association.

Note 16 Provisions

Analysis of Provisions

		Consolidated Group	
		2015	2014
		\$	\$
CURRENT			
Employee Benefits			
Opening balance at 1 July 2014		31,852	39,633
Additional provisions raised during year		18,020	21,166
Amounts used		(17,595)	(26,385)
Amounts paid out		-	(2,562)
Balance at 30 June 2015		<u>32,277</u>	<u>31,852</u>
NON-CURRENT			
Employee Benefits			
Opening balance at 1 July 2014		23,417	21,033
Additional provisions raised during year		1,384	2,384
Balance at 30 June 2015		<u>24,801</u>	<u>23,417</u>

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

Note 17 Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the group's capital by assessing the group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

		Consolidated Group	
		2015	2014
		\$	\$
Total borrowings	Note 15	275,000	275,000
Trade and other payables	14	301,389	451,775
Less cash and cash equivalents	8	(352,367)	(956,689)
Net debt		<u>224,023</u>	<u>(229,914)</u>
Total equity		2,485,009	2,111,859
Total capital		<u>2,709,032</u>	<u>1,881,945</u>
Gearing ratio		8%	N/A

Note 18 Capital and Leasing Commitments

The Group is not engaged in any capital and leasing agreements at the date of this report.

Note 19 Cash Flow Information

	Consolidated Group	
	2015	2014
	\$	\$
(a) Reconciliation of cash flow from operations		
with profit after income tax		
(Loss) / Profit after income tax	(342,890)	68,244
Non-cash flows in profit		
— depreciation	61,568	55,198
Share of joint venture's net profit after income tax	-	(184,137)
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
— (decrease) / increase in trade and other receivables	(8,524)	43,435
— increase/(decrease) in prepayments	1,963	-
— (decrease) / increase in payables	(234,042)	55,518
— increase/(decrease) in provisions	1,809	(5,396)
Net cash (used in) / provided by operating activities	<u>(520,116)</u>	<u>32,862</u>

Note 20 Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.

Note 21 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The Directors are representatives of member organisations and these member organisations may have dealings with the Association, such as payment of membership fees, attendance at forums, boat shows and other promotional activities.

Note 22 Economic Dependence

B I A Promotions Pty Ltd is dependent on the Parent Company, Boating Industry Association of Victoria Limited.

**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Note 23 Financial Risk Management

The group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, loans to and from subsidiaries.

The totals for each category of financial instruments, measure in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	Consolidated Group	
		2015 \$	2014 \$
Financial Assets			
Cash and cash equivalents	8	352,367	956,689
Loans and receivables	9(a)	123,889	35,634
Total Financial Assets		476,255	992,323
Financial Liabilities			
Financial liabilities at amortised cost			
— Trade and other payables	14(a)	301,389	451,775
— Borrowings	15	275,000	275,000
Total Financial Liabilities		576,389	726,775

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include credit risk policies and future cash flow requirements.

The finance committee, consisting of senior executives and directors of the Group, meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts. The finance committee's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst minimising potential adverse effects on financial

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

a. Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through maintaining procedures ensuring, to the best extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Depending on the division within the Group, credit terms are generally within 30 days from the date of invoice.

Credit Risk Exposures

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period, excluding the value of any collateral or other security held is equivalent to the carrying amount and classification of those financial assets (net of any provisions) as presented in the statement of financial position. Credit risk also arises through the provision of financial guarantees, as approved at Board level and given to third parties in relation to obligations under its bank bill facility (refer Note 21 for details).

The Group has no significant concentration of credit risk with any single counterparty or group of counterparties. Details with respect to credit risk of Trade and Other Receivables are provided in Note 9.

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are detailed at Note 9.

The Group does not have any material credit risk exposure to any single receivable or group of receivables. Customers are assessed for credit worthiness using the criteria detailed above.

b. Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

The table below reflects an undiscounted contractual maturity analysis for non-derivative financial liabilities. Bank overdrafts have been deducted in the analysis as management does not consider that there is any material risk that the bank will terminate such facilities. The bank does however maintain the right to terminate the facilities without notice and therefore the balances of overdrafts outstanding at year-end could become repayable within 12 months. Financial guarantee liabilities are treated as payable on demand since the Group has no control over the timing of any potential settlement of the liability. The Group does not hold any derivative financial liabilities directly.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will be rolled forward.

BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

Financial liability and financial asset maturity analysis

Consolidated Group	Within 1 Year		1 to 5 years		Over 5 years		Total	
	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$
Financial liabilities due for payment								
Bank overdrafts and loans	50,000	50,000	225,000	225,000	-	-	275,000	275,000
Trade and other payables	301,389	451,775	-	-	-	-	301,389	451,775
Total contractual outflows	351,389	501,775	225,000	225,000	-	-	576,389	726,775
Less bank overdrafts	-	-	-	-	-	-	-	-
Total expected outflows	351,389	501,775	225,000	225,000	-	-	576,389	726,775
Financial Assets - cash flows realisable								
Cash and cash equivalents	352,367	956,689	-	-	-	-	352,367	956,689
Trade, term and loan receivables	123,889	35,634	-	-	-	-	123,889	35,634
Total anticipated inflows	476,255	992,323	-	-	-	-	476,255	992,323
Net (outflow) / inflow on financial instruments	124,866	490,548	(225,000)	(225,000)	-	-	(100,134)	265,548

Financial assets pledged as collateral

Certain financial assets have been pledged as security for debt and their realisation into cash may be restricted subject to terms and conditions attached to the relevant debt contracts. Refer to Note 15 for further details.

c. Market Risk

i. Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments. The financial instruments that expose the Group to interest rate risk are limited to borrowings, listed shares, cash and cash equivalents.

Interest rate is managed using a mix of fixed and floating rate debt.

The net effective variable interest rate borrowings (i.e. unhedged debt) expose the Group to interest rate risk which will impact future cash flows and interest charges and is indicated by the following floating interest rate financial liabilities:

Floating rate instruments	Note	Consolidated Group	
		2015 \$	2014 \$
Bank overdrafts	15	275,000	275,000
		275,000	275,000

ii. Other price risk

The Group is not exposed to any material commodity price risk.

Sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates and equity prices. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible.

These sensitivities also assume that the movement in a particular variable is independent of other variables.

Year ended 30 June 2015	Consolidated Group	
	Profit \$	Equity \$
+/- 0.5% in interest rates	1,762	4,783
Year ended 30 June 2014		
+/- 0.5% in interest rates	4,783	4,783

There have been no changes in any of the assumptions used to prepare the above sensitivity analysis from the prior year.

**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015**

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying amounts as presented in the statement of financial position.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below.

	Note	2015		2014	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
		\$	\$	\$	\$
Consolidated Group					
Financial assets					
Cash and cash equivalents	8	352,367	352,367	956,689	956,689
Trade and other receivables	9	123,889	123,889	35,634	35,634
		<u>476,255</u>	<u>476,255</u>	<u>992,323</u>	<u>992,323</u>
Total financial assets		<u>476,255</u>	<u>476,255</u>	<u>992,323</u>	<u>992,323</u>
Financial liabilities					
Trade and other payables	13	301,389	301,389	451,775	451,775
Employee entitlements	14	57,079	57,079	55,269	55,269
Bank debt	14	275,000	275,000	275,000	275,000
Total financial liabilities		<u>633,468</u>	<u>633,468</u>	<u>782,044</u>	<u>782,044</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

- (i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying amount is equivalent to fair value. Trade and other payables exclude amounts relating to the provision of annual leave, which is outside the scope of AASB 139.

Note 24 Company Details

The registered office of the company is:
Boating Industry Association of Victoria Limited
Marine House
24 York Street
South Melbourne Vic 3205

The principal place of business is:
Boating Industry Association of Victoria Limited
Marine House
24 York Street
South Melbourne Vic 3205

**BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED ABN: 51 004 985 102
AND CONTROLLED ENTITY
DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Boating Industry Association of Victoria Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 24, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with international financial reporting standards (IFRS); and
 - (b) give a true and fair view of the financial position as at 30 June 2015 and of the performance for the year ended on that date of the consolidated group.
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.



Director

Mr David Heyes

Dated this 23 October 2015



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF**

BOATING INDUSTRY ASSOCIATION OF VICTORIA LIMITED

Scope

We have audited the financial report of Boating Industry Association of Victorian Limited and controlled entities for the financial year ended 30 June 2015.

The financial report includes the consolidated financial statements of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year. The company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

In conducting our audit we followed applicable independence requirements of Australian professional and ethical pronouncements and the *Corporations Act 2001*.

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditor's independence declaration included in the financial report has not changed as at the date of providing our audit opinion.

Audit Opinion

In our opinion, the financial report of Boating Industry Association of Victoria Limited is in accordance with:

- a. the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2015 and of their performance for the year ended on that date; and
 - ii. complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- b. other mandatory professional reporting requirements in Australia.

Name of Firm: Draffin Walker & Co

Name of Partner :Malcolm J. Draffin

Date: 23 October 2015

Address: Level 2/ 395 Collins Street, Melbourne Victoria 3000



*Boating Industry Association
of Victoria*





BOATING INDUSTRY ASSOCIATION OF VICTORIA LTD
1ST JULY 2014 TO 30TH JUNE 2015



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