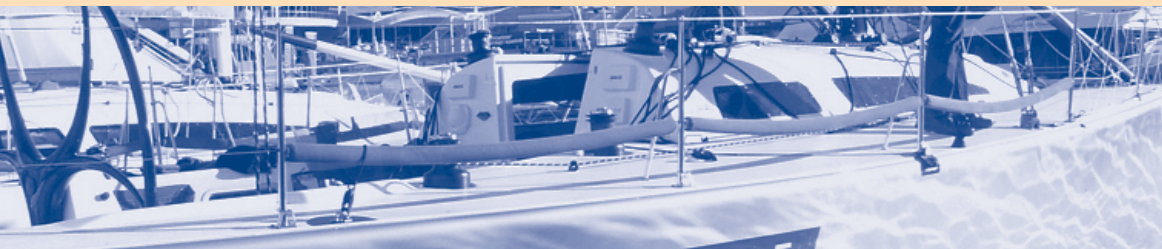


ANNUAL REPORT 04



Boating Industry Association of NSW Ltd

For the year ended 31 December 2004



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Boating Industry Association of NSW Ltd is a company limited by guarantee, incorporated and domiciled in Australia.
Its registered office and principle place of interest is:

53 Hume Street, Crows Nest NSW 2065

A description of the nature of the company's operations and its principle activities are included in this Annual Report.

BIA At A Glance 2004

PRESIDENT

Ian McAndrew
Australian Marina Management Pty Ltd

VICE-PRESIDENT

Richard Pym
Rewanui Pty Ltd

TREASURER

Doug Olding
Teleflex Morse Pty Ltd

BOARD OF DIRECTORS

Bob Basham – R W Basham Pty Ltd

Matthew Robinson – Moby Marine Services Pty Ltd

Simon Cook – I C Frith & Associates

Paul Burgess – Lyons Boatshed

Desmond Last – Sydney Boat Sales

Alan Blake – Blakes Marine Pty Ltd

Mark Hewitt – Sandbrook Inlet Marina

BIA DIVISIONS

Marina Association of NSW

Mark Hewitt
Chair

Hugh Shanks

Brett McMullen

Andrew Fenwick

Chris Motum

Tony Griffin

Harry Standen

Lachlan MacLean

Matthew Bate

Paul Burgess

Shipwright and Boatbuilders Association of NSW

Paul Burgess
President

Michael Minogue
Treasurer

Graham Rigoni

Duncan Ritchie

Ray Simpson

Ron Bailey

Warwick Thomson

Marine Industry Mechanical Repairers Association of NSW

Matthew Robinson
President

Bill Breakspear
Vice-President

Scott Kearin
Treasurer

Roy Baldock
Secretary

Shannon Stocks

Andrew Pink

Jim Tsacalos

Reg Sorensen

Bob Oomen

Sailing Industry Association of NSW

Bob Basham
Chair

Norman Ambrose
Treasurer

John Davis
Vice-Chair

Andrew Hamilton

Ian Lindsay

David Kellett

Shane Crookshanks

Giles White

Marina Brokers Association of NSW

Desmond Last
Chair

Norman Ambrose

Ashley Swinfield

Mike Jarvin

Rod McKay

BIA STAFF

General Manager – Roy Privett

Secretary – Linda English

Member Services Representative – Steve Cutting

Financial Controller –
Simon Hazelbrook (SM & AJ Enterprises Pty Ltd)

Consulting Marketing Manager –
Domenic Genua (Mirror Image Marketing Pty Ltd)

Marketing and Event Coordinator – Justine Merrony

Operations Manager – Warwick Fairweather (MEEUW Pty Ltd)

Executive Manager Marina Association of NSW & Government Liaison –
Lavinia Schivella

Marine Directory Co-ordinator – Julie Richman

CONSULTANTS

Solicitors – Ebsworth & Ebsworth Lawyers

Auditors – Nexia Court & Co

AFFILIATIONS

Australian Marine Industries Federation

American Boat and Yacht Council

Australian Business

Exhibition and Event Association of Australasia

International Federation of Boat Show Organisers

ICOMIA (International Council of Marine Industry Associations)

Marina Association of Australia

Australian International Marine Export Group

PARTNERS:

Capital Finance promoting BIA Marine Finance

I.C. Frith & Associates promoting BIA Marine Insurance

Organisers and Owners of the Sydney International Boat Show, Rosehill Gardens Boat Show and The Hunter Boat Show, Newcastle. Promoters of Try Sailing Days. Publishers of Logbook and the NSW Marine Directory.

VISION



Boating Industry Association of NSW

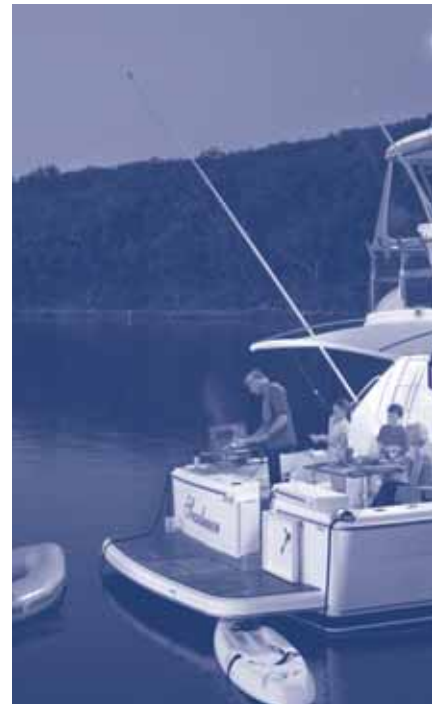
OUR ASSOCIATION

Since its inception in 1960, the Boating Industry Association (BIA) of NSW Ltd has gone from strength to strength. The Association was formally incorporated in 1970 with its first independent Boat Show three years prior in 1967.

As part of its charter, the BIA is active in the promotion and support of safe boating throughout the State. The Association provides an ongoing voice for industry members and ensures that their interests are well represented.

VISION

The Boating Industry Association of NSW strives to be the voice and authority to government departments, associated bodies and interest groups, representing the boating and marine industry in NSW, whilst creating awareness within the community and promoting the benefits of safe recreational boating.



WHAT THE BIA INCORPORATES

Whilst its activity within the industry is quite diverse, some of the key issues that the BIA deals with include:

- The promotion of the benefits of the boating industry to its members and the public.
- The maintenance of committees in the fields of boat shows, legislation, facilities, safety, promotion and special subgroups.
- To work closely with government, marine organisations and other interest groups to increase the industry's effectiveness.
- To conduct and promote boat shows that reflects the size and importance of the industry and its membership.
- To dedicate profits from boat shows and other marketing endeavours to benefit and promote the industry.

- To maintain cordial and active relationships with all forms of news and marketing media.
- To maintain a permanent office, staffed to represent and assist its membership.

The BIA is also involved in important issues that touch upon all aspects of our recreational use of the waterways, namely: -

The Environment
Waterways Infrastructure
Public Facilities
Boating Safety
Access

Most importantly, the BIA provides a forum to discuss industry needs and serves as a representative of the industry to government (Local, State and Federal), media and the public.

The BIA embodies over 90 percent of the business activity in the retail and light

commercial boating industry. Its members include boat builders, retailers, engine distributors, yacht brokers, trailer manufacturers, chandler's, hire and charter boat operators, marinas, shipwrights, mechanical repairers, electrical engineers, surveyors, manufacturers of parts and accessories and wholesale marine distributors – all of which are dedicated to the continuous improvement and sensible regulation of the Boating Industry.

Association membership is appropriate for any business that provides products or services at either a commercial or retail level to the marine market.



Presidents Annual Report

Fellow Industry Members and Observers.

It is with much pleasure, on behalf of the BIA Board of Directors and all BIA Divisional Committees, that I present to you the Annual Report of the Boating Industry Association of New South Wales Limited for the year ended 31st December 2004.

This Report highlights the Association's activities, achievements, people and financial status. It gives the Association an opportunity to acknowledge and recognise the efforts and dedication of so many members and staff in striving to build a strong and robust industry. All our industry participants are charged with the responsibility to create a positive awareness and promotion of the benefits of safe recreational boating.

Throughout 2004 there was a feeling of tremendous optimism with a **strong Australian economy, high levels of consumer confidence and positive demand** for recreational boating products that delivered the right ingredients for exceptional business activity and success right across the board. The industry has enjoyed staggering growth over the past decade and members have responded by re-investing and modernising their facilities to present a professional image to the marketplace. The market mix of products has continued to change with imported products achieving record levels which continues to place pressure on our Australian manufacturers to gain a viable share of the domestic and export markets.

During 2004 the Federal Government's **Marine Industry Action Agenda** program had focused its attention on **skill shortages and training requirements** for our industry. Whilst positive steps were undertaken with the finalisation of a national training package, release of a recreational boating industry careers CD and a BIA Group Training initiative for apprentices and trainees, there remains a huge amount of work and commitment to obtain professionally trained and qualified employees to meet our market demands.

In 2005 we must also exercise some caution in our planning and commercial activities with an economy showing signs of slowing and upward pressures on interest rates. As we are all too aware recreational spending is extremely sensitive to interest rate fluctuations and consumer confidence.

Your Association has enjoyed probably one of its **best years** in terms of a growing membership, expanding range of services and benefits, record attendances at Sydney International Boat Show, Hunter Boat Show and Rosehill Gardens Boat Show, expanded NSW Marine Directory and a successful partnership with the EPA and members in delivering an environmental Industry Partnership Program.

The success of our activities and with strong member support, BIA delivered gross revenue of \$5,168,814 and returned an operating surplus of \$659,289 for the twelve months ended 31st December 2004. This result represents a three hundred and six percent increase over the previous year. This is a highly successful result that will place BIA in a strong financial position to contribute to future industry programs and member services. We are currently exploring the development of a Discover Boating Campaign to be launched in 2006, to further encourage the community to try recreational boating as their preferred leisure and sporting activity. Our Treasurer, Doug Olding will present further details in his report and presentation of what must be our best financial result on record.

Whilst 2004 has been a very busy and rewarding year for BIA and industry members we have also been extremely disappointed in the poor progress of addressing **improved waterfront infrastructure, modernisation of existing facilities and improved waterways access throughout the state**. No real progress has been achieved and the Sydney metropolitan area remains critically short of new modern infrastructure to support the demand in the market place. The NSW Government and in particular the NSW Maritime Authority (formerly The Waterways Authority) has failed to embrace our requests for a comprehensive audit of facilities and the development of a co-ordinated strategy with funding options for the provision of facilities and to address waterway issues. With no action, indifference and indeterminable delays with planning approvals the sustainability and growth our industry remains under serious threat.

I cannot stress too much that our industry, marine tourism and the community pursuit of recreational boating is dependent on supporting infrastructure and navigable waterways. These issues are the vital ingredients for domestic growth and increased

participation by the community in recreational boating. The availability of waterway infrastructure and access is the critical measure of success or otherwise of the recreational boating industry. As it expands or contracts, so does the number and frequency of recreational boating and tourism opportunities on our waterways.

All around NSW and especially in the Sydney Metropolitan area we hear of critical shortages, ramp rage and loss of waterfront opportunities. Unfortunately we suffer from an appalling lack of facilities and waterway siltation that creates navigation and safety issues. We are witnessing a deliberate run down of infrastructure, inadequate funding (insufficient return from revenue collected), loss of working harbour opportunities, continuance of a moratorium on the modernisation and construction of marina facilities on Sydney Harbour, and failure to deliver any new launching facilities in Sydney for over 35 years despite unprecedented growth. A low point has been the withdrawal of a promise to build a boat ramp at Banks Street on a political whim, failure to deliver any new modern marine precincts or embrace the concept of marine clusters. **We must continue to place our requirements before Government to reverse this situation. It is one of our greatest challenges.**

The other area of critical concern for the industry is the issue of **lease tenure** for marina and other waterfront businesses. This issue has been a priority for the Association throughout 2004 and remains unresolved. The marina industry is at crisis point over the lease tenure issue and it must be resolved quickly. In the year 2000 a Regional Action Plan identified one outcome under Project 5 – **Tenure of waterfront operations, Sharing Sydney Harbour:**

"a viable tenure system that satisfies industry and government and provides a more commercially secure operating environment for maritime industry".

Our industry lease tenure situation after five years of discussions and negotiation remains uncertain and we continue to manage our businesses on insecure/uncertain tenure and virtually unbankable leases. Without security of tenure, investment decisions cannot be made for modernisation or expansion of facilities. This has severely impacted on industries ability to store, service, retail and



Presidents Annual Report

provide a range of opportunities for marine businesses.

Whilst we have been seeking consistency in lease conditions and administration throughout NSW, it has developed into a tale of two stories. On one side the Department of Lands has embarked on a completely different course to NSW Maritime. The Department of Lands has entered into constructive negotiations with industry and marina operators. They are working in partnership with lessees and industry to achieve an appropriate lease model where we can all achieve an appropriate return whilst maintaining and developing a viable industry.

NSW Maritime on the other hand has been ignoring "The Sharing Sydney Harbour" outcome of "providing a more secure operating environment" and turned the project into one of insecurity and attempted asset stripping. This approach has led the marina industry on Sydney Harbour to a state of crisis. The failure of the NSW Maritime to understand that its agenda will destroy our industry, reduce public access and improved amenity is difficult to comprehend. Instead of entering meaningful negotiations the actions of NSW Maritime in fact represent a hardening of their position. Lease tenure is co-reliant on a special type of relationship between government and industry based on goodwill, mutual support and an understanding of business needs of the marina/boat storage and service industry. To date, NSW Maritime has shown a complete lack of commercial understanding and will destroy Sydney Harbour marina industry by pursuing its current approach to lease tenure.

Our greatest challenge and priority for 2005 is to resolve the lease tenure crisis to allow our industry to get on with the job of providing the necessary infrastructure and services being demanded by the recreational boating community. We implore the NSW Government to **develop a state-wide consistent policy and lease management model** to achieve a satisfactory outcome to preserve maritime operations and provide a sound lease/business platform for future growth.

I have briefly touched upon two major issues and there are many other activities and achievements

that we will draw to your attention in the following pages of the Annual Report.

Within BIA NSW, many of our industry activities and programs are undertaken by our key operating divisions and contribute to the success throughout the year. Our key divisions and sub-committees include: -

Marina Association of NSW

Marine Industry Mechanical Repairers Association of NSW

Shipwrights and Boatbuilders Association of NSW

Sailing Industry Association of NSW

Marine Brokers Association of NSW

Sydney International Boat Show and Marketing Committee

Separate reports are set out in this Annual Report for your information and highlight the substantial work performed by each.

We also recognise the work and commitment of our national network of Associations working on behalf of members:

Australian Marine Industries Federation

Australian International Marine Export Group

Marina Association of Australia

Our Board of Directors and members are very appreciative of the continuing support given by:

The media and marine industry magazines

BIA's two licensed business partners

Capital Finance (BIA Marine Finance)

I.C. Frith & Assoc. (BIA Marine Insurance)

Sydney International Boat Show Sponsors and Media Partners

Club Marine Insurance

Waterways Authority of NSW

Trader International Group

Yaffa Publishing (for Show Program and marketing assistance)

Yamaha Australia (sponsor of the Yamaha Fishing Clinic)

Yamaha Australia for the supply and support of a boat for the Channel 7 Sydney Weekender Program and other promotional activities.

Toyota who proudly sponsor BIA's official tow vehicle that is displayed at our events.

It has been an exciting and challenging 2004 and I would like to thank all BIA members who have contributed to our success throughout the year. No doubt 2005 will be just as challenging and I believe we have the collective knowledge to not only meet future challenges but to exceed expectations and continue to champion the marine business.

To your Board of Directors, for the professional way they conducted the affairs of the Association during 2004 I record my personal thanks and appreciation for the time devoted to the Association on an honorary basis. Special Acknowledgement to retiring directors Bob Basham (1992-2004 and awarded Life membership 2004) and Paul Burgess (2001-2004 President of SBA). They have been active and valuable contributors.

It has also been a busy and tremendous year of achievement for BIA staff. I sincerely thank our staff team of Roy Privett, Domenic Genua, Lavinia Schivella, Simon Hazelbrook, Justine Merrony, Linda English, Warwick Fairweather and Steve Cutting.

Finally I thank the Members for the opportunity to once again serve as President. Thank you for your support.

Ian McAndrew

PRESIDENT



Issues and Activities in Brief

This section of the Annual Report briefly covers areas of BIA activity throughout 2004. It is designed to illustrate the range of activities of the Association working for the recreational boating industry in NSW and Australia.

- **Marine Industry Action Agenda.** Participated on various committees and submission on discussion paper and strategic actions to be developed. BIA Life Member Peter Hunt chaired the leaders group. Strategies will be presented to Federal Cabinet in 2005 and will address important issues such as environment and regulation, skills shortages and training, market development, export opportunities, innovation, research and development.
- **Industry Partnership Program** formed an important aspect of 2004 activity on the environmental front. The enthusiasm and level of participation by marina members has been exceptional. Our appreciation to the EPA for practical and financial assistance. The project will be completed in 2005.
- **Government Relations activities and submissions** has been extensive and included:
 - **Lease Tenure** for NSW waterfront operations (NSW Maritime & Department of Lands).
 - **Australian Builders Plate** due for introduction 1st July 2005 (NMSC).
 - **Rozelle Bay Marine Precinct.**
 - **Ballast Point Master Plan** and provision of a refuelling facility.
 - **Homebush Bay Master Plan.** Government has formally adopted the Master Plan. Amendments are being made and the Plan will be finalised and released in mid 2006. BIA's vision for a marine precinct at Homebush Bay West is now one step closer.
 - **Sharing Sydney Harbour Access Program Grants.**
 - **Draft Regional Environmental Plan (Sydney Harbour Catchment) 2004.**
 - **Sydney Harbour and Foreshores Area Control Plan.**
 - **Boat Storage Strategy for Sydney Harbour.**
- **Sydney Harbour Traffic Management Plan.**
- Repeated calls for the release of NSW Maritime's **Land Owners Consent Manual**. This guidance document has been under review for over 4 years.
- **Blackwattle Bay Master Plan** and Governments reversal of plans to build the Banks Street Boat launching facility. Expressed Industry and consumer anger at government abandonment of plans and promise for a multi-purpose boat launching facility to be replaced by a passive facility. Another example of Governments continued inability to recognise and provide improved land/water interface infrastructure facilities.
- **National Parks and Wildlife Service** imposition of speed limitations on Smiths Creek and proposal to close Fisherman's Bay Launching Facility at Port Stephens to the general public and allow access only to commercial fishermen.
- Development with TAFE of a **Traineeship for Boating Services** to be made available in 2005 as part of the National Recreational Boating Industry Training Package.
- Submissions and negotiation on the introduction of **Random Breath Testing** on NSW waterways.
- Submissions and presentation to Eurobodalla Shire Council opposing **bans and restrictions on the operation of personal watercraft.**
- Representation on **NSW Maritime Council** by Ian McAndrew, Hugh Shanks and Alan Blake.
- Continuing negotiations with the Department of Fair Trading regarding new requirements of the **Second-Hand Dealers Act** in relation to the licensing of marine brokers.
- BIA continued to place before the NSW Maritime at every opportunity the need to audit the States waterways infrastructure and develop a comprehensive **Maritime Strategic Plan**. The objective would be to provide a needs analysis for specific waterways/regions, existing infrastructure modernisation and address requirements for new developments.
- **Launch of the Zoom 3 Careers in Boating CD-ROM.** Distributed to all careers advisors in NSW High Schools and general enquiries on career opportunities in the recreational boating industry.
- **Launch of a new Group Training Service for apprentices and trainees.** The Automotive Training Board of NSW is administering this service.
- Attendance and display at a **Marine Industry Showcase** in Parliament House, Canberra of our industry services to members of Parliament, ambassadors' and heads of government departments.
- Development of a **marine brokers course** for members of the Marine Brokers Association of NSW.
- Increased published advice of **OH&S requirements.**
- **BIA and divisions (MANSW& SBA) resigned from Sydney Harbour Maritime Forum.** The BIA and Marina Association were unable to accept the Forum taking control of the waterfront lease tenure issue on a statewide basis.
- Completion of a review of **contractor services** to the Association and **database** to improve our efficiency. This also included a review of all BIA standard stationery available to members.
- Introduced a **Web Employment Opportunities Page**. This has been well received by members.
- **Donation** to Royal Volunteer Coastal Patrol to assist in an upgrade of radio equipment at their Terrey Hills base.
- Attendance and assistance to the Outboard Engine Distributors Association in discussions with EPA of NSW on **two stroke motors and promotion of new technology project**. In 2005 the EPA will be conducting an air emissions inventory program for the Sydney/Newcastle/ Wollongong basin.

The **NSW Marine Directory** was further developed to cover the state and circulation increased. We sincerely thank Modern Boating, Modern Fishing and Marine Industry News for distributing the Directory with their publications.



Life membership bestowed on "Mr Likeable"



Bob Basham, regarded throughout as one of the most likeable identities in the boating industry, has been honoured with Life Membership of the Boating Industry Association of NSW.

The award was announced at the annual Industry Breakfast staged during the 2004 Sydney International Boat Show and the presentation of the plaque to Bob was made by BIA of NSW President Ian McAndrew.

General comment heard around the breakfast tables centered on "couldn't have gone to a more deserving bloke!"

Life Membership is an honour not given lightly by the association.

In its 34-year history, only five industry stalwarts have preceded Bob Basham in being accorded Life Membership; the late Robert Greaves, Malcolm Smith, Peter Hunt, Bill Aldritt and Hugh Shanks.

Life Membership is the highest honour an association can bestow on a member.

It is reserved for those who have rendered outstanding service to the association and the industry it serves and recognises commitment, dedication, enthusiasm, leadership, involvement and the willingness to assist in a broad range of challenging issues.

"In other words, it is reserved for fellows like Bob Basham," Ian McAndrew declared.

"The BIA of NSW Board of Directors was unanimous in adding a sixth member to this most exclusive club to honour a man who has made an extremely valuable contribution to the association and to the industry over a very long period of time.

"For me personally it is a very great honour to welcome Bob Basham as our sixth Life Member, a man who is an example of a very fine person, has consistently given of his time and effort to the association and to the boating industry and has never sought nor expected anything in return other than success for his fellow members."

Robert William (Bob) Basham began his working life at the then-renowned chandlery W.Kopsen and Co. in the heart of Sydney.

It was to be the start of a 'Bradman-like' innings in the boating industry currently rated at 61 (years) not out!

Bob's first job was assembling hurricane lamps and carrying out other odd jobs for the princely sum of 28-shillings (\$2.80) per week.

He progressed into retail sales and eventually became a wholesale representative, but being a junior was not provided with a motor vehicle and did his calls to boat sheds and yards all over Sydney by tram and bus.

W.Kopsen and Co may not have known at the time, but this 'junior rep' was destined to become the company's managing director!

In 1968, after 25-years service, Bob and Kopsen parted company and he formed his own marine wholesale business, R.W.Basham.

He worked from his home on Sydney's northern beaches, gradually sourcing quality products from around the world.

To those who know Bob Basham it will come as no surprise to learn that the business flourished, eventually becoming one of the largest marine wholesalers in Australia.

Fifty-two years ago, Bob married his life-long partner, Shirley and in the mid-1980s their two sons, Martin and Craig, joined the family firm.

This allowed Bob, while still taking an active role in the business, to set about giving something back to the industry.

In more than 36-years since forming R.W.Basham the company (and the man) has never missed a Sydney boat show.

R.W.Basham was there when Sydney shows were held in conjunction with the Royal Easter Show.

It was there when the show was held at the Big Bear Supermarket at Neutral Bay and it was there when the shows stood alone on their merit at the showgrounds, Pyrmont and now Darling Harbour.

A director of the association for more than 12-years (1992-2004), Bob Basham attended 105 from a possible 113 board meetings, an incredible attendance ratio.

He brought to the board his passion for sailing and his knowledge of the sailing industry and at a time when sailing general was suffering a decline, it was Bob Basham whose persistence led to the themed promotion, 'Strictly Sailing.'

In 1997 Bob gathered a like-minded group together and was instrumental in the formation of the Sailing Industry Association, still an active and vital sub-group of the BIA of NSW,

One-year later, again at Bob's insistence, the industry backed what has now become an annual event, the 'Try Sailing Day', with sailing and yachting clubs throughout NSW cooperating and introducing newcomers to the sport.

In the past seven-years nearly 10,000 people who may never previously had the opportunity, have taken part in a Try Sailing Day.

Not content with seeing NSW on a sailboat, Bob is now putting his efforts into ensuring that other states follow the NSW lead and introduce people to the sport.

Bob has also promoted and been involved with Sailability, an organisation providing sailing opportunities to the handicapped.

It's typical of Bob Basham to go out of his way to assist those less fortunate.

"The Sailing Industry Association established via Bob Basham's leadership is a classic example of an industry sub-group reshaping the association and giving it a broader focus," Ian McAndrew explained.

"It is for all of these reasons and many, many more that we take delight in conferring Life Membership on our friend, our colleague and one of the industry's true gentlemen, Bob Basham.

"He is indeed held in the highest esteem by his peers throughout the recreational boating industry."



The National Australian Marine Industries Federation (AMIF) Report

Each year brings its own new and exciting set of projects and 2004 was certainly no exception. The focus of AMIF activity centred on co-ordinating the Action Agenda, which the Marine Industry was preparing.

While numerous industries submitted applications to have their Action Agendas recognised and supported by the Federal Government, only three were successful in 2004 and the Marine Industry was one of them.

The CEO of AMIF worked with the Secretariat supplied by DITR, to form the operating principles for the reference groups and identify many of the key issues to be covered. These were tabled at the Leaders' Group (comprising the Chairpersons of the various sectors of the marine industry eg MAA, AIMEX etc) and accepted.

Discussion papers were produced by the reference groups. AMIF played a major role in the

formulation of the discussion paper for the Education and Skilling Reference Group and was instrumental in the production of the final discussion paper which incorporated the views of all reference groups including Environment and Regulation, Marketing, and Innovation. AMIF lobbied members of the industry to make responses to discussion papers, and with the assistance of the state BIAs, made sure that members of the Industry had every opportunity to respond to all discussion papers. In 2005, an Industry position paper will be passed to Cabinet to form the basis for future policy and decision-making.

Another significant project for AMIF was the simplification of the Australian Marine Awards entry process and the milestone agreement with the four major boating media groups to work together on the Awards. As a result, by December 2004 there was four times the number of entries in the Awards as at the same time in 2003.

Continuing to liaise with Government agencies to protect the interests of the national Marine Industry remained a priority in 2004. AMIF provided input

to various decision making bodies on issues such as GST on visiting vessels, Great Barrier Reef Marine Park Authority reef closures and compensation for Industry, strategies to address skills shortages and the Australian Builders Plate to name but a few.

2004 was definitely hectic at the AMIF office, and each and every gain made on behalf of the Marine Industry seemed to require extraordinary patience and tenacity. None the less, on reflection, the perseverance shown by the AMIF staff and Board of Directors appears to have paid dividends in terms of recognition for the Marine Industry and greater consideration being given to it in any Government forum.

Sherry Donaldson
March 2005





The National Australian Marine Industries Federation (AMIF) Report

AMIF 2004 YEAR

NATIONAL SURVEY

- Managed survey on behalf of State BIAs
- 68% response rate
- NSW specific breakdown available
- National survey can be purchased on AMIF Website
- Can be used by individual marine industry members to gauge market share, when approaching potential investors and when making decisions on expansion or diversification.
- AMIF uses the information when approaching Federal Government to point out the contribution that the marine industry makes to the Australian economy and its growth rates.

- AMIF negotiated a watershed media partner agreement whereby, Club Marine, Trader International Group, Yaffa Publishing and Federal Publishing all worked together to promote the awards.
- Navman and St Gobain continued to support the Awards with the Department of Industry Tourism and Resources stepping in at the eleventh hour to replace a sponsor who was unable to fulfil an initial commitment.
- Record attendance at the Awards Ceremony.
- Winners reported increased sales inquiry as a result of media promotion
- Work began on revamping the awards for 2005 to encourage greater industry participation.

has been petitioned to allow AMIF to co-ordinate training on behalf of the industry.

- AMIF has hosted site visits with the Parliamentary Secretary for the Minister for Industry Tourism and Resources to allow the Federal Government to see the extent of the industry and the impact of skills shortages.
- AMIF arranged for the state BIA's to participate in the production of the Zoom 3 Marine Career CD.

AMIF has been negotiating with the New Zealand Marine Industry Association to purchase their curriculum resources for national distribution to training providers

INTERNATIONAL COUNCIL OF MARINE INDUSTRY ASSOCIATIONS (ICOMIA)

- Member of ICOMIA in order to influence decision making with regard to ISO standards that ultimately impact on Australian marine industry.
- Mr Graeme Avers, representing AMIF, is the Vice President elect of ICOMIA
- AMIF also represented on the Statistics, Marketing, Inland Waterways, Environment and International Marina Institute Committees.
- Eventually all the decisions made on ICOMIA Committees find their way to Australia so we need to be a part of the decision making process to protect our interests.
- AMIF contributes to the International Statistics publication annually. Copies are available by contacting the AMIF office.
- Membership enables AMIF to inform manufacturers about developments in EU and US emission and build standards.

AUSTRALIAN MARINE AWARDS

- Awards designed to raise the profile of the industry. The categories include local and imported sectors as well as innovative product and marinas.

AUSTRALIAN AND NEW ZEALAND SAFE BOATING GROUP

- Answerable to the National Marine Safety Committee (NMSC), this committee consists of middle management from the state marine authorities.
- AMIF attends meetings to give an industry perspective on the group's activities.
- In 2004 the group produced information for manufacturers on the Australian Builders Plate, information for the public on changes to the marine radio communications and a trip-planning brochure. It made a start on a communications strategy for the introduction of the 406 EPIRB.

TRAINING

- In June 2004 the annex to the Metals and Engineering Training Package finally made its way through the Australian National Training Authority approval process after six years.
- AMIF worked with several states to assist with the state based implementation package (making sure that the state government allocated funds to subsidise employers/training organisations)
- The Federal Minister for Education and Training

NATIONAL MARINE SAFETY COMMITTEE

- AMIF has been a member of the organising committee for the 2005 Hobart Conference
- Mr Ian McAndrew represents AMIF on the National Maritime Safety Committee's Industry Advisory Council
- AMIF has supported the introduction of the Australian Builders Plate which is affixed by the manufacturer not the dealer
- AMIF has expressed dissatisfaction with the current NMSC draft model legislation for use in state acts
- Australian Builders Plates can be ordered on line over the AMIF Website

DIRECTORS' AND OFFICERS' INSURANCE

The AMIF negotiates collectively on behalf of the State BIA's and their committees to ensure that cover is obtained for those acting on behalf of the AMIF or BIA's.



Division Reports - Marine Brokers Association of NSW

The Marine Brokers Association of NSW progressed through the 2004 year despite the many challenges it faced during this growth period. Whilst membership stalled in the early part of the year, membership did grow by 50% by year-end to a respectable 21 accredited members.

During the 12 months, the committee made many inroads into issues that the industry highlighted as requiring attention. These achievements included:

- Increased the membership to 21
- Conducted positive discussions with Club Marine to ensure that commissions are paid to brokers when customers renew their policies on line
- Created an open line of communication with all NSW brokers irrespective of membership status.
- Produced membership documentation that highlights the benefits of membership.
- Conducted a complete review of standard forms for brokers, ensuring that those that existed were updated and those required were developed to fulfil industry needs.
- Commenced research and commissioned an industry education program to be written to allow industry members to meet the agreed standards.

Whilst the Marine Brokers committee is small compared to other industry sub-divisions, its achievements were considerable. The Marine Brokers committee maintains an understanding that one of their prime objectives is to educate the boating public. The message that has to be delivered is that dealing with a Marine Brokers member will mean dealing with a professional and courteous business that has a high business standard.

The Marine Brokers Committee appreciates the support of Trade-A-Boat and Modern Boating magazines for publishing our advertisement "Hold your Broker to a higher standard". Their generous support has greatly assisted in launching our publicity campaign.

The Committee utilised the Sydney International Boat Show to gain positive public exposure. During the show, several committee members were rostered to present a presentation to the public

educating consumers regarding the process of purchasing a boat from a broker. Broadly, the presentations included information on the following areas:

- Dealing with an accredited Marine Broker
- Selecting the correct boat
- How to buy a boat

During the year a consultant was appointed to formulate an accreditation program with the view to commence education in 2005. The program is positive in that it allows for a full education course for people looking to enter the marine broking industry.

On behalf of the Marine Brokers Association, the secretariat has conducted extensive communication with Trade-A-Boat magazine to discuss the industry impact on the implementation of 13 issues annually. This matter has proven to be complicated and complex and whilst discussions will be ongoing, its resolution remains outstanding.

In accordance with the law and association requirements, all accredited members of the Marine Brokers Association are required to hold a second-hand dealers licence. Membership to the association will ensure that members are guided on regulatory requirements to ensure they comply, as opposed to the situation that may arise where, as an example, non members may fail to realise this licence is a requirement by State law and failure to obtain one can mean these brokers can be heavily fined.

The aim of the Marine Brokers Association is to self-regulate and promote the benefits of dealing with a MBA Broker.

The Marine Brokers Association used 2004 to also look forward to 2005, reaffirming its objectives and by task setting for the upcoming year.





Division Reports - Marina Association of NSW

2004 was a mixed year for the Marina Association. On a positive note, we were finally advised that the “Unofficial Moratorium” on marina development in Sydney Harbour would be lifted once the new (draft) **Regional Environmental Plan for Sydney Harbour (REP)** was gazetted.

In pursuing the REP consultation process, a number of member meetings were held in July in order to provide feedback to the Department of Infrastructure, Planning and Natural Resources. We then received a positive response to many of those suggested changes and to date, they have been included in the REP to be gazetted some time in 2005. It was positive to note that the government had finally recognised the impact that residential marinas had on public perception. New developments of private marinas will now be more strictly controlled. In addition, many of the BIA & MANSW suggested definitions were to be included in the REP.

The **Boat Storage Strategy** as part of the REP “package” and the **Development Control Plan** for Sydney Harbour were also released and comments made by MANSW.

The **MANSW committee** structure changed in 2004. Andrew Fenwick resigned as the chairperson and Christopher Murray resigned as a BIA Director. This vacancy was filled by Mark Hewitt from Sandbrook Inlet Marina (Funventure PL). Mark Hewitt is also a corporate financial advisor and has spent several years consulting to the Department of Finance in Canberra. He brings to the association a wealth of legal and corporate references.

In addition, the committee was re-structured to ensure that geographical areas and types of marina (clubs) would be represented and that only a maximum of 2 from each area would be on the committee.

The committee investigated the creation of a constitution for the MANSW and the goal was to have this in place for the AGM in April 2005.

The **Industry Partnership Program** completed all its audits and workshops during 2004. The latter were well attended; in particular those seeking solutions for inclined slipways. We witnessed some of the best brain-power at work to come up with innovative ideas. As we prepare a report on the outcomes, the IPP is entering its final phases where we are working with participants to collect final

data showing cleaner production as well as now finally preparing all the audit reports, management systems and related reports to the Department of Environment & Conservation (formerly EPA).

The MANSW continued to work with government at all levels to assist members. Lobbying government on all matters relating to infrastructure, some issues canvassed included Rozelle Bay (entire Maritime Precinct); Ballast Point (in relation to the future of fuelling on Sydney Harbour); an **infrastructure** review across NSW (NSW Maritime Authority); Berry’s Bay framework plan.

The 2004 Sydney International Boat Show allowed another opportunity for members to network and the subjects of interest were the REP and leases.

Formation of the MANSW (Marina Association) **Leases** sub-committee and the subsequent negotiations with government have proven to be one of the most difficult processes ever faced by the association. In Sydney Harbour, Project 5 – “Tenure of waterfront operations review” is still in disarray – this project, publicly launched as part of the Sharing Sydney Harbour Vision on behalf of both the Premiers Department and the Department of Planning in September 2000 had the objective to:

“ensure a more secure operating environment, thus encouraging long-term investment.”

The lead agency in ensuring the achievement of this project was the NSW Waterways Authority, now NSW Maritime Authority. The date set for achievement was 2001. Our industry instead finds itself facing Maritime Property and Assets Division (within the NSWMA) as unable to present a commercial solution to ensure the viability of the industry. In spite of repeated requests to consult with industry, and lodgement of a combined, BIA, MANSW and Boat owner’s Association submission, the NSW Maritime has not shifted in its policy. In fact at the writing of the Annual report, the policy as published for public comment was deemed by many members to be “lethal to their businesses”.

The recognition of how dangerous the policy was to marinas and all associated tenancies is what led to resignation from the Sydney Harbour Maritime Forum by BIA, MANSW and a number of individuals in September 2004. The association felt that the

SHMF no longer properly represented the real interests of members.

Leases outside of Sydney Harbour as covered by the Department of Lands, were on a similar bleak path as those under the NSW Maritime until late 2004 when the Director General of Lands decided to meet with members and since then, the industry has been encouraged by the positive decision to employ an outside consultant to oversee a review of the intended policy as announced by Lands in 2003/4. This review is underway and it is hoped that the results will show the kind of recognition and leadership sought of governments in assisting industry to provide valuable services, employment and income to the state.

The 2004 MANSW committee have undertaken to continue supporting all members on these many issues during the next 12 months.

From a national perspective, the members of the MANSW also provided ongoing support to the **Marina Association of Australia (MAA)**. The MAA continues its role providing marina management courses. The MAA secretariat has moved to Sydney and an external Administrative Manager has been engaged to conduct its operations. The Clean Marinas-Australia programme was launched in 2004. This programme is managed by BIANSW.

The Marina Association of NSW is committed to continuing its roles, as a representative of all its members to all levels of government, education provider, information sharing and providing a forum for discussion.





Division Report

- Marine Industry Mechanical Repairers Association of NSW

MIMRA is dedicated to representing the industry sector that encompasses the Marine Technicians. It provides a forum for individual and Company members to voice their thoughts on industry improvements and interests.

MIMRA members abide by the BIA code of Practice and strive to provide professional and efficient service to the boating consumer.

MIMRA objectives include;

- To give members the opportunity to further their training in order to keep pace with changing technologies and increasingly complex engine systems.
- To develop safe working practices specific to their industry sector.
- To provide a forum for the exchange of ideas and technology that manufacturers, specialists and suppliers can all benefit from.

During 2004 MIMRA members participated in many activities for the benefit of the industry group. Some of these initiatives included;

- Attended a Trade night at the new Mercury offices at Meadowbank, educating members of new engine technology and assisting with service practices.
- MIMRA members contributed to and were involved in the Industry Partnership Program workshops conducted by the BIA on behalf of the Environmental Protection Authority.
- The MIMRA Annual General Meeting was held at Sydney Rowing Club in May, where the opportunity was taken to assist with further member development. On the evening a representative from Loctite provided industry product education.
- MIMRA rewarded the TAFE class of 2003 for the industry during the Sydney International Boat Show with a formal graduation ceremony. The evening was further rewarding for students with families invited to witness the ceremony and join in a celebration at the conclusion of proceedings.
- The Annual MIMRA networking function was also held at the Sydney International Boat Show.

Education for individuals entering the trade remains an important matter for the industry group.

MIMRA participated in two key activities to support education at TAFE level during 2004;

1. MIMRA committee members continued to work with the TAFE to ensure that the training received by apprentices remains focussed and pertinent.
2. MIMRA once again sponsored the "Apprentices on water training day" at Georges River, south west of Sydney where apprentices had the opportunity to test various vessels using a selection of different diameter and pitch propellers. Representatives from all the major engine distributors attended and addressed the apprentices.

MIMRA still considers the most important issue facing them at this time is a licensing regime for Marine Technicians in order to increase the uptake of apprentices throughout the industry, to raise the standard of apprentices wishing to join the industry and to control rogue outsiders from performing substandard and even dangerous works within the boating industry.





Division Report

-Shipwright and Boatbuilders Association of NSW

SBA is a division devoted to the Shipwrights and Boatbuilders. This group represents both new boat construction and repairers. The group's members include companies, qualified tradesmen and apprentices in training.

The group provides a forum for industry issues as well as providing a face for the industry to the boating consumer.

SBA objectives include: -

- To create an industry forum for exchanging ideas techniques and networking.
- To develop and recognise a standard of work practice.
- To foster consumer and government recognition through self-regulation.
- To provide a consumer recognisable identity for members.

Key to SBA's activities in 2004 was the considerable time devoted to assisting with the development of the Boating Services Package certificates 1 and 2.

These courses have the potential to be a pre-apprenticeship course or the basic training required for a yard hand throughout our industry.

Other key activities in 2004 included:

- SBA once again assisted with the promotion of the Shipwrights reunion held in February. This resulted in high attendance and excellent networking opportunities.
- During the General Meeting of members in September, a special guest speaker from F.G.I. informed the industry about the latest innovations in the composite side of the industry.
- The Annual General meeting was in November where the existing committee was returned with the only change being Paul Burgess standing down from the Chairman's position being replaced by Michael Minogue. Industry education also featured on the evening with a representative from Crowther Design speaking to the meeting about the latest designs.

- The Shipwrights and Boatbuilders were represented at the Sydney International Boat Show by industry members, who demonstrated their skills and promoted the use of industry members.

- The Boat Building competition was also held at the Sydney International Boat Show further demonstrating industry skills and furthering awareness of the association. The 2004 competition featured entrants from New Zealand, who demonstrated their skills against our local talents.



Division Report

-Sailing Industry Association of NSW

The Sailing Industry Association of NSW (SIA) is dedicated to the promotion and improvement of the sailing industry.

Eight members make up the SIA committee who all operate within the industry. The SIA is supported by Yachting NSW, which adds to the group's ability to fulfill its objectives.

SIA objectives:

- To increase awareness of the sailing industry to the general public as a whole
- To implement & utilise key promotional activities in order to raise awareness of sailing
- To encourage different markets (including youth) to participate in sailing activities
- To continually educate the sailing fraternity on how to benefit from self-promotion and activities through the SIA

In order for the SIA to successfully realise these objectives, they take a strong and active role in many activities.

At the Sydney International Boat Show the SIA provides direction and development of activities on the Strictly Sail stage, an area dedicated to sailing. 32% of visitors to the Sydney International Boat Show have an interest in sailing. These activities assist both sailing newcomers as well as experienced sailors to either learn how to enter or improve their sailing activities. The objective of the stage area is to educate visitors on how to improve their leisure pastime through sailing.

The SIA developed the concept of Try Sailing Day, which has now developed into a key, national event. This annual, free day was held at 24 sailing clubs across NSW with over 1,742 people attending, bringing the total to 11,118 over the past 9 years. Half of those who attended had never tried sailing before. This activity is a means of

breaking down the possible perceptions that sailing is difficult to participate in.

These activities contribute to ensuring ongoing interest in the sport as a necessary activity for the longevity and growth of the industry. The message from the sailing industry association also extends to show how sailing can also be a leisure pastime without having to compete as part of a sporting group.

The 2004-year also consisted of much forward planning. It looked towards the future for further promotional opportunities and in particular discussed the parameters to commence a feasibility study into a BIA owned and run Sail Only Show within the Sydney market.

A strategy for better industry communication and feedback was also determined as being necessary.



Marketing Promotions and Events

The Boating Industry Association of NSW Ltd conducted marketing programs, promotions & events throughout 2004 for the purpose of fulfilling many of its business objectives. Marketing elements that have previously proved successful combined with some new initiatives ensured a busy and successful year.

Some of these objectives included:-

- To create awareness of the boating lifestyle to potential boaters.
- To regenerate interest in boating where it had lapsed with existing boaters.
- To run boat shows strategically timed to suit various market segments and business objectives.
- To increase consumer awareness regarding the benefits in dealing with an association member or one of its sub-group members.
- To deliver the 'safe boating' message.

BIA's marketing activities stimulate business for the marine industry throughout the year and decrease the impact of seasonality through the timing of its main show.

BIA's general marketing activities work towards ensuring that marine consumers recognise the BIA symbol as well as the professionalism associated with its members through their commitment to the Code of Ethics.

The consumer leisure dollar is limited, and from what is spent, the BIA works towards securing as much as possible for our industry as opposed to other leisure activities such as travel, camping and caravanning.

Whilst broadly referring to the various events and activities as 'boating', the term refers to the entire boating industry. The BIA concerns itself with product and services across the entire recreational and light commercial marine industry.

In 2004, the following activities and promotions were completed successfully. They are primarily listed chronologically by date of execution.

Weekly Ad - Fairfax Newspapers - All year

On a weekly basis the BIA runs a consumer announcement style advertisement through the Fairfax Press weekend editions (Sydney Morning Herald and Sun Herald). This style of advertising allows the BIA to expose its logo and delivers varied promotional, safe boating and announcement messages.

Channel 7 Sydney Weekender Sponsorship – All year

The BIA continues as a co-sponsor of Channel 7's Sydney Weekender program as a means of promoting the boating lifestyle. In 2004 the BIA sponsored a total of 18 episodes that aired strategically during the year. Stories were written and produced utilising members where possible, to show our target audience the pleasures of boating in many different formats.

BIA has a close relationship with the show which has led to boating's inclusion in many other stories outside our sponsored group.

Association & membership exposure through the Internet – All year

The Association has four active web sites.

BIA of NSW
www.bia.org.au

Sydney International Boat Show
www.sydneyboatshow.com.au

National Boat Shows
www.boatshows.com.au

In 2004, the development of a fourth site was completed with the view of supporting the BIA's Marine Directory.

The site www.marinedirectory.com.au will continue in its development in 2005.

These sites are an integral part of our distribution of information and promotion of boating, the associations' members, the association and its events. Visitation to the sites is high.



Promotion of the BIA name – All year

The BIA undertook to continue its ongoing message to educate the public regarding the benefits of dealing with a BIA member.

Several mediums were utilised during the year, including:-

- NSW Marine Directory;
- Advertising in the Waterways Licence Handbook;
- Sydney International Boat Show Program;
- The Power Boating Workbook for Schools;
- The Sydney Weekender Magazine;
- AIMEX yearbook;
- NSW Fisheries anglers hand books; and
- All sponsored Sydney Weekender programs concluded with the BIA logo.

Membership decals, the BIA and divisional logos in electronic or bromide form and business membership plaques remain available to members and are distributed on membership renewal. Membership plaques were available through the Membership Services Representative.



Marketing Promotions and Events

The BIA developed several new brochures with the view to informing various groups about the benefits of an association with the BIA, these brochures were titled;

- Why it pays to deal with a BIA member.
- Get into boating.
- Boat users guide to preserving the environment.
- What is the BIA.
- Buying and selling a boat.

Marketing Services Division – All year

The Marketing Services Division continued to operate during 2004 in a limited way. Whilst several projects were completed, work was not actively sought, preferring to have the team concentrate on its core BIA activities.

Of those projects commissioned, all were completed successfully and on time.

Rosehill Gardens Boat Show - March 2004

This event was planned and marketed primarily as a 'Trailer boat show and end of summer clearance sale'. The 2004 show operated in its new venue for the second year at Rosehill Gardens Racecourse. In 2004 the show expanded to operate over the entire Rosehill Gardens site allowing for a better show layout and improved crowd control. Visitation almost doubled the previous year with our audience clearly pleased with the improved surroundings.

A large number of vessels were displayed. Consumer feedback, strong sales of new vessels and accessories, reinforces the need for this type of event. Timing of the event appears to be right. Whilst the association encouraged the display by exhibitors of quality used vessels, this did not eventuate. The show has a long history accredited by many people as their introduction to boating whilst in their youth. In its new format the Rosehill Gardens Boat Show has been identified as an event with tremendous growth potential, both in an expanded exhibitor base and in public visitation.

Sydney International Boat Show - July 2004

This event remains the flagship of all the annual promotional activities. It is critical as it also allows cross subsidisation of other annual events, promotions and administration.

The 2004 event recorded a record number of visitors with 93,501 visitors attending the show, up from 84,766 in 2003 (incorrectly reported as 81,838 in past reports).

Exhibitor sales and networking opportunities were very high. The event remains unquestionably Australia's leading boating event.

The show developed further with a new floor plan, now an ongoing necessity to appease visitor demands for variety and something new. The modernised and expanded marina allowed for better consumer access with the introduction of a second entrance at the western end of Cockle Bay. The formulation and ongoing review of detailed supplier agreements was necessary to ensure that we comply with legislation relating to items such as Occupational Health and Safety.

The Association is very grateful for the support received from our sponsors and promotional partners.



SPONSORS:

- CLUB MARINE INSURANCE
- WATERWAYS AUTHORITY OF NSW

PROMOTIONAL PARTNERS:

- TRADER INTERNATIONAL GROUP
- YAMAHA
- TOYOTA

Their support and assistance not only increases awareness of the event, but also helped in giving the event its leading stature it has, not only locally, but also internationally.

The YAFFA PUBLISHING GROUP'S long-term association with the BIA also continued with the Boat Show Program produced professionally and containing very useful information for show patrons. With the show program adding to the events profile, and the support from other Yaffa titles, the Yaffa Publishing Group continue to be strong and loyal supporters of the BIA objectives.

Once again the efforts of exhibitors and their professionalism in relation to the show continues to give the event the backbone it requires for success.

The Board of Directors recognises that the shows success can also be very much attributed to the shows sponsors, promotional partners, contractors, suppliers and landlords that assisted with the event.



Marketing Promotions and Events

Hunter Boat Show - September 2004

In 2004, this event was organised for the second time by the BIA team. The timing of September remained with limited opportunities for change (without conflict with other key events and sports) as well as available openings at the venue.

The event achieved an attendance of over 7000 visitors. Local support was strong with good local member representation and a proactive involvement from the Newcastle Herald who remained the naming right sponsor of the event and produced a show guide distributed to 65,000 readers as well as being made available on show entry.

The show has been identified as an event with growth potential, both in visitation and in an expanded exhibitor base.



Try Sailing Day - November 2004

Try Sailing Day continues to grow in popularity with a greater cross section of the community taking advantage of the opportunity to Try Sailing. The BIA's Sailing Division, with the assistance of the Yachting NSW, and its clubs drive the success of this promotional event.

The day featured many clubs across the state with the kind help of club volunteers helping many people to experience sailing for the first time, with the result being increased membership of sailing clubs, high levels of sailing class bookings and most importantly new entrants to the sport of sailing.

Whilst advertising expenditure is minimal, the on-going support by Channel 7's Sydney Weekender program can be attributed to the high level of participants on the day.



NSW Marine Directory – Published December 2004

BIA planned and published a new 2005 NSW Marine Directory for distribution in December 2004. The Marine Directory is a sought after publication with handy information for all boating participants.

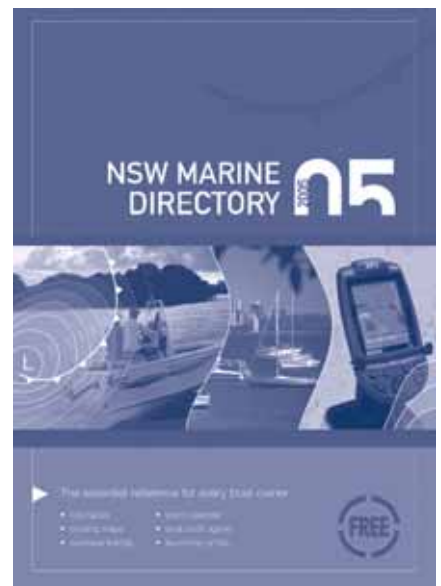
The publication covered the entire State. 50,000 copies were distributed free of charge through various means. The number printed increased from 40,000 the previous year with three publications attaching the directory to their covers in early January 2005. These publications included Modern Boating, Modern Fishing and Marine Business.

The NSW Marine Directory is now an outstanding addition to our member services and presents BIA with valuable opportunities to promote members, their products and services to the boating public.

The publication of the directory fulfils several BIA objectives:

- The booklet that assists boating consumers have a better boating experience by arming them with better information;

- To help highlight the location of businesses who can assist recreational boaters, with an emphasis on highlighting those that are BIA members; and
- To develop a new revenue stream for the Association.





Treasurer's Report

Presented to the Annual General Meeting of the Boating Industry Association of NSW Limited Tuesday 10th May 2005.

On behalf of the Board of Directors I present the financial statements for the year ending 31 December 2004.

The audited accounts reveal another healthy year for the Association and I am pleased to report that our after tax surplus for the year ended 31 December 2004 was \$659,288. Over the last three years we have added over \$1.1 million to Members Funds, which has significantly strengthened the Balance Sheet of our Association. We are in a very strong financial position and this will allow us to resource solutions to important industry issues and continue to promote recreational boating within New South Wales.

The Sydney International Boat Show, Hunter Boat Show and Rosehill Gardens Boat Show generated 88% of our total income. Facilities at Rosehill Gardens and the Newcastle Entertainment Centre will allow us to grow both Shows and we have adopted a policy of cross subsidisation to allow for this growth through promotion.

Our after tax surplus for 2004 represents an increase of 305.8% on 2003. This outstanding result can be attributable to: increased visitation at the Sydney International Boat Show (14% increase in numbers from 2003); 235 Marina Exhibitors in Cockle Bay (26% increase on 2003); and an increase in floor space yield within the Halls.

The highlights of our financial year are:

- After tax surplus of \$659,289 for 12 months, compared to \$215,564 in the previous year (305.8% improvement).
- Total Members' funds increased from \$1,886,683 to \$2,545,972 (an increase of 34.9%)

The Association continues to invest funds to promote, develop and grow the industry for our future well being. A selection of our investments include:

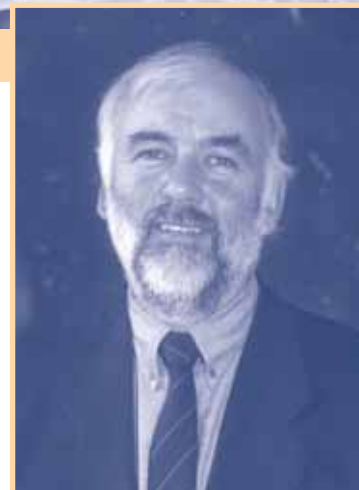
- Promoting boating lifestyle through sponsorship of the Television program "Sydney Weekender", \$73,700.
- Promotion of the Boating Industry Association of NSW Ltd through NSW Maritime Authority publications, \$5,040.
- Subscription to AMIF to operate the National Association, \$60,839.
- Affiliation with Australian Business Limited to provide Members Advice Line to all financial members of the Association.
- Sailing Industry Association "Try Sailing Day" promotion, \$21,932.
- Strictly Sail promotion at Sydney International Boat Show, \$34,372.
- Projects and administrative expenses for BIA Divisions (MIMRA, SBA, Marina Association of NSW, Sailing Industry Association and Marine Brokers Association) \$30,402.

I am pleased to report the aims and objectives of the Association continue to be achieved and member's benefits and services will be ongoing in accordance with our charter, due to our financial strength.

As Treasurer of your Association, I have pleasure in submitting the financial statements for the year ended 31 December 2004 for your adoption.

DOUG OLDING

TREASURER





Financial Statement – Contents

Concise Annual Report for the Year ended 31 December 2004

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Directors Report

The directors present their report together with the financial report of Boating Industry Association of New South Wales Limited for the year ended 31 December 2004 and the auditors' report thereon.

1 Directors

The directors at any time during or since the end of the financial year are:

| | Period as Director |
|------------------------------|--------------------------------|
| Ian McAndrew (President) | 13 September 1988 to present |
| Richard Pym (Vice-President) | 5 December 1990 to present |
| Doug Olding (Treasurer) | 10 December 1991 to present |
| Robert Basham | 8 December 1992 to present |
| Matthew Robinson | 27 April 1999 to present |
| Christopher Murray | 18 October 2002 to 18 May 2004 |
| Simon Cook | 8 May 2001 to present |
| Paul Burgess | 8 May 2001 to present |
| Hugh Shanks | 9 December 1993 to 18 May 2004 |
| Mark Hewitt | 18 May 2004 to present |
| Alan Blake | 18 May 2004 to present |
| Des Last | 18 May 2004 to present |

2 Principal Activity

The principal activity of the company during the financial year was the promotion of the boating industry in New South Wales.

There was no significant change in the nature of this activity during the financial year.

3 Review and Results of Operations

The company continued to engage in its principal activity during the financial year, leading to a net surplus of \$659,289 (2003: \$215,564).

4 Dividends

The constitution of the company prohibits the payment of a dividend.

5 State of Affairs

No significant changes in the state of affairs of the company occurred during the financial year.

6 Events Subsequent to Balance Date

For reporting periods starting on or after 1 January 2005, the company must comply with International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board. At balance date, it was not possible to quantify the effect of the convergence to IFRS.

Other than the matters discussed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company to significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Directors Report cont.

7 Likely Developments

The company will continue to pursue its principal activities at a surplus. It is not expected that the results in future years will be adversely affected by the continuation of these operations.

Further disclosure of information regarding likely developments in the operations of the company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the company. Accordingly, this information has not been disclosed in this report.

8 Environmental Regulations

The company's operations are not subject to any significant environmental regulations under Australian Law.

9 Insurance of Officers

During the financial year the company has paid premiums in respect of directors' and officers' liability insurance contracts for the year ended 31 December 2004 and since the financial year, the company has paid or agreed to pay on behalf of the company, premiums in respect of such insurance contracts for the year ending 31 December 2005. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of the company.

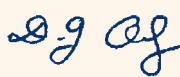
The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability insurance contracts, as such disclosure is prohibited under the terms of the contracts.

| 10 | Meeting Attendance | Number of Meetings Held | Number of Meetings |
|----|--------------------|-------------------------|--------------------|
| | Director | while in Office | Attended |
| | I McAndrew | 9 | 8 |
| | R Pym | 9 | 7 |
| | D Olding | 9 | 7 |
| | R Basham | 9 | 9 |
| | M Robinson | 9 | 6 |
| | C Murray | 4 | 2 |
| | S Cook | 9 | 7 |
| | P Burgess | 9 | 6 |
| | H Shanks | 4 | 3 |
| | M Hewitt | 5 | 5 |
| | A Blake | 5 | 4 |
| | D Last | 9 | 6 |

Signed in accordance with a resolution of the directors:



I. McAndrew
President



D. Olding
Treasurer

Sydney; 5 April 2005

Independent Auditors' Report

to the Members of The Boating Industry Association of New South Wales

Scope

The financial report and directors' responsibility

The concise financial report comprises the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes 1 to 6 and the accompanying discussion and analysis on the statement of financial performance, statement of financial position, and statement of cash flows, (set out on pages 22 to 28), for the Boating Industry Association of New South Wales Limited (the "company"), for the year ended 31 December 2004.

The directors of the company are responsible for the preparation of the concise financial report in accordance with Australian Accounting Standard AASB 1039 "Concise Financial Reports". This includes responsibility for the maintenance of adequate accounting records and internal records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We have conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the concise financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected. We have also performed an independent audit of the full financial report of the company for the year ended 31 December 2004. Our audit report on the full financial report was signed on 8 April 2005 and was not subject to any qualification.

We performed procedures in respect of the audit of the concise financial report to assess whether, in all material respects, the concise financial report is presented fairly, in accordance with Australian Accounting Standard AASB 1039 "Concise Financial Reports".

We formed our audit opinion on the basis of these procedures, which included:

- testing that the information in the concise financial report is consistent with the full financial report, and
- examining, on a test basis, information to provide evidence supporting the amounts, discussion and analysis, and other disclosures, which were not directly derived from the full financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

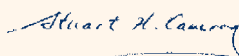
In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Audit Opinion

In our opinion, the concise financial report of the Boating Industry Association of New South Wales Limited for the year ended 31 December 2004 complies with Australian Accounting Standard AASB 1039 "Concise Financial Reports".



Nexia Court & Co
Chartered Accountants



Stuart H Cameron
Partner

Sydney; 8 April, 2005

Directors Declaration

In the opinion of the directors of the Boating Industry Association of New South Wales Limited the accompanying concise financial report for the year ended 31 December 2004, set out on pages 22 to 28.

- a has been derived from or is consistent with the full financial report for the financial year; and
- b complies with Accounting Standard AASB 1039 "Concise Financial Reports".

Signed in accordance with a resolution of the directors:



I McAndrew
President



D Olding
Treasurer

Sydney; 5 April, 2005

ABOUT THE CONCISE FINANCIAL REPORT

The financial statements and disclosures in the concise financial report on pages 22 to 28 have been derived from the Boating Industry Association of New South Wales Limited full financial report for the year ended 31 December 2004. A more comprehensive understanding of the Boating Industry Association of New South Wales Limited's financial performance, financial position and cash flows than the concise report is able to provide is given in the full financial report.

A copy of the full financial report, including the Auditors' report on the full financial report, is available and will be sent to any member without charge on request by phoning (02) 9438 2077.

DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS

This discussion and analysis is provided to assist readers in understanding the concise financial report. The concise financial report has been derived from the full 2004 financial report of Boating Industry Association of New South Wales Limited.

Statement of financial performance

Net surplus rose due to a net increase in revenue.

Statement of financial position, Statement of cash flows

Cash assets rose due to an increase in receipts from the Sydney International Boat Show.

Receivables fell due to better collections.

Interest bearing liabilities fell due to the repayment of bank overdrafts from the increased cash flows from operating activities.

Statement of Financial Performance For the Year Ended 31 December 2004

| | Note | 2004 \$ | 2003 \$ |
|---|------|-------------|-------------|
| Total revenue from ordinary activities | 2 | 5,168,814 | 4,521,968 |
| Cost of sales, operations, shows and promotions | | (3,358,769) | (2,950,798) |
| Carrying amount of property, plant and equipment disposed | | (4,848) | (232,039) |
| Depreciation and amortisation | | (100,976) | (53,335) |
| Employee expenses | | (443,345) | (366,787) |
| Advertising – Consumer Marketing | | (101,642) | (78,803) |
| Insurance | | (80,037) | (87,196) |
| Marine directory expenses | | (80,212) | (100,739) |
| Subscription fees | | (80,330) | (73,016) |
| Other expenses from ordinary activities | | (237,434) | (362,767) |
| SURPLUS FROM ORDINARY ACTIVITIES | | | |
| BEFORE RELATED INCOME TAX EXPENSE | | 681,221 | 216,488 |
| Income tax expense relating to ordinary activities | | (21,932) | (924) |
| NET SURPLUS | | 659,289 | 215,564 |
| TOTAL CHANGE IN EQUITY | 4 | 659,289 | 215,564 |

The accompanying notes form part of these financial statements.

Statement of Financial Position

As At Year Ended 31 December 2004

| | Note | 2004 \$ | 2003 \$ |
|--------------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash assets | | 818,536 | 15,866 |
| Receivables | | 374,604 | 420,254 |
| Stock | | 1,430 | 1,782 |
| Deferred tax assets | | - | 1,200 |
| Other | | 162,885 | 208,325 |
| TOTAL CURRENT ASSETS | | <u>1,357,455</u> | <u>647,427</u> |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 1,982,253 | 2,022,187 |
| Intangibles | | - | 45,580 |
| TOTAL NON-CURRENT ASSETS | | <u>1,982,253</u> | <u>2,067,767</u> |
| TOTAL ASSETS | | <u>3,339,708</u> | <u>2,715,194</u> |
| CURRENT LIABILITIES | | | |
| Payables | | 252,219 | 295,175 |
| Subscriptions received in advance | | 392,657 | 312,140 |
| Current tax liabilities | | 19,857 | 10,770 |
| Provisions | | 95,968 | 90,533 |
| Interest bearing liabilities | | 13,476 | 115,000 |
| TOTAL CURRENT LIABILITIES | | <u>774,177</u> | <u>823,618</u> |
| NON-CURRENT LIABILITIES | | | |
| Provisions | | 19,559 | 4,893 |
| TOTAL NON-CURRENT LIABILITIES | | <u>19,559</u> | <u>4,893</u> |
| TOTAL LIABILITIES | | <u>793,736</u> | <u>828,511</u> |
| NET ASSETS | | <u>2,545,972</u> | <u>1,886,683</u> |
| EQUITY | | | |
| Reserves | | 111,571 | 111,571 |
| Retained Surplus | 4 | 2,434,401 | 1,775,112 |
| TOTAL EQUITY | | <u>2,545,972</u> | <u>1,886,683</u> |

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2004

| | Note | 2004 | 2003 |
|---|------|-------------|-------------|
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash receipts in the course of operations | | 5,692,019 | 4,633,852 |
| Cash payments in the course of operations | | (4,780,760) | (4,136,285) |
| Interest received | | 25,520 | 7,604 |
| Income taxes (paid)/refunded | | (11,645) | 16,148 |
| Net Cash Provided by Operating Activities | | 925,134 | 521,319 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of property, plant and equipment | | - | 280,000 |
| Payment for property, plant and equipment | | (20,311) | (72,490) |
| Net Cash (Used in)/Provided by Investing Activities | | (20,311) | 207,510 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from repayment of loan | | - | 20,030 |
| Net Cash Provided by Financing Activities | | - | 20,030 |
| NET INCREASE IN CASH HELD | | 904,823 | 748,859 |
| Cash at the Beginning of the Financial Year | | (86,287) | (835,146) |
| CASH AT THE END OF THE FINANCIAL YEAR | | 818,536 | (86,287) |

The accompanying notes form part of these financial statements.

Notes to the Financial Statements For the Year Ended 31 December 2004

1 BASIS OF PREPARATION OF CONCISE FINANCIAL REPORT

The concise financial report has been prepared in accordance with the Corporations Act 2001, Accounting Standard AASB 1039 "Concise Financial Reports" and applicable Urgent Issues Group Consensus Views. The financial statements and specific disclosures required by AASB 1039 have been derived from the company's full financial report for the financial year. Other information included in the concise financial report is consistent with the company's full financial report. The concise financial report does not, and cannot be expected to, provide as full an understanding of the financial performance, financial position and financing and investing activities of the company as the full financial report.

It has been prepared on the basis of historical costs and except where stated, does not take into accounting changing money values or current valuations of non-current assets.

These accounting policies have been consistently applied by the company and, except where there is a change in accounting policy, are consistent with those of previous year.

A full description of the accounting policies adopted by the company may be found in the company's full financial report.

| | Note | 2004 \$ | 2003 \$ |
|---|------|------------|------------|
| 2. REVENUE FROM ORDINARY ACTIVITIES | | | |
| Revenues from Operating Activities: | | | |
| Sydney Boat Show | | 4,201,751 | 3,461,736 |
| Regional boat shows | | 346,134 | 294,697 |
| Shipwrights and Boat Builders Association | | 5,316 | 5,339 |
| Marine Industry Mechanical Repairers Association | | 2,296 | 3,192 |
| Members subscriptions | | 177,783 | 170,298 |
| Marketing services division | | 85,488 | 79,560 |
| | | 4,818,768 | 4,014,822 |
| Revenues from Outside Operating Activities | | | |
| Interest | | 25,520 | 7,604 |
| Licence fees | | 74,571 | 65,679 |
| Proceeds on sale of property, plant and equipment | | - | 280,000 |
| Other income | | 249,955 | 153,863 |
| | | 350,046 | 507,146 |
| Total Revenue from Ordinary Activities | | 5,168,814 | 4,521,968 |

The accompanying notes form part of these financial statements.

Notes to the Financial Statements For the Year Ended 31 December 2004

| | Note | 2004 \$ | 2003 \$ |
|--|------|------------|------------|
| 3. SURPLUS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE | | | |
| Surplus from ordinary activities before income tax expense has been arrived at after charging/(crediting) the following items: | | | |
| Cost of sales, operations, shows and promotions | | 3,358,769 | 2,950,798 |
| Loss/(profit) on sale of property, plant and equipment | | 4,848 | (49,798) |
| Amortisation | | 45,580 | 2,500 |
| Depreciation of property, plant and equipment | | 55,397 | 52,671 |
| Net expense from movements in provision for: | | | |
| - Employee benefits | | 20,101 | 2,424 |
| 4. RETAINED SURPLUS | | | |
| Retained surplus at the beginning of the year | | 1,775,112 | 1,559,548 |
| Net surplus | | 659,289 | 215,564 |
| Retained surplus at the end of the year | | 2,434,401 | 1,775,112 |

5. RELATED PARTY DISCLOSURES

Directors

- a. The names of each person holding the position of director of the Boating Industry Association of New South Wales Limited during the financial year are:

Ian McAndrew (President)
 Richard Pym (Vice President)
 Doug Olding (Treasurer)
 Hugh Shanks
 Robert Basham
 Matthew Robinson
 Simon Cook
 Paul Burgess
 Christopher Murray
 Mark Hewitt
 Alan Blake
 Des Last

The accompanying notes form part of these financial statements.

Notes to the Financial Statements For the Year Ended 31 December 2004

5. RELATED PARTY DISCLOSURES (Continued)

b. Total income paid or payable, or otherwise made available to all directors of the company from the company.

| Note | 2004 | 2003 |
|------|-------|-------|
| | \$ | \$ |
| | 5,000 | 5,000 |

c. The number of directors of the company whose income from the company falls within the following bands:

| Note | 2004 | 2003 |
|---------------|------|------|
| | No | No. |
| \$0 - \$9,999 | 12 | 9 |

Eleven of the twelve directors received \$Nil.

6. EVENTS SUBSEQUENT TO BALANCE DATE

International Financial Reporting Standards

For reporting periods beginning on or after 1 January 2005, the company must comply with International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board.

This financial report has been prepared in accordance with Australian accounting standards and other financial reporting requirements (Australian GAAP). The differences between Australian GAAP and IFRS identified to date as potentially having a significant effect on the company's financial performance and financial position are summarised below. The summary should not be taken as an exhaustive list of all the differences between Australian GAAP and IFRS. No attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented.

The company has not quantified the effects of the differences discussed below. Accordingly, there can be no assurances that the financial performance and financial position as disclosed in this financial report would not be significantly different if determined in accordance with IFRS.

Regulatory bodies that promulgate Australian GAAP and IFRS have significant ongoing projects that could affect the differences between Australian GAAP and IFRS described below and the impact of these differences relative to the company's financial reports in the future. The potential impact on the company's financial performance and financial position of the adoption of IFRS has not been quantified as at the transition date. The impact on future years will depend on the particular circumstances prevailing in those years.

The key potential implications of the conversion to IFRS on the company are as follows:

- income tax will be calculated based on the "balance sheet" approach, which will result in more deferred tax assets and liabilities and as the tax effect follows the underlying transaction, some tax effects will be recognised in equity;
- changes in accounting policies will be recognised by restating comparatives rather than making current year adjustments with note disclosure of prior year effects.

The accompanying notes form part of these financial statements.



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