



ANNUAL REPORT 2022

For the period ending
31 December 2022

www.nzmarine.com

PRESIDENT'S REPORT – AGM 2023

The NZ Marine Executive, the Board of Management, and the New Zealand Marine Export Group have invested time and financial reserves in creating strategic plans aimed at re-integrating the New Zealand Marine Industry back into the global market as a result of the Maritime Border reopening on 31 August 2022.

Activities include getting our manufacturing exporters global exposure to their markets on the NZ Marine stand at METS, one of the largest marine equipment trade shows in Europe. The first post-Covid event for New Zealand marine manufacturing exporters was the November 2022 event. There were nine New Zealand companies and fifteen “walkers” at this event. The 2023 event is looking promising with our biggest presence in several years, with 12 NZ companies exhibiting under the New Zealand banner, a 36m² New Zealand stand for companies walking the show, and the hire of the internal cafe promoted as the “kiwi cafe” - thanks to the great support from members and NZTE.

To assist the refit market, NZ Marine and the New Zealand Marine Export Group have created a “Superyacht New Zealand” brand and website to promote the Destination & Cruising New Zealand publication. This will be supported by New Zealand-based events such as the Millennium Cup and offshore events that add value to superyacht and cruising yacht owners.

The goal here is to first get back to the pre-covid numbers of 400 visiting cruisers and 60 superyachts per annum. Events that help market visitation to New Zealand include the promotion of New Zealand at the Superyacht Cup in Palma, the promotion of the New Zealand marine industry at the Fort Lauderdale International Boat Show, and also a presence at the Monaco Yacht Show. It should be noted that participation at these events is supported by NZTE and the marine industry's ongoing relationship with NZTE is crucial to enabling us to maintain our presence at these events.

The other key point around the refit market is the ongoing battle to maintain existing infrastructure for haul out and maintenance for visiting vessels as well as local vessels. Where opportunities for new marine infrastructure exist, we are providing support for their development.

The other key element in our industry is access to skills and labour. It is here that the Marine and Specialised Technologies Academy of New Zealand (MAST) plays a crucial role. The MAST organisation is a stand-alone operation with its own Board of Directors, currently chaired by Tracey Stevenson. The Boating Industries Association of NZ Inc is the 100% shareholder of MAST. MAST is now not only arranging training but also can now deliver training. The training numbers have stabilised to around 700+. The Outdoor Fabric Product Association trainees have been added to the MAST portfolio of programs offered by MAST.

As part of the checks and balances with the Review of Vocational Education (ROVE) outcome and MAST's role as a PTE, NZ Marine has ongoing involvement with the Workforce Development Councils, namely Hanga-Aro-Rau and has been supporting the development of new qualifications.

The Auckland Boat Show held 23 – 26 March proved to be a great event, given that it had been a while between boat shows and the new location showcased the New Zealand marine industry's place in the sun. The weather was perfect with no easterlies which had ruined everyone's Christmas cruising. A positive event at a time when the local powerboat sales were easing back coming down off their Covid-related highs. Congratulations to all those involved in organising the event.

The Destination & Cruising New Zealand book and app have been completely updated to support this Pacific push. Thanks to Caroline Gibson, Clive Bennett and Jayne Street for the work.

For the Commercial Vessels Group, the Directory outlining products and services has been updated. Another major piece of work that has been undertaken by the team.

The marine industry has also been engaged with Maritime New Zealand to help smooth the pathway to apply the Marpol, Annex VI, Part 199 requirements around the Prevention of Air Pollution from Ships, and Engine Fuel Specification Regulations. The biggest impact on the domestic market is the requirement to comply with Nitrogen Oxide emissions which apply to the installation of engines over 130kW (174.3HP). These rules were introduced when the New Zealand Government signed up to Annex VI in late 2021.

A Marine Brokers Code of Ethics has been added to our portfolio of members' documentation.

The Boating Industries Association of NZ Inc financial position has been maintained throughout the pandemic, and the Events Transition Support Payment we received from the Government as part compensation for the cancelled March 2022 Boat Show was a key contributor to our current position.

From an internal infrastructure perspective, we have replaced the two motor vehicles on the NZ Marine balance sheet and are looking at replacing our on-site server with a Cloud-based solution.

We are also part the way through a Boating Industries Association of Inc Constitution Review to bring to the Executive. This has been bought about by the requirement to ensure it complies with the new Incorporated Societies Act and also update the NZMACITO Clauses.

Going forward we have the following to look forward to:

- 1) Strategic Review facilitated by Kim Campbell on 18 July 2023
- 2) NZ Marine Conference Tauranga 7-9 August 2023
- 3) Auckland Boatshow/Moana Festival/Sail GP March 2024

Thanks to the Board of Management for their support and guidance through the past year and also the work of the NZ Marine team.

Garry Lock
NZ Marine President

Board Chair Report



Tracey Stevenson
Board Chair

An overview of our year:

This report aims to provide a clear overview of 2022 for MAST Academy and give an insight into our first full 12 months of trading as a Private Training Establishment, from 1st January to 31st December 2022.

Tēnā koutou katoa

It is with great pleasure that I write this report following the completion of the first full year of trading as Marine and Specialised Technologies Academy of New Zealand (MAST Academy).

MAST Academy is a registered charity, and is owned by NZ Marine, the industry association representing all marine related businesses in New Zealand. We continue to value this connection with the Marine Industry Executive and members. We are also the chosen training provider for the Composites Association, Marina Operators Association, and the Outdoor Fabric Association of NZ.

Following four years of navigating our way through the RoVe review process, the transition from the NZ Marine and Composites ITO was completed during the year, with the standard setting functions being handed over to Hanga-Aro-Rau, The Manufacturing, Engineering and Logistics Workforce Development Council at a formal event on 11 July 2022, with the NZMAC ITO being disestablished shortly thereafter.

Our core principles are **Inclusive Learning & Kaitiakitanga** (guardianship and protection), **Wairuatanga** (Identity, uniqueness and belonging), **First in Class & Auahatanga** (Creativity, innovation) **Learner Centric & Mātauranga** (knowledge), **Future focused & Whakawhanaungatanga** (building relationships). These principles underpin our programmes, our relationships with all of our stakeholders, employers, learners and our own team.

I would like to thank my fellow Board Members, Susan Lake, David Glen and Tommy Honey for their mahi and dedication to guiding the organisation through the transition from an industry training organisation to a private training establishment. We have been learning together with the MAST leadership team and have built a strong and supportive relationship that has set up MAST to be a success going forwards. We are currently in the process of seeking additional directors to further strengthen our governance function, particularly with experience in tertiary education governance, tikanga Māori, strong governance skills and learning experience.

The Board is justifiably proud of what has been achieved so far by the MAST leadership team and staff. While there have been some growing pains as we seek to serve a record number of trainees, the team have definitely put in the mahi, diligently focused on the goals and have hit every target set.

Whāia te mātauranga hei oranga mō koutou
Seek after learning for the sake of your wellbeing

Ngā mihi nui
Tracey Stevenson
MAST Board Chair

Training Statistics

345

We saw a record number of **345 new learners** registered in training due to strong employer demand for more skilled people.

928

Total number of learners enrolled during 2022 was **928**.

128

Total number of completions across all programmes was **128**.

33,703

All learners achieved **33,703 credits** in 2022 resulting in a 71% credit achievement rate.

Ethnicity



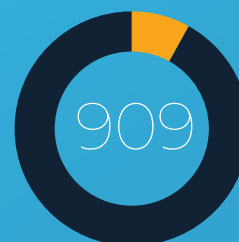
120 Māori
18 Pasifika
771 Non-Māori and Pasifika

Age Group



541 Aged 15-24 years
284 Aged 25-30 years
84 Aged 40 and over

Gender



72 Female
837 Male

Workbased or Campus Courses



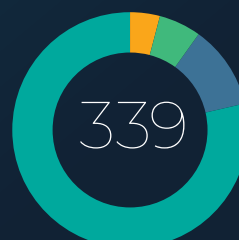
909 enrolled in workbased course
19 enrolled in campus course

NZ Apprentices and Trainees



792 New Zealand Apprentices
117 Trainees

Number of Employers involved in Training



267 Marine
13 Marina
39 Industrial Textiles
20 Composites

Statement of Service Performance

Marine and Specialised Technologies Academy of New Zealand Limited For the year ended 31 December 2022

MAST Academy vision is to create the New Zealand Centre of Excellence for marine, composites, and specialised technology training, and working with learners and employers to ensure people are trained with the necessary skills and knowledge to build successful lives and businesses. This is underpinned by the key set of values that MAST Academy operates under, these are:

- Inclusive Learning & Kaitiakitanga
- Learner Centric and Mātauranga
- First-in-class & Auahatanga
- Future Focused & Whakawhānauatanga
- Wairuatanga

The organisation key outcome strategies include:

1. Promoting career opportunities across the sectors.
2. Ensuring industries have a suitable supply of skilled and qualified people.
3. Ensuring learner success and outcomes
4. Building capability and delivery.

OUTCOME 1

Due to the restrictions with having school access to students post COVID during 2021, MAST Academy was able to fully re-engage in 2022 and operate its School to Work, with promoting this initiative to high schools, students, employers, and with attending various career events to market career and placement opportunities for students within its industry sectors.

The statistics show:

	AUGUST - DECEMBER 2021	JANUARY - DECEMBER 2022
Description of Activity		
Learner matched & placed with marine and composites employer	6	48
Learners achieved assessments credits in the marine & composites workplace, leading to NCEA 2 or 3 awards	4	32
Number of learners who are now working full-time and registered in a level 4 apprenticeship in the marine & composites industry	3	20
Number of learners who are working full-time and registered in a level 4 apprenticeship in alternative industry	2	9
Number of learners involved and are tracking towards employment and apprenticeship	1	4
Number of learners working full-time but not currently in training	-	6
Number of learners who completed the School to Work programme that have gone on to pursue tertiary studies	-	8
Number of learners not working or studying due to health reasons	-	1

OUTCOME 2

Due to travel restrictions from the pandemic, industry saw a significant upswing in activity across all sectors, this resulted in a record number of new apprentices in work-based training.

Our stats show:

	AUGUST - DECEMBER 2021	JANUARY - DECEMBER 2022
Description of Activity		
Number of learners enrolled during the year	690	928
Number of new learners registered in training	84	345
Number of employers involved in training	270	339

OUTCOME 3

Learner success remains a primary focus for MAST Academy, which saw new initiatives introduced that supports and ensures good learner outcomes. This included.

- The recruitment of two additional FTE training advisors
- Increased minimum number of learner/employers visits from 4 to 5.
- Increased employer-led study groups from 5 – 7
- Introduced the Workplace Trainer module to upskill the trainers.
- We undertook an apprentice retention survey.
- Contracted a HR/Psychologist to support our Training Advisors who may have learners with psychological issues.

	AUGUST - DECEMBER 2021	JANUARY - DECEMBER 2022
Description of Activity		
Number of learning resource reviewed and developed	7	46
Number of credits achieved by learners and registered with NZQA	9,893	33,753
Number of learners who completed a programme	55	128

OUTCOME 4

MAST Academy's future focus is building on its capability as a Private Training Establishment (PTE) to meet the regulatory requirements, while meeting learners' and employers' expectation in being recognised as a Centre of Excellence for marine, composites, and specialised technology training. To support this outcome, we:

- **Recruited the following:**
 - QA & Programme Manager x1
 - Training Advisors x2
 - Training Administrator x1
 - Transition Advisors x1.5

In 2021, due to transitioning from an Industry Training Organisation, there were no new appointments.

NB/ As MAST Academy was only established on August 2nd, 2021, the 2021 data only reflects four months trading.



Executive Director Report

Who do we represent?

The industry we represent, designs, builds, stores, sells and services recreational and commercial vessels up to 150 metres in length.

The Boating Industries Association of NZ Incorporated, trading as NZ Marine Industry Association (NZ Marine), along with the following related specialist sector groups, serve and represent the companies in the NZ marine industry.

Specialist sector groups/organisations and Chairperson/representative on the NZMarine Executive

- | | |
|--|-------------------|
| • Marine and Specialised Technology Academy of New Zealand (MAST Academy): | Tracey Stevenson |
| • New Zealand Marina Operators Association Executive: | Chris Galbraith |
| • NZ Marine Export Group: | Albear Montocchio |
| • Royal Institution of Naval Architects NZ Division: | Graeme Finch |
| • CPC Manufacturers' Group: | Griff Simpson |
| • Boat Builders & Refit Group: | Garry Lock |
| • Commercial Vessel Group: | Jeff Porter |
| • Suppliers Group Committee: | Mike Harris |
| • Big Engine Group: | Ross Williamson |
| • Northland & Far North Region: | Brian Caulton |
| • Yacht Agents Group: | Craig Roe |
| • Brokers Group: | Jason Snashall |
| • Outboard Motors Importers/Distributors Group: | Dean Harris |
| • Young Professionals in Yachting Business (YPY) | Stacey Cook |

What do we do?

Our Mission Statement is:-

'To grow the NZ marine industry through the profiling and promotion of: safe boating as a recreational activity, training, industry collaboration and member companies.'

What have we achieved?

Here are some key points of difference of why the NZ marine industry successfully competes on the international stage and continues to design and manufacture boats and marine equipment in NZ for domestic and export markets.

1. Highly skilled work force often led by company owners/managers that are boating enthusiasts and trade trained themselves.
2. An ongoing supply of trained personnel by our own Marine and Specialised Technologies Academy of New Zealand (MAST Academy).
3. Marine industry input to the development of new trade training qualifications being led by Hanga-Aro-Rau, Manufacturing, Engineering and Logistics Workforce Development Council.
4. Strong domestic market with 2.1million adults going boating every year in NZ.
5. New Zealand consumers understand the high quality and good sea keeping quality of boats built in NZ and this is evidenced by over 90% of trailer power boats sold in NZ are designed and manufactured in NZ.
6. The industry owned and led NZ Audited Boat building Standard CPC for trailerable boats from 3.5m to 9m in length has 20 NZ manufacturers in the program.
7. International high profile - assisted by:

New Zealand success in: -Emirates Team New Zealand winning and defending the America's Cup, Sail GP boats made in NZ and raced competitively by Kiwi Sailors internationally, NZ excelling in yachting , canoeing, and rowing events at the Olympic Games and other international events.
8. Many expat 'Kiwis' that are connected to the NZ marine industry network with potential yachts/vessels/marine equipment buyers internationally.
9. Repeat business from existing clients and referrals.
10. Unified and co-ordinated leadership of the NZ marine industry as demonstrated by the sector groups referred to above working in coordination.
11. Clusters of marine companies often adjacent to berthage/haul-out facilities complimenting each other nationwide.

Bay of Islands Marina and industry cluster, Opuia

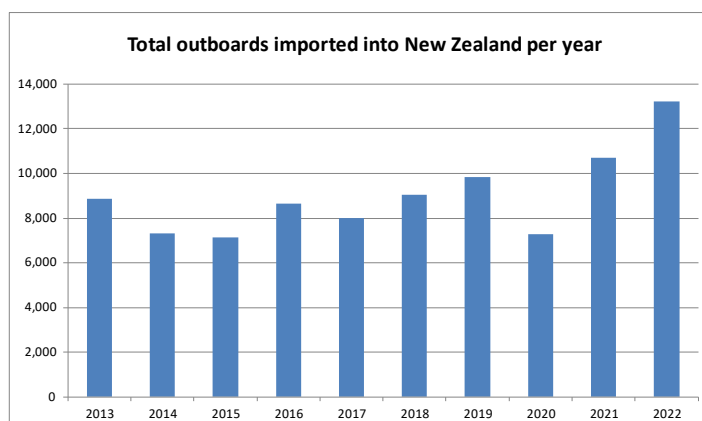


12. Led by the NZMarine Export Group - Joint export promotions profiling NZ marine industry capability internationally through PR, overseas exhibitions, trade missions and targeted promotions.
13. Representation to and understanding by local and central government of the contribution to the well-being of New Zealanders' and the economy, a strong marine industry provides.
14. Promotion of boating as a great lifestyle and of our members in the industry through promotions such as our wholly owned Auckland Boat Show and supported Hutchwilco NZ Boat Show and Southland Boat shows.

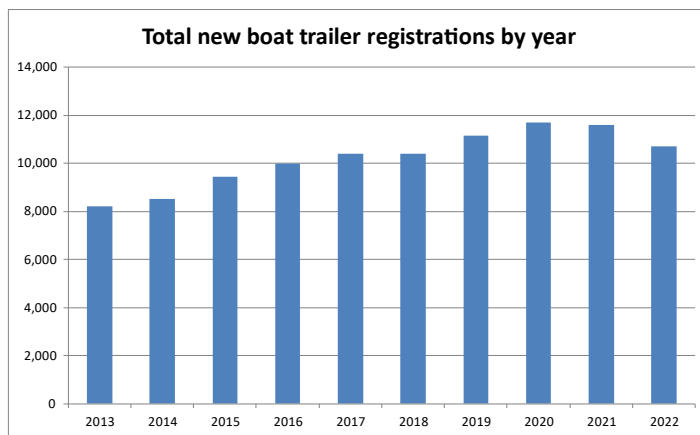
Over 500 brands on display at the March 2023 Auckland Boat Show



Evidencing members business activity, in the 12 months to 31st December 2022, there were 13,216 outboard motors imported compared with 10,707 for the 12 months to 31st December 2021.

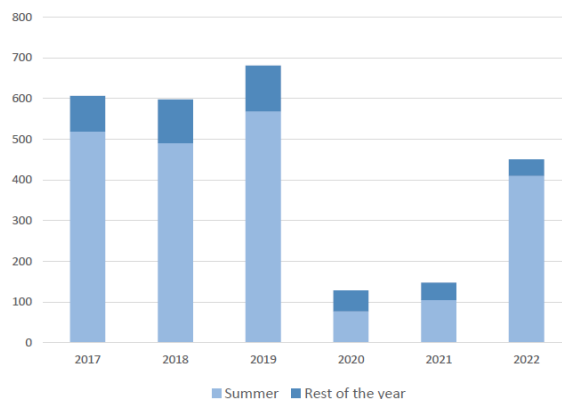


Evidencing members business activity in the 12 months to 31st December 2022, there were 10,686 new boat trailer registrations compared with 11,592 for the 12 months to 31st December 2021.



Number of vessels arriving in NZ via the sea border.

- In 2019 MPI cleared 681 yachts into New Zealand.
- Lockdowns and border restrictions saw a huge decline with only 129 arrivals in 2020 and 148 arrivals in 2021.
- Majority of the yachts are cleared in Opuha, and mostly during the Summer period September-December



INDUSTRY SNAPSHOT

New Zealand Marine Industry



'New Zealand's largest recreational activity with 1.9million people participating in boating each year = 40% of 5 million population!'

ESTIMATED SIZE OF INDUSTRY



\$2.9 billion Industry
\$760 million Exports
\$1.4 billion Export growth strategy by **2030**

REGISTERED MEMBERS OF NZ MARINE



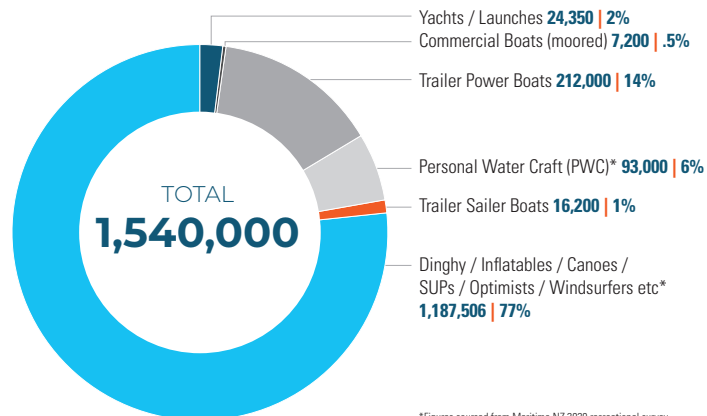
500+ member companies representing over **80%** total industry turnover.

INDUSTRY TRAINING



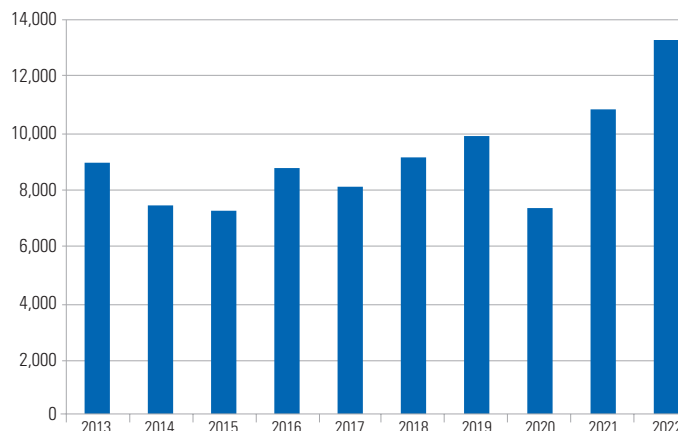
650 apprentices through **270** companies with Marine and Specialised Technologies Academy (MAST).

ESTIMATED STOCK OF BOATS IN NEW ZEALAND

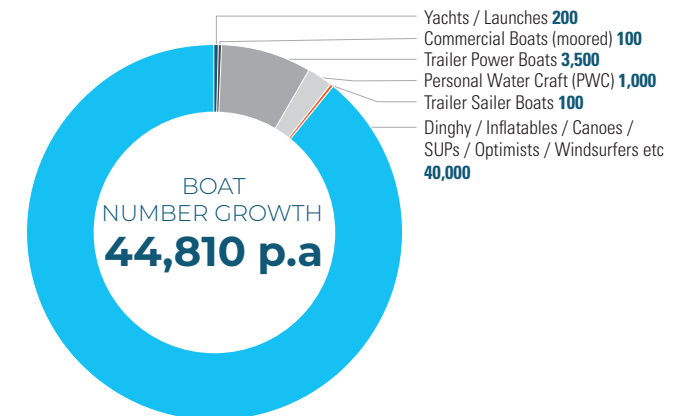


*Figures sourced from Maritime NZ 2020 recreational survey.

TOTAL OUTBOARDS IMPORTED TO NEW ZEALAND PER YEAR



ESTIMATED GROWTH OF BOAT NUMBERS IN NEW ZEALAND PER ANNUM



Financial position of the Organisation

For the financial year to 31st December 2022 and for the 3rd year in a row, due to covid restrictions, we were not permitted to hold the planned March 2022 Auckland On Water Boat Show. The association was fortunate though that the financial costs incurred in planning the 2022 show were offset by the event insurance cover provided by the Government and good support from exhibitors and suppliers. In March 2023 we hosted a successful, now referred 'Auckland Boat Show – A Festival On The Water' and are planning a further edition for March 2024.

Financial summary for consolidated Boating Industries Association of NZ Inc accounts 2022 compared with 2021.

	2022	2021
Total Revenue	\$4,563,946	\$3,900,203
Total Expenses	\$3,430,006	\$2,778,640
 *Net Surplus	 \$1,133,940	 \$1,121,564

*The NZ Marine Industry Association contributed \$90,520 to the 2022 net surplus and The Marine and Specialised Technologies Academy of New Zealand contributed \$1,043,420.

Forward Forecast

The trading operations for the start of 2023 are in line with the 2023 budget.

Personnel

A very special thank you to members who volunteer their time and expertise to the many boards and committees directing our industry and to the dedicated staff teams of MAST and NZMarine Industry Association at NZMarine House for so ably planning and executing the set industry initiatives taking the marine industry forward.

Peter Busfield
Executive Director

Consolidated Financial Statements

Boating Industries Association of New Zealand Incorporated
For the year ended 31 December 2022

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Entity Information

Boating Industries Association of New Zealand Incorporated For the year ended 31 December 2022

Legal Name of Entity

Boating Industries Association of New Zealand Incorporated

Entity Type and Legal Basis

Incorporated Society

Registration Number

Incorporated Society number: 221945

NZBN: 9429042598466

Entity Structure

Incorporated Society

Physical Address

85 Westhaven Drive, St Mary's Bay, Auckland 1010

Postal Address

PO Box 90448, Victoria Street West, Auckland 1142

Accountants

RSM New Zealand (Auckland North)

Auditors

William Buck Audit (NZ) Limited

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Approval of Financial Report

Boating Industries Association of New Zealand Incorporated For the year ended 31 December 2022

The Board are pleased to present the approved financial report including the historical financial statements of Boating Industries Association of New Zealand Incorporated for year ended 31 December 2022.

APPROVED



Garry Lock

President

Date ...4th July 2023.....



Peter Busfield

Executive Director

Date ...4th July 2023.....

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Consolidated Statement of Comprehensive Revenue and Expenses

Boating Industries Association of New Zealand Incorporated For the year ended 31 December 2022

	NOTES	2022	2021
EXCHANGE REVENUE			
Membership Subscriptions		367,856	364,960
Services and Events Income		236,109	365,602
Interest Received		54,725	10,196
Rent & Utilities		126,018	92,819
Sundry Income	3	42,855	37,500
Gain on Sale of Fixed Assets		-	40,435
Total Revenue		827,564	911,512
NON-EXCHANGE REVENUE			
Government Funding Received	2	3,246,587	2,883,931
Sundry Income	3	489,795	104,760
Total NON-EXCHANGE REVENUE		3,736,382	2,988,691
TOTAL REVENUE		4,563,946	3,900,203
EXPENSES			
Services and Event Costs		846,287	573,315
Employee Benefits		1,768,840	1,499,635
Interest and Finance Charges		3,425	1,740
Insurance, Communications and Other Operating Expenses		302,255	325,048
Marketing, Promotion and Community Programme Costs		106,966	68,358
Rent & Utilities		210,809	149,392
Amortisation		86,150	35,239
Depreciation		105,272	125,912
Total Expenses		3,430,006	2,778,640
TOTAL COMPREHENSIVE REVENUE AND EXPENSE TO ACCUMULATED FUNDS		1,133,940	1,121,564

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Consolidated Statement of Changes in Net Assets/Equity

Boating Industries Association of New Zealand Incorporated For the year ended 31 December 2022

	NOTES	2022	2021
Members' Funds			
Opening Balance		3,160,869	2,039,305
Increases			
Total Comprehensive Revenue & Expense for the year	21	1,133,940	1,121,564
Total Members' Funds		4,294,809	3,160,869

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Consolidated Statement of Financial Position

Boating Industries Association of New Zealand Incorporated As at 31 December 2022

	NOTES	31 DEC 2022	31 DEC 2021
Assets			
Current Assets			
Cash and Cash Equivalents	5	3,563,493	2,894,793
Accounts Receivable	7	413,096	730,204
Inventories		6,582	4,451
Prepayments	8	301,027	48,998
Total Current Assets		4,284,198	3,678,446
Non-Current Assets			
Auckland on the Water Boat Show - Goodwill	17	243,445	243,445
Learning and Assessment Packages	6	263,541	291,511
Trademarks	6	1,010	1,287
Property, Plant and Equipment	4	466,021	432,408
Total Non-Current Assets		974,017	968,651
Total Assets		5,258,214	4,647,097
Liabilities			
Current Liabilities			
Accounts Payable	9	368,195	445,463
Compliance Plate Certificate Programme	19	29,204	10,871
YPY NZ Group		3,861	4,723
Commercial Vessels Group	20	21,194	(1,244)
GST Payable		52,375	89,758
Income in Advance	10	488,576	936,657
Total Current Liabilities		963,405	1,486,228
Total Liabilities		963,405	1,486,228
Net Assets		4,294,809	3,160,869
Equity			
Retained Earnings		4,294,809	3,160,869
Total Members' Funds		4,294,809	3,160,869

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Consolidated Statement of Cash Flows

Boating Industries Association of New Zealand Incorporated For the year ended 31 December 2022

	NOTES	2022	2021
Operating Activities			
Receipts from Members Subscriptions		426,184	414,594
Receipts from Goods & services provided		999,386	1,962,575
Receipts from Government Funding Received		3,424,045	2,645,953
Interest Received		55,823	9,093
Payments to suppliers and employees		(4,082,132)	(3,348,277)
Net Cash Flows from Operating Activities		823,307	1,683,938
Investing Activities			
Proceeds from sales of property, plant and equipment		174	408,089
Payment for property, plant and equipment		(197,066)	(651,260)
Net Cash Flows from Investing Activities		(196,892)	(243,171)
Financing Activities			
Other cash items			
Monies held on behalf of Sector Groups		42,285	20,647
Total Other cash items		42,285	20,647
Net Cash Flows from Financing Activities		42,285	20,647
Net Cash Flows		668,700	1,461,414
	NOTES	2022	2021
Cash and Cash Equivalents			
Cash and cash equivalents at beginning of year	5	2,894,793	1,433,379
Net change in cash and cash equivalents for year	5	668,700	1,461,414
Cash and cash equivalents at end of year	5	3,563,493	2,894,793

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Notes to the Consolidated Financial Statements

Boating Industries Association of New Zealand Incorporated For the year ended 31 December 2022

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

These are the consolidated group financial statements for Boating Industries Association of New Zealand Incorporated (BIA) and Marine Specialised Technologies Academy of New Zealand Limited (MAST) (together referred to as the 'Group').

These are the first set of financial statements presented in accordance with Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR').

The Group is predominantly engaged in the business of promoting and fostering boating in New Zealand.

Basis of preparation

The Group is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013). The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with the Public Benefit Entity Standards Reduced Disclosure Regime ('PBE Standards RDR') as appropriate for Tier 2 not-for-profit public benefit entities, and disclosure concessions have been applied.

The group qualifies and has elected to report under Tier 2 standards as it is not considered to have public accountability and is not large. All available disclosure concessions have been adopted in these financial statements. The financial statements have been prepared on a historical cost basis.

Measurement Basis

These financial statements have been prepared under the historical cost basis, as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies.

Changes in Accounting Policies

The Board adopted PBE IPSAS Tier 2 and comply to the adoption under PBE FRS 47. Upon transitioning the Group reviewed the provisions afforded under FRS-47 and determined there were none applicable. Previously the Board presented Special Purpose Financial Statements.

Comparatives

This is the first time presentation in accordance with PBE Standards RDR. Refer to Note 21 for the impact on opening equity as a result of this new presentation.

Functional and Presentation Currency

These financial statements are presented in New Zealand Dollars (NZD), which is the functional and presentation currency, rounded to the nearest dollar.

There has been no change in the functional currency or any significant foreign operations during the year.

Basis of Consolidation

Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all inter entity balances and transactions within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and have a 31 December 2022.

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Key estimates and judgements

In preparing these financial statements, the group has made significant judgements, estimates and assumptions that impact on the carrying value of certain assets and liabilities, revenue and expenses as well as other information reported in the notes.

The judgements made in the process of applying the group's accounting policies that have the most significant effect on the amounts recognised in the financial statements, and the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are identified:

- Classification of non-financial assets as cash generating or non-cash generating assets for the purposes of assessing impairment indicators and impairment testing.
- Revenue recognition - non-exchange revenue (conditions vs. restrictions).
- Reviewing and estimating a percentage of Salaries paid and deferring these salaries paid to the following year to match against the salary costs for the Auckland on the Water Boat Show.
- Useful lives of property, plant and equipment.
- Going concern - refer to the going concern assumption policy note.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

(a) Property, Plant and Equipment

Owned assets

Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses.

Where material parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Subsequent costs

Subsequent costs are added to the carrying amount of an item of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are recognised in the statement of financial performance as an expense incurred.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over its useful economic life as follows:

Account	Method	Rate
Boat Show Equipment	Straight Line	3.6% - 7%
Computer Equipment	Straight Line	30% - 67%
Fitout	Straight Line	7% - 8.4%
Fixtures & Fittings	Straight Line	6.5% - 48%
Office Furniture	Straight Line	8% - 21%
Plant & Office Equipment	Straight Line	6% - 48%
Motor Vehicles at Cost	Straight Line	21%
Software & Website	Straight Line	40%

The residual value of property, plant and equipment is reassessed annually.

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

(b) Financial instruments

Financial instruments are recognised in the statement of financial position when the Group becomes party to a financial contract. They include the following individual classes of assets and liabilities:

Loans and receivables

Bank deposits, bank overdrafts, trade and other receivables, and intercompany balances, investments in unlisted debt securities are classified as loans and receivables. All of the above financial instruments are initially recorded at fair value and subsequently carried at amortised cost using the effective interest rate method. Due allowance is made for impaired receivables (expected credit losses).

Other financial liabilities

These include trade and other payables, bank loans, finance leases and intercompany payables. These are all carried at amortised cost using the effective interest rate method.

(c) Impairment

The carrying amounts of the Group's assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

If the estimated recoverable amount of an asset is less than its carrying amount, the asset is written down to its estimated recoverable amount and an impairment loss is recognised in the statement of comprehensive income.

Estimated recoverable amount of investments and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at their original effective interest rate. Receivables with a short duration are not discounted. The estimated recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting these to their present value using a pre-tax discount rate that reflects current market rates and the risks specific to the assets.

(d) Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market rates and, where appropriate, the risks specific to the liability.

Onerous contracts

A provision for an onerous contract is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

(e) Employee entitlements

Liabilities for annual leave and long-service leave are accrued and recognised in the statement of financial position.

For long-service leave the liability is equal to the present value of the estimated future cash outflows as a result of employee services provided at balance date.

(f) Revenue

Exchange revenue from contracts with customers is recognised when performance obligations are satisfied, and services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those services.

For any project or "pass-through" revenue, the Group has generally concluded that it is the agent in its revenue arrangements because it typically does not control the method in which services are rendered before performance obligations are satisfied.

Membership Subscriptions - Revenue is recognised over the period of the membership (usually 12 months). Amounts received in advance for memberships relating to future periods are recognised as a liability until such time that period covering the membership occurs.

Rental & Utilities - Rental income from sub-lease of operating leases is recognised in surplus or deficit on a straight-line basis over the term of the lease. It also includes the casual rent received for Function room hire and rental of pontoon. The revenue is measured at the fair value of the consideration received.

Services and Event Income - Includes Event Income and administration services performed for Sector Groups is measured at the fair value of the consideration received or receivable taking into account contractually defined terms of payment.

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Non-exchange revenue from Government Funding Received is recognised upon receipt unless any conditions attached to the inflow of resources received are yet to be completed, which then creates a liability.

The Group has segregated its revenue streams by the type of contract and on whether it is the principal. This has allowed for the following specific recognition criteria to be met before revenue is recognised:

Financial income

Interest income is recognised in the statement of comprehensive income as it accrues, using the effective interest method.

Dividend income is recognised in the statement of comprehensive income on the date the entity's right to receive payments is established.

(g) Expenditure

Payments made under operating leases are recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives are recognised in the statement of comprehensive income over the term as an integral part of the total lease expense.

(h) Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to NZD at the foreign exchange rate ruling at that balance date. Foreign exchange differences arising on their translation are recognised in the statement of comprehensive income.

(i) Taxation

The Group has tax exempt status as recognised by the Inland Revenue Department. The Group is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

(j) Goods and Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

(k) Inventories

Inventory is stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Inventory comprises of Compliance Programme Plates.

(l) Government Funding Income

Government funding income is recognised when monies are received or receivable and any conditions of the funding have been met.

(m) Employee Benefits

Short-Term employee benefits

Short-term employee benefit liabilities are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided with 12 months of reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

Long-Term employee benefits

Long-term employee benefit obligations are recognised when the Group has a legal or constructive obligation to remunerate the employees for services provided beyond 12 months of reporting date. The Group did not have any long-term employee benefits during the current financial period.

(n) Learning & Assessment Packages

Acquired Assessment and Learning Packages - Assessment & Learning Packages are initially capitalised at cost, which includes the directly attributable cost of preparing the asset for its intended use. Direct expenditure including employee costs, which enhance or extend the performance of the assessment/learning packages beyond its specifications and which can be reliably measured, is added to the original cost.

Costs associated with maintaining the Assessment/Learning Packages are recognised as an expense when incurred. Assessments/Learning Packages are subsequently carried at cost less accumulated amortisation and accumulated impairment losses.

These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of four to six years. The amortisation period and amortisation method of intangible assets is reviewed at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

	2022	2021
2. GOVERNMENT FUNDING RECEIVED		
Government Funding Received		
Industry Training Fund - NZ Apprentices/Industry Trainees	2,141,518	1,812,942
Targeted Training and Apprenticeship Fund	904,741	705,989
Qualification Development Fund	54,000	300,000
Equity Fund	69,128	-
Schools to Work Project	77,200	65,000
Total Government Funding	3,246,587	2,883,931

3. SUNDRY INCOME

Sundry Income Received during the year includes a claim on the Event Transition Support Payment (ETSP) Scheme of \$489,795 received from Ministry of Business, Innovation & Employment. It also includes Resurgence Grants and Wage Subsidies received to aid the impact of Covid-19 on its operations plus licence fees received from the Export Offshore Licensing Programme.

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

2022 2021

4. PROPERTY, PLANT & EQUIPMENT

Boat Show Equipment

Cost	273,057	273,057
Accumulated Depreciation	(146,033)	(135,661)
Total Boat Show Equipment	127,023	137,396

Computer Equipment

Cost	120,354	15,064
Accumulated Depreciation	(64,799)	(2,511)
Total Computer Equipment	55,555	12,553

Leasehold Improvements

Cost	410,484	410,484
Accumulated Depreciation	(409,633)	(409,061)
Total Leasehold Improvements	851	1,423

Fixtures & Fittings

Cost	27,741	27,741
Depreciation	(24,673)	(24,335)
Total Fixtures & Fittings	3,068	3,406

Motor Vehicles

Cost	404,140	328,611
Accumulated Depreciation	(161,324)	(103,163)
Total Motor Vehicles	242,815	225,448

Plant & Equipment

Cost	125,880	201,532
Accumulated Depreciation	(107,606)	(159,549)
Total Plant & Equipment	18,274	41,983

Software & Website

Cost	50,060	12,119
Accumulated Depreciation	(31,624)	(1,920)
Total Software & Website	18,436	10,199

Total PROPERTY, PLANT & EQUIPMENT	466,022	432,408
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These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

	2022	2021
5. CASH & CASH EQUIVALENTS		
ANZ Bank - Bank & Call Deposits	686,480	1,428,447
ANZ Bank - Term Deposits	2,712,721	1,305,276
Kiwibank - Term Deposits	164,292	161,070
Total Cash & Cash Equivalents	3,563,492	2,894,793

Included in cash is \$50,398 relating to the Compliance Plate Certificate Programme (Note 19) and NZMI Commercial Vessel Group (Note 20).

6. INTANGIBLES AND AMORTISATION

Amortisation expenses are included in the following line items of the statement of comprehensive revenue and expense:

	2022	2021
A. Learning & Assessment Packages		
Learning Packages - at Opening Book Value		
Opening Book Value	317,209	-
Additions	4,500	317,209
Subtotal	321,709	317,209
Amortisation		
Opening Amortisation	(33,043)	-
Amortisation	(79,827)	(33,043)
Total Accumulated Amortisation	(112,870)	(33,043)
Net Book Value	208,839	284,166
Learning Packages - Work in Progress	54,701	7,345
Total	263,541	291,511

The bulk of Learning and Assessment Packages are amortised over its useful life which has been determined by Management as 4 years. The Learning and Assessment Packages were purchased in August 2021 with a useful life of 4 years and amortised for 5 months of its 4 year useful life. For 2022, these Learning and Assessment Packages have another 2 years and 7 months of its 4 year useful life remaining to be amortised.

Any new additions to learning packages will be amortised over a 5 year period.

	2022	2021
B. Trademarks		
Trademarks - at Cost	24,529	24,529
Trademarks - Accumulated Depreciation	(23,519)	(23,242)
Net Book Value	1,010	1,287

Trademarks and licences acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. As of 31 December 2022, Trademarks totalling \$21,771 have been fully amortised. These costs are amortised to profit or loss using the straight-line method over ten years.

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

7. ACCOUNTS RECEIVABLE

As at 31 December 2022 all overdue receivables have been assessed for impairment and irrecoverable amounts. The carrying value of receivables approximates their fair value.

	2022	2021
Accounts Receivable		
For Exchange Transactions		
Trade Receivables	67,996	671,812
Sundry Debtors	104	194
Interest Accrual	33,826	4,408
Total For Exchange Transactions	101,926	676,414
For Non-Exchange Transaction		
Trade Receivables	311,170	53,790
Total For Non-Exchange Transaction	311,170	53,790
Total trade and other receivables	413,096	730,204
	2022	2021

8. PREPAYMENTS

Prepayments - trading expenses		
Auckland on the Water Boat Show	181,502	32,241
Insurance	21,261	9,893
Destination NZ	43,299	-
Licences and Miscellaneous	54,965	6,864
Total Prepayments - trading expenses	301,027	48,998
	2022	2021

9. ACCOUNTS PAYABLE

For Exchange Transactions		
Trade Payables	103,736	90,539
Sundry Creditors	60,828	44,736
Employment Entitlements	152,631	140,324
Accruals	51,000	62,805
Total For Exchange Transactions	368,195	338,404
For Non-Exchange Transactions		
Accruals	-	107,059
Total For Non-Exchange Transactions	-	107,059
Total Accounts Payable	368,195	445,463

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

	2022	2021
10. INCOME IN ADVANCE		
Membership Subscriptions	8,263	720
Auckland on the Water Boat Show	379,095	926,937
Destination NZ	79,525	-
Miscellaneous	21,693	9,000
Total Deferred Income	488,576	936,657

	2022	2021
11. EMPLOYEE ENTITLEMENTS		
Annual Leave	112,232	109,804
Salary & Wages Accrual	40,399	30,520
Total Employee Entitlements	152,631	140,324

12. CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2022	2021
Loans and Receivables		
Cash and Cash Equivalents	3,563,492	2,894,793
Accounts Receivables	413,096	730,204
Total Loans and Receivables	3,976,588	3,624,997

	2022	2021
Financial Liabilities		
Accounts Payable and other payables	368,195	445,563
Total Financial Liabilities	368,195	445,563

The Group is a party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, receivables and payables.

Credit Risk

In the normal course of business, the Group incurs credit risk from receivables and from transactions with financial institutions. The Group has no significant concentrations of credit risk other than the funding it receives from Tertiary Education Commission (TEC). The company receives funding from TEC for the facilitation of apprenticeship training. Without this funding there would be a greater reliance on payments from the respective apprentices and their employers which in this environment could be difficult.

No collateral or security is held or given to support financial instruments.

Interest Rate Risk

The Group has minimal interest risk, as all cash funds that earn interest are with a registered bank.

Fair Value

The estimated fair values of all financial assets and liabilities are equivalent to the carrying amounts disclosed in the statement of financial position.

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

Accounts Payable and Other Payables

Accounts payable and other payables are non-interest bearing and are normally settled on 30 day terms. The carrying value of accounts payable and payables approximates their fair value. All accounts payable and other payables are from exchange transactions.

13. CAPITAL EXPENDITURE COMMITMENTS

At balance date the capital commitments totalled \$NIL (2021:\$NIL).

14. CONTINGENT LIABILITIES

At balance date there are no contingent liabilities.

15. SECURITIES AND GUARANTEES

The following securities are registered on the Personal Properties Securities Register:

*Canon New Zealand Limited – office photocopier owned by Canon New Zealand Ltd and leased to BIA.

* Petroleum Logistics Limited (PLL) – credit of up to \$4,000 every month relating to fuel supplied by PLL to BIA.

The premises located at 85 Westhaven Drive, Auckland, are leased from the Auckland City Council (Landlord). The lease at Clause 22.2 in terms and conditions stipulates that there is a bank guarantee amount of \$88,500 plus GST (being six-months rent) due before commencement. There is a term deposit for this balance securing this obligation.

	2022	2021
16. OPERATING LEASES		
Not later than one year	177,000	64,750
Later than one year and nor later than five years	354,000	-
More than five years	-	-
Total OPERATING LEASES	531,000	64,750

Part of the premises located at 85 Westhaven Drive, Auckland, have been subleased to Water Safe Auckland Incorporated trading as Drowning Prevention Auckland. Annual Rent has been set at \$67,967 plus GST, commenced 1 February 2022, one right of renewal for three years subject to renewal of the Head Lease.

17. GOODWILL - AUCKLAND ON THE WATER BOAT SHOW

BIA acquired the rights to the Auckland On The Water Boat Show. There were no identifiable assets acquired at the time of acquisition. All purchase price is reflected as goodwill.

The Board has reviewed the carrying value of the investment and consider there is no impairment at 31.2.22 (31.3.21 \$Nil).

	2022	2021
Goodwill - Auckland On Water Boat Show		
Goodwill	243,445	243,445
Total Goodwill - Auckland On Water Boat Show	243,445	243,445

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

18. RELATED PARTIES

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship or terms and conditions no more or less favourable than those that it is reasonable to expect the company would have adopted in dealing with the party at arm's length in the same circumstances.

The Group is made up of New Zealand Marine Industry Association and New Zealand Marine & Composites Industry Training Organisation and Marine and Specialised Technologies Academy of New Zealand Limited. All related party transactions are invoiced at market rates: no special or reduced rates are provided. Related party transactions comprise exhibition fees, sponsorship, training/administration fees and membership subscription fees charged to Executive Committee members or parties related to those members.

As at 31 December 2021 New Zealand Marine Export Group Incorporated was the controlling entity of Marine and Specialised Technologies Academy of New Zealand Limited. On 19 August 2022 ownership of Marine and Specialised Technologies Academy of New Zealand Limited transferred from New Zealand Marine Export Group Incorporated to Boating Industries Association of New Zealand Incorporated.

The following companies are owned 100% by BIA for name protection purposes, and are inactive:

- Auckland International Boat Show Limited
- Auckland Boatshow Limited
- Marine Industry Association of New Zealand Limited
- New Zealand Marine Industry Limited
- NZ Marine Industry Association Limited
- NZ Marine Industry Training Limited
- NZ Marine Limited

The Society classifies its key management personnel as follows:-

	2022	2021
Key Management Personnel Remuneration		
Members of the governing body	34,000	10,000
Leadership Team	623,036	408,618
Total Key Management Personnel Remuneration	657,036	418,618

19. COMPLIANCE PLATE PROGRAMME

Compliance Plate Code (CPC) programme is a joint initiative of BIA and Royal New Zealand Coastguard Federation to establish boat manufacturing safety and building performance standards. BIA administers the programme on behalf of CPC members in a trust capacity. Funds held on behalf of CPC members are included in BIA's cash reserves and offset by a corresponding amount showing in the Balance Sheet as a current liability. Movements for the year were as follows:

	2022	2021
Compliance Plate Programme		
Income	67,412	64,014
Expenses	(49,079)	(51,064)
Net Surplus / (Deficit)	18,333	12,950
Members' Funds at the start of the year	10,871	(2,079)
Members' Funds at the end of the year	29,204	10,871

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.

20. NZMI COMMERCIAL VESSEL GROUP (Formerly NZMI Ship & Workboat Group)

The Group's objective is to increase business opportunities for the New Zealand commercial work boat sector. BIA administers the programme on behalf of the Group in a trust capacity. Funds have been paid on behalf by BIA and appear in the Balance Sheet as a current asset. Movements for the year were as follows:-

	2022	2021
NZMI Commercial Vessel Group		
Income	49,333	10,375
Expenses	26,895	(9,000)
Net Surplus / (Deficit)	22,438	1,375
Member's Funds at the start of the year	(1,244)	(2,619)
Members' Funds at the end of the year	21,194	(1,244)

21. FIRST TIME ADOPTION OF PBE-IPSAS

Equity at 31 December 2021 as previously reported	2,707,906
Consolidate opening equity of MAST as at 31 December 2021	419,017
Recognise Goodwill of the Auckland on the Water Boat Show	33,946
Equity at 31 December 2021 as presented	3,160,869

22. GOING CONCERN

The company has adequate resources to continue operations for the foreseeable future. For this reason the Board of Directors continues to adopt the going concern assumption in preparing the financial statement for the year ended 31 December 2022.

23. EVENTS AFTER BALANCE DATE

Since the end of the financial year and to the date of this report, the directors are not aware of any matter or circumstances not otherwise dealt with in this report or the financial statements that has significantly affected the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

These financial statements must be read in conjunction with the accompanying notes and Independent Auditor's Report.