



A higher standard

Travel Agents Association of New Zealand Inc.

Annual report covering the period

June 1 2020 – May 31 2021

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The TAANZ Board

Mr Brent Thomas – President

Mr Andrew Bowman

Mr Mark Abbot

Mr John Willson

Mrs Jackie Bell

Mr Jason Buckley

Co-opted Directors to the Board

Mr David Coombes

Mrs Jayne Alldred

Mrs Trish Ryder

Observer

Mrs Victoria Courtney

TAANZ PRESIDENT'S REPORT – AGM 2021

Another year, another year of pain for all the TAANZ members. Last year I ended by wishing everyone all the best for 2021 and saying it must be better than 2020. How wrong was I?

Let's not sugar coat the position as an industry we are in. It's grim and been tough mentally on all TAANZ members, staff and brokers. At the time of writing this, we are 20 months into a pandemic which has created the toughest trading conditions any of us have encountered. Compounding this we have a Government that seems to lack a basic understanding of the travel eco-system. The TAANZ Board has for 20 months been trying to engage with each Minister for Tourism, Small Business, Woman Affairs and Consumer to little avail. Yes, the Government has provided wage subsidies and resurgent payment support and yes, they have provided the Covid Travel Reimbursement Scheme however what they have fundamentally missed is that travel agents and brokers have effectively been at Alert Level 4 for the whole of the pandemic. Has there been any other industry that has been impacted as much as ours? Sales have been almost non-existent. Costs have been cut as much as possible. However, businesses whether brokers or retail stores, wholesale or head offices have had to keep some core talent and have still incurred overheads. The Government should have had more targeted support for the industry. Despite numerous calls for this support, it has fallen on deaf ears.

Travel agents and brokers for 20 months have been working tirelessly on behalf of the New Zealand consumer. Obtaining refunds and credits. Battling many suppliers who showed little regard for the well-being of the New Zealand consumer. All of this done for little to no reward. As an industry we need to remember, as we come out of the pandemic, who the suppliers were who worked with us in the interest of the consumer and those who made the travel agent and broker front for the supplier with no reward and no refund for the customer.

In addition to all this we have had the slow roll-out of the vaccine (remembering we were at the front of the queue!!) and the debacle of the MIQ. MIQ has been an unmitigated disaster. It has not been fit for purpose from day one. Again, the Government has failed to listen to the private sector who proposed a number of changes that would have made the system fairer for all. As it now stands MIQ is a lolly scramble without enough lollies. It is an inhumane system that leaves 90+% out in the cold. One of the proposals to Government was for travel agents to be in the middle using the GDS systems to provide a better utilisation of the available space. The TAANZ Board has been in consultation with Business NZ for several months on MIQ who pushed the case for our inclusion. Such an obvious proposition, but such an obvious Government response – silence!!

So here we are fast coming to the end of 2021. On a much brighter note we can see travel recommencing around the world – and quickly. Overseas experience shows that once Governments announce border openings, booking numbers rapidly increase. New Zealand travel agents and brokers can take heart from this fact. The borders here will reopen at some stage. Initially it is likely to be to highly vaccinated places close to home such as Australia and the South Pacific. However, for the sake of New Zealand Inc. and the New Zealand public we need borders open to a lot more countries in early 2022 as promised in August by the Prime Minister and the Deputy Prime Minister.

Businesses need to travel to meet suppliers and customers. Holding them back will just create opportunities for overseas businesses to take our businesses place. How does that help the country trade out of the debt racked up over the past 20 months?

We need borders opened up so that family and friends can reconnect with loved ones. It is not fair for the Government to keep people away indefinitely without a defined timeline. They owe it to people who have already missed out on lifetime events. I call upon the Government to state a date for the borders to be opened 1 Jan 2022 would be appropriate given New Zealand's already high vaccination rate.

The travel agency community is a resilient team. We once totalled 5,000 people but now sadly only around 1,500 remain. As an industry we will bounce back. We are optimists at heart who focus on the consumer. Ultimately that focus on the consumer, coupled with the knowledge that travel agents and brokers have in a world that will be more complex bodes well for our futures. We will survive. In fact, we will actually thrive. We have all restructured our businesses in such a way that as sales come on more income will stick to the bottom line. The New Zealand consumer also recognises the huge value travel agents and brokers bring to them. The TAANZ Board have a lot of confidence in the future to the extent that we are now in the middle of recruiting a General Manager for the Association. I will tempt fate again by saying 2022 will be better than 2021 and 2020!!

One of the best outcomes over the past 12 months has been Flight Centre joining TAANZ and having representation on the Board. TAANZ now truly speaks as one voice for the industry with over 90% of travel agents and brokers as members.

I would like to close by saying a huge thanks to the TAANZ Board and co-opted members. As members will know we have not had any employees over the past year and all the Board have contributed to Association by picking up tasks at a time when they had their hands full with day-time jobs. As such I would like to personally thank Mark Abbot, Andrew Bowman, John Willson, Trish Ryder, Jackie Bell, David Coombes, Jayne Alldred, Jason Buckley and Victoria Courtney. A special shout out to Christine Armstrong stepping in to handle all the administration of the Association. The Board would also like to thank Mary Hall and Tom Leckie at the Bonding Authority for all the great work that they have done.

Finally, I would like to personally thank Mark Abbot who today is being proposed to be a life member of the Association. For a long time, Mark has been treasurer of the Association however he also brings a huge amount of added commercial value given his professional legal background.

I wish everyone a great Christmas and New Year. I have no doubt that the wish from Santa this year for all of us is for border openings and great sales as we commence in to 2022.

All the best everyone

Brent Thomas

President

Membership Statistics

	May-10	May-11	May-12	May-13	May-14	May-15
Full Members						
Head Offices	342	331	317	314	304	303
Branch offices	70	67	89	92	81	80
Total	412	398	406	406	385	383
Travel Brokers	401	431	476	522	533	564
Allied Members	77	73	59	69	68	72

	May-16	May-17	May-18	May-19	May-20	May-21 *
Full Members						
Head Offices	294	281	278	276	267	237
Branch offices	72	81	83	79	79	111
Total	366	362	361	355	346	348
Selling Staff					1861	1271
Travel Brokers	402	434	430	445	450	693
Allied Members	71	73	79	61	73	63

* May21 includes Flight Centre membership figures

Travel Agents Association of New Zealand Incorporated

Performance Report

For the year ended

31 May 2021

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Independent Auditor's Report

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To the Members of Travel Agents Association of New Zealand Incorporated

Report on the Performance Report

Opinion

We have audited the performance report of Travel Agents Association of New Zealand Incorporated (the "Society") on pages 5 to 19 which comprise the entity information, the statement of service performance, the statement of financial performance and the statement of cash flows for the year ended 31 May 2021, the statement of financial position as at 31 May 2021 and notes to the performance report, including a summary of significant accounting policies and other explanatory information.

In our opinion:

- a. the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable;
- b. the accompanying performance report presents fairly, in all material respects:
 - the entity information for the year then ended;
 - the service performance for the year then ended; and
 - the financial position of the Society as at 31 May 2021 and of its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of Society in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Society.

Emphasis of Matter

We draw attention to Note 17 of the performance report, which describes the effects of COVID-19 pandemic on the Society. Although the full impact of COVID-19 cannot be estimated with certainty, it is expected to negatively impact the Society's revenues going forward. The Society's assessment is that it can continue to meet its current obligations and is solvent. Our opinion is not modified in respect of this matter.

Responsibilities of the Board Members for the Performance report

The Board Members are responsible for:

- a. Identifying outcomes and outputs, quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- b. The preparation and fair presentation of the performance report on behalf of the entity which comprises:
 - the entity information;
 - the statement of service performance; and
 - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued on New Zealand by the New Zealand Accounting Standards Board, and

- c. For such internal control as the Board Members determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, those charged with governance on behalf of the entity are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board Members either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and NZ AS 1, the auditor exercises professional judgement and maintains professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by those charged with governance and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Restriction on use of our report

This report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state to the Society's members, as a body, those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited



B Kennerley

Partner

Wellington

1 September 2021

Travel Agents Association of New Zealand Incorporated

Entity Information

For the year ended
31 May 2021

Legal Name of Entity:	Travel Agents Association of New Zealand Incorporated (TAANZ)
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Type of Entity and Legal Basis (if any):	TAANZ Inc. is an Incorporated Society registered under the Incorporated Societies Act 1908.
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Registration Number:	220230
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Entity's Purpose or Mission:
<p>Formed in 1962, TAANZ is the trade association representing the vast majority of travel agents and their travel brokers operating in New Zealand. It's vision is to promote the use of a TAANZ Travel Agent to consumers and to act with purpose and clarity, sustaining a deregulated market place in which TAANZ members may conduct their business.</p> <p>There is no government licensing for travel agents in New Zealand so TAANZ is a self-regulating organisation promoting quality standards, a Code of Ethics and Practice and to consumers, the use of a TAANZ travel agent. TAANZ members must meet strict membership and financial criteria and be subject to an annual financial review by an independent Bonding Authority. All TAANZ members participate in the TAANZ Bonding Scheme for the protection of the consumer. TAANZ works with training organisations and providers to ensure travel consultant industry training has the right content to enable them to service their customers, to understand new technology, the law and the travel industry at large. TAANZ interacts with supply partners and government agencies lobbying issues on its members' behalf. TAANZ is a signatory to the TAANZ IATA agreement's protection arrangements for airlines and the Association hosted the National Travel Industry Awards celebrating excellence in the multiple channels of agency and supplier distribution in 2019.</p>

Entity Structure:
<p>The management of the Association is vested in a Board of six elected directors, one of whom is the Board elected President, another the Vice-President. Board members hold office for 2 years but are eligible for re-election at the AGM. The elected Board has the power to co-opt up to three persons.</p> <p>The Association contracts the TAANZ Bonding Authority services, an administrator and accounting services. From September 2020 it has employed no staff.</p>

Main Sources of the Entity's Cash and Resources:
<p>In 2021, 37% of income was generated from membership subscriptions, entrance fees and bonding levies, 44% was from interest, dividends and investment activities and 20% from other income. The membership generated revenue was significantly lower than previous years due to the impact of Covid-19 on travel agents' ability to pay subscriptions, meaning the Association had to draw on its reserves.</p>

Contact details

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Travel Agents Association of New Zealand Incorporated

Statement of Service Performance

For the year ended
31 May 2021

Description of the Entity's Outcomes

Key strategic objectives and outcomes TAANZ Inc. aims to achieve, influence and deliver include:

Qualification accreditation and compliance.

Our aim is to elevate the professional standards of all TAANZ members. Qualifications and training are one of the instruments by which to do this. TAANZ is aware that its members benefit from staff obtaining qualifications in a number of facets; cost of error to business reduces and levels of engagement with employer and customer improves. TAANZ annually measures the percentage of members who achieved the accreditation criteria set by TAANZ. Covid 19 will have some bearing on the commencement and completion of qualifications and changes in staffing since business downturned for members.

	Actual	Budget	Actual
Outcomes and measures of quality and objectives in respect to delivery	This Year	Equal to or better than last year	Last Year
Qualifications accreditation compliance	88%		86%

Reduced instances of agent default. TAANZ continues to influence the compliance of its members' financial requirements setting a zero default level. TAANZ has maintained an additional layer of review for members with < 10M annual turnover to now present management accounts on a 6 monthly basis as well as the annual review. No agent defaults were recorded in the last financial year. This result accords with the Board's objective to preserve and protect TAANZ accumulated funds.

	Actual	Budget	Actual
Outcomes and measures of quality and objectives in respect to delivery	This Year	Equal to or better than last year	Last Year
Number of agency defaults	0		0

Nil exposure of TAANZ funds. In conjunction with zero agency defaults, TAANZ objective is to limit the exposure of funds paid in the instance of defaults to consumers and airlines to zero dollars. In the event of a default, TAANZ seeks full recovery of funds, but is limited to the amount for which each member has provided security. TAANZ achieved its objectives in the last financial year requiring no payment to airline or consumer.

	Actual	Budget	Actual
Outcomes and measures of quality and objectives in respect to delivery	This Year	Equal to or better than last year	Last Year
Paid to airlines arising from agency defaults	\$0	\$0	\$0
Paid to consumers arising from agency defaults	\$0	\$0	\$0
TAANZ funds not recovered	\$0	\$0	\$0

Professional standards – the code of ethics. TAANZ members abide by a code of ethics. In the event TAANZ receives a complaint from a customer of a TAANZ member the code is used to assess the conduct of the agent. The onset of Covid 19 induced supplier cancellations resulted in a dramatic increase in formal complaints. No agents were found to have breached the rules or code of ethics and no disciplinary committees were formed. TAANZ was not required to assist any members in the disputes tribunal in the last financial year.

	Actual	Budget	Actual
Outcomes and measures of quality and objectives in respect to delivery	This Year	This Year	Last Year
Complaints received	56	the same or less than prior year	32
Complaints resolved	56	the same or less than prior year	32
Number of complaints investigated by Committee	0	0	0
Number of complaints successfully resolved at Tribunal	0	Any presented to Tribunal	0

Bonding compliance. TAANZ members act according to a strict membership and bonding criteria. In the last financial year fewer members were fined for non-compliance. Note that some leniency was given to members due to the stress they were under.

	Actual This Year	Budget This Year	Actual Last Year
Outcomes and measures of quality and objectives in respect to delivery			
Agents fined for late Bonding returns	0	the same or less than prior year	7
Non-compliant agents reported end May	4	the same or less than prior year	11
Agents terminated for not meeting the Bonding Authority criteria	0	the same or less than prior year	1

Approvals. Membership approvals jumped due to Flight Centre joining TAANZ. The membership approvals include full and branch members.

	Actual This Year	Budget This Year	Actual Last Year
Outcomes and measures of quality and objectives in respect to delivery			
All membership approvals	321	the same or better than prior year	34
All membership relinquishments	76	the same or less than prior year	42

The National Travel Industry Awards. Due to Covid-19, the National Travel Industry Awards were not held in 2020.

	Actual This Year	Budget This Year	Actual Last Year
Outcomes and measures of quality and objectives in respect to delivery			
NTIA tickets sold	NA	680	672

Debtor Management. TAANZ has always worked with its members to improve aged debt and cash at hand. No subscription invoices were sent out to members in 2020, so no comparisons are available.

	Actual This Year	Budget This Year	Actual Last Year
Outcomes and measures of quality and objectives in respect to delivery			
Debtor ageing cumulative days reduction	NA	The same or better than prior year	31.0

Travel Agents Association of New Zealand Incorporated

Statement of Financial Performance

For the year ended
31 May 2021

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Fees, subscriptions and other revenue from members	1	46,613	404,050
Revenue from providing goods or services	1	-	259,835
Interest, dividends and other investment revenue	1	56,535	94,870
Other revenue	1	25,510	53,386
Total Revenue		128,659	812,141
Expenses			
Volunteer and employee related costs	2	147,548	233,837
Costs related to providing goods or services	2	174,291	492,110
Other expenses	2	60,566	52,862
Total Expenses		382,405	778,809
Surplus for the Year before tax		(253,748)	33,333
Taxation expense	16		4,987
Net Surplus for the Year after tax		(253,748)	28,346

Travel Agents Association of New Zealand Incorporated

Statement of Financial Position

As at
31 May 2021

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash	3	276,602	320,366
Debtors and prepayments	3	863	397
Other current assets	3, 9	6,755,525	6,924,303
Total Current Assets		7,032,989	7,245,066
Non-Current Assets			
Property, plant and equipment	4	2,209	3,978
Investments	3	150,438	150,438
Total Non-Current Assets		152,647	154,416
Total Assets		7,185,636	7,399,482
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	36,044	34,174
Employee costs payable	3	-	16,509
Other current liabilities	3, 9	4,029,318	3,974,775
Total Current Liabilities		4,065,362	4,025,459
Total Liabilities		4,065,362	4,025,459
Total Assets less Total Liabilities (Net Assets)		3,120,275	3,374,023
Accumulated Funds			
Accumulated surpluses	5	520,276	774,023
Bank Guarantee and Consumer Fund	5	2,600,000	2,600,000
Total Accumulated Funds		3,120,275	3,374,023



Chair

1 September 2021

Dated

This consolidated statement of financial position is to be read in conjunction with the accompanying notes from pages 11-19

Travel Agents Association of New Zealand Incorporated

Statement of Cash Flows

For the year ended
31 May 2021

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Fees, subscriptions and other receipts from members	46,613	404,050
Receipts from providing goods or services	65,377	442,713
Interest, dividends and other investment receipts	53,075	90,645
Cash was applied to:		
Payments to suppliers	(220,419)	(506,521)
Payments to employees	(163,622)	(238,940)
Net Cash Flows from Operating Activities	(218,976)	191,947
Cash flows from Investing and Financing Activities		
Cash was received from:		
Receipts from the sale of investments	201,899	204,656
Cash was applied to:		
Payments to acquire property, plant and equipment	-	(4,422)
Payments to purchase investments	(26,687)	(583,900)
Net Cash Flows from Investing and Financing Activities	175,212	(383,666)
Net Increase / (Decrease) in Cash	(43,764)	(191,719)
Opening Cash	320,366	512,085
Closing Cash	276,602	320,366
This is represented by:		
Bank Accounts and Cash	276,602	320,366

Travel Agents Association of New Zealand Incorporated

Statement of Accounting Policies

For the year ended

31 May 2021

Basis of Preparation

Travel Agents Association of New Zealand Incorporated (the "Society") has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is for the Society, which also includes the operations of the Travel Agents Association Bonding Scheme which operates as a division of the Society. The Performance Report is prepared under the assumption that the Society will continue to operate in the foreseeable future.

The financial statements are presented in New Zealand dollars (\$), which is the Society's functional currency. All numbers presented here have been rounded to the nearest dollar unless otherwise stated.

Goods and Services Tax (GST)

The Society is registered for GST. All amounts are recorded exclusive of GST, except for debtors and creditors which are stated inclusive of GST.

Taxation

Taxation has been provided on the income earned by the Society on transactions outside of its membership. The Society is not liable for the tax on its dealings with members.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Revenue

Fees, subscriptions and other revenue from members: Subscriptions are recognised evenly over the period in which it relates. Fees and other revenue from members is recognised when invoiced.

Interest Income: Interest income is recognised on an accrual basis.

Other revenue: Recognised when invoiced.

Wage Subsidy Policy

The Society received the Wage Subsidy extension for one employee based on a minimum of 40% decline in revenue due to Covid-19. The employee was paid at least 80% of usual wages during that time.

Travel Agents Association of New Zealand Incorporated

Statement of Accounting Policies

For the year ended

31 May 2021

Investments

Investments in shares and bonds are valued at cost and reviewed for impairment at every board meeting.

Group Financial Instruments

The Society uses non-derivative financial instruments as part of its normal operations. These financial instruments include bank accounts, term deposits and debtors. The Society does not use derivative financial instruments. All financial instruments are recognised in the Statement of Financial Position at their fair value.

Depreciation

Depreciation is calculated on straight line basis at rates that will write off the cost of assets over their estimated useful life, which are as follows:

Furniture and fixtures - 5 years
Office Equipment - 3 years
Computer Software - 3 years
Leasehold Improvements - 6 years

Accounts Receivable

Receivables are stated at estimated realisable value after providing against debt where collection is doubtful. Bad debts are written off during the period in which they are identified.

Member Deposits

Deposits are held for members in term deposits which are recognised in the Statement of Financial Position at their fair value.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year (last year - nil).

Travel Agents Association of New Zealand Incorporated
Notes to the Performance Report
For the year ended
31 May 2021

Note 1 : Analysis of Revenue

Revenue Item	Analysis	This Year	Last Year
Fees, subscriptions and other revenue from members		\$	\$
	Subscriptions and Entrance Fees	46,438	302,545
	Levies	175	101,505
	Total	46,613	404,050
Revenue Item	Analysis	This Year	Last Year
Revenue from providing goods or services		\$	\$
	Revenue from National Awards Event	-	259,835
	Total	-	259,835
Revenue Item	Analysis	This Year	Last Year
Interest, dividends and other investment revenue		\$	\$
	Interest & Dividends	56,535	94,870
	Total	56,535	94,870
Revenue Item	Analysis	This Year	Last Year
Other revenue		\$	\$
	Government Wage Subsidy	7,030	-
	Claims recovery	954	1,419
	Income from MBIE Agents Reimbursement Scheme	16,704	-
	Other Income	823	51,967
	Total	25,510	53,386

Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended
31 May 2021

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
Volunteer and employee related costs	Salaries and Wages	147,113	233,414
	ACC levies	436	423
	Total	147,548	233,838

Expense Item	Analysis	This Year \$	Last Year \$
Costs related to providing goods or services	Administration of MBIE reimbursement scheme	15,000	-
	Bonding Authority Administration Expenses	70,749	100,275
	Directory and Information Guide	-	1,500
	General expenses	2,584	3,413
	Internet and website expenses	221	850
	Meeting and board expenses	1,948	6,137
	Members workshops and seminars	-	24,046
	NZITT expenses	-	665
	Expenses from National Awards event	-	196,344
	President and director fees	4,500	46,572
	Postage	429	3,312
	Printing and stationery	52	4,120
	Office Administration	71,375	65,576
	Research & Special Projects	3,000	-
	Telephones	1,682	3,185
	Travel expenses	1,244	7,911
	WTAAA meetings*	1,509	28,203
	Total	174,291	492,111

* World Travel Agents Associations Alliance

Expense Item	Analysis	This Year \$	Last Year \$
Other expenses	Audit Fees	13,330	12,500
	Annual report/AGM	1,274	984
	Depreciation	1,769	444
	Insurance	2,734	3,310
	Kindred Association Meetings	-	2,192
	Legal and professional fees	16,458	8,432
	Bank Guarantee Fee	25,000	25,000
	Total	60,566	52,862

Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended
31 May 2021

Note 3 : Analysis of Assets and Liabilities

Asset Item	Analysis	This Year \$	Last Year \$
Bank accounts and cash	ANZ Current Account 00	104,780	142,672
	ANZ Current Account 26	32,302	31,618
	ANZ Call Account 25	81,297	29,849
	ANZ Call Account 27	3,436	26,430
	BNZ Current Account	54,686	89,697
	Petty Cash	100	100
	Total	276,602	320,366
Asset Item	Analysis	This Year \$	Last Year \$
Debtors and prepayments	Accounts receivable	863	-
	Prepaid NTIA event/travel costs	-	397
	Total	863	397
Asset Item	Analysis	This Year \$	Last Year \$
Other current assets	Short term deposits	2,703,463	2,901,964
	Member Deposits at BNZ	4,017,298	3,936,068
	GST receivable/(payable)	6,727	8,435
	Tax refund/(payable)	8,001	22,119
	Accrued income	20,036	60,704
	Total	6,755,525	6,929,290
Asset Item	Analysis	This Year \$	Last Year \$
Investments	Air New Zealand Shares	438	438
	BNZ Capital Notes	150,000	150,000
	Total	150,438	150,438
Liability Item	Analysis	This Year \$	Last Year \$
Creditors and accrued expenses	Trade and other payables	24,014	18,644
	Accrued operating expenses	12,030	15,530
	Total	36,044	34,174
Liability Item	Analysis	This Year \$	Last Year \$
Employee costs payable	Holiday pay accrual	-	13,527
	Salaries earned but not yet paid	-	2,982
	Total	-	16,509
Liability Item	Analysis	This Year \$	Last Year \$
Other current liabilities	Member deposits and interest held at BNZ	4,029,318	3,972,432
	Income in advance (from sponsorship, ticket sales of NTIA event and Govt wage subsidy)	-	2,343
	Total	4,029,318	3,974,775

Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended

31 May 2021

Note 4 : Property, Plant and Equipment

This Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Buildings	-	-	-	-	-
Furniture and fixtures	-	-	-	-	-
Computers & Office Equipment	3,978	-	-	1,769	2,209
Total	3,978	-	-	1,769	2,209

Last Year					
Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Buildings	-	-	-	-	-
Furniture and fixtures	-	-	-	-	-
Computers & Office Equipment	-	4,422	-	444	3,978
Total	-	4,422	-	444	3,978

Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended
31 May 2021

Note 5: Accumulated Funds

This Year				
Description	Accumulated Surpluses or Deficits	Consumer Fund	Bank Guarantee	Total
Opening Balance	774,023	100,000	2,500,000	3,374,023
Surplus/(Deficit)	(253,748)	-	-	(253,748)
Funds received for claims				-
Funds paid in or out for claims				-
Transfer to/from Bank Guarantee				-
Closing Balance	520,276	100,000	2,500,000	3,120,276

Last Year				
Description	Accumulated Surpluses or Deficits	Consumer Fund	Bank Guarantee	Total
Opening Balance	745,677	100,000	2,500,000	3,345,677
Surplus/(Deficit)	28,346	-	-	28,346
Funds received for claims				-
Funds paid in or out for claims				-
Transfer to/from Bank Guarantee				-
Closing Balance	774,023	100,000	2,500,000	3,374,023

Bank Guarantee: TAANZ and IATA have undertaken an agreement whereby airlines, through IATA are able to make claims on the TAANZ Bank Guarantee of 2.5M. No claim may exceed \$1.125m. The agreement commenced 1 January 2019 and will continue until 31 December 2021.

Consumer Fund: TAANZ also provides a Consumer Fund to the value of 100k. The fund is available to meet assessed and approved consumer claims of a TAANZ member's failure. 100k is available in each case where a TAANZ member fails.

Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended
31 May 2021

Notes 6 - 12

Note 6: Net Claims and Expenses

There have been no claims on members (2020: Nil)

Note 7: TAANZ Airline and Consumer Funds

TAANZ and IATA have undertaken an agreement whereby airlines, through IATA are able to make claims on the TAANZ Bank Guarantee of 2.5M.

No claim may exceed \$1.125m. The agreement commenced 1 January 2019 and will continue until 31 December 2021. TAANZ also provides a Consumer Fund to the value of 100k. The fund is available to meet assessed and approved consumer claims of a TAANZ member's failure. 100k is available in each case where a TAANZ member fails.

The Bank of New Zealand holds a security over the Bank Guarantee Fund.

Note 8: Cash Bonds

The funds from members who have provided a cash bond are shown as investments totalling \$4,017,298 (2020: \$3,936,068). The corresponding liability including interest owed at the reporting date to such members is \$4,029,318 (2020: \$3,972,432). This includes accrued interest of \$12,020 (2020: \$36,364)

Note 9: Lease Commitments

The Society has a commitment to lease a photocopier for \$270 per month until June 2021.

	2021	2020
Within one year	-	3,510
One to Five years	-	-
Total	0	3,510

Note 10: Auditor Remuneration

Total fees payable to Grant Thornton the auditor for the 2021 Financial Statements totalled \$13,330 (2020: \$12,500).

Note 11: Contingent Liabilities

There are no contingent liabilities at year end. (2020: None).

Note 12: Contingent Assets

There are no contingent assets at year end (2020 None).

Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended

31 May 2021

Notes 13 - 17

Note 13: Related Party Transactions		This Year	Last Year	This Year	Last Year
		\$	\$	\$	\$
Description of Related Party Relationship	Description of the Transaction (whether in cash or amount in kind)	Value of Transactions	Value of Transactions	Amount Outstanding	Amount Outstanding
Rent to member APX Travel	\$2,000 per month cash	-	24,000	-	4,600

Note 14: Capital commitments

There are no capital commitments at reporting date (2020: None)

Note 15: Taxation

There are tax losses of \$NIL to carry forward (2020: Nil).

Note 16: Events After the Balance Date:

2021: There were no events that have occurred after the reporting date that would have a material impact on the Performance Report. (2020: None.)

Note 17: Going Concern Assessment

TAANZ has been impacted by the Covid-19 pandemic significantly since March 2020. In the year to May 2021, membership revenue from travel agents fell by nearly 90% due to their inability to pay. We are expecting a similar situation for the coming year and the organisation will need to draw on cash reserves to continue operating.

The organisation can continue to meet its current obligations and is solvent with reliance placed on the going concern assumption for 2021/22.