



A higher standard

Travel Agents Association of New Zealand Inc.

Annual report covering the period

June 1 2022 – May 31 2023

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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

Mrs Victoria Courtney

Mrs Trish Ryder

Mr David Coombes (resigned as Director effective Apr23)

Mrs Jayne Alldred (resigned as Director effective Jun23)

TAANZ PRESIDENT'S REPORT – AGM 2023

What another fantastic year to be in the best industry in New Zealand!!

Customers continue to appreciate and understand the value that travel agents and brokers bring to the table. We have seen growth back to and in some cases exceed 2019 levels. This level of activity has allowed industry players to right their balance sheets and bank some profits, that provide appropriate returns for the expert knowledge, hard work and focus on customers that all in the industry have provided.

However, we all recognise that this amount of activity has come with some pressure across the TAANZ members given the reduced number of staff to handle this level of enquiry. We need to continue to look after ourselves and each other given the pressures we are all under.

Remarkably given the volumes, it is clear, that TAANZ members have continued to deliver the highest customer services and standards. It is a reflection of the professionalism that each TAANZ member has exhibited. Irrespective of brand, we are all in this together, as any poor service could reflect on all in the industry. Given the volumes transacted there has been very few customer complaints escalated to TAANZ or the media. That is a credit to all and something everyone should be incredibly proud of.

Recently we have seen a change in the Government and the TAANZ Board is expecting that a more favourable lens will be placed on travel and tourism. The previous Government appeared to have difficulty grasping not only the importance of inbound tourism to New Zealand Inc. but also the total eco-system for airline movement requiring all four working parts in sync: cargo in, cargo out, passengers in and passengers out. Given Greg Hamilton's contacts within the National Party, TAANZ is hoping to meet with the new Minister of Tourism (and hopefully have them change that to Travel and Tourism!!) to discuss next steps on building a successful and sustainable tourism and travel eco-system.

TAANZ will also be looking to meet with the relevant Minister with regards consumer affairs. There are several initiatives that the incoming Government could enact that would better protect the New Zealand consumer in line with what we see happening in North America and Europe. Such changes would give clarity to the consumer and ensure their funds are better protected. It would be good if the Government considered:

- requiring full refunds rather than credits where a supplier does not deliver the service they have contracted to deliver,
- holding client funds in trust until the services are delivered and,
- require payment of compensation of reasonable costs when services are not delivered, and the customer incurs additional cost given such costs may not be covered by travel insurance.

The outcome for TAANZ members is better clarity for the consumer and reducing the significant amount of work by the TAANZ members that goes into handling credits / refunds with suppliers, particularly airlines, where there is no additional income for this type of work.

It is pleasing to note that the WTAAA is taking up the cause to question the use of ADM's by airlines that may not be in line with IATA Resolutions. There have been several questions tabled through the local APJC on this matter. TAANZ through the APJC has also noted that there are instances where airlines may be misrepresenting ticket sales by travel agents / brokers as being standby tickets and hence denial of boarding of customers when these tickets were valid. Such occurrences cannot be allowed to continue, and IATA needs to take the appropriate steps to curtail such practices.

In reference to IATA, TAANZ members should note that the current bonding arrangements will be discussed in the early part of 2024 given the current contract runs through to Dec 2024. The TAANZ Board will brief the members as we work our way through this renewal in the first half of 2024.

The Board has also been in discussions with IATA to ensure all in the industry is kept informed as the rollout of NDC continues. As an industry we cannot bury our heads in the sand as the change is coming. We must embrace the change as it continues to be implemented and look for the opportunities. The Board implores members to keep abreast of NDC developments as they are rolled out as it will impact on the way we sell to our clients in the future.

NDC is one of many challenges that TAANZ members will continue to face over the coming years. As we are all aware, more and more suppliers are going direct to the consumer. TAANZ members competitive advantage is and will continue to be the long-standing relationship with customers. This has built up significant amount of trust with your customers and will stand you all in good stead over time. However, even with the current workload pressures, it will be imperative that the members are proactive with your clients. If you are not, you are opening the door for suppliers to put tempting offers in front of your customers. Customer knowledge is one of our industries key assets.

So, what does 2024 and beyond hold? There is no doubt going to be a couple of things that members will face over the coming year. Firstly, that there is likely to be a general slowing in the economy as the higher cost of living / higher interest rates continue to suppress demand. On the positive side we are seeing significantly more airline capacity coming into the country. We know competition brings better pricing. We are already seeing that on key routes now such as the North America market with the large American carriers entering the space with significant capacity.

Having Greg Hamilton in the role of CEO has also been a blessing. Progress is being made on the longer-term business plan, and the positioning of the consumer fund. When Greg is back in the New Year these will be progressed further, and the members will be updated.

As we make the run into the Christmas / New Year period I would like to again thank the TAANZ Board and co-opted members. They give their time when most have full time jobs that are very demanding. A huge shout out to both Christine Armstrong and Tom Leckie for the great work they do on the administration and bonding side of the Association respectively.

This year marks the departure of Mark Abbot from the board. Mark first started on the TAANZ board in 1988. He has made an incredible contribution to the Association over the decades with his legal mind, commercial wisdom, and industry knowledge. It has been a real pleasure to work with Mark over the years as he has helped guide TAANZ. We wish him all the very best for the future.

Also, I would like to take this opportunity to wish all the members the very best as we fast approach the end of the year. It has been another big year with fantastic results across the industry. Enjoy some well-earned time out over the Christmas / New Year with loved ones.

All the very best.

Cheers

Brent Thomas

President

Membership Statistics

	May-10	May-11	May-12	May-13	May-14	May-15	May-16
Full Members							
Head Offices	342	331	317	314	304	303	294
Branch offices	70	67	89	92	81	80	72
Total	412	398	406	406	385	383	366
Travel Brokers	401	431	476	522	533	564	402
Allied Members	77	73	59	69	68	72	71

*

	May-17	May-18	May-19	May-20	May-21	May-22	May-23
Full Members							
Head Offices	281	278	276	267	237	212	204
Branch offices	81	83	79	79	111	100	95
Total	362	361	355	346	348	312	299
Selling Staff				1861	1271	1077	1502
Travel Brokers	434	430	445	450	693	654	710
Allied Members	73	79	61	73	63	63	57

* May21 onwards includes Flight Centre membership figures

Travel Agents Association of New Zealand Incorporated

Performance Report

For the year ended
31 May 2023

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Independent Auditor's Report

To the Members of Travel Agents Association of New Zealand Incorporated

Report on the Audit of the Performance report

Opinion

We have audited the Performance report of Travel Agents Association of New Zealand Incorporated which comprise:

- a. the entity information on page 5;
- b. the financial statements set out on pages 8 to 19, which comprise the statement of financial performance as at 31 May 2023, and the Statement of Financial Performance, and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies; and
- c. the statement of service performance on pages 6 to 7.

In our opinion, the accompanying Performance report present fairly, in all material respects:

- a. the entity information as at 31 May 2023;
- b. the financial position of the Entity as at 31 May 2023 and its financial performance and cash flows for the year then ended; and
- c. the service performance for the year ended 31 May 2023 in accordance with the Entity's service performance criteria

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the statement of service performance in accordance the International Standard on Assurance Engagements (New Zealand) (ISAE (NZ)) 3000 (Revised) issued by the New Zealand Auditing and Assurance Standards Board. 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 the Entity 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 interest in, the Entity.

Responsibilities of Board Members for the Performance report

Board Members are responsible on behalf of the Entity for:

- (a) the preparation and fair presentation of the entity information, financial statements and statement of service performance in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-for-profit) issued by the New Zealand Accounting Standards Board;
- (b) service performance criteria that are suitable in order to prepare statement of service performance in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-for-profit); and
- (c) such internal control as Board Members determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors on behalf of the Entity are responsible for assessing the Entity'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 Board Members either intend to liquidate the Entity 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 entity information, and the Performance report as a whole are 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) 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 the Performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the statement of service performance, 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 the entity's 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 Board Members 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 financial statements 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 financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance 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 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 we identify during our audit.

Restriction on use of our report

This report is made solely to the Entity's Board Members, as a body. Our audit work has been undertaken so that we might state to the Entity's Board 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 Entity and its Board Members, as a body, for our audit work, for this report or for the opinion we have formed.

Grant Thornton New Zealand Audit Limited**Brent Kennerley****Partner****Wellington, New Zealand****3 November 2023**

Travel Agents Association of New Zealand Incorporated

Entity Information

For the year ended
31 May 2023

Legal Name of Entity:	Travel Agents Association of New Zealand Incorporated (TAANZ)
Type of Entity and Legal Basis (if any):	TAANZ Inc. is an Incorporated Society registered under the Incorporated Societies Act 1908.
Registration Number:	220230

Entity's Purpose or Mission:

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.

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.

Entity Structure:

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.

The Association contracts the TAANZ Bonding Authority services, an administrator and accounting services. From September 2020 it has employed no staff. In March 2022 a CEO was appointed on a contract basis.

Main Sources of the Entity's Cash and Resources:

In 2023, 75% of Income was generated from members and 25% was from interest, dividends and investment activities.

Entity's Reliance on Volunteers and Donated Goods or Services:

The Association has no volunteers or goods in kind.

Contact details

Physical Address:	Level 2, 125 Featherston St, Wellington
Postal Address:	PO Box 1888, Wellington
Phone/Fax:	04 496 4884
Email/Website:	www.taanz.org.nz



Travel Agents Association of New Zealand Incorporated

Statement of Service Performance

For the year ended
31 May 2023

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 This Year	Budget Equal to or better than last year	Actual Last Year
Outcomes and measures of quality and objectives in respect to delivery			
Qualifications accreditation compliance	77%		81%

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 This Year	Budget Equal to or better than last year	Actual Last Year
Outcomes and measures of quality and objectives in respect to delivery			
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 This Year	Budget Equal to or better than last year	Actual Last Year
Outcomes and measures of quality and objectives in respect to delivery			
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 This Year	Budget This Year	Actual Last Year
Outcomes and measures of quality and objectives in respect to delivery			
Complaints received	45	the same or less than prior year	28
Complaints resolved	45	the same or less than prior year	28
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.

Outcomes and measures of quality and objectives in respect to delivery	Actual This Year	Budget This Year	Actual Last Year
Agents fined for late Bonding returns	0	the same or less than prior year	2
Non-compliant agents reported end May	2	the same or less than prior year	1
Agents terminated for not meeting the Bonding Authority criteria	0	the same or less than prior year	0

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

Outcomes and measures of quality and objectives in respect to delivery	Actual This Year	Budget This Year	Actual Last Year
All membership approvals	299	the same or better than prior year	312
All membership relinquishments	17	the same or less than prior year	27

The National Travel Industry Awards. Due to Covid-19, the National Travel Industry Awards have not been held since 2019.

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



Travel Agents Association of New Zealand Incorporated

Statement of Financial Performance

For the year ended
31 May 2023

	Note	Actual This Year \$	Actual Last Year \$
Revenue			
Fees, subscriptions and other revenue from members	1	250,013	14,400
Revenue from providing goods or services	1	-	-
Interest, dividends and other investment revenue	1	91,456	36,158
Other revenue	1	3,337	5,732
Total Revenue		344,806	56,290
Expenses			
Volunteer and employee related costs	2	-	90
Costs related to providing goods or services	2	355,278	186,192
Other expenses	2	68,515	60,404
Total Expenses		423,793	246,685
Surplus for the Year before tax		(78,988)	(190,396)
Taxation expense	15	-	-
Net Surplus for the Year after tax		(78,988)	(190,396)



Travel Agents Association of New Zealand Incorporated

Statement of Financial Position

As at
31 May 2023

	Note	Actual This Year \$	Actual Last Year \$
Assets			
Current Assets			
Bank accounts and cash	3	185,927	241,897
Debtors and prepayments	3	2,311	863
Other current assets	3, 8	2,806,407	6,241,281
Total Current Assets		2,994,645	6,484,041
Non-Current Assets			
Property, plant and equipment	4	1,303	2,488
Investments	3	438	438
Total Non-Current Assets		1,741	2,926
Total Assets		2,996,386	6,486,967
Liabilities			
Current Liabilities			
Creditors and accrued expenses	3	58,378	68,013
Other current liabilities	3, 8	87,116	3,489,075
Total Current Liabilities		145,494	3,557,088
Total Liabilities		145,494	3,557,088
Total Assets less Total Liabilities (Net Assets)		2,850,892	2,929,879
Accumulated Funds			
Accumulated surpluses	5	250,891	329,879
Bank Guarantee and Consumer Fund	5	2,600,000	2,600,000
Total Accumulated Funds		2,850,892	2,929,879



Chair

19 October 2023

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 2023

	Actual This Year \$	Actual Last Year \$
Cash Flows from Operating Activities		
Cash was received from:		
Fees, subscriptions and other receipts from members	250,013	14,400
Receipts from providing goods or services	10,892	3,272
Interest, dividends and other investment receipts	28,746	22,253
Cash was applied to:		
Payments to suppliers	(445,622)	(213,069)
Payments to employees	-	(90)
Net Cash Flows from Operating Activities	(155,966)	(173,234)
Cash flows from Investing and Financing Activities		
Cash was received from:		
Receipts from the sale of investments	100,000	696,343
Cash was applied to:		
Payments to acquire property, plant and equipment	-	(2,234)
Payments to purchase investments	-	(555,580)
Net Cash Flows from Investing and Financing Activities	100,000	138,529
Net Increase/ (Decrease) in Cash	(55,972)	(34,705)
Opening Cash	241,897	276,602
Closing Cash	185,927	241,897
This is represented by:		
Bank Accounts and Cash	185,927	241,897



Travel Agents Association of New Zealand Incorporated

Statement of Accounting Policies

**For the year ended
31 May 2023**

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.



Travel Agents Association of New Zealand Incorporated

Statement of Accounting Policies

**For the year ended
31 May 2023**

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 2023

Note 1: Analysis of Revenue

Revenue Item	Analysis	This Year \$	Last Year \$
Fees, subscriptions and other revenue from members	Subscriptions and Entrance Fees	179,513	8,400
	Levies	70,500	6,000
	Total	250,013	14,400
Revenue Item	Analysis	This Year \$	Last Year \$
Revenue from providing goods or services	Revenue from National Awards Event	-	-
	Total		
Revenue Item	Analysis	This Year \$	Last Year \$
Interest, dividends and other investment revenue	Interest & Dividends	91,456	36,158
	Total	91,456	36,158
Revenue Item	Analysis	This Year \$	Last Year \$
Other revenue	Government Wage Subsidy	-	-
	Claims recovery	837	837
	Income from MBIE Agents Reimbursement Scheme	-	4,072
	Sponsorship	2,500	-
	Other Income	-	823
	Total	3,337	5,732



Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended
31 May 2023

Note 2 : Analysis of Expenses

Expense Item	Analysis	This Year \$	Last Year \$
Volunteer and employee related costs	Salaries and Wages	-	-
	ACC levies	-	90
	Total		90

Expense Item	Analysis	This Year \$	Last Year \$
Costs related to providing goods or services	Administration of MBIE reimbursement scheme	-	4,700
	Bonding Authority Administration Expenses	57,104	60,834
	General expenses	1,672	1,349
	Internet and website expenses	-	1,040
	Marketing	-	500
	Meeting and board expenses	4,799	1,869
	President and director fees	43,239	6,000
	Postage	10	200
	Printing and stationery	50	52
	Office Administration	236,372	106,449
	Telephones	1,268	870
	Travel expenses	8,445	1,779
	WTAAA meetings*	2,320	549
	Total	355,278	186,192

* World Travel Agents Associations Alliance

Expense Item	Analysis	This Year \$	Last Year \$
Other expenses	Audit Fees	14,175	13,125
	Annual report/AGM	2,679	-
	Depreciation	1,185	1,955
	Insurance	2,450	3,181
	Legal and professional fees	17,026	12,226
	Bank Guarantee Fee	31,000	29,917
	Total	68,515	60,404



Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended

31 May 2023

Note 3: Analysis of Assets and Liabilities

Asset Item	Analysis	This Year \$	Last Year \$
Bank accounts and cash	ANZ Current Account 00	79,261	30,181
	ANZ Current Account 26	49,518	34,733
	ANZ Call Account 25	15,011	31,331
	ANZ Call Account 27	4,695	104,572
	BNZ Current Account	37,343	40,981
	Petty Cash	100	100
	Total	185,927	241,897

Asset Item	Analysis	This Year \$	Last Year \$
Debtors and prepayments	Accounts receivable	2,311	863
	Total	2,311	863

Asset Item	Analysis	This Year \$	Last Year \$
Other current assets	Short term deposits	2,659,262	2,718,800
	Member Deposits at BNZ	91,247	3,470,955
	GST receivable/(payable)	11,913	10,571
	Tax refund/(payable)	30,477	18,459
	Accrued income	13,509	22,497
	Total	2,806,407	6,241,281

Asset Item	Analysis	This Year \$	Last Year \$
Investments	Air New Zealand Shares	438	438
	BNZ Capital Notes	-	-
	Total	438	438

Liability Item	Analysis	This Year \$	Last Year \$
Creditors and accrued expenses	Trade and other payables	46,086	55,983
	Accrued operating expenses	12,293	12,030
	Total	58,378	68,013

Liability Item	Analysis	This Year \$	Last Year \$
Other current liabilities	Member deposits and interest held at BNZ	87,116	3,489,075
	Total	87,116	3,489,075



Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended
31 May 2023

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	2,488	-	-	1,185	1,303
Total	2,488	-	-	1,185	1,303

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	2,209	2,234	-	1,955	2,488
Total	2,209	2,234	-	1,955	2,488



Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended
31 May 2023

Note 5: Accumulated Funds

This Year				
Description	Accumulated Surpluses or Deficits	Consumer Fund	Bank Guarantee	Total
Opening Balance	329,879	100,000	2,500,000	2,929,879
Surplus/(Deficit)	(78,988)			(78,988)
Funds received for claims				
Funds paid in or out for claims				
Transfer to/from Bank Guarantee				
Closing Balance	250,891	100,000	2,500,000	2,850,891

Last Year				
Description	Accumulated Surpluses or Deficits	Consumer Fund	Bank Guarantee	Total
Opening Balance	520,275	100,000	2,500,000	3,120,275
Surplus/(Deficit)	(190,396)			(190,396)
Funds received for claims				
Funds paid in or out for claims				
Transfer to/from Bank Guarantee				
Closing Balance	329,879	100,000	2,500,000	2,929,879

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 2022 and will continue until 31 December 2024.

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 2023

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Note 6: Net Claims and Expenses

There have been no claims on members (2022: Nil)

Note 7: TAANZ Airline and Consumer Funds

TAA NZ 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 2022 and will continue until 31 December 2024. 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 \$87,115.80 (2022: \$3,470,955). The corresponding liability including interest owed at the reporting date to such members is \$91,246.50 (2022: \$3,489,075). This includes interest of \$4,130.70 (2022: \$18,120).

On 31 August 2022, the Client Funds Account held with the BNZ was closed due to being uncompliant with the Anti Money Laundering Act. From June to August, \$2,455,940.61 was transferred to the Gault Mitchell Law Trust account at the ASB, and the remainder was paid out to the TAANZ members who had arranged an alternative bond security.

Note 9: Lease Commitments

The Society has no lease commitments.

Note 10: Auditor Remuneration

Total fees payable to Grant Thornton the auditor for the 2023 Financial Statements totalled \$xx (2022: \$3,330).

Note 11: Contingent Liabilities

There are no contingent liabilities at year end. (2022: None).

Note 12: Contingent Assets

There are no contingent assets at year end (2022: None).



Travel Agents Association of New Zealand Incorporated

Notes to the Performance Report

For the year ended
31 May 2023

Notes 13-17

Note 13: Related Party Transactions

There are no related parties at reporting date (2022: None)

Note 14: Capital commitments

There are no capital commitments at reporting date (2022: None)

Note 15: Taxation

There are tax losses of \$189,395 to carry forward (2022: \$189,395).

Note 16: Events After the Balance Date:

2023 - There are no events that have occurred after the reporting date that would have a material impact on the Performance Report.

(2022: There were no events that have occurred after the reporting date that would have a material impact on the Performance Report. The member funds held at the BNZ are in the process of either transferring to the Gault Mitchell Trust Account at the ASB, or transferred into other securities. This is due to the BNZ being unable to fulfil its obligations under the Anti Money Laundering Act unless TAANZ was a registered reporting entity under the Act.)

Note 17: Going Concern Assessment

TAANZ has been impacted by the Covid-19 pandemic significantly since March 2020. In the 2 years to May 2022, membership revenue from travel agents fell by nearly 90% due to their inability to pay. In the year to 31 May 2023 the Board decided to hold the membership subscriptions at the same level as 2022 which was half the income for TAANZ than pre-covid. This shortfall will be made up by holding an Awards event later in 2023.

The organisation can continue to meet its current obligations and is solvent with reliance placed on the going concern assumption for 2023/24.

