



REPORT

to the

MINISTER FOR TRANSPORT

for the year ended

31st DECEMBER 2002

under Section 26 (c) of the Aviation Regulation Act, 2001.

28th March 2003

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**Report To The Minister For Transport For The Year
Ended 31 December 2002 Under Section 26(c) Of The
Aviation Regulation Act, 2001.**

Foreword.

I am pleased to present the second Annual Report of the Commission for Aviation Regulation. The Report summarises the activities of the Commission during 2002 and sets out the Commission's Work Programme for the current year.

The Commission committed a significant portion of resources during 2002 to defending its airport charges determination against litigation brought by Aer Rianta.

The achievements of the Commission during 2002 would not have been possible without the expertise, professionalism and diligence of the staff of the Commission, and I would like to once again place on record my appreciation to all of them for their contribution to the Commission's Work Programme in 2002. In addition, I would also like to thank the many persons and organisations who contributed to the work of the Commission during the year.

Finally, I would like to express my appreciation to Mary O'Rourke, TD, Minister for Public Enterprise, Seamus Brennan, TD, Minister for Transport and the officials of the Department of Transport, for their support during 2002.

William Prasifka
Commissioner

28th March 2003.

GENERAL BACKGROUND

Section 26 (c) of the Aviation Regulation Act, 2001, obliges the Commission for Aviation Regulation, within the first three months of each year to make a report to the Minister in relation to the performance of its functions in the previous year and the proposed work programme for the following year.

This Report is provided to the Minister in compliance with those requirements, and covers the period 1 January to 31 December 2002.

STATUTORY FUNCTIONS OF THE COMMISSION

The Commission for Aviation Regulation was established on 27 February 2001 under Section 3 of the Aviation Regulation Act, 2001 ("the Act"). Its twin principal functions are; -

- (a) the regulation of airport charges at those Irish airports open for commercial traffic and which had an annual passenger throughput in excess of one million passengers in the previous calendar year. At current passenger levels, this means the Aer Rianta operated airports at Dublin, Shannon and Cork, and
- (b) the regulation of aviation terminal services charges that may be imposed by the Irish Aviation Authority.

These requirements are achieved by making determinations on the maximum levels of airport and aviation terminal services charges which may be levied by Aer Rianta and the Irish Aviation Authority, as the case may be.

In addition to those functions, the Act also transfers to the Commission a number of functions which, prior to the Commission's establishment, were discharged by the Minister under EU and national legislation, viz: -

EU Legislation

Slot allocation and the appointment of a schedules coordinator.

Council Regulation (EEC) 95/93 of 18 January 1993 sets out common rules for the allocation of slots at Community airports. Under Section 8(1) of the Act, the Commission is the competent authority in Ireland for the purposes of Council Regulation (EEC) 95/93 of 18 January 1993, other than the functions of a coordinator. In addition, section 8(2) provides that the Commission shall be the appointing authority for such a coordinator.

Air carrier licensing

Section 8(3) of the Act provides that the Commission shall have the function of licensing air carriers under Council Regulation (EEC) 2407/92. Section 9(2)(d) of the Act transfers the Minister's functions under the Air Navigation and Transport Act, 1965 (Section 8) Regulations, 1993 (S.I. No. 323 of 1993). This Statutory Instrument gives effect to the current licensing arrangements.

National Legislation

The following functions previously vested in the Minister under national legislation were transferred to the Commission from the date of its establishment: -

Ground handling

Section 9(2)(c) of the Act transferred the functions contained in the European Communities (Access to the ground handling market at Community airports) Regulation 1998 (S.I. No. 505 of 1998).

Travel trade licensing

Sections 9(2)(a) and 9(2)(b) of the Act transferred the functions contained in the Transport (Tour Operators and Travel Agents) Act, 1982 and the package Holidays and Travel Trade Act, 1995.

In summary, therefore, the Commission is responsible for :

- regulating Aer Rianta's airport charges
- regulating the Irish Aviation Authority's aviation terminal services charges
- approving ground handlers
- licensing Irish air carriers
- implementing certain aspects of community legislation in relation to slot allocation and schedule coordination, and
- licensing travel agents and tour operators in Ireland

STATUTORY BASIS FOR THE COMMISSION

The Commission was established by the Minister for Public Enterprise on 27 February 2001. The establishing legislation specifies that the Commission is a body corporate which shall consist of at least one but not more than three members.

On establishment, the Minister appointed Mr William Prasifka as a Member of the Commission. During the period to which this report refers, Mr Prasifka remained the sole Member.

The legislation also provides, under Section 13, that the Commission may appoint a member of staff as Deputy Commissioner. The Head of Economic Affairs, Mr Cathal Guiomard, performed the function of Deputy Commission during 2002.

REVIEW BY STATUTORY/FUNCTIONAL AREA

Airport Charges

Appeal against the Commission's Determination of 26th August 2001

Background

On 26 August 2001 the Commission made its first determination on the maximum levels of airport charges. When making that determination, it also published a comprehensive report which set out both an explanation of, and the reasons for, its decision, together with its views and responses to all statutory representations received during the consultation phase which preceded the determination process. These documents were issued as Commission Papers (CP) 7, 8 and 9 OF 2001, and were made available to all interested parties, as well as being published on the Commission's website, www.aviationreg.ie.

Section 40 of the Act allows any person who is aggrieved by a determination made under Section 32(2) or 35(2) to make an appeal to the Minister, who shall establish a panel to consider such an appeal.

Following the making of that determination, the Minister received appeals from five parties aggrieved by certain aspects of the determination and accordingly, the Minister established an Appeal Panel on 14 November 2001 as provided for under the Act.

Under Section 40(5) of the Act, the Appeal Panel has a maximum period of two months from the date of its establishment to consider all appeals referred to it by the Minister and may either confirm the Commission's determination or refer the Determination back to the Commission for review.

Activity in 2002

On 10 January 2002, the Appeal Panel decided to refer elements of the appeals to the Commission for review. Under Section 40(8) of the Act, the Commission had one month from receipt of the referral to either affirm or vary its original determination.

Pursuant to this referral, the Commission undertook a review in order to determine whether or not to affirm or vary its original Determination. Prior to undertaking that review, the Commission published a notice in the national newspapers and issued CP1/2002 notifying interested parties of the Review and inviting submissions on those matters identified by the Appeal Panel as constituting sufficient grounds for referring the original Determination back to the Commission. In inviting those submissions, the Commission, in CP1/2002, listed those elements of the appeals referred to it by the Appeal Panel, together with a description of the scope of the review.

Having carefully considered all comments received, the Commission, on 9 February 2002, decided to vary aspects of its original Determination and issued CP2/2002, which fully identified and set out the areas in which the original determination was to be varied by the Commission. As with all other documents, CP2/2002 was made available to all interested parties, published on the Commission's website and was the subject of a notice in the national newspapers.

The Varied Determination is, subject to any review arising in the current year, effective for the remainder of the original five year period i.e. until September 2006.

Judicial Review of the Commission's Determination on Airport Charges

Having expressed its dissatisfaction with the Determination, Aer Rianta sought leave on 23 October 2001 to apply for a Judicial Review of the Commission's determination on airport charges and were granted leave to proceed by the High Court

Activity in 2002

Following a process of filing Affidavits and undertaking Discovery of Documents, the case came on for hearing on 27 November 2002.

At the outset, the Commission sought permission from the Court to make a Motion for Directions, the purpose of which was to seek the Court's agreement to a case management approach to the issues raised and in particular it sought a ruling that certain matters raised in the application were not appropriate to a Judicial Review process.

The Court allowed the hearing of the Motion and gave a ruling in favour of the Commission on 16 January 2003. Litigation of certain of the remaining issues continued in early 2003 and the matters now rests with the Court for decision. It is understood that a decision will be made in early April, 2003 after which litigation may commence on the remaining issues.

During 2002, the judicial review necessitated the commitment of a significant portion of the Commission's human and financial resources in defending the Determination.

Aviation Terminal Services Charges

Background

Section 35 of the Act required the Commission, within twelve months of its establishment, to make a determination specifying the maximum levels of aviation terminal services charges to be imposed by the Irish Aviation Authority.

The Commission initiated that process on 2 May 2001 by publishing two consultation papers, CP 4/2001 – *Process for the Determination of Aviation Terminal Services Charges* and CP 5/2001 – *Maximum Levels of Aviation Terminal Services Charges to be levied by the Irish Aviation Authority* and invited submissions from interested parties. Two submissions were received.

In October 2001, the Commission published its draft determination and gave notice of its intention to make a determination. Comments on the draft determination were also invited. Again, two submissions were received.

Activity in 2002

On 26 February 2002, the Commission issued by way of CP3/2002, its Determination and Report on the Maximum Levels of Aviation Terminal Services charges that may be imposed by the Irish Aviation Authority which, in common with all other Commission documents, were published on its website.

In making its Determination of the maximum levels of aviation terminal services charges, the Commission exercised its statutory powers to collect relevant information from the Irish Aviation Authority.

To date, there have been no appeals or applications for judicial review against the Commission's aviation terminal services charges Determination.

Approval of groundhandlers

At the end of 2001, there were 17 approved self-handlers¹ and 34 approved suppliers of ground handling services (or third party handlers²) operating between Dublin, Cork and Shannon airports. Of the 17 approved self-handlers, 6 were also approved to provide services to third parties. The Commission granted 3 self-handling and 5 third party handling approvals during 2002.

During 2002, one self-handler and one third party handler voluntarily surrendered their approval due to inability to secure adequate insurance cover. One third party handler ceased trading due to reduced business opportunities.

Additionally, the Commission reviewed two third party approvals held by two companies and concluded that it was not necessary for them to hold separate approvals in their own right given that their subcontractors hold approval from the Commission for these activities.

Two companies who held approval from the Commission to engage in the provision of groundhandling services were bought over by other companies in the groundhandling market.

At the end of 2002, there were **19** approved self-handlers and **33** approved third party ground handlers operating between Dublin, Cork and Shannon airports.

¹ An airline may choose to provide its own ground-handling services (**self-handling**).

² An airline may enter into a contract with another company for the provision of ground handling services (**third party handling**), be it another airline or a dedicated ground handling company.

In the interests of good regulatory practice and in compliance with the relevant Regulations, the Commission ensures that proper financial information is submitted by approved groundhandlers on an annual basis. For ground handling companies providing services to third parties, legislation requires the submission of separated accounts to the Commission. The Commission also requires that updated insurance details are submitted by approved groundhandlers on an annual basis. During 2002, the Commission designed and set-up a database in order to hold all relevant information in relation to the approval process.

Air Carrier Licensing

At the end of 2001, there were 18 licensed Irish airlines in Ireland. During 2002, the Commission issued an Air Carrier Operating Licence to 2 new operators. However, during 2002 one licensed operator failed to secure replacement aircraft following the sale of the aircraft previously on its Air Operators Certificate (AOC) and the company's Air Carrier Operating Licence was withdrawn. Another carrier voluntarily surrendered its Air Carrier Operating Licence and ceased trading as a result of a decision by the parent company.

At then end of 2002, there were **18** licensed Irish airlines.

In 2002, the Commission, in conjunction with the Irish Aviation Authority, continued to remind all aircraft operators that they must be in possession of a valid air carrier operating licence in order to engage in the carriage of passengers for reward by writing again to the owners of Irish registered aircraft informing them of the licensing requirements.

In September 2002, the Commission published a further notice in the print media advising the public of the necessity to establish that a valid licence is held by any carrier with which they wished to do business

The Commission will continue to ensure that proper financial information and insurance details are submitted by all licensed air carriers on an annual basis, as required by the legislation. The Commission plans to design, in 2003, a database to hold all relevant information on licensed air carriers.

Insurance

The Government Indemnity Scheme, which was set up after the events of 11 September 2001 in order to provide air carriers and groundhandling companies with temporary protection to restore their levels of insurance cover to the levels that were in place prior to 11 September 2001, came to an end on 31 October 2002. Throughout 2002, the Commission ensured that all licensed airlines and groundhandlers continued to have adequate levels of insurance cover in place following the ending of this Scheme.

In the current year, the Commission will continue to monitor a proposal made by the European Commission in 2002 for a Council Regulation on insurance requirements for air carriers and aircraft operators and also with regard to any developments in the insurance industry that would affect licensed air carriers or groundhandling companies.

Slot allocation and schedule coordination

The Commission is the competent authority in Ireland for the purposes of Council Regulation (EEC) 95/93 of 18 January 1993, other than performing the functions of a coordinator. The purpose of Regulation 95/93 is to establish common rules for the allocation of slots at Community airports.

Appointment of coordinator

Prior to the establishment of the Commission, the Minister designated Dublin Airport to be a coordinated airport and appointed a schedules coordinator. The term of appointment of that coordinator ended on 30 March 2002.

On 13 December 2001, the Commission, having decided that a coordinator should be re-appointed, invited tenders for appointment as Dublin Airport coordinator for a period of three years commencing on 31 March 2002.

Following evaluation of responses to that invitation, the Commission reached a decision in principle and in February 2002 commenced a consultation process with all interested parties in regard to the intended appointee, as required by the Regulation.

On 28 March 2002, the Commission appointed Airport Coordination Limited, (ACL) a UK company, as schedules coordinator at Dublin Airport for the period 31 March 2002 to 30 March 2005.

Participation in Dublin Airport Coordination Committee

As provided for under Article 5 of Regulation 95/93, Aer Rianta established a Coordination Committee representative of all carriers using Dublin Airport, the airport authorities and the Irish Aviation Authority, being the body responsible for air traffic control at Dublin Airport.

In 2001, the Commission for Aviation Regulation accepted an invitation from Aer Rianta to participate in those meetings as an observer. In 2002, representatives of the Commission attended meetings of the Committee in April and September 2002.

Proposal for a revised Council Regulation on slot allocation

At the Stockholm Summit on 23/24 March 2001, it was agreed by Member States that the rules under which slots are allocated at Community airports should be strengthened to ensure the fullest and most flexible use of limited capacity at congested airports. To achieve this, it was decided that it was necessary to substantially amend Regulation 95/93 and to clarify a number of its provisions.

In 2002, the Commission, in conjunction with the Department of Transport, continued its monitoring of developments in this area in order to assess future changes in EU slot allocation policy and their possible effects on Ireland.

Request by Aer Rianta that Dublin Airport be declared fully coordinated.

In September 2002, Aer Rianta requested that the coordination status of Dublin Airport be changed from "coordinated" to "fully coordinated". (The essential difference between the two is that when an airport is designated as fully coordinated, a schedules coordinator allocates operating slots on a mandatory basis, i.e no airline may take off or land without being assigned a dedicated slot). At present, the Coordinator acts as "facilitator" i.e. facilitates consensus between the airlines.

In November 2002, Aer Rianta, in response to a request from the Commission, submitted a substantial amount of data to substantiate their request. That data, together with material which had been requested from

other sources, is being analysed in order to make a decision on the future coordination status of Dublin Airport.

Travel Trade Licensing

In 2002, the Commission completed its first full calendar year of responsibility for the administration of the licensing of travel agents and tour operators in accordance with the Transport (Tour Operators and Travel Agents) Act, 1982.

In the course of 2002 the Commission granted licences to 73 tour operators and 340 travel agents. While the majority of these were issued to existing operators obtaining new licences, a total of 20 licences were issued to new travel agents and 13 to new tour operators. A number of travel agents either closed down or were bought out by other agents and a number of specialist tour operators chose not to renew their licences to trade in Ireland.

The Commission continued work on processing outstanding claims from customers against the bonds of travel firms, which had ceased trading, in particular, Bon Voyage Travel Ltd, whose licence as a tour operator was revoked in July 2001. In addition, in June 2002 it became necessary to call the travel agency bond of Bon Voyage Travel Ltd to meet claims lodged against it.

The Commission's remit includes enforcement of the licensing requirement and the investigation of instances of unlicensed trading. A number of investigations were carried out into instances of illegal trading. The Commission referred three cases to its solicitors who initiated successful prosecutions against the firms concerned.

The Commission uses every opportunity to remind the public of the importance of purchasing their overseas travel products from operators who hold a current licence. The full list of current licence holders is published on

the Commissions website. The website, www.avaitionreg.ie, also carries a list of recently expired licences.

The Commission is required to finance its operations through income from the sectors that it regulates. In the course of 2003 it will be necessary to ensure that revenue from the travel trade sector continues to meet the cost of administering the licensing regime. In this regard, it is expected that a small increase in the current level of licence fees for tour operators and travel agents - which have not been increased since 1995 - will be necessary.

COMPLIANCE WITH GENERAL OBLIGATIONS UNDER THE ACT

Directions by the Minister under the Act.

Section 10 of the Act provides that the Minister may give such general policy directions (including directions in respect of the contribution of airports in the regions in which they are located) to the Commission as he or she considers appropriate to be followed by the Commission in the exercise of its functions and that the Commission shall comply with such directions.

During 2002, no such directions were issued.

Personnel

During 2002, the Commission continued to be staffed by a combination of staff directly employed by the Commission and personnel seconded from the Department of Transport.

Similar to 2001, the staff of the Commission comprised 16 persons during 2002.

Superannuation

During 2002, the Commission continued to seek statutory approval for its superannuation schemes, which have been operating on an interim basis since 2001. All schemes are fully funded.

Following the passage of the Pensions Act, 2002, it was necessary to revise those Regulations submitted previously for approval to the Ministers for Transport and Finance. In 2002, revised regulations were drafted and submitted for the statutory approval of both Ministers, which is awaited.

Accommodation

In August 2002, the Commission, with the consent of the Ministers for Public Enterprise and Finance, moved to new office accommodation at Alexandra House, Earlsfort Terrace, Dublin 2.

Retention of consultants and advisors

Under section 14 of the Act, the Commission has authority to engage such consultants and advisors as are considered necessary to assist it in the performance of its functions. During 2002, the Commission continued to retain consultants/advisors to assist it in the defence of its determination on airport charges, the completion of its determination on aviation terminal services charges and the maintenance and support of its IT services.

Communications

During 2002, the Commission continued its policy of discharging its functions in an open, transparent and accessible manner. The principal manner in which this was achieved was through the publication of all Commission Papers's on it's website, www.aviationreg.ie, and through ongoing contact with the full range of its clients and other interested parties.

In addition, printed copies of all Commission Papers were made available on application, without charge.

In 2002 the Commission issued 6 papers, a list of which is set out at Appendix 1.

WORK PROGRAMME FOR 2003.

The Commission intends to complete the following work programme in 2003: -

Airport charges

The Commission will reach a decision on the need to engage in a mid-term review of the Determination on the Maximum Levels of Airport Charges.

The Commission will assess compliance by Aer Rianta with its Determination on the Maximum Levels of Airport Charges.

The Commission will continue as necessary to vigorously defend the judicial review proceedings brought by Aer Rianta against its Determination on Airport Charges.

The Commission will set the related price cap for the regulatory year 2003/4.

Aviation Terminal Services Charges

The Commission will assess compliance by the Irish Aviation Authority with its Determination on the Maximum Levels of Aviation Terminal Services Charges

The Commission will set the related price cap for the regulatory year 2003/4.

Slot Allocation/Schedule Coordination

The Commission will reach a decision on Aer Rianta's request to declare Dublin Airport fully coordinated.

Air Carrier Licensing and Approval of Ground Handlers

The Commission will continue to discharge its statutory responsibilities in both of these functional areas.

Travel Trade Licensing

All licences currently held by tour operators and travel agents are due to expire in the course of 2003 and it is anticipated that most of these firms will apply for new licences.

A small number of outstanding claims against bonds of travel firms who have gone out of business will continue to be processed over the course of 2003.

The Commission will pursue its policy of investigating instances of illegal trading in the sector throughout the coming year and where appropriate, will initiate prosecutions or other legal proceedings.

Staffing

It has become evident to the Commission that it has insufficient staff resources to fully and effectively discharge its work programme going forward and this has been indicated to the Department of Transport. The Commission intends to advance proposals to the Ministers for Transport and Finance for the approval of additional staff in 2003.

FINANCIAL

The Levy

Section 23 of the Aviation Regulation Act, 2001, provides that, for the purpose of meeting expenses properly incurred by the Commission in the discharge of its functions under the Act, the Commission may make regulations imposing a levy to meet but not to exceed its estimated operating costs and expenses. The levy is payable by such classes of undertakings as may be specified by the Commission.

In April 2002 the Commission issued a consultation paper CP4/2002 – *Consultation Paper on the Implementation of the Levy pursuant to Section 23 of the Aviation Regulation Act, 2001*, the purpose of which was to set out the Commission's proposals on the imposition of the levy and to seek the views of interested parties, as well as any other matters which were considered relevant. The Commission received 13 submissions in response to this Paper

In August 2002 the Commission issued its decision in paper CP5/2002 – *Levy Decision for the period February 2001 to December 2002*. This Paper, along with all submissions and comments were published on the Commission's website.

Following this the Commission made three levy regulations, to provide for recoupment of its operating costs in 2001, 2002 and 2003 respectively. All Regulations were laid before the Houses of the Oireachtas, in accordance with the statutory requirement.

Financial results for the period ended 31 December 2001

In its report for 2001, the Commission published its draft financial statements for the period 27 February to 31 December 2001. During 2002, these accounts were audited by the Comptroller and Auditor General. The formal audit report of the C&AG has not yet been received and it is not anticipated to be available until mid 2003.

Financial statements for the year ended 31 December 2002

Draft financial statements for the year ended 31 December 2002, which are subject to audit by the Comptroller and Auditor General, are set out in the following pages.

Commission for Aviation Regulation
Income & Expenditure Account for the year ended 31 December 2002

	2002		2001	
	€	€	€	€
Income				
Travel Trade Licensing	(444,242)		(389,832)	
Air-carrier Licensing	(9,492)		(8,697)	
Groundhandling Licensing	(11,359)		(6,991)	
Aviation Terminal Services Charges	(126,880)		(127,215)	
Slot allocation	(157,243)		(20,963)	
Airport Charges	(2,961,430)	(3,710,646)	(2,084,492)	(2,638,190)
Expenditure				
Staff Costs	783,935		865,046	
Train, Travel & Subsistence	40,264		101,859	
Central Costs	113,440		68,725	
Accommodation	109,267		55,257	
Finance	(16,465)		18,267	
Equipment & Software	51,415		46,556	
Depreciation	16,145		1,368	
Dublin Airport Co Ordination	165,528		-	
Advertising, Web Maintenance, Public Relations	71,399		208,661	
Advisors	2,189,237	3,524,163	1,265,893	2,631,591
Income over Expenditure	(186,483)	(186,483)	(6,559)	(6,599)

Signed on behalf of the Commission for Aviation Regulation

Josephine Whelan ACCA
Accountant
 05th March 2003

William Prasifka
Commissioner

**Commission for Aviation Regulation
Balance Sheet as @ 31 December 2002**

	2002		2001	
	€	€	€	€
Fixed Assets				
Tangible Assets		47,499		11,113
Current Assets				
Bank Accounts - TT Bond Accounts	9,188,866.10		5,188,596.00	
Bank Account - Travellers Protection Fund	915.53		59,484.00	
Bank Account - CAR current A/C	858,962.07		153,962.00	
Prepayments	169,330		56,180	
Other Debtors	18,580		2,249,834	
	<u>10,236,653</u>		<u>7,708,056</u>	
Creditors : Amounts falling due within one year				
Cash Bond Accounts	(9,188,782)		(5,248,080)	
Accruals	(980,721)		(906,398)	
Other Creditors	79,432		(129,637)	
		<u>145,583</u>		<u>1,423,941</u>
Net Assets		<u>193,082</u>		<u>1,435,054</u>
Financed By				
Funding from the DPE		-		(1,428,455)
Income & Expenditure 2002		(186,483)		-
Income & Expenditure Account carried forward		(6,599)		(6,599)
Capital Employed		<u>(193,082)</u>		<u>(1,435,054)</u>

Note - The Cash Bond accounts are funds that are not available to the Commission to discharge its own commitments. These funds are held on behalf of licensed Travel Agents and Tour Operators to cover the cost of any future collapses of the travel firms concerned. If the Travel Agent/Tour Operator ceases business, the bond is returned after six months unless it is required to discharge claims from the firm's customers.

Signed on behalf of the Commission for Aviation Regulation

Josephine Whelan ACCA
Accountant
05th March 2003

William Prasifka
Commissioner

Commission for Aviation Regulation
Cashflow Statement for Year Ended 31 December 2002

	2002
	Euro
Reconciliation of Operating surplus to net cash inflow/(outflow) from operating activities	
Surplus/(Deficit) on Income and Expenditure	186,483.00
Depreciation	16,144.75
Bank Interest	11.51
Transfer (from) / to Capital Account	-
Decrease in Debtors	2,231,254.23
Increase in Prepayments	(113,149.88)
Decrease in Creditors	(209,068.45)
Decrease in Accruals	74,323.12
Net Cash Inflow / (Outflow) From Operating Activities	2,185,998.28
 Cash Flow Statement	
Net Cash Inflow / (Outflow) From Operating Activities	2,185,998.28
 Returns on Investments	
Bank Interest	(11.51)
 Capital Expenditure	(52,530.89)
 Management of Liquid Resources	
Funding from DPE	(1,428,455.00)
 Increase in Cash Bond Accounts & TPF	3,941,701.25
 Increase / Decrease in Cash Balances	4,646,701.82
 Reconciliation of net cash flow to movements in net funds	
Increase / (Decrease) in cash in hand in the period	
 Cash Inflow/(Outflow)	4,646,701.82
Opening Net Funds	5,402,041.88
 Closing Net Funds	10,048,743.70

Draft

Signed on behalf of the Commission for Aviation Regulation

Josephine Whelan ACCA
Accountant
05th March 2003

William Prasifka
Commissioner

APPENDIX I - COMMISSION PAPERS AND DOCUMENTS ISSUED IN 2002.

Number	Date of issue	Title
CP 01/2002	16 January 2002	Notice of the Commission relating to the Decision of the Appeal Panel
CP 02/2002	9 February 2002	Decision of the Commission further to a Referral by the Aviation Appeal Panel of the Commission's Decision in relation to its Determination of the 26 th of August 2001, on the Maximum Levels of Airport Charges
CP 03/2002	26 February 2002	Determination and Report on the Maximum Levels of Aviation Terminal Services Charges that may be imposed by the Irish Aviation Authority
Section 26 Report	27 March 2002	Report of the Commission to the Minister for Public Enterprise under Section 26 (c) of the Aviation Regulation Act, 2001
CP 04/2002	4 April 2002	Consultation Paper on the Implementation of the Levy pursuant to Section 23 of the Aviation Regulation Act, 2001
CP 05/2002	16 August 2002	Levy Decision for the period February 2001 to December 2002
CP 06/2002	20 September 2002	Maximum Levels of Airport Charges Provisional Annual Compliance Statement for Regulatory Year 24 September 2001 to 23 September 2002 and Calculation of Price Caps for Regulatory Year 24 September 2002 to 23 September 2003