



ÚDARÁS EITLÍOCHTA NA HÉIREANN  
IRISH AVIATION AUTHORITY

# **Travellers' Protection Fund, Travel Agents' and Tour Operators' Bond Financial Statements for the year ended 31 December 2023**



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# Statement of Authority's Responsibilities

The Irish Aviation Authority (the Authority) took over the functions of the Commission for Aviation Regulation (the Commission) on 1 May 2023 under section 109(1) of the Air Navigation and Transport Act, 2022. Pursuant to Sections 13(5) and 17(3) of the Transport (Tour Operators and Travel Agents) Act, 1982, the Authority is required to prepare financial statements in respect of drawn down Travel Agents' and Tour Operators' bonds and the Travellers' Protection Fund and to submit them for audit to the Comptroller and Auditor General.

Details of the Irish Aviation Authority's governance and control systems and procedures for the financial year ended 31 December 2023 are set out in the Director's Report and the Authority's statement on internal Control.

In preparing these financial statements, the Authority is required to:

- select suitable accounting policies and apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis, unless that basis is inappropriate.
- disclose and explain any material departures from applicable accounting standards.

The Authority is responsible for keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund and Bond Accounts and which enable it to ensure that the financial statements comply with the provisions of the Act. The Authority is also responsible for safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Authority considers that the financial statements of the Travellers' Protection Fund, Travel Agents' and Tour Operators' bonds give a true and fair view of the financial position.



**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**

# Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas



## Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas

#### Travellers' Protection Fund and Travel Agents' and Tour Operators' Bond Accounts

##### Opinion on the financial statements

I have audited the financial statements of the Travellers' Protection Fund and Travel Agents' and Tour Operators' Bond Accounts prepared by the Irish Aviation Authority for the year ended 31 December 2023 as required under the provisions of sections 13 and 17 of the Transport (Tour Operators and Travel Agents) Act 1982. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of financial position
- the statement of cash flows
- the bond accounts, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Travellers' Protection Fund and Travel Agents' and Tour Operators' Bond Accounts at 31 December 2023 and of its income and expenditure for 2023 in accordance with Financial Reporting Standard (FRS) 102 – *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

##### **Basis of opinion**

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Irish Aviation Authority and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Report on other matters**

My responsibilities to report on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Andrew Harkness  
For and on behalf of the  
Comptroller and Auditor General



# Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas

## Appendix to the report

### Responsibilities of the Authority

**As detailed in the statement of the Authority's responsibilities, the Authority is responsible for**

- the preparation of annual financial statements in the form prescribed under sections 13 and 17 of the Transport (Tour Operators and Travel Agents) Act 1982
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Responsibilities of the Comptroller and Auditor General

I am required under sections 13 and 17 of the Transport (Tour Operators and Travel Agents) Act 1982 to audit the annual financial statements of the Travellers' Protection Fund and Travel Agents' and Tour Operators' Bond Accounts and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs 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 these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements 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 my 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.
- I 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 internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Travellers' Protection Fund and Travel Agents' and Tour Operators' Bond Accounts ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Travellers' Protection Fund and Travel Agents' and Tour Operators' Bond Accounts to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

### Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

# Statement of Income & Expenditure and Retained Revenue Reserves for the Year ended 31 December 2023

Income	Notes	TPF 2023 €	DoT 2023 €	Total 2023 €	Total 2022 €
Department of Transport funding		-	150,000	150,000	-
Other Income		-	-	-	-
		-	150,000	150,000	-
<b>Expenditure</b>					
Collapse claims & administration costs	4	3,581	120,555	124,136	111,003
General administrative costs		3,736	-	3,736	7,104
Accountancy & professional fees		2,239	-	2,239	7,888
Audit fee		2,700	-	2,700	3,700
		12,256	120,555	132,811	129,695
Surplus/(Deficit) for the year		(12,256)	29,445	17,189	(129,695)
BALANCE AT 1 JANUARY		26,276	-	26,276	155,973
BALANCE AT 31 DECEMBER		14,020	29,445	43,465	26,278

The Statement of Income and Expenditure and Retained Revenue Reserves includes all gains and losses recognised in the year.

The Statement of Cashflows and the Notes 1 to 9 form part of these Financial Statements.

**Declan Fitzpatrick**  
**Chief Executive**  
**Officer**  
**Date: 25th April**  
**2024**

# Statement of Financial Position as at 31 December 2023

	Notes	€	2023 €	€	2022 €
<b>Current Assets</b>					
Cash and Cash Equivalents	3	51,996		33,330	
<b>Current Liabilities: Amounts falling due within one year</b>					
Accruals	5	(8,531)		(7,052)	
<b>Net Current Assets</b>			43,465		26,278
<b>Net Assets</b>			43,465		26,278
<b>Representing</b>					
Travellers Protection Fund			14,020		26,278
Department of Transport Fund	6		29,445		-
<b>Retained Revenue Reserves</b>			43,465		26,278

The Statement of Cashflows and the Notes 1 to 9 form part of these Financial Statements.



**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**

# Statement of Cashflows for year ended 31 December 2023

		2023	2022
	Notes	€	€
<b>Net Cash Inflow / (Outflow) from Operating Activities</b>			
Surplus/(Deficit) on Income and Expenditure		17,189	(129,695)
Bank Interest received net of bank charges paid		637	4,490
(Decrease)/Increase in Receivables		-	43,973
(Decrease)/Increase in Provisions		-	(126,937)
(Decrease)/Increase in Payables		-	(883,741)
(Decrease)/Increase in Accruals		1,477	(19,577)
<b>Net Cash (Outflow) From Operating Activities</b>		19,303	(1,111,487)
<b>Cash Flows from Investing Activities</b>			
Bank interest and charges		(637)	(4,490)
<b>Net (Increase)/Decrease in Cash and Cash Equivalents</b>		18,666	(1,115,977)
<b>Reconciliation of net cash flow to movements in net funds</b>			
(Decrease)/Increase in cash and cash equivalents in the year		18,666	(1,115,977)
Cash and Cash Equivalents at the beginning of the period		33,330	1,149,307
Cash and Cash Equivalents at the end of the period	3	51,996	33,330



# DK Travel Limited

## Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2023

Income	Notes	2023 €	2022 €
Income from Bond		-	-
<b>Expenditure</b>			
Claims – Package Tours	4	-	-
Claims – Refund Credit Notes	4	-	-
Repatriation Costs			
Administrative Costs	4	-	-
Met by TPF	4	-	(2,202)
Met by DoT Fund	4	-	-
Surplus/(Deficit)		-	(2,202)
Surplus/(Deficit) repayable to bondholder		-	(2,202)
<b>Total Surplus/(Deficit)</b>		-	-

## Statement of Financial Position as at 31 December 2023

<b>Current Assets</b>			
Cash in Bank		-	-
<b>Current Liabilities</b>			
Outstanding Claims		-	-
Refund due to Bond Holder			
Accruals-Outstanding Administrative Costs		-	-
<b>Net Assets /(Liabilities)</b>			-

### Note:

DK Travel Limited ceased trading on 12th February 2021. The total value of the bond of €42,475 has been fully called. There were sufficient funds in the bond to meet administrative costs and package tours which are permitted to be charged to the bond. The RCNs were underwritten by the DoT Fund, with a cumulative amount of €40,650 charged to the Fund at end 2021. An adjustment of €2,202 was made to the TPF fund in 2022; this represents a correction to the split of the 2021 administration costs between the bond and the TPF and does not represent additional costs incurred in 2022.

**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**

# Joe Walsh Pilgrimage Tours Ltd

## Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2023

Income	Notes	2023 €	2022 €
Income from Bond		-	-
<b>Expenditure</b>			
Claims – Flights & Package Tours	4	13,593	(855)
Claims – Refund Credit Notes	4	285	(3,869)
Repatriation Costs		-	-
Administrative Costs	4	-	75,154
Met by DoT Fund	4	(13,878)	-
Met by TPF	4	-	(70,430)
Surplus/(Deficit)		-	-
Surplus/(Deficit) from previous years		-	-
Total Surplus/(Deficit)		-	-

### Statement of Financial Position as at 31 December 2023

<b>Current Assets</b>			
Cash in Bank		-	-
<b>Current Liabilities</b>			
Outstanding Claims		-	-
Accruals-Outstanding Administrative Costs		-	-
<b>Net Assets /(Liabilities)</b>		-	-

#### Note:

Joe Walsh Pilgrimage Tours Ltd ceased trading on 27th April 2021. The total value of the bond of €1,280,000 has been fully called. There were insufficient funds within the bond to meet all liabilities without recourse to the TPF. All RCNs were charged to the DoT fund. In 2023 a previously rejected claim for €13,593 was reviewed and allowed. In addition, an uncashed cheque for €285 which had been previously written back was replaced at the request of the claimant. A claim to recover the amounts met by the Funds was lodged with the company's liquidator, but there was no dividend available to unsecured creditors of the company.

**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**

# McGuill Travel Ltd

## Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2023

	Notes	2023 €	2022 €
<b>Income</b>			
Income from Bond		-	-
<b>Expenditure</b>			
Claims – Flights & Package Tours	4	-	-
Claims – Refund Credit Notes	4	-	-
Repatriation Costs		-	-
Administrative Costs	4	-	19,716
Met by TPF	4	-	(19,716)
Met by DoT Fund	4	-	-
Surplus/(Deficit)		-	-
(Surplus) repayable to bondholder		-	-
Total Surplus/(Deficit)		-	-

### Statement of Financial Position as at 31 December 2023

<b>Current Assets</b>			
Cash in Bank		-	-
Bond Due		-	-
<b>Current Liabilities</b>			
Outstanding Claims		-	-
Refund due to Bond Holder		-	-
Accruals-Outstanding Administrative Costs		-	-
<b>Net Assets /(Liabilities)</b>		-	-

### Note:

McGuill Travel Ltd ceased trading on 5th October 2021. €4,500 of the bond was collected, with the balance withheld as it was not expected to be utilised. There were sufficient funds within the bond to meet all package, flight and non-RCN related administrative liabilities without recourse to the Travellers' Protection Fund. The RCNs were underwritten by the DoT Fund, with a cumulative amount of €69,542 charged to the Fund at end 2021.

**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**

# Brady Travel Ltd

## Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2023

	Notes	2023 €	2022 €
<b>Income</b>			
Income from Bond		-	-
<b>Expenditure</b>			
Claims – Flights & Package Tours	4	(100)	-
Claims – Refund Credit Notes	4	-	-
Repatriation Costs		-	-
Administrative Costs	4	-	17,700
Met by TPF	4	100	(17,700)
Met by DoT Fund	4	-	-
Surplus/(Deficit)		-	-
(Surplus) repayable to bondholder		-	-
Total Surplus/(Deficit)		-	-

### Statement of Financial Position as at 31 December 2023

<b>Current Assets</b>		
Cash in Bank	-	-
<b>Current Liabilities</b>		
Accruals-Outstanding Claims	-	-
Accruals – Refund due to Bondholder	-	-
Accruals-Outstanding Administrative Costs	-	-
<b>Net Assets /(Liabilities)</b>	-	-

#### Note:

Brady Travel Ltd ceased trading on 27th October 2021. The total value of the bond of €20,000 has been fully called. All claims were RCNs and therefore paid from the RCN scheme. A stale uncashed cheque for €100 was written back in 2023.

**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**



# USIT Ireland Limited

## Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2023

	Notes	2023 €	2022 €
<b>Income</b>			
Income from Bond		-	-
<b>Expenditure</b>			
Claims – Flight & Package	4	85	-
Repatriation Costs			
Administrative Costs	4	-	-
Met by TPF	4	(85)	-
Met by DoT Fund	4	-	-
Surplus/(Deficit)		-	-
Surplus/(Deficit) from previous years		-	-
Total Surplus/(Deficit)		-	-

### Statement of Financial Position as at 31 December

<b>Current Assets</b>		
Cash in Bank	-	-
<b>Current Liabilities</b>		
Outstanding Claims	-	-
Accruals-Outstanding Administrative Costs	-	-
<b>Net Assets /(Liabilities)</b>	-	-

### Note:

USIT Ireland Ltd ceased trading on 27th March 2020. The total value of the bond of €450,000 has been fully called. There were insufficient funds within the bond to meet all liabilities without recourse to the Travellers' Protection Fund and DoT Fund. The cumulative amount charged to the Funds at end 2021 was €1,083,678. A claim to recover the amounts met by the Funds was lodged with the company's liquidator. The Liquidation process has finished and we have been advised by the Liquidator that there are no funds available to unsecured creditors such as the TPF. A stale cheque for €85 which had been written back in 2021 was replaced in 2023 at the request of the claimant.

**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**

# Katie Doyle t/a Capture Travel Ltd

## Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2023

Income	Notes	2023 €	2022 €
Income from Bond		-	3,575
<b>Expenditure</b>			
Claims – Flights & Package Tours	4	-	-
Claims – Refund Credit Notes	4	-	174
Repatriation Costs		-	-
Administrative Costs	4	-	781
Met by DoT Fund	4	-	-
Met by TPF	4	-	(955)
Surplus/(Deficit)		-	3,575
(Surplus) repayable to bondholder		-	(3,575)
Total Surplus/(Deficit)		-	-

### Statement of Financial Position as at 31 December 2023

<b>Current Assets</b>		
Cash in Bank	-	-
<b>Current Liabilities</b>		
Outstanding Claims	-	-
Accruals-Outstanding Administrative Costs	-	-
<b>Net Assets /(Liabilities)</b>	-	-

Note:

Katie Doyle t/a Capture Travel Ltd ceased trading on 20th January 2022. The total value of the bond of €3,575 has been fully called. It was subsequently repaid in full as all claims were Refund Credit Notes, and therefore not eligible to set off against the bond. The full cost of this collapse was paid from the TPF.



**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**

# Manasik Tours Ltd

## Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2023

Income	Notes	2023 €	2022 €
Income from Bond		20,800	-
<b>Expenditure</b>			
Claims – Flight Only & Package	4	34,000	-
Claims – Refund Credit Notes	4	92,150	-
Repatriation Costs		-	-
Administrative Costs	4	4,923	-
Met by TPF	4	(3,596)	-
Met by DoT	4	(106,677)	-
Surplus/(Deficit)		-	-
(Surplus) repayable to bondholder		-	-
Total Surplus/(Deficit)		-	-

### Statement of Financial Position as at 31 December 2023

<b>Current Assets</b>			
Cash in Bank		494	-
<b>Current Liabilities</b>			
Outstanding Claims		-	-
Refund Due to Bond Holder		-	-
Accruals-Outstanding Administrative Costs		(494)	-
<b>Net Assets /(Liabilities)</b>		-	-

Note:

Manasik Tours Ltd ceased trading on 10th January 2023. The total value of the bond of €20,800 has been fully called. The RCNs and package tours are underwritten by the DoT Fund, with a cumulative amount of €110,273 charged to the Funds at end 2023.

**Declan Fitzpatrick**  
**Chief Executive Officer**  
**Date: 25th April 2024**

# Notes forming part of the financial statements for year ended 31 December 2023

## 1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Irish Aviation Authority in respect of the Travellers' Protection Fund, Travel Agents' and Tour Operators' financial statements are set out below. They have all been applied consistently throughout the year and for the preceding year.

### a) General Information

The Transport (Tour Operators and Travel Agents) Act, 1982 made provision for the protection of persons who enter into overseas travel contracts with tour operators or travel agents by providing for:

- (a) The licensing of tour operators and travel agents;
- (b) The requirement that each such firm prior to the granting of a licence has furnished evidence to the Irish Aviation Authority that it has entered into an acceptable arrangement for the protection of its customers engaged in overseas travel (this arrangement is known as the "Bond") and;
- (c) The establishment of a Travellers' Protection Fund to meet any shortfall where the Bond is inadequate.

The responsibility for the administration of the Fund transferred to the Irish Aviation Authority under the provisions of the Air Navigation and Transport Act, 2022.

### b) Bond Accounts

Each bond provides that in the event of default by the Tour Operator or Travel Agent in respect of overseas travel contracts, a sum of money will become available to the Authority to be applied for the benefit of any of its customers who have incurred loss or liability because of such default. The bonding requirements can be satisfied by an insurance bond, a bank bond or by depositing a cash sum with the Authority.

A separate account is maintained by the Authority of all moneys received by it on foot of each bond related to a failed travel agent or tour operator and of all disbursements made by it from such monies. These accounts are shown on pages 9 to 15.

Administration costs are charged to the bond accounts as incurred. Claims are charged in the year in which the event giving rise to the claim occurred. Funds received from each bond are drawn down or shown as due from the bondholder in the year in which the expenditure met from the bond is incurred.



### **c) Travellers' Protection Fund**

The Travellers' Protection Fund is used to make good losses or liabilities sustained by customers of licensed tour operators or travel agents to the extent that the bonds are inadequate to meet such losses or liabilities. Amounts charged to the Fund are shown as Collapse Claims and Administration Costs in the Statement of Income and Expenditure and Retained Reserves. Contributions from tour operators on foot of regulations made under the Act were suspended with effect from April 1987, due to adequate cash reserves being available. In 2017, the Commission for Aviation Regulation initiated work to review both the bonding arrangements currently in place and the operation of the Travellers' Protection Fund to ensure they continue to efficiently meet the objectives of the scheme and provide the travelling public with an appropriate level of protection.

In January 2019, the Commission for Aviation Regulation published a report on travel trade consumer protection measures and concluded that, at this stage, the current scheme is no longer effective. This represented Stage 1 of the Commission for Aviation Regulation's work in this area.

With the transposition of Directive (EU) 2015/2302 on package travel and linked travel arrangements into Irish law in March 2019, the Commission for Aviation Regulation initiated stage 2 of its work in this area. The Commission for Aviation Regulation engaged economic consultants (CEPA) to determine (a) measures that should be put in place to ensure consumers are provided with a sufficient level of financial security, (b) the appropriate means of replenishment and continued operation of the TPF in an equitable manner, and (c) detailed implementation plans for preferred options and (d) any other matters that are relevant to ensuring continued effective consumer protections.

The Commission for Aviation Regulation looked at various options for reform and issued an Interim report in August 2019. This report set out an assessment of the proposed options to reform the current protection arrangements in Ireland in light of the Directive. Alongside this, the Commission for Aviation Regulation issued a consultation paper seeking travel industry views on the recommended reform. 15 responses to the consultation paper were received.

The Commission for Aviation Regulation and its economic advisors considered the responses received in addition to any changes in the market in the intervening period. Based on this information, CEPA updated their analysis and their final report was issued in October 2019. Based on all work to date in this area, the Commission for Aviation Regulation issued Commission Paper 9/2020 Travel Trade Consumer Protection Measures-Advice to the Department of Transport, Tourism and Sport. Both papers were issued to the Department of Transport, Tourism and Sport and published on the Commission for Aviation Regulation's website in December 2019. Due to the pandemic from 2020 through 2022, this work has not progressed further. The Authority will take up this work again with the Department of Transport in 2024.

#### **d) Credit Refund Note Scheme**

The Covid-19 pandemic had a detrimental impact on the travel industry in Ireland. In June 2020, the Government introduced a scheme that would protect Refund Credit Notes (RCNs) issued by Irish licensed travel agents and tour operators. This scheme provides that these will be insolvency protected by the State. At 31st December 2023, a total of 3,902 Refund Credit Notes were in issue with a total value of €1,266,164. The Authority is responsible for collating and reporting the value of Refund Credit Notes issued.

The legislation underwrites the RCNs without reference to any available bonds of collapsed travel agents/tour operators. Therefore, the collapsed entity may receive a partial refund of their bond as RCNs cannot be set against it.

The administration expenses in processing these claims are not permitted and are required to be borne by the bonds and/or the Travellers' Protection Fund.

This scheme was brought to a close for new Refund Credit Notes on 31 December 2022, and no further RCNs were permitted to be issued. All RCNs must be used by 31 December 2024, after which date they will expire.

#### **e) Department of Transport funding**

The fund's cash levels were insufficient to compensate all claimants for the 2020 to 2023 collapses, and an application was made to the Department of Transport to top up the fund. On 17th June 2020, S.I. no. 219 of European Union (Package Travel) Regulations 2020 was created to allow a mechanism for the Exchequer to top up the fund and to cover any package claims plus claims under the new Refund Credit Note Scheme.

Between 2020 and 2023 €2,750,000 was transferred into the Fund by the Department of Transport using this mechanism. This fund cannot be used to pay flight-only claims or fund administration costs; these must be paid from the pre-existing funds.

The Authority concludes that the receipt of these additional funds allows the Fund to operate as a going concern.

#### **f) Liquidation of Failed Firms**

Where there is a failure of a travel agent or tour operator and such firm is put into liquidation, a claim is lodged with the liquidator for the recovery of any amounts which fall due to be met from the Travellers' Protection Fund. Receipts on foot of such claims are brought to account as they arise.

#### **g) Statement of Compliance**

The financial statements of the Travellers' Protection Fund, Travel Agents' and Tour Operators' Bond Accounts for the year ended 31 December 2023 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC).

#### **h) Basis of Preparation**

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are measured at fair values as explained in the accounting policies below. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of the Fund.



### **i) Income Recognition**

Income receivable from bondholders in relation to expenditure incurred is recognised when it is probable that economic benefit will flow to the fund. Where there is significant doubt over the recoverability of amounts due from bondholders, the relevant income is not recognised and is disclosed by way of a note. Interest income is recognised on an accruals basis using the effective interest rate method.

### **j) Receivables**

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision and is established when there is objective evidence that the Fund will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

## **2. Going Concern**

The financial statements are prepared on a going concern basis and the Authority is satisfied that the Fund will continue as a going concern, for the foreseeable future based on the detail set out in note 1 c) and e) above and in note 9 below.

## **3. Cash and Cash Equivalents**

Any money not required to meet current expenditure is transferred to an investment account (the Travellers' Protection Fund Investment Account) which is managed and controlled by the Minister for Public Expenditure and Reform. Interest generated by the Fund is credited to income.

	<b>2023</b>	<b>2022</b>
Opening Balance	33,330	1,149,307
Interest	-	-
Receipt of DoT Fund	150,000	-
Bonds called	20,800	3,575
Audit Fee	(3,700)	(3,700)
Current Account Movement	(148,434)	(1,115,852)
Closing Balance	<b>51,996</b>	<b>33,330</b>

The TPF bank balance comprises amounts held in TPF current account. The balance in the Travellers' Protection Fund Investment Account remained at nil during 2023.

#### 4. Collapse Claims and Administrative Costs have been met as follows:

	Page	Claims 2023	Admin costs 2023	Total 2023	Charged to Bond 2023	Charged to TPF 2023	Charged to DoT 2023
Joe Walsh Pilgrimage Tours	10	13,878	-	13,878	-	-	13,878
Brady Travel Ltd	12	(100)	-	(100)	-	(100)	-
USIT	13	85	-	85	-	85	-
Manasik Tours	15	126,150	4,923	131,073	20,800	3,596	106,677
		<b>140,013</b>	<b>4,923</b>	<b>144,936</b>	<b>20,800</b>	<b>3,581</b>	<b>120,555</b>

#### Comparative Information

	Page	Claims 2022	Admin costs 2022	Total 2022	Charged to Bond 2022	Charged to TPF 2022	Charged to DoT 2022
DK Travel	9	-	2,202	2,202	-	2,202	-
Joe Walsh Pilgrimage Tours	10	(4,724)	75,154	70,430	-	70,430	-
McGuill Travel	11	-	19,716	19,716	-	19,716	-
Brady Travel Ltd	12	-	17,700	17,700	-	17,700	-
Capture Travel	14	174	781	955	-	955	-
		<b>(4,550)</b>	<b>115,552</b>	<b>111,003</b>	<b>-</b>	<b>111,003</b>	<b>-</b>

#### 5. Accruals

	Page	2023	2022
Manasik Tours Administration	15	494	-
General Administration Costs		3,064	1,503
Accountancy & Professional Fees		1,273	851
Audit Fees		3,700	4,700
<b>Total</b>		<b>8,531</b>	<b>7,054</b>

#### 6. Reconciliation of Department of Transport Funds

	2023	2022	2021	2020
Balance of funds brought forward	-	-	447,245	-
Funds received	150,000	-	700,000	1,900,000
Manasik Tours Limited	(106,677)	-	-	-
DK Travel Limited	-	-	(40,650)	-
Joe Walsh Pilgrimage Tours Limited	(13,878)	-	(1,026,102)	-
McGuill Travel Limited	-	-	(69,542)	-
Brady Travel Limited	-	-	(34,924)	-
Rathgar Travel	-	-	589	(60,233)
East West Travel	-	-	4,403	(117,456)
USIT	-	-	30,997	(972,419)
USIT (Tour Operator)	-	-	(476)	-
Pamela Brownlee	-	-	(200)	(83,339)
Planet Travel	-	-	-	(16,654)
King Travel	-	-	(11,342)	(202,653)
Balance of funds remaining	<b>29,445</b>	<b>-</b>	<b>-</b>	<b>447,245</b>



## **7. Bonds**

Apart from the normal method of bonding through insurance companies and banks under the Bonding Regulations (S.I. 102 of 1983), the requirement for a bond may also be satisfied by a cash sum deposited with the Irish Aviation Authority, in its name and that of the license holder. At 31 December 2023, in addition to the monies accounted for in these financial statements, monies deposited with the Irish Aviation Authority in cash, as mentioned above, amounted to €41,628,480 (2022: €34,806,242). This is accounted for as a current asset and a current liability in the financial statements of the Irish Aviation Authority for the financial year ended 31 December 2023.

## **8. Legal Cases**

There are no legal cases pending in relation to bond providers.

## **9. Events after the Reporting Date**

At the date of signing there are no events to disclose.



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