

DECISION 2012 – 08 - 22
TRAVEL AGENCY COMMISSIONER – AREA 3

Jo Foged
685 Remuera Road,
Remuera, Auckland 1050,
New Zealand

Applicant:

Globetrotter Corporate Travel Ltd,
35 Stirling Highway,
Nedlands, WA 6009,
Australia
Represented by Mr Bob Moors, Director of Finance.

Respondent:

Agency Administrator, Geneva
International Air Transport Association, IATA,
Represented by Mr Matteo Zanarini, Passenger Services Manager Australia and SWPI,
Sydney, Australia.

The Case and Decision:

In brief, the Agent, via its appointed Auditors, sought an extension of the time deadline to submit its financial statements to IATA for annual review by the IATA Global Assessor. The date in question is 30 September 2012.

In a letter dated 14 August 2012 IATA advised the Agent, via its appointed Auditor, that failure to submit audited financial statements by 30 September 2012 would result in the issuing of a Notice of Irregularity as required by the provisions of Resolution 818g. Subsequent to that action, should the financial statements be missing after 30 days from that date, then suspension from the BSP would follow. The Agent was advised that should it decide to do so a review of that decision could be sought from the writer.

Consequently on 16 August 2012 the Agent advised the writer of the reasons why it sought an extension to the financial statement submission deadline to 31 October 2012. This involved the fact that a large portion of the profit achieved is derived from accrued income of which 90 percent will be actual by the end of October whereas at the end of September only an estimate of that income can be made. In the interests of accuracy therefore, the later the date that the financial statements are created the more accurate they can be hence the request for the extension.

The Government operated Travel Compensation Fund has agreed to the extended time deadline and the Agent claims that on previous occasions the extension has been granted and the Agent opines that its performance this past year is stronger than ever.

IATA states that it is satisfied with the Agent's current level of financial guarantee and does not oppose the granting of interlocutory relief for the period sought.

It is considered important that audited financial statements truly reflect the state of the Agent's trading at the time of submission so that risk assessment can be as accurate as possible.

The Agent has initiated its request for interlocutory relief within the 30 day time limit enshrined in sub paragraph 1.2.2.1 of Resolution 820e and both parties have agreed to waive their right to an oral hearing and have allowed the writer to reach a decision based on the written information submitted as provided for in sub paragraph 2.3 of that Resolution.

Therefore, having examined the issues involved in this case, it is hereby decided as follows:-

1. The Agent is granted interlocutory relief until Wednesday 31 October 2012.
2. Any request for a further extension of time will not be entertained.

Decided this 22nd day of August 2012 in Auckland.

Jorgen Foged
Travel Agency Commissioner Area 3

Notes:

1. As per Resolution 820e, Section 4, any Party has the right, if it considers itself aggrieved by this Decision, to seek review by Arbitration in accordance with the provisions of Resolution 824, Section 14.
2. The Parties are advised that effective from 1 June 2012, according to Subparagraph 2.10 of Resolution 820e, any of them may request an interpretation of this Decision, or for a correction of any error in computation, any clerical or typographical error, or any omission in this Decision. Such request must be made within 15 days of receipt of the electronic version of this Decision.