

**DECISION 2013 – 06 – 12**  
**TRAVEL AGENCY COMMISSIONER – AREA 3**

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

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**Applicant:**

Aero Line Tours and Travels Ltd,  
67, Naya Paitan (V.I.P. Road)  
12/7/A City Heart Complex,  
Dhaka – 1000,  
Bangladesh.  
Represented by Mr Mohammed Mostafizur Rahman, Managing Director.

**Respondent:**

Agency Administrator, Geneva  
International Air Transport Association, IATA,  
Represented by Ms Hwa Ooi Tham, Manager, Agency Management Asia/Pacific  
IATA, Singapore.

**The Case and Decision:**

On 30 May 2013 the Applicant advised the writer that in its financial statement for the year ended 28 February 2013 which it had submitted to IATA in its application for accreditation, it had inadvertently shown the Director's loan as current liability although the nature of the liability was that of second tier capital of the company. Its audited financial statement had been amended accordingly.

The Applicant went on to explain that the Director's loan would be repayable after 5 years from the disbursement and in the case of the liquidation of the company it would be considered before the paid up capital from the residual value of the company and would be a non-current liability. A signed resolution of the company's Directors to that effect accompanied the Applicant's request for a review together with the revised financial statements.

In its 16 May 2013 advice to the Applicant IATA stated that its reason for disapproving the subject financial statements and consequently the application was that the adjusted current assets did not exceed current liabilities.

Based on the foregoing the writer considers that a credible case for review has been proven. The Applicant has met the time frame for seeking a review as detailed 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 allowed for in sub paragraph 2.3 of the same Resolution.

As a layman the writer accepts that the revised audited financial statements and the Directors' resolution accurately reflects the state of the Applicant's financial condition and having considered the factors involved in this case has decided as follows:-

1. IATA is to evaluate the revised documentation submitted by the Applicant at no additional charge.
2. On completion of its evaluation IATA is to advise the Applicant of its success or otherwise in achieving accreditation.

Decided this 12th day of June 2013 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.