

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

I N D E X

Year ended 31 December 2014

	Page
General information	2
Auditor's report	3
Income statement	4
Balance sheet	5
Statement of changes in reserves	6
Statement of cash flows	7
Notes to the financial statements	8

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

GENERAL INFORMATION

Year ended 31 December 2014

Organization

The International Mobile Satellite Organization is an intergovernmental organization which has been headquartered in London since it was established in 1979. Following privatisation on 15 April 1999, the Organization was divided into a private company ("Inmarsat") and a smaller intergovernmental organization which retained the name "The International Mobile Satellite Organization" ("IMSO").

At the time of privatisation IMSO was a vehicle for Member States (known as Parties) to ensure the fulfilment of the Public Service obligations of Inmarsat (the specially-created company incorporated under English law to which all the mobile satellite communications business was transferred), especially the provision of space segment to support the Global Maritime Distress and Safety System (GMDSS).

Captain Esteban Pacha-Vicente of Spain was appointed by the Assembly of Parties as the Director General of IMSO, in relation to which he is the legal representative and Chief Executive Officer of the Directorate, responsible to and under the direction of the Assembly.

Under the Public Services Agreement between IMSO and Inmarsat, Inmarsat covers the costs of the establishment and operation of the GMDSS activities of the Directorate relating to Inmarsat.

In 2008, amendments to the Convention were adopted by the IMSO Assembly which extend IMSO oversight to any provider of GMDSS and to the functions of coordinator of the Long Range Identification and Tracking of Ships (LRIT) system. The amendments are provisionally applied from 6 October 2008 pending their formal entry into force.

The functions of the Directorate relating to LRIT are at no cost to Parties, nor to Inmarsat, and are separately accounted for. They are funded by charging for services provided to the components of the LRIT system.

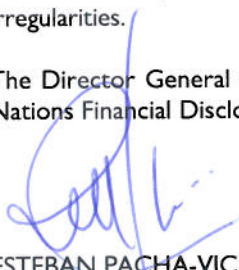
Statement of the Director General's responsibilities

The Director General of IMSO is responsible for preparing financial statements for each financial year in accordance with International Financial Reporting Standards as adopted by the European Union which give a true and fair view of IMSO's state of affairs and of its profit or loss for that year. In order that a true and fair view may be given, the Director General 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 it is inappropriate to presume that the Organization will continue to operate.

As agreed by the Assembly at the Fourteenth (Extraordinary) Session, the Director General of IMSO has a general responsibility for ensuring that adequate accounting records are kept and for taking reasonable steps to safeguard the assets of IMSO, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Director General has disclosed personal financial information to the Auditor, in accordance with the United Nations Financial Disclosure Programme.



ESTEBAN PACHA-VICENTE
Director General

17 March 2015

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

AUDITOR'S REPORT

Year ended 31 December 2014

INDEPENDENT AUDITOR'S REPORT TO THE PARTIES OF THE INTERNATIONAL MOBILE SATELLITE ORGANIZATION

We have audited the financial statements of International Mobile Satellite Organization for the year ended 31 December 2014 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards as adopted by the European Union.

This report is made solely to the Organization's Parties as a body. Our work has been undertaken so that we might state to the Organization's Parties those matters 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 Organization and the Organization's Parties as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Director General and auditors

As explained more fully in the Statement of Director General's Responsibilities set out on page 2, the Organization's Director General is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

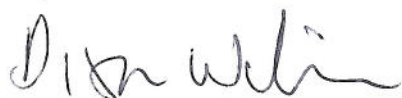
Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Organization's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Director General and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the General Information to identify material inconsistencies with the audited financial statements and to identify any information that is materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we became aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Organization's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union.



DIXON WILSON
Chartered Accountants and Registered Auditors
22 Chancery Lane
London WC2A 1LS
17 March 2015

INTERNATIONAL MOBILE SATELLITE ORGANIZATION**I N C O M E S T A T E M E N T****Year ended 31 December 2014**

	Note	2014 £	2013 £
Continuing operations			
Revenue		1,072,275	903,303
Gross profit		<u>1,072,275</u>	<u>903,303</u>
Administrative expenses	10	(994,317)	(804,896)
Operating profit/(loss)		<u>77,958</u>	<u>98,407</u>
Finance income	12	1,650	1,466
Finance costs	12	(721)	(825)
Profit/(loss) for the year before and after taxation		<u>78,887</u>	<u>99,048</u>

The notes on pages 8 to 20 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION**BALANCE SHEET****At 31 December 2014**

	Note	2014 £	2013 £
Assets			
Non-current assets			
Property, plant and equipment	5	7,536	11,609
		<u>7,536</u>	<u>11,609</u>
Current assets			
Trade and other receivables	6	99,798	949,799
Cash and cash equivalents	7	517,560	248,648
		<u>617,358</u>	<u>1,198,447</u>
Total assets		<u>624,894</u>	<u>1,210,056</u>
Reserves and liabilities			
Reserves			
General reserve	16	11,798	(62,414)
Interest reserve	16	111,221	109,571
LRIT Contingency reserve	16	60,669	57,644
		<u>183,688</u>	<u>104,801</u>
Liabilities			
Non-current liabilities			
Provisions	9	92,222	945,526
		<u>92,222</u>	<u>945,526</u>
Current liabilities			
Trade and other payables	8	348,984	159,729
		<u>348,984</u>	<u>159,729</u>
Total liabilities		<u>441,206</u>	<u>1,105,255</u>
Total reserves and liabilities		<u>624,894</u>	<u>1,210,056</u>

The notes on pages 8 to 20 are an integral part of these financial statements. The financial statements on pages 4 to 20 were authorised for issue by the Director General on 17 March 2015.



ESTEBAN PACHA-VICENTE
Director General

INTERNATIONAL MOBILE SATELLITE ORGANIZATION**STATEMENT OF CHANGES IN RESERVES****Year ended 31 December 2014**

	Note	General reserve £	Interest reserve £	LRIT Contingency reserve £	Total £
Balance at 31 December 2013	16	(62,414)	109,571	57,644	104,801
Transfer between reserves	16	11,013	-	(11,013)	-
Profit for the year	16	63,199	1,650	14,038	78,887
Balance at 31 December 2014		<u>11,798</u>	<u>111,221</u>	<u>60,669</u>	<u>183,688</u>

The notes on pages 8 to 20 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION**STATEMENT OF CASH FLOWS****Year ended 31 December 2014**

	Note	2014 £	2013 £
Cash flows from operating activities			
Cash generated/(used in) from operations	13	267,983	(47,073)
Interest paid		(721)	(825)
Net cash from operating activities /(used in)		<u>267,262</u>	<u>(47,898)</u>
Cash flows from investing activities			
Sale of property, plant and equipment		-	69
Interest received		1,650	1,466
Net cash received from investing activities		<u>1,650</u>	<u>1,535</u>
Net increase/(decrease) in cash, cash equivalents and bank overdrafts		268,912	(46,363)
Cash, cash equivalents and bank overdrafts at beginning of the year		248,648	295,011
Cash, cash equivalents and bank overdrafts at end of the year		<u>517,560</u>	<u>248,648</u>

The notes on pages 8 to 20 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

1. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation

The financial statements of International Mobile Satellite Organization, an intergovernmental organization with headquarters in the United Kingdom, have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) and IFRIC interpretations. The financial statements have been prepared under the historical cost convention and on the going concern basis. In preparing the financial statements on the going concern basis, the Director General has assumed that the Organization will continue to operate for the foreseeable future. At the year end there was a profit on the general reserve of £11,798 and overall reserves were positive. The ability of the Organization to continue as a going concern is in part dependent on being able to operate within the constraints of the budgets set by the IMSO Assembly.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

1.1.1 Changes in accounting policy and disclosures

The Organization's financial statements for the year ended 31 December 2014 are the third annual financial statements that comply with IFRS.

a) *New and amended standards adopted by the Organization*

The following amendments to existing standards and interpretations were effective for the current period. Their adoption did not have a material impact on the financial statements of the Organization:

- Amendment to IAS 32, Financial instruments: Presentation, effective for annual periods beginning on or after 1 January 2014;
- Amendments to IFRS 10, Consolidated Financial statements, effective for annual periods beginning on or after 1 January 2014;
- Amendments to IFRS 12, Disclosure of Interests in other entities, effective for annual periods beginning on or after 1 January 2014;
- Amendments to IFRS 13, Fair value measurement, effective for annual periods beginning on or after 1 January 2014;
- Amendments to IAS 27, Separate financial statements, effective for annual periods beginning on or after 1 January 2014;
- Amendments to IAS 36, Impairment of assets, effective for annual periods beginning on or after 1 January 2014;
- Amendments to IAS 39, Financial Instruments: Recognition and Measurement, effective for annual periods beginning on or after 1 January 2014.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

1.1.1 Changes in accounting policy and disclosures (continued)

b) *Standards, amendments and interpretations that are not yet effective and that have not been adopted early by the Organization*

The Director General anticipates that the adoption of the following standards, interpretations and amendments to existing standards and interpretations in future periods, which were also in issue at the date of authorisation of these Financial Statements, will have no material impact on the Financial Statements of the Organization:

- Amendment to IFRS 2, Share-based payment, effective for annual periods beginning on or after 1 July 2014;
- Amendment to IFRS 3, Business combinations, effective for annual periods beginning on or after 1 July 2014;
- Amendments to IFRS 5, Non-current Assets Held for Sale and Discontinued Operations, effective for annual periods beginning on or after 1 January 2016;
- Amendments to IFRS 7, Financial Instruments: Disclosures, effective for annual periods beginning on or after 1 January 2016;
- Amendments to IFRS 8, Operating segments, effective for annual periods beginning on or after 1 July 2014;
- Amendments to IFRS 9, Financial instruments, effective for annual periods beginning on or after 1 January 2018;
- Amendments to IFRS 10, Consolidated Financial statements, effective for annual periods beginning on or after 1 January 2016;
- Amendments to IFRS 11 Joint Arrangements, effective for annual periods beginning on or after 1 January 2016;
- Amendments to IFRS 12, Disclosure of Interests in Other Entities, effective for annual periods on or after 1 January 2016;
- IFRS 14, Regulatory deferral accounting, effective for annual periods beginning on or after 1 January 2016;
- IFRS 15, Revenue from Contracts with Customers, effective for annual periods beginning on or after 1 January 2017
- Amendments to IAS 1, Presentation of Financial Statements, effective for annual periods beginning on or after 1 January 2016;
- Amendments to IAS 16, Property, plant and equipment, effective for annual periods beginning on or after 1 July 2014, further amendments effective for annual periods beginning on or after 1 January 2016;
- Amendments to IAS 19, Employee benefits, effective for annual periods beginning on or after 1 July 2014, further amendments effective for annual periods beginning on or after 1 January 2016;
- Amendments to IAS 24, Related party disclosure, effective for annual periods beginning on or after 1 July 2014;
- Amendments to IAS 27, Separate Financial Statements, effective for annual periods beginning on or after 1 January 2016;
- Amendments to IAS 28, Investments in Associates and Joint Ventures, effective for annual periods beginning on or after 1 January 2016;
- Amendments to IAS 34, Interim Financial Reporting, effective for annual periods beginning on or after 1 January 2016;
- Amendments to IAS 38, Intangible assets, effective for annual periods beginning on or after 1 July 2014, further amendments effective for annual periods beginning on or after 1 January 2016;
- Amendments to IAS 39, Financial Instruments: Recognition and Measurement, effective on adoption of IFRS 9;
- Amendments to IAS 40, Investment property, effective for annual periods beginning on or after 1 July 2014;
- Amendments to IAS 41, Agriculture, effective for annual periods beginning on or after 1 January 2016.

1.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Director General who makes strategic decisions.

Common abbreviations used:

- GMDSS – Global Maritime Distress and Safety System
- LRIT – Long Range Identification and Tracking of Ships

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

1.3 Foreign currency translation

(a) *Functional and presentational currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in British pounds sterling (GBP £), which is the Organization's functional and presentational currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the income statement.

1.4 Property, plant and equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only where it is probable that future economic benefits associated with the item will flow to the Organization and the cost of the item can be reliably measured. The carrying amount of any part replaced is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on plant and equipment is calculated using the straight-line method to allocate cost to the residual values over estimated useful lives, as follows:

Furniture and fittings	– 10 years
Computer equipment	– 3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is immediately written down to its recoverable amount if the former is greater than the latter. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised separately in the income statement.

1.5 Trade receivables

Trade receivables are amounts due from LRIT Data Centres in respect of services performed by the Organization in its function as LRIT Coordinator. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

1.7 Reserves

Reserves relate to surplus amounts retained by the Organization:

- (i) **General reserve:** The General reserve relates to the difference in amounts received for LRIT funding when compared to costs incurred to date. These surplus funds are carried forward to the following year, where they may be taken into account when calculating the annual audit fees payable by Data Centres.
- (ii) **Interest reserve:** Amounts received from Inmarsat for the GMDSS functions of IMSO and the LRIT Contingency Fund have earned interest while on deposit with banks. This interest is not repayable by the Organization and is therefore recognised as a reserve.
- (iii) **LRIT Contingency reserve:** The LRIT Contingency reserve relates to the accumulated funds to cover future liabilities in relation to the relocation costs of internationally recruited staff, and post-retirement benefits.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

1.8 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.9 Taxation

Under an agreement between the Organization and the Government of the United Kingdom dated 15 April 1999, the Organization and its property and income within the scope of its official activities are exempt from all direct taxes including income tax, capital gains tax and corporation tax.

The Organization receives a refund of Value Added Tax, Insurance Premium Tax, Fuel Duty and Air Passenger Duty paid on the receipt of goods and services which are necessary for the official activities of the Organization.

1.10 Employee benefits

(a) *Pension obligations*

The Organization contributes to a defined contribution scheme on behalf of its employees. Under the defined contribution scheme, the Organization pays fixed contributions into a separate entity. The Organization has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits in relation to employee service in the current and prior periods. The amounts contributed are based on salary levels and are charged to the income and expenditure account in the year in which they are payable.

(b) *Other post-employment benefits*

The following policy was relevant up to 31 March 2014 after which the organization did not have any ongoing liability.

The Organization provides post-retirement healthcare benefits to certain of its retirees. The entitlement to these benefits is conditional on the employee up to retirement age which cannot be before 58 and the completion of a minimum service period of 10 years. The expected costs of these benefits are accrued over the period of employment once the Organization is demonstrably committed to incurring these costs without the possibility of withdrawal. Obligations under these benefits are valued annually by independent qualified actuaries. A liability is recognised in the balance sheet in respect of these benefits at the present value of the defined benefit obligation at the end of the reporting period, which is determined by discounting the estimated future cash outflows using an interest rate of 4.35%. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in the income statement in the period in which they arise.

(c) *Termination benefits*

Termination benefits are payable when employment is terminated by the Organization, or when an employee reaches the end of their fixed term contract. The Organization recognises termination benefits when it is demonstrably committed to either the termination of the employment of current employees without the possibility of withdrawal, or to providing the termination benefits as the employee's fixed term contract is not intended to be renewed. Benefits falling due more than 12 months after the end of the reporting date are discounted to their present value where the effect of discounting is material.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

1.11 Revenue recognition

Revenue comprises the fair value of the contributions received or receivable for the provision of services in the ordinary course of the Organization's activities.

(a) *GMDSS Contributions*

Contribution income consists of agreed contributions from Inmarsat payable in respect of the Organization's oversight of Inmarsat's GMDSS public service obligations for the year under review. These contributions are then amended to reflect the final amounts due at the end of the period based on the costs incurred by the Organization in respect of its GMDSS functions.

(b) *LRIT Contributions*

Contribution income consists of three income sources:

- The first relates to an agreed integration fee payable for the integration of new LRIT Data Centres to provide LRIT services. Invoices are raised for services provided by the Organization in integrating new Data Centres and are raised and recognised at the point where the Data Centre is ready to be integrated.
- The second relates to an annual audit fee payable by each integrated Data Centre. These invoices are raised for each period under review based on the agreed fee per Data Centre for audit of LRIT systems, and revenue recognised in stages as audits are completed.
- No voluntary contributions were received in 2014.

(c) *Interest income*

Interest income is recognised using the effective interest method. When a receivable is impaired, the organization reduces the carrying amount to the recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables are recognised using the original effective interest rate.

1.12 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2. Financial risk management

2.1 Financial risk factors

The Organization's activities expose it to a variety of financial risks: currency risk, credit risk and liquidity risk. The Organization's overall risk management monitors the financial risk to the Organization.

(i) *Foreign exchange risk*

The Organization operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and UK pound. Foreign exchange risk arises from future commercial transactions and employee remuneration. The Director General reduces the risk from future commercial transactions by requiring all receivables to be discharged in UK pounds. The risk associated with employee remuneration arises as the majority of employees are paid based on the UN Salary scheme which is denominated in US dollars. The risk to the business therefore is that fluctuations in exchange rates will result in adverse cash flow impacts, as all costs ultimately will be covered by income streams. Management monitor this risk, and also hold contingency reserves to cover potential short-term cash flow shortfalls.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

2.1 Financial risk factors (continued)

(ii) *Credit risk*

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to trade receivables both in terms of outstanding receivables and committed transactions. For banks and financial institutions, the Organization uses the Royal Bank of Scotland plc which has a top-rating. Trade receivables relate to various Data Centres which provide LRIT services. These generally are funded by national governments and therefore do not, in the opinion of the Director General, represent a significant risk to the Organization. No trade receivable would be capable of mounting material debts as services would be withdrawn if one year's funds remained outstanding. No credit losses were incurred during the period under review, and management do not expect any losses from non-performance by these counterparties.

(iii) *Liquidity risk*

Detailed budgets are prepared on a regular basis by management and agreed with the funding parties for the Organization. These budgets have the intention of ensuring sufficient headroom is maintained for available cash to meet operational needs. Surplus cash is held by the Organization as contingency funds to cover any potential shortfall in working capital. These funds are invested in interest-bearing accounts with instant access should funds be required at short notice.

At the balance sheet date the Organization held funds of £517,560 (2013 - £248,648) capable of being used to meet liquidity requirements. The Director General constantly monitors the Organization's cash position, and considers the liquidity risk to the Organization at the year end to be low.

2.2 Capital risk management

The Director General's objective when managing capital is to safeguard the Organization's ability to continue as a going concern in order to meet the Organization's responsibilities to Member States. In order to do this, the Director General ensures sufficient funds are retained in reserve accounts, available for use at his discretion, to meet the Organization's requirements should there be a temporary shortfall in funding.

2.3 Fair value estimation

The Organization does not have any financial instruments under IFRS 7 which are held on the balance sheet at fair value.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Director General believes the actuarial estimate of the present value of post-retirement employee medical benefits to be a significant estimate in these financial statements.

4. Segment information

The reportable operating segments are the Organization's GMDSS and LRIT functions. Income sources are directly identifiable and are detailed in note I.11. Costs have been wholly allocated to either segment where they are directly identifiable, at a ratio agreed by the IMSO Assembly of Parties. Despite the global nature of the Organization's functions, the Director General does not consider measuring performance based on geographic perspectives to be worthwhile as there is no scope for management control or oversight in this regard.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

The segment information for the year ended 31 December 2014 is as follows:

Income statement	Note	2014			2013		
		GMDSS £	LRIT £	Total £	GMDSS £	LRIT £	Total £
Continuing operations							
Revenue		615,079	457,196	1,072,275	397,303	506,000	903,303
Gross profit		<u>615,079</u>	<u>457,196</u>	<u>1,072,275</u>	<u>397,303</u>	<u>506,000</u>	<u>903,303</u>
Administrative expenses	10	(614,414)	(379,903)	(994,317)	(396,505)	(408,391)	(804,896)
Operating profit/(loss)		<u>665</u>	<u>77,293</u>	<u>77,958</u>	<u>798</u>	<u>97,609</u>	<u>98,407</u>
Finance income	12	1,518	132	1,650	1,464	2	1,466
Finance costs	12	(665)	(56)	(721)	(798)	(27)	(825)
Profit/(loss) for the year		<u>1,518</u>	<u>77,369</u>	<u>78,887</u>	<u>1,464</u>	<u>97,584</u>	<u>99,048</u>

Balance sheet		2014				2013			
		GMDSS £	LRIT £	Inter- fund £	Total £	GMDSS £	LRIT £	Inter- fund £	Total £
Assets									
Non-current assets									
Property, plant and equipment	5	-	7,536	-	7,536	-	11,609	-	11,609
Current assets									
Trade and other receivables	6	121,254	69,854	(91,310)	99,798	877,888	123,245	(51,334)	949,799
Cash and cash equivalents	7	369,406	148,154	-	517,560	150,985	97,663	-	248,648
		<u>490,660</u>	<u>218,008</u>	<u>(91,310)</u>	<u>617,358</u>	<u>1,028,873</u>	<u>220,908</u>	<u>(51,334)</u>	<u>1,198,447</u>
Total assets		<u>491,660</u>	<u>225,544</u>	<u>(91,310)</u>	<u>624,894</u>	<u>1,028,873</u>	<u>232,517</u>	<u>(51,334)</u>	<u>1,210,056</u>
Reserves and liabilities									
Reserves									
General reserve	16	-	11,798	-	11,798	-	(62,414)	-	(62,414)
Interest reserve	16	111,221	-	-	111,221	109,571	-	-	109,571
LRIT Contingency reserve	16	-	60,669	-	60,669	-	57,644	-	57,644
		<u>111,221</u>	<u>72,467</u>	<u>-</u>	<u>183,688</u>	<u>109,571</u>	<u>(4,770)</u>	<u>-</u>	<u>104,801</u>
Liabilities									
Non-current liabilities									
Provisions	9	48,792	43,430	-	92,222	785,805	159,721	-	945,526
Current liabilities									
Trade and other payables	8	330,647	109,647	(91,310)	348,984	133,498	77,565	(51,334)	159,729
Total liabilities		<u>379,439</u>	<u>153,077</u>	<u>(91,310)</u>	<u>441,206</u>	<u>919,303</u>	<u>237,286</u>	<u>(51,334)</u>	<u>1,105,255</u>
Total reserves and liabilities		<u>490,660</u>	<u>225,544</u>	<u>(91,310)</u>	<u>624,894</u>	<u>1,028,874</u>	<u>232,516</u>	<u>(51,334)</u>	<u>1,210,056</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

At the year end, the following balances were owed between the two reporting segments for amounts paid on behalf of the other segment:

	2014			2013		
	GMDSS £	LRIT £	Total £	GMDSS £	LRIT £	Total £
Inter fund debtor	91,310	-	91,310	51,334	-	51,334
Inter fund creditor	-	91,310	91,310	-	51,334	51,334

These amounts have been included within trade and other receivables and trade and other payables in the above segmental analysis as applicable.

5. Property, plant and equipment

	Furniture & Fittings £	Plant and equipment £	Total £
Cost			
At 1 January 2014	8,654	31,187	39,841
At 31 December 2014	8,654	31,187	39,841
Depreciation			
At 1 January 2014	3,462	24,770	28,232
Change for the year	865	3,208	4,073
At 31 December 2014	4,327	27,978	32,305
Carrying amount			
At 31 December 2014	4,327	3,209	7,536
At 31 December 2013	5,192	6,417	11,609

6. Trade and other receivables

	2014				2013			
	GMDSS £	LRIT £	Inter-fund £	Total £	GMDSS £	LRIT £	Inter-fund £	Total £
Trade receivables	-	51,041	-	51,041	-	89,204	-	89,204
Prepayments	8,439	8,736	-	17,175	30,852	23,676	-	54,528
Taxation	14,054	9,369	-	23,423	15,086	10,058	-	25,144
Staff loans	868	708	-	1,576	148	307	-	455
Inmarsat – GMDSS deficit	6,583	-	-	6,583	780,468	-	-	780,468
Inter-fund balance	91,310	-	(91,310)	-	51,334	-	(51,334)	-
	121,254	69,854	(91,310)	99,798	877,888	123,245	(51,334)	949,799

Trade receivables have not been discounted and no provision has been made against the carrying amount shown above. At 31 December 2014, trade receivables of £6,360 (2013 - £33,995) were fully performing. Trade receivables of £44,681 (2013 - £55,209) were past due but not impaired. The Director General considers the expected discounted value received for all receivables to be materially similar to the carrying values shown. All receivables are denominated in the functional currency shown.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

6. Trade and other receivables (continued)

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Organization does not hold any collateral as security.

7. Cash and cash equivalents

The Organization holds all cash and cash equivalents in instant access bank accounts. The Organization had no overdrawn accounts at the year end or the previous year end.

	2014			2013				
	GMDSS	LRIT	Inter-fund	Total	GMDSS	LRIT	Inter-fund	Total
	£	£	£	£	£	£	£	£
Cash and cash equivalents	369,406	148,154	-	517,560	150,985	97,663	-	248,648

8. Trade and other payables

Trade payables	3,407	1,445	-	4,852	24,684	18,075	-	42,759
Accrued expenses	8,527	14,913	-	23,440	8,197	3,514	-	11,711
Social security and other taxation	274	274	-	548	617	392	-	1,009
Deferred income	218,439	1,705	-	220,144	-	4,250	-	4,250
Legal fund	100,000	-	-	100,000	100,000	-	-	100,000
Inter-fund balance	-	91,310	(91,310)	-	-	51,334	(51,334)	-
	330,647	109,647	(91,310)	348,984	133,498	77,565	(51,334)	159,729

The Legal fund is interest-free and is retained by the Organization while the current Public Services Agreement with Inmarsat is in force. These funds are only available to be used for costs associated with arbitration or other legal proceedings in connection with enforcement of the Public Services Agreement with Inmarsat.

9. Provisions

Post-retirement employee benefits:	2014			2013		
	GMDSS	LRIT	Total	GMDSS	LRIT	Total
	£	£	£	£	£	£
Repatriation grant (see below)	48,792	43,430	92,222	34,505	49,021	83,526
Medical insurance (note 17)	-	-	-	751,300	110,700	862,000
	48,792	43,430	92,222	785,805	159,721	945,526

The Organization is committed to providing repatriation grants to employees who are not UK nationals upon their leaving employment.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2014

10. Expenses by nature	2014			2013		
	GMDSS	LRIT	Total	GMDSS	LRIT	Total
	£	£	£	£	£	£
Directorate staff costs						
Salaries	308,366	262,516	570,882	319,612	279,259	598,871
Allowances	75,076	48,209	123,285	83,337	65,515	148,852
Employer costs	48,835	57,724	106,559	46,874	38,324	85,198
Pension costs (defined contribution)	60,898	47,034	107,932	65,957	52,683	118,640
Pension provider fees	6,108	2,617	8,725	5,638	1,612	7,250
Post-retirement benefits & Repatriation/relocation grants	14,288	(116,292)	(102,004)	(219,580)	(98,518)	(318,098)
	<u>513,571</u>	<u>301,808</u>	<u>815,379</u>	<u>301,838</u>	<u>338,875</u>	<u>640,713</u>
Office maintenance costs						
Audit fee	4,096	1,755	5,851	6,020	2,580	8,600
Accounting and administrative support	4,369	2,029	6,398	4,550	3,332	7,882
Telephone and fax	2,202	2,202	4,404	2,213	2,213	4,426
Postage	720	550	1,270	420	714	1,134
Office supplies	4,603	1,987	6,590	4,692	2,054	6,746
Depreciation	-	4,073	4,073	-	4,244	4,244
Office insurance	1,354	581	1,935	1,230	527	1,757
	<u>17,344</u>	<u>13,177</u>	<u>30,521</u>	<u>19,125</u>	<u>15,664</u>	<u>34,789</u>
Rental costs						
Office lease (incl. service charges)	47,346	39,341	86,687	47,655	43,702	91,357
Travel costs						
Business travel	10,877	3,620	14,497	21,283	7,258	28,541
Hospitality	3,062	1,103	4,165	4,237	1,862	6,099
Car parking costs	1,189	510	1,699	1,276	562	1,838
Congestion charge	1,256	540	1,796	1,091	468	1,559
	<u>16,384</u>	<u>5,773</u>	<u>22,157</u>	<u>27,887</u>	<u>10,150</u>	<u>38,037</u>
Meeting costs						
Assembly	9,494	9,494	18,988	-	-	-
Advisory committee	150	150	300	-	-	-
LRIT Coordination meeting	-	35	35	-	-	-
Translations & interpretation	10,125	10,125	20,250	-	-	-
	<u>19,769</u>	<u>19,804</u>	<u>39,573</u>	<u>-</u>	<u>-</u>	<u>-</u>
Administrative expenses	<u>614,414</u>	<u>379,903</u>	<u>994,317</u>	<u>396,505</u>	<u>408,391</u>	<u>804,896</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

11. Employee benefit expense	2014			2013		
	GMDSS	LRIT	Total	GMDSS	LRIT	Total
	£	£	£	£	£	£
Salaries	308,366	262,516	570,882	319,612	279,259	598,871
Allowances	75,076	48,209	123,285	83,337	65,515	148,852
Employer costs	48,835	57,724	106,559	46,874	38,324	85,198
Pension costs – defined contribution plans	60,898	47,034	107,932	65,957	52,683	118,640
Pension provider fees	6,108	2,617	8,725	5,638	1,612	7,250
Post-retirement benefits & repatriation/relocation grants	14,288	(116,292)	(102,004)	(219,580)	(98,518)	(318,098)
	<u>513,571</u>	<u>301,808</u>	<u>815,379</u>	<u>301,838</u>	<u>338,875</u>	<u>640,713</u>
Average number of people employed	<u>4</u>	<u>3</u>	<u>7</u>	<u>4</u>	<u>3</u>	<u>7</u>

The Employees listed under GMDSS also contribute to the Organization's LRIT function, and their costs are split between the two funds at agreed rates.

12. Finance income and costs	2014			2013		
	GMDSS	LRIT	Total	GMDSS	LRIT	Total
	£	£	£	£	£	£
Interest expense – bank charges	(665)	(56)	(721)	(798)	(27)	(825)
Net finance costs	<u>(665)</u>	<u>(56)</u>	<u>(721)</u>	<u>(798)</u>	<u>(27)</u>	<u>(825)</u>
Finance income	1,518	132	1,650	1,464	2	1,466
Net finance income/(costs)	<u>853</u>	<u>76</u>	<u>929</u>	<u>666</u>	<u>(25)</u>	<u>641</u>

13. Cash generated from operations	2014	2013
	£	£
Profit/(loss) for the year	78,887	99,048
Adjustments for:		
Depreciation	4,073	4,244
Net finance income	(929)	(641)
Trade and other receivables	850,001	166,978
Trade and other payables	189,255	1,396
Provisions	(853,304)	(318,098)
Cash generated/(used in) from operations	<u>267,983</u>	<u>(47,073)</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

14. Operating leases

The future minimum lease payments under non-cancellable operating leases in each of the following periods are:

	2014	2013
	£	£
<i>Land and buildings</i>		
- not later than one year	86,687	91,357
- later than one year and not later than five years	-	-
- later than five years	-	-
	<u>86,687</u>	<u>91,357</u>

15. Financial instruments

All financial instruments are held and denominated in UK pounds.

	Loans and receivables	
	2014	2013
	£	£
Assets as per balance sheet		
Trade and other receivables excluding prepayments	82,623	895,271
Cash and cash equivalents	517,560	248,648
	<u>600,183</u>	<u>1,143,919</u>
	Financial liabilities at amortised cost	
	2014	2013
	£	£
Liabilities as per balance sheet		
Trade and other payables excluding statutory liabilities	348,984	159,729
Provisions	92,222	945,526
	<u>441,206</u>	<u>1,105,255</u>

16. Reserves

	General reserve	Interest reserve	LRIT Contingency reserve	Total
	£	£	£	£
Balance as at 1 January 2014	(62,414)	109,571	57,644	104,801
Transfer between reserves	11,013	-	(11,013)	-
Profit for the year	63,199	1,650	14,038	78,887
Balance as at 31 December 2014	<u>11,798</u>	<u>111,221</u>	<u>60,669</u>	<u>183,688</u>

The General reserve represents surplus/(loss) funds in relation to the Organization's LRIT functions.

The LRIT Contingency reserve is part of the General reserve, and is being built up annually but retained separately to cover the cost of future liabilities in relation to repatriation. In 2013, an additional £7,500 was transferred to the LRIT Contingency reserve to spread the costs relating to the 2014 Assembly. Therefore, in 2014 this amount was transferred back to the General reserve. Moreover, an additional amount of £3,513 was transferred from the LRIT Contingency reserve to cover the costs relating to the repatriation of one staff member.

The 1% contingency budgeted in relation to GMDSS is returned to Inmarsat if unused.

The Interest reserve relates to amounts of interest received on cash balances held in the Organization's bank accounts due to funding received for GMDSS from Inmarsat and the LRIT Contingency Fund.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

17. Post-retirement healthcare benefits

International Mobile Satellite Organization operated a post-retirement healthcare benefit scheme in the UK which provided healthcare for life for one member. The arrangement was insured with Simplyhealth (previously called GROUPAMA) and premiums were paid annually to Simplyhealth. The premiums paid in 2013 were £13,454, relating to the one member.

The scheme was closed to new members and applied for one employee only until 31 March 2014 when the obligation was taken over by Inmarsat.

International Mobile Satellite Organization opted to recognise all actuarial gains and losses immediately in the income statement.

The major assumptions used by the actuary in the previous year were (in nominal terms):

	2013 £
Discount rate	4.35%
Premium inflation	10.00%
Assumed life expectancy of member	
Female retiring today at 65	25.0
Female retiring in 2015 at 65	25.2
Present value of unfunded scheme liabilities	(862,000)
Surplus/(deficit)	(862,000)
(Irrecoverable surplus)	-
Net asset/(liability) recognised before tax	(862,000)

Actuarial gains and (losses) to be shown in the Income Statement

	2013 £
Actuarial gains/(losses)	356,000

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2014 £	2013 £
Liabilities at beginning of year	862,000	1,169,000
Interest cost	-	49,000
Actuarial (gain)/loss	-	(356,000)
Transfer of obligation to Inmarsat	(862,000)	-
Liabilities at end of year	-	862,000

18. Related Parties

Key management compensation

Key management includes the Director General. The costs to the organization or payable to key management for employee services is shown below:

	2014 £	2013 £
Salaries and other staff short-term employee benefits	296,576	288,352

INTERNATIONAL MOBILE SATELLITE ORGANIZATION
DETAILED STATEMENT OF INCOME AND EXPENDITURE
Year ended 31 December 2014

	Note	2014			2013		
		GMDSS £	LRIT £	Total £	GMDSS £	LRIT £	Total £
General fund							
Income							
Contributions							
Inmarsat – ordinary		637,664	-	637,664	564,471	-	564,471
Other parties – ordinary		-	457,196	457,196	-	506,000	506,000
Less: Inmarsat – (overpaid)/ underpaid contributions		(22,585)	-	(22,585)	(167,168)	-	(167,168)
Other income							
Interest received		790	-	790	729	-	729
Interest received on Legal fund		728	-	728	735	-	735
Interest received on Contingency fund		-	132	132	-	2	2
		<u>616,597</u>	<u>457,328</u>	<u>1,073,925</u>	<u>398,767</u>	<u>506,002</u>	<u>904,769</u>
Expenditure							
Directorate staff costs	10	513,571	301,808	815,379	301,838	338,875	640,713
Office maintenance costs (including bank charges)	10	18,009	13,233	31,242	19,923	15,691	35,614
Rent	10	47,346	39,341	86,687	47,655	43,702	91,357
Travel costs	10	16,384	5,773	22,157	27,887	10,150	38,037
Meeting costs	10	19,769	19,804	39,573	-	-	-
		<u>615,079</u>	<u>379,959</u>	<u>995,038</u>	<u>397,303</u>	<u>408,418</u>	<u>805,721</u>
Operating surplus		1,518	77,369	78,887	1,464	97,584	99,048
General reserve							
Balance brought forward		-	(62,414)	(62,414)	-	(138,458)	(138,458)
Transfer to interest reserve		(1,518)	(132)	(1,650)	(1,464)	(2)	(1,466)
Transfer to LRIT Contingency reserve		-	(3,025)	(3,025)	-	(21,538)	(21,538)
Balance carried forward (page 6)		<u>-</u>	<u>(11,798)</u>	<u>(11,798)</u>	<u>-</u>	<u>(62,414)</u>	<u>(62,414)</u>
Interest reserve							
Balance brought forward		109,569	2	109,571	108,105	-	108,105
Transfer from General reserve	16	1,518	132	1,650	1,464	2	1,466
Balance carried forward (page 6)		<u>111,087</u>	<u>134</u>	<u>111,221</u>	<u>109,569</u>	<u>2</u>	<u>109,571</u>
LRIT Contingency reserve							
Balance brought forward	16	-	57,644	57,644	-	36,106	36,106
Transfer to General reserve	16	-	3,025	3,025	-	21,538	21,538
Balance carried forward (page 6)		<u>-</u>	<u>60,669</u>	<u>60,669</u>	<u>-</u>	<u>57,644</u>	<u>57,644</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

DETAILED BALANCE SHEET

At 31 December 2014

	Note	2014				2013			
		GMDSS	LRIT	Inter-fund	Total	GMDSS	LRIT	Inter-fund	Total
		£	£	£	£	£	£	£	£
Tangible fixed assets	5	-	7,536	-	7,536	-	11,609	-	11,609
Current assets									
Trade debtors	6	-	51,041	-	51,041	-	89,204	-	89,204
Other debtors	6	7,451	708	-	8,159	780,616	307	-	780,923
Taxation	6	14,054	9,369	-	23,423	15,086	10,058	-	25,144
Prepayments	6	8,439	8,736	-	17,175	30,852	23,676	-	54,528
Cash at bank	7	369,406	148,154	-	517,560	150,985	97,663	-	248,648
Inter-fund balance	4	91,310	-	(91,310)	-	51,334	-	(51,334)	-
		<u>490,660</u>	<u>218,008</u>	<u>(91,310)</u>	<u>617,358</u>	<u>1,028,873</u>	<u>220,908</u>	<u>(51,334)</u>	<u>1,198,447</u>
Creditors: amounts falling due within one year									
Accounts payable	8	3,407	1,445	-	4,852	24,684	18,075	-	42,759
Other creditors	8	100,274	274	-	100,548	100,617	392	-	101,009
Accruals	8	8,527	14,913	-	23,440	8,197	3,514	-	11,711
Deferred income	8	218,439	1,705	-	220,144	-	4,250	-	4,250
Inter fund balance	4	-	91,310	(91,310)	-	-	51,334	(51,334)	-
		<u>330,647</u>	<u>109,647</u>	<u>(91,310)</u>	<u>348,984</u>	<u>133,498</u>	<u>77,565</u>	<u>(51,334)</u>	<u>159,729</u>
Net current assets		<u>160,013</u>	<u>108,361</u>	<u>-</u>	<u>268,374</u>	<u>895,376</u>	<u>143,342</u>	<u>-</u>	<u>1,038,718</u>
Creditors: amounts falling due in more than one year									
Provisions	9	48,792	43,430	-	92,222	785,805	159,721	-	945,526
Net assets(liabilities)		<u>111,221</u>	<u>72,467</u>	<u>-</u>	<u>183,688</u>	<u>109,571</u>	<u>(4,770)</u>	<u>-</u>	<u>104,801</u>
Representing:									
Accumulated funds									
General reserve	16	-	11,798	-	11,798	-	(62,414)	-	(62,414)
Interest reserve	16	111,221	-	-	111,221	109,571	-	-	109,571
LRIT Contingency reserve	16	-	60,669	-	60,669	-	57,644	-	57,644
		<u>111,221</u>	<u>72,467</u>	<u>-</u>	<u>183,688</u>	<u>109,571</u>	<u>(4,770)</u>	<u>-</u>	<u>104,801</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION
**NON - STATUTORY DETAILED STATEMENT OF
INCOME AND EXPENDITURE**
Year ended 31 December 2014

	2014			2013		
	GMDSS £	LRIT £	Total £	GMDSS £	LRIT £	Total £
General fund						
Income – Contributions						
Inmarsat – ordinary	637,664	-	637,664	564,471	-	564,471
Other parties – ordinary	-	457,196	457,196	-	506,000	506,000
Other income						
Interest received	790	-	790	729	-	729
Interest received on LRIT Contingency Fund	-	132	132	-	2	2
Interest received on Legal fund	728	-	728	735	-	735
	<u>639,182</u>	<u>457,328</u>	<u>1,096,510</u>	<u>565,935</u>	<u>506,002</u>	<u>1,071,937</u>
Expenditure						
Directorate staff costs	493,174	415,483	908,657	515,780	435,781	951,561
Office maintenance costs	24,118	15,850	39,968	25,561	17,303	42,864
Rent	47,346	39,341	86,687	47,655	43,702	91,357
Travel costs	16,384	5,773	22,157	27,887	10,150	38,037
Meeting costs	19,769	19,804	39,573	-	-	-
	<u>600,791</u>	<u>496,251</u>	<u>1,097,042</u>	<u>616,883</u>	<u>506,936</u>	<u>1,123,819</u>
Operating surplus/(deficit)	38,391	(38,923)	(532)	(50,948)	(934)	(51,882)
Transfer to Interest reserve	(1,518)	(132)	(1,650)	(1,464)	(2)	(1,466)
Transfer to LRIT Contingency reserve	-	(3,025)	(3,025)	-	(21,538)	(21,538)
Fund surplus/(deficit) current year	36,873	(42,080)	(5,207)	(52,412)	(22,474)	(74,886)
Balance brought forward	5,337	97,307	102,644	57,749	119,781	177,530
Fund surplus total	42,210	55,227	97,437	5,337	97,307	102,644
Exceptional items:						
Post-retirement benefits & Repatriation/Relocation grants	737,012	116,292	853,304	219,580	98,519	318,099
Prior year adjustment effect	(785,805)	(159,721)	(945,526)	(1,005,385)	(258,240)	(1,263,625)
Fund surplus/(deficit) including exceptional items	(6,583)	11,798	5,215	(780,468)	(62,414)	(842,882)
Interest reserve						
Balance brought forward	109,569	2	109,571	108,105	-	108,105
Transfer from General reserve	1,518	132	1,650	1,464	2	1,466
Balance carried forward	<u>111,087</u>	<u>134</u>	<u>111,221</u>	<u>109,569</u>	<u>2</u>	<u>109,571</u>
LRIT Contingency reserve						
Balance brought forward	-	57,644	57,644	-	36,106	36,106
Transfer to General reserve	-	3,025	3,025	-	21,538	21,538
Balance carried forward	<u>-</u>	<u>60,669</u>	<u>60,669</u>	<u>-</u>	<u>57,644</u>	<u>57,644</u>