

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

GENERAL INFORMATION AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

I N D E X

Year ended 31 December 2022

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

GENERAL INFORMATION

Year ended 31 December 2022

The Organization

The International Mobile Satellite Organization (IMSO) is an intergovernmental organization (IGO) which has been headquartered in London since it was established in 1979, through the Convention on the International Maritime Satellite Organization (INMARSAT Convention – now known as IMSO Convention). However, the IGO was restructured in 1999, following the agreement by the Assembly of Parties to modify INMARSAT's mission as an intergovernmental organization by separating the Organization's commercial operation to establish a new company, to whom the name Inmarsat have been given by IMSO under the Trademark Licence Agreement (TMLA). The new company called 'Inmarsat Ventures Limited (Inmarsat)', was incorporated under English law.

Following the restructuring, IMSO continued as the IGO, providing a vehicle for Member States (known as Parties) to ensure the fulfilment of the public service obligations of Inmarsat to work under the Public Services Agreement (PSA).

Captain Moin Ahmed of the People's Republic of Bangladesh was appointed by the Assembly of Parties as the Director General of IMSO with effect from 15 April 2015, making him the legal representative and Chief Executive Officer of the Organization, responsible to and under the direction of the Assembly.

Under the Public Services Agreements between IMSO and Recognised Mobile Satellite Service (RMSS) providers, the latter pay an oversight fee that covers the costs of the establishment and operation of the GMDSS activities of the IMSO Directorate.

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

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 (IFRS) as adopted by the European Union which give a true and fair view of IMSO's state of affairs and of its surplus or deficit 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Organization will continue to operate.

As agreed by the Assembly at its fourteenth (extraordinary) session held in February 1999, 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.

It is important to note that 2022 saw IMSO actively pursuing its targets and objectives in a wide range of subject areas. Some of the highlights of the year for the Organization are summarized below.

Outreach

IMSO's public facing visibility continues to improve despite the challenges of the pandemic. With the social distancing rules being eased, the Director General resumed whenever possible in person meeting with the Member States and States that are currently not IMSO Member States but are interested in joining IMSO. The visitors having gained an enhanced insight about the role of IMSO expressed their appreciation on the Organization's role in promoting maritime safety, security and protection of the marine environment, and they have committed to reinforce the special bond between their States and IMSO. The membership of the Organization is currently at 107 Member States.

Global Maritime Distress and Safety System

IMSO continued to conduct contingency exercises with Inmarsat and Iridium as part of its oversight function. In 2022 IMSO completed the technical and operational assessment of the maritime mobile satellite services provided by China Transport Telecommunications and Information Center (CTTIC) through the BeiDou Message Service System (BDMSS) for use in the

GMDSS, and to report to the Maritime Safety Committee (MSC) when the Public Services Agreement with CTTIC had been concluded and the Letter of Compliance had been issued.

Spectrum Protection

Since the ITU World Radiocommunication Conference in 2015 (WRC-15), IMSO has worked to support efforts to protect frequencies used by maritime and aeronautical mobile services to provide safety services via satellite. Certain spectrum allocations to International Mobile Telecommunications (IMT) present a risk of interference to mobile-satellite service (MSS) terminals at L-band, and satellite feeder links at C-band used to provide GMDSS services. Working in collaboration with concerned Member States and relevant international organizations, IMSO has provided inputs to the European Conference of Postal and Telecommunications (CEPT), the International Civil Aviation Organization (ICAO), IMO and the ITU Radiocommunications Sector (ITU-R) on this issue.

IMSO participated in the ITU World Radio Conference in 2019 (WRC-19), and has continued to follow this issue, particularly at ITU-R Working Parties (WP) 5D and 4C, and the Joint IMO/ITU Experts Group on Maritime Radiocommunication Matters (IMO/ITU EG). In November 2021, the seventeenth meeting of the IMO/ITU EG considered several contributions from IMSO regarding spectrum protection, towards the IMO position to the 2023 ITU World Radio Conference (WRC-23).

During 2021, IMSO continued to participate at ITU-R WP 4C in the development of a new ITU-R Recommendation which aims to provide a framework for adjacent band compatibility between IMT systems in the mobile service operating in the band I 492- I 518 MHz and satellite systems in the mobile satellite service operating in the band I 518- I 525 MHz. IMSO also participated in the work at ITU-R WP 5D in the development of a Conference Preparatory Meeting (CPM) text on WRC-23 agenda item 1.2, which considers identification of spectrum allocations to IMT which include C-band frequencies used as feeder links to support L-band maritime services, including the services used for the GMDSS.

Long Range Identification and Tracking of Ships

The Director General mobilised efforts in pursuing possible new members to join the LRIT system.

Following the success of an international seminar in 2018 on the 'Effective Implementation and Management of the LRIT System' and the involvement of new Contracting Governments in the LRIT system in the timeframe since, the Director General has begun planning to conduct a similar seminar for outreach purposes in the future. The plan has been postponed due to the COVID-19 pandemic.

The Directorate delivered LRIT training using a virtual platform in March and October 2022.

The Directorate, under the guidance of the Director General, executed an LRIT implementation project sponsored by the Kingdom of Saudi Arabia, which seeks to support the implementation of the LRIT for SOLAS Contracting Governments, with a focus on Island Developing States (IDS) and Developing States.

Financial Management

Since taking his office in April 2015, the Director General has maintained a prudent cost base even with the increased volume of activities in GMDSS and LRIT.

The Director General has managed to keep a significantly lower audit fee for LRIT (in general, a decrease in fees since 2015, excepting for the cases of change in LRIT audit fee charging formula and increase in number of ships under a flag). Strict financial control measures, recovery of debts from the data centre audits and integration of new LRIT data centres, reintegration of disconnected data centres and staff motivation have enabled the Director General to maintain stable and historically low audit fees. Following a further reduction in Audit Fees for 2021, as a result of the success of the measures implemented under the supervision of the Director General, costs have remained at this historic low in 2022.

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



Moin Ahmed
Director General

30 March 2023

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

A U D I T O R ' S R E P O R T

Year ended 31 December 2022

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

Opinion

We have audited the financial statements of the International Mobile Satellite Organization (the 'Organization') for the year ended 31 December 2022, which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Organization's affairs as at 31 December 2022 and of its loss for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. An audit conducted in accordance with ISAs (UK) is also compliant with International Standards on Auditing issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director General's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Organization's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Director General with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the General Information, and does not include the financial statements and our auditor's report thereon. The Director General is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Director General

As explained more fully in the Director General's responsibilities statement set out on page 2, the Director General is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Director General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director General is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Director General either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Organization by considering, amongst other things, the industry in which it operates, and considered the risk of acts by the Organization that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the assessed level of risk, but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to The IMSO Convention and the Headquarters Agreement.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

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Dixon Wilson Audit Services LLP, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

30 March 2023

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

INCOME STATEMENT

Year ended 31 December 2022

	Note	2022 £	2021 £
Continuing Operations			
Revenue		1,026,391	827,435
Administrative expenses	10	(1,247,478)	(895,131)
Operating loss		<u>(221,087)</u>	<u>(67,696)</u>
Finance income	11	1,729	69
Finance costs	11	(1,237)	(1,008)
Loss for the year		<u>(220,595)</u>	<u>(68,635)</u>

The notes on pages 10 to 25 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

BALANCE SHEET

At 31 December 2022

	Note	2022 £	2021 £
Assets			
Non-current assets			
Property, plant and equipment	5	303,632	334,563
		<u>303,632</u>	<u>334,563</u>
Current assets			
Trade and other receivables	6	108,944	60,193
Cash and cash equivalents	7	1,098,812	1,310,296
		<u>1,207,756</u>	<u>1,370,489</u>
Total assets		<u>1,511,388</u>	<u>1,705,052</u>
Reserves and liabilities			
Reserves			
General reserve	15	6,171	233,245
Interest reserve	15	117,856	116,127
LRIT Contingency reserve	15	98,296	93,546
GMDSS Contingency reserve	15	15,000	15,000
		<u>237,323</u>	<u>457,918</u>
Liabilities			
Non-current liabilities			
Provisions	9	100,346	87,895
Office lease	13	272,701	303,632
		<u>373,047</u>	<u>391,527</u>
Current liabilities			
Trade and other payables	8	901,018	855,607
Total liabilities		<u>1,274,065</u>	<u>1,247,134</u>
Total reserves and liabilities		<u>1,511,388</u>	<u>1,705,052</u>

The notes on pages 10 to 25 are an integral part of these financial statements. The financial statements on pages 6 to 33 were authorised for issue by the Director General on 30 March 2023.


Moin Ahmed
Director General

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

STATEMENT OF CHANGES IN RESERVES

Year ended 31 December 2022

	Note	General reserve £	Interest reserve £	LRIT Contingency reserve £	GMDSS Contingency reserve £	Total £
Balance at 31 December 2021	15	233,245	116,127	93,546	15,000	457,918
Transfer between reserves	15	(4,750)	-	4,750	-	-
Loss for the year	15	(222,324)	1,729	-	-	(220,595)
Balance at 31 December 2022		<u>6,171</u>	<u>117,856</u>	<u>98,296</u>	<u>15,000</u>	<u>237,323</u>

	Note	General reserve £	Interest reserve £	LRIT Contingency reserve £	GMDSS Contingency reserve £	Total £
Balance at 31 December 2020	15	327,199	116,058	73,296	10,000	526,553
Transfer between reserves	15	(25,250)	-	20,250	5,000	-
Loss for the year	15	(68,704)	69	-	-	(68,635)
Balance at 31 December 2021		<u>233,245</u>	<u>116,127</u>	<u>93,546</u>	<u>15,000</u>	<u>457,918</u>

The notes on pages 10 to 25 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION**STATEMENT OF CASH FLOWS****Year ended 31 December 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Cash (used in)/generated from operations	12	(211,976)	286,111
Interest paid		(1,237)	(1,008)
Net cash from operating activities		<u>(213,213)</u>	<u>285,103</u>
Cash flows from investing activities			
Interest received		1,729	69
Net cash received from investing activities		<u>1,729</u>	<u>69</u>
Net decrease in cash, cash equivalents and bank overdrafts		(211,484)	285,172
Cash and cash equivalents at beginning of the year		1,310,296	1,025,124
Cash, cash equivalents and bank overdrafts at end of the year		<u>1,098,812</u>	<u>1,310,296</u>

The notes on pages 10 to 25 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

I. 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.

I.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 International Financial Reporting Interpretations Committee's (IFRIC's) 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 an accumulated surplus on the general reserve of £6,171 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.

I.1.1 Changes in accounting policy and disclosures

The Organization's financial statements for the year ended 31 December 2022 are the eleventh annual financial statements that comply with IFRS.

There are no new standards, amendments and interpretations that are not yet effective.

I.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

I.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.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

I.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.

I.5 Trade receivables

Trade receivables are amounts due in respect of services performed by the Organization. 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.

I.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

I.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) GMDSS and LRIT Contingency reserves: The GMDSS and LRIT Contingency reserves relate to the accumulated funds to cover future liabilities in relation to the relocation costs of internationally recruited staff, and post-retirement benefits.

I.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.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

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) *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.

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 Fees*

Contribution income consists of agreed contributions from Recognised Mobile Satellite Service (RMSS) providers payable in respect of the Organization's oversight of mobile satellite service providers' 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 Fees*

Contribution income consists of four 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 or fee payable for an additional audit. 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.
 - The third relates to the proportion of daily fees charged in accordance with IMSO business plan.
 - The fourth relates to Other incomes, e.g. support costs payable to IMSO.
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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

1.11 Revenue recognition (continued)

(c) *Iridium Fees*

Contribution income consists of fees and expenses charged to Iridium in relation to IMSO services for the technical and operational evaluation and report of the Iridium system. The costs involved include fees and expenses of IMSO, the Group of Experts and the additional Experts. IMSO daily fees paid by Iridium have been recognised as GMDSS and LRIT income.

(d) *Inmarsat Fees*

Contribution income consists of fees and expenses charged to Inmarsat in relation to IMSO services for the technical and operational evaluation and report of Inmarsat FleetBroadband and services. The costs involved include fees and expenses of IMSO, the Group of Experts and the additional Experts. IMSO daily fees paid by Inmarsat have been recognised as GMDSS and LRIT income.

(e) *BeiDou Fees*

Contribution income consists of fees and expenses charged to BeiDou in relation to IMSO services for the technical and operational evaluation and report of BDMSS services. The costs involved include fees and expenses of IMSO, the Group of Experts and the additional Experts. IMSO daily fees paid by BeiDou have been recognised as GMDSS and LRIT income.

(f) *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.

(g) *General Statement*

Revenue from other sources is recognised as performance obligations are satisfied and is measured at the fair value of consideration receivable, in accordance with IFRS 15.

1.12 Leases

At inception of a contract, the Organisation assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where a lease is identified, a right-of-use asset and lease liability are recognised at the lease commencement date.

The lease liability is initially measured at the value of expected future payments under the lease, including those payable under any extension options if these are reasonably certain to be exercised. Future payments are not discounted, as the convention of the Organisation and its underlying purpose mean that an appropriate incremental borrowing rate is substantially nil.

The right-of-use asset is initially measured at cost, which is equal to the value of the initial lease liability. It is subsequently depreciated on a straight line basis over the lease term.

1.13 Organization's principal place of business

The Organization's principal place of business is 4 Albert Embankment, London, SE1 7SR, United Kingdom.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

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 most employees are paid on the basis of salary scales applied worldwide, and established by the General Assembly of the United Nations on the recommendation of ICSC, 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.

(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 deficits 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 £1,098,812 (2021 – £1,310,296) 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. With the aim to achieve 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.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

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.

4. Segment information

The reportable operating segments are the Organization's GMDSS and LRIT functions and Iridium and Inmarsat FleetBroadband evaluation. Income sources are directly identifiable and are detailed in note 1.11. 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 2022

The segment information for the year ended 31 December 2022 is as follows:

Income statement	Note						2022
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	Total
		£	£	£	£	£	£
Continuing operations							
Revenue		1,017,589	75,878	76,977	13,000	(157,053)	1,026,391
Administrative expenses	10	(1,016,501)	(298,108)	(76,922)	(13,000)	157,053	(1,247,478)
Operating loss		<u>1,088</u>	<u>(222,230)</u>	<u>55</u>	<u>0</u>	<u>-</u>	<u>(221,087)</u>
Finance income	11	1,568	161	-	-	-	1,729
Finance costs	11	(1,088)	(94)	(55)	-	-	(1,237)
Loss for the year		<u>1,568</u>	<u>(222,163)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(220,595)</u>

The segment information for the year ended 31 December 2021 is as follows:

Income statement	Note						2021
		GMDSS	LRIT	Iridium	BeiDou	Inter-segment adjustment	Total
		£	£	£	£	£	£
Continuing operations							
Revenue		560,596	246,898	-	61,020	(41,079)	827,435
Administrative expenses	10	(554,661)	(320,596)	-	(60,953)	41,079	(895,131)
Operating loss		<u>5,935</u>	<u>(73,698)</u>	<u>-</u>	<u>67</u>	<u>-</u>	<u>(67,696)</u>
Finance income	11	62	7	-	-	-	69
Finance costs	11	(935)	(6)	-	(67)	-	(1,008)
Loss for the year		<u>5,062</u>	<u>(73,697)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(68,635)</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2022

The segment information for the year ended 31 December 2022 is as follows:

Balance sheet	Note						2022
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Assets							
Non-current assets							
Property, plant and Equipment	5	190,286	113,346	-	-	-	303,632
Current assets							
Trade and other Receivables	6	103,513	73,956	21	-	(68,546)	108,944
Cash and cash Equivalents	7	588,876	263,508	144,109	102,319	-	1,098,812
		<u>692,389</u>	<u>337,464</u>	<u>144,130</u>	<u>102,319</u>	<u>(68,546)</u>	<u>1,207,756</u>
Total assets		<u>882,675</u>	<u>450,810</u>	<u>144,130</u>	<u>102,319</u>	<u>(68,546)</u>	<u>1,511,388</u>
Reserves and liabilities							
Reserves							
General reserve	15	-	6,171	-	-	-	6,171
Interest reserve	15	117,046	810	-	-	-	117,856
Contingency reserve	15	15,000	98,296	-	-	-	113,296
		<u>132,046</u>	<u>105,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>237,323</u>
Liabilities							
Non-current liabilities							
Provisions	9	80,277	20,069	-	-	-	100,346
Office lease	13	170,905	101,796	-	-	-	272,701
		<u>251,182</u>	<u>121,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,047</u>
Current liabilities							
Trade and other Payables	8	499,447	223,668	144,130	102,319	(68,546)	901,018
Total liabilities		<u>750,629</u>	<u>345,533</u>	<u>144,130</u>	<u>102,319</u>	<u>(68,546)</u>	<u>1,274,065</u>
Total reserves and liabilities		<u>882,675</u>	<u>450,810</u>	<u>144,130</u>	<u>102,319</u>	<u>(68,546)</u>	<u>1,511,388</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

The segment information for the year ended 31 December 2021 is as follows:

Balance sheet	Note						2021
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Assets							
Non-current assets							
Property, plant and Equipment	5	209,671	124,892	-	-	-	334,563
Current assets							
Trade and other Receivables	6	354,247	50,647	-	-	(344,701)	60,193
Cash and cash Equivalents	7	334,298	653,560	220,119	102,319	-	1,310,296
		688,545	704,207	220,119	102,319	(344,701)	1,370,489
Total assets		<u>898,216</u>	<u>829,099</u>	<u>220,119</u>	<u>102,319</u>	<u>(344,701)</u>	<u>1,705,052</u>
Reserves and liabilities							
Reserves							
General reserve	15	-	233,245	-	-	-	233,245
Interest reserve	15	116,127	-	-	-	-	116,127
Contingency reserve	15	15,000	93,546	-	-	-	108,546
		131,127	326,791	-	-	-	457,918
Liabilities							
Non-current liabilities							
Provisions	9	54,434	33,461	-	-	-	87,895
Office lease	13	190,288	113,344	-	-	-	303,632
		244,722	146,805	-	-	-	391,527
Current liabilities							
Trade and other Payables	8	522,367	355,503	220,119	102,319	(344,701)	855,607
Total liabilities		<u>767,089</u>	<u>502,308</u>	<u>220,119</u>	<u>102,319</u>	<u>(344,701)</u>	<u>1,247,134</u>
Total reserves and liabilities		<u>898,216</u>	<u>829,099</u>	<u>220,119</u>	<u>102,319</u>	<u>(344,701)</u>	<u>1,705,052</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

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

	2022				
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Inter fund debtors	68,546	-	-	-	68,546
Inter fund creditors	-	3,832	51,714	13,000	68,546
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	2021				
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Inter fund debtors	344,701	-	-	-	344,701
Inter fund creditors	-	302,419	42,282	-	344,701
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

	Land and Building	Plant and equipment	Total
	£	£	£
Cost			
At 1 January 2022	442,822	50,099	492,291
At 31 December 2022	<u>442,822</u>	<u>50,099</u>	<u>492,921</u>
Depreciation			
At 1 January 2022	108,259	50,099	158,358
Charge for the year	30,931	-	30,931
At 31 December 2022	<u>139,190</u>	<u>50,099</u>	<u>189,289</u>
Carrying amount			
At 31 December 2022	<u>303,632</u>	<u>-</u>	<u>303,632</u>
At 31 December 2021	<u>334,563</u>	<u>-</u>	<u>334,563</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

6. Trade and other receivables

					2022
	GMDSS	LRIT	BeiDou	Inter-fund	Total
	£	£	£	£	£
Trade receivables	-	62,183	21	-	62,204
Prepayments	19,941	1,755	-	-	21,696
Taxation	15,026	10,018	-	-	25,044
Inter-fund balance	68,546	-	-	(68,546)	-
	<u>103,513</u>	<u>73,956</u>	<u>21</u>	<u>(68,546)</u>	<u>108,944</u>
					2021
	GMDSS	LRIT	BeiDou	Inter-fund	Total
	£	£	£	£	£
Trade receivables	-	45,103	-	-	45,103
Prepayments	3,630	1,600	-	-	5,230
Taxation	5,916	3,944	-	-	9,860
Inter-fund balance	344,701	-	-	(344,701)	-
	<u>354,247</u>	<u>50,647</u>	<u>-</u>	<u>(344,701)</u>	<u>60,193</u>

Trade receivables have not been discounted and no provision has been made against the carrying amount shown above. 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.

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.

					2022
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Cash and cash equivalents	588,876	263,508	144,109	102,319	1,098,812
	<u>588,876</u>	<u>263,508</u>	<u>144,109</u>	<u>102,319</u>	<u>1,098,812</u>
					2021
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Cash and cash equivalents	334,298	653,560	220,119	102,319	1,310,296
	<u>334,298</u>	<u>653,560</u>	<u>220,119</u>	<u>102,319</u>	<u>1,310,296</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

8. Trade and other payables

						2022
	GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
	£	£	£	£	£	£
Trade payable	12,709	1,364	-	-	-	14,073
Accrued expenses	18,199	4,798	-	-	-	22,997
Office lease	19,383	11,548	-	-	-	30,931
Social security and other taxation	8,014	7,626	-	-	-	15,640
Deferred income	-	194,500	92,416	89,319	-	376,235
Legal fund	100,000	-	-	-	-	100,000
GMDSS surplus	341,142	-	-	-	-	341,142
Inter-fund balance	-	3,832	51,714	13,000	(68,546)	-
	<u>499,447</u>	<u>223,668</u>	<u>144,130</u>	<u>102,319</u>	<u>(68,546)</u>	<u>901,018</u>

						2021
	GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
	£	£	£	£	£	£
Trade payable	6,110	2,271	2,287	-	-	10,668
Accrued expenses	16,566	7,927	6,157	-	-	30,650
Office lease	19,383	11,548	-	-	-	30,931
Social security and other taxation	957	638	-	-	-	1,595
Deferred income	-	30,700	169,393	102,319	-	302,412
Legal fund	100,000	-	-	-	-	100,000
GMDSS surplus	379,351	-	-	-	-	379,351
Inter-fund balance	-	302,419	42,282	-	(344,701)	-
	<u>522,367</u>	<u>355,503</u>	<u>220,119</u>	<u>102,319</u>	<u>(344,701)</u>	<u>855,607</u>

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

	2022			2021		
	GMDSS	LRIT	Total	GMDSS	LRIT	Total
Repatriation grant (see below)	<u>80,277</u>	<u>20,069</u>	<u>100,346</u>	<u>54,434</u>	<u>33,461</u>	<u>87,895</u>

The Organization is committed to providing repatriation grants to employees who are not UK nationals upon their leaving employment. The total provision increased by £12,451 in total during the year. The provision for GMDSS increased by £25,843 and for LRIT decreased by £13,392.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

10. Expenses by nature

						2022
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
Employees' benefits expenses	639,205	214,615	-	-	-	853,820
Pension costs - (defined contribution)	114,827	41,002	-	-	-	155,829
Depreciation	19,383	11,548	-	-	-	30,931
IMSO daily fees	76,893	-	49,284	13,000	(139,177)	-
Other expenses	166,193	30,943	27,638	-	(17,876)	206,898
Administrative expenses	1,016,501	298,108	76,922	13,000	(157,053)	1,247,478

						2021
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
Employees' benefits expenses	412,000	235,165	-	-	-	647,165
Pension costs - (defined contribution)	65,470	37,900	-	-	-	103,370
Depreciation	19,383	11,548	-	-	-	30,931
IMSO daily fees	-	-	41,079	-	(41,079)	-
Other expenses	57,808	35,983	19,874	-	-	113,665
Administrative expenses	554,661	320,596	60,953	-	(41,079)	895,131

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

11. Finance income and costs

					2022
	GMDSS	LRIT	Iridium	BeiDou	Total
	£	£	£	£	£
Interest expense – bank charges	(1,088)	(94)	-	(55)	(1,237)
Net finance costs	(1,088)	(94)	-	(55)	(1,237)
Finance income	1,568	161	-	-	1,729
Net finance income/ (costs)	480	67	-	(55)	492

					2021
	GMDSS	LRIT	Iridium	BeiDou	Total
	£	£	£	£	£
Interest expense – bank charges	(935)	(6)	-	(67)	(1,008)
Net finance costs	(935)	(6)	-	(67)	(1,008)
Finance income	62	7	-	-	69
Net finance (costs)/ income	(873)	1	-	(67)	(939)

12. Cash generated from operations

	2022	2021
	£	£
Loss for the year	(220,595)	(68,635)
Adjustments for:		
Depreciation	-	-
Net finance costs	(492)	939
Trade and other receivables	(48,731)	23,646
Trade and other payables	45,391	327,811
Provisions	12,451	2,350
Cash (used in)/generated from operations	(211,976)	286,111

13. Maturity analysis of lease liabilities

All right-of-use assets capitalised under IFRS 16 relate to the lease of offices. Payments due under the corresponding liabilities are expected to become payable as follows:

	2022	2021
	£	£
- not later than one year	30,931	30,931
- later than one year and not later than five years	123,724	123,724
- later than five years	148,977	179,908
	303,632	334,563

Total cash paid in the period in respect of recognised lease liabilities was £30,931 (2021 - £30,931).

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

14. Financial instruments

All financial instruments are held and denominated in UK pounds.

Assets as per balance sheet	2022	Cash and receivables
	£	2021 £
Trade and other receivables excluding prepayments	62,204	45,103
Cash and cash equivalents	1,098,812	1,310,296
	<u>1,161,016</u>	<u>1,355,399</u>
Liabilities as per balance sheet	2022	Financial liabilities at
	£	amortised cost
Trade and other payables excluding statutory liabilities	340,702	2021 £
Provisions	100,346	375,882
	<u>441,048</u>	<u>87,895</u>
		<u>463,777</u>

15. Reserves

	General reserve	Interest reserve	LRIT Contingency reserve	GMDSS Contingency reserve	Total
	£	£	£	£	£
Balance as at 1 January 2022	233,245	116,127	93,546	15,000	457,918
Transfer from reserves	(4,750)	-	4,750	-	-
Loss for the year	(222,324)	1,729	-	-	(220,595)
Balance as at 31 December 2022	<u>6,171</u>	<u>117,856</u>	<u>98,296</u>	<u>15,000</u>	<u>237,323</u>

The General reserve represents surplus/ funds in relation to the Organization's LRIT functions. The LRIT and GMDSS Contingency reserves are being built up annually but retained separately to cover the cost of future liabilities in relation to repatriation. Therefore, in 2022, £15,000 was transferred to the LRIT Contingency reserves. Moreover, in 2022, £10,250 was also transferred from the LRIT Contingency reserve to spread the costs relating to the 2022 Assembly.

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

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2022

16. Related Parties

Key management compensation

The costs to the Organization for amounts payable to key management for employee services are shown below:

	2022	2021
	£	£
Salaries and other staff short-term employee benefits	207,788	196,894
Post-employment benefits	44,870	38,969
	<u>252,658</u>	<u>235,863</u>

No amount (2021 - £3,393) was owed to the key management at the year end and is included within the total for trade and other payables in note 8.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

DETAILED STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2022

	Note	GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	2022 Total
		£	£	£	£	£	£
General fund							
Income							
Contributions							
GMDSS – ordinary		783,011	-	-	-	-	783,011
Other parties – ordinary		119,475	75,878	76,977	13,000	(157,053)	128,277
Add: Providers – underpaid / (overpaid) contributions		115,103	-	-	-	-	115,103
Other income							
Interest received		1,222	-	-	-	-	1,222
Interest received on Legal fund		324	-	-	-	-	324
Interest received on Contingency fund		22	161	-	-	-	183
		<u>1,019,157</u>	<u>76,039</u>	<u>76,977</u>	<u>13,000</u>	<u>(157,053)</u>	<u>1,028,120</u>
Expenditure							
Directorate staff costs		754,032	255,617	-	-	-	1,009,649
Office maintenance costs (including bank charges)		54,136	10,337	2,032	-	(17,876)	48,629
Rent		33,918	16,420	-	-	-	50,338
Travel costs		70,502	3,574	3,284	-	-	77,360
Meeting costs		28,108	12,254	-	-	-	40,362
Consultancy		-	-	22,377	-	-	22,377
IMSO Daily Fees		76,893	-	49,284	13,000	(139,177)	-
		<u>1,017,589</u>	<u>298,202</u>	<u>76,977</u>	<u>13,000</u>	<u>(157,053)</u>	<u>1,248,715</u>
Operating loss		<u>1,568</u>	<u>(222,163)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(220,595)</u>
General reserve							
Balance brought forward		-	233,245	-	-	-	233,245
Transfer to Interest reserve		(1,568)	(161)	-	-	-	(1,729)
Transfer to Contingency reserve		-	(15,000)	-	-	-	(15,000)
Transfer from LRIT		-	-	-	-	-	-
Contingency reserve		-	10,250	-	-	-	10,250
Balance carried forward (page 8)		<u>-</u>	<u>6,171</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,171</u>
Interest reserve							
Balance brought forward		115,478	649	-	-	-	116,127
Transfer from General reserve	15	1,568	161	-	-	-	1,729
Balance carried forward (page 8)		<u>117,046</u>	<u>810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,856</u>
Contingency reserve							
Balance brought forward	15	15,000	93,546	-	-	-	108,546
Transfer to General reserve	15	-	(10,250)	-	-	-	(10,250)
Transfer from General reserve	15	-	15,000	-	-	-	15,000
Balance carried forward (page 8)		<u>15,000</u>	<u>98,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,296</u>

This page does not form part of the audited financial statements

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

DETAILED STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2022

							2021
	Note	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
		£	£	£	£	£	£
General fund							
Income							
Contributions							
GMDSS – ordinary		737,848	-	-	-	-	737,848
Other parties – ordinary		33,637	246,897	74,800	102,319	(41,079)	416,574
Less: Providers – (overpaid) / underpaid contributions		(210,888)	-	(13,780)	(102,319)	-	(326,987)
Other income							
Interest received		46	-	-	-	-	46
Interest received on Legal fund		15	-	-	-	-	15
Interest received on Contingency fund		1	7	-	-	-	8
		<u>560,659</u>	<u>246,904</u>	<u>61,020</u>	<u>-</u>	<u>(41,079)</u>	<u>827,504</u>
Expenditure							
Directorate staff costs		477,470	273,065	-	-	-	750,535
Office maintenance costs (including bank charges)		28,777	12,315	246	-	-	41,338
Rent		30,258	18,026	-	-	-	48,284
Travel costs		3,320	1,423	-	-	-	4,743
Meeting costs		15,772	15,772	-	-	-	31,544
Consultancy		-	-	19,695	-	-	19,695
IMSO Daily Fees		-	-	41,079	-	(41,079)	-
		<u>555,597</u>	<u>320,601</u>	<u>61,020</u>	<u>-</u>	<u>(41,079)</u>	<u>896,139</u>
Operating loss		<u>5,062</u>	<u>(73,697)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(68,635)</u>
General reserve							
Balance brought forward		-	327,199	-	-	-	327,199
Transfer to Interest reserve		(62)	(7)	-	-	-	(69)
Transfer to Contingency reserve		(5,000)	(20,250)	-	-	-	(25,250)
Transfer from LRIT		-	-	-	-	-	-
Contingency reserve		-	-	-	-	-	-
Balance carried forward (page 8)		<u>-</u>	<u>233,245</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>233,245</u>
Interest reserve							
Balance brought forward		115,416	642	-	-	-	116,058
Transfer from General reserve	15	62	7	-	-	-	69
Balance carried forward (page 8)		<u>115,478</u>	<u>649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,127</u>
Contingency reserve							
Balance brought forward	15	10,000	73,296	-	-	-	83,296
Transfer to General reserve	15	-	-	-	-	-	-
Transfer from General reserve	15	5,000	20,250	-	-	-	25,250
Balance carried forward (page 8)		<u>15,000</u>	<u>93,546</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,546</u>

This page does not form part of the audited financial statements

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

DETAILED BALANCE SHEET

At 31 December 2022

Balance sheet	Note						2022
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Tangible fixed Assets	5	190,286	113,346	-	-	-	303,632
Current assets							
Trade debtors	6	-	62,183	21	-	-	62,204
Taxation	6	15,026	10,018	-	-	-	25,044
Prepayments	6	19,941	1,755	-	-	-	21,696
Cash at bank	7	588,876	263,508	144,109	102,319	-	1,098,812
Inter-fund balance	4	68,546	-	-	-	(68,546)	-
		<u>692,389</u>	<u>337,464</u>	<u>144,130</u>	<u>102,319</u>	<u>(68,546)</u>	<u>1,207,756</u>
Creditors: amounts falling due within one year							
Accounts payable	8	353,851	1,364	-	-	-	355,215
Other creditors	8	108,014	7,626	-	-	-	115,640
Accruals	8	18,199	4,798	-	-	-	22,997
Office lease	8	19,383	11,548	-	-	-	30,931
Deferred income	8	-	194,500	92,416	89,319	-	376,235
Inter fund balance	4	-	3,832	51,714	13,000	(68,546)	-
		<u>499,447</u>	<u>223,668</u>	<u>144,130</u>	<u>102,319</u>	<u>(68,546)</u>	<u>901,018</u>
Net current assets		<u>192,942</u>	<u>113,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,738</u>
Creditors: amounts falling due in more than one year							
Provisions	9	80,277	20,069	-	-	-	100,346
Office lease	13	170,905	101,796	-	-	-	272,701
		<u>251,182</u>	<u>121,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>373,047</u>
Net assets		<u>132,046</u>	<u>105,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>237,323</u>
Representing:							
Accumulated funds							
General reserve	15	-	6,171	-	-	-	6,171
Interest reserve	15	117,046	810	-	-	-	117,856
Contingency reserve	15	15,000	98,296	-	-	-	113,296
		<u>132,046</u>	<u>105,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>237,323</u>

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

DETAILED BALANCE SHEET

At 31 December 2022

Balance sheet	Note						2021
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Tangible fixed Assets	5	209,671	124,892	-	-	-	334,563
Current assets							
Trade debtors	6	-	45,103	-	-	-	45,103
Taxation	6	5,916	3,944	-	-	-	9,860
Prepayments	6	3,630	1,600	-	-	-	5,230
Cash at bank	7	334,298	653,560	220,119	102,319	-	1,310,296
Inter-fund balance	4	344,701	-	-	-	(344,701)	-
		<u>688,545</u>	<u>704,207</u>	<u>220,119</u>	<u>102,319</u>	<u>(344,701)</u>	<u>1,370,489</u>
Creditors: amounts falling due within one year							
Accounts payable	8	385,461	2,271	2,287	-	-	390,019
Other creditors	8	100,957	638	-	-	-	101,595
Accruals	8	16,566	7,927	6,157	-	-	30,650
Office lease	8	19,383	11,548	-	-	-	30,931
Deferred income	8	-	30,700	169,393	102,319	-	302,412
Inter fund balance	4	-	302,419	42,282	-	(344,701)	-
		<u>522,367</u>	<u>355,503</u>	<u>220,119</u>	<u>102,319</u>	<u>(344,701)</u>	<u>855,607</u>
Net current assets		<u>166,178</u>	<u>348,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>514,882</u>
Creditors: amounts falling due in more than one year							
Provisions	9	54,434	33,461	-	-	-	87,895
Office lease	13	190,288	113,344	-	-	-	303,632
		<u>244,722</u>	<u>146,805</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>391,527</u>
Net assets		<u>131,127</u>	<u>326,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>457,918</u>
Representing:							
Accumulated funds							
General reserve	15	-	233,245	-	-	-	233,245
Interest reserve	15	116,127	-	-	-	-	116,127
Contingency reserve	15	15,000	93,546	-	-	-	108,546
		<u>131,127</u>	<u>326,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>457,918</u>

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NON-STATUTORY DETAILED STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2022

								2022
	GMDSS	LRIT	Iridium	Inmarsat	BeiDou	Capacity Building	Inter-segment adjustment	Total
	£	£	£	£	£	£	£	£
General fund								
Income – Contributions								
GMDSS – ordinary	783,011	-	-	-	-	-	-	783,011
Other parties – ordinary	119,476	75,878	-	-	-	-	(157,053)	38,301
Other income								
Interest received	1,222	-	-	-	-	-	-	1,222
Interest received on Contingency Fund	22	161	-	-	-	-	-	183
Interest received on Legal fund	324	-	-	-	-	-	-	324
	<u>904,055</u>	<u>76,039</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(157,053)</u>	<u>823,041</u>
Expenditure								
Directorate staff costs	728,189	269,009	-	-	-	-	-	997,198
Office maintenance costs	54,136	10,337	-	-	2,032	-	(17,876)	48,629
Rent	33,918	16,420	-	-	-	-	-	50,338
Travel costs	70,502	3,574	-	-	3,284	-	-	77,360
Consultancy Fees	-	-	-	-	22,377	-	-	22,377
IMSO daily fees	76,893	-	-	-	49,284	13,000	(139,177)	-
Meeting costs	28,108	12,254	-	-	-	-	-	40,362
	<u>991,746</u>	<u>311,594</u>	<u>-</u>	<u>-</u>	<u>76,977</u>	<u>13,000</u>	<u>(157,053)</u>	<u>1,236,264</u>
Operating surplus/(deficit)	(87,691)	(235,555)	-	-	(76,977)	(13,000)	-	(413,223)
Transfer to Interest reserve	(1,568)	(161)	-	-	-	-	-	(1,729)
Transfer to LRIT Contingency reserve	-	(15,000)	-	-	-	-	-	(15,000)
Transfer from LRIT Contingency reserve	-	10,250	-	-	-	-	-	10,250
Fund surplus/(deficit)/current year	(89,259)	(240,466)	-	-	(76,977)	(13,000)	-	(419,702)
Balance brought forward	448,778	266,706	-	-	169,393	102,319	-	987,196
Fund surplus total	<u>359,519</u>	<u>26,240</u>	<u>-</u>	<u>-</u>	<u>92,416</u>	<u>89,319</u>	<u>-</u>	<u>567,494</u>
Transfer to GMDSS Contingency reserve	-	-	-	-	-	-	-	-

This page does not form part of the audited financial statements

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

**NON-STATUTORY DETAILED STATEMENT OF
INCOME AND EXPENDITURE (continued)**

Year ended 31 December 2022

								2022
	GMDSS	LRIT	Iridium	Inmarsat	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£	£	£
Exceptional items:								
Post-retirement benefits & Repatriation/Relocation grants	(25,843)	13,392	-	-	-	-	-	(12,451)
Prior year adjustment effect	(54,434)	(33,461)	-	-	-	-	-	(87,895)
Fund surplus/(deficit) including exceptional items	279,242	6,171	-	-	92,416	89,319	-	467,148
Interest reserve								
Balance brought forward	115,478	649	-	-	-	-	-	116,127
Transfer from General reserve	1,568	161	-	-	-	-	-	1,729
Balance carried forward	117,046	810	-	-	-	-	-	117,856
LRIT Contingency reserve								
Balance brought forward	-	93,546	-	-	-	-	-	93,546
Transfer to General reserve	-	(10,250)	-	-	-	-	-	(10,250)
Transfer from General reserve	-	15,000	-	-	-	-	-	15,000
Balance carried forward	-	98,296	-	-	-	-	-	98,296
GMDSS Contingency reserve								
Balance brought forward	15,000	-	-	-	-	-	-	15,000
Transfer to General reserve	-	-	-	-	-	-	-	-
Transfer from General reserve	-	-	-	-	-	-	-	-
Balance carried forward	15,000	-	-	-	-	-	-	15,000

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NON-STATUTORY DETAILED STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2022

								2021
	GMDSS	LRIT	Iridium	Inmarsat	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£	£	£
General fund								
Income – Contributions								
GMDSS – ordinary	737,848	-	-	-	-	-	-	737,848
Other parties – ordinary	33,637	246,897	-	-	74,800	102,319	(41,079)	416,574
Other income								
Interest received	46	-	-	-	-	-	-	46
Interest received on Contingency Fund	1	7	-	-	-	-	-	8
Interest received on Legal fund	15	-	-	-	-	-	-	15
	<u>771,547</u>	<u>246,904</u>	<u>-</u>	<u>-</u>	<u>74,800</u>	<u>102,319</u>	<u>(41,079)</u>	<u>1,154,491</u>
Expenditure								
Directorate staff costs	475,884	272,301	-	-	-	-	-	748,185
Office maintenance costs	28,777	12,315	-	-	246	-	-	41,338
Rent	30,258	18,026	-	-	-	-	-	48,284
Travel costs	3,320	1,423	-	-	-	-	-	4,743
Consultancy Fees	-	-	-	-	19,695	-	-	19,695
IMSO daily fees	-	-	-	-	41,079	-	(41,079)	-
Meeting costs	15,772	15,772	-	-	-	-	-	31,544
	<u>554,011</u>	<u>319,837</u>	<u>-</u>	<u>-</u>	<u>61,020</u>	<u>-</u>	<u>(41,079)</u>	<u>893,789</u>
Operating surplus/(deficit)	<u>217,536</u>	<u>(72,933)</u>	<u>-</u>	<u>-</u>	<u>13,780</u>	<u>102,319</u>	<u>-</u>	<u>260,702</u>
Transfer to Interest reserve								
	(62)	(7)	-	-	-	-	-	(69)
Transfer to LRIT Contingency reserve								
	-	(20,250)	-	-	-	-	-	(20,250)
Transfer from LRIT Contingency reserve								
	-	-	-	-	-	-	-	-
Fund surplus/(deficit) current year								
	217,474	(93,190)	-	-	13,780	102,319	-	240,383
Balance brought forward								
	231,304	359,896	-	-	155,613	-	-	746,813
Fund surplus total	<u>448,778</u>	<u>266,706</u>	<u>-</u>	<u>-</u>	<u>169,393</u>	<u>102,319</u>	<u>-</u>	<u>987,196</u>
Transfer to GMDSS Contingency reserve								
	(5,000)	-	-	-	-	-	-	(5,000)

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

**NON-STATUTORY DETAILED STATEMENT OF
INCOME AND EXPENDITURE (continued)**

Year ended 31 December 2022

	GMDSS	LRIT	Iridium	Inmarsat	BeiDou	Capacity Building	Inter- segment adjustment	2021 Total
	£	£	£	£	£	£	£	£
Exceptional items:								
Post-retirement benefits & Repatriation/Relocation grants	(1,586)	(764)	-	-	-	-	-	(2,350)
Prior year adjustment effect	(52,848)	(32,697)	-	-	-	-	-	(85,545)
Fund surplus/(deficit) including exceptional items	389,344	233,245	-	-	169,393	102,319	-	894,301
Interest reserve								
Balance brought forward	115,416	642	-	-	-	-	-	116,058
Transfer from General reserve	62	7	-	-	-	-	-	69
Balance carried forward	115,478	649	-	-	-	-	-	116,127
LRIT Contingency reserve								
Balance brought forward	-	73,296	-	-	-	-	-	73,296
Transfer to General reserve	-	-	-	-	-	-	-	-
Transfer from General reserve	-	20,250	-	-	-	-	-	20,250
Balance carried forward	-	93,546	-	-	-	-	-	93,546
GMDSS Contingency reserve								
Balance brought forward	10,000	-	-	-	-	-	-	10,000
Transfer to General reserve	-	-	-	-	-	-	-	-
Transfer from General reserve	5,000	-	-	-	-	-	-	5,000
Balance carried forward	15,000	-	-	-	-	-	-	15,000

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