

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

GENERAL INFORMATION AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

I N D E X

Year ended 31 December 2024

	Page
General information	2
Introduction	2
Highlights of activities in 2024	3
GMDSS	3
LRIT	4
Capacity-building activities	5
Financial management	5
Quality and data management	5
Outcome of the twenty-ninth session of the Assembly	6
Auditor's report	7
Income statement	9
Balance sheet	10
Statement of changes in reserves	11
Statement of cash flows	12
Notes to the financial statements	13

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

GENERAL INFORMATION

Year ended 31 December 2024

INTRODUCTION

The Organization

The International Mobile Satellite Organization (IMSO) is an intergovernmental organization established in 1976 by the International Maritime Organization (IMO), a United Nations specialized agency. The membership of the Organization as of 31 December 2024 stands at 110 Member States.

IMSO contributes to the safety and security of seafarers and passengers around the world by providing oversight of the performance of all components and the availability of the mobile satellite communications systems recognized by IMO for their use in the Global Maritime Distress and Safety System (GMDSS). IMO has recognised Inmarsat and Iridium as providers of satellite communication systems for use in the GMDSS. The maritime mobile satellite services provided by China Transport Telecommunication Information Group Co. Ltd. (CTTIC) through the BeiDou Message Service System (BDMSS) have also been recognized by IMO, however, a Letter of Compliance has not been issued by IMSO due to pending implementation issues.

Furthermore, since 2008, IMSO has been serving as the Co-ordinator for the Long Range Identification and Tracking of Ships (LRIT) system, appointed by IMO, with responsibilities to audit and review the performance of the international LRIT system. IMSO currently conducts annual audits and review of all elements of the LRIT system across 135 Flag Administrations. Ships worldwide of 300 gross tonnage and over and all passenger ships carrying more than twelve passengers when travelling on international voyages or in the open sea must be GMDSS and LRIT compliant.

IMSO participates regularly and actively in meetings of various specialized agencies of the United Nations and intergovernmental organizations, including IMO, ITU, WMO and IHO. IMSO represents its Member States' interests during high level meetings and technical working groups by providing expertise and advice as well as written technical submissions on matters relating to IMSO's mandate, i.e. satellite services within the GMDSS and LRIT operations. IMSO also provides technical assistance to its Member States with a view to facilitating compliance with their international obligations derived from the International Convention for the Safety of Life at Sea (SOLAS), 1974, as amended and other international conventions and instruments where relevant to GMDSS and LRIT requirements.

The Organization's structure is comprised of the Assembly of Parties and the Directorate, headed by a Director General. The Director General is the legal representative of the Organization and Chief Executive Officer of the Directorate, appointed by and responsible to the Assembly. In September 2022, the twenty-eighth session of the Assembly elected Mr. Laurent Parenté to the post of Director General, who commenced in that post on 15 April 2023.

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 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.

HIGHLIGHTS OF ACTIVITIES IN 2024

IMSO continued to make great progress towards achieving its mission. Numerous measures were put into place to improve governance, operational effectiveness, technical oversight and global involvement under the direction of the Director General. Below is a summary of 2024's major highlights:

Directorate

Good governance

Good governance is essential for any intergovernmental organization as it contributes to enhancing Member States' trust in the Organization and strengthens its legitimacy and credibility. The Director General continues working to ensure alignment with best practices in accountability and transparency.

Senior management team and staff

The Director General is assisted by a Senior Management Team in the day-to-day operations of the Directorate. This team consists of the Director General, the Head of Administrative Services, and the Head of Operational Services. Department Heads now have greater autonomy, fostering creativity and productivity within the Organization. Related party disclosures, in compliance with IFRS requirements, are included in the notes to the Financial Statements.

IMSO Office relocation

In September 2024, the Organization's Headquarters were successfully relocated within the International Maritime Organization (IMO) building. This move enhanced organizational identity and operational effectiveness. The new location also provides improved facilities and a more efficient working environment, supporting the Organization's long-term goals.

Outreach

Communication with Member States

IMSO's public-facing visibility continues apace. With a view to improving communication with Member States, the Director General continues the practice of sending regular circular letters and IMSO document notifications to ensure that the Directorate reaches as many key stakeholders as possible with the objective of keeping them aware of IMSO's work and submissions for meetings.

Open discussion with the Providers of GMDSS satellite services

Consultation with the Providers is of paramount importance and forms a key element of IMSO's GMDSS oversight mandate. The Directorate continues to hold regular consultations with the Providers to ensure proper collaboration and understanding of the interests of IMSO and/or the Providers.

Focal Points of IMSO stakeholders

Access to Focal Point information remains crucial, and direct engagement with Focal Points has been strengthened to facilitate timely information exchange and coordination.

Meeting Attendance by Director General and Staff

During 2024, the Director General and some IMSO staff members participated in key meetings and conferences in order to engage in critical policy discussions and debates with the wider maritime communications and safety sector.

GMDSS

Close collaboration with the Providers

One of the core missions of the Organization is the oversight of the recognised mobile satellite communication services in the GMDSS provided by Inmarsat and Iridium. The Directorate has been working very closely with the recognised Providers given that cooperation and collaboration is of paramount importance and should form the cornerstone of IMSO's GMDSS oversight mandate.

Modernization of oversight activities

IMSO GMDSS services feedback system

Based on feedback as well as spontaneous requests received from several Administrations, IMSO has developed an online feedback system which is now available through IMSO's public website enabling stakeholders, including seafarers, to inform the Directorate of any difficulties related to the delivery of GMDSS services.

IMSO online satellite outage notification system

In 2024, IMSO developed an online notification system to provide real-time updates when there is a prolonged service outage. The notification will be visible at the top of the home page of the IMSO website and will be in addition to the usual emails sent in such situations.

GMDSS Manual

During 2024, IMSO completed the GMDSS Oversight Manual to establish consistent rules and guidelines for fair and uniform oversight in a multi-provider environment. The Manual ensures standardized procedures, maintains quality and fairness, prevents errors and supports business continuity. It also serves as a training tool for new staff, providing a structured resource on IMSO's policies, procedures and best practices in GMDSS oversight.

Spectrum protection

The importance of spectrum management

The radio spectrum is the part of the electromagnetic spectrum with frequencies from 3 Hz to 3,000 GHz (3 THz). Signals from radio transmitters can interfere with each other unless they operate on sufficiently different frequencies or polarizations, are located sufficiently far apart, directed at different geographical areas, or subjected to appropriate power limits. There is, therefore, a need for an international framework to coordinate frequency use and to deal with interference if it does arise.

IMSO's role in protecting spectrum for maritime safety

IMSO continues to take an active role in the protection of the spectrum used for the provision of mobile satellite communication systems in the GMDSS. This ensures that these systems can continue to operate in an environment of increasing competition for the use of spectrum.

IMSO's engagement with International Telecommunication Union (ITU)

The Directorate participated in the various ITU-R Working Parties (WP) within the Radiocommunications sector of the International Telecommunications Union (ITU-R). IMSO's work at ITU was primarily focused on efficient spectrum utilization for the mobile-satellite service (MSS) and the implications on the GMDSS of the burgeoning use of spectrum for international mobile telecommunication (IMT) systems. In that regard, IMSO has contributed to the development of related reports and recommendations.

LRIT

LRIT Implementation

During 2024, the number of Data Centres has remained stable.

Use of LRIT for search and rescue

With the objective of showcasing the reliability and untapped potential of the LRIT system for search and rescue (SAR) and security purposes, the Director General has expanded IMSO's efforts in this area. Marking a first for IMSO, and leveraging 14 years of auditing expertise, the Organization, in collaboration with key stakeholders—including the European Maritime Safety Agency and Brazil's Maritime Operations and Protection of the Blue Amazon Command—delivered an online training session for SAR operators on 27 February 2024. The session, aimed at raising awareness of LRIT's role in SAR, attracted over 600 participants worldwide.

CAPACITY-BUILDING ACTIVITIES

Strengthening collaboration with IMO for capacity-building

To promote greater collaboration and efficiencies in outreach to Member States for capacity-building and engagement activities, the Director General worked closely with the Director of the IMO Technical Cooperation and Implementation Division (TCID) to explore potential avenues for re-engagement with a view to ensuring that IMSO can actively contribute to IMO capacity-building activities without imposing additional costs on the Organization. In this regard, IMSO is now being invited to participate in relevant technical cooperation activities and high level regional meetings.

Expanding IMSO's engagement in maritime and communications events

IMSO has actively re-engaged with key international maritime and communications events to promote its mission and enhance awareness of its work. To strengthen IMSO's educational collaboration with the International Maritime Law Institute (IMLI) and the World Maritime University (WMU), both established under the auspices of the IMO, the relationship with these institutions have been enhanced. In 2024, the Director General has participated as a guest lecturer at IMLI, with the objective of achieving the same collaboration with WMU.

Advancing LRIT integration through capacity-building

As part of the capacity-building project on the implementation of the Long-Range Identification and Tracking (LRIT), the "LRIT Implementation Project" supported by Kingdom of Saudi Arabia, Solomon Islands successfully integrated the LRIT system on 2 January 2024, in association with the Australia National LRIT DC. This integration follows Togo which joined the LRIT in November 2023 as part of the project.

Leveraging LRIT for search and rescue and capacity development

During the twenty-ninth session of the Assembly, the Director General initiated a capacity-building project aiming at leveraging IMSO's unique position to increase the use of the LRIT system for SAR and to develop capacity within Member States to utilize the LRIT system effectively. The project is currently pending until funds are secured.

FINANCIAL MANAGEMENT

Visibility and transparency

With a view to enhancing visibility, transparency and promoting good governance, it is paramount to have clear and accurate financial reporting to ensure that Member States have a transparent view of the Organization's financial health and performance. This transparency fosters trust and confidence in the Organization.

With this objective, the Director General in collaboration with the Advisory Committee developed Financial Regulations that would govern the financial administration of the Organization and centralise in one document the current adopted Revised Budget Arrangements and financial parts of the Business Plan. These Financial Regulations, reviewed and adopted by the Assembly at its twenty-ninth session, now provide a structured and transparent framework for financial management.

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

QUALITY AND DATA MANAGEMENT

International Organization for Standardization (ISO) Certification

To enhance information security and streamline internal procedures, the Directorate is actively pursuing ISO 27001 and ISO 9001 certification. This initiative underscores IMSO's commitment to robust quality management, data protection and operational excellence, ensuring alignment with international best practices.

Achieving certification will strengthen credibility, safeguard sensitive information and demonstrate the Directorate's dedication to high security standards. It will also reinforce trust and confidence among IMSO Parties and stakeholders, further solidifying the Organization's integrity and reliability.

OUTCOME OF THE TWENTY-NINTH SESSION OF THE ASSEMBLY

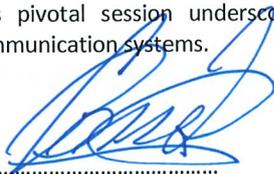
The twenty-ninth session of the IMSO Assembly, held from Monday, 9 December to Friday, 13 December 2024, took place at the International Maritime Organization (IMO) building in London. The event brought together IMSO Parties and key stakeholders to discuss critical maritime and satellite communication issues.

The Assembly focused on several important topics, including the performance of the recognized mobile satellite services provided by Inmarsat and Iridium, as well as an update on the integration of the BeiDou Message Service System (BDMSS) into the GMDSS. The market for satellite communication services and its potential impact on GMDSS providers were also explored, with a presentation from the Director of the ITU Radiocommunication Bureau.

A key area of discussion was the evolution of the LRIT system. The Assembly deliberated on improving its efficiency, enhancing compliance, expanding its use for search and rescue operations and considering its future development to support IMO Member States in meeting emerging challenges.

Additionally, the Assembly reviewed IMSO's progress in its capacity-building initiatives, including outreach and training programmes. To align with international standards, the Assembly discussed proposed amendments to IMSO's governing documents, aiming to strengthen the Organization's legal and financial frameworks and enhance transparency and accountability.

This pivotal session underscored IMSO's ongoing commitment to advancing global maritime safety through satellite communication systems.



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Laurent Parenté
Director General

15 April 2025

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

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

Year ended 31 December 2024

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 2024, 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 2024 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.

Dixon Wilson Audit Services LLP

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

15 April 2025

INTERNATIONAL MOBILE SATELLITE ORGANIZATION**I N C O M E S T A T E M E N T****Year ended 31 December 2024**

	Note	2024	2023
		£	£
Continuing Operations			
Revenue		1,511,234	1,933,215
Administrative expenses	10	(1,622,667)	(1,614,394)
Operating (loss)/surplus		<u>(111,433)</u>	<u>318,821</u>
Finance income	11	14,658	13,572
Finance costs	11	(859)	(976)
(Loss)/Surplus for the year		<u>(97,634)</u>	<u>331,417</u>

The notes on pages 13 to 27 are an integral part of these financial statements.

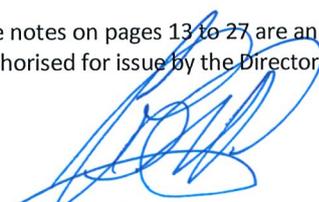
INTERNATIONAL MOBILE SATELLITE ORGANIZATION

B A L A N C E S H E E T

At 31 December 2024

	Note	2024 £	2023 £
Assets			
Non-current assets			
Property, plant and equipment	5	977,396	272,701
		<u>977,396</u>	<u>272,701</u>
Current assets			
Trade and other receivables	6	1,748,055	1,178,798
Cash and cash equivalents	7	1,158,378	1,918,992
		<u>2,906,433</u>	<u>3,097,790</u>
Total assets		<u>3,883,829</u>	<u>3,370,491</u>
Reserves and liabilities			
Reserves			
General reserve	15	110,020	176,227
Interest reserve	15	146,086	131,428
LRIT Contingency reserve	15	200,000	146,085
GMDSS Contingency reserve	15	15,000	115,000
		<u>471,106</u>	<u>568,740</u>
Liabilities			
Non-current liabilities			
Provisions	9	217,647	93,939
Office lease	13	628,372	241,770
		<u>846,019</u>	<u>335,709</u>
Current liabilities			
Trade and other payables	8	2,566,704	2,466,042
Total liabilities		<u>3,412,723</u>	<u>2,801,751</u>
Total reserves and liabilities		<u>3,883,829</u>	<u>3,370,491</u>

The notes on pages 13 to 27 are an integral part of these financial statements. The financial statements on pages 9 to 35 were authorised for issue by the Director General on 15 April 2025.



Laurent Parenté
Director General

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

S T A T E M E N T O F C H A N G E S I N R E S E R V E S

Year ended 31 December 2024

	Note	General reserve £	Interest reserve £	LRIT Contingency reserve £	GMDSS Contingency reserve £	Total £
Balance at 31 December 2023	15	176,227	131,428	146,085	115,000	568,740
Transfer between reserves	15	46,085	-	53,915	(100,000)	-
Loss for the year	15	(112,292)	14,658	-	-	(97,634)
Balance at 31 December 2024		<u>110,020</u>	<u>146,086</u>	<u>200,000</u>	<u>15,000</u>	<u>471,106</u>

		General reserve £	Interest reserve £	LRIT Contingency reserve £	GMDSS Contingency reserve £	Total £
Balance at 31 December 2022		6,171	117,856	98,296	15,000	237,323
Transfer between reserves		(147,789)	-	47,789	100,000	-
Surplus for the year		317,845	13,572	-	-	331,417
Balance at 31 December 2023		<u>176,227</u>	<u>131,428</u>	<u>146,085</u>	<u>115,000</u>	<u>568,740</u>

The notes on pages 13 to 27 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

S T A T E M E N T O F C A S H F L O W S

Year ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Cash (used in)/generated from operations	12	(505,619)	807,584
Interest paid		(859)	(976)
Net cash (used in)/generated from operating activities		<u>(506,478)</u>	<u>806,608</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(268,794)	-
Interest received		14,658	13,572
Net cash (used in)/received from investing activities		<u>(254,136)</u>	<u>13,572</u>
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		(760,614)	820,180
Cash and cash equivalents at beginning of the year		1,918,992	1,098,812
Cash, cash equivalents and bank overdrafts at end of the year		<u>1,158,378</u>	<u>1,918,992</u>

The notes on pages 13 to 27 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

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 the 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 £110,020 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 2024 are the fourteenth annual financial statements that comply with IFRS.

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

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

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.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

1.4 Property, plant and equipment

All property, plant and equipment are 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:

Land and buildings right of use asset	–	over the office lease term
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 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.

1.6 Cash and cash equivalents

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

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 and Iridium 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.

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.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

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.
-

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

1.11 Revenue recognition (continued)

(c) *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.

(d) *Interest income*

Annual contributions paid to the Organization, including any interest thereon, shall be used exclusively for the purpose of the payments for which they were collected. If such contributions are not used during the year when they were due, they shall be reserved in the financial statements of the Organization from year to year for this purpose.

(e) *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.

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.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

(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 £1,158,378 (2023 – £1,918,992) 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.

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, Capacity Building activities and BeiDou assessment. 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 2024

The segment information for the year ended 31 December 2024 is as follows:

Income statement	Note						2024
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	Total
		£	£	£	£	£	£
Continuing operations							
Revenue		1,048,311	428,640	-	34,283	-	1,511,234
Administrative expenses	10	(1,147,486)	(440,898)	-	(34,283)	-	(1,622,667)
Operating loss		<u>(99,175)</u>	<u>(12,258)</u>	-	-	-	<u>(111,433)</u>
Finance income	11	12,786	1,872	-	-	-	14,658
Finance costs	11	(825)	(34)	-	-	-	(859)
Loss for the year		<u>(87,214)</u>	<u>(10,420)</u>	-	-	-	<u>(97,634)</u>

The segment information for the year ended 31 December 2023 is as follows:

Income statement	Note						2023
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	Total
		£	£	£	£	£	£
Continuing operations							
Revenue		1,323,699	608,662	854	12,750	(12,750)	1,933,215
Administrative expenses	10	(1,222,750)	(390,790)	(854)	(12,750)	12,750	(1,614,394)
Operating surplus		<u>100,949</u>	<u>217,872</u>	-	-	-	<u>318,821</u>
Finance income	11	12,095	1,477	-	-	-	13,572
Finance costs	11	(949)	(27)	-	-	-	(976)
Surplus for the year		<u>112,095</u>	<u>219,322</u>	-	-	-	<u>331,417</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

The segment information for the year ended 31 December 2024 is as follows:

Balance sheet	Note						2024
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Assets							
Non-current assets							
Property, plant and Equipment	5	684,177	293,219	-	-	-	977,396
Current assets							
Trade and other Receivables	6	1,580,598	503,798	-	6,457	(342,798)	1,748,055
Cash and cash Equivalents	7	251,748	665,039	203,762	37,829		1,158,378
		<u>1,832,346</u>	<u>1,168,837</u>	<u>203,762</u>	<u>44,286</u>	<u>(342,798)</u>	<u>2,906,433</u>
Total assets		<u>2,516,523</u>	<u>1,462,056</u>	<u>203,762</u>	<u>44,286</u>	<u>(342,798)</u>	<u>3,883,829</u>
Reserves and liabilities							
Reserves							
General reserve	15	-	110,020	-	-	-	110,020
Interest reserve	15	141,927	4,159	-	-	-	146,086
Contingency reserve	15	15,000	200,000	-	-	-	215,000
		<u>156,927</u>	<u>314,179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>471,106</u>
Liabilities							
Non-current liabilities							
Provisions	9	162,118	55,529	-	-	-	217,647
Office lease	13	439,860	188,512	-	-	-	628,372
		<u>601,978</u>	<u>244,041</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>846,019</u>
Current liabilities							
Trade and other Payables	8	1,757,618	903,836	203,762	44,286	(342,798)	2,566,704
Total liabilities		<u>2,359,596</u>	<u>1,147,877</u>	<u>203,762</u>	<u>44,286</u>	<u>(342,798)</u>	<u>3,412,723</u>
Total reserves and liabilities		<u>2,516,523</u>	<u>1,462,056</u>	<u>203,762</u>	<u>44,286</u>	<u>(342,798)</u>	<u>3,883,829</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

The segment information for the year ended 31 December 2023 is as follows:

Balance sheet	Note						2023
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Assets							
Non-current assets							
Property, plant and Equipment	5	<u>170,902</u>	<u>101,799</u>	-	-	-	<u>272,701</u>
Current assets							
Trade and other Receivables	6	<u>931,303</u>	<u>463,157</u>	-	-	<u>(215,662)</u>	<u>1,178,798</u>
Cash and cash Equivalents	7	<u>1,039,779</u>	<u>594,364</u>	<u>204,030</u>	<u>80,819</u>	-	<u>1,918,992</u>
		<u>1,971,082</u>	<u>1,057,521</u>	<u>204,030</u>	<u>80,819</u>	<u>(215,662)</u>	<u>3,097,790</u>
Total assets		<u>2,141,984</u>	<u>1,159,320</u>	<u>204,030</u>	<u>80,819</u>	<u>(215,662)</u>	<u>3,370,491</u>
Reserves and liabilities							
Reserves							
General reserve	15	-	<u>176,227</u>	-	-	-	<u>176,227</u>
Interest reserve	15	<u>129,141</u>	<u>2,287</u>	-	-	-	<u>131,428</u>
Contingency reserve	15	<u>115,000</u>	<u>146,085</u>	-	-	-	<u>261,085</u>
		<u>244,141</u>	<u>324,599</u>	-	-	-	<u>568,740</u>
Liabilities							
Non-current liabilities							
Provisions	9	<u>75,152</u>	<u>18,787</u>	-	-	-	<u>93,939</u>
Office lease	13	<u>149,029</u>	<u>92,741</u>	-	-	-	<u>241,770</u>
		<u>224,181</u>	<u>111,528</u>	-	-	-	<u>335,709</u>
Current liabilities							
Trade and other Payables	8	<u>1,673,662</u>	<u>723,193</u>	<u>204,030</u>	<u>80,819</u>	<u>(215,662)</u>	<u>2,466,042</u>
Total liabilities		<u>1,897,843</u>	<u>834,721</u>	<u>204,030</u>	<u>80,819</u>	<u>(215,662)</u>	<u>2,801,751</u>
Total reserves and liabilities		<u>2,141,984</u>	<u>1,159,320</u>	<u>204,030</u>	<u>80,819</u>	<u>(215,662)</u>	<u>3,370,491</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

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

					2024
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Inter fund debtors	342,798	-	-	-	342,798
Inter fund creditors	-	340,798	-	2,000	342,798

					2023
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Inter fund debtors	215,662	-	-	-	215,662
Inter fund creditors	-	211,144	268	4,250	215,662

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 Right of Use	Furniture and Fittings	Computer Equipment	Total
	£	£	£	£
Cost				
At 1 January 2024	442,822	50,099	8,654	501,575
Purchase in the year	495,528	260,880	7,915	764,323
At 31 December 2024	938,350	310,979	16,569	1,265,898
Depreciation				
At 1 January 2023	170,121	50,099	8,654	228,874
Charge for the year	47,658	10,870	1,100	59,628
At 31 December 2024	217,779	60,969	9,754	288,502
Carrying amount				
At 31 December 2024	720,571	250,010	6,815	977,396
At 31 December 2023	272,701	-	-	272,701

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

6. Trade and other receivables

					2024
	GMDSS	LRIT	Capacity Building	Inter- fund	Total
	£	£	£	£	£
Trade receivables	1,222,608	495,503	-	-	1,718,111
Prepayments	6,777	2,685	-	-	9,462
Taxation	8,415	5,610	6,457	-	20,482
Inter-fund balance	342,798	-	-	(342,798)	-
	<u>1,580,598</u>	<u>503,798</u>	<u>6,457</u>	<u>(342,798)</u>	<u>1,748,055</u>

					2023
	GMDSS	LRIT	Capacity Building	Inter- fund	Total
	£	£	£	£	£
Trade receivables	693,213	457,412	-	-	1,150,625
Prepayments	16,639	1,886	-	-	18,525
Taxation	5,789	3,859	-	-	9,648
Inter-fund balance	215,662	-	-	(215,662)	-
	<u>931,303</u>	<u>463,157</u>	<u>-</u>	<u>(215,662)</u>	<u>1,178,798</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.

					2024
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Cash and cash equivalents	251,748	665,039	203,762	37,829	1,158,378
	<u>251,748</u>	<u>665,039</u>	<u>203,762</u>	<u>37,829</u>	<u>1,158,378</u>

					2023
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Cash and cash equivalents	1,039,779	594,364	204,030	80,819	1,918,992
	<u>1,039,779</u>	<u>594,364</u>	<u>204,030</u>	<u>80,819</u>	<u>1,918,992</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

8. Trade and other payables

						2024
	GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
	£	£	£	£	£	£
Trade payable	1,895	815	-	-	-	2,710
Accrued expenses	37,802	11,693	-	-	-	49,495
Office lease	64,539	27,660	-	-	-	92,199
Social security and other taxation	854	570	-	-	-	1,424
Deferred income	1,222,608	522,300	203,762	42,286	-	1,990,956
Legal fund	100,000	-	-	-	-	100,000
GMDSS surplus	329,920	-	-	-	-	329,920
Inter-fund balance	-	340,798	-	2,000	(342,798)	-
	<u>1,757,618</u>	<u>903,836</u>	<u>203,762</u>	<u>44,286</u>	<u>(342,798)</u>	<u>2,566,704</u>

						2023
	GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
	£	£	£	£	£	£
Trade payable	7,402	1,154	-	-	-	8,556
Accrued expenses	40,106	10,496	-	-	-	50,602
Office lease	21,873	9,058	-	-	-	30,931
Social security and other taxation	1,112	741	-	-	-	1,853
Deferred income	1,234,588	490,600	203,762	76,569	-	2,005,519
Legal fund	100,000	-	-	-	-	100,000
GMDSS surplus	268,581	-	-	-	-	268,581
Inter-fund balance	-	211,144	268	4,250	(215,662)	-
	<u>1,673,662</u>	<u>723,193</u>	<u>204,030</u>	<u>80,819</u>	<u>(215,662)</u>	<u>2,466,042</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

	2024			2023		
	GMDSS	LRIT	Total	GMDSS	LRIT	Total
Repatriation grant (see below)	78,118	19,529	97,647	75,152	18,787	93,939
Office lease "make good"	84,000	36,000	120,000	-	-	-
	<u>162,118</u>	<u>55,529</u>	<u>217,647</u>	<u>75,152</u>	<u>18,787</u>	<u>93,939</u>

The Organization is committed to providing repatriation grants to employees who are not UK nationals upon the termination of their employment. The provision for repatriation grant increased by £3,708 during the year. Additionally, a provision for office lease "make good" costs has been recognised in accordance with the terms of the lease agreement.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

10. Expenses by nature

						2024
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
Employees' benefits expenses	650,832	264,041	-	-	-	914,873
Pension costs - (defined contribution)	115,186	47,928	-	-	-	163,114
Depreciation	47,734	20,458	-	-	-	68,192
Other expenses	333,734	108,471	-	34,283	-	476,488
Administrative expenses	1,147,486	440,898	-	34,283	-	1,622,667

						2023
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
Employees' benefits expenses	858,729	283,241	-	-	-	1,141,970
Pension costs - (defined contribution)	147,801	51,701	-	-	-	199,502
Depreciation	19,383	11,548	-	-	-	30,931
Other expenses	196,837	44,300	854	12,750	(12,750)	241,991
Administrative expenses	1,222,750	390,790	854	12,750	(12,750)	1,614,394

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

11. Finance income and costs

	2024		
	GMDSS	LRIT	Total
	£	£	£
Interest expense – bank charges	(825)	(34)	(859)
Net finance costs	(825)	(34)	(859)
Finance income	12,786	1,872	14,658
Net finance income	11,961	1,838	13,799

	2023		
	GMDSS	LRIT	Total
	£	£	£
Interest expense – bank charges	(949)	(27)	(976)
Net finance costs	(949)	(27)	(976)
Finance income	12,095	1,477	13,572
Net finance income	11,146	1,450	12,596

12. Cash generated from operations

	2024	2023
	£	£
(Loss)/Surplus for the year	(97,634)	331,417
Adjustments for:		
Depreciation	11,969	-
Net finance income	(13,799)	(12,596)
Trade and other receivables	(569,257)	(1,069,854)
Trade and other payables	39,394	1,565,024
Provisions	123,708	(6,407)
Cash (used in)/generated from operations	(505,619)	807,584

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:

	2024	2023
	£	£
- not later than one year	92,199	30,931
- later than one year and not later than five years	368,796	123,724
- later than five years	259,576	118,046
	720,571	272,701

Total cash paid in the period in respect of recognised lease liabilities was £47,659 (2023 - £30,931).

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

14. Financial instruments

All financial instruments are held and denominated in UK pounds.

Assets as per balance sheet	2024	Cash and receivables
	£	2023
		£
Trade and other receivables excluding prepayments	1,718,111	1,150,625
Cash and cash equivalents	1,158,378	1,918,992
	<u>2,876,489</u>	<u>3,069,617</u>
		Financial liabilities at
		amortised cost
Liabilities as per balance sheet	2024	2023
	£	£
Trade and other payables excluding statutory liabilities	789,798	331,859
Provisions	217,647	93,939
	<u>1,007,445</u>	<u>425,798</u>

15. Reserves

	General	Interest	LRIT	GMDSS	Total
	reserve	reserve	Contingency	Contingency	
	£	£	reserve	reserve	£
			£	£	
Balance as at 1 January 2024	176,227	131,428	146,085	115,000	568,740
Transfer from reserves	46,085	-	53,915	(100,000)	-
Loss for the year	(112,292)	14,658	-	-	(97,634)
Balance as at 31 December 2024	<u>110,020</u>	<u>146,086</u>	<u>200,000</u>	<u>15,000</u>	<u>471,106</u>

The General reserve represents surplus funds in relation to the Organization's LRIT functions. The LRIT Contingency reserve and GMDSS Contingency reserve are being built up annually but retained separately to cover the cost of future liabilities and safeguard the Organization's cash flow.

In 2024, following the adjustment of the LRIT share concerning the Assembly costs and the IMSO Headquarters relocation, £53,915 was transferred to the LRIT Contingency Reserve, bringing its total to £200,000, as approved by the Assembly at its twenty-ninth session. Additionally, £100,000 was transferred from the GMDSS Contingency Reserve to contribute to the IMSO Headquarters relocation costs.

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 Iridium and GMDSS and LRIT Contingency Fund.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

16. Related Parties

Key management compensation

In 2024 the key management team consisted of the Director General, Head of Administrative Services and the Head of Operational Services.

In 2024, the aggregate remuneration paid to key management personnel includes net salaries, post adjustment, entitlements, employer's pension contribution and current health and life insurances.

The costs to the Organization for amounts payable to the key management for employees' services are shown accordingly below with the changes applied in 2024:

	2024	2023
	£	£
Salaries and other staff short-term employee benefits	582,933	781,461
Post-employment benefits	103,037	81,235
	<u>685,970</u>	<u>862,696</u>

No amount (2023 – no amount) owed to the key management at the year end is included within the total for trade and other payables in note 8.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

D E T A I L E D S T A T E M E N T O F I N C O M E A N D E X P E N D I T U R E

Year ended 31 December 2024

	Note	GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	2024 Total
		£	£	£	£	£	£
General fund							
Income							
Contributions							
GMDSS – ordinary		1,256,695	-	-	-	-	1,256,695
Other parties – ordinary		-	428,640	-	34,283	-	462,923
Add: Providers – underpaid / (overpaid) contributions		(208,384)	-	-	-	-	(208,384)
Other income							
Interest received		10,446	-	-	-	-	10,446
Interest received on Legal fund		2,193	-	-	-	-	2,193
Interest received on Contingency fund		147	1,872	-	-	-	2,019
		<u>1,061,097</u>	<u>430,512</u>	<u>-</u>	<u>34,283</u>	<u>-</u>	<u>1,525,892</u>
Expenditure							
Directorate staff costs		766,018	311,969	-	-	-	1,077,987
Office maintenance costs (including bank charges)		212,153	91,203	-	34,283	-	337,639
Rent		33,361	14,298	-	-	-	47,659
Travel costs		94,553	5,364	-	-	-	99,917
Meeting costs		42,226	18,098	-	-	-	60,324
Consultancy		-	-	-	-	-	-
		<u>1,148,311</u>	<u>440,932</u>	<u>-</u>	<u>34,283</u>	<u>-</u>	<u>1,623,526</u>
Operating loss		<u>(87,214)</u>	<u>(10,420)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(97,634)</u>
General reserve							
Balance brought forward		-	176,227	-	-	-	176,227
Transfer to Interest reserve		(12,786)	(1,872)	-	-	-	(14,658)
Transfer from Contingency reserve		100,000	-	-	-	-	100,000
Transfer to LRIT Contingency reserve		-	(53,915)	-	-	-	(53,915)
Balance carried forward (page 10)		<u>-</u>	<u>110,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,020</u>
Interest reserve							
Balance brought forward		129,141	2,287	-	-	-	131,428
Transfer from General reserve	15	12,786	1,872	-	-	-	14,658
Balance carried forward (page 10)		<u>141,927</u>	<u>4,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,086</u>
Contingency reserve							
Balance brought forward	15	115,000	146,085	-	-	-	261,085
Transfer to General reserve	15	(100,000)	(68,487)	-	-	-	(168,487)
Transfer from General reserve	15	-	122,402	-	-	-	122,402
Balance carried forward (page 10)		<u>15,000</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>215,000</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 2024

	Note	GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	2023 Total
		£	£	£	£	£	£
General fund							
Income							
Contributions							
GMDSS – ordinary		1,463,612	-	-	-	-	1,463,612
Other parties – ordinary		-	608,662	112,200	-	-	720,862
Add: Providers – underpaid / (overpaid) contributions		(139,913)	-	(111,346)	12,750	(12,750)	(251,259)
Other income							
Interest received		10,168	-	-	-	-	10,168
Interest received on Legal fund		1,806	-	-	-	-	1,806
Interest received on Contingency fund		121	1,477	-	-	-	1,598
		<u>1,335,794</u>	<u>610,139</u>	<u>854</u>	<u>12,750</u>	<u>(12,750)</u>	<u>1,946,787</u>
Expenditure							
Directorate staff costs		1,006,530	334,941	-	-	-	1,341,471
Office maintenance costs (including bank charges)		76,242	27,637	-	12,750	(12,750)	103,879
Rent		34,062	15,634	-	-	-	49,696
Travel costs		104,531	11,605	-	-	-	116,136
Meeting costs		2,334	1,000	-	-	-	3,334
Consultancy		-	-	854	-	-	854
		<u>1,223,699</u>	<u>390,817</u>	<u>854</u>	<u>12,750</u>	<u>(12,750)</u>	<u>1,615,370</u>
Operating loss		<u>112,095</u>	<u>219,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>331,417</u>
General reserve							
Balance brought forward		-	6,171	-	-	-	6,171
Transfer to Interest reserve		(12,095)	(1,477)	-	-	-	(13,572)
Transfer to Contingency reserve		(100,000)	(88,488)	-	-	-	(188,488)
Transfer from LRIT							
Contingency reserve		-	40,699	-	-	-	40,699
Balance carried forward (page 10)		<u>-</u>	<u>176,227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>176,227</u>
Interest reserve							
Balance brought forward		117,046	810	-	-	-	117,856
Transfer from General reserve	15	12,095	1,477	-	-	-	13,572
Balance carried forward (page 10)		<u>129,141</u>	<u>2,287</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,428</u>
Contingency reserve							
Balance brought forward	15	15,000	98,296	-	-	-	113,296
Transfer to General reserve	15	-	(40,699)	-	-	-	(40,699)
Transfer from General reserve	15	100,000	88,488	-	-	-	188,488
Balance carried forward (page 10)		<u>115,000</u>	<u>146,085</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>261,085</u>

This page does not form part of the audited financial statements

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

DETAILED BALANCE SHEET

At 31 December 2024

Balance sheet	Note						2024
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Tangible fixed Assets	5	684,177	293,219	-	-	-	977,396
Current assets							
Trade debtors	6	1,222,608	495,503	-	-	-	1,718,111
Taxation	6	8,415	5,610	-	6,457	-	20,482
Prepayments	6	6,777	2,685	-	-	-	9,462
Cash at bank	7	251,748	665,039	203,762	37,829	-	1,158,378
Inter-fund balance	4	342,798	-	-	-	(342,798)	-
		<u>1,832,346</u>	<u>1,168,837</u>	<u>203,762</u>	<u>44,286</u>	<u>(342,798)</u>	<u>2,906,433</u>
Creditors: amounts falling due within one year							
Accounts payable	8	331,815	815	-	-	-	332,630
Other creditors	8	100,854	570	-	-	-	101,424
Accruals	8	37,802	11,693	-	-	-	49,495
Office lease	8	64,539	27,660	-	-	-	92,199
Deferred income	8	1,222,608	522,300	203,762	42,286	-	1,990,956
Inter fund balance	4	-	340,798	-	2,000	(342,798)	-
		<u>1,757,618</u>	<u>903,836</u>	<u>203,762</u>	<u>44,286</u>	<u>(342,798)</u>	<u>2,566,704</u>
Net current assets		<u>74,728</u>	<u>265,001</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>339,729</u>
Creditors: amounts falling due in more than one year							
Provisions	9	162,118	55,529	-	-	-	217,647
Office lease	13	439,860	188,512	-	-	-	628,372
		<u>601,978</u>	<u>244,041</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>846,019</u>
Net assets		<u>156,927</u>	<u>314,179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>471,106</u>
Representing:							
Accumulated funds							
General reserve	15	-	110,020	-	-	-	110,020
Interest reserve	15	141,927	4,159	-	-	-	146,086
Contingency reserve	15	15,000	200,000	-	-	-	215,000
		<u>156,927</u>	<u>314,179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>471,106</u>

This page does not form part of the audited financial statements

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

DETAILED BALANCE SHEET

At 31 December 2024

Balance sheet	Note						2023
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Tangible fixed Assets	5	170,902	101,799	-	-	-	272,701
Current assets							
Trade debtors	6	693,213	457,412	-	-	-	1,150,625
Taxation	6	5,789	3,859	-	-	-	9,648
Prepayments	6	16,639	1,886	-	-	-	18,525
Cash at bank	7	1,039,779	594,364	204,030	80,819	-	1,918,992
Inter-fund balance	4	215,662	-	-	-	(215,662)	-
		<u>1,971,082</u>	<u>1,057,521</u>	<u>204,030</u>	<u>80,819</u>	<u>(215,662)</u>	<u>3,097,790</u>
Creditors: amounts falling due within one year							
Accounts payable	8	275,983	1,154	-	-	-	277,137
Other creditors	8	101,112	741	-	-	-	101,853
Accruals	8	40,106	10,496	-	-	-	50,602
Office lease	8	21,873	9,058	-	-	-	30,931
Deferred income	8	1,234,588	490,600	203,762	76,569	-	2,005,519
Inter fund balance	4	-	211,144	268	4,250	(215,662)	-
		<u>1,673,662</u>	<u>723,193</u>	<u>204,030</u>	<u>80,819</u>	<u>(215,662)</u>	<u>2,466,042</u>
Net current assets		<u>297,420</u>	<u>334,328</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>631,748</u>
Creditors: amounts falling due in more than one year							
Provisions	9	75,152	18,787	-	-	-	93,939
Office lease	13	149,029	92,741	-	-	-	241,770
		<u>224,181</u>	<u>111,528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>335,709</u>
Net assets		<u>244,141</u>	<u>324,599</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>568,740</u>
Representing:							
Accumulated funds							
General reserve	15	-	176,227	-	-	-	176,227
Interest reserve	15	129,141	2,287	-	-	-	131,428
Contingency reserve	15	115,000	146,085	-	-	-	261,085
		<u>244,141</u>	<u>324,599</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>568,740</u>

This page does not form part of the audited financial statements

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NON - STATUTORY DETAILED STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2024

						2024
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
General fund						
Income – Contributions						
GMDSS – ordinary	1,256,695	-	-	-	-	1,256,695
Other parties – ordinary	-	428,640	-	-	-	428,640
Other income						
Interest received	10,446	-	-	-	-	10,446
Interest received on Contingency Fund	147	1,872	-	-	-	2,019
Interest received on Legal fund	2,193	-	-	-	-	2,193
	<u>1,269,481</u>	<u>430,512</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,699,993</u>
Expenditure						
Directorate staff costs	763,052	311,228	-	-	-	1,074,280
Office maintenance costs	212,153	91,203	-	34,283	-	337,639
Rent	33,361	14,298	-	-	-	47,659
Travel costs	94,553	5,364	-	-	-	99,917
Consultancy Fees	-	-	-	-	-	-
Meeting costs	42,226	18,098	-	-	-	60,324
	<u>1,145,345</u>	<u>440,191</u>	<u>-</u>	<u>34,283</u>	<u>-</u>	<u>1,619,819</u>
Operating surplus/(deficit)	<u>124,136</u>	<u>(9,679)</u>	<u>-</u>	<u>(34,283)</u>	<u>-</u>	<u>80,174</u>
Transfer to Interest reserve	(12,786)	(1,872)	-	-	-	(14,658)
Transfer to LRIT Contingency reserve	-	(122,402)	-	-	-	(122,402)
Transfer from Contingency reserve	100,000	68,487	-	-	-	168,487
Fund surplus/(deficit)/ current year	211,350	(65,466)	-	(34,283)	-	111,601
Balance brought forward	494,307	195,015	203,762	76,569	-	969,653
Fund surplus total	<u>705,657</u>	<u>129,549</u>	<u>203,762</u>	<u>42,286</u>	<u>-</u>	<u>1,081,254</u>
Exceptional items:						
Post-retirement benefits & Repatriation/Relocation grants	(2,966)	(741)	-	-	-	(3,707)
Prior year adjustment effect	(75,152)	(18,788)	-	-	-	(93,939)
Fund surplus/(deficit) including exceptional items	<u>627,539</u>	<u>110,020</u>	<u>203,762</u>	<u>8,003</u>	<u>-</u>	<u>949,324</u>

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 2024

						2024
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
Interest reserve						
Balance brought forward	129,141	2,287	-	-	-	131,428
Transfer from General reserve	12,786	1,872	-	-	-	14,658
Balance carried forward	<u>141,927</u>	<u>4,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,086</u>
LRIT Contingency reserve						
Balance brought forward	-	146,085	-	-	-	146,085
Transfer to General reserve	-	(68,487)	-	-	-	(68,487)
Transfer from General reserve	-	122,402	-	-	-	122,402
Balance carried forward	<u>-</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,000</u>
GMDSS Contingency reserve						
Balance brought forward	115,000	-	-	-	-	115,000
Transfer to General reserve	(100,000)	-	-	-	-	(100,000)
Transfer from General reserve	-	-	-	-	-	-
Balance carried forward	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>

This page does not form part of the audited financial statements

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NON - STATUTORY DETAILED STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2024

						2023
	GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	Total
	£	£	£	£	£	£
General fund						
Income – Contributions						
GMDSS – ordinary	1,463,612	-	-	-	-	1,463,612
Other parties – ordinary	-	608,661	112,200	-	-	720,861
Other income						
Interest received	10,168	-	-	-	-	10,168
Interest received on Contingency Fund	121	1,477	-	-	-	1,598
Interest received on Legal fund	1,806	-	-	-	-	1,806
	<u>1,475,707</u>	<u>610,138</u>	<u>112,200</u>	<u>-</u>	<u>-</u>	<u>2,198,045</u>
Expenditure						
Directorate staff costs	1,011,655	336,223	-	-	-	1,347,878
Office maintenance costs	76,242	27,636	854	12,750	-	117,482
Rent	34,062	15,634	-	-	-	49,696
Travel costs	104,531	11,605	-	-	-	116,136
Consultancy Fees	-	-	-	-	-	-
Meeting costs	2,334	1,000	-	-	-	3,334
	<u>1,228,824</u>	<u>392,098</u>	<u>854</u>	<u>12,750</u>	<u>-</u>	<u>1,634,526</u>
Operating surplus/(deficit)	<u>246,883</u>	<u>218,040</u>	<u>111,346</u>	<u>(12,750)</u>	<u>-</u>	<u>563,519</u>
Transfer to Interest reserve						
Transfer to Contingency reserve	(12,095)	(1,477)	-	-	-	(13,572)
Transfer from LRIT Contingency reserve	(100,000)	(88,488)	-	-	-	(188,488)
Fund surplus/(deficit)/current year	-	40,699	-	-	-	40,699
Balance brought forward	134,788	168,774	111,346	(12,750)	-	402,158
	359,519	26,240	92,416	89,319	-	567,494
Fund surplus total	<u>494,307</u>	<u>195,014</u>	<u>203,762</u>	<u>76,569</u>	<u>-</u>	<u>969,652</u>
Exceptional items:						
Post-retirement benefits & Repatriation/Relocation grants						
Prior year adjustment effect	5,125	1,281	-	-	-	6,451
	(80,277)	(20,069)	-	-	-	(100,346)
Fund surplus/(deficit) including exceptional items	<u>419,155</u>	<u>176,226</u>	<u>203,762</u>	<u>76,569</u>	<u>-</u>	<u>875,712</u>

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

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

Year ended 31 December 2024

						2023
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
Interest reserve						
Balance brought forward	117,046	810	-	-	-	117,856
Transfer from General reserve	12,095	1,477	-	-	-	13,572
Balance carried forward	<u>129,141</u>	<u>2,287</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,428</u>
LRIT Contingency reserve						
Balance brought forward	-	98,296	-	-	-	98,296
Transfer to General reserve	-	(40,699)	-	-	-	(40,699)
Transfer from General reserve	-	88,488	-	-	-	88,488
Balance carried forward	<u>-</u>	<u>146,085</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>146,085</u>
GMDSS Contingency reserve						
Balance brought forward	15,000	-	-	-	-	15,000
Transfer to General reserve	-	-	-	-	-	-
Transfer from General reserve	100,000	-	-	-	-	100,000
Balance carried forward	<u>115,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,000</u>

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