

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

GENERAL INFORMATION AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

I N D E X

Year ended 31 December 2025

	Page
General information	2
Introduction	2
Highlights of activities in 2025	3
Auditor's report	6
Income statement	8
Balance sheet	9
Statement of changes in reserves	10
Statement of cash flows	11
Notes to the financial statements	12

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

GENERAL INFORMATION

Year ended 31 December 2025

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 2025 stands at 112 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 124 Contracting Governments, ten non-metropolitan territories and two special administrative regions. 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 2025

During 2025, the International Mobile Satellite Organization (IMSO) continued to strengthen its role in supporting maritime safety through the effective oversight of satellite communication services recognized under the Global Maritime Distress and Safety System (GMDSS) and the implementation of the Long Range Identification and Tracking (LRIT) system.

Throughout the year, the Directorate pursued a number of initiatives aimed at reinforcing the Organization's governance framework, modernizing oversight practices, strengthening cooperation with international partners and enhancing engagement with Member States and stakeholders. Particular attention was given to improving transparency, strengthening internal management systems, and ensuring that IMSO's oversight activities remain effective in a rapidly evolving satellite communications environment.

Significant progress was achieved in several areas. These included the successful certification of IMSO's Quality Management System and Information Security Management System under ISO 9001:2015 and ISO/IEC 27001:2022, the modernization of oversight procedures and the expansion of capacity building activities related to the use of LRIT for maritime safety.

The following sections summarize the principal activities and developments undertaken during 2025.

DIRECTORATE

Governance and institutional strengthening

Sound governance remains essential to maintaining the confidence of Member States and ensuring the credibility and effectiveness of the Organization. During 2025, the Directorate continued its efforts to strengthen internal governance arrangements, enhance transparency and align IMSO's administrative and operational practices with recognized international standards.

The Director General is supported in the management of the Organization by a Senior Management Team composed of the Director General, the Head of Administrative Services and the Head of Operational Services. This structure enables the Directorate to maintain clear management responsibilities while ensuring efficient day to day operations. Department Heads are entrusted with operational responsibilities within their respective areas, contributing to improved efficiency and accountability across the Organization.

In line with international best practices in financial transparency, related party disclosures are included in the notes to the Financial Statements in accordance with International Financial Reporting Standards.

Engagement with Member States and stakeholders

Communication with Member States

The Directorate continued to strengthen communication with Member States with the objective of ensuring that Administrations remain fully informed of IMSO's work and activities. Circular letters and document notifications are regularly distributed to facilitate timely access to information related to IMSO meetings, submissions and ongoing initiatives.

In parallel, the Directorate continued to expand its digital communication channels. During 2025, the number of followers on IMSO's LinkedIn platform doubled, reflecting increased interest in the Organization's activities and contributing to greater visibility of IMSO's work within the maritime and satellite communications communities.

Consultation with GMDSS satellite service providers

Regular consultations with the providers of satellite services recognized under the GMDSS remain an important component of IMSO's oversight mandate. These consultations allow the Directorate to maintain an effective dialogue with the providers while ensuring that oversight responsibilities under the Public Services Agreements continue to be fulfilled.

Participation in international meetings

During 2025, the Director General and members of the IMSO staff participated in a number of international meetings, workshops and conferences related to maritime communications, safety and satellite services. Participation in these forums provides an opportunity to contribute to policy discussions and to raise awareness of IMSO's role and activities within the wider maritime community.

OVERSIGHT OF GMDSS SATELLITE SERVICES

Oversight activities

Oversight of mobile satellite communication services recognized under the GMDSS remains one of IMSO's core responsibilities. The Directorate continued to monitor the performance of recognized providers and maintained regular engagement with them in order to ensure the effective delivery of safety services.

Development of the GMDSS Oversight Procedure

As part of the implementation of IMSO's Quality Management System under ISO 9001:2015, the Directorate established a formal GMDSS Oversight Procedure. This procedure provides a structured framework for monitoring, recording and analysing incidents affecting GMDSS services and ensures that appropriate corrective actions are implemented when necessary.

The procedure also provides a mechanism to verify the effectiveness of providers' disaster recovery arrangements, including their ability to restore services within the timeframes required under the Public Services Agreements.

Spectrum protection and engagement with the International Telecommunication Union (ITU)

Protection of radio spectrum used by maritime satellite services remains essential to the continued effectiveness of the GMDSS. The Directorate therefore continued to participate actively in the work of the Radiocommunication Sector of ITU.

IMSO representatives contributed to discussions within the relevant ITU-R Working Parties addressing matters related to the mobile satellite service and the increasing demand for spectrum from other communication systems. These discussions are particularly relevant in preparation for studies related to the agenda items of the next World Radiocommunication Conference.

Through this participation, IMSO contributes to ensuring that spectrum used for maritime safety communications remains adequately protected.

LRIT SYSTEM

LRIT implementation

The number of LRIT Data Centres remained stable during 2025. The Directorate continued to monitor the operation of the system and to support Administrations in their implementation and operational use of LRIT.

LRIT audit process

As part of the development of IMSO's Quality Management System, the Directorate reviewed and strengthened the LRIT audit process. Updated procedures were established for planning, conducting and documenting the annual audits of LRIT Data Centres and the International LRIT Data Exchange. These procedures ensure continued alignment with the provisions of the International Maritime Organization (IMO) Circular MSC.1/Circ.1412/Rev.2 and reinforce the consistency and effectiveness of IMSO's LRIT oversight activities.

LRIT ship reporting performance analysis

The Directorate initiated the production of anonymized analytical reports based on LRIT audit data covering a three-year reporting period. These reports identify reporting gaps and patterns affecting ship reporting performance. Administrations may request more detailed reports identifying specific vessels through their designated LRIT points of contact.

CAPACITY BUILDING AND INTERNATIONAL COOPERATION

Cooperation with the International Maritime Organization (IMO)

The Directorate continued to expand its engagement in capacity building activities aimed at strengthening the ability of Member States to implement and utilize maritime safety communication systems.

Close cooperation was maintained with the IMO Technical Cooperation and Implementation Division with a view to enhancing coordination and identifying opportunities for IMSO to contribute to regional technical cooperation activities.

IMSO also contributed to the IMO Sub regional Workshop on Search and Rescue Mission Coordination held in Kingston, Jamaica in August 2025, where the Directorate delivered a technical presentation on recognized mobile satellite services and the use of LRIT for search and rescue operations.

Academic and training cooperation

In parallel, the Directorate continued to strengthen educational cooperation with institutions established under the auspices of IMO, including the International Maritime Law Institute and the World Maritime University.

LRIT implementation capacity-building project

The LRIT Implementation Project funded by the Kingdom of Saudi Arabia successfully supported the integration of several States into the LRIT system. Following the integration of Togo in November 2023, Solomon Islands joined the system in January 2024 through cooperation with the Australian National LRIT Data Centre.

The project has therefore continued to contribute to strengthening maritime domain awareness and improving global maritime safety and security.

FINANCIAL MANAGEMENT

Visibility and transparency

A strengthened financial governance framework is essential to support sound financial management and accountability within the Organization. Clear financial rules and procedures contribute to consistency in the administration of resources and provide Member States with greater clarity regarding the Organization's financial position and performance.

In this context, Financial Regulations were established to govern the financial administration of the Organization and to consolidate, within a single regulatory framework, the Revised Budget Arrangements and the financial provisions previously contained in the Business Plan. The Financial Regulations were reviewed and approved by the Assembly in December 2024 and entered into force in 2025. They provide a comprehensive framework for the financial management and reporting of the Organization.

QUALITY AND DATA MANAGEMENT

International Organization for Standardization (ISO) 9001 and ISO 27001 Certifications

In 2025, the Organization successfully obtained certification to ISO 9001:2015 for its Quality Management System and ISO/IEC 27001:2022 for its Information Security Management System, following a structured programme of gap analysis, documentation development, internal audits and external Stage 1 and Stage 2 certification audits.

The Directorate proactively pursued certification to reinforce governance, strengthen risk-based management and ensure the consistent, documented and continually improving oversight of recognized mobile satellite services within the GMDSS and LRIT frameworks.

The external Stage 2 audits concluded with zero nonconformities and no observations. The certifications, valid until November 2028 and subject to annual surveillance audits, provide additional assurance to Parties and stakeholders that IMSO's oversight functions, data handling and internal controls are conducted in accordance with internationally recognized standards.



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Laurent Parenté
Director General

16 April 2026

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

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

Year ended 31 December 2025

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 2025, 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 2025 and of its surplus 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

17April 2026

INTERNATIONAL MOBILE SATELLITE ORGANIZATION**I N C O M E S T A T E M E N T****Year ended 31 December 2025**

	Note	2025	2024
		£	£
Continuing Operations			
Revenue		1,445,027	1,511,234
Administrative expenses	10	(1,288,485)	(1,622,667)
Operating surplus/(loss)		<u>156,542</u>	<u>(111,433)</u>
Finance income	11	-	14,658
Finance costs	11	-	(859)
Surplus/(Loss) for the year		<u>156,542</u>	<u>(97,634)</u>

The notes on pages 12 to 26 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

BALANCE SHEET

At 31 December 2025

	Note	2025 £	2024 £
Assets			
Non-current assets			
Property, plant and equipment	5	856,470	977,396
		<u>856,470</u>	<u>977,396</u>
Current assets			
Trade and other receivables	6	1,545,968	1,748,055
Cash and cash equivalents	7	1,032,042	1,158,378
		<u>2,578,010</u>	<u>2,906,433</u>
Total assets		<u>3,434,480</u>	<u>3,883,829</u>
Reserves and liabilities			
Reserves			
General reserve	15	237,551	110,020
Interest reserve	15	-	146,086
LRIT Contingency reserve	15	214,011	200,000
GMDSS Contingency reserve	15	30,000	15,000
		<u>481,562</u>	<u>471,106</u>
Liabilities			
Non-current liabilities			
Provisions	9	100,999	217,647
Office lease	13	536,173	628,372
		<u>637,172</u>	<u>846,019</u>
Current liabilities			
Trade and other payables	8	2,315,746	2,566,704
Total liabilities		<u>2,952,918</u>	<u>3,412,723</u>
Total reserves and liabilities		<u>3,434,480</u>	<u>3,883,829</u>

The notes on pages 12 to 26 are an integral part of these financial statements. The financial statements on pages 8 to 34 were authorised for issue by the Director General on 16 April 2026.


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 2025

	Note	General reserve £	Interest reserve £	LRIT Contingency reserve £	GMDSS Contingency reserve £	Total £
Balance at 31 December 2024	15	110,020	146,086	200,000	15,000	471,106
Transfer between reserves	15	-	(146,086)	-	-	(146,086)
Surplus for the year	15	127,531	-	14,011	15,000	156,542
Balance at 31 December 2025		<u>237,551</u>	<u>-</u>	<u>214,011</u>	<u>30,000</u>	<u>481,562</u>

	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>

The notes on pages 12 to 26 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 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Cash (used in)/generated from operations	12	(126,336)	(505,619)
Interest paid		-	(859)
Net cash (used in)/generated from operating activities		<u>(126,336)</u>	<u>(506,478)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(268,794)
Interest received		-	14,658
Net cash (used in)/received from investing activities		<u>-</u>	<u>(254,136)</u>
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		(126,336)	(760,614)
Cash and cash equivalents at beginning of the year		1,158,378	1,918,992
Cash, cash equivalents and bank overdrafts at end of the year		<u>1,032,042</u>	<u>1,158,378</u>

The notes on pages 12 to 26 are an integral part of these financial statements.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

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 £237,551 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 2025 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 2025

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 2025

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.

(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.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

1.11 Revenue recognition (continued)

(d) *Interest income*

Annual contributions paid to the Organization prior to 1 December 2025, including any interest thereon, were used exclusively for the purpose of the payments for which they were collected. If such contributions were not used during the year when they were due, they were reserved in the financial statements of the Organization from year to year for this purpose.

However, the Interest Reserve has been closed following the decision of the Assembly at its twenty-ninth session to approve the new Financial Regulations for the Organization. Under these Regulations, any interest earned on GMDSS and LRIT funds while on deposit with banks shall be carried forward to the following year and returned to the GMDSS Providers and LRIT Data Centres as part of the surplus.

(a) *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 2025

(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 £1,032,042 (2024 – £1,158,378) 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 2025

The segment information for the year ended 31 December 2025 is as follows:

Income statement	Note						2025
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	Total
		£	£	£	£	£	£
Continuing operations							
Revenue		958,365	508,533	-	(21,871)	-	1,445,027
Administrative expenses	10	(943,365)	(366,991)	-	21,871	-	(1,288,485)
Operating surplus		<u>15,000</u>	<u>141,542</u>	-	-	-	<u>156,542</u>
Finance income	11	-	-	-	-	-	-
Finance costs	11	-	-	-	-	-	-
Surplus for the year		<u>15,000</u>	<u>141,542</u>	-	-	-	<u>156,542</u>

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>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

The segment information for the year ended 31 December 2025 is as follows:

Balance sheet	Note						2025
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Assets							
Non-current assets							
Property, plant and Equipment	5	599,529	256,941	-	-	-	856,470
Current assets							
Trade and other Receivables	6	1,126,820	470,982	-	28,328	(80,162)	1,545,968
Cash and cash Equivalents	7	271,719	520,732	203,762	35,829	-	1,032,042
		<u>1,398,539</u>	<u>991,714</u>	<u>203,762</u>	<u>64,157</u>	<u>(80,162)</u>	<u>2,578,010</u>
Total assets		<u>1,998,068</u>	<u>1,248,655</u>	<u>203,762</u>	<u>64,157</u>	<u>(80,162)</u>	<u>3,434,480</u>
Reserves and liabilities							
Reserves							
General reserve	15	-	237,551	-	-	-	237,551
Interest reserve	15	-	-	-	-	-	-
Contingency reserve	15	30,000	214,011	-	-	-	244,011
		<u>30,000</u>	<u>451,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>481,562</u>
Liabilities							
Non-current liabilities							
Provisions	9	80,799	20,200	-	-	-	100,999
Office lease	13	375,321	160,852	-	-	-	536,173
		<u>456,120</u>	<u>181,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>637,172</u>
Current liabilities							
Trade and other Payables	8	1,511,948	616,041	203,762	64,157	(80,162)	2,315,746
Total liabilities		<u>1,968,068</u>	<u>797,093</u>	<u>203,762</u>	<u>64,157</u>	<u>(80,162)</u>	<u>2,952,918</u>
Total reserves and liabilities		<u>1,998,068</u>	<u>1,248,655</u>	<u>203,762</u>	<u>64,157</u>	<u>(80,162)</u>	<u>3,434,480</u>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

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 2025

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

	GMDSS	LRIT	BeiDou	Capacity Building	2025 Total
	£	£	£	£	£
Inter fund debtors	51,834	-	-	28,328	80,162
Inter fund creditors	-	80,162	-	-	80,162

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

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 2025	938,350	310,979	16,569	1,265,898
At 31 December 2025	938,350	310,979	16,569	1,265,898
Depreciation				
At 1 January 2024	217,779	60,969	9,754	288,502
Charge for the year	92,199	26,089	2,638	120,926
At 31 December 2025	309,978	87,058	12,392	409,428
Carrying amount				
At 31 December 2025	628,372	223,921	4,177	856,470
At 31 December 2024	720,571	250,010	6,815	977,396

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

6. Trade and other receivables

					2025
	GMDSS	LRIT	Capacity Building	Inter- fund	Total
	£	£	£	£	£
Trade receivables	1,061,498	464,841	-	-	1,526,339
Prepayments	9,986	3,807	-	-	13,793
Taxation	3,502	2,334	-	-	5,836
Inter-fund balance	51,834	-	28,328	(80,162)	-
	<u>1,126,820</u>	<u>470,982</u>	<u>28,328</u>	<u>(80,162)</u>	<u>1,545,968</u>

					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	-	-	20,482
Inter-fund balance	342,798	-	-	(342,798)	-
	<u>1,580,598</u>	<u>503,798</u>	<u>-</u>	<u>(342,798)</u>	<u>1,748,055</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.

					2025
	GMDSS	LRIT	BeiDou	Capacity Building	Total
	£	£	£	£	£
Cash and cash equivalents	271,719	520,732	203,762	35,829	1,032,042
	<u>271,719</u>	<u>520,732</u>	<u>203,762</u>	<u>35,829</u>	<u>1,032,042</u>

					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>

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

8. Trade and other payables

						2025
	GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
	£	£	£	£	£	£
Trade payable	34,845	13,465	-	-	-	48,310
Accrued expenses	9,258	3,754	-	-	-	13,012
Office lease	64,539	27,660	-	-	-	92,199
Social security and other taxation	-	-	-	-	-	-
Deferred income	1,059,744	491,000	203,762	64,157	-	1,818,663
Legal fund	-	-	-	-	-	-
GMDSS surplus	343,562	-	-	-	-	343,562
Inter-fund balance	-	80,162	-	-	(80,162)	-
	<u>1,511,948</u>	<u>616,041</u>	<u>203,762</u>	<u>64,157</u>	<u>(80,162)</u>	<u>2,315,746</u>

						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>

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

	2025			2024		
	GMDSS	LRIT	Total	GMDSS	LRIT	Total
Repatriation grant (see below)	80,799	20,200	100,999	78,118	19,529	97,647
Office lease "make good"	-	-	-	84,000	36,000	120,000
	<u>80,799</u>	<u>20,200</u>	<u>100,999</u>	<u>55,529</u>	<u>18,787</u>	<u>217,647</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 £3,352 during the year. Additionally, a provision for office lease "make good" costs has been reversed in accordance with the terms of the lease agreement.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

10. Expenses by nature

						2025
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
Employees' benefits expenses	660,704	272,618	-	-	-	933,322
Pension costs - (defined contribution)	110,659	47,215	-	-	-	157,874
Depreciation	20,109	8,618	-	-	-	28,727
Other expenses	151,893	38,540	-	(21,871)	-	168,562
Administrative expenses	943,365	366,991	-	(21,871)	-	1,288,485

						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

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

11. Finance income and costs

	2025		
	GMDSS	LRIT	Total
	£	£	£
Interest expense – bank charges	-	-	-
Net finance costs	-	-	-
Finance income	-	-	-
Net finance income	-	-	-

	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

12. Cash generated from operations

	2025	2024
	£	£
Surplus/(Loss) for the year	156,542	(97,634)
Adjustments for:		
Interest reserve	(146,086)	-
Depreciation	28,727	11,969
Net finance income	-	(13,799)
Trade and other receivables	202,087	(569,257)
Trade and other payables	(250,958)	39,394
Provisions	(116,648)	123,708
Cash (used in)/generated from operations	(126,336)	(505,619)

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:

	2025	2024
	£	£
- not later than one year	92,199	92,199
- later than one year and not later than five years	368,796	368,796
- later than five years	167,377	259,576
	628,372	720,571

Total cash paid in the period in respect of recognised lease liabilities was £92,199 (2024 - £47,659).

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

14. Financial instruments

All financial instruments are held and denominated in UK pounds.

Assets as per balance sheet	2025	Cash and receivables
	£	2024
		£
Trade and other receivables excluding prepayments	1,526,339	1,718,111
Cash and cash equivalents	1,032,042	1,158,378
	<u>2,558,381</u>	<u>2,876,489</u>
		Financial liabilities at
		amortised cost
Liabilities as per balance sheet	2025	2024
	£	£
Trade and other payables excluding statutory liabilities	689,695	789,798
Provisions	100,999	217,647
	<u>790,694</u>	<u>1,007,445</u>

15. Reserves

	General	Interest	LRIT	GMDSS	Total
	reserve	reserve	Contingency	Contingency	reserve
	£	£	reserve	reserve	£
			£	£	
Balance as at 1 January 2025	110,020	146,086	200,000	15,000	471,106
Transfer from reserves	-	(146,086)	-	-	(146,086)
Surplus for the year	127,531	-	14,011	15,000	156,542
Balance as at 31 December 2025	<u>237,551</u>	<u>-</u>	<u>214,011</u>	<u>30,000</u>	<u>481,562</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 2025, following the adjustment of the LRIT share concerning the Assembly costs, £14,011 was transferred to the LRIT Contingency Reserve, bringing its total to £214,011. Additionally, following Inmarsat signing the new Public Services Agreement on 9 September 2025, £15,000 was transferred to the GMDSS Contingency Reserve.

The Interest Reserve has been closed following the decision of the Assembly at its twenty-ninth session to approve the new Financial Regulations for the Organization. Under these Regulations, any interest earned on GMDSS and LRIT funds while on deposit with banks shall be carried forward to the following year and returned to the GMDSS Providers and LRIT Data Centres as part of the surplus.

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2025

16. Related Parties

Key management compensation

In 2025 the key management team consisted of the Director General, Head of Administrative Services and the Head of Operational Services.

In 2025, 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 2025:

	2025	2024
	£	£
Salaries and other staff short-term employee benefits	623,928	582,933
Post-employment benefits	105,946	103,037
	<u>729,874</u>	<u>685,970</u>

No amount (2024 – 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

DETAILED STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2025

	Note	GMDSS	LRIT	BeiDou	Capacity Building	Inter-segment adjustment	2025 Total
		£	£	£	£	£	£
General fund							
Income							
Contributions							
GMDSS – ordinary		1,223,659	-	-	-	-	1,223,659
Other parties – ordinary		-	502,450	-	(21,871)	-	480,579
Add: Providers – underpaid / (overpaid) contributions		(360,904)	-	-	-	-	(360,904)
Other income		95,610	6,083	-	-	-	101,693
Interest received		-	-	-	-	-	-
Interest received on Legal fund		-	-	-	-	-	-
Interest received on Contingency fund		-	-	-	-	-	-
		<u>958,365</u>	<u>508,533</u>	<u>-</u>	<u>(21,871)</u>	<u>-</u>	<u>1,445,027</u>
Expenditure							
Directorate staff costs		771,363	319,832	-	-	-	1,091,195
Office maintenance costs (including bank charges)		15,240	7,016	-	(21,871)	-	385
Rent		64,539	27,660	-	-	-	92,199
Travel costs		85,602	9,646	-	-	-	95,248
Meeting costs		6,621	2,837	-	-	-	9,458
		<u>943,365</u>	<u>366,991</u>	<u>-</u>	<u>(21,871)</u>	<u>-</u>	<u>1,288,485</u>
Operating surplus		<u>15,000</u>	<u>141,542</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>156,542</u>
General reserve							
Balance brought forward		-	110,020	-	-	-	110,020
Transfer to Contingency reserve		(15,000)	(14,011)	-	-	-	(29,011)
Balance carried forward (page 10)		<u>-</u>	<u>237,551</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>237,551</u>
Interest reserve							
Balance brought forward		141,927	4,159	-	-	-	146,086
Transfer to General reserve	15	(141,927)	(4,159)	-	-	-	(146,086)
Balance carried forward (page 10)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contingency reserve							
Balance brought forward	15	15,000	200,000	-	-	-	215,000
Transfer from General reserve	15	15,000	14,011	-	-	-	29,011
Balance carried forward (page 10)		<u>30,000</u>	<u>214,011</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>244,011</u>

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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 2025

	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
		<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 to Contingency reserve		100,000	-	-	-	-	100,000
Transfer from 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>

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

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

At 31 December 2025

Balance sheet	Note						2025
		GMDSS	LRIT	BeiDou	Capacity Building	Inter-fund	Total
		£	£	£	£	£	£
Tangible fixed Assets	5	599,529	256,941	-	-	-	856,470
Current assets							
Trade debtors	6	1,061,498	464,841	-	-	-	1,526,339
Taxation	6	3,502	2,334	-	-	-	5,836
Prepayments	6	9,986	3,807	-	-	-	13,793
Cash at bank	7	271,719	520,732	203,762	35,829	-	1,032,042
Inter-fund balance	4	51,834	-	-	28,328	(80,162)	-
		<u>1,398,539</u>	<u>991,714</u>	<u>203,762</u>	<u>64,157</u>	<u>(80,162)</u>	<u>2,578,010</u>
Creditors: amounts falling due within one year							
Accounts payable	8	378,407	13,465	-	-	-	391,872
Other creditors	8	-	-	-	-	-	-
Accruals	8	9,258	3,754	-	-	-	13,012
Office lease	8	64,539	27,660	-	-	-	92,199
Deferred income	8	1,059,744	491,000	203,762	64,157	-	1,818,663
Inter fund balance	4	-	80,162	-	-	(80,162)	-
		<u>1,511,948</u>	<u>616,041</u>	<u>203,762</u>	<u>64,157</u>	<u>(80,162)</u>	<u>2,315,746</u>
Net current assets		<u>(113,409)</u>	<u>375,673</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>262,264</u>
Creditors: amounts falling due in more than one year							
Provisions	9	80,799	20,200	-	-	-	100,999
Office lease	13	375,321	160,852	-	-	-	536,173
		<u>456,120</u>	<u>181,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>637,172</u>
Net assets		<u>30,000</u>	<u>451,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>481,562</u>
Representing:							
Accumulated funds							
General reserve	15	-	237,551	-	-	-	237,551
Contingency reserve	15	30,000	214,011	-	-	-	244,011
		<u>30,000</u>	<u>451,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>481,562</u>

This page does not form part of the audited financial statements

INTERNATIONAL MOBILE SATELLITE ORGANIZATION

DETAILED BALANCE SHEET

At 31 December 2025

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

NON - STATUTORY DETAILED STATEMENT OF INCOME AND EXPENDITURE

Year ended 31 December 2025

						2025
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
General fund						
Income – Contributions						
GMDSS – ordinary	1,223,659	-	-	-	-	1,223,659
Other parties – ordinary	-	502,450	-	-	-	502,450
Other income	95,610	6,083	-	-	-	101,693
Interest received	-	-	-	-	-	-
Interest received on Contingency Fund	-	-	-	-	-	-
Interest received on Legal fund	-	-	-	-	-	-
	<u>1,319,269</u>	<u>508,533</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,827,802</u>
Expenditure						
Directorate staff costs	768,681	319,162	-	-	-	1,087,843
Office maintenance costs	15,240	7,016	-	(21,871)	-	385
Rent	64,539	27,660	-	-	-	92,199
Travel costs	85,602	9,646	-	-	-	95,248
Meeting costs	6,621	2,837	-	-	-	9,458
	<u>940,683</u>	<u>366,321</u>	<u>-</u>	<u>(21,871)</u>	<u>-</u>	<u>1,285,133</u>
Operating surplus	<u>378,586</u>	<u>142,212</u>	<u>-</u>	<u>21,871</u>	<u>-</u>	<u>542,669</u>
Transfer to Contingency reserve	(15,000)	(14,011)	-	-	-	(29,011)
Fund surplus/(deficit)/ current year	363,586	128,201	-	21,871	-	513,658
Balance brought forward	705,657	129,549	203,762	42,286	-	1,081,254
Fund surplus total	<u>1,069,243</u>	<u>257,750</u>	<u>203,762</u>	<u>64,157</u>	<u>-</u>	<u>1,594,912</u>
Exceptional items:						
Post-retirement benefits & Repatriation/Relocation grants	(2,682)	(670)	-	-	-	(3,352)
Prior year adjustment effect	(78,117)	(19,530)	-	-	-	(97,647)
Fund surplus/(deficit) including exceptional items	<u>988,444</u>	<u>237,550</u>	<u>203,762</u>	<u>64,157</u>	<u>-</u>	<u>1,493,913</u>

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

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

Year ended 31 December 2025

						2025
	GMDSS	LRIT	BeiDou	Capacity Building	Inter- segment adjustment	Total
	£	£	£	£	£	£
Interest reserve						
Balance brought forward	141,927	4,159	-	-	-	146,086
Transfer to General reserve	(141,927)	(4,159)	-	-	-	(146,086)
Balance carried forward	-	-	-	-	-	-
LRIT Contingency reserve						
Balance brought forward	-	200,000	-	-	-	200,000
Transfer from General reserve	-	14,011	-	-	-	14,011
Balance carried forward	-	214,011	-	-	-	214,011
GMDSS Contingency reserve						
Balance brought forward	15,000	-	-	-	-	15,000
Transfer from General reserve	15,000	-	-	-	-	15,000
Balance carried forward	30,000	-	-	-	-	30,000

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 2025

						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
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 Contingency reserve						
	-	(122,402)	-	-	-	(122,402)
Transfer from LRIT 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>

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INTERNATIONAL MOBILE SATELLITE ORGANIZATION

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

Year ended 31 December 2025

						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)
Balance carried forward	<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>

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