

INTERNATIONAL MARITIME ORGANIZATION

FINANCIAL REPORT AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2024

REPORT OF THE EXTERNAL AUDITORS



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INTERNATIONAL MARITIME ORGANIZATION

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

SECRETARY-GENERAL'S STATEMENT

INTRODUCTION

1 In accordance with financial regulation 12.10, I have the honour to submit to the Council, for its examination and onward transmission to the Assembly, the financial statements of the International Maritime Organization (IMO) for the year ended 31 December 2024.

2 The Report of the External Auditors on the audit of the 2024 financial statements, together with their opinion thereon, is also submitted to the Council as prescribed under financial regulation 12.10.

3 The financial statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS), as prescribed by financial regulation 11.1, adopted by the Assembly through resolution A.1017(26) effective 1 January 2010, and in line with the United Nations policy that IPSAS be used as the accounting standards by United Nations system organizations.

4 In 1948, an international conference in Geneva adopted a convention formally establishing the Intergovernmental Maritime Consultative Organization. The Convention entered into force in 1958 and the Organization came into being in 1959. In 1982, the original name was changed to the International Maritime Organization. The Headquarters of the Organization is in London and its complement is approximately 320 staff members, including project staff, Member States Professionals and temporary employees. IMO's principal place of business, as well as the names and addresses of its General Counsel, actuary, principal banker and external auditor are indicated in annex 1 to the financial statements.

5 Within the meaning of IPSAS, IMO also controls the World Maritime University (WMU) and the IMO International Maritime Law Institute (IMLI), the financial records of which are presented within these financial statements. IMO is not a controlled entity within the meaning of IPSAS, its ultimate decision-making body being its Assembly of 176 Member States, with an elected Council of 40 Member States performing, in accordance with Article 26 of its constitutive Convention, all functions of the Assembly, with the exception of some technical matters, between sessions of the Assembly.

6 The purposes of the Organization, as summarized in Article 1(a) of its Convention, are "to provide machinery for cooperation among Governments in the field of governmental regulation and practices relating to technical matters of all kinds affecting shipping engaged in international trade; to encourage and facilitate the general adoption of the highest practicable standards in matters concerning maritime safety, efficiency of navigation and prevention and control of marine pollution from ships; and to deal with administrative and legal matters related to the purposes set out in this Article".

HIGHLIGHTS OF MARITIME ACTIVITIES IN 2024

7 IMO continues to actively pursue its targets and objectives in a wide range of subject areas under its purview, and some of the highlights of 2024 for the Organization are summarized below.

MARITIME SAFETY

8 In 2024, the Maritime Safety Committee (MSC) continued its regulatory work. MSC met for its 108th regular session in May 2024 and its 109th session in December 2024.

Regulatory work

9 The Committee adopted a substantial number of amendments to mandatory and non-mandatory instruments under its remit, including the SOLAS Convention and associated mandatory codes, as well as the STCW Convention and Code. The Committee also adopted a revision of the 1995 STCW-F Convention, together with an associated new mandatory STCW-F Code, containing minimum standards of competence (entry into force on 1 January 2026).

Human element

10 The Organization made significant progress on the Comprehensive review of the 1978 STCW Convention and Code, to adapt the existing global standards for seafarers training to reflect new trends, developments and challenges in the maritime sector; as well as the Study on the effectiveness and effective implementation of the International Safety Management (ISM) Code in order to support any possible regulatory action of the Organization in the context of the ISM Code, with a view to responding to the needs of safe, secure, environmentally sound, efficient and sustainable shipping. The outcomes of the Study will be considered at MSC 110.

Framework for the safe operation of new technologies and alternative fuels

11 In the context of the Organization's climate action, and in order to support the safe delivery of IMO's Strategy on Reduction of GHG Emissions from Ships, the Committee included in its agenda a new output to develop a framework for the safe operation of new technologies and alternative fuels aimed at reducing GHG emissions from ships.

12 In the context of the development of a safety regulatory framework to support the reduction of GHG emissions from ships, MSC 109 approved Interim Guidelines for the safety of ships using ammonia as fuel (MSC.1/Circ.1687), prepared by CCC 10, together with an updated work plan covering 2024 to 2027 to continue developing safety guidance for alternative fuels.

Maritime radiocommunications and digital technologies

13 Among other relevant developments in the field of maritime radiocommunications and digital technologies, the Committee revised the criteria for the recognition of maritime mobile services in the Global Maritime Distress and Safety System (GMDSS), including the charges for distress, urgency and safety communications; and progressed the implementation of the digital navigational data system (NAVDAT) and VHF Data Exchange system (VDES), and new data standards for Electronic chart display and information system (ECDIS).

Maritime Autonomous Surface Ships

14 MSC 108 approved the report of the third session of the Joint MSC-LEG-FAL Working Group on MASS. MSC 109 agreed to a revised Road Map for the development of a MASS Code– with the expected finalization and adoption of a non-mandatory Code in May 2026, followed by an Experience-building phase (EBP), prior to the adoption of the mandatory Code by 1 July 2030 at the latest, for entry into force on 1 January 2032.

Goal Based Standards

15 Furthermore, the Committee continued its audit programme under the goal-based ship construction standards for bulk carriers and oil tankers (GBS), and progressed work on the development of a goal-based instrument regulating maritime autonomous surface ships, in cooperation with the Legal and Facilitation Committees.

16 In this context, a combined Audit based on the Organization's Goal-based ship construction standards for bulk carriers and oil tankers, was concluded in 2024, with final Audit reports considered by MSC 109 and confirming the successful initial GBS Verification Audit of Biro Klasifikasi Indonesia (BKI), and welcoming IACS commitment to further revise its Recommendation 34/Revision 2 on Standard Wave Data.

2012 Cape Town Agreement and IUU-related matters

17 The 2012 Cape Town Agreement will enter into force 12 months after the date on which not less than 22 States, the aggregate number of whose fishing vessels of 24 m in length and over is not less than 3,600, have expressed their consent to be bound by it. To date, one criterion has already been met, with 23 States having consented. Regarding the counting of fishing vessels of 24m in length and over, only a further 665 vessels are required to fulfil the second and last criterion for entry into force of the Agreement. MSC 109 adopted the Interim Guidance to assist in the Implementation of the Cape Town Agreement of 2012 (MSC.571(109)).

18 Capacity-building activities on fishing vessel safety-related matters are being implemented in cooperation with the FAO and ILO Secretariats, in particular, in the context of the recommendations of the Joint FAO/ILO/IMO Ad Hoc Working Group on Illegal, Unreported and Unregulated Fishing and Related Matters.

Underwater radiated noise

19 Following the development of an Action plan to prevent and reduce underwater radiated noise (URN) from ships by SDC 10, in January 2024, and approved by MEPC, 81 in March 2024, an EBP, for the recently approved Revised URN Guidelines (MEPC.1/Circ.906), is undergoing, with in-kind support provided to the Secretariat, by Canada and the United States.

Domestic ferry safety

20 Capacity-building activities continue to be developed and further planned globally to promote the use of the Model Regulations on Domestic Ferry Safety (MSC.518(105)) by conducting projects in cooperation with WMU, IMLI, the South Pacific Community (SPC), EU, Interferry, and Lloyd's Foundation.

FACILITATION OF MARITIME TRAFFIC

21 In respect to the work of the Facilitation Committee (FAL) concerning the facilitation of maritime traffic, amendments adopted by FAL 47 which entered into force on 1 January 2025 and which aim to combat illicit activities in the facilitation programmes of Governments.

22 Concerning digitalization, the FAL Committee approved an update of the IMO Compendium on Facilitation and Electronic Business, including new data sets. By harmonizing the definitions and formats of the data elements required during a port call and by standardizing electronic messages, the IMO Compendium facilitates the exchange of information ship to shore and the interoperability of single windows, reducing the administrative burden for ships linked to formalities in ports.

23 FAL 48 also considered the findings of an industry survey on the current state of digitalization within ports which will support future work of the Committee.

24 The Committee approved new guidelines on Port Community Systems, a digital IT platform used to collect and exchange data between stakeholders, streamlining operations and enhancing competitiveness which is a complementary instrument to the Maritime Single Window (MSW) system. PCS facilitates the exchange of information between public and private stakeholders involved in port and terminal operations.

25 FAL 48 approved a new version of the Explanatory Manual to the FAL Convention which provides guidance on interpreting the legal text of the Facilitation and its provisions and gives examples of best practices for implementing Standards and Recommended Practices.

26 FAL 48 adopted resolution FAL.17(48), containing the revised Guidelines for the Prevention and Suppression of the Smuggling of Wildlife on Ships Engaged in International Maritime Traffic. The revision includes minor modifications and editorial changes, with links to new joint industry guidelines added as a useful resource.

27 A new free-to-access e-learning course was launched in October 2024, the “Introduction to counter wildlife trafficking in the maritime supply chains”, developed jointly by IMO, the World Maritime University (WMU) and the World Wildlife Fund (WWF), equips Government Agencies and maritime supply chain operators with actionable insights to effectively combat wildlife trafficking at sea, empowering them to proactively prevent and suppress such illicit activities.

MARITIME SECURITY

28 MSC 108 in June 2024 considered the security situation in the Red Sea region and adopted resolution MSC.564(108) on the Security situation in the Red Sea and Gulf of Aden resulting from Houthi attacks on commercial ships and seafarers. MSC 108 also approved the draft revised Guidelines on maritime cyber risk management (MSC-FAL.1/Circ.3/Rev.3) and agreed to forward them to the Facilitation Committee for its concurrent approval.

29 MSC 109 in December 2024 agreed to extend the target completion date of the output to revise the Guidelines on maritime cyber risk management (MSC-FAL.1/Circ.3/Rev.2) and identify the next steps to enhance maritime cyber security to 2026.

30 IMO has focused on partnering opportunities where possible in the area of maritime security, as well as increasing and diversifying the capacity-building support on offer. New training on maritime domain awareness and practical maritime person and baggage screening and searching. In addition, to the ISPS Code for Designated Authority and Port Facility Security Officer trainings organized with development partners. The maritime security

section also partnered with University of Plymouth Cyber SHIP-Lab, to organize a symposium on cybersecurity and resilience. In total 15 activities were delivered under IMO's Global Enhancement of Maritime Security Programme, which supports countries in enhancing security measures to protect ships and ports from threats posed by terrorism, piracy and armed robbery, smuggling of arms, drugs, and illicit goods, and other illicit activities.

31 The section is continuing with the implementation of two major European Union-funded port security projects, supporting Member States in Eastern and Southern Africa, the Indian Ocean and the Red Sea area. These projects are being delivered in partnership with the United Nations Office on Drugs and Crime and the International Criminal Police Organization (INTERPOL) across a broad array of maritime security issues. Training workshops and targeted assistance has continued in the areas of support to the conduct of Port Facility Security Assessments and the formulation of Port Facility Security Plans, promoting a whole of Government approach towards maritime security, including the establishment of national maritime security committees the development of a national maritime security risk register and of a national maritime security strategy, further enhancing regional and sub-regional information sharing networks.

32 MSD continues to assist Member States with the implementation of the Yaoundé Code of Conduct (YCoC) providing support to the work of the G7++FoGG. With a contribution from Germany, IMO has continued under the BAY project to provide targeted support to the Economic Community of West African States Zone G regional and national bodies of the YCoC architecture as well as strategic advisory support to the Interregional Coordination Centre, based in Yaoundé, Cameroon, which plays a strategic role in fostering cooperation in the region. Further, with support from the Republic of Korea (ROK), IMO has provided assistance to enhance communications at the Multinational Maritime Coordination Centre (MMCC) of the Economic Community of West African States Zone D of the YCoC and has revised its high-frequency communications and data sharing installation plan to include the new MMCC location in Zone F. In December 2024, IMO signed an agreement with the European Union (EU) under which IMO became an implementing partner of the three-year EU-funded (2025-2027) project "Safe Seas for Africa", which aims to enhance maritime security and safety in Africa, particularly in the Gulf of Guinea and the Western Indian Ocean, by addressing the root causes of insecurity at sea and strengthening regional cooperation.

33 MSD also continued to support Member States in the Western Indian Ocean and the Gulf of Aden in building capacity to counter piracy and other threats to maritime security through the implementation of the Djibouti Code of Conduct (DCoC), as amended. A donor roundtable was held alongside the MEPC meeting to discuss funding challenges and opportunities. In November, a high-level meeting in Dar es Salaam established Working Group Three on coordination of operations at sea, reinforcing regional maritime security collaboration, in responding to safety and security threats at sea. Under the Safe Seas for Africa project (see paragraph 32), and within the framework of DCoC, IMO will support the development of an engagement strategy aimed at enhancing cooperation and collaboration between regional states and other maritime stakeholders.

TACKLING CLIMATE CHANGE

34 IMO continues to contribute to the global fight against climate change, in support of UN Sustainable Development Goal 13, to reduce greenhouse gas (GHG) emissions and curb harmful air pollution. In July 2023, MEPC 80 adopted the 2023 IMO GHG Strategy, confirming the ambition to reach net-zero GHG emissions from international shipping by or around , i.e., close to 2050; a commitment to ensure the uptake of alternative zero and near-zero GHG fuels and/or energy sources to represent at least 5%, striving for 10%, of the energy used by international shipping by 2030; as well as an indicative check-point to reduce the total annual GHG emissions from international shipping by at least 20%, striving for 30%, by 2030, compared to 2008; and by at least 70%, striving for 80%, by 2040, also compared to 2008.

GHG emission reductions

35 During 2024, MEPC 82 and the Intersessional Working Group on GHG Emissions from Ships (ISWG-GHG) have been developing a basket of mid-term measures aimed at delivering on the reduction targets of the 2023 IMO GHG Strategy. The mid-term GHG reduction measures, to be included in MARPOL Annex VI, are scheduled for adoption in late 2025, with a view to entry into force in 2027, and should effectively promote the energy transition of shipping and provide the world fleet with a needed incentive, while contributing to a level playing field and a just and equitable transition.

Life cycle GHG intensity of marine fuels

36 In 2024, MEPC made significant strides in improving how to assess GHG emissions from marine fuels throughout their entire lifecycle, from primary production to carriage in a ship's tank to combustion in a ship's exhaust. The *2024 Guidelines on lifecycle GHG intensity of marine fuels* (LCA Guidelines), adopted by MEPC 81, include revised methods for calculating default emission factors and improved forms for tracking emissions from production, transportation and use on ships of different fuels. A GESAMP Working Group on Life Cycle GHG Intensity of Marine Fuels (GESAMP LCA-WG) was established with the mandate to provide the best possible scientific and technical assessment of issues related to the implementation of the LCA Guidelines.

Energy efficiency of ships

37 In order to reduce the maritime industry's impact on climate change, IMO continued its efforts to enhance the energy efficiency of ships. This is essential not only for reducing emissions, but also for offsetting additional costs associated with alternative low- and zero-carbon fuels. In 2024, MEPC continued its work on the review of the 'short-term measure' currently in force to reduce GHG emissions from ships by enhancing the energy efficiency of the global fleet. The Committee analysed data submitted by Member States gained from their experience with the implementation of the regulations over the past year, as well as various proposals to improve, in particular, the Carbon Intensity Indicator (CII) mechanism. In 2024, MEPC also reviewed the report on the annual carbon intensity and efficiency of the existing fleet, covering the reporting years 2019 through 2022. This report tracks progress towards the goal of achieving at least a 40% improvement in carbon intensity by 2030.

AIR POLLUTION

Emission control areas in Canadian arctic waters and Norwegian sea approved

38 In 2024, MEPC approved two new proposals for the designation of Emissions Control Areas (ECAs) for NO_x, SO_x and Particulate Matter, for the Canadian Arctic Waters and the Norwegian Sea. These ECAs are designated maritime zones with stricter controls to minimize airborne emissions from ships, in line with Annex VI of MARPOL. The Committee also approved *Guidance on best practice on recommendatory goal-based control measures to reduce the impact on the Arctic of BC emissions from international shipping* and *Guidelines on recommendatory BC emission measurement, monitoring and reporting*.

OCEAN GOVERNANCE

39 The world's oceans, which cover nearly 70% of the Earth's surface, are the lifeblood of global trade. IMO is at the forefront of efforts to protect the marine environment and the pursuit of UN Sustainable Development Goal 14: the conservation and sustainable use of oceans, seas, and marine resources. In 2024, IMO made big strides in ocean governance through continuous efforts to tackle marine litter, promote responsible ship recycling and enhance ballast water management.

Tackling marine litter

40 Marine litter, especially plastic pollution, poses a significant threat to our oceans. In pursuance of IMO's 'Strategy to Address Marine Plastic Litter from Ships', introduced in 2021, in 2024, MEPC and the Maritime Safety Committee adopted amendments to MARPOL and SOLAS to ensure prompt and detailed reporting of lost and drifting containers, which pose serious risks for maritime safety and for the marine environment.

41 Additionally, MEPC 82 approved new *Recommendations for the Carriage of Plastic Pellets by Sea in Freight Containers*. Developed by the Sub-Committee on Pollution Prevention and Response (PPR), the recommendations address the packaging of plastic pellets, transport documentation and stowage of the freight containers. The aim is to prevent freight containers packed with plastic pellets from going lost overboard, thereby contributing to a cleaner and safer marine environment.

Update on the London Convention and London Protocol

42 The London Convention (LC), and the London Protocol (LP), have been instrumental in shielding our oceans from the indiscriminate and unregulated dumping of wastes for over five decades. Since 2006 the Parties to the treaties have responded to new threats to the oceans from the impacts posed by increasing concentrations of CO₂ in the atmosphere by regulating new climate change mitigation technologies that have the potential to cause harm to the marine environment.

43 In 2024, a Science Day Symposium on the topic of "Carbon Capture and Storage (CCS) and the Assessment of Carbon Dioxide for Disposal into Sub-Seabed Geological Formations" was held. CCS is a process that involves capturing a concentrated stream of CO₂ from industrial sources, then separating, treating and transporting it to a secure location for long-term storage (such as beneath the seabed). Under LP, measures have been enacted to regulate the injection of CO₂ into sub-seabed geologic formations for the purpose of climate change mitigation.

Underwater noise reduction

44 Studies have highlighted the troubling impact of underwater radiated noise (URN) generated by commercial shipping on marine life. In 2024, MEPC 82 approved an Action Plan, developed by the Sub-Committee on Ship Design and Construction, aimed at increasing awareness, uptake and implementation of the *Revised Guidelines for the reduction of underwater radiated noise from shipping*, which took effect in October 2023 and guide the Organization's continued work on URN. The Plan also includes a three-year experience-building phase during which Member States and international organizations are invited to share lessons learned and best practices that may emerge from the implementation of the Revised Guidelines.

IUU Fishing and related measures

45 Illegal, unreported, and unregulated (IUU) fishing threatens marine biodiversity and livelihoods, exacerbates poverty, and augments food insecurity; and combatting it requires inter-agency coordination. In this context, the *FAO-IMO-ILO ad hoc Joint Working Group on IUU fishing and related matters* was established, following a call made by the United Nations Commission on Sustainable Development, highlighting the issue of flag and port State responsibilities and the need for FAO, ILO and IMO to cooperate on solving problems relating to IUU fishing. In 2024, FAO, ILO and IMO continued with the development of several pertinent voluntary instruments, designed to enhance the safety of fishing vessels and the well-being of their crews by providing comprehensive guidelines on fishing vessel design, construction and equipment, as well as crew training, protection and protocols.

SHIP RECYCLING

46 Ship recycling has long been recognized as the most practical solution for managing the end of the operational life of ships. ensuring that decommissioned ships are recycled for re-use in many different sectors, resulting in an environmentally sustainable and energy-efficient outcome. the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (2009) (the Hong Kong Convention), addresses the environmental, occupational health and safety risks relating to ship recycling and establishes a comprehensive regulatory framework. The Convention will enter into force on 26 June 2025. In 2024, MEPC 82 approved *Provisional guidance on the implementation of the Hong Kong and Basel Conventions with respect to the transboundary movement of ships intended for recycling*, as interim guidance on how to avoid a regulatory overlap between the Hong Kong Convention and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal; and formats for mandatory reporting. Also, a set of frequently asked questions on implementing the Convention was prepared and published on the IMO website.

BALLAST WATER MANAGEMENT

BWM Convention implementation

47 Ballast water often carries a diverse range of marine species, which can potentially establish invasive populations in new environments, with significant economic impact on industries that depend on the coastal and marine environment, as well as causing costly damage to coastal infrastructure. To address these concerns, the International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM Convention), was developed. Since then, efforts have focused on ensuring its effective implementation. In this connection, an experience-building phase (EBP) associated with the Convention was adopted in 2017. In 2024, MEPC 81 and 82 approved a list of provisions and associated instruments for revision and development and initiated the preparation of a package of amendments, with a view to approval in 2026; and continued addressing urgent operational matters that cannot wait until the EBP package of amendments is developed. This included the finalization of guidance on record-keeping and reporting; operation of ships in challenging water quality conditions; temporary storage of grey water and/or treated sewage in ballast tanks; and the type approval process for modifications to ballast water management systems; as well as adoption of amendments to the Convention.

48 In June 2024, the e-Learning course "Introduction to Ballast Water Management (BWM) and Compliance Monitoring and Enforcement" was launched, aimed at government officials responsible for the prevention and control of pollution from ships. Since its launch, some 1,111 participants have enrolled in this course.

POLLUTION PREPAREDNESS AND RESPONSE

49 In the aftermath of the **Exxon Valdez** oil pollution incident in 1989, nations immediately called upon IMO to develop new measures to prevent pollution from ships, leading to and adoption of the International Convention on Oil Pollution Preparedness, Response and Cooperation (OPRC) in 1990. Its provisions were further extended to address hazardous and noxious substances through the adoption of the OPRC-HNS Protocol in 2000 which, together with OPRC 1990, provides a platform for international cooperation, requires countries to develop preparedness and response capacity to address pollution incidents and highlights the importance of involving the oil and shipping industries as part of an effective response system. These treaties, paired with other voluntary and regulatory measures introduced, have resulted in a net reduction of more than 90% in the number of large ship source oil spills since the 1970s to the present day.

50 In 2024, the ongoing attacks in the Red Sea presented new pollution response challenges, with two incidents requiring IMO's direct involvement to support countries in the region through the provision of onsite and remote technical assistance and advice in response to Houthi attacks on two ships transiting the Red Sea:

.1 In March 2024, **MV Rubymar** suffered a missile attack and subsequently sank off the coast of Yemen, given the inability to attempt salvage of the ship due to threats of further attack. The ship, which was laden with 200 tonnes of bunker fuel and carrying 22,000 tonnes of ammonium phosphate fertilizer, presented both a navigational and pollution threat. IMO deployed an expert onsite to provide direct technical support to Yemeni authorities in addressing the risk.

.2 The second incident was a missile strike, followed by explosives being placed and detonated on the deck of the **MV Sounion**, a tanker carrying 150,000 tonnes of oil cargo. The resulting fire burned for almost two months causing serious concern of a major pollution incident. IMO was able to provide remote technical advice and facilitate communication between governments in the region, salvors, response organizations and other UN agencies, as the ship drifted without crew or power. The ship ultimately arrived in Eritrean waters, where the fires were eventually extinguished, and the ship was then towed to safety in Egypt in November 2024, without any resulting pollution.

LEGAL MATTERS

51 The Legal Affairs and External Relations Division (LED) continued to provide legal advice, accreditation and credentials services, outreach and communications services for the Secretariat, Member States and all of the Organization's stakeholders during the reporting period. Most notably, it provided first line legal assistance to the Secretary-General, supported the work of the Council (C 132 and C 133) and served as Secretary to the Legal Committee (LEG 111) and the Intersessional Working Group on relations with non-governmental organizations (ISWG-NGO 3).

52 In addition to providing legal advice and support to Member States, IMO organs and other Divisions of the Organization, the Legal Affairs Office (LAO) was instrumental in advancing dialogue on, among others, efforts to address the fraudulent registration and fraudulent registries of ships, and coordinating the finalization of the Guidelines on the fair treatment of seafarers detained on suspicion of committing crimes in coordination with the International Labour Organization. LAO also facilitated the approval by LEG 111 of Guidelines for Accepting insurance certificates and insurance companies, financial security providers, and P&I Clubs, and Methodologies relevant to the liability and compensation conventions under its purview. LAO also continued to provide assistance and promote the entry into force of the 2010 HNS Convention. Considerable effort was invested in resolving abandonment cases and

other issues related to the well-being of seafarers. Depositary matters were also at the center of LAO's work.

53 The Outreach and Communications Office (OCO) provided the media, maritime stakeholders and the wider public with timely press releases, statements and news stories on multiple topics, including outcomes of meetings and the work of the various projects. Numerous interviews with the Secretary General and other staff were arranged, along with media events. Social media platforms continued to reach increased audiences, as measured by numbers of followers/likes, with notable online campaigns related to the IMO days (International Day of the Seafarer, International Day for Women in Maritime and World Maritime Day). Video output increased substantially. As part of OCO, the Maritime Knowledge Centre (MKC) continued to increase its global reach and dissemination of unique IMO content while delivering services and content to its core users and international audience of researchers in its digital and physical spaces.

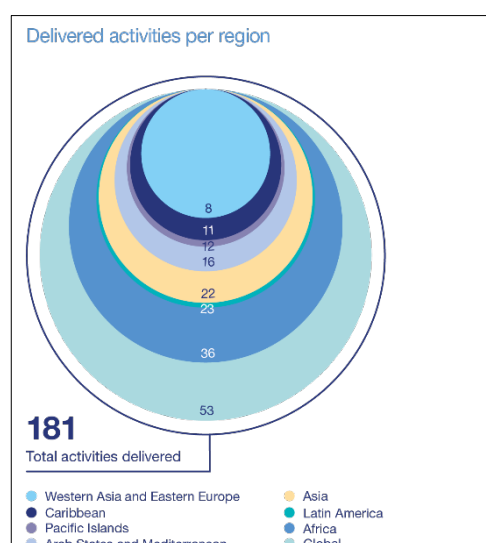
54 The External Relations Office (ERO) supported Member States in the process of accrediting members of their Permanent Missions to IMO with the FCDO, as well as with the designation of focal points, liaised with intergovernmental and non-governmental organizations in relation to their status at IMO and provided protocol assistance to UN officials and delegations. ERO supported the meetings of IMO organs by reviewing the credentials of delegations and preparing the voting lists. It also organized a number of activities and events, including the celebration of World Maritime Day, supported the organization of the WMD Parallel Event and the IMO Awards ceremony. As part of the Organization's engagement with external stakeholders, students and the public, it coordinated group visits to the Organization's Headquarters, including IMO's participation in the London Open House Festival, and managed the internship and externship programmes.

TECHNICAL COOPERATION AND IMPLEMENTATION

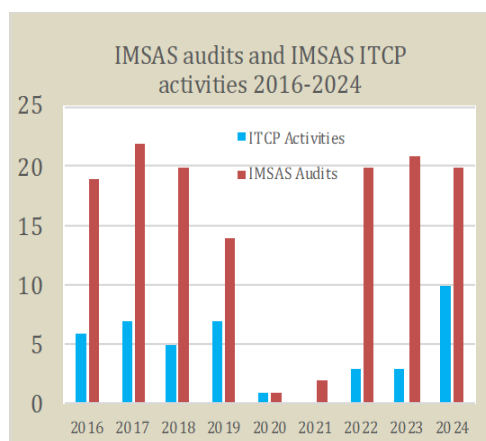
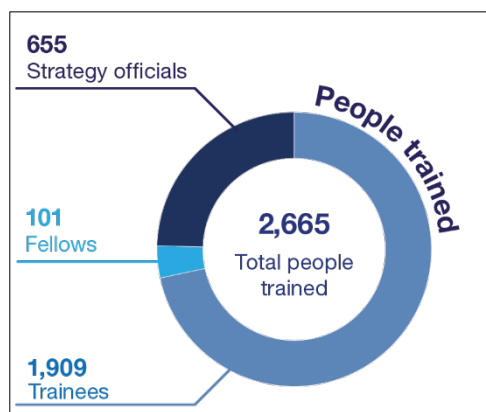
55 In 2024, a re-structured, TCID advanced maritime capacity-development through strategic partnerships, resource mobilization, data-driven planning, and targeted technical cooperation. The integration of the IMO Member State Audit Scheme (IMSAS) into TC planning ensured alignment with Member States' needs. Thematic-driven programming linked TC Fund activities with long-term projects, supporting the IMO's Capacity Building Decade Strategy (A.1166(32)). TC74 also initiated a process of revising this strategy to make the strategy future ready.

Key Achievements:

- **Strengthening Global Representation:** The IMO Regional Presence Office (RPO) network expanded to seven offices, with decisions made to establish two new offices in the Pacific and MENA regions.



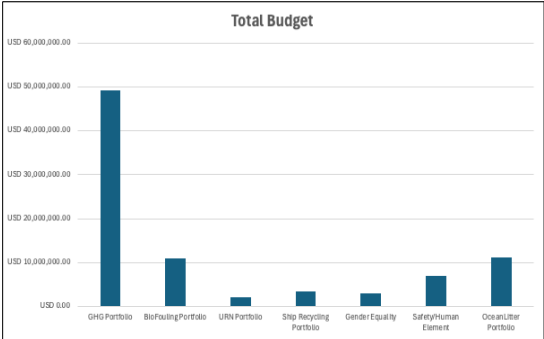
- **Empowering Women in Maritime:** The IMO Women in Maritime Programme saw a 110% rise in Member State participation in the 2024 IMO/WISTA Survey. Gender Equality Markers (GEMs) were introduced across all TC activities.
- **Capacity Building and Training:** ITCP delivered 181 activities with an 80% implementation rate, training over 2,000 participants. IMO awarded 37 fellowships for postgraduate studies at WMU/IMLI and 64 fellowships to other training institutions, primarily benefiting SIDS and LDCs.
- **Assessing Effectiveness of Implementation through IMSAS:** 20 audits were conducted (totalling 139 since 2016). The transition to the second audit cycle was supported through the IMSAS Continuous Monitoring Mechanism (ICMM), and analysis of audit outcomes informed regulatory and technical cooperation decisions.
- **Regulatory and Safety Enhancements:** Adoption of interim guidance for implementing the Cape Town Agreement (MSC.571(109)) strengthened efforts toward its entry into force. Progress in development/revision of guidelines and procedures in areas of harmonized system of survey and certification; remote surveys, ISM Code audits and ISPS Code verifications; non-exhaustive list of obligations under instruments relevant to the III Code; and port State control.
- **E-Learning and Digitalization:** Enrolment in the self-paced IMSAS eLearning course grew to 1,265 participants, reinforcing self-paced and blended learning approaches.



Thematic Projects Driving Impact:

- **GHG Reduction:** GreenVoyage2050 Phase II expanded to nine additional countries. GMN II launched work towards technology demonstrations through Maritime Technology Cooperation Centres (MTCCs) in the Caribbean, Africa, and Asia. The GHG-SMART Programme trained 25 Member States, while IMO-CARES successfully identified four GHG technology demonstration pilots.

- **Marine Environment:** The GloFouling Partnerships and TEST-biofouling projects delivered biofouling risk assessment training, while the OceanLitter Programme integrated GloLitter, RegLitter, and PRO-SEAS initiatives to ensure synergy and more impact. The SENSREC Project continued to enhance ship recycling safety in Bangladesh and Pakistan, and the GloNoise Project advanced underwater noise mitigation-related capacity development efforts. The SMART-C LC/LP Project secured funding to assist developing countries for London Protocol implementation.
- **Human Element and Safety:** The SMART-C Women Project expanded gender equality training in Asia-Pacific. The SMART-C Traffic Project was commissioned and will advance e-navigation and traffic management in the Philippines. The SMART-C Leaders Project contributed to strengthening Pacific SIDS' compliance with IMO regulations, while the SCOPE project secured funding to enhance ferry safety in ASEAN countries.



56 Through audit-based planning, strategic partnerships, and donor-supported projects, TCID continues to drive global maritime development, ensuring effective implementation of IMO instruments and sustainable capacity-development.

STRATEGIC PLAN FOR 2024-2029

57 At its thirty-third session in 2023, the IMO Assembly approved the new Strategic Plan for the six-year period 2024 to 2029, which maintained the existing eight strategic directions while reflecting more recent developments and priorities within those strategic directions. The new Strategic Plan provides the Organization with a clear direction and a degree of continuity and consistency of approach over the next six years.

58 The Strategic Plan for the six-year period 2024-2029 consists of the following

59 The mission statement, which states:

"The mission of the International Maritime Organization (IMO), as a United Nations specialized agency, is to promote safe, secure, environmentally sound, efficient and sustainable shipping through cooperation. This will be accomplished by adopting the highest practicable standards of maritime safety and security, efficiency of navigation and prevention and control of pollution from ships, as well as through consideration of the related legal matters and effective implementation of IMO instruments, with a view to their universal and uniform application."

60 The vision statement, with the vision of IMO for the period 2024 to 2029 as follows:

.1 IMO will uphold its leadership role as the global regulator of shipping, promote greater recognition of the sector's importance to world trade, and enable the advancement of shipping. In this regard, IMO will address the challenges and opportunities presented by ongoing developments in technology, the protection and preservation of the marine environment, tackling climate change, improving the well-being and competence of seafarers, and strengthening the resilience of the maritime industry and global supply chains.

.2 To achieve this, IMO will focus on the review, development, implementation of and compliance with IMO instruments in its pursuit to proactively identify, analyze and address emerging issues. IMO will support Member States in achieving the goals of the 2030 Agenda for Sustainable Development, including through capacity development, taking into account the Organization's Capacity-Building Decade 2021-2030 Strategy.

61 The overarching principles, which should be taken into account in all of the Organization's work.

62 The following strategic directions set out the areas of particular focus for the period 2024 to 2029:

- **SD 1:** Ensure implementation of IMO instruments supported by capacity development
- **SD 2:** Integrate new, emerging and advancing technologies in the regulatory framework
- **SD 3:** Respond to climate change and reduce greenhouse gas emissions from international shipping
- **SD 4:** Continue to engage in ocean governance
- **SD 5:** Enhance global facilitation, supply chain resilience and security of international trade
- **SD 6:** Address the human element
- **SD 7:** Ensure the regulatory effectiveness of international shipping
- **SD 8:** Ensure organizational effectiveness

FINANCIAL MANAGEMENT

Risk Management

63 Following a long period of experience with the Risk Management Framework approved in 2008 with further enhancements in 2014, the Council, at its 133rd session, approved an enhanced Risk Management Policy and a Risk Appetite Statement that now forms the new Risk Management Framework.

64 The Risk Management Policy has been enhanced to reflect best practices within the United Nations system, as well as the Committee of Sponsoring Organizations of the Treadway Commission (COSO) approach, following the recommendations of the Joint Inspection Unit (JIU), as well as those of the internal and external audit conducted recently to assess the Secretariat's risk management process.

65 The Risk Appetite Statement has been developed based on the Guidelines on Risk Appetite Statements developed by the Risk Management Forum of the United Nation's High-Level Committee of Management (HLCM) and endorsed by the UN Chief Executive Board (CEB), to support more aligned strategic decision-making, timeliness of risk response implementation and safeguarding of the Organization's assets.

66 The 2024 assessment of all potential risks impacting the Secretariat's objectives as established in the Secretariat's Business Plan focused on a holistic review of the Secretariat's areas of work expanding on potential risk in particular in the service areas related to Administration, i.e. Human Resource Services, Finance and Budget resources, Central Support Services, as well as technical cooperation activities taking into account the expansion of IMO's technical cooperation activities. This resulted in the inclusion of a number of new risks, enhancing the Secretariat's risk management in critical areas.

67 In addition to the Risk Management Framework, IMO has an established framework of internal controls, including internal oversight, designed to maximize the effective and efficient use of its resources and safeguard its assets.

Governance

68 The Organization's governance is provided through the Assembly and the Council and is defined in the IMO Convention. For 2024, after a reorganization in January the key management personnel of IMO consisted of the Secretary General- and six Divisional Directors. The key management personnel of WMU and IMLI consist of the President and Director, respectively. Related party disclosures in line with IPSAS requirements are accordingly included in the notes to the financial statements. The Council is responsible for providing intergovernmental support and specific policy direction to, and supervision of, the activities of IMO. In view of its state membership- composition, the Council is not considered a related party as defined by IPSAS.

Funding

69 IMO's activities are mainly funded by assessed contributions on its Member States and Associate Members. Voluntary contributions from Member States, governmental agencies, intergovernmental bodies and other public, private and non-governmental sources may support financially certain activities of the Organization, the finances of which may receive further support through commercial activities (including the sale of publications and catering and conference services), and through miscellaneous revenue (including interest on financial assets). Indirect support cost income, earned through third-party agreements with donors, is also used to fund activities provided for in the regular budget and to support the necessary

infrastructure to deliver the Organization's extra-budgetary work. IMO is in good financial health with adequate resources to meet its mandated activities.

Sustainability

70 In considering the Organization's financial sustainability, an evaluation of the consequences of any significant delays or defaults in payments from Member States or any reductions in contributions from donors in the context of the recent known market volatility has been made, and a review was also made to determine whether there could be a consequential reduction in the scale of operations and/or the delivery of the Strategic Plan, the High-level Action Plan and the Divisional Business Objectives. Having considered IMO's projected activities and the corresponding risks, a determination has been made to note that the Organization has adequate resources to continue to operate in the medium term. Overall, based on operating assumptions and known risks and mitigations, the Organization will continue as a "going concern" in the context of preparing IMO's financial statements.

71 The assertion above is supported by i) the budget approved by the Assembly for the 2024-2025 biennium; ii) the scope and content of the Strategic Plan prepared for the period 2024-2029; iii) the net assets held at the end of the 2024 financial period, and the Assembly's decision at its thirty-third session to reform the Special Contingency Account and Working Capital Fund to improve the Organization's financial resilience; iv) the high level of collections of the assessed contribution of over 95% for the past 10 years; and v) the trend in donor support that has been sustaining IMO's mandate, including delivery of technical cooperation work, as determined by the Council and Assembly.

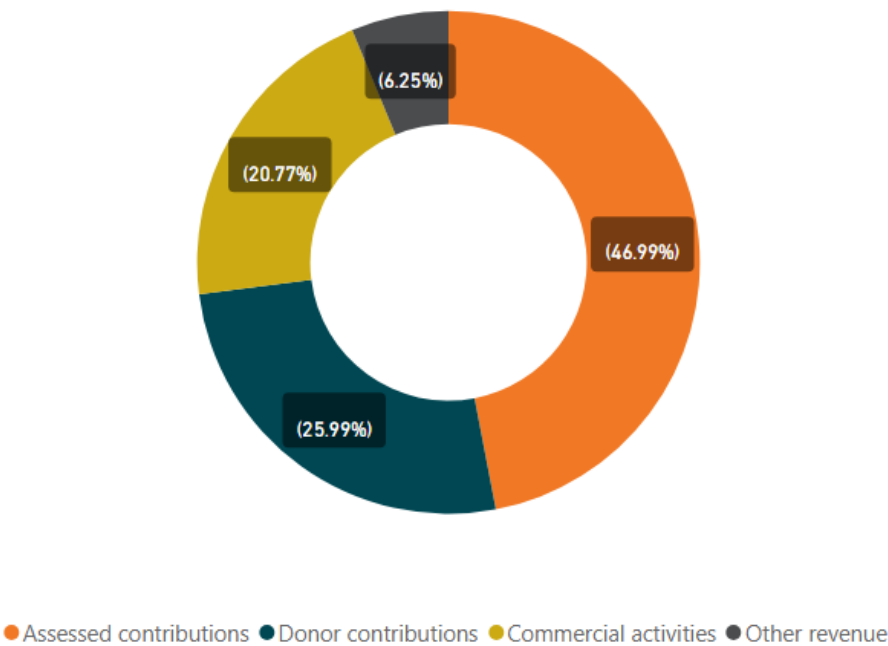
FINANCIAL AND BUDGET PERFORMANCE HIGHLIGHTS

72 The Organization performed well from a financial perspective in 2024. The Organization’s Member States continue to pay the assessment, the largest source of revenue, at one of the highest rates in the UN system, while donor revenue continues to increase. Expenditure was managed within budget across all Funds with the exception of the Termination Benefit Fund, where additional costs related to staff separations were funded by savings made in the regular budget. Overall, the Organization is in a strong financial position, with reserves across all Funds which provide a degree of financial resilience and mitigate financial risks for the future. Further information is provided in the following sections.

Financial Performance

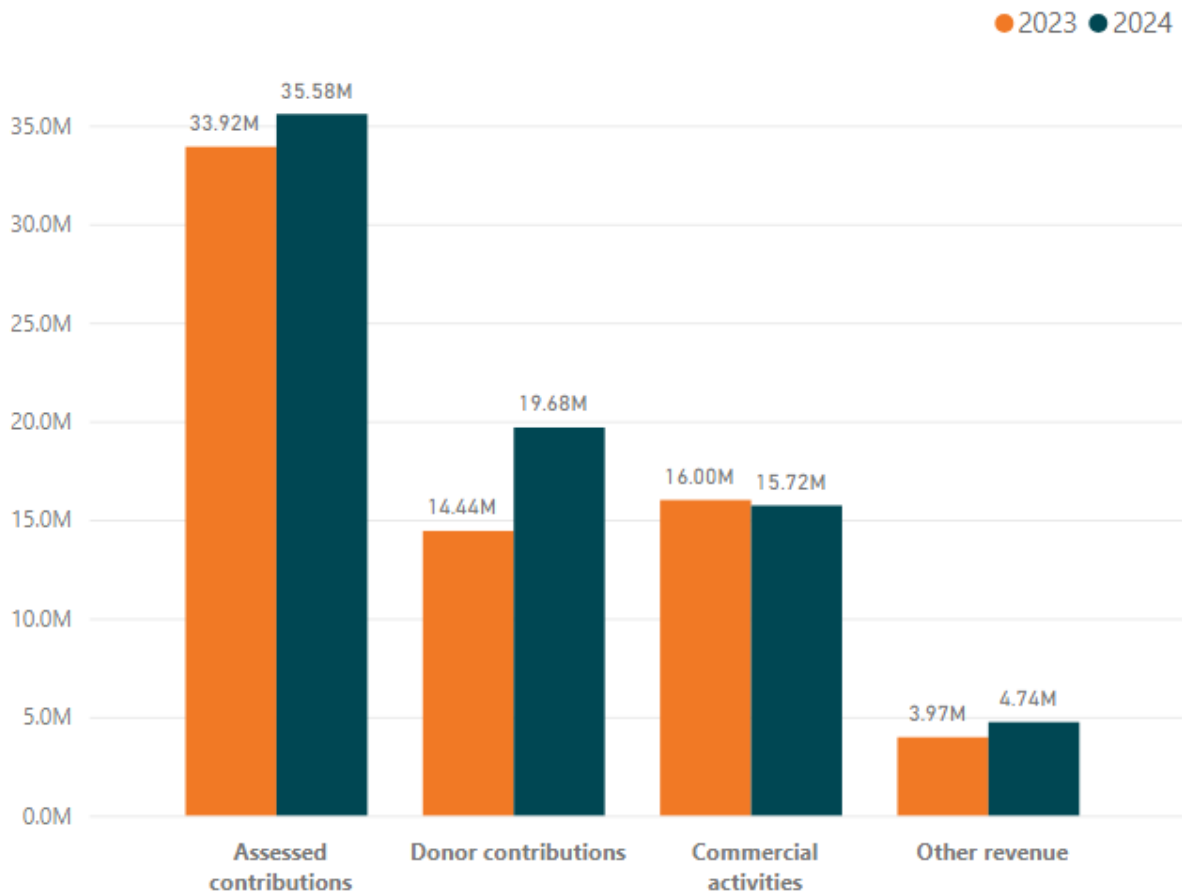
73 IMO's revenue comprises three main components: assessed contributions from Member States, voluntary contributions from donors, and revenue from commercial activities.

Chart I: Revenue by source (GBP millions)



74 In 2024, total revenue increased to £75.72 million, an increase of £7.39 million compared to the prior year. The largest portion of this income remains assessed contributions on Member States, though the overall share of 46.99% dipped slightly from the year before. On the other hand, voluntary donations experienced significant growth, taking on a more prominent portion of 25.99% in the revenue mix. Income from commercial activities saw a slight decline, while other revenue sources grew modestly largely as a result of increasing investment returns, adding a small but meaningful boost to the overall total.

Chart II: Revenue by source and year (GBP millions)



75 The assessed contribution revenue represents the total assessments for the year as approved by the IMO Assembly. The assessment collection rate of 97.96% is among the highest in the United Nations system. Charts III and IV provide the status of payments for 2024 and a comparison of the number of Member States with full, partial, and no payments for 2024 and 2023.

Chart III: Status of 2024 Assessments

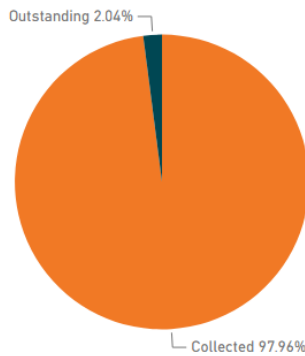
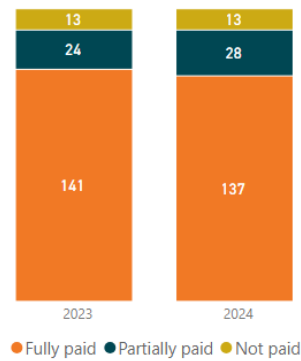
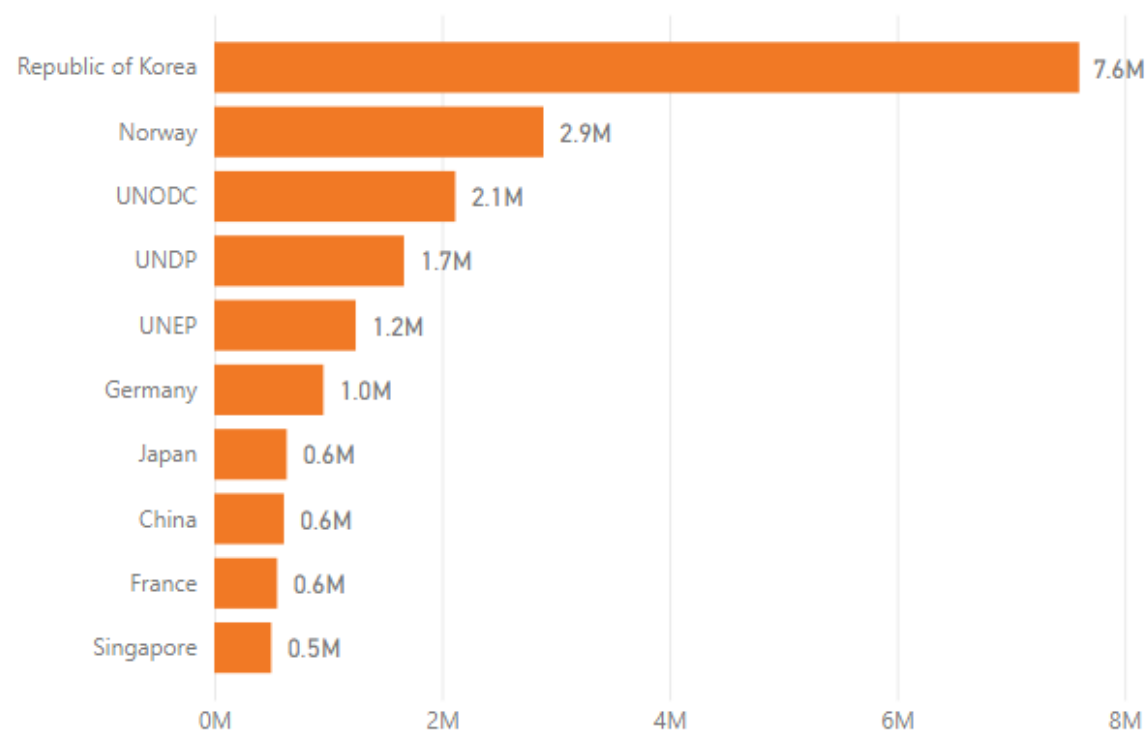


Chart IV: No. of Member States by Payment Status



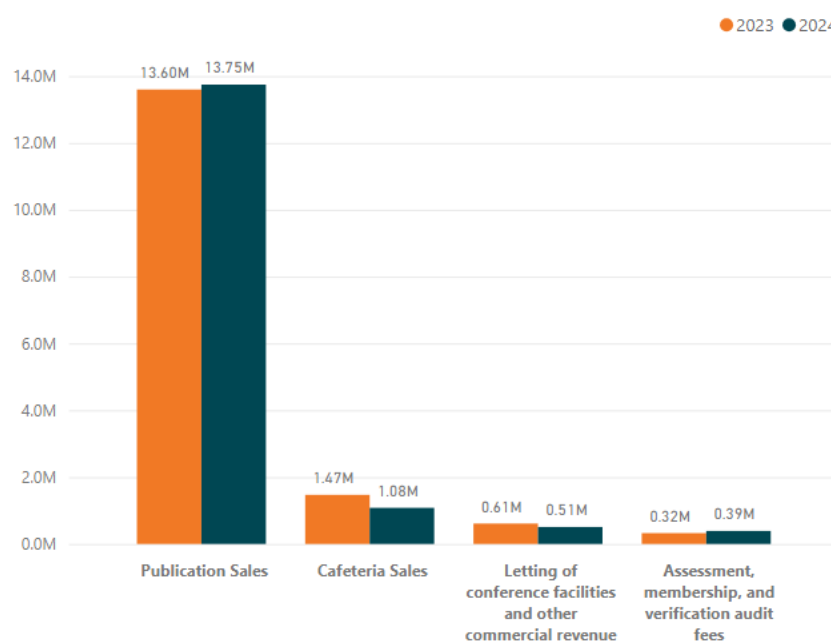
76 Donor contributions increased 36.34% to £19.68 million (2023: £14.44 million). Donor revenue can fluctuate from year to year due to the timing of contributions, although there has been an underlying trend of increasing support from donors for IMO’s work over recent years, which continued into 2024. The top 10 donors are listed in Chart V.

Chart V: Top 10 Donors



77 Commercial activity revenue fell 1.74% to £15.72 million in 2024, compared to £16.00 million in 2023. As illustrated in Chart VI, this decline was primarily due to lower cafeteria sales, which are typically stronger during Assembly years.

Chart VI: Commercial Activities Revenue (GBP millions)

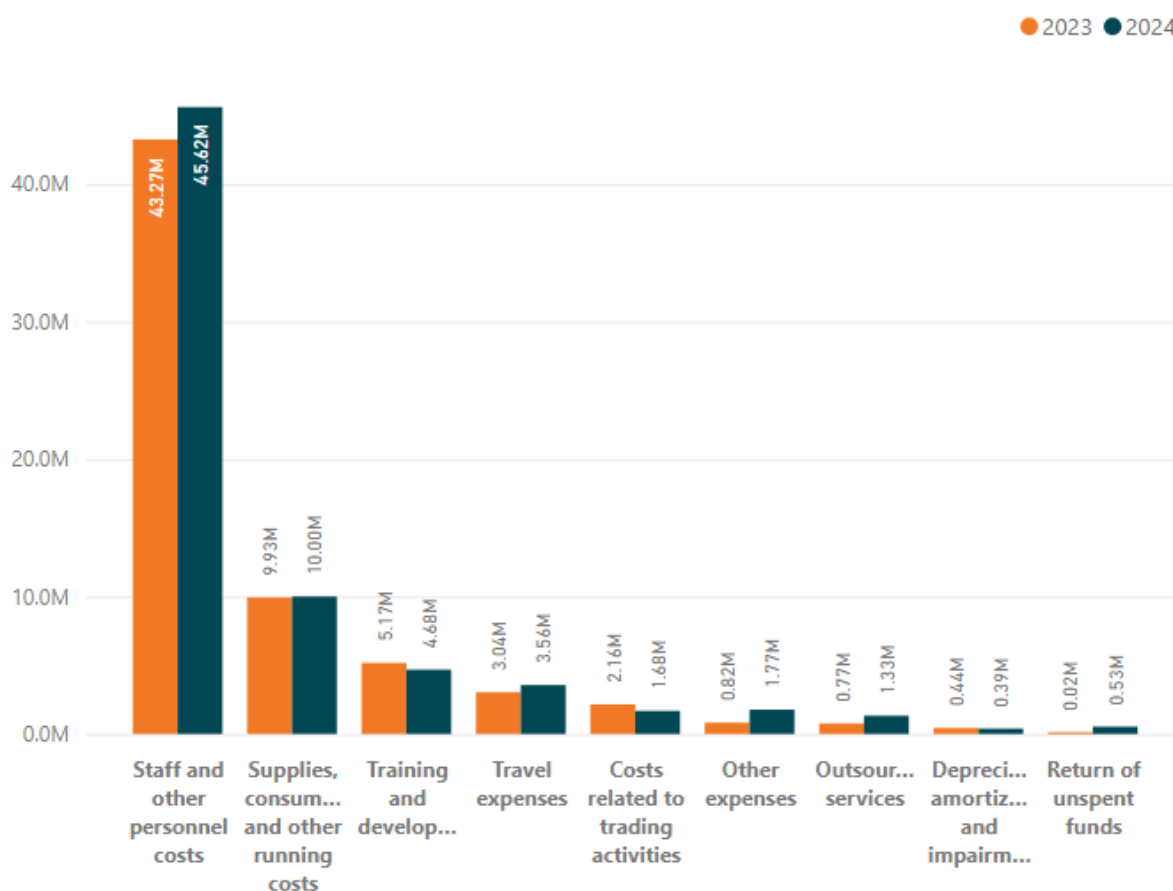


78 Other revenue rose to £4.74 million in 2024, up from £3.97 million in 2023, primarily due to higher interest rates and consequent increases in investment income.

Budget performance and expenditure

79 Operating expenses increased by 6.03% to £69.56 million in 2024, up from £65.60 million in 2023. This rise is mainly attributable to increased project spending from extra-budgetary funds, along with inflationary pressures on staff and personnel costs.

Chart VII: Expenditure (GBP millions)

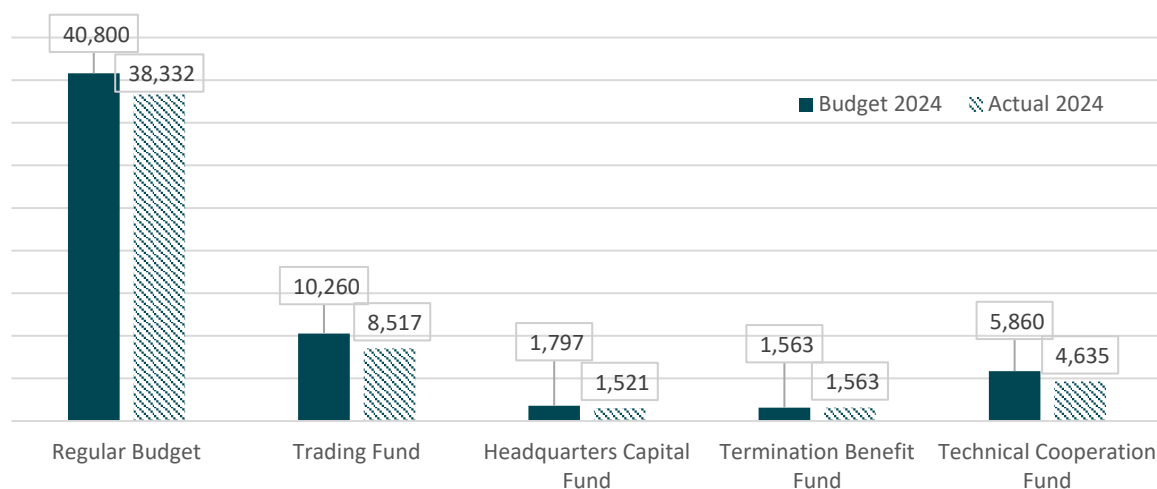


80 The Organization reports its financial results in GBP but holds a portion of its funds in US dollars, primarily for donor-funded projects. These projects are budgeted and executed in US dollars, so holding funds in that currency reflects operational needs rather than speculation. In 2024, the Organization experienced a currency exchange gain of £0.25 million, compared to a loss of £2.82 million in 2023.

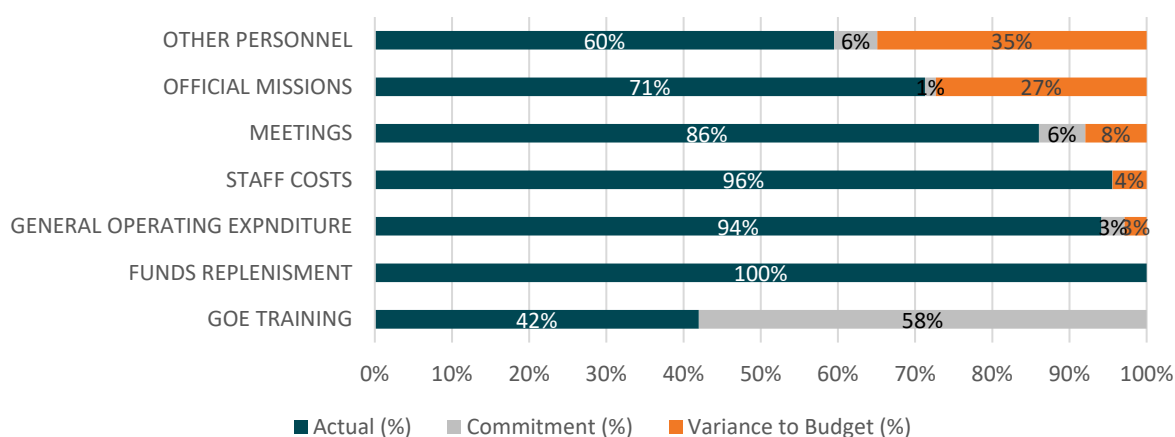
81 It should be noted that the financial performance of revenue and expenses reflected in Statement II (Statement of Financial Performance) is presented on an IPSAS accrual basis and thus is different in its measurement and accounting from the budgetary performance of receipts and payments reflected in Statement V, which is prepared on a modified cash/accrual basis.

82 The thirty-third session of the Assembly held in December 2023 adopted resolution A.1179(33) on the Results-Based budget for the 2024-2025 biennium, in which it approved the budget for the financial periods 2024 and 2025 for the Organization's core funds. This included an appropriation for 2024 of £59,134,000 to be funded in part through projected income of £56,626,000. In addition, transfers of commitments from 2023, along with additional transfers between funds with the approval of the IMO Council, were also affected – following these transfers, the final appropriation for 2024 was £60,281,142.

83 The actual expenditure for each Fund against the final 2024 budget is shown in the chart below:

Chart VIII: Budget expenditure against actual expenditure by Fund (in £'000)

84 For the regular budget, the expenditure profile across the main cost categories is shown in the chart below.

Chart IX: 2024 regular budget variance analysis to budget

85 The following paragraphs provide a summary of the most notable variances:

- a. **Other Personnel** – The largest variance in the Other Personnel cost category was driven by the postponement of some consultancy services for the replacement of the ERP project, and the fact that a lower number of supernumerary staff were required during the year.
- b. **Meetings programme** – The Organization continues to enhance its provision for hybrid participation, accommodating both in-person and virtual attendees. In 2024, efficiencies in contract renewals and optimising the scheduling of interpretation sessions for the meetings programme also delivered savings.
- c. **Mission Travel** – The Organization continues to find efficiencies and enhancement of travel related policies with greater use of remote and hybrid participation. Furthermore, a large part of the savings related to travel related to the IMO Member State Audit Scheme (IMSAS), with two audits being

postponed and greater use of remote follow-up audits where on-site presence was not required.

- d. **Staff Costs** - The rate of separations during 2024 remained higher than budgeted, which in turn offset the inflationary impact on staff costs.

86 With respect to the Trading Fund, the majority of expenses are attributed to the cost of sales for publications, including investment in developing the digital platform for electronic publications. Additional expenditures were incurred for catering supplies, including those related to external functions, along with associated costs in service provision.

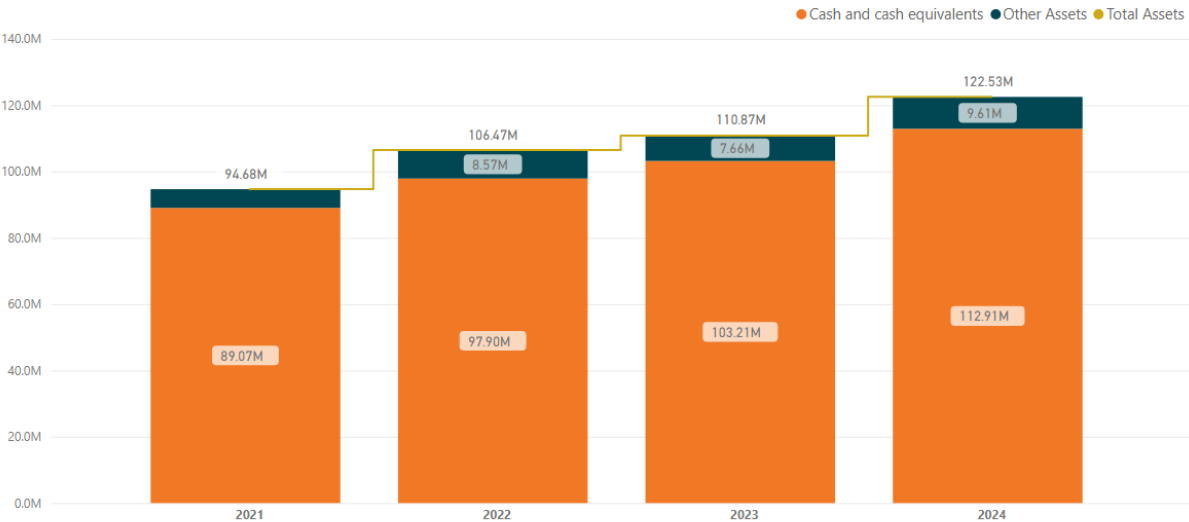
87 The Headquarters Capital Fund primarily supported investments in the Organization's building improvement works, notably the completion of the upgrade of the air handling systems project. Further investments were made in the replacement and update of equipment in the Headquarters building's conference facilities, with particular emphasis on enhancing the capability to support hybrid meetings.

88 Total expenditure from the Technical Cooperation Fund for 2024 amounted to £4,635,485, as delivery continues to return to pre-pandemic levels.

Financial Position

89 The Organization maintains a healthy overall financial position in terms of solvency and liquidity. At the end of 2024, cash made up 92.16% of all IMO's assets, totalling £112.91 million, which is £9.71 million more than at the end of 2023. As shown in Chart X, this positive trend has been growing consistently.

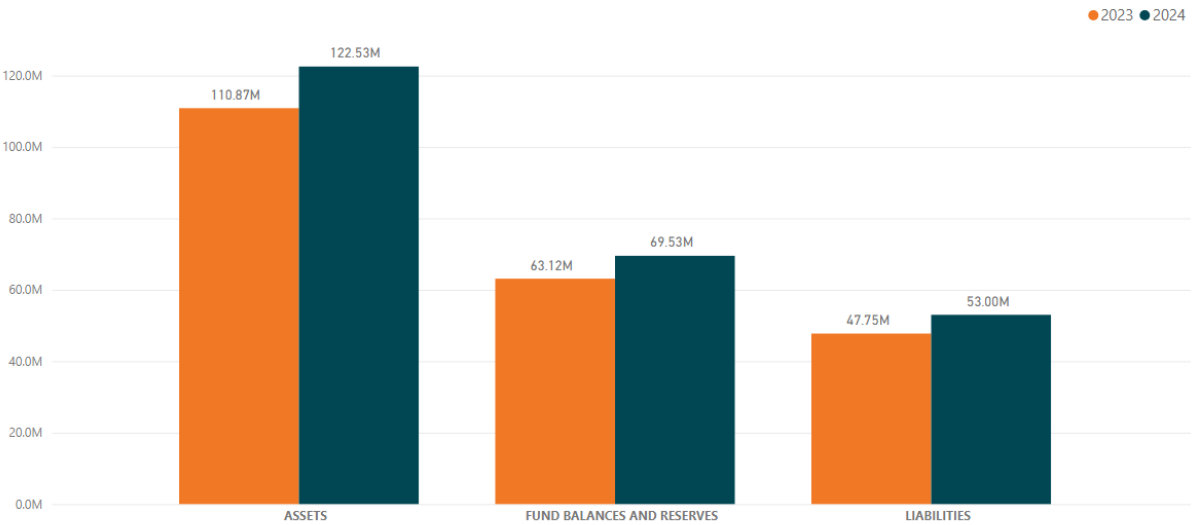
Chart X: Cash vs Total Assets (GBP millions)



90 The Organization invested its surplus cash in short-term deposits that will mature in 2025. As of December 31, 2024, these deposits totalled £91.19 million, representing 80.76% of the available cash balance.

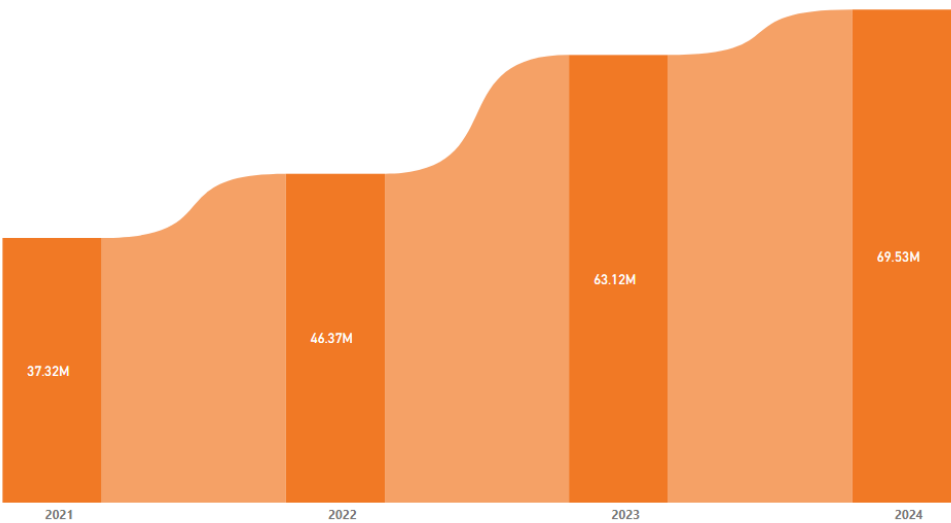
91 The ratio for assets over liabilities of 2.31 is high, which is a good indicator of solvency, i.e. the ability of the Organization to pay off both its current and long-term liabilities. Fund Balances and Reserves increased in 2024 by £6.41 million, representing the combined effect of the net operating surplus of £6.16 million and the currency exchange gain of £0.25 million.

Chart XI: Financial Position (GBP millions)



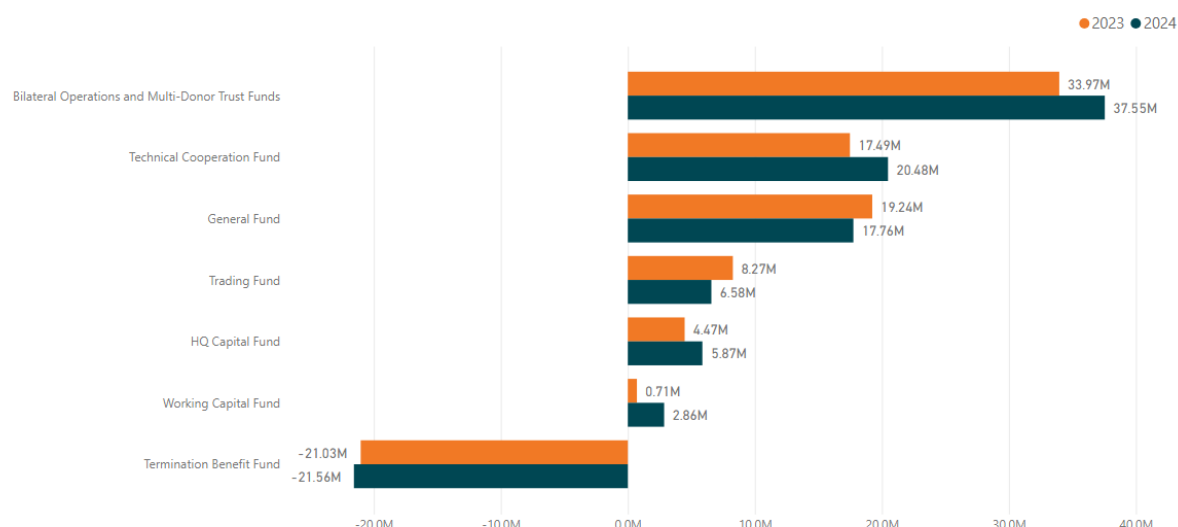
92 Fund Balances and Reserves have continued to increase as shown in Chart XII, with a large part of this increase relating to the expanding donor-funded work of the Organization – as donor funds are typically received in advance of expenditure being incurred.

Chart XII: Fund Balances and Reserves 2021-2024 (GBP millions)



93 The closing Fund Balances and Reserves of £69.53 million (2023: £63.12 million) represent the fund balances for the Organization as a whole. However, it includes 54.01% or £37.55 million (2023: £33.97 million) that is tied to multi-donor trust funds and bilateral agreements with donors, as shown in Chart XIII. The use of these funds is governed by the respective fund’s terms of reference or the agreement with the donor, and consequently slightly over half of the Organization’s reserves are not available for general use. For more detailed information on the balances of major funds, refer to Note 2.13 in the financial statements.

Chart XIII: Fund Balances and Reserves (GBP millions)



94 Nevertheless, the financial positions of the ‘core’ funds – the General Fund, Working Capital Fund, Headquarters Capital Fund, and Technical Cooperation Fund remain relatively strong. Much of the surplus in the Trading Fund will, in due course, be transferred to the Technical Cooperation Fund in accordance with Assembly resolution A.1179(33). The Termination Benefit Fund shows a deficit of £21.56 million (2023: £21.03 million), which is the unfunded portion of the long-term liability relating to the Organization’s After-Service Health Insurance (ASHI) scheme. The Organization has set aside funds of £10.44 million to meet these liabilities through individual transfers, and through the establishment of a regular funding mechanism for all staff other than those on the Organization’s regular budget. Nevertheless, there is a proportion of the liability that remains unfunded.



**CHAIR OF THE AUDIT BOARD
REPUBLIC OF INDONESIA**
**Letter from the External Auditor to the Chair of the Council
of the International Maritime Organization**

Number: 67 /S/I/05/2025

The Chair of the Council
International Maritime Organization
4, Albert Embankment London SE1 7SR
United Kingdom

Dear Chair,

In accordance with the Article XII of the International Maritime Organization's (the Organization) Financial Regulations and Financial Rules, I have the honour of presenting the Audit Board of the Republic of Indonesia's (Badan Pemeriksa Keuangan/BPK) Report to you.

This report comprises the External Auditor's Opinion and the External Auditor's Long-Form Report on the attached Audited Financial Statements of the Organization for the year ended 31 December 2024 prepared by the Organization.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Isma Yatun', with a stylized flourish at the end.

Dr. Isma Yatun, CSFA., CFrA
Chair of the Audit Board of the Republic of Indonesia
External Auditor

Jakarta, Indonesia
19 May 2025



THE AUDIT BOARD OF THE REPUBLIC OF INDONESIA

AUDIT OPINION

**CERTIFICATE OF THE EXTERNAL AUDITOR ON THE FINANCIAL STATEMENTS OF
THE INTERNATIONAL MARITIME ORGANIZATION
AS AT AND FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2024**

To the Council of the International Maritime Organization

Opinion

We have audited the financial statements of the International Maritime Organization (the Organization), which comprise the Statement of Financial Position as at 31 December 2024, the Statement of Financial Performance, the Statement of Changes in Net Assets, the Statement of Cash Flows, and the Statement of Comparison of Budget and Actual Amounts for the year then ended, and the Notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position as at 31 December 2024, and financial performance and cash flows for the year then ended of the Organization in accordance with International Public Sector Accounting Standards (IPSAS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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, 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.

Other Information

Management is responsible for the other information, which comprises the Secretary General Statement, contained below, but does not include the financial statements and our auditor's report thereon.

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.

Our responsibility is to read other information and, in doing so, consider whether this other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, on the basis of the work that we have performed, we conclude that there is a material misstatement in such other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS, and for such internal control as Management 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, Management 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 Management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

The Council, as Those Charged with Governance, is responsible for overseeing the Organization's financial reporting process.

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 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.

A further description of our responsibilities for the audit of the financial statements is included in annex 1 of this report. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Further, in our opinion, the transactions of the Organization that have come to our notice or which we have tested as part of our audit have, in all significant respects, been in accordance with the Organization's Financial Regulations and Financial Rules.

In accordance with Article XII of the Financial Regulations and Financial Rules, we have also issued a long-form report on our audit of the Organization.



Dr. Isma Yatun, CSFA., CFrA
Chair of the Audit Board of the Republic of Indonesia
External Auditor

Jakarta, Indonesia
19 May 2025

ORGANISATION
MARITIME
INTERNATIONALE



INTERNATIONAL
MARITIME
ORGANIZATION

ORGANIZACIÓN
MARÍTIMA
INTERNACIONAL

28 February 2025

Dr. Isma Yatun
Chairperson
The Audit Board of the Republic of Indonesia
Jalan Gatot Subroto 31, Jakarta 10210
Indonesia

Letter of Transmittal

Dear Dr. Yatun,

Pursuant to financial regulation 11.2, we have the honour to submit the financial statements for the year ended 31 December 2024 of the International Maritime Organization, certified and approved in accordance with financial regulation 11.1, along with the Statement on Internal Control for the financial period 2024 which does not form a part of the financial statements.

We confirm, to the best of our knowledge and belief, and having made appropriate enquiries with other officials of the Organization, the following representations in connection with your audit of the financial statements of the International Maritime Organization for the year ended 31 December 2024.

We are responsible for preparing financial statements that properly present the activities of the Organization, and for making accurate representations to you. All accounting records and related information have been made available for the purpose of your audit, and all transactions that occurred in the financial period have been, properly reflected in the financial statements and recorded by the Organization in the accounting and other records.

- 1 The financial statements have been prepared and presented in accordance with:
 - a. the International Public Sector Accounting Standards;
 - b. the Financial Regulations and Financial Rules of the Organization; and
 - c. the accounting policies of the Organization, as summarized in note 1 to the financial statements.
- 2 The accounting policies used by the Organization as stated in the financial statements are consistent with those of the previous year.
- 3 Within the meaning of IPSAS 35, IMO also controls WMU and IMLI for financial reporting purposes, the financial records of which are presented in the consolidated financial statements.
- 4 The value of cash, cash equivalents and investments recorded is not impaired and, in our opinion, is fairly stated.
- 5 All material accounts receivables have been included in the financial statements and

represent valid claims against debtors or future economic benefits to the Organization. Apart from the estimated uncollectable contributions receivable as presented in note 2.2, we expect all significant accounts receivable at 31 December 2024 to be collected.

- 6 The inventories, property, plant and equipment, and the intangible assets disclosed in notes 2.3, 2.7 and 2.8 to the financial statements, respectively, are owned by the Organization and are free from any charge.
- 7 All known accounts payable and accruals have been included in the financial statements.
- 8 The commitments of the Organization for the acquisition of goods and services, as well as the capital commitments contracted but not delivered as at 31 December 2024, have been disclosed in note 7.1 to the financial statements. Commitments for future expenses have not been recognized as liabilities.
- 9 All known legal or contingent liabilities as at 31 December 2024 have been disclosed in note 7.2 to the financial statements.
- 10 All expenses reported during the period were incurred in accordance with the financial regulations and financial rules of the Organization and any specific donor requirements.
- 11 All losses of cash or receivables, ex gratia payments, frauds and presumptive frauds, wherever incurred, were communicated to the External Auditors and are reported in note 8.
- 12 Disclosure is made, in the financial statements, of all matters necessary to enable them to present fairly the results of transactions during the period.
- 13 There have been no known events since the IMO reporting date of 31 December 2024 that necessitate revision of the information presented in the financial statements thereto.



Azara Prempeh
Director, Administrative Division



Arsenio Dominguez
Secretary-General

27 February 2025

**STATEMENT ON INTERNAL CONTROL
FOR THE YEAR ENDED 31 DECEMBER 2024**

Scope of responsibility

1. As Secretary-General and Director of the Administrative Division of the International Maritime Organization (IMO), we are accountable, in accordance with the responsibilities assigned in Article X of the Financial Regulations, for establishing financial rules and procedures to ensure effective financial administration and the exercise of economy, and for maintaining internal financial control.

Purpose of the system of internal control

2. The system of internal control is designed to reduce and manage rather than eliminate the risk of failure to achieve the Organization's policies, aims and objectives. Therefore, it can only provide a reasonable and not absolute assurance of effectiveness. It is based on an ongoing process designed to identify principal risks, evaluate the nature and extent of those risks and manage them efficiently, effectively and economically. Internal control is a process effected by the Council, the Secretary-General, senior management and other members of the Secretariat, and designed to provide reasonable assurance on the achievement of the following internal control objectives:
 - the regularity of the receipt, custody, and disposal of all funds and other financial resources of the Organization;
 - the conformity of obligations and expenditures with the appropriations or other financial provision voted by the Assembly, or with the purposes and rules relating to trust and other special funds; and
 - the economic use of the resources of the Organization.
3. Thus, on an operational level, IMO's internal control system is not solely a policy or procedure that is performed at certain points in time, but rather continually operated at all levels within the Organization through internal control processes to ensure the above objectives.
4. The current statement on IMO's internal control processes, as described above, applies for the year ended 31 December 2024, and is up to the date of the approval of the Organization's 2024 financial statements.

Risk management and internal control

5. The Organization operates a Risk Management Framework, developed and approved by the Council. Under this Framework, the Organization is required to conduct a biennial risk assessment exercise to identify and analyse risks to the delivery of the Secretariat's Business Plan, to develop and implement mitigation measures where those risks are considered to be unacceptably high and report the outcome of this exercise to the Council. Between these reports and throughout the biennium, the application of the principles of risk management and the mitigation of risks to the extent practically possible is an ongoing process at the Organization. The outcome of both the risk assessment exercise and the ongoing monitoring of the risks throughout the biennium informs the assessments of the effectiveness of the established system of internal control.

Review of effectiveness

6. The review of the effectiveness of the system of internal control is also informed by:

- senior managers, each of whom has a role to play in the system of internal control and has been assigned specific delegations within the framework provided by the Financial Regulations and Financial Rules, Procurement Manual and Budget Manual. Each staff member assigned such delegated responsibility has provided me with an individual attestation on internal control for the year ended 31 December 2024 which acknowledges the scope of their responsibility, reports any significant weaknesses identified in internal controls along with steps being taken to address them, and confirms that internal controls are operating effectively within their area of responsibility;
- the work of the Internal Oversight and Ethics Office (IOEO), which has a dual function, both as internal oversight to provide me with reports on internal audits and evaluations conducted during the year to provide independent and objective information on the adequacy and effectiveness of the Organization's system of internal controls, and as the ethics office to provide confidential advice and counsel to the Organization and its staff on ethics and standards of conduct, promote ethical awareness and responsible behaviour and handle referrals of allegations of unethical behaviour or conflicts of interest. Relevant matters are reported to the Council under the renamed agenda item on "Internal Oversight, Ethics and Joint Inspection Unit";
- the External Auditor, the Chair of the Audit Board of the Republic of Indonesia, who provides me with a management letter identifying any issues of control identified during their annual audit and provides the Council and Assembly with an opinion on the accuracy of the Organization's financial statements; and
- the Council, which reviews the outcomes of the biennial risk assessment exercise and identifies any action which it believes is necessary to address the findings thereof.

7. For the year 2024, there have been no significant issues to report in the operation of internal controls.

Conclusion

8. Effective internal control, no matter how well designed, has inherent limitations, including the possibility of circumvention and therefore can only provide reasonable assurance. Furthermore, because of changes in conditions, the effectiveness of internal control may vary over time. In recognizing this, however, concludes that, to the best of our knowledge and information, the IMO Secretariat generally had an effective system of internal control for the year ended 31 December 2024, and up to the date of the approval of the financial statements for that year.



Azara Prempeh
Director, Administrative Division



Arsenio Dominguez
Secretary-General

28 February 2025



INTERNATIONAL MARITIME ORGANIZATION

FINANCIAL STATEMENTS

31 DECEMBER 2024

INTERNATIONAL MARITIME ORGANIZATION
STATEMENT I
STATEMENT OF FINANCIAL POSITION
as at 31 December 2024
(GBP)

	Note	IMO 2024	IMO 2023	Consolidated 2024	Consolidated 2023
ASSETS					
Current Assets					
Cash and Cash Equivalents	2.1	112,914,723	103,206,972	130,390,046	120,749,287
Contributions Receivable	2.2	2,058,822	1,097,985	2,060,894	1,097,985
Inventories	2.3	735,650	566,730	806,071	635,878
Advances to Sub-contractors and Partners	2.4	1,169,694	660,919	1,169,694	660,919
Other Receivables and Prepayments	2.5	3,530,597	3,910,698	4,859,985	5,132,690
Total Current Assets		120,409,486	109,443,304	139,286,690	128,276,759
Non-Current Assets					
Investments	2.6	-	-	12,565,460	10,219,773
Property, Plant and Equipment	2.7	2,012,803	1,344,723	2,367,805	1,822,241
Intangible Assets	2.8	102,905	80,801	102,905	80,801
Total Non-Current Assets		2,115,708	1,425,524	15,036,170	12,122,815
TOTAL ASSETS		122,525,194	110,868,828	154,322,860	140,399,574
LIABILITIES					
Current Liabilities					
Payables and Accruals	2.9	12,800,771	9,440,170	18,541,344	15,468,628
Provisions for Warranties	2.10	25,727	39,533	25,727	39,533
Employee Benefits - Current	2.11	181,605	321,923	200,253	402,819
Finance Lease Liabilities - Current	2.12	123,992	-	123,992	-
Total Current Liabilities		13,132,095	9,801,626	18,891,316	15,910,980
Non-Current Liabilities					
Employee Benefits - Non-Current	2.11	39,597,729	37,944,930	41,809,191	39,867,505
Finance Lease Liabilities – Non-Current	2.12	267,247	-	267,247	-
Total Non-Current Liabilities		39,864,976	37,944,930	42,076,438	39,867,505
TOTAL LIABILITIES		52,997,071	47,746,556	60,967,754	55,778,485
NET ASSETS		69,528,123	63,122,272	93,355,106	84,621,089
Fund Balances and Reserves	2.13	63,122,272	63,220,979	82,998,372	83,131,999
Surplus/(Deficit) for the year		6,405,851	(98,707)	10,356,734	1,489,090
TOTAL FUND BALANCES AND RESERVES	2.13	69,528,123	63,122,272	93,355,106	84,621,089

The accompanying notes form an integral part of these financial statements.

**INTERNATIONAL MARITIME ORGANIZATION
STATEMENT II**

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 December 2024
(GBP)**

		IMO		Consolidated	
	Note	2024	2023 (restated) ¹	2024	2023 (restated)
REVENUE					
Assessed Contributions	3.1	35,576,938	33,920,000	35,576,938	33,920,000
Donor Contributions	3.2	19,680,587	14,435,077	25,661,293	21,397,192
Commercial Activities	3.3	15,723,200	16,002,336	17,713,001	18,495,575
Fellowships	3.4	-	-	6,683,592	6,287,790
Other Revenue	3.5	4,735,966	3,970,436	6,924,010	5,195,947
TOTAL REVENUE		75,716,691	68,327,849	92,558,834	85,296,504
EXPENSES					
Staff and Other Personnel Costs	4.1	45,615,158	43,265,298	55,470,092	53,208,594
Travel Expenses	4.2	3,559,805	3,035,366	4,418,863	4,069,425
Supplies, Consumables and Other Running Costs	4.3	10,001,482	9,932,982	11,471,813	11,120,525
Costs Related to Trading Activities	4.4	1,680,023	2,156,709	1,696,015	2,173,115
Outsourced Services	4.5	1,329,518	768,031	1,591,725	1,128,413
Training and Development	4.6	4,677,896	5,170,624	6,028,340	6,676,060
Depreciation, Amortization and Impairment	4.7	390,982	436,300	629,693	661,455
Return of Unspent Funds	4.8	534,711	17,874	534,711	17,874
Other Expenses	4.9	1,772,484	820,910	1,987,895	1,209,949
TOTAL EXPENSES		69,562,059	65,604,094	83,829,147	80,265,410
OPERATING SURPLUS FOR THE YEAR		6,154,632	2,723,755	8,729,687	5,031,094
Currency Exchange Gain / (Loss)	4.10	251,219	(2,822,462)	1,627,047	(3,542,004)
NET SURPLUS/(DEFICIT) FOR THE YEAR		6,405,851	(98,707)	10,356,734	1,489,090

The accompanying notes form an integral part of these financial statements.

¹ Some components of expenditure reporting have been adjusted to better align with their respective cost categories. Further information is provided in Note 1.

**INTERNATIONAL MARITIME ORGANIZATION
STATEMENT III**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 December 2024
(GBP)**

	Note	IMO		Consolidated	
		2024	2023	2024	2023
Opening balance 1 January		63,122,272	46,370,749	84,621,089	66,491,475
Surplus/(Deficit) for the year	6.2.2	6,405,851	(98,707)	10,356,734	1,489,090
Other Movements					
Actuarial gain for the year	2.11	-	16,850,230		16,850,230
Exchange rate effect	10	-	-	(1,622,717)	(209,706)
Total movement for the year		6,405,851	16,751,523	8,734,017	18,129,614
TOTAL NET ASSETS		69,528,123	63,122,272	93,355,106	84,621,089

The accompanying notes form an integral part of these financial statements.

**INTERNATIONAL MARITIME ORGANIZATION
STATEMENT IV**

**STATEMENT OF CASH FLOWS
for the year ended 31 December 2024
(GBP)**

	IMO		Consolidated	
	2024	2023	2024	2023
Cash flow from operating activities:				
Surplus/(Deficit) for the period	6,405,851	(98,707)	10,356,734	1,489,090
Depreciation of Property, Plant and Equipment ¹	356,792	405,132	595,504	615,350
Net loss on disposal of Property, Plant and Equipment	1,429	571	1,429	2,825
Amortization of Intangible Assets ¹	16,852	14,337	16,852	17,427
Effect of currency exchange on Cash and Cash Equivalent	63,894	903,464	(1,519,011)	1,683,095
(Increase)/decrease in Contributions Receivable	(960,837)	4,386	(962,909)	4,386
(Increase)/decrease in Inventories	(168,920)	(95,927)	(170,193)	(104,058)
(Increase)/decrease in Advances to Sub-contractors and Partners	(508,775)	367,466	(508,775)	367,466
Decrease/(increase) in Other Receivables and Prepayments	380,101	505,737	272,705	(594,572)
Increase/(decrease) in Payables and Accruals	3,360,601	2,120,950	3,072,716	2,739,872
(Decrease)/increase in Provisions for Warranties	(13,806)	(21,240)	(13,806)	(21,240)
(Decrease)/increase in Employee Benefits – Current	(140,318)	92,070	(202,566)	83,518
Increase/(decrease) in Employee Benefits - Non-Current	1,652,799	(14,548,012)	1,941,686	(14,607,697)
Net cash flows from operating activities	10,445,663	(10,349,773)	12,880,366	(8,324,538)
Cash flows from investing activities:				
Investments	-	-	(2,345,687)	(4,844,145)
Purchases of Property, Plant and Equipment ¹	(1,026,301)	(292,072)	(1,142,497)	(498,275)
Purchases of Intangible Assets ¹	(38,956)	-	(38,956)	1,572
Net cash flows from investing activities	(1,065,257)	(292,072)	(3,527,140)	(5,340,848)
Cash flows from financing activities:				
Increase in Finance Lease Liabilities - Current	123,992	-	123,992	-
Increase in Finance Lease Liabilities – Non-Current	267,247	-	267,247	-
Net cash flows from financing activities	391,239	-	391,239	-
Other Movements in Net Assets	-	16,850,230	(1,622,717)	16,850,230
Loss on Exchange on Consolidation	-	-	-	(209,706)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(63,894)	(903,464)	1,519,011	(1,683,095)
Net increase in Cash and Cash Equivalents	9,707,751	5,304,921	9,640,759	1,292,043
Cash and Cash Equivalents at beginning of the year	103,206,972	97,902,051	120,749,287	119,457,244
Cash and Cash Equivalents at end of the year	112,914,723	103,206,972	130,390,046	120,749,287

The accompanying notes form an integral part of these financial statements.

- 1 Depreciation of Property, Plant and Equipment, amortization of Intangible Assets, purchases of Property, Plant, and Equipment and Intangible Assets include the effect of the exchange rate adjustment for exchange rate movements in the year. The consolidated statements in notes 2.7 and 2.8 show additions and foreign exchange adjustments separately rather than in aggregate.

INTERNATIONAL MARITIME ORGANIZATION
STATEMENT V
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
IMO AND CONSOLIDATED
for the year ended 31 December 2024
(GBP)

	Budget Amounts ²				Actual Amounts on Comparable Basis ²		Variances: Final Budget and Actual Amounts	
	Original 2024	Original 2023	Final 2024	Final 2023	2024	2023	2024	2023
Receipts¹								
Assessed contributions	35,572,000	33,920,000	35,572,000	33,920,000	35,075,304	33,994,668	496,696	(74,668)
Support costs income	1,880,000	1,664,000	1,880,000	1,664,000	2,561,110	2,273,984	(681,110)	(609,984)
Trading income	15,311,000	14,232,000	15,311,000	14,232,000	15,404,724	15,697,906	(93,724)	(1,465,906)
Other income	2,121,000	1,230,000	2,121,000	1,230,000	1,640,894	2,228,589	480,106	(998,589)
Funds Transfer	1,742,000	1,716,000	1,742,000	1,716,000	1,742,000	1,716,000	-	-
<i>IMO Subtotal</i>	<i>56,626,000</i>	<i>52,762,000</i>	<i>56,626,000</i>	<i>52,762,000</i>	<i>56,424,032</i>	<i>55,911,147</i>	<i>201,968</i>	<i>(3,149,147)</i>
WMU	12,860,400	11,622,200	13,300,000	13,043,500	14,414,453	15,650,934	(1,114,453)	(2,607,434)
IMLI	2,167,789	2,304,604	2,579,216	2,185,003	2,626,371	2,535,848	(47,155)	(350,845)
<i>Subtotal Education and research</i>	<i>15,028,189</i>	<i>13,926,804</i>	<i>15,879,216</i>	<i>15,228,503</i>	<i>17,040,824</i>	<i>18,186,782</i>	<i>(1,161,608)</i>	<i>(2,958,279)</i>
Overall total receipts	71,654,189	66,688,804	72,505,216	67,990,503	73,464,856	74,097,929	(959,640)	(6,107,426)
Payments^{1&3}								
Regular budget strategic results ⁴	40,923,000	38,626,000	40,800,231	39,240,434	38,332,337	38,229,281	2,467,894	1,011,153
Trading	10,110,000	7,913,000	10,259,896	9,431,772	8,517,206	8,421,041	1,742,690	1,010,731
Headquarters capital	1,565,000	1,305,000	1,797,465	1,561,681	1,520,524	1,011,601	276,941	550,080
Termination/separation ⁴	1,330,000	1,272,000	1,563,176	1,580,000	1,563,176	1,549,978	-	30,022
Technical Cooperation (TC Fund)	5,206,000	5,575,000	5,860,374	7,116,592	4,635,485	6,373,383	1,224,889	743,209
<i>IMO Subtotal</i>	<i>59,134,000</i>	<i>54,691,000</i>	<i>60,281,142</i>	<i>58,930,479</i>	<i>54,568,728</i>	<i>55,585,284</i>	<i>5,712,414</i>	<i>3,345,195</i>
WMU	12,785,700	11,437,900	12,959,800	12,733,400	13,392,600	13,945,200	(432,800)	(1,211,800)
IMLI	1,864,107	1,523,377	2,127,536	1,813,404	2,180,842	2,049,322	(53,306)	(235,918)
<i>Subtotal Education and research</i>	<i>14,649,807</i>	<i>12,961,277</i>	<i>15,087,336</i>	<i>14,546,804</i>	<i>15,573,442</i>	<i>15,994,522</i>	<i>(486,106)</i>	<i>(1,447,718)</i>
Overall total payments	73,783,807	67,652,277	75,368,478	73,477,283	70,142,170	71,579,806	5,226,308	1,897,477
NET (DEFICIT)/SURPLUS - IMO	(2,508,000)	(1,929,000)	(3,655,142)	(6,168,479)	1,855,304	325,863	(5,510,446)	(6,494,342)
NET (DEFICIT)/SURPLUS - CONSOLIDATED	(2,129,618)	(963,473)	(2,863,262)	(5,486,780)	3,322,686	2,518,123	(6,185,948)	(8,004,903)

¹ Classification of receipts or payments follows the same basis as the approved budget and is different from the classification shown in Statement II which presents it by nature/function.

² Budget amounts are on a modified accrual basis (IMO) and an accrual basis (WMU and IMLI) as approved by the respective governing bodies and the actual amounts are on the same basis as the budget amounts.

³ The Final Budget for 2024 includes transfers of committed funds to 2024, amounted to £1,147,139, as detailed in Note 7.1.

⁴ The Final Budget for termination/separation for 2024 includes transfers for committed funds from the prior year as detailed in Note 7.1, out of which £19,702 was utilised in 2024. In addition, the Final Budget for 2024 incorporates a transfer of £213,474 from the savings in the Regular Budget to the Termination Benefits Fund, as approved in principle by the IMO Council at its 133rd session.

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

NOTE 1: ACCOUNTING POLICIES

Basis of Preparation

1 The financial statements of the International Maritime Organization (IMO) have been prepared on the accrual basis of accounting in accordance with the International Public Sector Accounting Standards (IPSAS) using the historic cost convention. Where a specific matter is not covered by IPSAS, the appropriate International Financial Reporting Standards (IFRS) have been applied. No Standards have been adopted prior to their required implementation date, and no transitional provisions are in operation.

2 The Statement of Cash Flows is prepared using the indirect method.

3 Within the meaning of IPSAS 35 – "Consolidated Financial Statements" the Organization is a controlling entity with two controlled entities, the World Maritime University (WMU) and the IMO International Maritime Law Institute (IMLI) based in Sweden and Malta, respectively. Neither WMU nor IMLI has equity and the Organization's control is not by means of shareholding; however, their Charter and Statute, respectively, provide for the 'power' and 'benefit' criteria necessary for establishing control under IPSAS 35, the key factors being:

- the Secretary-General's ability to appoint the President of WMU and the Director of IMLI, and also to appoint the respective governing boards;
- the alignment of the objectives of WMU and IMLI with the goals of IMO through the Charter and the Statute, respectively;
- the requirement for changes to the Charter and Statute to be approved by IMO organs; and
- in the event of the dissolution of IMLI, the funds and assets remaining shall be used as directed by IMO Council.

4 Consolidated statements have therefore been prepared and are shown alongside those of IMO for ease of reference.

5 The functional and reporting currency of IMO is GBP. Transactions in currencies other than GBP are converted into GBP at the prevailing United Nations Operational Rates of Exchange (UNORE) at the time of transaction. Monetary assets and liabilities held at the year-end in currencies other than GBP are converted into GBP at the prevailing UNORE year-end closing rate. The resulting gains or losses are accounted for in the Statement of Financial Performance.

Cash and Cash Equivalents

6 Cash and cash equivalents comprise cash in hand, cash in banks, and highly liquid short-term deposits with maturities of 12 months or less.

Investments

7 The Organization recognizes and measures its investments in accordance with IPSAS 41 – "Financial Instruments", which establishes principles for the recognition, measurement, presentation, and disclosure of financial instruments. Under this standard, the Organization classifies its investments as financial assets measured at fair value through surplus or deficit (FVSD).

Receivables

8 Receivables are financial assets with fixed or determinable payments that are not traded in an active market. Receivables classified as current assets are for amounts due within 12 months of the reporting date, while non-current receivables are those that are due more than 12 months from the reporting date of the financial statements. Receivables are stated at nominal value, less an allowance for expected credit losses (ECL) in accordance with IPSAS 41, based on historical collection experience and forward-looking factors.

9 Assessed contributions receivable is the amount of contributions as approved by the Assembly that are still outstanding. Donor contributions receivable is recognized when the donor agreement is signed but the payment from the donor has not been received at the reporting date.

10 A loss allowance is recognized when there is an expected credit loss and the receivables may be impaired. Changes in the loss allowance are recognized in the Statement of Financial Performance.

11 For donor contributions, commercial and other receivables, an allowance is provided on a case-by-case basis. Allowances are recognized based on historical collection experience and/or evidence indicating that the collection of a particular receivable is in doubt. For commercial receivables and other receivables, an allowance equivalent to 100% of the receivable is provided when the receivable is deemed uncollectable and has been overdue for three or more years.

12 For Member States' assessed contributions, the value of unpaid balances is adjusted as follows:

- no allowance or discount is applied to Member States with sums outstanding for no more than the current or current and previous reporting period; and
- all sums that have been due for more than two reporting periods are held net of a 100% allowance, that is, at zero value in the Statement of Financial Position. The allowance includes current and all prior period outstanding balances. This does not reflect an adjustment for Expected Credit Loss under IPSAS 41 – "Financial Instruments" but rather an impairment in the value of the receivable due to the uncertainty of the timing of future cash flows.

Revenue

13 Assessed income on Member States is recognized on a calendar basis as revenue when it falls due, normally on 1 January of the financial year for which the assessment is made as per the assessments approved by the Assembly. Sums received in advance from Member States for the following reporting period are shown on the Statement of Financial Position as revenue received in advance.

14 Donor Contributions are recognized on a case-by-case basis following the provisions of IPSAS 23 – "Revenue from Non-Exchange Transactions".

15 In cases where donor contributions are made without a condition under IPSAS 23 – "Revenue from Non-Exchange Transactions", revenue and the associated financial asset are recognized when the agreement is signed or, in the absence of an agreement, on receipt of funds. Where there are no payment terms specified by the contributor or payment terms are in the current accounting year, revenue is recognized in the current period. Where payment terms specify payment after the year-end (31 December), the amount is reported as deferred revenue. Where the start date of the contract is after 31 December, revenue is recognized in the future accounting year.

16 Moreover, in some cases a donor agreement may contain sufficiently strict conditions over the application of funds to a specific activity that a liability is recognized along with the asset when the agreement is confirmed in writing and revenue is only recognized as the activity is delivered.

17 In-kind contributions of goods are valued at fair market value and are recognized as revenue and as assets when received. In-kind contributions of services are not recognized in the financial statements.

18 The Organization's commercial sales operations, conducted through the Trading Fund, subletting of conference facilities, and the fees charged to those submitting products and substances for technical assessment in order for the Organization to fully recover costs associated with conducting those assessments, are considered to be exchange transactions and are accounted for within the meaning of IPSAS 9 – "Revenue from Exchange Transactions".

19 Revenue from the sale of publications is recognized upon shipment to the customer.

20 Interest on fixed short-term deposits and other revenue are recognized when received or earned in accordance with IPSAS 9 – "Revenue from Exchange Transactions".

Inventories

21 Publications held for sale on hand at the end of the financial period are recorded as inventories and are valued at the lower of cost or net realizable value.

22 The cost of publications includes production and transportation, determined on a weighted average basis. Inventory quantities are validated by physical stock counts.

23 Publications are shown as a cost of sales at the time at which the sale is recognized, and the inventory is reviewed at the end of each financial year for impairment. A provision is made for inventory considered to be impaired due to damage, obsolescence, and slow-moving titles with excess stock on hand.

24 The Organization does not hold any specific item of inventory for the purpose of distributing free of charge. While a small number of copies of various publications are distributed 'free of charge' from time to time under specific conditions, these free copies constitute an insignificant percentage (typically less than 5%) of the total books distributed. Consequently, no provision is made in this regard.

Property, Plant and Equipment

25 Property, Plant and Equipment (PP&E) are stated at historical cost less accumulated depreciation and any impairment losses. Depreciation is provided for PP&E over their estimated useful life using the straight-line method. The estimated useful life for PP&E classes is as follows:

Class	Estimated useful life (years)
Communication and IT equipment	3 – 5
Vehicles	4 – 7
Furniture & fixtures	5
Conference equipment	7
Miscellaneous	5

26 Leasehold improvements are recognized as assets and valued at cost and depreciated over the lesser of the remaining useful life of the improvements or the lease term.

27 While the Organization uses an operational threshold for recognizing property, plant and equipment of £500, this threshold is not applied to library collections. Where a library collection is deemed to be in excess of 10% reference in nature, all purchases of reference material are capitalized and depreciated over three years on a straight-line basis. Where a library collection holds less than 10% reference books, all items will be expensed as purchased.

28 Impairment reviews are undertaken for all assets at least annually.

Intangible Assets

29 Intangible assets are stated at historical cost less accumulated amortization and any impairment losses.

30 Publication titles are not considered to be intangible assets as they do not meet the provisions of IPSAS 31 – "Intangible Assets". Consequently, development costs for new titles are expensed as they are incurred.

31 Amortization is provided over the estimated useful life using the straight-line method. The estimated useful life for intangible asset classes is as follows:

Class	Estimated useful life (years)
Software acquired externally	3
Internally developed software	3 – 6

Finance Leases

32 Leases under which substantially all the risk and reward of ownership have been transferred to the Organization through the lease agreement are treated as finance leases.

33 Assets purchased under a finance lease are shown as assets at the lower of the fair value of the asset and the present value of the minimum lease payments. An associated lease obligation is recognized at the same value.

34 Lease payments made under a finance lease are apportioned between payment of finance charges and reduction of the balance of the liability.

35 Assets acquired through a finance lease are depreciated over the shorter of the lease term or the useful life of the asset, except where such assets become the property of the Organization on completion of the lease term. In such cases, the asset is depreciated over its useful life. The finance charge will be calculated to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating Leases

36 Leases that are not categorized as finance leases, with a balance of risk and reward remaining with the lessor, are considered to be operating leases.

37 Expenditure incurred under an operating lease is charged on a straight-line basis over the life of the lease.

Employee Benefits Liabilities

38 IMO recognizes the following categories of employee benefits:

- short-term employee benefits due to be settled within 12 months of the end of the accounting period in which employees render the related service;
- post-employment benefits;
- other long-term employee benefits; and
- termination benefits.

39 Actuarial gains and losses that may arise from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur as a separate item directly in net assets/equity. Past service costs from amendments to the benefits provided by the plans are recognized in surplus or deficit over the average remaining service lives of the related employees if they are not vested, and immediately when they arise if the benefits are already vested. None of the benefits of the Organization's defined benefits plans has been amended during the reporting period.

40 Short-term employee benefits include salaries and related benefits, settling-in benefits, education grants, and others such as home leave, paid annual leave, and sick leave.

41 Post-employment benefits are defined benefit plans consisting of the United Nations Joint Staff Pension Fund (UNJSPF), After-Service Health Insurance Plan (ASHI), and repatriation grant and related benefits.

42 Other long-term employee benefits include accrued unused annual leave and, where applicable, compensation payments in the case of death, injury, or illness attributable to the performance of duties.

43 Termination benefits include indemnities for dismissal before retirement or voluntary redundancy. Where, at the reporting date, there is a formal plan, without realistic possibility of withdrawal, to finish the employment of a staff member and at that date, the staff member has not yet separated from the Organization, an accrual is recognized in the financial statements.

Provisions and Contingent Liabilities

44 Provisions are made for future liabilities and charges where IMO has a present legal or constructive obligation as a result of past events, and it is probable that IMO will be required to settle the obligation. This liability is estimated using a percentage based on the previous five years' sales and the level of returns.

45 The Organization's sales of publications are made mainly through distributors and resellers rather than directly to the end user. It is the Organization's established business practice to refund distributors for unsold copies held by them, which may become obsolete through the issuance of a new edition. A provision is established to reflect an approximation of the funds expected to be reimbursed to distributors for the copies sold to them during the financial year which may be returned during future financial years. This liability is estimated using a percentage based on the previous five years' sales and the level of returns. From 1 January 2021, any publications purchased no longer qualify for returns, with the exception of two copies of key publications required to be kept in stock under the terms of the distributor's agreement.

46 Other commitments, that do not meet the recognition criteria for liabilities, are disclosed in the notes to the financial statements as contingent liabilities when their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events that are not wholly within the control of IMO.

Fund Accounting and Segment Reporting

47 The financial statements are prepared on a fund accounting basis, showing, at the end of the period, the consolidated position of all IMO funds. A fund is a self-balancing accounting entity established to account for the transactions of a specified purpose or objective. Fund balances represent the accumulated residual of revenue and expenses.

48 IMO classifies all projects, operations, and fund activities into four segments: i) Core Programme Management; ii) Trading and Business Activities; iii) Technical Cooperation and Extrabudgetary Activities; and iv) Education and Research. IMO reports on the transactions of each segment during the financial period, and the balances held at the end of the period.

49 Under Core Programme Management, the Organization provides services to support Member States' decision-making, including the development of treaties, regulations, and policies. These activities are funded by assessed contributions and transfers from surpluses from such contributions. The Organization's General Fund, Working Capital Fund, Headquarters Capital Fund, and Termination Benefit Fund are grouped under this segment.

50 As the Organization undertakes commercial business activities, in particular publishing and catering, through the Trading Fund, those activities are segmented under Trading and Business Activities. Funding comes from the sale of publications and catering.

51 Under Technical Cooperation and Extrabudgetary Activities, the Organization provides Member States with technical cooperation and extrabudgetary planning and implementation services. Such activities are primarily funded through the surplus of the Organization's commercial activities and contributions from donors or through a cost-recovery model such as the fees charged for assessments of products and substances. In this context, the Organization's Technical Cooperation Fund and all donor trust Funds are grouped under this segment.

52 Activities conducted by WMU and IMLI are categorized under the Education and Research segment. The funding is primarily derived from donations to, and fees charged by WMU and IMLI.

Budget Comparison

53 The Assembly approves the biennial budgets of the Organization which include the regular budget and the budgets of the Trading Fund, the Headquarters Capital Fund, the Termination Benefit Fund, and the Technical Cooperation Fund. These budgets may be subsequently amended by the Council or through the exercise of delegated authority. Statement V: Comparison of Budget and Actual Amounts compares the final budget to actual amounts calculated on the same basis as the corresponding budgetary amounts. As the bases used to prepare the budget and financial statements differ, Note 5 provides a reconciliation between the actual amounts presented in Statement V and the actual amounts presented in Statement IV: Statement of Cash Flows.

Remapping of Accounts Affecting the Statement of Financial Performance

54 During the financial year ended 31 December 2024, the Organization undertook a review of its financial reporting structure to ensure that its financial statements are presented in a manner that supports readability and comparability. As a result, certain accounts within the Statement of Financial Performance were remapped to better align with their respective categories. The remapping of accounts was carried out to ensure that financial performance categories reflect the nature of transactions more accurately and enhance financial information's clarity and readability.

55 The remapping involved reallocating certain revenue and expense accounts to more appropriate categories. The comparative figures for the prior period have been reclassified to reflect the new mapping structure. The reclassification is presentation-related and has no impact on previously reported totals for revenue, expenses, or net (deficit)/surplus.

56 The following table summarizes the mapping changes affecting the Statement of Financial Performance. It compares the original balances reported for 31 December 2023, with the restated comparative balances for the same date, as presented in the 2024 Statement of Financial Performance (Statement II).

	2023 Original	IMO Mapping Changes	2023	2023 Original	Consolidated Mapping Changes	2023
REVENUE						
Assessed Contributions	33,920,000		33,920,000	33,920,000	-	33,920,000
Donor Contributions	14,435,077		14,435,077	21,397,192	-	21,397,192
Commercial Activities	16,002,336		16,002,336	18,275,313	220,262	18,275,313
Fellowships	-		-	6,287,790	-	6,287,790
Other Revenue	3,970,436		3,970,436	5,416,209	(220,262)	5,416,209
TOTAL REVENUE	68,327,849		68,327,849	85,296,504	-	85,296,504
EXPENSES						
Staff and Other Personnel Costs	43,265,567	(269)	43,265,298	53,208,428	166	53,208,594
Travel Expenses	3,035,366	-	3,035,366	4,069,425	-	4,069,425
Supplies, Consumables and Other Running Costs	9,908,899	24,083	9,932,982	11,096,877	23,648	11,120,525
Costs Related to Trading Activities	2,117,740	38,969	2,156,709	2,134,146	38,969	2,173,115
Outsourced Services	829,884	(61,853)	768,031	1,190,266	(61,853)	1,128,413
Training and Development	5,170,624	-	5,170,624	6,676,060	-	6,676,060
Depreciation, Amortization and Impairment	436,300	-	436,300	661,455	-	661,455
Return of Unspent Funds	17,874	-	17,874	17,874	-	17,874
Other Expenses	821,840	(930)	820,910	1,210,879	(930)	1,209,949
TOTAL EXPENSES	65,604,094	-	65,604,094	80,265,410	-	80,265,410
OPERATING SURPLUS FOR THE YEAR	2,723,755	-	2,723,755	5,031,094	-	5,031,094
Currency Exchange (Loss) / Gain	(2,822,462)	-	(2,822,462)	(3,542,004)	-	(3,542,004)
NET (DEFICIT)/SURPLUS FOR THE YEAR	(98,707)	-	(98,707)	1,489,090	-	1,489,090

NOTE 2: ASSETS AND LIABILITIES**Note 2.1: Cash and Cash Equivalents**

	IMO		Consolidated	
	2024	2023	2024	2023
Cash and Cash Equivalents	GBP	GBP	GBP	GBP
Bank and Imprest Cash	21,717,720	25,461,682	37,201,471	41,698,396
Short-term deposits	91,194,901	77,743,173	93,184,910	79,046,726
Other cash and cash equivalents	2,102	2,117	3,665	4,165
TOTAL CASH AND CASH EQUIVALENTS	112,914,723	103,206,972	130,390,046	120,749,287

57 Cash and Cash Equivalents required for immediate disbursement are maintained in cash and 52 bank accounts, seven in British pounds, 36 in US dollars, seven in Euros, one in Philippine peso, and one in Bangladeshi Takas. Balances in the short-term deposit accounts are available at short notice.

58 IMO does not place long-term investments in bonds or shares, nor does it make use of money market facilities such as hedging. Excess funds are invested in short-term deposits, which are held to maturity for not more than 12 months with an approved list of counterparties.

59 IMO's Investment Policy, established in accordance with Article IX of the Financial Regulations, prioritizes capital retention over maximization of return on investment and establishes limits on the maximum amounts and time period for deposits with any counterparty, based on a range of factors designed to assess their financial stability, to diversify and manage investment risk. These factors include credit ratings, tier 1 capital ratios, and Credit Default Swap (CDS) rates, which collectively provide both a long-term and short-term view of the level of financial risk associated with each counterparty.

60 Effective implementation of the Investment Policy is the responsibility of the IMO Treasury Committee, comprising senior officers and an external treasury expert. The Committee meets regularly and considers the current cash position, cash flow projections, and surplus funds available to invest together with the proposed counterparties and their credit ratings.

61 The following table details IMO's short-term deposits maturing in 2025, broken down by currency and including accrued interest as of December 31, 2024:

IMO Treasury Deposit	Initial Amount	Accrued Interest	Total	Value in GBP
GBP Short-Term Deposits	59,774,429	974,460	60,748,889	60,748,889
USD Short-Term Deposits	37,488,573	760,143	38,248,716	30,446,012
TOTAL SHORT-TERM DEPOSITS				91,194,901

62 IMLI holds short-term deposits of €2,400,000 (2023: €1,500,000), which is equivalent to £1,990,009 as at 31 December 2024 (2023: £1,303,553).

63 There have been no impairments of short-term deposits held by either IMO or IMLI as at 31 December 2024.

Note 2.2: Contributions Receivable

Composition:	IMO		Consolidated	
	2024	2023	2024	2023
	GBP	GBP	GBP	GBP
Member States assessments	340,067	812,285	340,067	812,285
Donor Contributions	1,718,755	285,700	1,720,827	285,700
TOTAL CONTRIBUTIONS RECEIVABLE	2,058,822	1,097,985	2,060,894	1,097,985

64 Contributions receivable for Member States' assessments and donor contributions relate to non-exchange transactions.

65 Historical experience has shown that assessments due from Member States are highly likely to be settled in full at some point in the future, with no write-offs having been authorized in this regard since the inception of the Organization. However, because there is significant uncertainty surrounding the timing of future cash flows from such receivables, an adjustment is required to show these amounts at fair value. The movement of the fair value adjustment during 2024 increased by £972,708 when compared to 2023.

66 The following table sets out the composition of Member States' receivables by year and the fair value adjustments and allowance for doubtful accounts as at 31 December 2024.

Member States assessments due:	IMO		Consolidated	
	2024	2023	2024	2023
	GBP	GBP	GBP	GBP
Contributions Receivable before allowance				
2024	730,466	-	730,466	-
2023	397,323	590,877	397,323	590,877
2022	346,354	363,033	346,354	363,033
2021 and earlier	718,698	738,441	718,698	738,441
Total Contribution Receivable	2,192,841	1,692,351	2,192,841	1,692,351
Fair value adjustments	(1,497,710)	(525,002)	(1,497,710)	(525,002)
Allowance for doubtful accounts	(355,064)	(355,064)	(355,064)	(355,064)
NET CONTRIBUTIONS RECEIVABLE	340,067	812,285	340,067	812,285

67 As at 31 December 2024, there were a total of 41 Member States with outstanding balances. Of these, 36 had current year and prior year balances only. The remaining five had arrears prior to 2022. For the Member States in arrears and without an agreed payment plan, an approximation is made based on historical experience – for those Member States that had arrears extending only to the current year and prior year, no fair value adjustment is made, while for the remaining Member States with arrears for 2022 and earlier, it was assumed that there is sufficient uncertainty about the timing of future cash flows such that their present value after discounting would be approximately zero.

68 In addition to the balances due from these 41 Member States, the settlement of the former Socialist Federal Republic of Yugoslavia (SFRY) arrears of £355,064 continues to depend on the results of ongoing negotiations at the United Nations regarding succession issues. The governments of the successor States of the former SFRY have requested the United Nations to write off all debts of the former SFRY relating to their contributions to the United Nations and its specialized agencies and programmes. The United Nations had taken the view that, in accordance with the general rules of international law regarding the succession of States in respect of State debts, the United Nations has the right to seek payment of all or part of the pre-dissolution arrears from the five successor States of the former Yugoslavia.

Despite requests for the debt to be written off, the United Nations has refused to do so. The precise amount owed by each of SFRY's five successor States has not yet been determined by the United Nations. Until this issue is settled by the United Nations, the Secretariat is not in a position to pursue the recovery of the outstanding amount, and the Secretariat's policy in this regard is consistent with prior years and the approach taken by the United Nations.

69 Contributions receivable from donors represents amounts due but not yet received based on signed agreements as at 31 December 2024. Contributions receivable from donors are shown net of contributions adjustments related to allowances for doubtful accounts based on the review of receivables. A review of amounts due at 31 December 2024 concluded that no such adjustments were required on outstanding balances.

70 In the case of both Member State assessments and donor contributions due, adjustments are made to better reflect the fair value of the receivables in the financial statements but constitute neither a formal write-off of the receivable nor a releasing of the third party from their obligation.

Note 2.3: Inventories

	IMO		Consolidated	
	2024 GBP	2023 GBP	2024 GBP	2023 GBP
IMO publications	734,483	564,366	734,483	564,366
Model courses	1,167	2,364	1,167	2,364
IMLI and WMU Inventories	-	-	70,421	69,148
TOTAL INVENTORIES	735,650	566,730	806,071	635,878

Inventories reconciliation – IMO	2024 GBP	2023 GBP
Opening inventories	566,730	470,803
Purchases	842,079	1,016,649
Total inventories available for sale	1,408,809	1,487,452
Cost of sales	(654,739)	(889,468)
Cost of free distributions	(2,006)	(14,521)
Inventory adjustment including allowance for impairment	(16,414)	(16,733)
TOTAL INVENTORIES	735,650	566,730

	Opening Balance 01.01.2024 GBP	Utilization	Increase / (Decrease) GBP	Closing Balance 31.12.2024 GBP
Allowance for impairment	17,115	(13,702)	15,910	19,323
TOTAL ALLOWANCE	17,115	(13,702)	15,910	19,323

71 A review of inventory was carried out at the end of the year to determine the provisions of £19,323, covering obsolescence, slow-moving, and excess stock holdings.

72 As at 31 December 2024, IMLI and WMU held inventory valued at £19,566 and £50,855 respectively (2023: £19,413 and £49,735).

Note 2.4: Advances to Sub-Contractors and Partners

73 Advances to sub-contractors and implementing partners are payments made under contract with regional bodies and similar organizations which, acting as implementing agents or partners, deliver technical cooperation programmes on the Organization's behalf. These advances are then offset against approved expenditure reports as the contract is delivered. In addition, any advances made to the United Nations Development Programme (UNDP) to provide regional or national services on the Organization's behalf, through the Service Clearing Account (SCA) arrangement, are also considered to be advances to sub-contractors and Partners. The total outstanding advances at the end of the financial period were made to the following:

Sub-Contractors and Partners	IMO	
	2024 GBP	2023 GBP
Food and Agriculture Organization (FAO)	625,529	243,462
Secretariat of the Pacific Community (SPC)	243,006	-
Jomo Kenyatta University of Agriculture and Technology (JKUAT)	98,816	55,462
Maritime Technology Cooperation Centres (MTCC) ASIA - Shanghai Maritime University (SMU)	86,328	-
The Central American Maritime Transport Commission (COCATRAM)	52,289	33,540
The Intergovernmental Oceanographic Commission of UNESCO (IOC/UNESCO)	35,764	50,840
UNDP Service Clearing Account (SCA)	23,961	115,658
Other	4,001	161,957
TOTAL ADVANCES TO SUB-CONTRACTORS AND PARTNERS	1,169,694	660,919

Note 2.5: Other Receivables and Prepayments

	IMO		Consolidated	
	2024	2023	2024	2023
	GBP	GBP	GBP	GBP
Advances to staff	720,686	659,482	821,103	789,320
Taxes and Insurance recoverable	1,345,242	1,570,093	1,499,875	1,686,622
Prepayments and other receivables	1,192,194	1,423,109	1,817,405	2,083,145
Fellowships	-	-	449,127	315,590
Publications and Cafeteria Receivable	272,475	258,014	272,475	258,013
TOTAL OTHER RECEIVABLES AND PREPAYMENTS	3,530,597	3,910,698	4,859,985	5,132,690

74 Advances to staff are for Education Grants, travel, and other staff entitlements made in accordance with the Staff Regulations and Staff Rules. Education Grant advances are paid annually to eligible staff and are amortized over the academic year for expenditure recognition purposes. Eligible staff are entitled to home leave once every two years for which the costs are spread over that two-year period.

75 A breakdown of the most significant advances to staff is shown below:

	IMO		Consolidated	
	2024	2023	2024	2023
Advances to staff	GBP	GBP	GBP	GBP
Education Grant advance	719,178	640,871	817,033	763,767
Home leave prepayment	-	-	1,020	6,941
Assignment Travel prepayment	-	2,529	-	2,529
Others	1,508	16,082	3,050	16,083
TOTAL ADVANCES TO STAFF	720,686	659,482	821,103	789,320

76 Taxes recoverable are value-added tax, airport tax, insurance premium tax and environment tax, which are recoverable from the government of the host country under the terms of the relevant host country agreement. An allowance was provided for congestion charge taxes as these amounts are unlikely to be recovered. Service incurred injuries are medical costs advanced to staff due to workplace injury, which are recoverable from the insurance provider.

77 Prepayments and Other Receivables include advances to vendors for payments in advance of goods and service delivery and other miscellaneous receivables.

78 Fellowships, relating to the work of WMU and IMLI, are due at the start of the school term upon arrival and confirmation of the physical presence of the student.

79 Publications and Cafeteria Receivable includes receivables related to publications and cafeteria operations, which had previously been shown as Miscellaneous.

Note 2.6: Investments

80 As at 31 December 2024, IMO did not hold investments. The consolidated total value of investments of £12,565,460 (2023: £10,219,773) represents £9,626,384 (2023: £7,935,133) held by WMU and £2,939,076 (2023: £2,284,640) held by IMLI.

81 At its thirty-first session in March 2021, the WMU Executive Board approved the selection of LGT Liechtenstein as the investment bank for WMU funds, noting that the bank had a strong record of environmental, social, and corporate governance (ESG) and corporate social responsibility which aligns well with WMU's mission, as well as a broad-based investment strategy. To date, \$10,790,024 (£8,588,859) was invested with LGT Bank Ltd. The value of the funds invested had increased by \$1,302,809 (£1,037,036) to \$12,092,833 (£9,625,895) as at 31 December 2024.

Note 2.7: Property, Plant and Equipment**Asset category – IMO**

GBP	Communication & IT equipment	Conference equipment	Vehicles	Furniture & fixtures	Leased equipment	Miscellaneous	Total
Cost							
Opening Balance	2,717,454	2,940,966	123,291	606,208	608,570	189,544	7,186,033
Additions	61,386	117,244	-	6,485	402,934	111,392	699,441
Disposals	(479,619)	(5,913)	-	(16,990)	(8,902)	(7,576)	(519,000)
Transfers	461,768	-	-	-	(461,768)	-	-
Closing Balance	2,760,989	3,052,297	123,291	595,703	540,834	293,360	7,366,474
Accumulated Depreciation							
Opening Balance	2,593,073	1,839,190	114,947	572,535	608,570	112,995	5,841,310
Depreciation	86,281	201,846	8,344	10,528	12,699	37,094	356,792
Disposals	(479,195)	(4,908)	-	(16,990)	(8,902)	(7,576)	(517,571)
Transfers	461,768	-	-	-	(461,768)	-	-
Closing Balance	2,661,927	2,036,128	123,291	566,073	150,599	142,513	5,680,531
Net Book Value							
Opening Balance	124,381	1,101,776	8,344	33,673	-	76,549	1,344,723
Assets Under Construction	-	289,420	-	-	-	-	289,420
Spare Parts	-	37,440	-	-	-	-	37,440
CLOSING BALANCE	99,062	1,343,029	-	29,630	390,235	150,847	2,012,803

82 Property, plant and equipment are capitalized if their cost is greater than or equal to the threshold limit set at £500. The asset value, less any estimated disposal price, is depreciated over the assets' estimated useful life using the straight-line method.

83 The IMO Headquarters building is not part of property, plant and equipment as IMO is a tenant in the building under a lease which is deemed to be an operating lease under the provisions of IPSAS 13 – “Leases”. Further disclosures on the treatment of this lease are provided in Note 2.12.2.

84 Assets are reviewed annually for impairment. During 2024, 299 obsolete or no longer in use items of property, plant and equipment were disposed of or de-recognized. IMO incurred a loss of £1,429 at the time of disposal.

85 Assets under construction reflected work underway to improve the Organization's meeting and conference facilities at its Headquarters building. This work relates to two projects with a total value of £479,250 that are expected to be completed during 2025, at which point the assets will become operational. Spare parts are also related to conference and meeting room equipment and are held in reserve until required at short notice to maintain continuity of meeting services.

86 Transfer of assets reflects communication and IT equipment which had previously been under lease but which, on completion of the lease term, have now transferred to IMO's ownership.

Asset category – Consolidated

GBP	Communication & IT equipment	Conference equipment	Vehicles	Furniture & fixtures	Leased equipment	Miscellaneous	Total
Cost							
Opening Balance	3,879,198	2,940,966	284,372	1,091,078	608,570	443,199	9,247,383
Additions	197,318	117,244	-	11,444	402,934	119,417	848,357
Disposals	(507,006)	(5,913)	-	(29,188)	(8,902)	(7,576)	(558,585)
Transfer	461,768	-	-	-	(461,768)	-	-
Exchange Rate Movement Differences	(96,110)	-	(9,986)	(36,049)	-	(14,169)	(156,314)
Closing Balance	3,935,168	3,052,297	274,386	1,037,285	540,834	540,871	9,380,841
Accumulated Depreciation							
Opening Balance	3,467,253	1,839,190	249,435	920,683	608,570	340,011	7,425,142
Depreciation	249,471	201,846	22,177	54,002	12,699	55,309	595,504
Disposals	(506,582)	(4,908)	-	(29,188)	(8,902)	(7,576)	(557,156)
Transfer	461,768	-	-	-	(461,768)	-	-
Exchange Rate Movement Differences	(73,617)	-	(8,985)	(27,867)	-	(13,125)	(123,594)
Closing Balance	3,598,293	2,036,128	262,627	917,630	150,599	374,619	7,339,896
Net Book Value							
Opening Balance	411,945	1,101,776	34,937	170,395	-	103,188	1,822,241
Assets Under Construction	-	289,420	-	-	-	-	289,420
Spare Parts	-	37,440	-	-	-	-	37,440
CLOSING BALANCE	336,875	1,343,029	11,759	119,655	390,235	166,252	2,367,805

87 The net value reported under "Miscellaneous" as at 31 December 2024 includes the reference library of £5,257 (2023: £12,754) held by IMLI, with additional reference texts being capitalized and depreciated over three years.

88 This note includes the effect of the revaluation of the property, plant and equipment held by WMU and IMLI with a net impact of £32,720 (2023: £6,065) resulting from the change in the value of the Swedish Krona and Euro respectively from 1 January to 31 December 2024. Opening balances are presented at the exchange rate applicable on 1 January 2024 and closing balances at the rate applicable on 31 December 2024, while depreciation, additions, and disposals for the year are shown at the average rate of exchange, consistent with Statement I and Statement II, respectively.

89 The City of Malmö provides leasing free of rent and maintenance for the WMU teaching and administration building. In-kind contributions of services are not recognized in WMU's financial statements. The buildings used by IMLI are not included as the Institute has the bare use of the premises. The University of Malta and the Government of Malta have made the building available for use by the Institute for 15 years under the terms of an agreement dated 26 May 1988. The Government of Malta has since extended the period for a further 25 years and during the current reporting period it donated €22,270 for refurbishment works.

Note 2.8: Intangible Assets

GBP	Externally purchased software IMO	Externally purchased software Consolidated
Cost		
Opening Balance	3,602,896	3,782,719
Additions	38,956	38,956
Derecognition	(664,587)	(664,587)
Exchange Rate Movement Differences	-	(14,866)
Closing Balance	2,977,265	3,142,222
Accumulated Amortization		
Opening Balance	3,522,095	3,701,918
Amortization charge for the year	16,852	16,852
Derecognition	(664,587)	(664,587)
Exchange Rate Movement Differences	-	(14,866)
Closing Balance	2,874,360	3,039,317
Net Book Value		
Opening Balance	80,801	80,801
CLOSING BALANCE	102,905	102,905

90 Purchased intangible assets are capitalized if their cost is greater than or equal to the threshold of £500, except for internally developed software where the threshold is £50,000 in view of the complexity in accurately assigning costs for development projects below this amount. The capitalized value of the internally developed software excludes those costs related to research and maintenance.

91 During 2024, 68 obsolete items of intangible assets with zero net value were de-recognized.

92 Opening balances are presented at the exchange rate applicable on 1 January 2024 and closing balances at the rate applicable on 31 December 2024, while amortization charges and additions for the year are shown at the average rate of exchange, consistent with Statement I and Statement II, respectively. There was no revaluation resulting from the change in the value of the Swedish krona from 1 January to 31 December 2024 that affected intangible assets in 2024 (2023: £206).

Note 2.9: Payables and Accruals

	IMO		Consolidated	
	2024	2023	2024	2023 (restated)
	GBP	GBP	GBP	GBP
Accruals	3,225,596	2,616,993	3,637,880	2,889,595
Advances from customers	193,566	462,773	210,288	486,410
Fellowships	-	-	3,657,424	4,502,990
Deferred revenue	3,166,898	656,984	4,806,211	1,868,417
Condition on donor contributions	2,642,140	2,770,255	2,642,140	2,770,255
Advance contributions	3,057,424	2,494,125	3,057,424	2,494,125
Contributions Incentive Scheme	466,210	358,567	466,210	358,567
Refundable to donors	48,937	80,473	48,937	80,473
Other	-	-	14,830	17,796
TOTAL PAYABLES AND ACCRUALS	12,800,771	9,440,170	18,541,344	15,468,628

93 Accruals represent amounts due to vendors and staff for goods or services received or expenses incurred but not yet paid. For those items, which have not yet been invoiced and for which the cost is not yet certain, the accrued amount is based on the best estimate, most notably the provision of utilities and services delivered through the UNDP SCA, sub-contractors, and implementing partners.

94 Advances from customers reflect payments received prior to the delivery of goods and services.

95 Fellowships and donations received and accrued for the academic year 2024/2025 relating to WMU and IMLI are apportioned over the academic year. The amounts received or accrued in respect of that part of the academic year falling in 2025 are disclosed as advance receipts.

96 Deferred revenue relates to amounts received in the year for which the services have not been provided at the reporting date. To better reflect the nature of these transactions and improve the clarity of our financial reporting, we reclassified certain accounts from “Advance contributions” and “Advances from customers” to “Deferred revenue”.

97 The Organization recognizes as a liability conditions attached to certain voluntary contributions. Conditions may be imposed by donors on the use of contributions and include both a performance obligation to use the donation in a specified manner and an enforceable return obligation to return the donation if it is not used in the specified manner. The amount recognized as a liability is the best estimate of the amount that would be required to settle the obligation at the reporting date. As IMO satisfies the conditions on voluntary contributions through performance in the specified manner, the carrying amount of the liability is reduced and an amount of revenue equal to that reduction is recognized. The breakdown of the total value of the condition on donor contributions, as at 31 December 2024 is shown below:

	IMO		Consolidated	
	2024	2023	2024	2023
	GBP	GBP	GBP	GBP
Condition on donor contributions				
European Commission - Capacity-Building for Climate Mitigation in the Maritime Shipping Industry	2,642,140	2,770,255	2,642,140	2,770,255
TOTAL	2,642,140	2,770,255	2,642,140	2,770,255

98 Advance contributions reflect balances received from Member States during 2024 towards the 2025 assessed contributions and beyond.

99 Under the Contributions Incentive Scheme (CIS), a part of the interest earned on the General Fund is returned to the Member States, and the allocation is based on a points system reflecting the timing and amount of the receipt of their current year assessments.

100 Refundable to donors represents the balance of unspent contributions for projects pending refund.

Note 2.10: Provisions for Warranties

	IMO		Consolidated	
	2024 GBP	2023 GBP	2024 GBP	2023 GBP
Publication sales warranties	25,727	39,533	25,727	39,533
TOTAL PROVISIONS FOR WARRANTIES	25,727	39,533	25,727	39,533

	Opening Balance GBP	Utilization GBP	Increase / (Decrease) GBP	Closing Balance GBP
IMO Publications	39,453	(13,990)	177	25,640
Model Courses	80	(939)	946	87
TOTAL ALLOWANCE	39,533	(14,929)	1,123	25,727

101 A warranty provision has been established to reflect possible returns of publications sold to distributors, which is estimated using a percentage based on the previous five years' sales and experience of return levels. The Organization's practice changed in 2021, and credits are no longer provided on sales of new titles. The warranty provision represents historical obligations under this scheme and will reduce over time.

Note 2.11: Employee Benefits

	IMO		Consolidated	
	2024 GBP	2023 GBP	2024 GBP	2023 GBP
Employee Benefits - Current				
Short-term employee benefits	148,048	121,923	166,696	202,819
Termination benefits	33,557	200,000	33,557	200,000
Total Current Employee Benefits	181,605	321,923	200,253	402,819
Employee Benefits – Non-Current				
After-service health insurance	33,166,875	31,481,256	33,166,875	31,481,256
Repatriation	3,975,300	3,970,727	5,341,984	5,288,815
Accrued Annual Leave	2,455,554	2,492,947	3,300,332	3,097,434
Total Non-Current Employee Benefits	39,597,729	37,944,930	41,809,191	39,867,505
TOTAL EMPLOYEE BENEFITS LIABILITIES	39,779,334	38,266,853	42,009,444	40,270,324

2.11.1: Valuation of Employee Benefits Liabilities

102 Current employee benefits are calculated by IMO based on personnel data and past payment experience. Non-Current employee benefits liabilities are determined by professional actuaries. As at 31 December 2024, total employee benefits liabilities amounted to £39,779,334 (2023: £38,266,853). As described in note 2.11.6, non-current employee benefits are subject to actuarial valuation, with the most recent valuation taking place at 31 December 2023. The increase in non-current employee benefits liabilities is mainly driven by the actuarial projections based on the assumptions made by the actuary when conducting this exercise as at 31 December 2023 rather than in any underlying changes in the scheme or its costs.

103 In determining its post-employment liabilities, WMU eligible staff members on separation are entitled to the payment of repatriation allowance, repatriation travel and shipment of household goods, and unused annual leave up to a maximum of 60 days. In determining the liability for such costs as at the reporting date, the University uses the following basis: home leave – the cost of a return trip to the home country for the staff member and eligible dependants spread over two years; accrued annual leave - based on the balance of unused annual leave days and the current monthly salary rate plus post adjustment; repatriation allowance – number of years in service and current monthly salary rate; and repatriation travel - prevailing market prices from the duty station to the home country to which the staff member and eligible dependents; and repatriation shipment cost – based on the lump sum amount for staff with spouse and single status, if any are entitled to return.

2.11.2: Employee Benefits – Current

104 Current employee benefits comprise mainly wages and payroll-related allowances, first-time employee benefits, education grant-related benefits, home leave, and current terminations benefits.

105 Current employee benefits are expected to be settled within 12 months after the end of the period in which the employees render the related service and are measured at their nominal values based on past payment experience.

106 For IMO, there was a decrease of £140,318 from £321,923 to £181,605 in current employee benefit liabilities. This is mainly due to payments related to agreed termination benefits that were settled in 2024.

2.11.3: Employee Benefits – Non-Current

107 ASHI is a plan that allows eligible retirees and their eligible family members to continue to participate in the Cigna Medical Scheme for 50% of the cost of the contribution of active staff members for the defined type of coverage. The Organization funds the remaining amount of the premium to be paid to the third-party insurer. Membership of Cigna is compulsory for all new employees, although participation in the ASHI scheme after retirement is voluntary and requires retiring employees to have a minimum of ten years of service at IMO or other UN system organizations. Cigna is the main third-party insurance provider for ASHI benefits; however, there are still a small number of retirees covered by the former insurer, BUPA (British United Provident Association).

108 Repatriation benefits consist of a repatriation grant lump sum, travel of the staff member and eligible dependants, and shipment of their personal effects. The repatriation benefit relating to the shipment of personal effects may be taken as a lump sum payment. The Organization pays the amounts due for repatriation grants, travel, and relocation expenses for entitled staff members.

109 The liabilities include service and interest costs for 2024, less benefit payments made and, where applicable, plan participants' contributions.

110 Arrangements relating to the UNJSPF are set out in Note 2.11.7.

2.11.4: Other Long-Term Employee Benefits

111 Although annual leave is a short-term employee benefit, the right to receive payment for unused annual leave and, consequently, the Organization's liability for this balance, is shown as a long-term employee benefit as that right only crystallizes on separation, typically more than 12 months from the reporting date.

2.11.5: Termination Employee Benefits

112 Termination Employee Benefits represent a liability to staff members who separated prior to 31 December 2024 and are entitled to a termination indemnity payment in accordance with IMO's established Staff Regulations and Staff Rules.

2.11.6: Actuarial Valuations of Post-Employment and Other Separation Related Benefits

113 Liabilities arising from post-employment benefits and other long-term employee benefits (i.e., accrued unused annual leave) are determined by consulting actuaries using the Projected Unit Credit Method. These employee benefits are established for those staff members who are entitled to such benefits under the IMO Staff Regulations and Staff Rules. Actuarial valuations are typically undertaken every two years, and the most recent valuation was conducted as at 31 December 2023.

2.11.6.1: Actuarial Assumptions and Methods

114 IMO and the actuary review and select assumptions that will be used by the actuaries to estimate the post-employment and accrued unused annual leave employee liabilities for IMO, as at 31 December 2023, based on the expenditure projections for the reporting period.

31 December 2023		31 December 2021
General assumptions		
Discount rate	4.8% p.a.	2.0% p.a.
General inflation for salary increases	2.6% p.a.	2.9% p.a.
Mortality	95% of S3PA tables	95% of S3PA tables
Mortality improvements	CMI_2022 core model projections with a long-term improvement rate of 1.25% pa, an initial addition parameter of 0% and a 0% 2020 and 2021 data weighting and a 25% 2022 data weighting.	CMI_2020 core model projections with a long-term improvement rate of 1.25% pa, an initial addition parameter of 0% and a 0% 2020 data weighting.
Withdrawal rates	3.25% pa fixed for all ages	
Retirement rates	All members retire at their Normal Retirement Age	
Assumptions used to value ASHI benefits		
Participation after retirement	95% of eligible members are assumed to continue coverage after retirement. It is assumed that coverage will not be dropped once elected.	
Spouses	For current employees it is assumed that 60% will elect for coverage for their spouse at retirement. Males are assumed to be three years older than their spouse.	
Medical inflation - healthcare trend increases	4.75% p.a. fixed	4.25% p.a. fixed
Medical inflation - Ageing increases	3.5% p.a. for those under 65, 2.5% p.a. for those between 65 and 70 reducing in five-year age bands to nil for those over age 90.	
Assumptions used to value repatriation benefits		
Participation	All eligible employees will receive the benefit on separation from service subject to completing five years' service.	
Age-related salary scale	General inflation plus an age-related scale of 6.1% pa at age 20 reducing on a straight-line basis to 1.0% at age 60 for professional staff, and from 3.9% at 20 to 1.0% at age 65 for general staff.	
Increases in repatriation travel costs	In line with general inflation.	
Assumptions used to value annual leave plan		
Participation	All eligible employees will receive the benefit on separation from service.	
Age-related salary scale	As for repatriation benefit.	
Increases in annual leave balance	Based on completed service – 10.9% pa in years 1 to 3, 1.0% p.a. for years 4 to 8 of service and 0.5% pa thereafter.	

2.11.6.2: Reconciliation of Defined Benefit Obligation

IMO	After-Service Health Insurance Plan GBP	Repatriation Benefit Plan GBP	Accrued Annual Leave Plan GBP	Total GBP
Defined Benefit Obligation as at 01.01.2024	31,481,256	3,970,727	2,492,947	37,944,930
Service cost for 2024	1,059,016	133,846	29,837	1,222,699
Interest cost for 2024	1,532,205	199,068	123,758	1,855,031
Actual benefit payments for 2024	(905,602)	(328,341)	(190,988)	(1,424,931)
DEFINED BENEFIT OBLIGATION AS AT 31.12.2024	33,166,875	3,975,300	2,455,554	39,597,729

115 Service costs and interest costs are included as part of "Staff and Other Personnel Costs" in the Statement of Financial Performance.

116 The service and interest costs are based on the actuarial valuation that was carried out for the 2023 reporting year which also included estimates of those costs for 2024 based on assumptions consistent with the 2023 actuarial valuation.

2.11.6.3: Summary of Prior Year Amounts

117 The breakdown of the cumulative amounts of the net actuarial (gains)/losses up to 2024 is presented below:

IMO	After-Service Health Insurance Plan GBP	Repatriation Benefit Plan GBP	Accrued Annual Leave Plan GBP	Total GBP
Accumulated actuarial (gain)/loss as at 01.01.2024	(9,726,631)	405,402	2,410,599	(6,910,630)
Actuarial (gain) in 2024	-	-	-	-
ACCUMULATED ACTUARIAL (GAIN) / LOSS AS AT 31.12.2024	(9,726,631)	405,402	2,410,599	(6,910,630)

IMO	31.12.2024 GBP	31.12.2023 GBP	31.12.2022 GBP	31.12.2021 GBP	31.12.2020 GBP
ASHI					
Present Value of Defined Benefit Obligation	33,166,875	31,481,256	44,603,198	42,559,760	43,962,547
Experience (gain)/loss on Scheme Liabilities	-	4,418,492	-	(6,378,282)	-
(Gain)/Loss on changes in assumptions used to value Scheme liabilities	-	(20,025,887)	-	3,056,369	-
Repatriation					
Present Value of Defined Benefit Obligation	3,975,300	3,970,727	4,454,975	4,612,147	4,622,360
Experience (gain)/loss on Scheme Liabilities	-	456,054	-	(405,547)	-
(Gain)/Loss on changes in assumptions used to value Scheme liabilities	-	(1,031,814)	-	262,716	-
Annual Leave					
Present Value of Defined Benefit Obligation	2,455,554	2,492,947	3,434,769	3,485,790	2,475,977
Experience loss on Scheme Liabilities	-	147,765	-	864,843	-
(Gain)/Loss on changes in assumptions used to value Scheme liabilities	-	(814,840)	-	288,706	-
Total (ASHI, REP, AL)					
Present Value of Defined Benefit Obligation	39,597,729	37,944,930	52,492,942	50,657,697	51,060,884
Experience (gain)/loss on Scheme Liabilities	-	5,022,311	-	(5,918,986)	-
(Gain)/loss on changes in assumptions used to value Scheme liabilities	-	(21,872,541)	-	3,607,791	-

2.11.6.4: Expected Costs during 2025

118 The expected contribution of IMO in 2025 to the Termination Benefit Fund is £1,330,000 (2024 estimate: £1,330,000). This has been derived from the 2024 actual costs, with ASHI payments remaining unchanged for 2025 and the repatriation and annual leave payments increasing in line with general inflation, adjusted for expected rates of separation.

2.11.7: United Nations Joint Staff Pension Fund

119 IMO is a member organization participating in the UNJSPF (the "Fund"), which was established by the United Nations General Assembly to provide retirement, death, disability and related benefits to employees. The Fund is a funded, multi-employer defined benefit plan. As specified in Article 3(b) of the Regulations of the Fund, membership in the Fund shall be open to the specialized agencies and to any other international, intergovernmental organization which participates in the common system of salaries, allowances and other conditions of service of the United Nations and the specialized agencies.

120 The Fund collectively exposes participating organizations to actuarial risks associated with the current and former employees of other organizations participating in the Fund, with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual organizations participating in the Fund. The Organization and the Fund, in line with the other participating organizations in the Fund, are not in a position to identify the Organization's proportionate share of the defined benefit obligation, the plan assets and the costs associated with the plan with sufficient reliability for accounting purposes. Hence, the Organization has treated this plan as if it were a defined contribution plan in line with the requirements of IPSAS 39 – "Employee Benefits". The Organization's contributions to the Fund during the financial period are recognized as expenses in the Statement of Financial Performance.

121 The Fund's Regulations state that the Pension Board shall have an actuarial valuation made of the Fund at least once every three years by the Fund's Consulting Actuary. The practice of the Pension Board has usually been to carry out an actuarial valuation every two years. The primary purpose of the actuarial valuation is to determine whether the current and estimated future assets of the Fund will be sufficient to meet its liabilities into perpetuity. The Fund's published funding policy (available on the Fund's website) sets out the methods, processes and targets that are used to monitor the funding position and associated risks. This also includes the practice of utilizing an actuarial value of assets, which smooths short-term investment gains and losses for the purpose of reporting long-term solvency.

122 The Organization's financial obligation to the Fund consists of its mandated contribution, at the rate established by the United Nations General Assembly (currently at 7.9% of pensionable remuneration for participants and 15.8% for member organizations) together with any share of any actuarial deficiency payments under Article 26 of the Regulations of the Pension Fund. Such deficiency payments are only payable if and when the United Nations General Assembly has invoked the provision of Article 26, following determination that there is a requirement for deficiency payments based on an assessment of the actuarial sufficiency of the Fund as of the valuation date. Each member organization shall contribute to this deficiency an amount proportionate to the total contributions which each paid during the three years preceding the valuation date. It has never been necessary to invoke Article 26, and no deficiency payments have ever been requested.

123 The latest actuarial valuation for the Fund was completed as at 31 December 2023, and a roll forward of the participation data as at 31 December 2023 to 31 December 2024 will be used by the Fund for the purpose of reporting an actuarial present value of accumulated plan benefits in its 2024 financial statements.

124 The actuarial valuation as at 31 December 2023 reported a funded ratio of actuarial assets to actuarial liabilities of 111.0% (117.0% in the 2021 valuation) when future expected pension adjustments (cost-of-living indexation on benefits) were taken into account. The reported funded ratio was 152.0% (158.2 % in the 2021 valuation) when the current system of pension adjustments was not taken into account and would be the measure by which actuarial sufficiency is established under Article 26.

125 After assessing the actuarial sufficiency of the Fund, the Consulting Actuary concluded that there was no requirement, as at 31 December 2023, for deficiency payments under Article 26 of the Regulations of the Fund as the actuarial value of assets exceeded the actuarial value of all accrued liabilities under the plan. At the time of this report, the General Assembly has not invoked the provision of Article 26.

126 Should Article 26 be invoked due to an actuarial deficiency, either during the ongoing operation or due to the termination of the Fund, deficiency payments required from each member organization would be based upon the proportion of that member organization's contributions to the total contributions paid to the Fund during the three years preceding the valuation date. Total contributions paid to the Fund during the preceding three years (2021, 2022 and 2023) amounted to USD 9,499.41 million, of which 0.36% was contributed by the Organization.

127 During 2024, contributions paid to the Fund by the Organization amounted to USD 12,221,404 (2023: USD 11,514,373). Expected contributions due in 2025 are approximately USD 12,930,000.

128 Membership of the Fund may be terminated by decision of the United Nations General Assembly, upon the affirmative recommendation of the Pension Board. A proportionate share of the total assets of the Fund at the date of termination shall be paid to the former member organization for the exclusive benefit of its staff who were participants in the Fund at that date, pursuant to an arrangement mutually agreed between the organization and the Fund. The amount is determined by the United Nations Joint Staff Pension Board based on an actuarial valuation of the assets and liabilities of the Fund on the date of termination; no part of the assets which are in excess of the liabilities are included in the amount.

129 The United Nations Board of Auditors carries out an annual audit of the Fund and reports to the Pension Board and to the United Nations General Assembly on the audit every year. The Fund provides weekly information on its investments and it can be viewed by visiting the Fund at www.unjspf.org.

Note 2.12: Leases

2.12.1: Finance Leases

130 The Organization has entered into finance lease agreements for laptops and high-volume photocopiers. The present values of future payments due under these lease agreements are detailed below.

	IMO		Consolidated	
	2024 GBP	2023 GBP	2024 GBP	2023 GBP
Current	123,992	-	123,992	-
Non-Current	267,247	-	267,247	-
TOTAL FINANCE LEASE LIABILITIES	391,239	-	391,239	-

131 The table below provides an analysis of the difference between the minimum lease payments due and the corresponding present value.

	IMO			Consolidated		
	Minimum payments due GBP	Finance charges GBP	Present value of minimum payments GBP	Minimum payments due GBP	Finance charges GBP	Present value of minimum payments GBP
Less than one year	133,142	9,150	123,992	133,142	9,150	123,992
One to five years	275,401	8,154	267,247	275,401	8,154	267,247
TOTAL FINANCE LEASE LIABILITIES	408,543	17,304	391,239	408,543	17,304	391,239

132 There are no sublease payments to be received on the leased assets. Ownership of the assets does not transfer to the Organization at the end of the lease term, nor are there any options to purchase the equipment at that time. Additionally, the lease agreement does not impose any restrictive covenants on the Organization. Neither WMU nor IMLI holds assets under finance leases.

2.12.2: Operating Leases

133 The operational leases are for the Organization's Headquarters building and a high-volume production printer for the Conference Division. The estimated future minimum lease payments under these leases are set out in the table below:

Estimated future minimum Lease Payments	IMO		Consolidated	
	2024	2023	2024	2023
	GBP	GBP	GBP	GBP
Not later than one year	1,217,987	1,241,277	1,217,987	1,241,277
Later than one year and not later than five years	5,978,755	6,000,991	5,978,755	6,000,991
Later than five years	2,391,502	3,587,253	2,391,502	3,587,253
TOTAL ESTIMATED FUTURE MINIMUM LEASE PAYMENTS	9,588,244	10,829,521	9,588,244	10,829,521

134 The lease costs will be spread over the term of the lease on a straight-line basis.

135 The building lease is with the United Kingdom government. This lease expires on 28 October 2032 and does not contain a break clause, nor does it contain renewal or purchase options. The significant lease arrangements are highlighted below:

- Alterations: The Organization is not entitled to make alterations or additions affecting the structure or the main services of the premises without the written approval of the Landlord, the United Kingdom government.
- Under-letting: When under-letting the building, the Organization must first offer to underlet to the landlord.
- Letting out of conference facilities: When letting out conference facilities for commercial purposes, the Organization is required to "consider as a priority any request given with adequate prior notice by the Landlord".
- Sharing of income and expenses: The lease agreement requires the sharing of all income from 'Net Rental' and all costs of "Major Repairs" on an 80:20 basis between the Government of the United Kingdom and the Organization.

Note 2.13: Fund Balances and Reserves

IMO	Opening Balance 01.01.2024	Operating Surplus / (Deficit) for the Period	Other Movements	Closing Balance 31.12.2024
	GBP	GBP	GBP	GBP
General Fund	19,242,764	(1,485,794)	-	17,756,970
Working Capital Fund	714,709	2,143,037	-	2,857,746
Trading Fund	8,269,099	(1,692,844)	-	6,576,255
Termination Benefit Fund	(21,030,394)	(533,958)	-	(21,564,352)
Headquarters Capital Fund	4,474,333	1,393,983	-	5,868,316
Technical Cooperation Fund	17,485,793	2,996,596	-	20,482,389
Bilateral Operations and Multi-Donor Trust Funds²:			-	
Government of Norway	7,966,085	1,375,629	-	9,341,714
Government of the Republic of Korea	3,178,343	5,287,351	-	8,465,694
Delivering Strategy and Reform – Voyage Together Trust Fund	5,640,663	(1,498,089)	-	4,142,574
United Nations Office on Drugs and Crime	2,218,090	541,936	-	2,760,026
International Maritime Security Trust (IMST) Fund	1,859,971	273,108	-	2,133,079
Member States Professionals under the Senior Professional Officer and Junior Professional Officer schemes	1,339,012	522,184	-	1,861,196
Model Courses Development Trust Fund	1,235,248	52,073	-	1,287,321
Government of China	1,288,934	(88,589)	-	1,200,345
GESAMP Trust Fund	918,762	(46,288)	-	872,474
Research and Development Trust Fund	561,143	36,027	-	597,170
GHG TC Trust Fund	1,142,371	(621,554)	-	520,817
Other Bilateral Operations and Multi-Donor Trust Funds ³	6,617,346	(2,248,957)	-	4,368,389
TOTAL	63,122,272	6,405,851	-	69,528,123

Consolidated	Opening Balance 01.01.2024 (restated)	Operating Surplus (Deficit) for the Period	Actuarial Gain and Other Movements	Closing Balance 31.12.2024
	GBP	GBP	GBP	GBP
TOTAL	84,621,089	10,356,734	(1,622,717)	93,355,106

136 The Organization maintains separate accounts for each Fund, which are combined into seven groups for reporting purposes as set out above.

137 The General Fund was established to account for the expenditure of the Organization. A Special Contingency Account in the General Fund was established by Assembly Resolution

² All funds and bilateral agreements with closing balances in excess of £500,000 are disclosed separately, with other funds being aggregated under 'Other Bilateral Operations and Multi-Donor Trust Funds'.

³ Governments of Australia, Belgium, Canada, Egypt, Finland, France, Germany, Italy, Japan, Malaysia, Netherlands, Oman, Saudi Arabia, United Arab Emirates, United Kingdom, European Commission, Food and Agriculture Organization (FAO), International Transport Workers Federation, Union of Greek Ship-owners, United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), World Meteorological Organization (WMO), Djibouti Code of Conduct Trust Fund, Facilitate the participation of developing countries, especially SIDS and LDCs to attend meetings of the MEPC and ISWG-GHG, Global Industry Alliance Fund (GloFouling and GloMEEP), Goal-Based Ship Construction Standards (GBS) Trust Fund, IMO Malacca and Singapore Straits Trust Fund, IMO West and Central Africa Maritime Security Trust Fund, IMO/REMPEC Trust Fund, International Search & Research Fund (SAR), London Convention-Protocol TC Trust Fund, Marine Pollution Response Fund, Revision of the STCW Convention, and Tsunami Relief Fund.

A.1063(28), with initial funding set at £2 million, secured from the expenditure savings generated in the regular budget in the 2012-2013 biennium. The Special Contingency Account was established to offset or reduce any forecast overrun in such appropriations on a pay rise decided by the International Civil Service Commission (ICSC). Its purpose was amended by the IMO Assembly at its thirty-third session to broaden its scope to act as general financial contingency account. It has not been used since its inception, and any use must be reported to the IMO Council at its next session.

138 The Working Capital Fund was originally established as a US dollar-based fund by Assembly Resolution A.19(I) and was converted to sterling with effect from 1 January 1988 by Assembly Resolution A.633(15)B. The purpose of the Fund is to make advances, if necessary, to finance the budgetary appropriations of the Regular Budget to cover temporary cash flow deficits. Assembly Resolution A.1039(27) further authorized the Secretary-General to use the fund as a reserve to account for currency gains or losses in the regular budget arising from differences between the United Nations operational rate of exchange and the rate against the pound sterling adopted for calculation of the appropriation. The same Assembly resolution also approved that the Working Capital Fund would act as a general contingency account. At its thirty-third session in 2023, the IMO Assembly approved the increase in funding level of the Working Capital Account to £3 million through transfer of reserves from the General Fund, and also discontinued its use as a general contingency account, that function being transferred to fall under the scope of the Special Contingency Account.

139 The Trading Fund replaced the Printing Fund through Assembly Resolution A.1014(26), broadening its terms of reference to encompass the Organization's current commercial activities.

140 The Termination Benefit Fund was established with effect from 1 January 1996 by Assembly Resolution A.837(19) at an initial level of £900,000 to meet the costs associated with termination benefits to staff of the Organization. The fund covers the termination benefits, repatriation costs (including grants, shipment, and travel), and financing and accounting of the liabilities related to the costs of accrued annual leave and ASHI as per Assembly Resolution A 31/Res.1132.

141 The Headquarters Capital Fund was established with effect from 1 January 1994 by Assembly Resolution A.778(18) to meet the capital expenditure necessary for the efficient operation of the Organization and for fulfilling the Organization's liabilities under the terms of the Lease for the Headquarters building between the Organization and the Government of the United Kingdom. The scope of the Headquarters Capital Fund was widened to include expenditure on the design, installation, and implementation of information technology systems, including training on these systems.

142 The Technical Cooperation Fund was originally established with effect from 1 January 1986 by Assembly Resolution A.593(14) as a US dollar-based fund, the interest income from which was used to assist the Technical Cooperation Programme of the Organization in accordance with the proposal supported by the Assembly in biennial budgets. The Fund was converted to a sterling-based fund with effect from 1 January 1996 by Assembly Resolution A.837(19). By that resolution, the scope of the Fund was widened to enable funds to be drawn down and applied to technical cooperation activities.

143 Trust funds are established to account for the expenditures related to the activities financed by the respective donors. Fund balances represent the unexpended portion of contributions that are intended to be utilized in future operational requirements consistent with the Terms of Reference of the Fund. These constitute IMO's residual interest in the assets after deducting all its liabilities.

NOTE 3: REVENUE

Note 3.1: Assessed Contributions

144 Assessed contributions are based on a flat base rate with additional components based on economic factors and merchant fleet tonnage. WMU and IMLI do not receive assessed contributions.

145 The Kyrgyz Republic joined the IMO in February 2024, bringing the total Member States to 176 as at 31 December 2024. Total assessed contributions for 2024 amounted to £35,576,938 (2023: £33,920,000) from 176 Member States and 3 Associate Members, with the Organization's 10 largest contributors shown below.

IMO	Member States	Amount GBP	% of Total Assessment
1	The Republic of Liberia	5,124,591	14.4
2	The Republic of Panama	5,078,464	14.3
3	The Republic of the Marshall Islands	3,818,111	10.7
4	The People's Republic of China	1,961,603	5.5
5	The Republic of Singapore	1,934,597	5.4
6	The Republic of Malta	1,617,380	4.5
7	Hong Kong, China	1,317,045	3.7
8	The Commonwealth of the Bahamas	1,216,661	3.4
9	The United Kingdom of Great Britain and Northern Ireland	968,446	2.7
10	Japan	932,533	2.6
TOTAL		23,969,431	67.2

146 In determining each Member's assessment, the formula established by Assembly Resolution A.726(17) has been applied. This provides for: (1) a minimum assessment, calculated at 2.94% of the total assessment divided equally between Member States and 50% for Associate Members; (2) a basic assessment, calculated at 12.5% of the total assessment less the minimum assessment. The United Nations General Assembly seventy-sixth session scale of assessments for 2022-2024 has been applied in determining the basic assessment; and (3) a tonnage assessment, calculated at 87.5% of the total assessment less the minimum assessment and is determined by the gross registered tonnage attributable to Member States, as provided by S&P Global (formerly IHS Markit Maritime & Trade), following the procedures established in Circular letter No. 3347.

Note 3.2: Donor Contributions

147 Contributions through donor agreements are recognized as revenue at the point of signature, except to the extent that such agreements contain a condition within the meaning of IPSAS 23 – "Revenue from Non-Exchange Transactions" such that the contributions must be returned if the condition is not met. For agreements that do contain such a condition, revenue is recognized as the project is delivered.

148 Revenue from contributions received from donors during the reporting period amounted to £19,680,587 (2023: £14,435,077) and the Organization's 10 largest contributors for 2024 are shown below:

IMO	Donor	Amount GBP	% of Total Donor Revenue
1	The Republic of Korea	7,601,338	38.6
2	The Kingdom of Norway	2,892,582	14.7
3	United Nations Office on Drugs and Crime (UNODC)	2,117,601	10.8
4	United Nations Development Programme (UNDP)	1,666,837	8.5
5	United Nations Environment Programme (UNEP)	1,242,630	6.3
6	The Federal Republic of Germany	958,503	4.9
7	Japan	635,927	3.2
8	The People's Republic of China	611,682	3.1
9	The Republic of France	551,675	2.8
10	The Republic of Singapore	500,000	2.5
TOTAL		18,778,775	95.4

149 Donor contributions fluctuate year to year due to the timing of the recognition of revenue.

150 The consolidated revenue received from donor contributions amounted to £25,661,293 (2023: £21,397,192). The 10 largest contributors to donor revenue in 2024 are shown below:

Consolidated	Donor	Amount GBP	% of Total Donor Revenue
1	The Republic of Korea	7,772,434	30.3
2	The Kingdom of Norway	2,892,582	11.3
3	The Nippon Foundation	2,474,150	9.6
4	The Kingdom of Sweden	2,244,169	8.7
5	United Nations Office on Drugs and Crime (UNODC)	2,117,601	8.3
6	United Nations Development Programme (UNDP)	1,666,837	6.5
7	United Nations Environment Programme (UNEP)	1,242,630	4.8
8	The Federal Republic of Germany	958,503	3.7
9	Japan	635,927	2.5
10	The People's Republic of China	611,682	2.4
TOTAL		22,616,515	88.1

Note 3.3: Commercial Activities

151 Key commercial revenue streams for the Organization and the consolidated group are shown below:

	IMO		Consolidated	
	2024 GBP	2023 GBP	2024 GBP	2023 (restated) GBP
Publication Sales	13,745,580	13,598,880	13,745,580	13,598,543
Cafeteria Sales	1,080,507	1,469,368	1,080,506	1,469,368
Assessment, membership, and verification audit fees	389,112	323,715	389,112	323,715
Letting of conference facilities and other commercial revenue	508,001	610,373	2,497,803	3,103,949
TOTAL	15,723,200	16,002,336	17,713,001	18,495,575

152 The major components of IMO Publication Sales are shown below:

	2024 GBP	2023 GBP
Sale of physical publications	7,292,087	8,028,530
Electronic publications	2,520,448	2,946,253
Royalties	3,708,313	2,387,815
Subscriptions	224,732	236,282
TOTAL PUBLICATION SALES	13,745,580	13,598,880

153 Revenue from publication sales totalling £13.7m (2023: £13.6m) has increased by 1% from 2023, with the majority of revenue coming from new editions of major titles, such as SOLAS, the IMDG Code and the IMDG Code Supplement. The sale of physical publications accounted for 53% of total sales. In 2024, the sale of digital offerings, consisting of electronic publications, royalties, and subscriptions, has increased to 47% of total publications sales (2023: 41%).

Note 3.4: Fellowships

154 Both WMU and IMLI receive funds for fellowships to support students. IMO does not receive such revenue, and consequently, only the consolidated figures are shown, which amounted to £6,683,592 for 2024 (2023: £6,287,790). The five largest aggregate contributors are listed below:

	Sponsors	Amount GBP	% of total donor revenue
1	The Nippon Foundation	1,974,842	29.5
2	The Federal Republic of Nigeria	594,907	8.9
3	The Republic of Korea	405,813	6.1
4	International Transport Workers' Federation (ITF)	404,400	6.1
5	Australia	396,484	5.9
TOTAL		3,776,446	56.5

Note 3.5: Other Revenue

155 The most significant sources of other revenue are set out below:

	IMO		Consolidated	
	2024	2023	2024	2023 (restated)
	GBP	GBP	GBP	GBP
Interest earned	4,700,278	3,931,908	6,638,738	4,878,355
Other revenue	35,688	38,528	285,272	317,592
TOTAL	4,735,966	3,970,436	6,924,010	5,195,947

156 Other revenue increased in 2024, primarily due to higher interest income resulting from higher base interest rates on the Organization's two main currencies of GBP and USD. Interest earned is shown net of £466,210 that will be returned to Member States as part of the Contributions Incentive Scheme.

NOTE 4: EXPENSES

	IMO		Consolidated	
	2024	2023	2024	2023
	GBP	(restated) GBP	GBP	(restated) GBP
4.1: Staff and Other Personnel Costs				
Professional and General Service staff, experts	34,585,255	32,710,676	43,499,520	41,447,452
Appointment and separation	3,190,010	3,496,692	3,248,234	3,517,659
Termination benefit	329,688	357,510	329,688	357,510
Consultants	3,969,680	3,179,383	4,843,211	4,355,562
Temporary assistance	2,420,408	2,336,000	2,429,322	2,345,374
Meetings personnel (interpreters, translators, temporary employees)	1,120,117	1,185,037	1,120,117	1,185,037
Total Staff and Other Personnel Costs	45,615,158	43,265,298	55,470,092	53,208,594
4.2: Travel Expenses				
Fares	1,963,576	1,768,248	2,503,186	2,398,427
Daily Subsistence Allowance and other expenses	1,596,229	1,267,118	1,915,677	1,670,998
Total Travel Expenses	3,559,805	3,035,366	4,418,863	4,069,425
4.3: Supplies, Consumables and Other Running Costs				
Office supplies and consumables	78,436	129,243	105,722	154,658
Telecommunications and information technology	2,180,459	2,097,926	2,433,205	2,293,230
Rent, rates and insurance	1,473,729	1,449,077	1,476,445	1,451,724
Utilities	1,284,855	2,139,362	1,317,244	2,168,449
Medical costs	28,909	22,840	28,909	22,840
Library books, magazines, subscriptions	19,760	18,060	305,772	272,739
Hospitality	4,105	23,073	123,713	194,775
Vehicle, local transport and hotel accommodation	(347)	37,912	8,060	46,373
Postage, telephone and freight	354,286	412,370	414,044	474,554
Equipment, furniture and local procurement	1,749,158	1,168,730	1,769,095	950,312
Building maintenance	2,827,221	2,433,459	2,897,248	2,530,684
Other operational costs	911	930	592,356	560,187
Total Supplies, Consumables and Other Running Costs	10,001,482	9,932,982	11,471,813	11,120,525
4.4: Costs Related to Trading Activities				
Cost of Sales IMO Publications	653,833	892,634	653,833	892,634
Cost of Sales Model courses	906	1,831	906	1,831
Loss on Physical Inventory	504	469	504	469
Publications issued free of charge	2,006	9,525	2,006	9,525
Provision for return of obsolete publications	1,123	(17,098)	1,123	(17,098)
Printing (contract - out)	1,973	36,126	1,973	36,126
Electronic publishing (IMO/Vega)	125,020	155,489	125,020	155,489
Catering food and supplies	867,007	1,052,862	867,007	1,052,862
Warehousing costs	26,401	24,871	26,401	24,871
Articles and Cost of Sales of Books	-	-	15,992	16,406
Publications Supplies	1,250	-	1,250	-
Total Costs Related to Trading Activities	1,680,023	2,156,709	1,696,015	2,173,115

	IMO		Consolidated	
	2024 GBP	2023 GBP	2024 GBP	2023 GBP
4.5: Outsourced Services				
Security services	53,136	54,925	99,678	96,473
Cleaning services	-	-	175,850	169,735
Telecommunications/IT related services	-	-	48,954	74,784
Catering services	-	-	122,777	124,901
Sub-contract delivery of Technical Cooperation activities	1,276,382	713,106	1,144,466	662,520
Total Outsourced Services	1,329,518	768,031	1,591,725	1,128,413
4.6: Training and Development				
Staff training	45,968	23,752	133,091	75,378
Fellowships	1,593,866	1,720,285	2,292,835	2,664,849
Group training including participant travel	3,038,062	3,426,587	3,016,333	3,426,587
Student costs	-	-	586,081	509,246
Total Training and Development	4,677,896	5,170,624	6,028,340	6,676,060
4.7: Depreciation, Amortization and Impairment				
Depreciation of property, plant and equipment	356,791	405,132	595,502	624,445
(Gain)/loss on disposal of property, plant and equipment	1,429	571	1,429	1,957
Amortization of intangible assets	16,852	14,337	16,852	18,793
Impairment of IMO publications	15,910	16,260	15,910	16,260
Total Depreciation, Amortization and Impairment	390,982	436,300	629,693	661,455
4.8: Return of Unspent Funds	534,711	17,874	534,711	17,874
4.9: Other Expenses				
Jointly financed UN bodies	168,761	119,487	168,761	119,487
Bank charges	158,898	178,371	207,602	208,205
External audit	56,608	56,608	93,588	93,127
Other miscellaneous expenses	1,388,217	466,444	1,517,944	789,130
Total Other Expenses	1,772,484	820,910	1,987,895	1,209,949
4.10: Currency Exchange Gain / (Loss)	251,219	(2,822,462)	1,627,047	(3,542,004)

157 Staff and Other Personnel Costs include salaries, fees, employee benefits, and other costs associated with staff, project experts and support personnel, consultants, temporary assistance, and meeting personnel (interpreters, translators, and temporary employees) of all headquarters and field staff employed by IMO.

158 Travel includes the cost of the fares, Daily Subsistence Allowance (DSA), and other associated expenses of the mission of staff members, project experts, and consultants. The costs of home leave travel, recruitment travel, and repatriation travel are reported under 4.1 – Staff and Other Personnel Costs and the students' travel and field trips costs are accounted for under 4.6 – Training and Development.

159 Supplies, Consumables and Other Running Costs primarily include the cost of running the headquarters and field office buildings, including rent paid under the building lease with the

Government of the United Kingdom of £1,195,751 (2023: £1,195,751).

160 Costs Related to Trading Activities include the cost of all commercial sales within the meaning of IPSAS 9 – "Revenue from Exchange Transactions" but excludes staff costs and common overhead costs.

161 Outsourced Services include the costs of the most significant outsourcing arrangements in place, namely those for the provision of security, and the sub-contracts under the technical cooperation and extrabudgetary activities are also reported under this expense category.

162 Training and Development include the cost of staff training incurred under the regular budget, and the fellowship and group training costs incurred under the Technical Cooperation Fund and various donor trust Funds.

163 Return of Unspent Funds represents the refund of the remaining balances of contributions after the financial closure of the related projects or activities as agreed with the donor.

164 Other Expenses include shared costs of jointly financed UN bodies, public information (including IMO News and publicity), bank charges and external audit fees.

NOTE 5: STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

165 Explanations of material differences between the original budget and the final budget as well as between the final budget and the actual amounts are presented under the Financial and Budget Performance Highlights section of the Secretary-General's Statement.

166 The Organization's budget and accounts are prepared on different bases. The Statement of Financial Performance (Statement II) is prepared on a full accrual basis using a classification based on the nature of expenses, whereas the Statement of Comparison of Budget and Actual Amounts (Statement V) is prepared on a modified accrual basis. In this respect, it is required under IPSAS 24 – "Presentation of Budget Information in Financial Statements" that actual amounts presented in Statement V should be reconciled to the actual amounts presented in the financial statements, specifically the net cash flows from operating activities, investing activities, and financing activities, derived by identifying differences relating to basis, presentation and entity.

167 Basis differences occur when the approved budget is prepared on a basis other than the accounting basis. For IMO, the budget is prepared on a modified accruals basis and the financial statements are prepared on a full accruals basis in accordance with IPSAS, and as a result basis differences arise in particular for long-term assets and liabilities. One example is Property, Plant and Equipment, where budget expenditure is recognized on the purchase of a new asset while the IPSAS-based expenditure recognized in Statement II shows depreciation over the life of the asset.

168 Entity differences occur when the budget omits programmes or entities that are part of the entity for which the financial statements are prepared. For IMO, the Organization's extrabudgetary and donor-funded programmes are not a part of the budgetary approval process of the Assembly and the Council and so are not included in Statement V, and consequently, the revenue and expenses relating to such programmes are an entity difference.

169 Presentation differences occur as a result of differences in the format and classification schemes adopted for the presentation of the Statement of Cash Flows and the Statement of Comparison of Budget and Actual Amounts, in particular in relation to the reflection of transfers from the surplus of the Trading Fund which then forms the basis for a proportion of the approved budget of other Funds. These amounts are shown separately for

budget comparison purposes but are eliminated when preparing the overall IMO position shown in Statements II and IV.

170 Timing differences occur when the budget period differs from the reporting period reflected in the financial statements. There is no timing difference for IMO, for the purposes of comparison between budget and actual amounts.

171 The reconciliation between the actual amounts on a comparable basis in the Statement of Comparison of Budget and Actual Amounts (Statement V) and the actual amounts in the Statement of Cash Flows (Statement IV) for the year ended 31 December 2024 is shown below. Budget amounts have been presented on a functional classification basis in accordance with the approved budget for 2024, which presents a breakdown of the budget for purposes of the above comparison. The amount of budgetary surplus of £1,855,304 for 2024 shown in Statement V for IMO only, has been reconciled to the net increase in cash and cash equivalents of £9,707,751 presented in Statement IV (IMO 2024), and the details of the reconciliation are presented in the table below. Operating activities in the table below include the positive effect of exchange rate changes on cash and cash equivalents of £63,894.

Adjustments pertaining to cash flows from: IMO		Operating activities GBP	Investing activities GBP	Financing activities GBP	Total GBP
Actual amounts on a comparable basis as presented in the Budget and Actual Comparative Statement	A	1,855,304	-	-	1,855,304
Basis differences	(a)	(9,444,172)	(1,031,423)	391,239	(10,084,356)
Entity differences	(b)	5,823,471	(33,834)	-	5,789,637
Presentation differences	(c)	12,147,166	-	-	12,147,166
Total Differences	B=a+b+c	8,526,465	(1,065,257)	391,239	7,852,447
ACTUAL AMOUNTS IN THE STATEMENT OF CASH FLOWS	C=A+B	10,381,769	(1,065,257)	391,239	9,707,751

172 The reconciliation of the amount of the consolidated surplus of £3,322,686 shown in Statement V for the consolidated entity including WMU and IMLI, has also been made to the net increase in cash and cash equivalents of £9,640,759 indicated in Statement IV (Consolidated 2024), as shown in the table below. While IMO's budget is approved by the IMO Assembly, the budgets of WMU and IMLI are approved by their separate governing bodies – the Board of Governors (WMU) and the Governing Board (IMLI). The entity difference of £4,255,263 shown in the table below, includes the budgets of WMU and IMLI as neither is approved by IMO's Assembly.

Adjustments pertaining to cash flows from: Consolidated		Operating activities GBP	Investing activities GBP	Financing activities GBP	Total GBP
Actual amounts on a comparable basis as presented in the Budget and Actual Comparative Statement	A	3,322,686	-	-	3,322,686
Basis differences	(a)	(9,444,172)	(1,031,423)	391,239	(10,084,356)
Entity differences	(b)	6,750,980	(2,495,717)	-	4,255,263
Presentation differences	(c)	12,147,166	-	-	12,147,166
Total Differences	B=a+b+c	9,453,974	(3,527,140)	391,239	6,318,073
ACTUAL AMOUNTS IN THE STATEMENT OF CASH FLOWS	C=A+B	12,776,660	(3,527,140)	391,239	9,640,759

173 IMO's budget is prepared on a 'modified accruals' basis, while both WMU and IMLI budget on a full accrual basis.

NOTE 6: SEGMENT REPORTING**Note 6.1: Segmental Statements of Financial Position as at 31 December 2024****Note 6.1.1: Statement of Financial Position by Segment – IMO**

	Core Programme Management	Trading and Business Activities	Technical Cooperation Activities and Trust Fund	Elimination	Grand Total
	GBP	GBP	GBP	GBP	GBP
ASSETS					
Current Assets					
Cash and Cash Equivalents	45,773,601	5,722,589	61,418,533	-	112,914,723
Contributions Receivable	340,067	-	1,718,755	-	2,058,822
Inventories	-	735,650	-	-	735,650
Advances to Sub-contractors and Partners	-	-	1,261,843	(92,149)	1,169,694
Inter-segment Sums Receivable	1,152,646	27,039	1,663,650	(2,843,335)	-
Other Receivables and Prepayments	2,024,885	482,006	1,023,706	-	3,530,597
Total Current Assets	49,291,199	6,967,284	67,086,487	(2,935,484)	120,409,486
Non-Current Assets					
Property, Plant and Equipment	1,867,719	95,872	49,212	-	2,012,803
Intangible Assets	102,905	-	-	-	102,905
Total Non-Current Assets	1,970,624	95,872	49,212	-	2,115,708
TOTAL ASSETS	51,261,823	7,063,156	67,135,699	(2,935,484)	122,525,194
LIABILITIES					
Current Liabilities					
Payables and Accruals	5,506,954	405,610	6,980,356	(92,149)	12,800,771
Provisions for Warranties	-	25,727	-	-	25,727
Inter-segment Sums Payable	687,295	42,399	2,113,641	(2,843,335)	-
Employee Benefits	159,926	13,164	8,515	-	181,605
Finance Lease Liabilities	123,992	-	-	-	123,992
Total Current Liabilities	6,478,167	486,900	9,102,512	(2,935,484)	13,132,095
Non-Current Liabilities					
Employee Benefits	39,597,729	-	-	-	39,597,729
Finance Lease Liabilities	267,247	-	-	-	267,247
Total Non-Current Liabilities	39,864,976	-	-	-	39,864,976
TOTAL LIABILITIES	46,343,143	486,900	9,102,512	(2,935,484)	52,997,071
NET ASSETS	4,918,680	6,576,256	58,033,187	-	69,528,123
FUND BALANCES AND RESERVES					
Fund Balances and Reserves	3,401,412	8,269,100	51,451,760	-	63,122,272
Surplus/(Deficit) for the year	1,517,268	(1,692,844)	6,581,427	-	6,405,851
TOTAL FUND BALANCES AND RESERVES	4,918,680	6,576,256	58,033,187	-	69,528,123

Note 6.1.2: Statement of Financial Position by Segment – Consolidated (GBP)

	Core Programme Management	Trading and Business Activities	Technical Cooperation Activities and Trust Fund	Education and Research	Elimination	Grand Total
ASSETS						
Current Assets						
Cash and Cash Equivalents	45,773,601	5,722,589	61,418,533	17,475,323	-	130,390,046
Contributions Receivable	340,067	-	1,718,755	2,072	-	2,060,894
Inventories	-	735,650	-	70,421	-	806,071
Advances to Sub-contractors and Partners	-	-	1,261,843	-	(92,149)	1,169,694
Inter-segment Sums Receivable	1,152,646	27,039	1,663,650	-	(2,843,335)	-
Other Receivables and Prepayments	2,024,885	482,006	1,023,706	2,011,183	(681,795)	4,859,985
Total Current Assets	49,291,199	6,967,284	67,086,487	19,558,999	(3,617,279)	139,286,690
Non-Current Assets						
Investments	-	-	-	12,565,460	-	12,565,460
Property, Plant and Equipment	1,867,719	95,872	49,212	355,002	-	2,367,805
Intangible Assets	102,905	-	-	-	-	102,905
Total Non-Current Assets	1,970,624	95,872	49,212	12,920,462	-	15,036,170
TOTAL ASSETS	51,261,823	7,063,156	67,135,699	32,479,461	(3,617,279)	154,322,860
LIABILITIES						
Current Liabilities						
Payables and Accruals	5,506,954	405,610	6,980,356	6,422,368	(773,944)	18,541,344
Provisions for Warranties	-	25,727	-	-	-	25,727
Inter-segment Sums Payable	687,295	42,399	2,113,641	-	(2,843,335)	-
Employee Benefits	159,926	13,164	8,515	18,648	-	200,253
Finance Lease Liabilities	123,992	-	-	-	-	123,992
Total Current Liabilities	6,478,167	486,900	9,102,512	6,441,016	(3,617,279)	18,891,316
Non-Current Liabilities						
Employee Benefits	39,597,729	-	-	2,211,462	-	41,809,191
Finance Lease Liabilities	267,247	-	-	-	-	267,247
Total Non-Current Liabilities	39,864,976	-	-	2,211,462	-	42,076,438
TOTAL LIABILITIES	46,343,143	486,900	9,102,512	8,652,478	(3,617,279)	60,967,754
NET ASSETS	4,918,680	6,576,256	58,033,187	23,826,983	-	93,355,106
FUND BALANCES AND RESERVES						
Fund Balances and Reserves	3,401,412	8,269,100	51,451,760	19,876,100	-	82,998,372
Surplus/(Deficit) for the year	1,517,268	(1,692,844)	6,581,427	3,950,883	-	10,356,734
TOTAL FUND BALANCES AND RESERVES	4,918,680	6,576,256	58,033,187	23,826,983	-	93,355,106

Note 6.2: Segmental Statements of Financial Performance for the year ended 31 December 2024

Note 6.2.1: Statement of Financial Performance by Segment – IMO

	Core Programme Management	Trading and Business Activities	Technical Cooperation Activities and Trust Fund	Elimination	Grand Total
	GBP	GBP	GBP	GBP	GBP
Revenue					
Assessed Contributions	35,576,938	-	-	-	35,576,938
Donor Contributions	511,656	-	19,168,931	-	19,680,587
Commercial Activities	508,001	15,232,320	389,112	(406,233)	15,723,200
Other Revenue	1,841,392	172,404	2,722,170	-	4,735,966
Support Costs Earned	2,561,110	-	-	(2,561,110)	-
Inter-segment Transfers	6,934,329	-	6,776,424	(13,710,753)	-
TOTAL REVENUE	47,933,426	15,404,724	29,056,637	(16,678,096)	75,716,691
Expenses					
Staff and Other Personnel Costs	33,744,991	3,126,264	8,743,903	-	45,615,158
Travel Expenses	608,994	48,503	2,902,308	-	3,559,805
Supplies, Consumables and Other Running Costs	6,355,641	2,196,419	1,688,162	(238,740)	10,001,482
Cost Related to Trading Activities	-	1,680,023	-	-	1,680,023
Outsourced Services	45,227	7,910	1,276,381	-	1,329,518
Training and Development	45,968	-	4,633,368	(1,440)	4,677,896
Support Costs Charged	-	981,263	1,579,847	(2,561,110)	-
Depreciation, Amortization and Impairment	330,510	43,757	16,715	-	390,982
Return of Unspent Funds	-	-	534,711	-	534,711
Other Expenses	1,228,672	94,076	615,789	(166,053)	1,772,484
Inter-segment Transfers	4,067,266	8,921,712	721,775	(13,710,753)	-
TOTAL EXPENSES	46,427,269	17,099,927	22,712,959	(16,678,096)	69,562,059
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR	1,506,157	(1,695,203)	6,343,678	-	6,154,632
Currency Exchange Gain / (Loss)	11,111	2,359	237,749	-	251,219
SURPLUS / (DEFICIT) FOR THE YEAR	1,517,268	(1,692,844)	6,581,427	-	6,405,851

Note 6.2.2: Statement of Financial Performance by Segment – Consolidated (GBP)

	Core Programme Management	Trading and Business Activities	Technical Cooperation Activities and Trust Fund	Education and Research	Elimination	Grand Total
Revenue						
Assessed Contributions	35,576,938	-	-	-	-	35,576,938
Donor Contributions	511,656	-	19,168,931	5,983,907	(3,201)	25,661,293
Commercial Activities	508,001	15,232,320	389,112	2,388,570	(805,002)	17,713,001
Fellowship	-	-	-	7,954,221	(1,270,629)	6,683,592
Other Revenue	1,841,392	172,404	2,722,170	2,188,044	-	6,924,010
Support Costs Earned	2,561,110	-	-	-	(2,561,110)	-
Inter-segment Transfers	6,934,329	-	6,776,424	-	(13,710,753)	-
TOTAL REVENUE	47,933,426	15,404,724	29,056,637	18,514,742	(18,350,695)	92,558,834
Expenses						
Staff and Other Personnel Costs	33,744,991	3,126,264	8,743,903	9,989,299	(134,365)	55,470,092
Travel Expenses	608,994	48,503	2,902,308	859,058	-	4,418,863
Supplies, Consumables and Other Running Costs	6,355,641	2,196,419	1,688,162	1,590,282	(358,691)	11,471,813
Cost Related to Trading Activities	-	1,680,023	-	15,992	-	1,696,015
Outsourced Services	45,227	7,910	1,276,381	394,122	(131,915)	1,591,725
Training and Development	45,968	-	4,633,368	2,718,244	(1,369,240)	6,028,340
Support Costs Charged	-	981,263	1,579,847	-	(2,561,110)	-
Depreciation, Amortization and Impairment	330,510	43,757	16,715	238,711	-	629,693
Return of Unspent Funds	-	-	534,711	-	-	534,711
Other Expenses	1,228,672	94,076	615,789	239,329	(189,971)	1,987,895
Inter-segment Transfers	4,067,266	8,921,712	721,775	-	(13,710,753)	-
TOTAL EXPENSES	46,427,269	17,099,927	22,712,959	16,045,037	(18,456,045)	83,829,147
OPERATING SURPLUS / (DEFICIT) FOR THE YEAR	1,506,157	(1,695,203)	6,343,678	2,469,705	105,350	8,729,687
Currency Exchange Gain / (Loss)	11,111	2,359	237,749	1,481,178	(105,350)	1,627,047
SURPLUS / (DEFICIT) FOR THE YEAR	1,517,268	(1,692,844)	6,581,427	3,950,883	-	10,356,734

174 Some internal activities result in accounting transactions that create inter-segment revenue and expense balances in the financial statements. Inter-segment transactions are reflected in the above statements to accurately present these financial statements, the most significant examples of which are the Council-mandated transfers from the Trading Fund to other organizational funds. The aggregate amount was £8,796,000 of which £6,684,960 was to the Technical Cooperation Fund and £2,111,040 was to the Core Programme. In addition, there are support costs totalling £1,579,847 charged on extra-budgetary activities and £981,263 charged to the Trading Activities to reimburse costs incurred by the Core Programme.

175 IMO provides funding support to WMU and IMLI to finance their fellowship and related programmes, which is recognized as expenditure by IMO and as revenue by WMU and IMLI. These transactions, which are eliminated in arriving at the consolidated position, amount to £803,560 between IMO and WMU, and £542,512 between IMO and IMLI.

176 A summary of the goods and services provided under each segment, and their objectives, is set out in Note 1, under section Fund Accounting and Segment Reporting.

NOTE 7: COMMITMENTS AND CONTINGENCIES**Note 7.1: Commitments**

177 As at 31 December 2024, IMO had commitments for goods and services including consultancy contracted but not delivered as follows:

	2024 Commitments GBP
Regular budget strategic results	523,629
Trading activities	256,494
Termination benefit	-
Headquarters Capital Fund	707,710
Technical Cooperation (TC Fund)	710,877
Subtotal	2,198,710
Technical Cooperation (Donor Funds)	170,661
TOTAL	2,369,371

178 The actual discharge of the 2023 commitments in 2024 is £1,199,640 the breakdown of which is shown below:

	2023 Commitments GBP	2024 Discharge GBP
Regular budget strategic results	153,854	90,704
Trading activities	149,565	149,895
Termination benefit	20,002	19,702
Headquarters Capital Fund	236,378	232,464
Technical Cooperation (TC Fund)	932,810	654,374
Subtotal	1,492,609	1,147,139
Technical Cooperation (Donor Funds)	1,213,680	52,501
TOTAL	2,706,289	1,199,640

179 Neither WMU nor IMLI has commitments or contingencies at year-end and consequently the figures shown above reflect the consolidated position as well.

Note 7.2: Contingent Liabilities and Contingent Assets

180 As at 31 December 2024, the Organization had two ongoing staff-related legal cases that could result in a future outflow of resources. The estimated potential liability is in total approximately USD 50,000. However, as the outcome remains uncertain and does not meet the recognition criteria for a provision under IPSAS 19 – “Provisions, Contingent Liabilities and Contingent Assets”, these amounts are not included in the Statement of Financial Performance. The financial impact of these cases will be updated as the process continues.

181 The Organization, in conjunction with UNDP, conducted a review of all historical balances under the UNDP SCA, and its predecessor the Inter-office Voucher (IOV) scheme, under which UNDP provides services to other UN system organizations, and the Project Clearing Account (PCA), through which UNDP acts as a donor for IMO extrabudgetary activities. While the Organization's financial statements reflect amendments arising as a result of that review, there remains a net difference on the PCA accounts of \$469,314, as at 30

June 2024, between IMO and UNDP. Discussions between IMO and UNDP on an agreeable resolution of this difference is ongoing.

NOTE 8: LOSSES, EX-GRATIA PAYMENTS, WRITE-OFFS, AND CASES OF FRAUD

182 Financial Regulation 10.3 provides that "The Secretary-General may make such ex-gratia payments as he deems to be necessary in the interest of the Organization, provided that a statement of such payments shall be submitted to the Assembly with the financial statements". During 2024, no ex-gratia payments were made.

183 Financial Regulation 10.4 provides that "The Secretary-General may, after full investigation, authorize the writing off of losses of cash, stores, and other assets, provided that a statement of all such amounts written off shall be submitted to the External Auditor with the financial statements". During 2024, IMO disposed obsolete items of property, plant and equipment with a residual value of £1,429 at the time of disposal.

184 During 2024, no case of fraud or presumptive fraud was identified.

185 WMU reported a disposal of SEK 515,236 (£38,200) of fully depreciated IT equipment with no residual value. WMU and IMLI did not report any cases of ex-gratia payments, fraud, and presumptive fraud in 2024.

NOTE 9: RELATED PARTIES AND KEY MANAGEMENT PERSONNEL

Note 9.1: Key Management Personnel

	Number of FTEs	Compensation and post adjustment	Entitlements	Pension and health plans	Total remuneration	Outstanding Loans against entitlements	Outstanding Advances against entitlements
		GBP	GBP	GBP	GBP	GBP	GBP
2023							
IMO	10.00	1,768,040	165,963	441,430	2,375,433	-	36,923
Consolidated	12.00	2,149,789	304,026	533,330	2,987,145	-	36,923
2024							
IMO	7.05	1,319,814	91,314	343,931	1,755,059	-	33,453
Consolidated	9.05	1,680,364	100,969	436,402	2,217,735	-	33,453

186 Key management personnel of IMO are the Secretary-General, six Divisional Directors, and two Departmental Chiefs/Heads. Key management personnel of the consolidated group include the President of the WMU and the Director of the IMLI, as they have the authority and responsibility for planning, directing, and controlling the activities of the consolidated group.

187 The aggregate remuneration paid to key management personnel includes net salaries, post adjustment, entitlements (such as representation allowance and other allowances); assignment and other grants; rental subsidy; personal effects shipment costs; employer pension; and current health insurance contributions. The outstanding advance represents the amount paid against the education grant entitlement to one key management personnel which is available to all professional staff. No close family member of the key management personnel was employed by the Organization during the year. The full-time equivalent for two of IMO's key management personnel was calculated from 1-7 January 2024. Following a reorganization, they transitioned to new roles that no longer qualified them as key management personnel.

188 Key management personnel are also qualified for post-employment benefits (Note 2.11) at the same level as other employees. Key management personnel of IMO are participants of UNJSPF.

Note 9.2: Related Parties

189 The Organization does not have any relationships or transactions with individuals or other entities that would require disclosure under the specific guidelines set forth by IPSAS 20 – "Related Party Disclosures".

NOTE 10: THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES

190 An exchange rate difference arose due to converting the opening assets and liabilities of WMU and IMLI, whose functional currencies are the Swedish krona and Euro respectively, at the 2024 closing rate which differs from the 2023 closing rate, and the resulting differences are presented as a separate component of net assets/equity in accordance with IPSAS 4 – "The Effects of Changes in Foreign Exchange Rates".

	WMU GBP	IMLI GBP	TOTAL GBP
Closing balance as at 31.12.2024 exchange rate	17,297,602	4,201,214	21,498,816
Opening balance as at 01.01.2024 revalued at 31.12.2024 exchange rate	15,867,608	4,008,491	19,876,099
TOTAL	(1,429,994)	(192,723)	(1,622,717)

NOTE 11: FINANCIAL INSTRUMENTS

191 The Organization measures Financial Instruments as follows:

Financial Instruments	Category
Cash and Cash Equivalents (including short-term deposits)	Amortized cost
Contributions Receivable	Amortized cost
Other Receivables	Amortized cost
Payables and Accruals	Amortized cost

192 The IMO budget is funded by assessed contributions in Pound Sterling (GBP), the functional and reporting currency of the Organization. As of 31 December 2024, 61% of the total cash balance of 112.91 million was held in GBP and 37% was held in USD. The remaining 3% was held in other currencies. The USD balance is mainly maintained for the Bilateral Operations and Multi-Donor Trust Funds that are budgeted in USD. The use of these funds is governed by the respective donor's contractual agreement and consequently is not available for the Organization's general use. To minimize the risk of currency fluctuations, the Organization maintains a USD-GBP cash mix that aligns with the outlays in the currency required for the delivery of IMO activities.

193 As of 31 December 2024, 60.6% of the total cash balance of 112.91 million was held in GBP, and 36.7% was held in USD. The remaining 2.7% was held in other currencies. The value of these currencies, percentage, and GBP equivalent are presented in the table below:

Currency	Balance	Equivalent GBP	Percentage
GBP	68,419,228	68,419,228	60.6%
USD	51,956,585	41,357,488	36.7%
EUR	3,724,782	3,088,478	2.7%
PHP	3,385,272	46,586	0.0%
BDT	439,913	2,942	0.0%
TOTAL		112,914,723	100.00%

NOTE 12: EVENTS AFTER REPORTING DATE

194 IMO's reporting date is 31 December 2024. On the date of the signing of the financial statements, there had been no material events, favourable or unfavourable, incurred between the balance sheet date and the date when the financial statements were authorized for issue that would have impacted these statements.

ANNEX

	Name	Address
IMO	International Maritime Organization	4 Albert Embankment London, SE1 7SR United Kingdom
General Counsel Director, Legal Affairs and External Relations Division	Mrs. D. Lost-Sieminska	4 Albert Embankment London, SE1 7SR United Kingdom
Actuary	Barnett Waddingham LLP	2 London Wall Place 123 London Wall London, EC2Y 5AU United Kingdom
Principal Banker	J.P. Morgan Chase	JP Morgan Chase Bank N.A. 25 Bank Street, Canary Wharf London, E14 5JP United Kingdom
External Auditor	Chair, The Audit Board of the Republic of Indonesia	The Audit Board of the Republic of Indonesia Jalan Gatot Subroto No. 31, Jakarta – Indonesia