

# **IQARB – International Quality Assessment Review Body CIC**

## **Annual Report and Financial Statements**

31 December 2025

Company Limited by Guarantee  
Registration Number  
7455733 (England and Wales)

## Legal and administrative information

|                          |                                                                                                                                                         |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Directors</b>         | L. Puccio<br>K. S. Lumbers<br>N. D. Van Wijk<br>P. J. Williams                                                                                          |
| <b>Company Secretary</b> | L. K. Korzeniewicz                                                                                                                                      |
| <b>Registered office</b> | 3 Shortlands<br>London W6 8DA                                                                                                                           |
| <b>Registered number</b> | 7455733 (England and Wales)                                                                                                                             |
| <b>Auditor</b>           | Mercer & Hole LLP<br>3 Lombard Street<br>London<br>EC3V 9AA                                                                                             |
| <b>Solicitors</b>        | Baker Botts (UK) LLP<br>Level 30<br>20 Fenchurch Street<br>London<br>EC3M 3BY<br><br>Farrer and Co LLP<br>66 Lincoln's Inn Fields<br>London<br>WC2A 3LH |
| <b>Bankers</b>           | Unity Trust Bank<br>4 Brindley Place<br>Birmingham<br>B1 2JB                                                                                            |

**Contents**

**Reports**

|                              |   |
|------------------------------|---|
| Directors' report            | 1 |
| Independent auditor's report | 6 |

**Financial Statements**

|                                   |    |
|-----------------------------------|----|
| Income and expenditure account    | 10 |
| Balance sheet                     | 11 |
| Principal accounting policies     | 12 |
| Notes to the financial statements | 17 |

The following page does not form part of the audited accounts:

Detailed income and expenditure account 17

## **Directors' report** Year ended 31 December 2025

The directors present their report with the financial statements of the company for the year ended 31 December 2025.

### **Change of name**

On 3 December 2024 a members' resolution was passed at the Annual General Meeting to change the company's name from QACE - Entity for the Quality Assessment and Certification of Organisations Recognised by the European Union CIC to IQARB - International Quality Assessment Review Body CIC. This change became legally effective on 9 January 2025 upon registration at Companies House.

### **Principal activity**

The IQARB - International Quality Assessment Review Body CIC (IQARB) is a non-profit community interest company established to act as an impartial and independent expert assessment body. It is registered in London under the UK Companies Act 2006. Its primary purpose is to review the development, adoption, implementation, and certification processes of quality management systems of the Classification Societies/Recognized Organizations (CS/ROs). IQARB is also committed to supporting the activities of the International Maritime Organization (IMO) to promote safety at sea and protect the marine environment.

### **Review of business**

The entity completed its fifteenth full year of operation in 2025. The budget for the year was reviewed and formally adopted at the Annual General Meeting in December 2024.

As on 31st December 2025, IQARB had nine assessors contracted to carry out assessments. The IQARB Assessors are strategically located in America, Asia, Australia and Europe to deliver the Assessment Program in the most cost-effective manner possible.

The following activities were completed satisfactorily:

- Assessors' meeting to finalize the 2024 Assessment Plan to share experiences and plan the assessments activities in 2025.
- Refresher training of Assessors.
- Assessments of selected ACB audits of the ROs.
- Publication of Collective Recommendations.
- Issuance of Individual Recommendations to three ROs.
- Surveillance audit of IQARB's QMS to ISO 9001:2015, by Centre for Assessment.
- Internal audit.
- Development, jointly with IACS, of the Focus Areas for 2026.
- Issuance of Factual Statements for twelve ROs.
- Renewal of the Certificates of Compliance for four ROs.

Apart from the above, the 2025 activities also included:

- IQARB 7 Annual General Meeting in May.
- Two Board meetings in May & September.
- Auditors Seminar in January.

**IQARB – International Quality Assessment Review Body CIC**

## Directors' report Year ended 31 December 2025

- Two IACS Quality Committee Meetings in March and September.
- Presentation at the Committee on Safe Seas and the Prevention of Pollution from Ships (COSS) in June.
- IMO MSC 110 in June.
- Presentation at IMO III 11<sup>th</sup> Session in July.
- Technical Committee 4<sup>th</sup> Meeting in October.
- IACS End User Workshop in November.

### 2025 Assessments

The main objectives of IQARB's assessments are to ensure that the audits held by Accredited Certification Bodies (ACBs) are robust and able to confirm the effectiveness of the Quality Management Systems of the Recognised Organisations (ROs).

The one-day Assessors' Meeting, held virtually in January, finalised the year's Assessment Program, identifying the locations, dates, and types of audits for assessment. The basis for developing the IQARB Assessment Plan is the annual audit program produced by the ACBs based on their own risk-based samples to audit, including newbuilding projects and ships in service undergoing major classification and statutory surveys. A risk-based approach was employed in the selection of assessment visits, tailored to each RO's fleet and activities. Assessments were held at the ROs' Head Offices (HO), , Survey Locations (SL), Plan Approval (PA) Offices outside of Head Offices (not all ROs have such additional PA offices), and during Vertical Contract Audits (VCAs). VCAs were held during ACB audits of:

- surveys onboard ships in service (SiS) during periodical and statutory surveys;
- surveys of New Building (NB) projects;
- Management System audits (ISM Code, and/or ISPS Code audits process both on board ships and in the offices of ship management companies).

In 2025, the plan included assessments of 11 EU Recognised Organisations (EU ROs), and one non-EU RO. In 2025, 73 audits were assessed as follows:

- 12 Head Offices (HO)
- 2 Plan Approval Offices
- 18 Survey Locations (SL)
- 10 Vertical Contract Audits of ISM/ISPS
- 12 Vertical Contract Audits of New Building
- 19 Vertical Contract Audits of Ship in Service

The review of the assessments completed in 2025 showed:

- The ROs' Quality Management Systems were well managed;
- The ROs' processes of the management of new buildings, ship surveys, ISM/ISPS, guidance documentation, health and safety, and root cause analysis had scope for improvement;
- The ACBs' processes of audit preparation, planning and execution were well managed;
- The ACBs' coverage and depth of audits, particularly of the Transfer of Class and Statutory Certification had scope for improvement;

**Directors’ report** Year ended 31 December 2025

- The assessment reports and suggestions for improvement contained therein are well accepted by the ROs and ACBs.

**Plans for the future**

Throughout 2026, IQARB will continue to operate in accordance with the existing Quality and Administration Manuals which are under review and are expected to be implemented since the beginning of the 2027.

The 2026 Work Plan outlines several priorities. The assessment programme will continue with the same structure and scope as implemented in the previous years. The organisation plans to hold Board and Annual General Meetings during the year, and may also convene an Extraordinary General Meeting should the need arise. Two Assessors’ Meetings are scheduled.

Throughout 2026, IQARB will update its website. The organisation will also continue to participate in relevant forums led by the International Maritime Organisation, the European Commission, and the International Association of Classification Societies (IACS).

In 2024, it was identified that one assessor had outstanding invoices relating to previous years. Their outstanding claims from 2022, 2023, and 2024 were only identified shortly before the Annual General Meeting 2024. In response, the Board sought legal advice and after consultation with the Members and in the assistance of the Secretariat, implemented the instalment plan in May 2025. To prevent such issues in future, a new internal tracking system has been implemented.

IQARB is entering 2026 with a solid foundation, and a clear strategy for enhancing its oversight role of the ROs, in accordance with its Object as outlined in the AoA.

**Directors**

Below are the directors who served during the year

| Director       |                          |
|----------------|--------------------------|
| S. P. Assheuer | Resigned 31 January 2026 |
| K. S. Lumbers  |                          |
| L. Puccio      |                          |
| N. D. Van Wijk |                          |
| P. J. Williams |                          |

**Members**

From 1 January 2025 until the registration of the new Articles of Association on 21 January 2025, membership of the Company was held by:

- American Bureau of Shipping (USA)
- Bureau Veritas SA (France)
- China Classification Society (China)
- Croatian Register of Shipping (Croatia)

IQARB – International Quality Assessment Review Body CIC

## **Directors' report** Year ended 31 December 2025

DNV GL AS (Norway)  
Indian Register of Shipping (India)  
Korean Register of Shipping (Republic of Korea)  
Lloyd's Register (UK)  
Nippon Kaiji Kyokai (Japan)  
Polski Rejestr Statków S.A. (Poland)  
Rina Services SPA (Italy)

Following regulatory registration of the new Articles, these memberships terminated, and the new Membership structure took effect:

### Ordinary Members:

Bahamas Maritime Authority  
BIMCO  
International Group of P&I Clubs  
International Union of Marine Insurance e.V. (IUMI)  
INTERTANKO  
Liberian Registry  
United Kingdom-Maritime and Coastguard Agency

### Agency Member:

European Commission

### Special Member:

International Association of Classification Societies (IACS)

The liability of each member in respect of the undertaking to contribute to the assets of the company is limited to an amount not exceeding £1.

## **Auditor**

Mercer & Hole LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

## **Statement of directors' responsibilities**

The directors are responsible for preparing the directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

IQARB – International Quality Assessment Review Body CIC

## Directors' report Year ended 31 December 2025

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

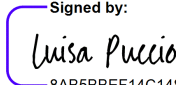
Each of the directors confirms that:

- ♦ so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- ♦ the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s 418 of the Companies Act 2006.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies provided by Part 15 of the Companies Act 2006.

Signed on behalf of the board of directors:

Signed by:  
  
L. Puccio, Director

Approved by the board on 2/9/2026

## **Independent auditor's report Year ended 31 December 2025**

### **Independent auditor's report to the members of IQARB – International Quality Assessment Review Body CIC**

#### **Opinion**

We have audited the financial statements of IQARB – International Quality Assessment Review Body CIC (the 'company') for the year ended 31 December 2025 which comprise the Income and Expenditure Account, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Independent auditor's report** Year ended 31 December 2025**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than 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.

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

**Independent auditor's report** Year ended 31 December 2025**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**Explanation as to what extent the audit was considered capable of detecting irregularities, included fraud**

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006, employment law, and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls) and determined that the principle risks were related to posting inappropriate entries including journals to overstate revenue or understate expenditure, and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- evaluation of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- identifying and testing journal entries.

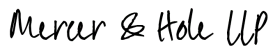
## **Independent auditor's report** Year ended 31 December 2025

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
 859E46525A6C486...

### **Helen Cain, Senior Statutory Auditor**

For and on behalf of Mercer & Hole LLP, Statutory Auditor  
 3 Lombard Street  
 London  
 EC3V 9AA

Date: 2/9/2026

**Income and expenditure account** Year ended 31 December 2025

|                                                       | Notes | 2025<br>£        | 2024<br>£ |
|-------------------------------------------------------|-------|------------------|-----------|
| <b>Turnover</b>                                       |       | <b>681,034</b>   | 625,901   |
| Cost of sales                                         |       | <b>(607,939)</b> | (522,239) |
| <b>Gross surplus</b>                                  |       | <b>73,095</b>    | 103,662   |
| Administrative expenses                               |       | <b>(118,374)</b> | (150,716) |
| <b>Operating deficit</b>                              |       | <b>(45,279)</b>  | (47,054)  |
| <b>Interest receivable</b>                            |       | <b>5,412</b>     | 11,220    |
| Taxation                                              | 2     | <b>(1,100)</b>   | (2,132)   |
| <b>Deficit surplus for the financial year</b>         | 3     | <b>(40,967)</b>  | (37,966)  |
| Reconciliation of retained earnings                   |       |                  |           |
| Retained reserves brought forward at 1 January 2025   |       | <b>5,169</b>     | 43,135    |
| Deficit for the financial year                        |       | <b>(40,967)</b>  | (37,966)  |
| <b>(Deficit) retained surplus at 31 December 2025</b> |       | <b>(35,798)</b>  | 5,169     |

All of the company's activities derived from continuing operations.

The company has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

**Balance Sheet** 31 December 2025

|                                                       | Notes | 2025<br>£      | 2025<br>£       | 2024<br>£ | 2024<br>£ |
|-------------------------------------------------------|-------|----------------|-----------------|-----------|-----------|
| <b>Current assets</b>                                 |       |                |                 |           |           |
| Debtors                                               | 4     | <b>9,637</b>   |                 | 16,602    |           |
| Cash at bank and in hand                              |       | <b>381,541</b> |                 | 483,133   |           |
|                                                       |       |                | <b>391,178</b>  |           | 499,735   |
| <b>Creditors: amounts falling due within one year</b> | 5     |                | <b>(99,016)</b> |           | (106,606) |
| <b>Net current assets</b>                             |       |                | <b>292,162</b>  |           | 393,129   |
| <b>Creditors: Amounts falling due after one year</b>  | 5     |                | —               |           | (60,000)  |
| <b>Total net assets</b>                               |       |                | <b>292,162</b>  |           | 333,129   |
| <b>Capital and reserves</b>                           |       |                |                 |           |           |
| Other reserves                                        | 8     |                | <b>327,960</b>  |           | 327,960   |
| Income and expenditure account                        | 9     |                | <b>(35,798)</b> |           | 5,169     |
| <b>Members' funds</b>                                 |       |                | <b>292,162</b>  |           | 333,129   |

The directors have taken advantage of special exemptions conferred by Part 15 of the Companies Act 2006 applicable to small companies in the preparation of the financial statements and have done so on the grounds that, in their opinion, the company qualified as a small company.

Approved by, and signed on behalf of the board of directors by:

Signed by:  
  
 8AB5BBEF14C1486...

L. Puccio, Director

Approved by the board on 2/9/2026

Company registration number 7455733 (England & Wales)

## **Principal accounting policies** Year ended 31 December 2025

IQARB is a community interest company (limited by guarantee) incorporated in England and Wales (Company Registration Number 7455733). The registered office is 3 Shortlands, London W6 8DA.

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies or notes to the accounts. They are prepared in accordance with applicable United Kingdom Accounting Standards, including section 1A of Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’ (FRS102) and the Companies Act 2006.

The financial statements are prepared in Sterling to the nearest pound.

### **Going concern**

After reviewing the company’s forecast and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

### **Revenue recognition**

Turnover predominantly represents income generated from membership subscriptions. Such income is recognised over the period in which the member is entitled to the service provided to them.

Turnover also represents income generated through attendance at assessments. Such income is recognised once the service is performed.

### **Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

## **Principal accounting policies** Year ended 31 December 2025

### **Creditors**

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of the transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### **Cash at bank and in hand**

Cash on the balance sheet comprises cash at bank available on demand only.

### **Cash Flow**

The financial statements do not include a cash flow statement because the company is exempt from the requirement to prepare such a statement under FRS 102.

### **Operating lease**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on a straight line basis over the term of the lease.

### **Pension and post-retirement benefits**

Contributions in respect of the company's defined contribution pension scheme are charged to income and expenditure account when they are payable to the scheme.

**Notes to the financial statements** Year ended 31 December 2025**1 Significant judgements and estimates**

No significant accounting estimates or judgements were required to prepare the accounts.

**2 Taxation**

Due to the unique nature of IQARB, an agreement was achieved from HM Revenue and Customs that the principal activities of IQARB are not trading activities and are not subject to UK corporation tax.

During the year, a corporation tax charge arose on interest earned on cash and bank deposits:

|                                                     | 2025<br>£    | 2024<br>£    |
|-----------------------------------------------------|--------------|--------------|
| UK Corporation Tax – current year                   | 1,456        | 2,132        |
| UK Corporation Tax – overprovision in previous year | (356)        | —            |
|                                                     | <b>1,100</b> | <b>2,132</b> |

**3 Deficit for the financial period**

|                                    | 2025<br>£ | 2024<br>£ |
|------------------------------------|-----------|-----------|
| This is stated after charging:     |           |           |
| Auditor's remuneration - Audit fee | 10,740    | 8,910     |
| Merger costs                       | 12,451    | 30,528    |

**4 Debtors**

|                                | 2025<br>£    | 2024<br>£     |
|--------------------------------|--------------|---------------|
| <b>Due within one year</b>     |              |               |
| Prepayments and accrued income | 1,911        | 9,902         |
| Other debtors                  | 7,726        | 6,700         |
|                                | <b>9,637</b> | <b>16,602</b> |

**5 Creditors: amounts falling due within one year**

|                                 | 2025<br>£     | 2024<br>£      |
|---------------------------------|---------------|----------------|
| Trade creditors                 | 60,000        | 63,514         |
| Other creditors                 | 37,560        | 31,620         |
| Social security and other taxes | 1,456         | 11,472         |
|                                 | <b>99,016</b> | <b>106,606</b> |

**Creditors: amounts falling after one year**

|                 | 2025<br>£ | 2024<br>£     |
|-----------------|-----------|---------------|
| Trade creditors | —         | 60,000        |
|                 | <b>—</b>  | <b>60,000</b> |

IQARB – International Quality Assessment Review Body CIC

**Notes to the financial statements** Year ended 31 December 2025**6 Staff costs**

|                       | 2025<br>£      | 2024<br>£ |
|-----------------------|----------------|-----------|
| Wages and salaries    | <b>153,044</b> | 253,787   |
| Social security costs | <b>2,884</b>   | 10,843    |
| Other pension costs   | <b>4,290</b>   | 4,147     |
|                       | <b>160,218</b> | 268,777   |

The average number of employees, including directors during the year was 3 (2024 – 6).

Under the Company's governance structure, the Secretariat is responsible for the day-to-day management and operation of the Company, including the administration of its activities, coordination of stakeholders, and implementation of approved Annual Work Plan. The Directors serve on a voluntary basis and provide governance, strategic oversight, and specialist expertise. Operating under the regulatory framework of a Community Interest Company (CIC), the Board is responsible for ensuring that the Company's activities and assets remain dedicated to its community interest mandate. The Directors support the Secretariat in delivering the Company's objectives and ensuring that the Organisation continues to fulfil its purpose effectively and independently.

The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £242,942 (2024 - £229,264)

**7 Operating lease commitments**

The company's future minimum operating lease payments are as follows:

|                            | 2025<br>£    | 2024<br>£ |
|----------------------------|--------------|-----------|
| Within one year            | <b>1,008</b> | 39,600    |
| Between one and five years | —            | —         |

**8 Other reserves**

|                                                                                      | 2025<br>£      | 2024<br>£ |
|--------------------------------------------------------------------------------------|----------------|-----------|
| Reserve fund from member contributions brought forward                               | <b>327,960</b> | 327,960   |
| Contribution by members during the year                                              | —              | —         |
| Contingency fund carried forward (previously Reserve fund from member contributions) | <b>327,960</b> | 327,960   |

Revised Articles of Association were and approved by the AGM held on 7 May 2026. The Contingency Fund (formerly the Reserve fund from member contributions) is formally defined as a reserve fund held by IQARB. It is maintained as an internal reserve equivalent to 6 months of IQARB's operating costs, calculated using the averaged annual expenses of the preceding three years. Its use is strictly defined: to be drawn upon only if, and for as long as, the Special Member does not consent to the Budget as a Reserved Matter; or to cover

IQARB – International Quality Assessment Review Body CIC

**Notes to the financial statements** Year ended 31 December 2025

run-off costs in the event of a dissolution of IQARB or the transfer of the “Article 11 Obligation” to another entity. The EU Recognised Organisations have an obligation to maintain IQARB under the Regulation (EC) No 391/2009 of the European Parliament and of the Council of 23 April 2009 on common rules and standards for ship inspection and survey organisation ("Article 11 Obligation").

**9 Reserves**

Income and expenditure account – includes all current and prior period retained surpluses and deficits.

**Detailed income and expenditure account** Year ended 31 December 2025

This page does not form part of the audited accounts

|                                                       | 2025<br>£        | 2024<br>£ |
|-------------------------------------------------------|------------------|-----------|
| <b>Turnover</b>                                       | <b>681,034</b>   | 625,901   |
| <b>Cost of sales</b>                                  |                  |           |
| Procedure and certification costs                     | 1,376            | 1,197     |
| Consultancy                                           | 210,110          | 220,471   |
| Executive & Company Secretary                         | 242,942          | 94,316    |
| Administration assistance                             | 48,546           | 48,366    |
| Directors' remuneration                               | —                | 79,796    |
| Assessors' meeting costs                              | 2,820            | 1,860     |
| Travel and accommodation                              | 101,851          | 75,974    |
| Pension management charges                            | 294              | 259       |
| Total                                                 | <b>(607,939)</b> | (522,239) |
| <b>Administrative expenses</b>                        |                  |           |
| Board meeting expenses                                | 9,804            | 19,901    |
| Directors' remuneration                               | —                | 46,299    |
| Office expenses                                       | 41,049           | 43,138    |
| Insurance                                             | 8,622            | 11,917    |
| Computer and website expenses                         | 5,489            | 3,689     |
| Accountancy and bookkeeping & admin                   | 4,712            | 3,898     |
| Legal fees                                            | 31,928           | 12,769    |
| Audit fee                                             | 10,740           | 8,910     |
| AGM & EGM expenses                                    | 6,030            | 195       |
|                                                       | <b>(118,374)</b> | (150,716) |
| <b>Deficit on ordinary activities before taxation</b> | <b>(45,279)</b>  | (47,054)  |
| <b>Interest receivable</b>                            | <b>5,412</b>     | 11,220    |
| <b>Taxation</b>                                       | <b>(1,100)</b>   | (2,132)   |
| <b>Deficit for the financial period</b>               | <b>(40,967)</b>  | (37,966)  |