

**Company Registration No. 04056975**

**Raymarine Holdings Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2020**



## Raymarine Holdings Limited

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## **Directors' Report**

The directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31 December 2020.

### **Dividends**

The directors do not recommend the payment of a dividend (2019: £Nil).

### **Directors**

The directors who held office during the year were as follows:

Grégoire Outters

Heather Christiansen (Resigned 26 February 2020)

Sonia Galindo (Appointed 20 March 2020; resigned 14 May 2021)

Douglas Eidel (Appointed 20 March 2020; resigned 14 May 2021)

Nicholas Wargent (Appointed 14 May 2021). Also Company Secretary (Appointed 14 May 2021)

Melanie Cibik (Appointed 14 May 2021)

### **Auditors**

Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors 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 s418 of the Companies Act 2006.

Pursuant to Section 487 of the Companies Act 2006, an auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

### **Registered office:**

Marine House,  
Cartwright Drive  
Fareham  
Hampshire  
PO15 5RJ

31 August 2021

By order of the Board



**Grégoire Outters**  
Director

## **Strategic Report**

### **Principal activities and business review**

The Company continues to act as the holding company of FLIR Maritime Inc (formerly Raymarine Inc), and retains loan balances owing from other FLIR companies.

On March 11 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organisation resulting in most governments around the world implementing measures to help control the spread of the virus, including quarantines, "stay at home" orders and travel restrictions, business trading restrictions, school and university closures among the measures taken. These measures have severely impacted many economies around the world. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions.

The pandemic and the consequences of the measures to control the spread of the virus that were implemented in most countries across the world, had a strong negative impact upon our market initially, and therefore, to our revenues in the first half of 2020 and particularly Q2 which saw a marked year-on-year decline in revenue for FLIR's Maritime Division.

However, the market recovered quickly with some shifting of the season from the second to the third quarter has been observed and with the market remaining buoyant in the fourth quarter. The US boating industry has bounced back and boat and RV sales are strong. The Marine Retailer Sentiment Index is strongly favourable although with boat inventory shortages and disruption is product suppliers tempering optimism. It is clear that the Pandemic has created a surge in interest in socially-distanced activities with the Maritime sector observing more first-time buyers / participants entering the market as outdoor recreation (including boating, RVing, camping and powersports) continues to capture mindshare and as consumers explore "safer" recreational alternatives.

This rebound is reflected in the Division's second half 2020 performance with bookings and revenue both up strongly against the prior year.

### **Going concern**

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared a going concern assessment for a period of 12 months from the date of approval of these financial statements. The assessment considers the impact of COVID-19, which indicates that, taking account of reasonably possible downsides including receiving no income from its shares in group undertakings during the period under assessment, the Company will have sufficient funds to meet its liabilities as they fall due for that period. The company has positive net assets as at 31 December 2020.

The Company holds no cash balance but as a holding Company there are no cash transactions expected in the next 12 months, so no expected cash outflows.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

**Registered office:**  
Marine House,  
Cartwright Drive, Fareham  
Hampshire, PO15 5RJ

31 August 2021

By order of the Board



**Gregoire Outters**  
Director

## Raymarine Holdings Limited

### **Statement of directors' responsibilities in respect of the strategic report, directors' report and the financial statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of Raymarine Holdings Limited**

### **Opinion**

We have audited the financial statements of Raymarine Holdings Limited ("the company") for the year ended 31 December 2020 which comprise the Statement of Profit and Loss, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the FLIR Systems Inc groups' policies and procedures to prevent and detect fraud that apply to this company, as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

## **Independent auditor's report to the members of Raymarine Holdings Limited (continued)**

We performed procedures including agreeing all accounting entries in the period to supporting documentation and making enquiries of management and directors, reviewing board minutes and corroboration of balances to supporting evidence.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

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 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 fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

## **Independent auditor's report to the members of Raymarine Holdings Limited (continued)**

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

Under the Companies Act 2006 we are required 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;

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

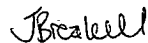
### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.



**Julie Breakell (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

Gateway House

Tollgate

Chandlers Ford

Eastleigh

SO53 3TG

6 September 2021



## Raymarine Holdings Limited

### Statement of Profit and Loss Account Year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Other income	3	-	-
<b>Total income</b>		-	-
<b>Operating profit</b>	3	-	-
Other interest receivable and similar income		-	-
Other gains and losses	6	(7)	(4)
<b>(Loss)/Profit before taxation</b>		(7)	(4)
Taxation on ordinary activities	7	-	-
<b>(Loss)/Profit for the financial year</b>	13	(7)	(4)

There are no recognised gains or losses for 2020 other than the result for the year reported above and consequently no statement of comprehensive income has been presented.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Notes from pages 10 to 16 form part of these financial statements.

# Raymarine Holdings Limited

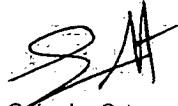
## Balance Sheet

At 31 December 2020

	Note	2020 £'000	2019 £'000
<b>Fixed assets</b>			
Investments	8	4,156	4,156
<b>Current assets</b>			
Debtors	9	1,349	1,356
Cash at bank and in hand		-	-
		<u>1,349</u>	<u>1,356</u>
<b>Creditors: amounts falling due within one year</b>		<u>-</u>	<u>-</u>
<b>Net current assets less current liabilities</b>		<u>1,349</u>	<u>1,356</u>
<b>Net assets</b>		<u>5,505</u>	<u>5,512</u>
<b>Capital and reserves</b>			
Share capital	10	-	-
Translation reserve	11	619	619
Retained earnings	12	4,886	4,893
<b>Shareholders' funds</b>	13	<u>5,505</u>	<u>5,512</u>

Notes from pages 10 to 16 form part of these financial statements.

The financial statements of Raymarine Holdings Limited (registered number 04056975), were approved by the Board of directors and authorised for issue on 31 August 2021. They were signed on its behalf by:



Grégoire Outters  
Director

# Raymarine Holdings Limited

## Statement of Changes in Equity

2020

	Called up Share Capital £'000	Translation reserve £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2020	-	619	4,893	5,512
Total comprehensive income for the period	-	-	-	-
Profit or loss	-	-	(7)	(7)
	-	619	4,886	5,505
Transactions with owners, recorded directly in equity				
Dividends	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-
Balance at 31 December 2020	-	619	4,886	5,505

2019

	Called up Share Capital £'000	Translation reserve £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2019	-	619	4,897	5,516
Total comprehensive income for the period	-	-	-	-
Profit or loss	-	-	(4)	(4)
	-	619	4,893	5,512
Transactions with owners, recorded directly in equity				
Dividends	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-
Balance at 31 December 2019	-	619	4,893	5,512

Notes from pages 10 to 16 form part of these financial statements.

## Notes to the financial statements

### Year ended 31 December 2020

#### 1. General information

Raymarine Holdings Limited is a company incorporated and domiciled in the United Kingdom. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Strategic report on page 2.

These financial statements are presented in Pounds Sterling because that is the currency of the primary economic environment in which the Group operates. Foreign operations are included in accordance with the policies set out in Note 2.

The Company has prepared company accounts and not consolidated accounts as it has taken advantage of the equivalence exemption under s401 of the Companies Act 2006 since the Directors consider the consolidated financial statements of its ultimate parent company FLIR Systems Inc (a company incorporated in the USA) to be prepared under an equivalent GAAP.

#### 2. Significant accounting policies

##### Basis of accounting

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital
- Disclosures in respect of transactions with wholly owned subsidiaries ;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of FLIR Systems Inc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures::

- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets;
- The disclosures required by IFRS 7 *Financial Instrument Disclosures*

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

##### Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared a going concern assessment for a period of 12 months from the date of approval of these financial statements. The assessment considers the impact of COVID-19, which indicates that, taking account of reasonably possible downsides including receiving no income from its shares in group undertakings during the period under assessment, the Company will have sufficient funds to meet its liabilities as they fall due for that period. The company has positive net assets as at 31 December 2020.

The Company holds no cash balance but as a holding Company there are no cash transactions expected in the next 12 months, so no expected cash outflows.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

## Notes to the financial statements

Year ended 31 December 2020

### 2. Significant accounting policies (continued)

#### Investments

Fixed asset investments are stated at cost, but provision is made if it is considered that there has been any impairment in value.

#### Foreign currencies

Transactions in functional currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rate prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised in equity.

#### Operating profit/(loss)

Operating profit/(loss) comprises profit/(loss) from operations and is stated after charging exceptional costs but before income from shares in Group undertakings, finance income and finance costs.

#### Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

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

Cash at bank and in hand comprise cash on hand and demand deposits.

#### *De-recognition of financial assets*

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an

## Notes to the financial statements

Year ended 31 December 2020

### 2. Significant accounting policies (continued)

associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

#### *Financial liabilities and equity*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

#### *Trade payables*

Trade payables are not interest-bearing and are stated at their nominal value.

#### *De-recognition of financial liabilities*

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

#### *Derivative financial instruments*

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Company does not use derivative financial instruments for speculative purposes. The use of financial derivatives is governed by the Company's policies approved by the Board of directors, which provide written principles on the use of financial derivatives. The purpose for which a derivative is used is identified at inception.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### **Critical accounting judgements and key sources of estimation uncertainty**

In the process of applying the Company's accounting policies, which are described above, management has made the following judgements and estimations about the future that have the most significant effect on the amounts recognised in the financial statements. Management regularly review these estimates and update them when required.

## Notes to the financial statements

Year ended 31 December 2020

### 2. Significant accounting policies (continued)

#### *Assessment of the carrying value of assets*

Future cash flow forecasts are used as the basis to assess the carrying value of some of the Company's assets and to determine whether provisions or impairment is necessary.

There are a number of assumptions and estimates involved in calculating the net present value of future cash flows from the Company's business, including management's expectations of:

- growth in EBITDA, calculated as adjusted operating profit before depreciation and amortization;
- timing and quantum of future capital expenditure;
- uncertainty of future technological developments;
- long term growth rates; and
- the selection of discount rates to reflect the risks involved.

The Company prepares and internally approves formal three year plans for its businesses and uses these as the basis for its impairment reviews. Management use these plans to review the carrying value of the goodwill and internally generated research and development.

The Company has used reasonable discount rates and growth rate assumptions for its cash flow projections. If these were to be revised this could affect the Group's impairment evaluation and, hence, results. The key assets included in the assessment are:

#### **Investment in Group undertakings**

The carrying value of investment in shares in Group undertakings is given in more detail in Note 8. At the end of each reporting period it is required under IAS 36 Impairment of Assets to assess whether there is any indication that an asset may be impaired. Following identification that an asset may be impaired an impairment review is carried out involving judgement of the future cash flow of the undertaking. Management prepare such cash flow forecasts derived from the most recent budgets approved by the Board for the next three years.

#### *Taxation*

In arriving at our tax obligations we make judgements on appropriate tax law within the relevant tax jurisdictions that we have a taxable presence. We seek professional tax advice, as appropriate, before making judgements on tax matters. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying value of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### 3. Operating Profit

Remuneration of the auditors for audit services of £5k (2019:£5k) is borne by other group companies.

### 4. Remuneration of directors

The directors are employed and remunerated through fellow Group subsidiaries. This remuneration was paid to the directors for acting in the best interests of the Group as a whole and it is not possible to split this between the subsidiaries for which they were directors.

### 5. Staff Costs

The company had no employees other than directors during the year (2019:nil)

### 6. Other gains and losses

	2020	2019
	£'000	£'000
Foreign exchange losses on intercompany loans	(7)	(4)

# Raymarine Holdings Limited

## Notes to the financial statements (continued)

Year ended 31 December 2020

### 7. Taxation

	2020 £'000	2019 £'000
Current tax:		
UK corporation tax:		
Current year		
Adjustment recognised in period for current tax of prior years	-	-
Foreign tax:		
Adjustment recognised in period for current tax of prior year	-	-
	<hr/>	<hr/>
Current tax charge for year	-	-
Deferred tax:		
Current year charge	-	-
Adjustment recognised in period for deferred tax of prior years	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Total tax charge	-	-
	<hr/>	<hr/>

The charge for the year can be reconciled to the profit per the income statement as follows:

	2020 £'000	%	2019 £'000	%
(Loss)/Profit before tax	(7)		(4)	
	<hr/>		<hr/>	
Tax at the income tax rate of 19% (2019: 19%)	1		1	
Tax rate changes	-		-	
Amounts not recognised	(1)		(1)	
	<hr/>		<hr/>	
Tax charge and effective tax rate for the year	-		-	n/a
	<hr/>		<hr/>	

There were £132,268 (2019: £136,329) unrecognised tax losses at 31 December 2020.

On 22 November 2004, FLIR Maritime US, Inc (formerly Raymarine Inc.), a 100% subsidiary of Raymarine Holdings Limited, was migrated to be resident in the United States. Under UK tax rules, there is a deemed disposal of the Company's assets for UK tax purposes on the date of emigration from the UK which gives rise to a held-over chargeable gain. The gain would now crystallise if FLIR Maritime US, Inc. were to cease to be a 75% subsidiary of the Company at any time. The estimated tax charge that would arise is £4.4m. As the likelihood of this occurring is considered to be remote, in accordance with IAS 12, no provision has been made for this.



# Raymarine Holdings Limited

## Notes to the financial statements (continued)

Year ended 31 December 2020

### 8. Investments

	Shares in Group undertakings £'000	Investments in Group undertakings £'000	Total £'000
<b>Cost</b>			
At 1 January 2020 and 31 December 2020	14,980	5,786	20,766
<b>Impairment</b>			
At 1 January 2020	(10,824)	(5,786)	(16,610)
Exchange differences	-	-	-
Transfer	-	-	-
At 31 December 2020	(10,824)	(5,786)	(16,610)
<b>Net book value</b>			
At 31 December 2019 and 31 December 2020	4,156	-	4,156

The Company's sole investment continues to be the 100% ownership of FLIR Maritime US Inc, 9 Townsend West, Nashua, NH 03063, USA.

The recoverable amounts of the shares in Group undertakings are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management have used a discount rate of 12% (2019: 12%) based on pre-tax rate that reflects current market assessments of the time value of money. The growth rates are based on management growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

### 9. Trade debtors and other receivables

	2020 £'000	2019 £'000
Tax receivable	2	2
Amounts owed by Group undertakings	1,347	1,354
	<u>1,349</u>	<u>1,356</u>

The directors consider that the carrying amount of trade debtors and other receivables approximates their fair value.

# Raymarine Holdings Limited

## Notes to the financial statements (continued)

Year ended 31 December 2020

### 10. Share Capital

	Number of shares ('000)	£'000
<b>Authorised</b>		
Equity: 1,000 (2019:1,000) ordinary shares of £1.00 each	1	1
<b>As at 31 December 2019 and 31 December 2020</b>	<b>1</b>	<b>1</b>
	<b>Number of shares</b>	<b>£</b>
<b>Issued and fully paid</b>		
Equity: 1 (2019:1) ordinary shares of £1.00 each	1	1
<b>As at 31 December 2019 and 31 December 2020</b>	<b>1</b>	<b>1</b>

### 11. Translation reserve

	£'000
<b>As at 31 December 2019 and 31 December 2020</b>	<b>619</b>

### 12. Retained earnings

	£'000
Balance at 31 December 2019	4,893
Net loss for the year	(7)
<b>Balance at 31 December 2020</b>	<b>4,886</b>

### 13. Shareholders' funds

	£'000
Balance at 31 December 2019	5,512
Net loss for the year	(7)
<b>Balance at 31 December 2020</b>	<b>5,505</b>

### 14. Events after the balance sheet date

On 14<sup>th</sup> May 2021 Teledyne Technologies Incorporated acquired FLIR systems Inc (ultimate parent undertaking of Raymarine Holdings Limited). No short-term changes are expected as a result of this acquisition.

### 15. Ultimate parent undertaking

The ultimate parent undertaking is FLIR Systems Inc (USA), incorporated in the United States of America.

The consolidated financial statements of FLIR Systems Inc are available to the public and are available on line by visiting [www.flir.com](http://www.flir.com) or from 27700 Southwest Parkway Avenue, Wilsonville, OR 97070, United States.

From 14th May 2021 the ultimate parent company will be Teledyne Technologies Inc and the results of the company will be included in their consolidated financial statements which are available to the public and are available on line by visiting [www.teledyne.com](http://www.teledyne.com) or 1049 Camino Dos Rios, Thousand Oaks, California, 91360-2362, United States.

### 16. Related party transactions

There were no related party transactions other than those with subsidiaries or fellow group companies.