

Registered Company Number 10172900

Ensign Holdco 3 Limited

Annual Report and Financial Statements

for the year ended 31 July 2020

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Officers and professional advisers

Directors

S Samra
M Taylor

Auditor

Deloitte LLP
Statutory Auditor
Reading
United Kingdom
RG1 3BD

Bankers

HSBC Bank PLC UK
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Strategic Report

for the year ended 31 July 2020

Ensign Holdco 3 Limited is a financing company within the OneOcean Group of companies, entering into intercompany debt and equity financing for the benefit of the rest of the Group. The following is the Strategic Report contained in the Annual Report of Ensign Holdco 1 Limited, the ultimate parent company of Ensign Holdco 3 Limited. The Strategic Report for Ensign Holdco 3 Limited is presented at the end of that of Ensign Holdco 1 Limited on page 7.

Strategic Report – Ensign Holdco 1 Limited

The directors present their Strategic Report on the affairs of Ensign Holdco 1 Limited and its subsidiary undertakings (together, the “Group” or “OneOcean”) for the year ended 31 July 2020.

The current Group was formed on 1 June 2016 following the sale of the ChartCo Group of companies from the Kelvin Hughes Group to funds managed by Equistone Partners Europe Limited.

On 31 October 2019 the Group acquired Marine Press, a Montreal based provider of software and data to the marine industry. On 1 November 2019 the worldwide operations of the ChartCo Group and Marine Press Canada (MPC) were merged to create OneOcean, the world leader in global digital navigation solutions with software platforms on 15,000 vessels. During the year the worldwide trading companies in the Group were renamed OneOcean.

Principal Activities

Ensign Holdco 1 Limited is the parent holding Company of the Group whose activities are carried out by its subsidiary undertakings which are listed in Note 12 on pages 28 and 29 of the Financial Statements.

The Group is the global leader in Intelligent Voyage Management Solutions and the world's largest provider of navigational, compliance, health and safety and environmental data and digital services into the maritime sector. The Group provides SaaS data and digital solutions to 15,000 vessels.

In September 2018 the Group launched its new OneOcean software platform with the broadest functionality available in the sector. OneOcean allows teams onshore and onboard to access OneOcean's full range of market leading brands:

PassageManager – ensures safe and compliant voyage planning through an intuitive and innovative graphical interface. It allows the user to create comprehensive and compliant passage plans in minutes and manage the purchasing of all the vessels data requirements automatically.

Regs4ships – is the world's most comprehensive digital maritime regulation solution, which allows management and vessels to keep fully up to date with ever changing flag state, regional and international legislation and regulations.

EnviroManager – is a powerful, intuitive software solution to help crew and shore based professionals comply with the ever changing and growing marine environmental regulations.

FleetManager – is a software platform which provides shore based professionals access to a range of dynamic information to manage and track their fleet of vessels, increase efficiency and enhance decision making.

Docmap – is a world leading safety and quality management system, a next generation set of applications for HSEQ compliance.

In 2020 the Group has added two further digital brands:

SeaTab – is a turnkey solution providing instant situational awareness and portable ENC (Electronic Navigational Charts) viewing on a dedicated tablet device.

LogCentral – is an industry leading digital logbook solution for recordkeeping, reporting and compliance verification.

Strategic Report

for the year ended 31 July 2020 (continued)

Review of Business Performance

Turnover for the Group for the year was £62.7m (2019: £50.1m) and operating loss after exceptional costs and amortisation of intangibles for the year was £0.5m (2019: £0.2m loss). Cash generated from operating activities was £6.5m (2019: £8.3m).

The Group performed well in the year, increasing market share and accelerating its digital offering into the global commercial marine market. The number of vessels subscribing to OneOcean software in the year grew by 36% (11% excluding the acquisition) and the total number of data service subscriptions grew by 30% (17% excluding the acquisition).

The Group's financial and operational performance in the year was impacted by Coronavirus (COVID-19). The priorities of the Group have been, and will remain throughout the pandemic, firstly the safety and well-being of our employees. The second primary area of concern is the safety and continued service of our customers.

In February and March 2020 the Group's employees transitioned to operating on a work from home basis where possible in line with international governmental guidelines. However, stocking locations have remained open and fully operational throughout the pandemic to ensure continuity of supply of physical products which are critical to the safety of seafarers involved in the international maritime industry which, as ever, is a vital part of the global supply chain.

The Group's supply of physical products to customers was however impacted by lockdown measures around the world and additionally the shut down for up to 4 months of a number of suppliers of data.

The Group's digital products and services have shown strong resilience during this unprecedented period and have continued to grow in terms of revenue, number of vessels subscribing to the OneOcean platform and the number of subscription, digital, data services.

	Year ended 31 July 2020	Year ended 31 July 2019
Group Financial Highlights	£m	£m
Turnover *	62.7	50.1
Gross profit	23.0	18.4
Gross profit %	36.7%	36.7%
Adjusted EBITDA **	8.4	7.5
Adjusted EBITDA%	13.4%	15.0%
Operating loss *	(0.5)	(0.2)
Net cash inflow	1.0	1.5
Operating cash conversion	101%	145%

* For the 9 month period ended 31 July 2020, turnover of £11.7m and profit of £0.1m was included in the consolidated profit and loss account in respect of the Marine Press Group since the acquisition date

** As defined below

Strategic Report

for the year ended 31 July 2020 (continued)

Key Performance Indicators

The directors measure the performance of the Group principally by the yardstick of adjusted EBITDA. In the year ended 31 July 2020 an adjusted EBITDA of £8.4m was achieved. Adjusted EBITDA is arrived at by adjusting operating loss as follows:

	Year ended 31 July 2020	Year ended 31 July 2019
	£m	£m
Operating loss	(0.5)	(0.2)
Amortisation of goodwill	4.7	4.1
Amortisation of research and development	1.9	0.8
Depreciation	0.4	0.3
Exceptional costs	1.8	2.3
Stewardship costs	0.1	0.2
Adjusted Group EBITDA	<u>8.4</u>	<u>7.5</u>

Exceptional costs of £1.8m (2019: £2.3m) are considered to be those costs which form part of identified transformation programmes which are clearly identified by the Board, are separable from the primary trading activities, and span no longer than a two year period. The two primary transformation activities impacting the financial periods presented being 1) M&A activities relating to MPC and the associated integration, redundancy and restructuring costs of this activity; and 2) Structural costs incurred in positioning the business towards accelerated digitisation, including rebranding and exceptional redundancy costs. Such transformation activities are shown separately to assist with an understanding of the primary trading performance of the business and to separately allow users to understand the financial impact of these material change programmes. Further to transformation activities, the directors will separately disclose one off costs deemed to be highly material and non-recurring, such as exceptional legal settlements. Such events are rare and are disclosed to ensure that material, and unusual one off items are given sufficient prominence and to allow the primary trading performance of the business to be understood. All such items are presented in arriving at operating profit. A breakdown of costs within these activities is provided below.

As a result of the merger of ChartCo and Marine Press, significant integration and restructuring has been undertaken in order to align business processes, migrate to a single enterprise resource planning platform and to realise synergies from a larger organisation. Costs of £1.0m (2019: £0.2m) primarily relate to those incurred for contractors engaged to deliver projects and to costs of redundancy for employees who have now left the business.

Supplier consolidation costs of £0.1m (2019: £0.3m) relate to the transitional costs incurred during the period of aligning the supplier base across the enlarged Group. Costs considered to be dual-running costs have been treated as exceptional.

Legal and Professional fees of £0.2m (2019: £0.1m) have been incurred in respect of a number of non-operational issues including human resources advice as part of our restructuring efforts and advice regarding contracts as part of our supplier consolidation.

Marketing costs of £0.1m (2019: £nil) relate to the one-off launch costs of the new OneOcean brand worldwide.

The costs of a Mergers and Acquisitions Director are included as exceptional as the temporary nature of this role is considered integral to the inorganic growth strategy of the Group, but not representative of its on-going operational expenditure.

Adjusted EBITDA grew from £7.5m for the year ended 31 July 2019 to £8.4m. The increase in overheads in the year reflects the additional costs following the merger of ChartCo and Marine Press.

Strategic Report

for the year ended 31 July 2020 (continued)

Research and Development

The Group continues to invest in the important area of research and development. The Group spent £2,019,000 on research and software development during the period, of which £1,270,000 related to development projects which have been capitalised, whilst £1,858,000 of previously capitalised research and development was amortised during the period.

In the period the principal focus of the Group's software development efforts were on the new OneOcean platform which was launched in September 2018. OneOcean is the most technically advanced software platform on the market for managing navigation, compliance and regulation onshore or onboard the vessel. OneOcean is the global market leader in terms of number of subscribers, depth of functionality, integration into the bridge navigational systems and processes and data purchasing capabilities. In addition to development of the platform two further products were launched, SeaTab and LogCentral.

Principal Risks and Uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Group are:

Retention of key personnel

Having the right people with the right skills is the single most important element to the successful implementation of the Group's strategy. The risk of losing, or not being able to attract, good people is key. We pride ourselves in having the most professional and skilled workforce in the industry.

Actions of Competitors

The Group operates in highly competitive markets. Product innovations or technical advances by competitors could adversely affect the Group. The diversity of operations reduces the possible effect of action by any single competitor. The Group continues to invest in research and development in order to sustain competitive advantage and works continually to ensure that the cost base is competitive.

Exposure to Liquidity Risk and Debt Service Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets. The Group also manages liquidity risk via a revolving credit facility and long term debt.

Foreign exchange risks

The Group makes a proportion of its sales in foreign currencies, principally US Dollars. The resulting foreign exchange risk is managed through natural hedging with the US Dollar tranche of the Group's bank loan.

Credit Risk

The Group is exposed to credit risk in relation to customers, banks and insurers. Credit control practice takes into account the perceived risk from the customer base, which is relatively diverse. The Group invests considerable time in maintaining an informed relationship with its bankers and monitors the stability of its insurers.

Withdrawal of the UK from the EU

The possible economic and legislative changes arising as a result of the UK's repositioning of its relationship with the European Union is outside the Company's control. The directors continually monitor the economic and legislative position and believe they are well placed to address any changes as and when they might arise.

Strategic Report

for the year ended 31 July 2020 (continued)

Section 172(1) Statement

In performing their duties under Section 172, the directors of OneOcean Group have had regard to the matters set out in section 172(1) as follows:

a. The likely consequences of any decision in the long-term:

The directors understand the business and the evolving environment in which the company operates, and all decisions are made with the objective to increase long-term value for shareholders.

b. The interests of the company's employees:

The directors recognise that the employees are fundamental and core to the business and delivery of strategic ambitions and factor the implications of strategic decisions on employees. The directors engage with employees through regular surveys and communications in which they invite employees to ask questions or provide comments for them to consider. See page 8 for further information on employees as stakeholders.

c. The need to foster the company's business relationships with suppliers, customers and others:

Delivering strategy requires strong mutually beneficial relationships with suppliers and customers. The company continuously assess the priorities related to customers and key suppliers, and the directors engage with these companies on these topics and future developments. See page 8 for further information on suppliers as stakeholders.

d. The impact of the company's operations on the community and the environment:

OneOcean Group is a sustainably focused company and corporate social responsibility is considered when making strategic decisions. The directors are aware of the industry environmental impact and support the government and suppliers long term goals on factors such as CO2 emissions.

e. The desirability of the company maintaining a reputation for high standards of business conduct:

The Group periodically reviews and approves clear frameworks, such as the Code of Conduct, Human Resource Policies, Fraud Management, Information Security, Ethics and Compliance and its Modern Slavery Statements, to ensure that high standards are maintained both within the Group and business relationships.

f. The need to act fairly as between members of the company:

After consideration of all relevant factors, the directors consider which course of action best enables delivery of strategy through the long-term, taking into consideration the impact on stakeholders. In doing so, the directors act fairly between the Group's members.

Future Outlook

The Group's strategy is to remain a market leader in its traditional markets and to target new and adjacent markets for its products and services. This will be done through both further strategic acquisitions and continued organic growth. The Group will ensure it continues to invest to capitalise on the twin opportunities of increased vessel connectivity and the adoption of digital products, assisted by the mandated carriage of electronic charts which commenced in 2012 and the continued improvements in maritime satellite communications.

Approved by the Board and signed on its behalf by:



M Taylor
Director

18 December 2020

Strategic Report

for the year ended 31 July 2020

Strategic Report – Ensign Holdco 3 Limited

The directors present their Strategic Report on the affairs of Ensign Holdco 3 Limited for the period ended 31 July 2020. This should be read in conjunction with the above Strategic Report in respect of the Group headed by the Company's ultimate parent Ensign Holdco 1 Limited.

Business Review

The Company's balance sheet is presented on page 14.

Business Strategy and Risks

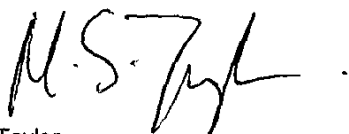
The Company is a financing company within the OneOcean Group of companies, entering into intercompany debt financing for the benefit of the rest of the Group.

The management of the Company and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties, affecting the Company are consistent with those discussed in the Principal Risks and Uncertainties section of the Strategic Report for Ensign Holdco 1 Limited, above, and are managed in a consistent manner by the Directors of Ensign Holdco 3 Limited.

Future Outlook

The Company will continue to be part of the OneOcean Group of companies, acting as a finance company for the benefit of the rest of the Group.

Approved by the Board and signed on its behalf by:



M Taylor
Director
18 December 2020

Directors' Report

for the year ended 31 July 2020

The directors present their Annual Report and audited Financial Statements for the year ended 31 July 2020.

Disclosures, which have been included in the Strategic Report, as required by section 416(4) of the Companies Act 2006, include the Principal activities of the Company, Review of Business Performance, Key Performance Indicators, Research and Development and Future Outlook.

Results and dividends

The Company is a financing company within the OneOcean Group of companies, entering into intercompany debt and equity financing for the benefit of the rest of the Group. The Directors have not approved any dividends for the period (2019: £nil).

Directors' qualifying third party indemnity provisions

The directors of the Group have the benefit of a directors' and officers' insurance policy which is in place at the date of this report and applicable to all companies in the Group.

Directors

The directors who held office during the period and to the date of this report were as follows:

S Samra
M Taylor

Going concern

In determining the appropriate basis of preparation of the Annual Report and Financial Statements, the directors are required to consider whether the Company can continue in operational existence for the foreseeable future; that is for at least 12 months from the date of signing this report. In assessing this, a letter of support from Ensign Holdco 1 Limited has been provided confirming financial support for a period of at least 12 months from the date of approval of these financial statements.

The Group loss for the year ended 31 July 2020 of £5,687,000 (2019: £7,647,000) is stated after charging goodwill amortisation of £4,731,000 (2019: £4,074,000), research and development amortisation of £1,858,000 (2019: £756,000) and depreciation of £392,000 (2019: £305,000), all of which are non-cash items. The Group also had exceptional costs of £1,756,000 (2019: £2,348,000) in the period relating to integration projects, restructuring costs and legal and professional fees, all of which were non-trading items.

The net liabilities of the Group at 31 July 2020 were £26.2m (2019: £20.3m net liability). The directors have approved a budget for the financial year ending 31 July 2021 and a longer term strategic model which demonstrates continued profitable growth and positive cash generation allowing for the assumption that the current impact of Coronavirus continues throughout the Financial Year 2021 with the Cruise sector remaining dormant.

Accordingly, after making enquiries, the directors have formed a judgement at the time of approving the Financial Statements that it is their expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Company Financial Statements.

Further disclosure is provided in note 1 to the Financial Statements.

Directors' Report

for the year ended 31 July 2020 (continued)

Principal Risks and Uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks as outlined in the Principal Risks and Uncertainties section of the Strategic Report for Ensign Holdco 1 Limited on page 5.

Disclosure of information to auditor

Each director at the date of approval of this report confirms that:

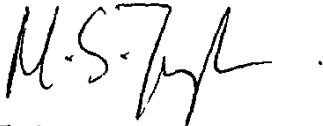
- as far the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor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

Auditor

Pursuant to Section 487 of the Companies Act 2006, Deloitte LLP will be deemed to be reappointed and will therefore continue in office until further notice.

Approved by the Board and signed on its behalf by:



M Taylor
Director
18 December 2020

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 accounting 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; 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 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 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.

Independent auditor's report

to the members of Ensign Holdco 3 Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Ensign Holdco 3 Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 July 2020 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the balance sheet;
- the statements of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including "Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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 group's or the parent 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.

We have nothing to report in respect of these matters.

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.

Independent auditor's report

to the members of Ensign Holdco 3 Limited (continued)

Other information (continued)

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 respect of these matters.

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.

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Independent auditor's report

to the members of Ensign Holdco 3 Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 respect of these matters.

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.



Matthew Ward BA FCA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Reading, United Kingdom

18 December 2020

Balance sheet

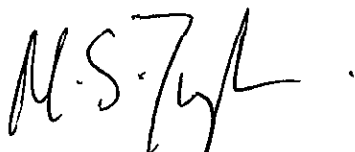
as at 31 July 2020

Company Number: 10172900

	Notes	2020 £000	2019 £000
Fixed assets			
Investments	6	31,515	26,515
Current Assets			
Debtors	7	2,000	2,000
Total assets		<u>33,515</u>	<u>28,515</u>
Creditors: amounts falling due within one year	8	(33,427)	(28,427)
Net assets		<u>88</u>	<u>88</u>
Capital and reserves			
Called up share capital	9	1	1
Share premium account		87	87
Shareholder's fund		<u>88</u>	<u>88</u>

No statement of income or statement of total comprehensive income is presented for the Company as permitted by section 408 of the Companies Act 2006.

The Balance Sheet was approved by the Board and authorised for issue on 18 December 2020 and signed on its behalf by:



M Taylor
Director

Statement of changes in equity

for the year ended 31 July 2020

	<i>Called up share capital £000</i>	<i>Share premium account £000</i>	<i>Profit and loss account £000</i>	<i>Total share- holder funds £000</i>
At 1 August 2018	1	87	-	88
Total comprehensive result	-	-	-	-
At 31 July 2019	1	87	-	88
Total comprehensive result	-	-	-	-
At 31 July 2020	1	87	-	88

Notes to the financial statements

for the year ended 31 July 2020

1. Accounting policies

Basis of preparation

The Financial Statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council (FRC) and the Companies Act 2006 and on a going concern basis.

Ensign Holdco 3 Limited is a private company limited by ordinary shares, incorporated in the United Kingdom and registered in England and Wales on 10 May 2016.

Going concern

The net assets of the Company at 31 July 2020 were £0.1m. A letter of support from Ensign Holdco 1 Limited has been provided confirming financial support for a period of at least 12 months from the date of approval of these financial statements.

The Group's external borrowing facilities and the cashflows of the business are managed on a Group-wide basis. As a result, the directors have undertaken their going concern assessment across the Group as a whole. The Group directors' assessment of going concern can be found within the Directors' Report on page 8.

Accordingly, after making enquiries, the directors have formed a judgement at the time of approving the Financial Statements that it is their expectation that the Group as a whole has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these Financial Statements.

Group financial statements

The Company is exempt under section 400(1) of the Companies Act 2006 from the requirement to prepare Group Financial Statements and to deliver them to the Registrar of Companies. The Financial Statements present information about the undertaking as an individual undertaking. No profit and loss account is presented for the Company as permitted by section 408 of the Companies Act 2006. The Company is included in the Group Financial Statements of Ensign Holdco 1 Limited, a Company incorporated in the United Kingdom and registered in England and Wales.

Disclosure exemptions

In preparing the separate Financial Statements of the company, advantage has been taken of the following disclosure exemptions under FRS 102:

- No cash flow statement has been presented for the company;
- Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole; and
- No disclosure has been given for related party transactions with entities that are included in the consolidated Financial Statements of Ensign Holdco 1 because all of the subsidiaries are wholly owned.

Investments

Investments in subsidiary undertakings and associates are stated at cost less provision for impairment. Any impairment is charged to the profit and loss account as it arises.

Notes to the financial statements

for the year ended 31 July 2020 (continued)

1. Accounting policies (continued)

Financial Instruments

(i) Financial assets

- *Trade and other receivables*

Trade receivables do not carry any interest and are stated at their fair value on initial recognition, and then subsequently at amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. Impairment provisions are recognised when there is objective evidence that the Company will be unable to collect all of the amounts due under the terms receivable.

(ii) Financial liabilities

- *Trade payables*

Trade payables are not interest bearing and are stated at their fair value on initial recognition, and then subsequently at amortised cost.

- *Capital*

Financial instruments issued by the Company are treated as equity if the holders have only a residual interest in the assets of the Company after the deduction of all liabilities. The Company's ordinary shares are classified as equity instruments. For the purposes of the disclosures in the statement of changes in equity the Company considers its capital to comprise its ordinary share capital, share premium and accumulated retained earnings.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There are no key sources of estimation uncertainty for Ensign Holdco 3 Limited.

Investments

In preparing these financial statements, the directors have had to determine whether there are indicators of impairment of the Company's assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. The directors have concluded that there are no indicators of impairment.

3. Operating result

Auditor's remuneration in respect of Deloitte LLP for the period ended 31 July 2020 amounted to £5,700 (2019: £5,700), comprising auditing of the financial statements £5,000 (2019: £5,000) and taxation compliance services £700 (2019: £700) which is borne by OneOcean Group Limited.

4. Directors' remuneration

No remuneration was paid to Directors during the prior year. The Directors who held office during the period were also Directors of fellow OneOcean Group subsidiaries and of the ultimate parent company, Ensign Holdco 1 Limited. Remuneration of £419,300 (2019: £466,800), including pension contributions of £36,500 (2019: £35,900) was paid to directors during the period by the parent undertaking or other subsidiaries of the Group. The emoluments of the highest paid Director was £235,000 (2019: £263,600), including company pension contributions of £20,500 (2019: £20,500) that were paid to a defined contribution scheme on their behalf.

Notes to the financial statements

for the year ended 31 July 2020 (continued)

5. Staff costs

The Company did not have any employees during the period (2019: £nil).

6. Investments

Investment in Group undertakings

	£000
At 1 August 2019	26,515
Investment in Ensign Holdco 4	5,000
At 31 July 2020	<u>31,515</u>

Subsidiary undertakings:

Name and registered office	Class of share	Holding	Nature of business
Ensign Holdco 4 Limited Unit 4, Voltage, Mollison Avenue, Enfield, EN3 7XQ, England, UK	Ordinary	100%	Provision of finance
OneOcean Group Limited * Unit 4, Voltage, Mollison Avenue, Enfield, EN3 7XQ, England, UK	Ordinary	100%	Provider of software, charts, navigational data, marine technical publications and marine digital services
Regs4ships Limited * Unit 4, Voltage, Mollison Avenue, Enfield, EN3 7XQ, England, UK	Ordinary	100%	Provider of software, marine regulation and compliance data and marine consultancy
Regs4yachts Limited * Unit 4, Voltage, Mollison Avenue, Enfield, EN3 7XQ, England, UK	Ordinary	100%	Dormant
OneOcean (Nederland) BV * Parmentierplein 20, 3088 GN Rotterdam, The Netherlands		100%	Provider of software, charts, navigational data, marine technical publications and marine digital services
OneOcean Maritime Solutions Pte Ltd * 896 Dunearn Road, #03-05, Singapore 589472	Ordinary	100%	Provider of software, charts, navigational data, marine technical publications and marine digital services
OneOcean (Norway) AS * Tullins Gate 2, 0177, Oslo, Norway	Ordinary	100%	Provider of safety and quality management software to the marine industry
OneOcean (Malaysia) Sdn Bhd * Damansara Intan, Unit 736, 7th Floor, Block A, No. 1, Jalan SS20/27, 47400 Petaling Jaya Selangor, Malaysia	Ordinary	100%	Provider of safety and quality management software to the marine industry
OneOcean AB * Vallenvägen 9, 444 60 Stora Høga, Sweden	Ordinary	100%	Provider of safety and quality management software to the marine industry

Notes to the financial statements

for the year ended 31 July 2020 (continued)

6. Investments (continued)

OneOcean (Canada) Inc 1600-555 boul. René-Lévesque ouest, Montréal Québec H2Z1B1, Canada	Ordinary	100%	Provider of software, marine regulation and compliance data and marine consultancy
11146726 Canada Inc. 1600-555 boul. René-Lévesque ouest, Montréal Québec H2Z1B1, Canada	Ordinary	100%	Developer of software, marine regulation and compliance data
Marine Press Asia Pacific Pte Ltd *	Ordinary	100%	Provider of software, marine regulation and compliance data and marine consultancy
8 Eu Tong Sen Street, #14-94, The Central. Singapore 059818			
OneOcean KK *	Ordinary	100%	Provider of software, marine regulation and compliance data and marine consultancy
1-1-1 Ebisu Minami, Shibuya-ku, Tokyo 150-0022, Japan			

* Undertakings held indirectly by the Company

The investments arose following the sale of the OneOcean Group of companies from the Kelvin Hughes Group to funds managed by Equistone Partners Europe Limited on 1 June 2016 and through the merger with the Marine Press Canada Group of companies on 31 October 2019.

7. Debtors: amounts falling due within one year

	2020	2019
	£000	£000
Amounts owed by Group undertakings *	2,000	2,000

* Payable on demand, 0% interest

8. Creditors: amounts falling due within one year

	2020	2019
	£000	£000
Amounts owed to Group undertakings *	(33,427)	(28,427)

* Payable on demand, 0% interest.

9. Called-up share capital

		2020		2019
	No.	£000	No.	£000
Allotted, called up and fully paid				
Ordinary shares of £0.01 each	88,313	1	88,313	1

10. Other financial commitments and guarantees

The Company has no other financial commitments for the year ended 31 July 2020.

11. Related party transactions

The company has taken advantage of the exemption allowed by FRS 102 not to disclose any transactions with entities that are included in the consolidated Financial Statements of Ensign Holdco 1 Limited because all of the subsidiaries are wholly owned.

Notes to the financial statements

for the year ended 31 July 2020 (continued)

12. Ultimate parent undertaking and controlling party

The Company is owned by Holdco 2 Limited, which is owned by Holdco 1 Limited, the ultimate parent undertaking. The Company, Ensign Holdco 2 Limited and Ensign Holdco 1 Limited are all incorporated in the United Kingdom and registered in England and Wales. The registered office for all companies is Unit 4, Voltage, Mollison Avenue, Enfield, Middlesex, England, EN3 7XQ.

In the opinion of the Directors, the majority shareholder and ultimate controlling party is funds managed by Equistone Partners Europe Limited. Equistone Partners Europe Limited is registered in England and Wales.

Ensign Holdco 1 Limited was the smallest and largest group in which the Company is a member for which Group Financial Statements are prepared.

Copies of the Annual Report and Financial Statements of the Ensign Holdco 1 Limited group may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

13. Post balance sheet events

There were no reportable post balance sheet events between 1 August 2020 and the date of signing these Financial Statements.