Camper & Nicholsons Marina Investments Limited

Consolidated Financial Statements

for the year ended 31 December 2014

Annual Report

2014

Camper & Nicholsons Marina Investments Limited

2015 KEY EVENTS

- In the first quarter we have continued to build upon our **market leading brand** presence where the nurturing of initiatives such as 1782 Club alongside the proposed application of the brand to iconic locations like Cowes, continues to enhance our reputation
- Victoria Quay will become the first **new marina project**, post the 2013/14 restructuring exercise, CNMI's fourth alongside GHM, Cesme and Port Louis and the **first** providing an economic interest in consultancy, marina management and landside property (both marina related and residential) revenue and capital values
- July – The Baille de Suffren, the Med's most beautiful yacht race, to finish in **Grand Harbour Marina** for the third consecutive year (under CNMI sponsorship)
- November – Abu Dhabi F1™ Grand Prix, the final race of the season, hosted at CNMI's **Yas Marina** for the seventh consecutive year: following another record breaking event last year
- December – following the success of the 2014 event the world renowned RORC transatlantic yacht race to finish at Port Louis Marina, Grenada for the second consecutive year

5 YEAR SUMMARY FINANCIALS ASSUMING PROPORTIONAL CONSOLIDATION OF INVESTMENTS IN JOINT VENTURES (UNAUDITED)

	2014	2013	2012	2011	2010
€m	Actual	Actual	Actual	Actual	Actual
Operating activities	7.2	6.5	6.2	5.1	3.8
Management & Consultancy	2.1	1.5	1.6	0.9	0.5
Recurring revenues	9.3	8.0	7.8	6.0	4.3
Licencing of s/y berths	-	-	3.2	1.2	1.2
Total revenues	9.3	8.0	11.0	7.2	5.5
Cost of sales	(2.5)	(1.7)	(2.3)	(1.7)	(1.2)
Gross Profit	6.8	6.3	8.7	5.5	4.3
Operating expenses	(6.1)	(6.0)	(7.3)	(6.4)	(6.5)
Exchange	0.4	(0.1)	-	-	(0.3)
EBITDA	1.1	0.2	1.4	(0.9)	(2.5)
Depreciation	(1.2)	(1.1)	(1.2)	(1.3)	(2.1)
Interest	(1.3)	(1.3)	(1.5)	(1.7)	(1.3)
PBT pre one-off charges	(1.4)	(2.2)	(1.3)	(3.9)	(5.9)
Estimated super yacht berth licencing EBITDA impact	-	-	2.1	0.8	0.8
Investments (capex)	0.4	0.1	0.7	1.0	6.2
Net debt	13.4	14.7	18.1	17.5	19.5

All figures are shown before the impact of IFRS11 which would exclude the results of the Group's joint ventures from the detailed lines of the Statement of Comprehensive Income. Net debt is debt, net of all of cash and cash equivalents, available for sale financial assets, pledged cash balances and assets held under trust.

Cover photo: Palmarina Bodrum, Turkey – a 1782 Club member marina

Camper & Nicholsons Marina Investments Limited

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CHAIRMAN'S STATEMENT

By Sir Christopher Lewinton, Chairman

As shown in the unaudited 5 year summary on the cover of this report the Company continued to make good progress during 2014. With the successful fundraising and the re-profiling of the Scotia Bank loan both completed in June, we managed to remove the US$7.5 million bullet repayment due in June 2015 and replace it with capital repayments due in the period June 2016 to June 2019. At the same time we negotiated a reduction from the existing 5.7% fixed interest rate on that loan to a floating rate of Libor+3% with effect from 1 July 2015, i.e. 3.3% at current 3 month Libor rate.

As a result of their participation in, and underwriting of, the fundraising, First Eastern (Holdings) Limited and FE Marina Investments Limited (together "First Eastern") increased its equity ownership to 52.4%. Mr Victor Chu, Chairman and founder of First Eastern accepted an invitation to join the Board which he did on 30 September 2014. We look forward to his important contribution both as a Director and as our majority shareholder.

Operations for 2014 show improvements with sales increasing from €5.9 million to €7.2 million with an associated €0.7 million increase in cost of sales resulting in a €0.55 million improvement in gross margin. EBITDA of €0.5 million and the loss before tax of €1.4 million both improved by €1.0 million although around half of the improvement was generated by exchange gains. Operating expenses, excluding depreciation and exchange, were again tightly controlled with an increase of just €0.1 million, or less than 3%. Net cash flow from operating activities at €0.1 million showed a small improvement over the breakeven result achieved in 2013.

Performance at each of the three owned marinas improved with increased sales and continued cost control resulting in profit before tax of €0.8 million at Cesme, a breakeven profit before tax at GHM and a €0.6 million loss before tax at Port Louis which represented a €0.2 million improvement over 2013. All of these results were achieved without the benefit of any berth sales.

Berth sales markets remained difficult throughout 2014 with the improving levels of superyacht sales not yet reflected in our own business. In light of the changes in the market for the sale of berths we are reviewing our strategy as to how best to create value from these important assets of the Company.

We have been investing significant management time in the repositioning and development of our consultancy business which we believe will result in future growth. The 1782 Club that was founded in early 2014 had a successful first year having obtained its core membership objective. Importantly we also selected three strategic partners, Sunseeker, Pantaenius, a marine insurance specialist and Camper & Nicholsons International. We look for continued growth in this area.

Whilst CNFE, our joint venture in Asia Pacific, is progressing more slowly in China than expected, the longer term prospects for this market offer significant potential. However, we have made more progress in the rest of Asia Pacific which looks to offer more potential for near term growth.

As reported in December 2014, Camper & Nicholsons Marinas was selected as the preferred bidder for the development of Victoria Quay, which includes a 400 berth marina in East Cowes, alongside Westcourt Real Estate (Europe) Ltd (WREE) who will lead the related landside development programme. With our partners, WREE, we signed an agreement with the Homes & Communities Agency on 27 March 2015 to permit the development of Victoria Quay, subject to the satisfaction of certain conditions including, funding, planning and building. The Board believes that our involvement in the Victoria Quay project, which has been facilitated by our relationship with First Eastern, represents a significant growth opportunity for us along with creating employment and contributing to the regeneration of East Cowes.

The Company's articles of incorporation require that an ordinary resolution is proposed that the Company ceases to continue as presently constituted at the annual general meeting of the Company to be held in 2015 and, if not passed, at every third annual general meeting thereafter (a "**Discontinuation Resolution**"). A Discontinuation Resolution is therefore required to be held at the annual general meeting this year.

The reasons for this resolution being required are historic and relate to what was normal when forming a closed ended fund. The Company has since developed into a trading business with no expectation of needing to be dissolved and this provision in the Company's Articles has ceased to be appropriate. Furthermore as expanded upon in Clive Whiley's Business Review a vote to discontinue would be detrimental to shareholder value by creating a forced sale of our assets at what your Board considers to be the wrong time in the cycle.

The Directors therefore consider the continuation of the Company as currently constituted to be in the best interests of the Company and its Shareholders and recommend that Shareholders vote AGAINST Resolution 1. If, however, Resolution 1 is passed, the Directors are required to formulate proposals to be put to Shareholders to reorganise, unitise, reconstruct or wind up the Company.

Shareholders are also being asked to vote on another Resolution, Resolution 6, which (if passed) would amend the Company's articles of incorporation to remove the requirement to propose a Discontinuation Re solution in future years. The Directors consider that it is no longer appropriate for the Company to be subject to such votes as they are not supportive of long term development of the business and the enhancement of shareholder value. Resolution 6 will be proposed as a special resolution and being a special resolution requires 75 per cent. of the votes cast to be in favour for it to be passed.

The Company has received irrevocable undertakings to vote against Resolution 1 and for Resolution 6 from First Eastern and the Directors have undertaken to have their shareholding interests irrevocably vote in the same way; all in aggregate, having an interest in respect of 98.5 million ordinary shares, representing 59.4 per cent. of the ordinary shares in issue.

Outlook

During 2014 the business overall continued to make good progress alongside the continuing improvements in operations and we are now well positioned to move forward. Importantly First Eastern increased their equity to 52.4% with Mr Victor Chu joining the CNMIL Board which has increased our profile and will significantly strengthen the Company. Victoria Quay, East Cowes is the first project arising from this relationship and we are seeing more opportunities which, by working more closely with First Eastern, we expect to be able to develop and which should result in both growth and increased shareholder value.

Looking forward, your Board believes that the Company is now well positioned to make continued progress.

Sir Christopher Lewinton

Chairman

30 March 2015

BUSINESS REVIEW

By Clive Whiley, CEO of Camper & Nicholsons Marinas Limited

Review

Since my appointment in December 2012, with a remit to lead more active management of the assets and focus upon the generation of shorter term returns and cash flow, we have emerged from a difficult period with a cohesive and self-sustaining strategic plan.

2013

- Following the £4 million equity fundraising, at 6.5p per share in March 2013, we were able to proceed with a root and branch review of every facet of the business and implement an early reduction of operating expenses and the number of senior executives, by some 20% and 40% respectively;
- In particular, we utilised the market leading marina design, technical, operational & marketing skills, of our executive team, to improve the EBITDA stream from our owned marinas, which, we remain convinced, underpins the low watermark valuation for the business;

2014

- The successful implementation of the measures initiated in 2013 enabled the £2.4 million second equity fundraising, at 10p per share, in June 2014 and allowed us to:
    - re-profile the Scotia Bank $7.5 million bullet repayment (due June 2015) by extrapolating the repayment period through to 2019 together with a 40% reduction in the forecast interest cost with effect from July 2015;
    - increase the number of rental berths at GHM and Cesme by some 3% (by improved utilisation of water space) and to provide additional working capital to support our growth in Asia;
    - achieve a 26% reduction in net debt during the two years ended 31st December 2014;
- Whilst we have been careful not to constrict our continued ability to invest in sales and marketing opportunities to promote revenue growth, the extensive efforts of the reinvigorated management team are demonstrated by a near 20% reduction in operating expenses for 2013, increasing by less than 3% in 2014. Through revenue growth and cost reductions we have achieved a compound annual growth rate of 34% in adjusted EBITDA from our core owned-marinas, excluding berth sales, since 2012;
- In December 2014 we were selected as preferred bidder, with our partners Westcourt Real Estate (Europe) Ltd (WREE), by the Homes & Communities Agency (HCA) for the proposed development of Victoria Quay, an exciting new landside and seaside development which includes a 400 berth marina, at East Cowes, Isle of Wight.

Strategic Development

We have, however, achieved much more than a simple realignment of our operating costs and debt profile, where our declared aim has been to adopt a balanced approach to debt reduction, capital investment and the restoration of shareholder value.

In fact, the absence of available cash, as we sought to minimise the equity cash raisings, has forced management to employ a creative approach in seeking to generate above average total returns from both existing and new marina assets.

Victoria Quay – East Cowes

I am delighted to report that on 27th March we, and our landside partners, WREE, signed an agreement with the HCA to permit the development of Victoria Quay, subject to the satisfaction of certain conditions including funding, planning and building. In particular, the exchange of final contracts relating to the development remains subject to the incorporation and financing of an investing company within the next 45 days. It is anticipated that the investing company will then engage a development company, in which CNMI will have a carried interest, and enter into a marina lease with us. This is a ground-breaking initiative in several important aspects:

- First, Cowes is, perhaps, the most iconic yachting location in the UK and, in addition to the new 400 berth marina, the proposed scheme will include a boutique hotel together with a wide range of residential, commercial and leisure facilities on the 2.6 hectare site: which encompasses the world-famous Columbine building and the historic Victoria Barracks;

- Secondly, this signals the return of the C&N brand to marinas in the UK and will be our first new marina project since the 2013/14 restructuring, allowing us to build further upon our core owned-marina EBITDA stream, with a UK Sovereign and project management risk profile which better matches the currency mix of our revenues with our operating expenses;
- thirdly, First Eastern, which increased its shareholding in CNMI to 52.4% (through its active participation in and underwriting of the £2.4 million second fundraising) in June 2014 has been instrumental in supporting us and WREE in our negotiations with HCA and in seeking development capital for this £50 million project;

A combination of these factors means that we anticipate having an economic interest in consultancy, long term marina management and landside property (both marina related and residential) revenues and capital values: all as a direct result of our world-class marina expertise and without any principal risk.

Outlook

As anticipated in our interim report in September 2014, we are increasingly confident that the remainder of 2015 will witness a more expansive phase of our development strategy as, notwithstanding the short-term strictures to operational cash flow, we both identify new projects and aim to harvest the latent potential within our existing portfolio of assets.

In this latter regard I would like to express our thanks to First Eastern without whose support the significant progress made with the Victoria Quay development would not have been possible. We will now concentrate on enhancing the value of our existing portfolio of marina assets including by, wherever possible, leveraging the support of stakeholders of adjacent properties in anticipation of marina EBITDA streams being re-evaluated when liquidity finally returns to the sector.

Operating Performance

Excluding berth sales, as shown in the table below, the combined revenues of our 3 marinas, GHM, Port Louis and 45% of Cesme, increased in the year by nearly 11% with each of the three marinas contributing to this growth.

Revenues excluding berth sales €m	2014	2013	2012	2011	2010
Marina Operating Revenues	7.2	6.5	6.2	5.1	3.8

The market for the sale of superyacht berths has remained challenging and as shown in the table below in the current difficult markets, no sales have been achieved during 2013 and 2014. Although there has been a gradual increase in the superyacht fleet and there were two enquiries late in 2014 the timing and value of future sales remains difficult to forecast.

€m	2014	2013	2012	2011	2010
Licensing of superyacht berths	-	-	3.2	1.2	1.2

Revenues from our third party marina services business (including 50% of the revenues from our Hong Kong based joint venture, CNFE), increased by €0.6 million of which €0.5 million related to sales to Yas Marina for which there is an equivalent cost of sales. Sales by CNFE reduced by €0.1 million with the contractual issues referred to in our interim results continuing to be a factor. Opportunities to provide our premium quality services remain with a higher proportion being in Asia Pacific rather than the Peoples Republic of China. Consultancy business revenues in the rest of the world improved by €0.2 million which included the first year impact of the 1782 Club. The pipeline of opportunities continued to improve in terms of both quality and quantity with East Cowes, where the Camper & Nicholsons brand was a key factor, being the most significant opportunity.

€m	2014	2013	2012	2011	2010
Marina Consultancy fees	2.1	1.5	1.6	0.9	0.5

As shown in the table below the increased revenues and continued tight control of costs resulted in a €1 million improvement in EBITDA and the same reduction in loss before tax.

Summary Group Financials

€m	*2014*	*2013*	*2012*	*2011*	*2010*
Marina operating activities	7.2	6.5	6.2	5.1	3.8
Marina consultancy fees	2.1	1.5	1.6	0.9	0.5
Sub total	9.3	8.0	7.8	6.0	4.3
Adjustment for joint ventures*	(2.1)	(2.1)	(1.8)	(1.3)	(0.7)
Total pre licensing of superyacht berths	7.2	5.9	6.0	4.7	3.6
Licensing of superyacht berths	-	-	3.2	1.2	1.2
Adjusted Sales Revenues	7.2	5.9	9.2	5.9	4.8
Cost of sales	(2.2)	(1.5)	(2.1)	(1.5)	(1.0)
Gross profit	5.0	4.4	7.1	4.4	3.8
Operating expenses	(4.8)	(4.6)	(5.9)	(5.3)	(5.6)
Exchange	0.3	(0.1)	-	0.1	(0.3)
Strategic review & transaction/one-off costs	-	(0.2)	(0.3)	(1.3)	-
EBITDA	0.5	(0.5)	0.9	(2.1)	(2.1)
Depreciation	(0.8)	(0.7)	(0.8)	(1.0)	(1.9)
Net interest expense	(1.1)	(1.0)	(1.2)	(1.3)	(0.7)
Loss before tax and share of Joint ventures	(1.4)	(2.2)	(1.1)	(4.4)	(4.7)
Share of profits/(losses) of equity accounted investees	-	(0.2)	(0.4)	(0.7)	(1.2)
Impairment charge	-	-	(3.8)	(10.0)	-
Group (loss) before tax	(1.4)	(2.4)	(5.3)	(15.1)	(5.9)

* Under IFRS 11 revenues of the Group’s two joint ventures, IC Cesme Marina and CNFE are excluded from the headline figures and the Group’s share of the results of those two businesses is reported as a single line item, being, ‘Share of profits/(losses) of equity accounted investees’ which, after three years of losses, achieved break-even in 2014.

As shown above, operating costs, were slightly higher than last year before the benefit of the exchange gain, but remain well below the levels in 2012 and 2011. Although debt levels have been decreasing in the last two years, net interest expense increased slightly from 2013 with a reduction in interest income and the premium paid on the Bond buyback offsetting the reduced charge on the lower debt levels.

Grand Harbour Marina

	Annual Results				
€m	*2014*	*2013*	*2012*	*2011*	*2010*
Berth Sales	-	-	3.1	1.2	-
Marina operating revenues	3.4	3.1	2.8	2.5	2.3
Total revenues	3.4	3.1	5.9	3.7	2.3
Cost of Sales	(0.8)	(0.7)	(1.2)	(1.0)	(0.4)
Operating Expenses	(1.6)	(1.5)	(2.1)	(1.6)	(1.6)
EBITDA	1.0	0.9	2.6	1.1	0.3
PBT	-	(0.1)	1.5	(0.1)	(0.8)
Capital expenditure	0.1	-	0.3	0.1	-

As well as hosting the conclusion of the 2014 Baille de Suffren, a classic yacht race between St. Tropez and Malta, GHM increased the number of events offered to visitors to the marina. The number of summer super yacht visitors increased by over 40% and June saw the highest ever level of monthly super yacht visitors at the marina.

The Government-led regeneration of the waterfront, around and adjacent to the marina, costing in excess of €9 million was completed in 2014 together with the refurbishment of Dock 1, an adjacent water area. In addition, the Government restoration work on the historic Fort Saint Angelo and the Old Naval Bakery, currently housing the Malta Maritime Museum, was commenced and is expected to be completed during 2015. The improvements in the surrounding area have enhanced the GHM experience for all visitors to the marina.

As reported previously, the Board of GHM, in March 2014, declared a dividend of 8.4 Euro cents per share which resulted in a €665k dividend receipt for CNMIL with €175k paid to GHM's minority shareholders. During the year, GHM provided no additional funding (2013: €0.4 million) to Cesme and in accordance with the terms of the Bond issue made in 2010, placed €0.6 million in the sinking fund towards repayment of the Bond. Nearly €0.4 million of the funds placed in the sinking fund were utilised to buy back some of the issued bonds thus reducing future interest costs.

Trading

Sales revenues excluding berth sales increased by over 8% with berthing revenues increasing by more than 9% and utility revenues, including fuel sales, increasing by 5.5%. Over the last 5 years the business, excluding berth sales, has achieved an annual compound sales growth rate of over 10%. Although there were small increases in operating expenses and cost of sales, some of which related to the increased turnover, EBITDA improved to €1 million. After finance charges including a net interest cost of €0.7 million, primarily relating to the Bond and depreciation of €0.3 million, GHM achieved a breakeven profit before tax (2013: €0.1 million loss).

Conditions for the sale of long term superyacht berth licences remained challenging and GHM completed no sales during the year. There was however some activity in the Mediterranean market which may indicate an initial step in the recovery of the market.

CBRE valued 100% of GHM at €22.9 million as at 31 December 2014 (2013: €22.8 million). This valuation compares with the market capitalisation of GHM on the Malta Stock Exchange on 30 March 2015 of €18.8 million.

Cesme Marina

	Annual Results (for 100% of the Marina)				
€m	*2014*	*2013*	*2012*	*2011*	*2010*
Seaside revenues	2.8	2.4	2.2	1.4	0.5
Landside revenues	2.0	2.0	1.9	1.5	1.0
Total revenues	4.8	4.4	4.1	2.9	1.5
Cost of Sales	(0.4)	(0.4)	(0.4)	(0.3)	(0.2)
Operating expenses	(2.2)	(2.5)	(2.4)	(2.2)	(1.8)
EBITDA	2.2	1.5	1.3	0.4	(0.5)
PBT	0.8	0.1	(0.3)	(1.5)	(2.6)
Capital expenditure	0.1	0.1	0.6	0.4	12.0

Cesme Marina, Turkey, our 45% joint venture with IC Holdings and winner of the 2014 PIANC Marina Excellence Design Jack Nichol Award, had a very successful year with revenues and EBITDA increasing by nearly 10% and 50% respectively. Cesme Marina has hosted again many sailing regattas including the Izmir

Autumn and Winter Trophy races, the East Mediterranean Yacht Rally and the Channel Cup between Cesme and Chios. In addition, the marina hosted a cocktail party for EU Economic Counsellors during their Cesme to Chios tour and helped organise a two day basic sailing course at the marina for University students.

Trading

Total revenues in 2014 increased by nearly 10% when compared with 2013. This increase was driven by the seaside activities with landside activities constant at €2.0 million being impacted by the near 13% decrease in the average €:Turkish Lira exchange rate in the year. Operating expenses reduced by €0.3 million partly due to the exchange rate impact. With the increase in revenues and decrease in costs EBITDA improved by €0.7 million to €2.2 million. After net finance charges and depreciation of €0.6 million and €0.8 million respectively, Cesme made a profit before tax of €0.8 million (2013: €0.1 million profit).

The Group's 45% share of Cesme's after tax profits was €0.35 million (2013: €0.03 million) and this is included within its total share of losses of equity accounted investees, net of tax.

By the end of 2014, with 357 berthing contracts in place (2013: 330 contracts), the marina had reached full occupancy in terms of berth numbers and 72% in terms of berthing area. Management created an additional 6 berths during the year from improved utilisation of the water area and continues to try to increase the average size of boats in the marina to close the gap between the two occupancy measures. With berthing prices quoted in Euros, the weakening of that currency has been beneficial for local boat owners who were impacted adversely by the weakness of the Turkish Lira in 2013 and early 2014. Berth pricing was not a significant factor for boats leaving the marina in 2014 and management have recently implemented an average price increase of 13% as annual contract renewals become due.

The retail properties remained fully occupied during the year with management seeking to change tenants where necessary to improve the quality of the customer offering. As the marina opened in 2010, around 55% of the landside rental agreements are due for renegotiation in 2015. Management has established a programme for these renewals to ensure they are completed on a timely basis and that weaker tenants are replaced if possible by higher quality ones.

CBRE valued 100% of Cesme Marina at €18.2 million as at 31 December 2014 which is a small increase on their €17.7 million valuation as at 31 December 2013.

Port Louis Marina

	Annual Results				
€m	*2014*	*2013*	*2012*	*2011*	*2010*
Berth Sales	-	-	0.1	-	1.2
Marina operating revenues	1.6	1.4	1.6	1.2	0.8
Total revenues	1.6	1.4	1.7	1.2	2.0
Cost of sales	(0.3)	(0.3)	(0.3)	(0.2)	(0.6)
Operating expenses	(1.2)	(1.2)	(1.4)	(1.3)	(1.4)
EBITDA	0.1	(0.1)	-	(0.3)	-
PBT	(0.6)	(0.8)	(0.9)*	(1.3)*	(2.0)
Capital expenditure	0.1	-	0.1	0.3	0.8

* 2012 and 2011 PBT results exclude the €3.8 million and €10 million impairment charges in those years respectively.

Having hosted the Grenada Sailing Week in January and World Oyster Rally visits in February and March, Port Louis Marina, Grenada hosted the finish of the very successful inaugural Royal Ocean Racing Club transatlantic race which was completed by 10 of the 11 entrants. Arrangements have already been agreed for the 2015 race with over 50 expressions of interest from prospective participants. Among notable yachts to visit the marina during 2014 was EOS, the world's largest private sailing yacht which visited for three weeks in February.

Trading

Marina operating revenues increased by nearly 18% with a 15% increase in berthing revenues and a 38% increase in utility and services. Landside revenues increased by 3.5%. Although the market remains competitive, berthing revenues in the second half of the year showed a 15% increase over the first half with good occupancy in the offseason – three of the four best months in the year were in the second half. This has continued into the early part of 2015 with a 20% year on year increase in January.

The lack of landside development in Grenada continues to impact on the opportunity for berth sales with the last completed sale being in 2012. Although one enquiry was received late in 2014 it may or may not result in a sale. The conditions for sales will really only improve when there is greater certainty on the landside development. Whilst there have been some indications of possible investment in Grenada to develop hotels and other properties it is not clear when significant investments will be made.

Operating expenses were maintained at €1.2 million which is around 15% below the level seen in the period 2010-2012. With this tight control of costs and the increased revenues, Port Louis achieved a €0.1 million EBITDA profit (2013: €0.1 million loss) – the first time the marina has been EBITDA positive without any benefit from berth sales. After depreciation and interest charges there was a pre and post-tax loss of €0.6 million (2013: €0.8 million loss). Capital expenditure in the year of €0.1 million (2013: negligible) related to dredging work completed to enhance the marina's capability to accept larger vessels.

Dream Yacht Charters, which has a three year agreement with Port Louis Marina, signed in 2013, expanded its fleet during 2014 with a consequent requirement for additional annual berth and landside space.

CBRE has valued the Port Louis marina at US$20.9 million (€17.2 million) at 31 December 2014, (2013: US$21.1 million, €15.3 million). Using this valuation adjusted by US$1.5 million for the estimated value of the unused seabed to which CBRE did not attribute a specific value and after adjusting for other assets and liabilities, losses and exchange impacts there is a cumulative negative NAV adjustment of €0.5 million.

Third Party Marina Consultancy
(including 50% share of CNFE joint venture)

			Annual Results		
€m	*2014*	*2013*	*2012*	*2011*	*2010*
External revenues	2.1	1.5	1.6	0.9	0.5
Revenues from owned marinas	0.6	0.6	0.9	0.9	0.9
Revenues from Parent Company	0.4	0.6	1.0	1.2	1.6
Total revenues	3.1	2.7	3.5	3.0	3.0
Cost of sales	(1.5)	(1.0)	(1.0)	(0.8)	(0.4)
Third Party Business operating costs	(1.7)	(1.5)	(2.1)	(2.5)	(2.3)
One-off redundancy costs	-	(0.2)	(0.3)	-	-
Third Party Business operating costs - CNFE	(0.3)	(0.3)	(0.3)	-	-
EBITDA	(0.4)	(0.3)	(0.2)	(0.3)	0.3

The business provides sales and marketing, technical and operational services to a range of third party marinas in addition to our owned three marinas and also services to the parent company, Camper & Nicholsons Marina Investments Limited. There were a number of positive developments for the business during 2014:

(i) Having completed a major landside redevelopment during 2013, our largest client, Yas Marina in Abu Dhabi had a very successful year with increased revenues from both the seaside and landside operations. The season ending and championship deciding Formula 1™ Grand Prix was considered to be the best event held at the marina. Yas Marina also requested that C&N take on additional responsibilities which resulted in a €0.5 million increase in both revenues and cost of sales. The full year effect of this on revenues is estimated at €0.8 million.

(ii) The 1782 Club which was launched in early 2014 had attracted 5 members by the end of the year and three strategic partners, Sunseeker, Pantaenius and Camper & Nicholsons International had been selected. The Club, which generated revenues of €0.1 million in its first year of operation has demonstrated the attractiveness of the brand to marina owners who do not require a full operations and service contract.

(iii) Camper & Nicholsons Marinas Limited, together with its partner Westcourt Real Estate (Europe) Ltd was selected by the Homes and Communities Agency as the preferred bidder for the new Victoria Quay development at East Cowes on the Isle of Wight which includes a 400 berth marina. When final contracts are signed, the project should generate consultancy revenues and future marina profits over an extended period.

The pipeline of opportunities improved during 2014 with 72 enquiries logged during the year as compared with 65 in 2013 and only 26 in 2012. The quality of the opportunities in the pipeline also improved as management became more selective and identified much earlier those where Camper & Nicholsons should have a competitive advantage.

Figures in the table above include the Group's share (50%) of the results of Camper & Nicholsons First Eastern, our Asia Pacific joint venture with First Eastern. Although included above, the Group's share of CNFE's losses are reported as part of a total share of losses of equity-accounted investees, net of tax in the Statement of Comprehensive Income. In 2014, the Group's share of CNFE's losses treated this way is €0.3 million (2013: €0.2 million loss). Further information on the Group's share of the results of CNFE is provided in Note 13 to the Financial Statements.

External revenues generated by CNFE decreased from nearly €0.5 million in 2013 to a little over €0.2 million as extended contract negotiations, delays caused by changed Government requirements and other project delays all impacted on the business. A number of opportunities in Asia Pacific are being worked on with the current focus being outside of the People's Republic of China.

Although the total revenues for the business have remained at around €3 million for the last 5 years the mix of revenues has changed significantly. External third party revenues have increased to replace revenues from our owned marinas as the requirement for technical work in particular reduced with completion of the marinas and revenues from the Parent Company also reduced as the business became more self-sufficient.

Net Asset Value and property valuation

At 31 December 2014 the Group's net assets, on an IFRS basis, amounted to €27.1 million (Dec 2013: €24.9 million). Of this amount, €0.5 million related to the minority shareholders in GHM with €26.7 million (Dec 2013: €24.2 million) attributable to the equity shareholders of the Company, which equated to 16.1 cents (Dec 2013: 17.1 cents) per share on both a basic and diluted basis. As reported in prior years, these figures do not reflect any revaluation of the Company's investments in subsidiaries and joint ventures, since in accordance with our statutory accounting policies, which conform to the requirements of International Financial Reporting Standards (IFRS), such investments are consolidated in the statement of financial position at the book value of the Group's share of net assets. On a revaluation basis, the net assets per share were 19.8 cents (Dec 2013: 20.5 cents) on both a basic and diluted basis.

However, in accordance with the Group's stated valuation policy, which was set out in its Admission Document, CBRE Limited has updated its valuations of Cesme Marina, Turkey, Grand Harbour Marina, Malta and Port Louis Marina, Grenada. The basis on which these valuations were completed, is explained in the Note at the end of this report. CBRE's valuations of Cesme, Grand Harbour Marina and Port Louis Marina, completed in accordance with RICS Valuation – Professional Standards (2012), are €18.2 million, €22.9 million and US$20.9 million (€17.2 million) respectively. Adjusting for debt and other liabilities, and taking into account the Company's 100% shareholding in Port Louis Marina and 79.2% shareholding in GHM, which itself owns 45% of Cesme, there is a cumulative NAV increase of €6.3 million equating to an Adjusted NAV per share of 19.8 cents on both a basic and diluted basis.

The Company holds certain investments, which are accounted for and valued in currencies other than Euros. In keeping with its stated policies, it is not intended to hedge the exchange rate risk but, where possible, the Company's investments and related borrowings will be in matched currencies.

The NAV, and reconciliation to Adjusted NAV, are summarised in the table below.

	Total (€m)	Per share # (c)
NAV (IFRS)	26.6	16.1
Grand Harbour Marina	5.2	3.1
Cesme Marina, Turkey	1.6	0.9
Port Louis Marina	(0.5)	(0.3)
NAV (Adjusted)	32.9	19.8

Basic and diluted per share figures are the same as there are no options outstanding at the reporting date

The year on year reconciliation is shown in the table below:

	Total (€m)	Per share (c) #
Adjusted NAV – 31 December 2013	29.1	20.5
Issue of new shares	2.8	(1.2)
Trading loss	(1.6)	(1.0)
Valuation adjustments		
Grand Harbour Marina	0.4	0.2
Cesme	(0.4)	(0.2)
Port Louis Marina	1.4	0.8
Exchange gain/(loss) on consolidation and other changes	1.2	0.7
Adjusted NAV – 31 December 2014	32.9	19.8

Basic and diluted per share figures are the same as there are no options outstanding at the reporting date

Note concerning Property Valuations

CBRE Ltd is the Company's property valuer and has prepared valuations for Grand Harbour Marina, Malta, Cesme Marina Turkey and Port Louis Marina, Grenada. Further information is set out below.

Grand Harbour Marina, Malta

The property was initially valued as at 11 June 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards Fifth Edition (Red Book) in the sum of €23.2 million. The property was valued as a fully operational business entity with reference to trading potential. The property is occupied by way of a sub-Emphyteusis agreement granted June 1999 expiring in 2098. The property was valued again in accordance with the RICS Valuation – Professional Standards January 2014 ("the Standards") at 31 December 2014 in the sum of €22.9 million. We are in receipt of a valuation report as at 31 December 2014.

Cesme Marina, Turkey

The property was initially valued as at 20 April 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards, Fifth Edition (Red Book) in the sum of €4.1 million. The property was valued as a fully operational business entity with reference to trading potential. The property is occupied by way of a Build Operate and Transfer agreement expiring after 25 years. On expiry, all interest in the Marina, its fixtures and fittings will revert to the Turkish Government, free of consideration or compensation. The property was valued again at 31 December 2013 in accordance with the RICS Valuation – Professional Standards January 2014 ("the Standards") in the sum of €18.2 million. We are in receipt of a valuation report as at 31 December 2014.

Port Louis Marina, Grenada

The property was initially valued as at 6 December 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards Fifth Edition (Red Book) in the sum of $27.3 million (€18.7 million). The property and reclaimed land for development was valued in its then current state with reference to trading potential. The property is occupied by way of a 99 year lease from the Government of Grenada which expires in 2105 but is renewable at that time for a further 99 years. The property was valued again at 31 December 2014 in accordance with the RICS Valuation – Professional Standards January 2014 ("the Standards") in the sum of $20.9 million (€17.2 million). We are in receipt of a valuation report as at 31 December 2014. However as explained in Note 14 of the Consolidated Financial Statements for the year ended 31 December 2014, although the CBRE valuation is around 7% below the current book value, the Directors consider that there are signs that more positive market conditions are returning to both the region and the marine market generally and that in the medium term the unused seabed area, for which a value of US$1.5 million was estimated but to which CBRE did not attribute a specific value, and super yacht berths are expected to be meaningful contributors to value.

General Information

Directors:

Sir Christopher Lewinton (Chairman)
Roger Lewis
Martin Bralsford
Clive Whiley
Elizabeth Kan
Victor Chu (appointed 30 September 2014)

Company Secretary:

Shaftesbury Limited

Registered office:

Island House
Grande Rue
St Martins
Guernsey
GY4 6RU

Guernsey based Administrator:

Fort Management Services Limited
Island House,
Grande Rue
St Martins
Guernsey GY4 6RU

Legal Advisors United Kingdom:

Stephenson Harwood,
One, St Paul's Churchyard
London
EC4M 8SH

Legal Advisors Guernsey:

Carey Olsen
7 New Street
St. Peter Port
Guernsey
GY1 4BZ

Nominated Advisor:

finnCap
60 New Broad Street
London EC2M 1JJ

Auditor:

KPMG Channel Islands Limited
Glategny Court
Glategny Esplanade
St. Peter Port
Guernsey
GY1 1WR

Bankers:

HSBC Bank plc
PO Box 31
St Peter Port
Guernsey
GY1 3AT

Barclays Private Clients International
Le Marchant House
Le Truchot
St. Peter Port
Guernsey
GY1 3BE

Turkiye Is Bankasi
London Branch
8 Prince’s Street
London
EC2R 8HL

The Bank of Nova Scotia
Halifax Street
PO Box 194
St. George’s
Grenada

DIRECTORS

Sir Christopher Lewinton, Chairman - UK resident

Sir Christopher Lewinton is a member of the Executive Board of JF Lehman, a private equity firm, and a member of the Advisory Board of Metalmark Capital/Morgan Stanley Capital Partners. Previous positions held include Chief Executive of TI Group plc (1986-1998) and its chairman (1989-2000), Chief Executive of the Wilkinson Sword Group and a member of the Board of Allegheny International, Inc. (1970-1985), non-executive Director of WPP Group plc (1998-2003), non-executive Director of Reed Elsevier plc (1993-1999) and a member of the Supervisory Board of Mannesman AG (1995-1999).

Martin Bralsford, Director - Jersey resident

Martin Bralsford is a Chartered Accountant with over 40 years business experience having held finance and general management roles in C.I. Traders, Le Riche Group, Premier Brands Ltd, Calor Gas, Rank Group, Smith Kline Beecham and Cadbury Schweppes. He was Chief Executive of C.I. Traders, an AIM listed public company engaged in leisure, retail and wholesale distribution and property businesses having held the same position at Le Riche Group which was acquired by C.I. Traders. He has served as a non-executive member of the Boards of a number of commercial, banking and investment companies. His current Board appointments include being Chairman of Fundsmith Emerging Equities Trust PLC which floated on the London Stock Exchange's Main Market in June 2014 and of The Stanley Gibbons Group plc, an AIM listed Jersey company. Martin is a former President of the Jersey Chamber of Commerce and is approved by the Financial Service Regulatory Authorities in Jersey, Guernsey and the Isle of Man as a Director of a regulated body.

Victor Chu, Director – Hong Kong resident

Victor Chu is a lawyer with over 25 years' experience of operating and investing in China. He is Chairman and principal shareholder of First Eastern (Holdings) Limited, which together with its majority owned subsidiary, FE Marina Investments Limited, owns 52.4% of the Company's issued share capital. Mr Chu obtained his law degree at University College London and qualified as a solicitor in England and Hong Kong in 1982 with Herbert Smith, the City law firm. Over the last 25 years he has served, at various times, as a Director and Council Member of the Hong Kong Stock Exchange, Member of the Hong Kong Takeovers and Mergers Panel, Advisory Committee Member of the Hong Kong Securities and Futures Commission and part-time member of the Hong Kong Government's Central Policy Unit. Mr Chu is currently a Foundation Board Member of the World Economic Forum in Geneva and co-chairs the Forum's International Business Council. He is also Chairman of the Hong Kong – Europe Business Council, a member of the Mayor of London's International Business Advisory Council and serves on the Board of China Merchants China Direct Investments Ltd. In June 2011, Mr Chu was awarded the 2011 Global Economy Prize (jointly with Professor Larry Summers and then European Central Bank President Jean-Claude Trichet) by the Kiel Institute for the World Economy.

Elizabeth Kan, Director – Hong Kong resident

Ms Kan has extensive experience in direct investments and investment management in the People's Republic of China. She has been actively involved in creating and synergizing strategic relationships with potential and existing investors and developing investment strategies. Ms Kan is a Certified Public accountant (USA), a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Hong Kong Securities Institute and a fellow member of the Hong Kong institute of Directors. She serves on the boards of several companies including Camper & Nicholsons First Eastern, the Company's Asia Pacific joint venture with First Eastern, and China Merchants China Direct Investments Limited a company listed on the Hong Kong Stock Exchange. Ms Kan is currently Managing Director of First Eastern Investment Group and was nominated for appointment as a Non-Executive Director by First Eastern (Holdings) Limited, a company which together with its majority owned subsidiary, FE Marina Investments Limited, owned 47.26% of the Company's issued share capital at the date of her appointment.

DIRECTORS (Continued)

Roger Lewis, Director - Jersey resident

Roger Lewis has extensive experience in the property sector, most recently as a Director of Berkeley Group Holdings plc for over fifteen years, the last eight of which were as Chairman, a position from which he retired at the end of July 2007. He subsequently acted as a consultant to the Berkeley Group until December 2012 and is currently a director of three of their Jersey based subsidiaries. Prior to the Berkeley Group he was UK Group Chief Executive Officer of the Crest Nicholson Group PLC from 1983 to 1991. Roger joined the Board of Camper & Nicholsons Marina Investments Limited (CNMIL) just prior to its' listing in January 2007 and subsequently joined the Board of Grand Harbour Marina plc following the acquisition of a majority share by CNMIL. He is also currently a Director of the States of Jersey Development Company Limited and a Director of Picton Property Income Limited and Cambium Global Timberland Limited.

Clive Whiley, Director – UK resident

Clive Whiley has thirty years' experience in regulated strategic management positions since becoming a Member of the London Stock Exchange. He has extensive main board executive director experience across a broad range of financial services, engineering, manufacturing, distribution & leisure businesses: encompassing the UK, Europe, North America, Australasia and the People's Republic of China. Mr Whiley is currently Managing Director of Evolution Securities China Limited - a Merchant Bank specialising in advisory services on China outbound M&A. He is also Chairman of China Venture Capital Management Limited, First China Venture Capital Limited and Y-Lee Limited.

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the year ended 31 December 2014.

Principal activity

Camper & Nicholsons Marina Investments Limited ("the Company") is a limited liability company, incorporated and domiciled in Guernsey, whose shares are publicly traded on the AIM Market.

The principal activity of the Company, and its subsidiaries and jointly controlled entities (together the "Group") is the acquisition, development, redevelopment and operation of an international portfolio of both new and existing marinas and related real estate primarily in the Mediterranean, the United States and the Caribbean. The Company continues to develop its third party marina management and consulting business.

The Directors' Report should be read in conjunction with the Chairman's statement and the Business review which together provide a commentary on the Group's operations.

Directors

The Directors, except where indicated otherwise, remained in office throughout the period and their interests in the shares of the Company as at 31 December 2014 were:

	Number of Shares Held
Sir Christopher Lewinton (Chairman)	*4,509,050*
Roger Lewis	*600,000*
Martin Bralsford *	*5,854,349*
Clive Whiley **	*2,000,000*
Elizabeth Kan ***	-
Victor Chu ***	-

*Included within Mr Bralsford's shareholding are 1,300,000 ordinary shares (0.78% of the issued share capital) owned by Dirac Ltd, a company incorporated in Jersey, of which Mr Bralsford is the sole Director and beneficiary.

** Mr Whiley's shares are held by the Zodiac Executive Pension Scheme of which he is a beneficiary.

*** Mr Chu and Ms Kan have an indirect interest in the Company through their equity holdings in First Eastern Holdings Ltd, the Company's largest shareholder.

Sir Christopher Lewinton and Mr Victor Chu retire from the board in accordance with the Company's Articles of Association and, being eligible, offer themselves for re-election.

Brief biographical details of each of the Directors are shown on pages 12 and 13.

Results and dividends

The results for the period are set out in the attached financial statements. No dividend has been paid in respect of the year ended 31 December 2014 (2013: Nil).

Fixed assets

Movements in fixed assets during the year are set out in Note 14 to the financial statements.

Directors' and officers' liability insurance

The Company has maintained insurance cover on behalf of the Directors and Secretary indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

DIRECTORS' REPORT (Continued)

Statement of directors' responsibilities

The Directors are responsible for preparing 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 International Financial Reporting Standards and applicable law.

The financial statements are required by law to 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008, International Financial Reporting Standards, and the AIM Rules of the London Stock Exchange. They 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.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and financial position are set out in the Business Review. The financial position of the Group, its cash balances and borrowings are set out in notes 20, 22 and 23 of the consolidated financial statements. The Group's financial risk management objectives and policies are set out in note 30 and note 31 sets out the Group's financial instruments and risk.

Having completed the £2.4 million (€3.0 million) fundraising at the end of June 2014 and the re-profiling of the Scotiabank loan to a subsidiary company, the Directors, after making the necessary enquiries, confirm that they are satisfied that the Company has adequate resources to continue in business for the foreseeable future. The Directors believe that it is appropriate to continue to apply the going concern basis in preparing the consolidated financial statements.

Substantial shareholdings

Individual shareholdings representing 3% or more of the company's issued share capital at the date of this report are detailed in note 32 to the accounts.

Corporate governance

Introduction

As a closed-ended investment company registered in Guernsey and AIM listed, the Company is not subject to the requirements of the UK Corporate Governance Code issued by the Financial Reporting Council. However, the Board recognises the importance of good corporate practice and is committed to maintaining high standards of corporate governance throughout the Group. It has put in place a framework which it considers appropriate for a company of this size, nature and stage of development.

Corporate governance (continued)

Board of directors

The Company has a board of six non-executive directors.

The Board meets regularly on a quarterly basis, and on other occasions as required, to review the investment performance and monitor compliance with the investment policy laid down by the Board. The

Board has a formal schedule of matters specifically reserved for its decisions, including *inter alia* strategy, investment and dividend policies, gearing etc.

The table below sets out the number of board meetings held during the year ended 31 December 2014 and the number of meetings attended by each director:

Board Meetings	**Scheduled**		**Ad Hoc**	
	Held	**Attended**	**Held**	**Attended**
Sir Christopher Lewinton (Chairman)	4	4	5	1
Roger Lewis	4	4	5	4
Martin Bralsford	4	4	5	4
Clive Whiley	4	4	5	4
Elizabeth Kan	4	4	5	1
Victor Chu (appointed 30 September 2014)	1	1	-	-

The Company's Articles of Association require that one third of the directors should retire by rotation each year and seek re-election at the annual general meeting and that directors appointed by the board should seek re-appointment at the next annual general meeting. All directors therefore submit themselves for re-election at least every three years.

The Directors review periodically the corporate governance processes within the Company and have noted that in accordance with the UK Corporate Governance Code (the "Code") principle B.7, all directors of FTSE 350 companies should be subject to annual re-election by shareholders. Although the Company is not within the FTSE 350 and is not required to comply with the Code, the Board is nevertheless committed to best practice and has decided to comply with this provision of the Code with effect from the AGM to be held in 2016. As such, all of the Directors will resign at each future AGM and, if eligible and wishing to, will offer themselves for re-election.

All Directors' contracts are for one year.

	Date of appointment	**Unexpired term of contract at 31 December 2014**	**Contractual Annual rate of Directors fees**	**Emoluments paid in year ended 31 December 2014**	
				Group	**Parent company**
			€	€	€
Sir Christopher Lewinton (Chairman)	19-Dec-08	12 months	55,824	63,525	56,537
Roger Lewis	20-Oct-06	10 months	34,735	42,167	35,179
Martin Bralsford	29-Feb-12	2 months	34,735	35,179	35,179
Clive Whiley	12-Nov-12	11 months	31,014	-	-
Elizabeth Kan	25-June-13	6 months	31,014	31,409	31,409
Victor Chu	30-Sept-14	9 months	31,014	8,024	8,024
			218,336	180,304	166,328

As reported in the Goup's 2014 Interim Results Clive Whiley has waived his Director fees for 2014. As shown in Note 28.2, Y Lee Limited was paid £45,000 by Camper & Nicholsons Marinas Ltd for providing the services of Clive Whiley as CEO of that company.

Further details relating to Directors' remuneration are provided in Note 8 to the Financial Statements.

DIRECTORS' REPORT (Continued)

Corporate governance (continued)

The Board has established Remuneration, Nominations and Audit Committees each with formally delegated duties and responsibilities.

Remuneration Committee

The Remuneration Committee is responsible for considering and making recommendations to the Board on the policy and on the quantum, structure and composition of remuneration packages of senior executives in the Group. In addition, it reviews the operation of the Company's incentive schemes. Rewards are linked to both individual performance and the performance of the Company or the Marina SPV which employs the executive.

The Remuneration Committee comprises Roger Lewis (Chairman), Martin Bralsford, Sir Christopher Lewinton and Elizabeth Kan.

Nominations Committee

The Nominations Committee is responsible for reviewing the composition of the Board and proposing appointments to and terminations from the Board to meet the desired composition and for proposing appointments to the various Board Committees. In addition, the committee has responsibility for reviewing the remuneration and terms of appointment of the non-executive Directors on the Board.

The Nominations Committee comprises Sir Christopher Lewinton (Chairman), Roger Lewis and Martin Bralsford.

Audit Committee

The Audit Committee consists of Martin Bralsford (Chairman) and Roger Lewis. The Audit Committee deals with matters relating to audit, financial reporting and internal control systems. The committee meets as required and has direct access to KPMG Channel Islands Limited, the Company's auditor.

Internal controls

The Directors have overall responsibility for keeping under review the effectiveness of the Company's systems of internal controls. The purpose of these controls is to ensure that proper accounting records are maintained, the Company's assets are safeguarded and the financial information used within the business and for publication is accurate and reliable; such a system can only provide reasonable and not absolute assurance against material misstatement or loss. The system of internal controls is designed to manage rather than eliminate the risk of failure to achieve the business objectives. The Board regularly reviews financial results and investment performance with its investment manager.

Fort Management Services Ltd is engaged to carry out the administration including some of the accounting function of the Company and retains physical custody of the documents of title relating to investments.

The Directors confirm that they have established a continuing process throughout the year and up to the date of this report for identifying, evaluating and managing the significant potential risks faced by the Company and have reviewed the effectiveness of the internal control systems. As part of this process an annual review of the internal control systems is carried out in accordance with the Turnbull guidelines for internal control. The Board does not consider it necessary to maintain a separate internal audit function.

Risk management

Management of liquid funds is carried out in accordance with the policy guidelines laid down and regularly reviewed by the Board. In general the guidelines require that un-invested cash will be held in money market funds. Group borrowings are monitored with a view to minimising both interest rate and currency risk. Wherever possible, borrowing is in the operational currency of the borrowing entity.

Relations with shareholders

The Board recognises the value of maintaining regular communications with shareholders. In addition to the formal business of the annual general meeting, an opportunity is given to all shareholders to question the board on matters relating to the Company's operation and performance. Proxy voting figures for each resolution are announced at the annual general meeting.

The board is also happy to respond to any written queries made by shareholders during the course of the year and can be contacted at the Registered Office. Alternatively, the investment adviser is happy to answer any questions shareholders may have and can be contacted in the UK on 020 3405 1782.

Annual General Meeting

Notice convening the 2015 annual general meeting of the Company and a form of proxy in respect of the annual general meeting can each be found at the end of this document.

Disclosure of information to the auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

KPMG Channel Islands Limited have expressed their willingness to continue in office as auditor.

By Order of the Board

Shaftesbury Limited
Secretary, 30 March 2015

Independent auditor's report to the members of Camper & Nicholsons Marina Investments Limited

We have audited the consolidated financial statements (the "financial statements") of Camper & Nicholsons Marina Investments Limited (the "Company" and "Group") for the year ended 31 December 2014, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as issued by the IASB.

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. 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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 15, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the consolidated financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the consolidated financial statements sufficient to give reasonable assurance that the consolidated financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Directors; and the overall presentation of the consolidated financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2014 and of its loss for the year then ended,
- are in accordance with International Financial Reporting Standards as issued by the IASB; and
- comply with the Companies (Guernsey) Law, 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law 2008 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the consolidated financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

KPMG Channel Islands Limited
Guernsey, Channel Islands
Chartered Accountants
30 March 2015

The maintenance and integrity of the Camper & Nicholsons Marina Investments Limited website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements or audit report since they were initially presented on the website.

Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Comprehensive Income
for the year ended 31 December 2014

	Note	2014	2013
		€000	*€000*
Marina operating activities		5,049	4,535
Licensing of super yacht berths		-	-
Marina consultancy fees		2,105	1,366
Revenue		7,154	5,901
Cost of sales		(2,223)	(1,516)
Gross Profit		4,931	4,385
Operating expenses	7	(5,293)	(5,538)
Operating loss		(362)	(1,153)
Finance income		130	202
Finance expense		(1,199)	(1,266)
		(1,069)	(1,064)
Share of profits / (losses) of equity-accounted investees, net of tax		16	(196)
Loss before tax		(1,415)	(2,413)
Taxation	10	(173)	(45)
Loss for the year from continuing activities		(1,588)	(2,458)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Net change in fair value reserve		(31)	(5)
Foreign exchange reserve		1,199	(347)
Other comprehensive income for the year		1,168	(352)
Total comprehensive income for the year		(420)	(2,810)
Loss attributable to:			
Equity shareholders		(1,623)	(2,438)
Non-controlling interest		35	(20)
Loss for the year		(1,588)	(2,458)
Total comprehensive income attributable to:			
Equity shareholders		(449)	(2,789)
Non-controlling interest		29	(21)
Total comprehensive income for the year		(420)	(2,810)
Loss per share (Euro cents)			
basic, attributable to equity shareholders	11	(1.05)	(2.02)
diluted, attributable to equity shareholders	11	(1.05)	(2.02)

The accompanying notes on pages 24 to 50 form an integral part of these consolidated financial statements.

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Changes in Equity
for the year ended 31 December 2014

	Issued Capital €	Retained Earnings €	Fair Value Reserve €	Foreign Exchange Reserve €	Total €	Non-controlling Interests €	Total Equity €
Year Ended 31 December 2013							
Balance at 1 January 2013	54,233	(34,450)	29	2,676	22,488	925	23,413
Total comprehensive income (restated)							
Loss for the year	-	(2,438)	-	-	(2,438)	(20)	(2,458)
Other comprehensive income	-	-	(4)	(347)	(351)	(1)	(352)
Total comprehensive income	-	(2,438)	(4)	(347)	(2,789)	(21)	(2,810)
Transactions with owners of the Company							
Contributions and distributions							
Issue of ordinary shares	4,549	-	-	-	4,549	-	4,549
Dividend paid to non-controlling interest	-	-	-	-	-	(250)	(250)
Total contributions and distributions	4,549	-	-	-	4,549	(250)	4,299
Balance at 31 December 2013	58,782	(36,888)	25	2,329	24,248	654	24,902
Year Ended 31 December 2014							
Balance at 1 January 2014	58,782	(36,888)	25	2,329	24,248	654	24,902
Total Comprehensive income for the year							
Loss for the year	-	(1,623)	-	-	(1,623)	35	(1,588)
Other comprehensive income	-		(25)	1,199	1,174	(6)	1,168
Total comprehensive income	-	(1,623)	(25)	1,199	(449)	29	(420)
Transactions with owners of the Company							
Contributions and distributions							
Issue of ordinary shares	2,839	-	-	-	2,839	-	2,839
Dividend paid to non-controlling interest	-	-	-	-	-	(175)	(175)
Total contributions and distributions	2,839	-	-	-	2,839	(175)	2,664
Balance at 31 December 2014	61,621	(38,511)	-	3,528	26,638	508	27,146

The accompanying notes on pages 24 to 50 form an integral part of these consolidated financial statements.

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Financial Position
As at 31 December 2014

	Note	31 December 2014 €000	31 December 2013 €000
Non current assets			
Property, plant and equipment	14	25,154	23,631
Equity accounted investees	13	626	271
Assets held under Trust	15	1,070	854
Cash pledges	16	3,969	4,404
Deferred tax asset		158	349
Available for sale financial assets	17	-	793
Goodwill	18	10,604	10,604
		41,581	40,906
Current assets			
Trade and other receivables	19	1,546	1,561
Cash and cash equivalents	20	4,314	4,567
		5,860	6,128
TOTAL ASSETS		47,441	47,034
Current liabilities			
Trade and other payables	21	2,930	2,896
Loans repayable within one year	23	612	1,742
		3,542	4,638
TOTAL ASSETS LESS CURRENT LIABILITIES		43,899	42,396
Non current liabilities			
Loans repayable after more than one year	23	5,191	5,643
Unsecured 7% Bond	22	11,393	11,693
Other payables		169	158
		16,753	17,494
NET ASSETS		27,146	24,902
Equity attributable to equity shareholders			
Issued capital	24	61,621	58,782
Retained earnings		(38,511)	(36,888)
Fair value reserve		-	25
Foreign exchange reserve		3,528	2,329
		26,638	24,248
Non-controlling interest	26	508	654
Total equity		27,146	24,902
Net assets per share:			
Basic, attributable to equity shareholders	25	16.07c	17.10c
Diluted, attributable to equity shareholders	25	16.07c	17.10c

The consolidated financial statements on pages 20 to 50 were approved by the Board of Directors on 30 March 2015.

Sir C Lewinton, Chairman

M Bralsford, Director

The accompanying notes on pages 24 to 50 form an integral part of these consolidated financial statements.

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Cash Flows
For the year ended 31 December 2014

	Year ended 31 December 2014 ***€000***	**Year ended 31 December 2013** ***€000***
Cash flows from operating activities		
Loss before taxation	(1,415)	(2,413)
Adjusted for:		
Finance income	(130)	(202)
Finance expense	1,199	1,266
Depreciation	814	692
Share of (profits) / losses of equity accounted investees, net of tax	(16)	196
Unrealised foreign exchange (gain) / loss	(147)	61
Realised gain on sale of available for sale financial assets	(38)	(39)
	267	(439)
Decrease/(Increase) in receivables	(283)	1,829
(Decrease)/Increase in payables	112	(1,498)
Income tax credit/(expense)	18	96
Net cash flows from operating activities	114	(12)
Cash flow from investing activities		
Acquisition of property, plant & equipment	(331)	(83)
Disposals of property plant and equipment	2	6
Loan to equity accounted investee	-	(218)
Interest received	130	202
Decrease / (Increase) in pledged cash	435	(904)
Net utilisation of Trust assets / (contribution to Trust) to buy back bonds	(216)	(854)
Proceeds from sale of available for sale financial assets	800	854
Net cash flows from investing activities	820	(997)
Cash flows from financing activities		
Proceeds of borrowings	49	38
Proceeds from new share issue	2,839	4,549
Increase in other non-current assets	-	-
Repayment of borrowings	(2,487)	(1,628)
Buyback of bonds issued	(375)	-
Dividend paid	(175)	(250)
Interest paid	(1,185)	(1,266)
Net cash flows from financing activities	(1,334)	1,443
Net increase/(decrease) in cash and cash equivalents	(400)	434
Opening cash and cash equivalents	4,567	4,194
Effect of exchange rate fluctuations on cash held	147	(61)
Closing cash and cash equivalents	4,314	4,567

The accompanying notes on pages 24 to 50 form an integral part of these consolidated financial statements.

1 Corporate Information

Camper & Nicholsons Marina Investments Limited ("the Company") is a limited liability company, registered and domiciled in Guernsey, whose shares are publicly traded on the AIM Market.

The principal activity of the Company and its subsidiaries and joint ventures ("the Group") during 2014 was the acquisition, development, redevelopment and operation of an international portfolio of both new and existing marinas and related real estate in the Mediterranean and the United States / Caribbean. The Group has also continued to develop its third party marina management and consulting business.

The Consolidated Financial Statements of the Group for the year ended 31 December 2014 were authorised for issue in accordance with a resolution of the Directors on 30 March 2015.

2 Basis of preparation

The consolidated financial statements of the Group for the year to 31 December 2014 have been prepared on a historical cost basis except that available for sale financial assets are valued at fair value in the consolidated financial statements. The consolidated financial statements are presented in Euro 000s.

Going concern
Having given consideration to the current level of trading within the Group, and with the completion of the £2.4 million (€3.0 million) fundraising at the end of June 2014 and the re-profiling of the Scotiabank loan to a subsidiary company, the Board believes that the Group has adequate resources to continue trading for the foreseeable future. Although, as explained in the Chairman's Statement, for historic reasons a discontinuation vote is required to be proposed at the forthcoming AGM, the Company has received irrevocable undertakings from shareholders representing more than 50% of the ordinary shares in issue to vote against the resolution which will therefore not be passed. The Board consider therefore that it is appropriate to adopt the going concern basis for the preparation of these consolidated financial statements.

Statement of compliance
The consolidated financial statements of the Group, which give a true and fair view, have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the IASB and are in compliance with The Companies (Guernsey) Law 2008.

Basis of consolidation
The consolidated financial statements comprise the financial statements of the Group at 31 December each year. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

(i) Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

(ii) Business Combinations
Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group (see note 2i) The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment.

The Group's interests in equity accounted investees comprise interests in two joint ventures.

2 Basis of preparation (continued)

Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

(a) Judgements
Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in Note 4, Revenue recognition.

(b) Assumptions and estimation uncertainties
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are: the impairment of non-financial assets, the impairment of trade receivables, the measurement of fair values and the recognition of deferred tax assets. The policies adopted for each of these items are included within the detailed accounting policies in Note 4.

3 Changes in accounting policies

The Group has applied consistently the accounting policies set out in Note 4 to all periods presented in these consolidated financial statements.

The following new standards and amendments to standards including any consequential amendments to other standards, with a date of initial application of 1 January 2014 are applicable to the Group:

- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)
- Recoverable Amount Disclosures for Non-Financial Assets (Amendment to IAS 36)
- Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)
- Levies (IFRIC 21)

None of the above new standards and amendments to standards has a material impact on these financial statements.

4 Summary of significant accounting policies

Goodwill

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes or duty. The following specific recognition criteria must be met before revenue is recognised:

4 Summary of significant accounting policies (continued)

Licensing of super yacht berths
Super yacht berths are licensed to berth holders on terms which transfer substantially all the risks and rewards incidental to ownership. Revenue from such licensing is recognised in the statement of comprehensive income on the signing of the licensing agreements with the berth-holders, on the basis that they give effect to the sale of the Group's right to the use of such berths.

Rendering of marina operating activities and consultancy fees
Revenue from the rendering of marina operating activities and consultancy fees is recognised when the services have been delivered. When services are delivered evenly over a period of time the revenue is recognised pro rata to the time elapsed.

Rental income
Rental income from operating leases is recognised on a straight line basis over the term of the rental.

Finance Income and Finance Expense

The Group's finance income and finance costs include interest income, interest expense and the net gain or loss on the disposal of available for sale financial assets.

Taxation

Current income tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax
Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets and liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill, and
- in respect of taxable temporary differences associated with investments in subsidiaries or joint ventures where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

Deferred income tax assets and liabilities are measured at the tax rates expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that had been enacted or substantially enacted at the reporting date.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4 Summary of significant accounting policies (continued)

Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset, including interest incurred during the construction phase.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. On-going repairs and maintenance is expensed as incurred.

(iii) Long term berth licences

As described above under Revenue recognition, part of the Group's operating activities involves the licensing of superyacht berths under finance leases typically for periods of 25-30 years. The cost of such berths is apportioned between that part attributable to the initial licensing period, which is recognised immediately in the consolidated statement of comprehensive income, and that part (the residual amount) attributable to the time period which extends beyond the initial licensing period. The method of cost apportionment used represents a fair reflection of the pattern of future economic benefits estimated to accrue from the licensing of such berths. The residual amount is classified in the consolidated Statement of Financial Position as 'deferred costs' and included with non-current assets.

(iv) Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date they are installed and are ready for use. Assets in course of construction are not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

Leasehold seabed	99 years
Buildings	10-24 years
Superyacht berths	50 years
Pontoons	25 years
Motor vehicles	5 years
Other equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

In relation to the superyacht berths, depreciation is provided up to the point when a long term licensing contract is signed, at which time the carrying amount of such berths is apportioned and accounted for as explained in (iii) above.

4 Summary of significant accounting policies (continued)

Available for sale financial assets

Listed redeemable notes held by the Group that are traded in an active market are classified as Available for Sale financial assets and are stated at fair value at the end of each reporting period. Changes in fair value are recognised in other comprehensive income and presented within equity in the fair value reserve.

Cash and cash equivalents

Cash and cash equivalents in the consolidated Statement of Financial Position comprise cash at banks and at hand and short term deposits with an original maturity of three months or less.

For the purposes of the consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Trade and other receivables

Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made where there is objective evidence that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Trade and other payables

Trade payables are included at the lower of their original invoiced value and the amount payable.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Group becomes party to the related contracts and are measured initially at fair value less directly attributable transaction costs.

After initial recognition interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are realised respectively in finance revenue and finance cost.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised as expense using the effective interest method.

Foreign currency

(i) Foreign currency transactions

The consolidated financial statements are prepared in Euros, which is the Company's functional and presentational currency. Transactions in a foreign currency are initially translated into the functional currency at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency rate at the rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

All differences are taken to the consolidated Statement of Comprehensive Income.

4 Summary of significant accounting policies (continued)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Euro at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Euro at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign exchange reserve in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign exchange reserve in equity.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and indefinite life intangible assets are tested every six months for impairment and at other times when such indicators exist. An impairment loss is recognised if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount.

Impairment losses are recognised in the Consolidated Statement of Comprehensive Income. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment of non-derivative financial assets

Financial assets not classified as at fair value through profit or loss, including interests in equity accounted investees and available for sale financial assets, are assessed at each reporting date to determine whether there is objective evidence of impairment which may include default or delinquency of a debtor, restructuring of amounts due to the Group on very unfavourable terms, indications that a debtor or issuer will enter bankruptcy and the disappearance of an active market for a security.

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss.

Fair values

The Group uses market observable data as far as possible to measure the fair value of an asset or a liability. Fair values are categorised into different levels in a fair value hierarchy as defined in IFRS13.

4 Summary of significant accounting policies (continued)

Share Capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Other leases are operating leases and not recognised in the consolidated Statement of Financial Position; lease payments under operating leases are straight lined across the term of the lease.

Segment reporting

All operating segments' operating results are reviewed by the CEO of Camper & Nicholsons Marinas Ltd, the Group's chief operating decision maker, to make decisions about resources to be allocated to the segment and assess its performance.

Reported segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and liabilities (primarily Camper & Nicholsons Marina Investments Limited) and head office expenses.

When trading occurs between segments this is done at current market prices and revenues are accounted for as if services were being provided to a third party.

Segment expenditure on non-current assets is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual accounts beginning after 1 January 2014, and have not been applied in preparing these consolidated financial statements.

Those which may be relevant to the Group are set out below.

IFRS 9 (*Financial Instruments*) published in July 2014, replaces the existing guidance in IAS 39 Financial *Instruments Recognition and Measurement.* IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment of financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from IAS39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 9.

IFRS 15 (*Revenue from Contracts with Customers*) establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2017 with early adoption permitted. The Group is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.

5 Seasonality of operations

Marinas derive their income from several sources some of which will produce greater revenues during the summer months and while these seasonally-affected sources are generally relatively small in relation to the overall level of sales they can make an important contribution to profitability. The timing of long term berth sales, which are neither seasonal by nature nor capable of accurate prediction, can have a more significant impact on the level of both sales and profits.

6 Segmental Reporting

Under the "management approach" to segmental reporting, the Company believes there are two separately reportable segments to its business, Marina operations and Marina consultancy. These two operating segments are managed separately as they have different resource and capital requirements. A summary of the business operations in each of these two operating segments is given below:

Marina operations: ownership and operation of high quality marina facilities providing berthing and ancillary services for yachts and super yachts.

Marina consultancy: provision through multi-year contracts of a range of services, including consultancy, to third party marinas.

The results for these two segments for the year ended 31 December 2014 are set out below:-

	Marina Operations	Marina Consultancy	Parent Company	Totals
For the year ended 31 December 2014	€000	€000	€000	€000
Revenues from external customers	7,215	2,085	35	9,335
Intersegment revenues	-	1,032	141	1,173
Total including joint ventures	7,215	3,117	176	10,508
Excluding joint venture impact	(2,166)	(128)	-	(2,294)
Total excluding joint ventures	5,049	2,989	176	8,214
Revenues from external customers	5,049	2,035	70	7,154
Intersegment revenues	-	954	106	1,060
Interest revenue	90	-	40	130
Interest expense	(1,199)	-	-	(1,199)
Depreciation & amortisation	724	90	-	814
Reportable segment loss	(648)	(166)	(617)	(1,431)
Share of profits/(losses) of equity accounted investees	355	(339)	-	16
Total including equity accounted investees	(293)	(505)	(617)	(1,415)
Expenditures for reportable segment non-current assets	239	91	-	330

6 Segmental Reporting (continued)

	Marina Operations €000	Marina Consultancy €000	Parent Company €000	Totals €000
For the year ended 31 December 2013				
Revenues from external customers	6,497	1,447	34	7,978
Intersegment revenues	-	1,338	124	1,462
Total including joint ventures	6,497	2,785	158	9,440
Excluding joint venture impact	(1,962)	(231)	-	(2,193)
Total excluding joint ventures	4,535	2,554	158	7,247
Revenues from external customers	4,535	1,298	68	5,901
Intersegment revenues	-	1,256	90	1,346
Interest revenue	161	-	41	202
Interest expense	(1,264)	-	(2)	(1,266)
Depreciation & amortisation	635	57	-	692
Reportable segment loss	(878)	(152)	(1,187)	(2,217)
Share of profits/(losses) of equity accounted investees	33	(229)	-	(196)
Total including equity accounted investees	(845)	(381)	(1,187)	(2,413)
Expenditures for reportable segment non-current assets	46	30	-	76

Reconciliation of reportable segment revenues and profit and loss

	31 December 2014	31 December 2013
Revenues	€000	€000
Total revenues for reportable segments	8,214	7,247
Elimination of inter-segment revenues	(1,060)	(1,346)
Group revenues	7,154	5,901
Profit & Loss		
Total profit & loss for reportable segments	(1,431)	(2,217)
Share of profits / (losses) of equity accounted investees	16	(196)
Group loss before tax	(1,415)	(2,413)

6 Segmental Reporting (continued)

Reconciliation of reportable segment assets and liabilities

	Marina Operations	Marina Consultancy	Parent Company	Totals
As at 31 December 2014	€000	€000	€000	€000
Assets for reportable segments	43,220	1,972	39,444	84,636
Investment in and loan to equity accounted investees	626	-	-	626
Total	43,846	1,972	39,444	85,262
Less: intercompany loans				(35,621)
Less: investments in subsidiaries net of goodwill				(2,200)
Group total assets				47,441
Liabilities for reportable segments	49,345	2,390	4,181	55,916
Less: intercompany loans				(35,621)
Group total liabilities				20,295
Group Net Assets				27,146
As at 31 December 2013				
Assets for reportable segments	42,705	1,885	36,599	81,189
Investment in and loan to equity accounted investees	271	-	-	271
Total	42,976	1,885	36,599	81,460
Less: intercompany loans				(32,226)
Less: investments in subsidiaries net of goodwill				(2,200)
Group total assets				47,034
Liabilities for reportable segments	48,375	1,866	4,117	54,358
Less: intercompany loans				(32,226)
Group total liabilities				22,132
Group Net Assets				24,902

7 Operating expenses

	Note	**Year ended 31 December 2014** *€000*	**Year ended 31 December 2013** *€000*
Directors' remuneration	8	180	181
Salaries & wages		1,922	1,981
Audit fees		168	148
Rent and rates		583	469
Other general administration expenses	9	1,382	1,363
Legal & professional and fundraising fees		234	214
Promotion		379	364
Depreciation		814	692
Exchange differences		(369)	126
Total Operating Expenses		5,293	5,538

8 Directors' remuneration

	Year ended 31 December 2014	**Year ended 31 December 2013**
	€000	*€000*
Directors' fees – Parent Company	166	167
Directors' fees – Other Group Companies	14	14
Total	180	181

9 Other general administration expenses

	Year ended 31 December 2014	**Year ended 31 December 2013**
	€000	*€000*
Communications including travel	184	201
Repairs & maintenance	167	159
Security	88	93
Insurance	182	180
Electricity, water & gas	156	135
Administration fees	65	60
Printing stationery & postage	30	28
Bank charges	90	86
Bad debt provision	4	42
Bond costs amortisation	49	38
Royalty fees	154	172
Other	213	169
Total	1,382	1,363

10 Taxation

10.1 Taxation charge

The parent company, Camper & Nicholsons Marina Investments Limited is a Guernsey Exempt Company and is therefore not subject to taxation on its income under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. An annual exempt fee of £600 has been paid. The Group's tax charge during the year is calculated as shown in the table below. A tax credit of €18k arises in a subsidiary being interest received following settlement of prior years' tax accounts. The deferred tax asset has reduced by €191k to €158k at 31 December 2014 (31 December 2013: €349k). The prior period charge relates to the deferred tax charge partially offset by the reversal of tax overprovided in prior periods.

	Year ended 31 December 2014	**Year ended 31 December 2013**
	€000	*€000*
Income Tax credit	(18)	-
Tax over provided in prior periods	-	(96)
Deferred Tax charge	191	141
Total charge	173	45

10.2 Reconciliation of taxation charge

A reconciliation between tax expense and the product of accounting profit multiplied by domestic tax rates in the countries of operation for the year ended 31 December 2014 is as follows:

	Year ended 31 December 2014 *€000*	Year ended 31 December 2013 *€000*
Accounting loss before income tax	(1,431)	(2,217)
Income tax using the country domestic rates	(68)	(49)
Tax effect of:		
Brought forward losses	12	-
Profit on sale of long-term berths taxed separately	(2)	-
Expenses not deductible for income tax	210	202
Current tax (over) provided in prior periods	-	(96)
Interest accrued taxable on receipt	(13)	(31)
Losses carried forward	52	19
Interest received on prior years tax settlements	(18)	-
Income tax charge for the year	173	45

11 Earnings per share

Basic earnings per share amounts are calculated by dividing €1,623k Group net loss (2013: €2,438k Group net loss) for the year attributable to ordinary equity holders of the parent by 153.949 million (2013: 120.540 million) being the weighted average number of ordinary shares outstanding during the period.

For the year ended 31 December 2014 the weighted average number of shares used to calculate the basic and diluted earnings per share is the same because there were no outstanding options.

12 Subsidiaries and Joint Ventures

	Activity	Country of Incorporation	% Equity Interest
Subsidiaries			
Camper & Nicholsons Marinas (Malta) Ltd	Investment Holding	Malta	100.00
Camper & Nicholsons Caribbean Holdings Ltd	Investment Holding	Bahamas	100.00
Camper & Nicholsons Grenada Ltd	Property Holding	Grenada	100.00
Camper & Nicholsons Grenada Services Ltd	Marina Operator	Grenada	100.00
Grand Harbour Marina plc (including its' subsidiary Maris Marine Limited)	Marina Operator	Malta	79.17
Camper & Nicholsons Marinas International Ltd	Group Investment Management and Third Party Marina Management & Consultancy	Malta	100.00
Camper & Nicholsons Marinas Ltd	Group Investment Management and Third Party Marina Management & Consultancy	UK	100.00
Jointly Controlled Entities			
Camper & Nicholsons First Eastern Ltd	Third Party Marina Management & Consultancy	Hong Kong	50.00
IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi	Marina Operator	Turkey	35.63*

* The Group's subsidiary Grand Harbour Marina plc, owns a 45% equity interest in IC Cesme Marina.

13 Equity Accounted Investees – Joint ventures

The Group accounts for a 45% interest in IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi ("IC Cesme"), a jointly controlled entity which operates a marina in Turkey. As at 31 December 2014 the Group had invested €1.8 million (31 December 2013: €1.8 million) in the equity of IC Cesme.

The Company has a 50% interest in Camper & Nicholsons First Eastern Limited ("CNFE"), a jointly controlled entity established during 2011 which is involved in marina management and consultancy in the Asia Pacific region. The Company agreed to provide funding of up to US$1.25 million to CNFE over 2 years of which $0.5 million was to be equity capital with US$0.75 million as shareholder loan. The equity capital was provided in 2011 and a US$0.3 million (€0.22 million) shareholder loan was provided in July 2013. Additional funding has been provided by both joint venture partners by permitting CNFE to take extended credit terms on invoices for services provided.

	2014	2014	2014	2013
	IC Cesme	CNFE	Total	Total
Percentage ownership interest	45%	50%		
	€000	€000	€000	€000
Non-current assets	13,364	17	13,381	14,071
Cash and cash equivalents	1,911	208	2,119	1,634
Other current assets	1,327	219	1,546	1,534
Non-current financial liabilities	(13,392)	(494)	(13,886)	(13,608)
Current financial liabilities	(1,088)	-	(1,088)	(2,395)
Other current liabilities	(1,558)	(1,192)	(2,750)	(1,980)
Net assets (100%)	564	(1,242)	(678)	(744)
Group's share of net assets	254	(621)	(367)	(361)
Accumulated losses not consolidated	-	-	-	42
Goodwill	372	-	372	372
Loan to equity accounted investee	-	247	247	218
Short term investment in JV		338	338	
Exchange	-	36	36	
Carrying amount of interest in joint ventures	626	-	626	271
Revenue	4,813	208	5,021	4,821
Operating expenses	(2,640)	(799)	(3,439)	(3,765)
Depreciation and amortisation	(817)	(1)	(818)	(880)
Finance revenue	22	-	22	36
Finance costs	(590)	-	(590)	(588)
Tax				(44)
Profit/(Loss) and total comprehensive income (100%)	788	(592)	196	(420)
Profit/(Loss) and total comprehensive income (Group share)	354	(296)	58	(214)
Prior year losses recognised	-	(42)	(42)	-
Current year losses not consolidated	-	-	-	18
Group's share of loss and total comprehensive income	354	(338)	16	(196)

13 Equity Accounted Investees – Joint ventures (continued)

As indicated above, CNFE has been allowed to take extended credit terms on invoices from the two joint venture partners for services provided. Management believes that the amounts owed to Group companies should be considered to be a short term investment in CNFE and as explained in Note 19, €338k of the receivables due from CNFE have been treated in this way. The current year losses of CNFE and the prior year losses not previously recognised have then been written off against this short term investment.

The lease of Cesme Marina in Turkey is held by IC Cesme Marina Yatrim Turizm ve Isletmeleri Sirketi, a company in which the Group's subsidiary, GHM, has a 45% interest. The lease is non-cancellable and expires in 2033. The initial annual rent payable was approximately €1 million and this is index linked in future years in accordance with the Build Operate Transfer (BOT) contract.

The bank loan is provided by Isbank to IC Cesme in the form of a Term Facility Agreement ("Term Facility") in the amount of €9.249 million. This loan is repayable in semi-annual instalments which commenced in December 2011. In addition to the Term Facility, Isbank provided a loan in the form of a General Cash and Non-Cash Credit Agreement (the "Subordinated Loan") with a maximum facility of €10 million of which €8.495 million has been drawn down. The Subordinated Loan has been secured against cash pledges by the shareholders and is repayable commensurate with the Term Facility. The Isbank loans are guaranteed by the shareholders as detailed in notes 16 and 27.

14 Property, plant and equipment

Cost:	**Marina Develop.** €000	**Deferred super yacht berth costs** €000	**Equipment & office furniture** €000	**Motor vehicles** €000	**Leasehold Property** €000	**Total** €000
Year ended 31 December 2013						
At 1 January 2013	29,746	496	1,002	57	50	31,351
Additions	31	-	45	-	-	76
Reallocations	(14)	-	14	-	-	-
Disposals	-	-	(17)	(5)	-	(22)
Exchange to closing rate	(740)	-	(17)	(1)	(1)	(759)
As at 31 December 2013	29,023	496	1,027	51	49	30,646
Year ended 31 December 2014						
Additions	234	-	11	-	85	330
Disposals	-	-	(41)	(7)	(50)	(98)
Exchange to closing rate	2,473	-	58	5	5	2,541
As at 31 December 2014	31,730	496	1,055	49	89	33,419

14 Property, plant and equipment (continued)

	Marina Develop.	Deferred super yacht berth costs	Equipment & office furniture	Motor vehicles	Leasehold Property	Total
Depreciation:	€000	€000	€000	€000	€000	€000
Year ended 31 December 2013						
At 1 January 2013	5,783	5	640	46	11	6,485
Depreciation charge	560	-	117	5	10	692
Disposals	-	-	(12)	(4)	-	(16)
Exchange to closing rate	(136)	-	(9)	(1)	-	(146)
As at 31 December 2013	6,207	5	736	46	21	7,015
Year ended 31 December 2014						
Depreciation charge	659	-	117	5	33	814
Disposals	-	-	(41)	(5)	(50)	(96)
Exchange to closing rate	489	-	40	3	-	532
As at 31 December 2014	7,355	5	852	49	4	8,265
Net Book Value:						
As at 31 December 2014	24,375	491	203	-	85	25,154
As at 31 December 2013	22,816	491	291	5	28	23,631

During 2014 the Port Louis Marina continued to be impacted by the weak regional economic conditions but nevertheless achieved an EBITDA profit without berth sales for the first time. In spite of this performance the marina continues to remain below the performance levels previously expected. CBRE Ltd have completed their annual valuation and applied a discount rate of 12% (2013: 13%) to their forecast of the cash flows for the marina excluding the superyacht dock area and a bulk valuation approach for the remaining superyacht dock area of 11,415 square metres. Having considered the low levels of superyacht berth sales, the continued slow take up of annual berthing contracts and the generally weak economic climate, CBRE have reduced slightly their valuation of the asset at 31 December 2014 to US$20.9 million (2013: US$21.1 million) or €17.2 million (2013: €15.3 million). This valuation is US$1.5 million (2013: US$1.6 million) below the US$22.4 million (2013: US$22.7 million) carrying value of the asset and is therefore considered to be an indicator of possible impairment of value.

When considering the value of the marina at the end of 2013, the Directors reviewed the CBRE valuation carefully and noted that it did not attribute a specific value to the 20,000 square metres of unutilised seabed for which there is planning permission to install additional berthing. Based on the cost originally attributed to the whole seabed area of around 50,000 square metres and after considering the overall decrease in the value of the marina since acquisition it was estimated that the unused seabed area had a value of around US$1.5 million (€1.1 million). The Directors have again reviewed the CBRE valuation as at 31 December 2014 and maintain the view that the unused seabed area has a value of US$1.5 million (€1.2 million).

Although the CBRE valuation is around 7% below the current book value, primarily due to using a bulk valuation of the superyacht dock water area that is based on a price that is around 50% of the current list price and the lack of a specific value being attributed to the unused seabed, the Directors believe that there are signs that more positive market conditions have and are continuing to return to both the region and the marine market generally and that in the medium term consider the unused seabed area and berths will be meaningful contributors to value. They remain confident that Port Louis Marina remains a sound long term investment and based on this, the financial statements for 2014 include no impairment charge (2013: nil).

15 Assets held under Trust

In accordance with the terms of the Trust Deed for Grand Harbour Marina plc's ("GHM") unsecured 7% Bond, GHM is required to establish a sinking fund to support repayment of the Bond in 2020. During the year, GHM transferred €591k to the Trustees and, as shown in the table below, some of this was used to buy back some of the 7% Bond. The re-purchased bonds were cancelled and may not be re-issued or re-sold.

	31 December 2014	31 December 2013
	€000	*€000*
Balance at start of year	854	-
Transfers to Trustees	591	854
Buy back of 7% Bond	(375)	-
Balance at end of year	1,070	854

The nominal value of bonds bought back was €349k with total costs and premium paid of €26k.

16 Cash pledges

	31 December 2014	31 December 2013
	€000	*€000*
Isbank	3,969	3,929
Scotia Bank	-	475
Total cash pledges	3,969	4,404

As detailed in Note 13, the subordinated loan provided by Isbank to IC Cesme is secured against cash pledges made by the IC Cesme Marina shareholders. The Company's interest in IC Cesme Marina was sold to Grand Harbour Marina plc ("GHM") in March 2011. Part of the contractual terms of the sale required GHM to take over the Company's obligations to Isbank. At 31 December 2014 the Group's share of the cash pledge amounted to €3,969k (31 December 2013: €3,929k) including interest added of €132k (31 December 2013: €92k). This continued to be held in the Company's name but in line with the terms of the sale agreement, GHM has lodged an equivalent sum with the Company in anticipation of Isbank agreeing to substitute GHM for the Company in relation to the banking arrangements for IC Cesme.

The cash deposit of €0.5 million (US$655k) placed with Scotiabank in 2013 was offset against the loan as part of the re-profiling of the Scotiabank loan agreed in June 2014 as detailed in the fundraising in May 2014 and explained in Note 23.

17 Available for Sale Financial Assets

At 1 January 2014 the Group held Available for sale financial assets which consisted of an investment in Malta Government Stocks amounting to €793k which had originally cost €762k. All of this investment was sold during the year realising net proceeds of €800k of which €591k was transferred to the Trustees of the sinking fund as detailed in Note 15.

	31 December 2014	31 December 2013
	€000	*€000*
Balance at start of year	793	1,612
Disposals	(762)	(814)
Change in Fair Value	(31)	(5)
Balance at end of year	-	793

18 Goodwill

Goodwill arises from the following acquisitions:

			31 December 2014	31 December 2013
	Acquisition Cost	**Group share of fair value of assets / (liabilities) acquired**	**Goodwill**	**Goodwill**
	€000	*€000*	*€000*	*€000*
Grand Harbour Marina plc	11,168	1,835	9,333	9,333
Camper & Nicholsons Marinas International Ltd			1,271	1,271
			10,604	10,604

The Company commissions annual professional valuations of the marinas in which it has a financial interest and reviews the carrying value of marina related goodwill by reference to those valuations. A valuation of Grand Harbour Marina was carried out as at 31 December 2014 by the specialist leisure consultancy team of CBRE Limited, the Company's independent property valuer. Having reviewed this valuation and completed a value in use assessment, the Directors have concluded that no adjustment to the carrying value of goodwill was necessary at 31 December 2014.

The goodwill relating to Camper & Nicholsons Marinas International Ltd arose originally on Camper & Nicholsons Marina Holdings ("CNMH") of which it was a wholly owned subsidiary. As reported previously CNMH has been dissolved and Camper & Nicholsons Marinas International Ltd is a wholly owned subsidiary of the Company. In relation to Camper & Nicholsons Marinas International Ltd, management has considered the current performance of the business following the cost reductions completed during 2013 and the forecast performance of the business in 2015. As this is a specialist business there are no recent transactions or listed businesses that are truly comparable. However management has used businesses with similar characteristics in estimating an appropriate EBITDA multiple range. Using the lower end of this range of multiples, the estimated value of the business is well in excess of the carrying value of the business assets including the goodwill of €1.3 million and no impairment of goodwill is considered necessary.

19 Trade and other receivables

	31 December 2014	31 December 2013
	€000	*€000*
Trade receivables	1,090	1,171
Taxation recoverable	27	26
Other receivables	137	99
Prepayments and accrued income	292	265
	1,546	1,561

Trade receivables are non-interest bearing and are generally on 30-90 days terms.

At 31 December 2014 a total of €534k (2014: €241k) was owed to Group companies by the Group's 50:50 joint venture with First Eastern, Camper & Nicholsons First Eastern ("CNFE"). As at 31 December 2014, €338k (2013: €Nil) was considered to be a short term investment in the joint venture, the trade debtors figure above includes €196k (2013: €241k) owed to the Group by CNFE.

19 Trade and other receivables (continued)

As at 31 December 2014 the ageing analysis of trade receivables was as follows:

	31 December 2014	31 December 2013
	€000	*€000*
Neither past due nor impaired	110	373
Past due but not impaired:		
Less than 30 days	174	149
Between 30 and 60 days	267	163
Between 60 and 90 days	151	107
Between 90 and 120 days	102	78
Greater than 120 days	286	301
Past due and impaired:		
Less than 120 days	-	-
Greater than 120 days	160	153
Less impairment	(160)	(153)
	1,090	1,171

20 Cash and cash equivalents

	31 December 2014	31 December 2013
	€000	*€000*
Cash and cash equivalents comprise the following:-		
Cash at bank and in hand	1,669	1,842
Short term deposits	2,645	2,725
	4,314	4,567

21 Trade and other payables

	31 December 2014	31 December 2013
	€000	*€000*
Trade payables	358	237
Other payables	201	193
Accrued expenses	1,595	1,790
Deferred revenue	776	676
	2,930	2,896

Trade payables are non-interest bearing and are normally settled on 30-90 day terms.

22 Unsecured Bond Issue

During the period ended 31 December 2010, Grand Harbour Marina plc ("GHM") issued €10 million bonds, with an over-allotment option of €2 million bearing an interest rate of 7%, redeemable on 25 February 2020 and subject to an early redemption option that may be exercised by GHM between 2017 and 2020.

As at 31 December 2014 the outstanding balance related to these bonds was €11,393k (31 December 2013: €11,693k) which can be analysed as shown in the table below:

	31 December 2014	31 December 2013
	€000	*€000*
Opening balance	11,693	11,655
Amortisation of transaction costs	49	38
Buyback of bonds	(349)	-
Balance at year end	11,393	11,693

As indicated in Note 15 the Trustees utilised some of the cash transferred to the Sinking Fund to purchase in the market some of the Bonds in issue. The re-purchased bonds have been cancelled.

23 Interest bearing loans and deposits

	31 December 2014	31 December 2013
	€000	*€000*
Scotia Bank Loan A	-	1,946
Scotia Bank Loan B	611	5,438
Scotia Bank Loan C	5,191	-
Total Bank Loans	5,802	7,384
Bank Overdrafts	1	1
	5,803	7,385
Unsecured 7% Bond (Note 22)	11,393	11,693
Total Loans	17,196	19,078
Repayable within one year	612	1,742
Repayable after more than one year	16,584	17,336
	17,196	19,078

	Interest Rate at 31 December 2014	Interest Rate at 31 December 2013	Due 2015	Due 2016	Due 2017-2018	Due 2019-2020	Total
	%	*%*	*€000*	*€000*	*€000*	*€000*	*€000*
Scotia Bank Loan A	n/a	3.40%	-	-	-	-	-
Scotia Bank Loan B	5.70%	5.70%	611	-	-	-	611
Scotia Bank Loan C	5.70%	n/a	-	611	1,933	2,647	5,191
Bank overdraft	4.85%	5.00%	1	-	-	-	1
Unsecured 7% Bond	7.00%	7.00%	-	-	-	11,393	11,393
Total			612	611	1,933	14,040	17,196

Information on the maturity profiles of the loans is given in Note 31.

Security:

The Scotia Bank loan in respect of Camper & Nicholsons Grenada Limited (“CNGL”) is secured by:

- First ranking and continuing sum Demand Mortgage Debenture stamped for US$15 million or equivalent charge over the fixed assets, goodwill, and uncalled capital of the borrower and a floating charge over all other assets.

The loan has been shown in three parts as Scotia Bank Loan A, Loan B and Loan C to reflect the different repayment profiles following the amendment to the loan agreement completed in June 2014. Scotia Bank Loan A, originally for US$7.5 million was repayable in quarterly instalments that commenced at 30 June 2010. The cash deposit of €0.5 million (US$655k) lodged with Scotiabank during 2013 (see Note 16) was offset against Loan A and following the quarterly payment made in December 2014 the remaining balance on this part of the loan was Nil as at 31 December 2014.

Scotia Bank Loan B, originally for US$7.5 million, on which the interest rate was fixed at 5.7% was previously subject to bullet repayment of the full amount in June 2015. The loan was re-profiled during June 2014 with a partial repayment due by June 2015 with the balance, now Loan C, payable in instalments commencing in June 2016 with the final balance due in June 2019. The interest rate on loan C is fixed at 5.7% until June 2015 at which time it will be amended to a floating rate of Libor+3%.

23 Interest bearing loans and deposits (continued)

The bank overdraft in respect of Grand Harbour Marina plc ("GHM") is secured by:

- a first general hypothec for €1,747k on overdraft basis over all assets, present and future given by Grand Harbour Marina plc; and
- a first special hypothec for €1,747k on overdraft basis over the temporary utile dominium for 99 years commencing from 2 June 1999 over the land measuring 1,410 square metres at Cottonera Waterfront Vittoriosa;

Details of the Grand Harbour Marina 7% unsecured bond are given in Note 22.

24 Share Capital

	Authorised	Issued & Fully Paid	
		2014	**2013**
Ordinary shares of no par value (000)	Unlimited	165,784	141,784

The share capital is shown in the consolidated Statement of Financial Position net of issue costs of €2,883k (2013: €2,727k). In June 2014 the Company raised €2,994k (pre costs), €2,839k net of costs, from the issue of 24 million new Ordinary shares at a price of 10 pence (Sterling) per share. As reported last year, in May 2013 the Company raised €4,723k (€4,549k net of costs) from the issue of 61.54 million shares at a price of 6.5 pence (Sterling) per share.

25 Net asset value per share

The calculation of basic net asset value per share as at 31 December 2014 is based on net assets of €26,638k (2013: €24,248k) attributable to the equity shareholders, divided by the 165,784k (2013: 141,784k) ordinary shares in issue at that date. As there were no options outstanding at 31 December 2014 the basic and diluted net asset value per share are the same.

26 Non-controlling interest

The non-controlling interest is all attributable to the 20.83% non-controlling shareholding in Grand Harbour Marina plc.

27 Commitments and contingencies

Operating lease commitments – Group as lessee

The Group carries on business from three marinas and three office premises all of which are held under non-cancellable operating leases. Rentals, excluding those related to IC Cesme Marina which is no longer consolidated on a line by line basis, are payable as follows:

	2014		2013	
	€000	*€000*	*€000*	*€000*
	Minimum	**Maximum**	**Minimum**	**Maximum**
Less than one year	458	840	416	798
Between one and five years	1,831	3,358	1,445	2,972
More than 5 years	6,336	11,903	6,443	12,391
Total	8,625	16,101	8,304	16,161

The marina leases have (a) 85 years and (b) 92 years unexpired at 31 December 2014. In respect of lease (a) the Group has the option to terminate in 2033 and in respect of lease (b) the original term can be extended for a further 99 years. The rent payable under lease (a) is based on a percentage of turnover, subject to defined minimum and maximum levels and under lease (b) the rent is dependent upon the square footage brought into use.

27 Commitments and contingencies (continued)

The office premises' leases range in length between 5 and 25 years and the rents are reviewable periodically to prevailing market rates. The unexpired periods of these leases at 31 December 2014 were between 4 and 16 years. The Group ceased to occupy one of the offices during 2012 and this was sublet at a small premium for five years from February 2013 with a three year break clause.

Finance lease commitments – Group as lessor

The Group has granted a number of licences ranging in duration from 25 to 45 years in respect of berths at Grand Harbour Marina. The licence fees payable for the berth are accounted for in the year of sale and consequently there is no future licence fee income. Licensees are required to pay annual service charges to defray the costs of maintenance of the berths. Because all amounts receivable under long term licences are collected at the outset of the contract, the Group's gross and net investment in finance leases is zero.

Capital commitments

At 31 December 2014, the Group had contracted capital commitments of €61k (2013: €Nil).

Contingent liabilities

The Group had the following contingencies at 31 December 2014:

The Company's joint venture, IC Cesme, is disputing a claim by the District Governorship of Cesme that the landside tenants/subtenants in Cesme should pay to the Governorship a charge of 1% on the annual revenues from 2010 to 2014 and in future years. This charge would ultimately be the responsibility of IC Cesme in the event that the Governorship's claim is successful and the tenants/subtenants do not make the payment. The Board of Directors of IC Cesme Marina believes that this claim is contrary to the signed agreements and in this regard has initiated a legal case. As at 31 December 2014, the potential claim would amount to €624k (Group's 45% share to €281k) if IC Cesme had to make payment in full.

Litigation and claims

At 31 December 2014, there were no material claims against the Group or litigation issues with which the Group was involved.

Guarantees

The Company and Camper & Nicholsons Grenada Services Limited, a subsidiary, have each provided an unlimited guarantee in favour of The Bank of Nova Scotia in support of a loan facility provided to Camper & Nicholsons Grenada Limited.

The Company currently acts as a guarantor and sponsor of IC Cesme's repayment obligations under the Term Facility and the Subordinated Loan to the extent of 45% of any non-payment. As part of the contractual arrangements for the sale of the Company's interest in IC Cesme to GHM, GHM has agreed to become guarantor in place of the Company but the legal formalities relating to this substitution had not been completed at the reporting date. GHM has indemnified the Company against any loss arising. The Group's potential liability at 31 December 2014 was €6,516k (2013: €7,006k).

Grand Harbour Marina plc, a subsidiary, has provided a guarantee in respect of a performance bond amounting to €35k (2013: €35k).

Trade Mark Licence

The Company has an exclusive, perpetual, global licence to use the Camper & Nicholsons brand and related trademarks in connection with marinas and marina related services and is liable to pay a royalty of, generally, 1.5% of the marina related turnover of entities licensed to use the brand and of 1.5% of fees earned from marina related consultancy services provided to third party clients, subject to a minimum annual payment of €125k (base year 2009) rising annually in line with RPI (UK).

28 Related party transactions

28.1 Transactions with key management personnel

Information on Directors' Emoluments, the key terms of their contracts and their interests in the shares of the Company is given in the Directors' Report.

28.2 Administration and support services provided by Y Lee Limited

During the year, Y Lee Limited charged €56k (2013: €26k) to Camper & Nicholsons Marinas Limited for providing the services of Clive Whiley as CEO. At 31 December 2014 €Nil (2013: €Nil) was due to Y Lee Limited.

28.3 Office Rental agreement with Evolution Securities China Limited

When Camper & Nicholsons Marinas Limited moved offices in October 2014 it agreed to share the office space with Evolution Securities China Limited, a Company which, like Camper & Nicholsons Marina Investments Limited, is majority owned by First Eastern. During the year €6,948 (2013: Nil) was charged to Evolution Securities China Limited for the provision of office space. At 31 December 2014 €Nil (2013: €Nil) was due to Camper & Nicholsons Marinas Limited.

29 Financial Instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts, as at 31 December 2014 and 31 December 2013, in the consolidated statement of financial position, are as follows.

	31 December 2014		**31 December 2013**	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
	€000	*€000*	*€000*	*€000*
Financial assets measured at Fair Value				
Assets held under Trust (Note 15)	1,070	1,070	856	856
Cash pledges	3,969	3,969	4,404	4,404
Available for sale financial assets	-	-	793	793
Financial assets not measured at Fair Value				
Trade and Other Receivables	1,545	1,545	1,561	1,561
Cash and Cash equivalents	4,314	4,314	4,567	4,567
Financial liabilities not measured at Fair Value				
Fixed rate borrowings	(5,801)	(5,935)	(5,438)	(5,588)
Other Loans and Borrowings	(1)	(1)	(1,946)	(1,946)
Unsecured 7% Bond	(11,393)	(12,877)	(11,693)	(12,156)
Trade and Other liabilities	(2,930)	(2,930)	(2,896)	(2,896)
Other payables	(169)	(169)	(159)	(159)

The assets held in Trust and the Available for sale financial assets at 31 December 2013 both consisted of investments in Malta Government Bonds which were quoted and freely traded on the Malta Stock Exchange and were considered to be Level 1 assets in the Fair Value hierarchy. As at 31 December 2013 these assets were re-valued to market value and their Carrying Amount was therefore the same as the Fair Value. The Available for sale financial assets were disposed of during the year.

29 Financial Instruments (continued)

The Fixed rate borrowings and the Unsecured 7% Bond are not quoted financial instruments and therefore no market value is available for them. At 31 December 2014, as shown in the table above, the fair value has been based on a calculation of the net present value of the cash flows relating to the loan, being interest and capital payments, using a market interest rate for a similar instrument. The fair value has been categorised as Level 2.

30 Financial risk management objectives and policies

The Group holds cash and liquid resources, bank and other loans as well as debtors and creditors arising from its operations.

The main risks arising from the Group's financial instruments and its fixed assets are market price risk, credit risk, liquidity risk, exchange rate risk and interest rate risk. The directors regularly review and agree policies for managing these risks and these are summarised as follows:

Market price risk

The Group's exposure to market price risk relates mainly to changes in the value of its marina assets. Marinas and marina related real estate are inherently difficult to value due to the individual nature and particular characteristics of each property. As a result, professional valuations are subject to uncertainty and there can be no assurance that estimates resulting from the valuation process will reflect the actual sale price achievable in the marketplace.

The market value of the Group's marinas may be affected by general economic conditions, including changes in interest rates and inflation, by conditions and pricing within the markets in which the Group operates. It may also be affected by changes in the political and economic climate in the countries or regions within which the Group's assets are situated.

Operating income and capital values may also be affected by other factors specific to the marina industry such as competition from other marina owners, the perceptions of berth holders (and prospective berth holders) of the attractiveness, convenience and safety of marinas, and increases in operating costs such as labour, maintenance and insurance etc.

The Directors monitor market value by having annual valuations carried out by CBRE Limited.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group. The nature of the Group's business is such that the amount of credit extended to individual external customers is small in order that significant concentrations of credit risk within the Group can be avoided. Whilst developing the Camper & Nicholsons First Eastern ("CNFE") business however the two partners have allowed the joint venture to take extended credit on amounts due and at 31 December 2014, €534k (2013: €241k) was due to Group companies from CNFE. As explained in Note 18, at 31 December 2014, €338k (2013: €Nil) is considered to be a short term investment in the joint venture.

Liquidity risk

Liquidity risk is the risk the Group will encounter in realising assets or otherwise raising funds to meet financial commitments. Investments in marinas and marina related real estate are relatively illiquid.

Management monitor the Group's cash flow requirements on a weekly basis to ensure there is sufficient cash on demand to meet capital expenditure commitments and expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of circumstances that cannot reasonably be predicted.

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's cash deposits and to its bank and other borrowings. In respect of cash balances, the Group's strategy is to

30 Financial risk management objectives and policies (continued)

maximise the amount of cash held on interest bearing accounts and to ensure that those accounts attract a competitive interest rate.

The Group may be exposed to the risk of interest rate fluctuations as borrowings may be obtained on either floating or fixed interest rate terms. It is the Group's policy not to hedge against interest rate risks.

Increases in interest rates may increase the costs of the Group's borrowings, in particular on floating interest rate loans and may have an adverse effect on the Group.

Exchange rate risk

The Group makes investments in currencies other than Euros, the base currency of the Company. The Company's net asset value is reported in Euros. Changes in the rates of exchange may have an affect on the value, price or income of such investments. A change in foreign currency exchange rates may impact returns on the Group's non-Euro denominated investments. The Group intends to incur borrowings of up to 100% of the Company's net asset value and, where possible, it will mitigate the exchange rate risk by matching the investment and borrowing currencies.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Equity consists of share capital and retained earnings. The Board of Directors monitors the return on capital, which the Company defines as the profit for the year divided by total shareholders' equity.

31 Financial instruments

31.1 Credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was:

	Carrying amount	
	31 December 2014	**31 December 2013**
	€000	*€000*
Trade receivables	1,090	1,171
Other receivables	164	390
Cash Pledge	3,969	4,404
Assets held under Trust	1,070	854
Available for sale financial assets	-	793
Cash and cash equivalents	4,314	4,567
	10,607	12,179

Cash and cash equivalents represents funds deposited with several major Banks, the most significant being; HSBC, Bank of Valletta, Barclays and Scotia Bank.

The maximum exposure to credit risk for trade receivables at the reporting date by type of customer was:-

	Carrying amount	
	31 December 2014	**31 December 2013**
	€000	*€000*
Individual	166	148
Legal entities	950	1,090
Agents	134	86
	1,250	1,324
Amounts provided for	(160)	(153)
Carrying amount	1,090	1,171

Information relating to the ageing of receivables at the reporting date and associated impairment is provided in note 19.

31 Financial Instruments (continued)

31.2 Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments:

Financial Liabilities	**Carrying Amount**	**Contractual Cash Flows**	**6 Months or less**	**6 - 12 Months**	**1 - 2 Years**	**3 - 5 Years**	**6-8 Years**
31 December 2014	*€000*	*€000*	*€000*	*€000*	*€000*	*€000*	*€000*
Scotia Bank loan	5,802	(5,974)	(176)	(86)	(784)	(4,928)	-
7% Bond Issue	11,393	(16,137)	(408)	(408)	(815)	(2,447)	(12,059)
Bank overdraft	1	(1)	(1)	-	-	-	-
Accounts payable	358	(358)	(358)	-	-	-	-
	17,554	(22,470)	(943)	(494)	(1,599)	(7,375)	(12,059)
31 December 2013							
Scotia Bank loan	7,384	(7,894)	(1,055)	(1,040)	(5,799)	-	-
7% Bond Issue	11,693	(17,460)	(420)	(420)	(840)	(2,520)	(13,260)
Bank overdraft	1	(1)	(1)	-	-	-	-
Accounts payable	237	(237)	(237)	-	-	-	-
	19,315	(25,592)	(1,713)	(1,460)	(6,639)	(2,520)	(13,260)

As detailed in Note 23 the Scotia Bank loan at 31 December 2014 was subject to a fixed interest rate of 5.7%. Following the re-profiling completed during 2014 this will convert to a floating rate of Libor plus 3% with effect from 1 July 2015.

31.3 Exposure to interest rate risk

The Group is subject to changes in base interest rates as may be announced by the European Central Bank from time to time and to changes in the market rates for LIBOR. Based on the gross value of loans outstanding as at 31 December 2014 that are subject to variable interest rates, an increase of 100 bps (2013: 100bps) would reduce profit before tax by €26k (2013: €51k). Similarly a reduction of 100bps (2013: 100bps) on all of the Group's borrowings subject to variable interest rates would increase profit before tax by €26k (2013: €51k).

31.4 Exposure to currency risk

The Company's exposure to foreign currency risk at 31 December was as follows, based on notional amounts:

€000 based on year end exchange rates	**31 December 2014**	**31 December 2013**
<u>Cash at bank</u>		
GB Pounds	253	655
US Dollars	1,046	1,437
EC Dollars	135	92
<u>Trade receivables</u>		
GB Pounds	665	358
US Dollars	-	-
EC Dollars	195	124
<u>Borrowings</u>		
US Dollars	5,801	7,384

31.4 Exposure to currency risk (continued)

Exchange Rate to Euro Table

The following significant exchange rates versus the Euro applied during the year:

Currency	**Average rate**		**Year end rate**	
	2014	**2013**	**2014**	**2013**
GB Pounds	1.2405	1.1774	1.2839	1.1995
US Dollars	0.7527	0.7530	0.8237	0.7251
EC Dollars	0.2773	0.2772	0.3015	0.2689
Turkish Lira	0.3441	0.3947	0.3545	0.3405

Sensitivity analysis

A 10 percent strengthening of the Euro against the year end rate for the following currencies at 31 December would have increased/(decreased) equity by the amounts shown whilst a 10 per cent strengthening of the average Euro rate during the year would have increased/(decreased) profit or loss by the amounts shown. This analysis assumes that all other variables, in particular interest rates remain constant. The analysis is performed on the same basis for 2013.

	31 December 2014		**31 December 2013**	
	Equity	**Profit or Loss**	**Equity**	**Profit or Loss**
	€000	*€000*	*€000*	*€000*
GB Pounds	(50)	237	(81)	216
US Dollars	(1,406)	34	(1,104)	64
Turkish Lira	(37)	112	(44)	159

A 10 percent weakening of the Euro against the year-end rates and average rates would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

32 Substantial shareholdings

As at 10 February 2015 the Directors had been notified, or were aware, of the following holdings representing more than 3 per cent of the Company's issued share capital:

	% held
First Eastern (Holdings) Ltd	27.40%
FE Marina Investments Ltd	25.00%
Richard Griffiths	12.98%
Henderson Global Investors Ltd	4.84%
Martin Bralsford	3.53%
Nicholas Maris	3.50%
Overseas Asset Management (Cayman) Ltd	3.43%
Deutsche Asset & Wealth Management	3.39%

Included in the holding for Nicholas Maris are 3,246,625 shares (1.96%) held by the Maris Settlement, a discretionary trust of which Nicholas Maris is a potential beneficiary.

Included in the holding for Martin Bralsford are 1,300,000 ordinary shares (0.78% of the issued share capital) owned by Dirac Ltd, a company incorporated in Jersey, of which Mr Bralsford is the sole Director and beneficiary.

33 Post balance sheet events

There were no material subsequent events between the end of the reporting period and the date of signing of these consolidated financial statements.

CAMPER & NICHOLSONS MARINA INVESTMENTS LIMITED

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an Annual General Meeting will be held at Island House, Grande Rue, St Martins, Guernsey, Channel Islands, Great Britain GY4 6RU on Tuesday 12 May 2015 at 11.30am for the following purposes:-

1. That the Company cease to continue as presently constituted.

2. To receive and adopt the audited financial statements and the reports of the Directors and Auditors for the period ended 31 December 2014.

3. To approve the Directors' report on remuneration as set out on page 16 of the Consolidated Financial Statements.

4. To re-appoint KPMG Channel Islands Limited as Auditors of the Company and to authorise the Audit Committee to determine the Auditors' remuneration.

5. To elect two directors:
    a. Sir Christopher Lewinton
    b. Mr Victor Chu

SPECIAL RESOLUTION

6. That Article 40 of the Company's articles of incorporation requiring a discontinuation vote to be held every three years, be deleted

7. To consider any other business.

By order of the Board

Shaftesbury Limited
Company Secretary

Registered Office:
Island House
Grande Rue
St Martins
Guernsey,
GY4 6RU

Dated this 2 April 2015

N.B. Every member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, speak and vote instead of him/her. A proxy need not be a member of the Company.

Camper & Nicholsons Marinas

YACHTING SINCE 1782

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