Camper & Nicholsons Marinas

YACHTING SINCE 1782

Camper & Nicholsons Marina Investments Limited

Consolidated Financial Statements

for the year ended 31 December 2013

Annual Report

2013

2014 KEY EVENTS

- January – **1782 Club** established
- February **–** IC **Cesme Marina** wins prestigious Jack Nicol award for international marina design
- July – The Baille de Suffren, the Mediterranean's most beautiful yacht race to finish in **Grand Harbour Marina** for the second consecutive year (under CNMI sponsorship)
- November – Abu Dhabi F1^{TM} Grand Prix, the final race of the season, at CNMI's **Yas Marina** for the sixth consecutive year, following a record breaking event last year
- December – World renowned RORC transatlantic yacht race to finish at **Port Louis Marina**, Grenada, for the first time

5 YEAR SUMMARY FINANCIALS EXCLUDING THE IMPACT OF IFRS 11 (UNAUDITED)

	2013	2012	2011	2010	2009
€m	Actual	Actual	Actual	Actual	Actual
Operating activities	6.5	6.2	5.1	3.8	2.6
Management & Consultancy	1.5	1.6	0.9	0.5	0.2
Recurring revenues	8.0	7.8	6.0	4.3	2.8
Licencing of s/y berths	-	3.2	1.2	1.2	-
Total revenues	8.0	11.0	7.2	5.5	2.8
Cost of sales	(1.7)	(2.3)	(1.7)	(1.2)	(0.6)
Gross Profit	6.3	8.7	5.5	4.3	2.2
Operating expenses	(6.1)	(7.3)	(6.4)	(6.8)	(6.2)
EBITDA	0.2	1.4	(0.9)	(2.5)	(4.0)
Depreciation	(1.1)	(1.2)	(1.3)	(2.1)	(1.1)
Interest	(1.3)	(1.5)	(1.7)	(1.3)	(0.6)
PBT pre one-off charges	(2.2)	(1.3)	(3.9)	(5.9)	(5.7)
Estimated super yacht berth licencing impact	-	2.1	0.8	0.8	-
Investments (capex)	0.1	0.7	1.0	6.2	9.0

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

Cover photo: Valletta and Grand Harbour Marina in Malta during the Rolex Middle Sea Race, courtesy of Kurt Arrigo

Camper & Nicholsons Marina Investments Limited

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CHAIRMAN'S STATEMENT

By Sir Christopher Lewinton, Chairman

The Company made significant progress in 2013 including a successful fund raising in March, backed by First Eastern our major shareholder. Led by our CEO, Clive Whiley we also completed a significant cost reduction programme alongside a comprehensive review of our operations which resulted in a simplified and more effective management structure.

The improving performance of our underlying operating business excluding berth sales was encouraging with a small increase in sales to €8.0 million (2012: €7.8 million) combined with the cost reductions. However in accordance with the new accounting standards implemented this year, the Group's reported revenues, excluding berth sales decreased slightly from €6.0 million to €5.9 million as revenues from our joint ventures must now be excluded from reported revenues. The results of our joint ventures are now included as a single line item, "Share of losses of equity-accounted investees, net of tax" instead of using proportionate consolidation.

Following the €3.2m of berth sales completed in 2012 there were, as anticipated, no berth sales achieved during 2013. Opportunities for berth sales are expected to improve however as the super yacht fleet continues to grow with the 5,000th super yacht delivery forecast to be in 2014 and we expect to benefit from the continued growth of the super yacht fleet.

The Group's operating expenses reduced by €1.5 million to €5.5 million (2012: €7.0 million) as a result of the cost reduction programme. With this cost reduction, the underlying performance of our operating businesses, including our share of the two joint ventures, improved to generate a positive EBITDA and a positive cash flow from Operations. IC Cesme Marina generated a small profit before tax, GHM made a small loss before tax whilst Port Louis's loss before tax of €0.8 million reflected the continuing difficult economic conditions in the region.

Our third party business was somewhat impacted by project deferrals but is showing improvement along with an increasing pipeline of enquiries. Thanks to the support of First Eastern, our major shareholder, we made significant progress in China through our JV Company, CNFE, and the outlook is encouraging.

With no impairment charge in 2013 (2012: €3.8 million) Group loss before tax reduced from €5.3 million to €2.4 million. Net cash flow from operating activities was breakeven and capital expenditure reduced to €0.1 million (2012: €0.3 million).

With the costs reduction programme completed and with tight control of costs being maintained, we are now able to move our emphasis to growing the "top line", through a greater focus on marketing including our C&N 1782 Club programme which has made an encouraging start. We expect that this programme, further details of which are provided in the Business Review, will add to the top line growth of the business.

On 6 June 2014 we announced the terms of a fundraising to raise £2.4 million (£2.28 million net of expenses), fully underwritten by First Eastern (Holdings) Limited, through the issue of 24,000,000 new Ordinary shares at a price of 10 pence per share. Details of the fundraising were provided in a Shareholder Circular mailed to shareholders on the same day and following approvals given at the EGM held on 27 June 2014 the fundraising will be completed on 30 June 2014 with the admission of the new shares to trading on AIM and the commencement of dealings in the new shares on that date. Following the fundraising the Company has 165,784,358 Ordinary shares in issue of which 27.4% are owned by First Eastern (Holdings) Limited and 25% by its majority owned subsidiary FE Marina Investments Limited. As disclosed in the Circular, the Directors subscribed for in aggregate 1,633,688 Open Offer Shares representing 88.1% of their Open Offer Entitlement which resulted in the Directors owning 7.6% of the enlarged share capital

The Board is of the firm opinion that the fundraising was both necessary and in the best interests of the Company as it:

- Allows the Company to complete the agreed amendment to its facility with Scotia Bank. The Scotia Bank Loan B to Camper & Nicholsons Grenada Limited, currently repayable as a bullet repayment of $7.5 million in June 2015, is being reconstituted as Scotia Bank Loan C with staged payments of principal from 2016 to 2019 at a floating interest rate of 3% over LIBOR with effect from 1 July 2015: a significant reduction over the existing fixed rate of 5.7%;
- Funds the identified capital expenditure to improve the utilisation of existing water space at its owned marinas;
- Provides funding for the anticipated increase in working capital associated with supporting further growth within CNFE, the Company`s Hong Kong based joint venture.

We are also very pleased to announce that Mr Victor Chu, Chairman and founder of First Eastern Holdings, our largest shareholder, has indicated that he will accept the Board's invitation to become a Director of the Company following the AGM later this year.

Outlook

2013 saw the slow return of consumer confidence in the yachting sector and recovery from difficult market conditions. Superyacht brokerage activity also gathered momentum towards the end of 2013. With the improving market conditions, continuity of our Management team, profitable operating performance and positive operating cash flow we can now focus on generating top line growth.

The new funds raised along with the underlying improvement in the operating performance of the business will enable us to take a measured approach to optimising asset value and a debt reduction programme.

Your Board expects that this programme, now underway, will allow us to generate an increase in shareholder value.

Sir Christopher Lewinton

Chairman

27 June 2014

BUSINESS REVIEW

By Clive Whiley, CEO of Camper & Nicholsons Marinas Limited

Review & Outlook

In December 2012 I was appointed Chief Executive, with a remit to lead more active management of the assets and focus upon the generation of shorter term returns and cash-flow, since when the Company has completed:

- a significant cost cutting programme which lowered total operating expenses by over 20%;
- a simplified management structure reducing the number of senior executives by some 40%;
- a root-and-branch review, of every facet of the business, reinvigorating all elements of the management process;
- an initial fundraising of £4 million by way of an open offer in May 2013; and
- a reduction in total debt, including off-balance sheet joint-venture liabilities, but net of cash pledges, by some 12% to €22 million as at the year end;

Accordingly having completed the activities indicated above we are satisfied that following the fundraising detailed below the Company will have sufficient additional capital to:

- complete an addendum to its facility with Scotia Bank, to re-profile the Scotia Bank Loan B to Camper & Nicholsons Grenada Limited ("CNGL"), currently repayable as a bullet payment in 2015, to be reconstituted as Scotia Bank Loan C involving staged payments ending in 2019 at a floating interest rate of 3% over LIBOR with effect from 1 July 2015: a significant reduction over the existing fixed rate of 5.7%;
- increase the number of marina berths at GHM and Cesme by some 3% and improve the utilisation of existing water space at its marinas by investing the necessary capital;
- fund the anticipated increase in working capital associated with supporting further growth within CNFE, the Company`s Hong Kong based joint venture; and
- seed the 1782 Club initiative which, once established, will essentially provide a platform from which to leverage our existing activities to a wider bandwidth of potential clients

Most importantly it will allow a clear focus on the new corporate development plan, which is designed to optimise the value of the Company's principal assets as the Board seeks to restore Shareholder value.

Fund Raising

Following the comprehensive review of assets and operations highlighted above, the Board has concluded that, notwithstanding the required focus on ensuring that day-to-day operations are both performing profitably and are cash generative, the business remains undervalued. Moreover, the management team has now created the freedom to exploit the development potential of existing assets alongside a corporate development strategy designed to realise the underlying value in the Company for the benefit of its Shareholders. In order to ensure that the Company has sufficient funds to complete this objective, on 6 June 2014 we announced the terms of a fundraising to raise £2.4 million (the second "Fundraising") through the issue of 24 million new ordinary shares of no par value in the capital of the Company ("Ordinary Shares") at a price of 10 pence per Ordinary share (the "Issue Price"). The Fundraising was an open offer (the "Open Offer") to existing shareholders pursuant to which shareholders were entitled to subscribe at the Issue Price for 0.169271 new Ordinary shares for each Ordinary Share they held.

Camper & Nicholsons Marina Investments Limited

As a result of their entitlements under the Open Offer, and First Eastern (Holdings) Limited's underwriting of, the Open Offer, the combined shareholdings for First Eastern Holdings Limited, FE Marina Investments Ltd and myself (together "the Concert Party") has increased to 53.5% of the voting share capital. However, at the General Meeting held on 27 June 2014, the independent shareholders (being those not related to the Concert Party) approved the waiver granted by the Panel on Takeovers and Mergers from the obligation that would ordinarily arise on the Concert Party pursuant to Rule 9 of the City Code and Takeovers and Mergers to make an offer for the remaining Ordinary Shares.

The proceeds will be utilised to:

- allow the Company to complete the agreed amendment to its facility with Scotia Bank. The Scotia Bank Loan B to CNGL, currently repayable as a bullet repayment of $7.5 million in June 2015, is being reconstituted as Scotia Bank Loan C with staged payments of principal through to 2019 at a floating interest rate of 3% over LIBOR with effect from 1 July 2015: a significant reduction over the existing fixed rate of 5.7%;

- fund the capital expenditure needed to increase the number of marina berths at GHM and Cesme and improve the utilisation of existing water space;

- fund the anticipated increase in working capital necessary to support further revenue growth within CNFE, the Company`s Hong Kong based joint venture; and

- provide general working capital for use across the Company and the Group.

The objective of the Fundraising is to clear a path to facilitate a balanced approach to debt reduction, capital investment and the restoration of Shareholder value through steadily increasing profitability and cash generation, leading to both share price appreciation and distributions to Shareholders.

Sales and Marketing

Sales and marketing activities have been targeted on promotion of owned and managed third-party marinas, with the objective of revenue growth in berth rental, consultancy services, and long-term berth sales.

An extensive brand refresh was undertaken, which led to the update of all marketing materials including launch of the new cnmarinas.com website in October 2013.

A focus on cost effective and measurable digital initiatives supported significant growth in website visits and lead generation, with website traffic more than doubling to over 3,500 unique visitors per week.

This increased activity level is expected to continue throughout 2014 which has directly attributable revenue benefits across our owned and managed third-party marinas.

The brand refresh will extend to the Camper & Nicholsons First Eastern joint venture later in 2014, with the global website due to be launched in Chinese.

Our approach to participation in international yachting and networking events was successfully refocused toward business development and client retention, with cooperative initiatives with Camper & Nicholsons International (the yacht brokerage, charter and management company), at the Monaco Grand Prix, Monaco Yacht Show, Cannes Boat Show and Genoa Charter Show.

In a strategic move to more effectively extend the Camper & Nicholsons marina network, the '1782 Club' was announced in January 2014. This new initiative will see an exclusive group of independently owned and operated marinas partner with the world's oldest and most prestigious yachting brand to form a strategic chain of high-end facilities throughout popular and emerging yachting locations.

Early membership includes Sani Resort which has been voted the best resort in Greece by Conde Naste Traveller the past three years, and Athens Marina, an exclusive enclave for superyachts on the doorstep of the Mediterranean's capital of history and culture with over 3,000 Greek islands on its doorstep.

Although the initial focus of the 1782 Club will be on securing new member marinas in the Mediterranean and Caribbean, it is expected to expand to other geographic regions over time and include high profile strategic partners in the yachting 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 by around 4% with a reduction at Port Louis offset by 12% and 6% increases at GHM and Cesme respectively. Compound annual growth rate over the period 2009 to 2013 is still in excess of 25%.

Revenues excluding berth sales €m	2013	2012	2011	2010	2009
Marina Operating Revenues	6.5	6.2	5.1	3.8	2.6

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 were achieved during 2013. The gradual increase in the superyacht fleet however is expected to result in further sales in the future although the timing and value of these remains difficult to forecast.

€m	2013	2012	2011	2010	2009
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), decreased slightly as the impact of project deferrals, primarily in Europe, was offset partly by increased revenues in CNFE. The pipeline of opportunities has improved and marina owners and developers continue to recognise the benefits of using the premium Camper & Nicholsons brand. This business will benefit also from the 1782 Club from which revenues started being generated in February 2014.

€m	2013	2012	2011	2010	2009
Revenues from Third Party Marinas	1.5	1.6	0.9	0.5	0.2

Although the Group's operating results were adversely impacted by the lack of berths sales (2012: sales of €3.2 million with an estimated EBITDA impact of €2.1 million), the cost reduction programme implemented in April 2013 combined with the senior management changes made at the end of 2012 led to a fixed cost reduction of over €1 million.

Summary Group Financials

€m	*2013*	*2012*	*2011*
Marina operating activities	6.5	6.2	5.1
Marina consultancy fees	1.5	1.6	0.9
Sub total	8.0	7.8	6.0
Adjustment for joint ventures*	(2.1)	(1.8)	(1.3)
Total pre licensing of superyacht berths	5.9	6.0	4.7
Licensing of superyacht berths	-	3.2	1.2
Adjusted Sales Revenues	5.9	9.2	5.9
Cost of sales	(1.5)	(2.1)	(1.5)
Gross profit	4.4	7.1	4.4
Operating expenses	(4.7)	(5.9)	(5.2)
Strategic review & transaction/one-off costs	(0.2)	(0.3)	(1.3)
EBITDA	(0.5)	0.9	(2.1)
Depreciation	(0.7)	(0.8)	(1.0)
Net interest expense	(1.0)	(1.2)	(1.3)
Loss before tax and share of Joint ventures	(2.2)	(1.1)	(4.4)
Share of losses of equity accounted investees	(0.2)	(0.4)	(0.7)
Impairment charge	-	(3.8)	(10.0)
Group (loss) before tax	(2.4)	(5.3)	(15.1)

* Under the new accounting standard, IFRS 11, the Group no longer uses proportional consolidation to include its 45% share of revenues and costs of Cesme marina and 50% share of revenue and costs of CNFE in the statement of comprehensive income. Instead the group includes its 45% share of Cesme and 50% share of CNFE as part of a total share of losses of equity-accounted investees, net of tax. The prior years' figures have been restated for this change elsewhere in this report with comments on the change where necessary. The table above shows the Group revenues before this change with an adjustment made to show the impact of the change. All other figures in the table above have been restated to reflect the change required by IFRS 11.

As shown above, operating costs excluding the one-off costs incurred in each period have reduced by €1.2 million and €0.5 million from the 2012 and 2011 levels respectively.

Grand Harbour Marina

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

During 2013 GHM continued its' sponsorship of the Baille de Suffren, a classic yacht race between St. Tropez and Malta. This year's race was considered the most successful to date with 23 classic yachts at the start line ranging in length from 12 to 63 metres. 300 guests were hosted in July for the prize giving dinner held under the walls of Fort St Angelo within the marina. In October the Rolex Middle Sea race once again started from in front of the marina.

The Government led regeneration of the waterfront, around and adjacent to the marina, costing in excess of €9 million is now substantially complete and is now expected to be finalised in 2014. The overall project involving major landscaping work around the marina has created high quality recreational and leisure spaces giving a much improved environment and making the experience of berthing a yacht at GHM much more appealing.

As reported previously, the Board of GHM, in February 2013, declared a dividend of 12 Euro cents per share which resulted in a €950k dividend receipt for CNMIL with €250k paid to GHM's minority shareholders. In March 2014 the Board of GHM declared a further dividend of 8.4 Euro cents per share which resulted in a €665k dividend receipt by CNMIL in April. During 2013, GHM provided additional funding of €0.4 million (2012: €0.7 million) to Cesme and in accordance with the terms of the Bond issue made in 2010, placed €0.9 million in a sinking fund towards repayment of the Bond.

Trading

Sales revenues excluding berth sales increased by over 11% supported by increases in the number of boats, higher pricing and increased utility sales. This increase in sales and tight control of costs resulted in an improved underlying performance of the business. The lack of berth sales in 2013 however gives an unfavourable comparison with 2012 as EBITDA reduced to €0.9m (2012: €2.6 million) Comparing the 2013 results with 2010, the last year there were no berth sales, shows the progress made and the opportunity for future increases in EBITDA. Since 2010 revenues excluding berth sales have increased by €0.8 million and EBITDA has increased by €0.6 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 made a loss before tax of €0.1 million (2012: €1.5 million profit).

Conditions for the sale of long term superyacht berth licences remained challenging and GHM completed no sales during the year. However one 50 metre berth, originally sold by GHM in 2005, was resold by its owner with the transaction completed in December.

During the year, GHM amended the planning application for an extension of the super yacht capacity but when approved the reconfiguration work will only commence when there are sufficient buyers for the new berths.

CBRE valued GHM (based on a 100% interest) at €22.8 million as at 31 December 2013 (2012: €24.1 million). This valuation compares with the market capitalisation of GHM on the Malta Stock Exchange on 25 June 2014 of €18.2 million.

Cesme Marina

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

Cesme Marina, Turkey, our 45% joint venture with IC Holdings had a very successful year and achieved a PBT profit in just its third full year of operation. In addition to the traditional New Year party, concerts and festivals, Cesme marina has hosted many sailing regattas. These include the most prestigious maritime event in Turkey, namely the Navy Cup, the East Aegean Yacht Rally, the Spring Trophy, the ICYC Autumn race (Cesme to Mytilini and back in cooperation with Mytilini Yacht Club) and the Winter Trophy. In addition the marina hosted a mini boat show with Jeanneau yachts which provided an opportunity for the local community to see close up new and existing Jeanneau yachts.

Trading

Total revenues in 2013 increased by nearly 10% when compared with 2012 with increases in both seaside and landside revenues. With tight control of costs the €0.3 million of additional revenues resulted in a €0.2 million increase in EBITDA. After net finance charges and depreciation of €0.5 million and €0.9 million respectively, Cesme made a profit before tax of €0.1 million (2012: €0.3 million loss) a very creditable performance with the marina having only opened in mid-2010.

Under the new accounting standard, IFRS 11, the Group no longer uses proportional consolidation to include its 45% share of revenues and costs of Cesme marina in the statement of comprehensive income. Instead the Group includes its 45% share, €0.03 million profit (2012: €0.1 million loss) of Cesme's after tax profit as part of a total share of losses of equity accounted investees, net of tax, which also includes the Group's share of the results of Camper & Nicholsons First Eastern.

By the end of 2013, with 330 berthing contracts in place the marina had reached over 95% occupancy in terms of berth numbers and nearly 70% in terms of berthing area. Management continues to try to increase the average size of boats in the marina to close the gap between these two occupancy measures. The marina is at full capacity in relation to boats up to 20 metres and opportunities to increase the number of berths are being considered. With local competition and a weak Turkish currency which is impacting on local yachtsmen who have berthing contracts priced in Euros, increasing tariffs has to be balanced with the risk of losing customers. Revenue increases therefore need to be driven by improved water utilisation, increased visitor revenues and higher utility revenues.

The retail properties remained fully occupied during the year with further changes made to improve the quality of the customer offering. Fixed and revenue based rentals, car parking fees and common area fees all increased from last year whilst utility revenues were maintained.

CBRE valued Cesme Marina (based on a 100% interest) at €17.7 million as at 31 December 2013 which is a small decrease on their €18.1 million valuation as at 31 December 2012.

Port Louis

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

Port Louis Marina, Grenada, has continued its reputation as an excellent location for significant events with the Grenada Sailing Week, the World ARC and the Oyster Regatta all hosted during the year. The year ended with a highly successful New Year party attended by over 1,500 people.

Trading

As reported in the interim results, Port Louis Marina has experienced the difficult economic conditions that resulted in a smaller number of boats being present in the Caribbean during this year's hurricane season. This resulted in a decrease of around 10% in the seaside revenues, including utilities, on a like for like basis. This was partially offset by a 10% increase in the landside revenues. The number of visiting boats started to increase in the latter part of the year in the build up to the peak season. Excluding berth sales, marina operating revenues decreased by 8% from the 2012 level with a further 3% reduction resulting from the change in the average €:US$ exchange rate. The continued lack of landside development in Grenada led to market conditions that were not conducive to berth sales with no sales achieved during the year (2012: €0.1 million).

Operating expenses were reduced to €1.2 million which is below the levels seen in each of the last three years. With this tight control of costs offsetting some of the revenue shortfall, Port Louis achieved a €0.1 million EBITDA loss (2012: breakeven). After depreciation and interest charges there was a pre and post-tax loss of €0.8 million (2012: €0.9 million loss). Capital expenditure in the year was negligible (2012: €0.2 million).

The popularity of the marina was demonstrated by the three year agreement signed with Dream Yacht Charters and the new two year agreement signed with TUI Marine in relation to their Moorings and Sunsail brands. The latter agreement includes an increase from 10 to 15 berthing contracts. Although there are some early indications of possible investment in Grenada to develop hotels and other properties it is too early to consider when that might have a positive impact on the marina.

CBRE has valued the Port Louis marina at US$21.1 million (€15.3 million) at 31 December 2013, (2012: US$22.6 million, €17.1 million). After adjusting for other assets and liabilities and losses in the period, there is a cumulative €1.9 million negative adjustment as at 31 December 2013.

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

	Annual Results			
€m	*2013*	*2012*	*2011*	*2010*
External revenues	1.5	1.6	0.9	0.5
Revenues from owned marinas	0.6	0.9	0.9	0.9
Revenues from Parent Company	0.6	1.0	1.2	1.6
Total revenues	2.7	3.5	3.0	3.0
Cost of sales	(1.0)	(1.0)	(0.8)	(0.4)
Third Party Business operating costs	(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)	-	-
EBITDA	(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. Three of our third party marina clients saw significant progress during 2013.

(i) A major development of restaurant and retail units was completed during 2013 at Yas Marina in Abu Dhabi with most units occupied. The marina now features 7 licensed restaurants and lounges, a children's playground, charter options and much more. The marina also offers 192 berths catering for yachts from 8 metres - 150 metres.

(ii) Limassol Marina in Cyprus welcomed the first owners of the new Nereids Residences in January 2013 and received its first yachts in April 2013. The Chairman of the Board of Directors of Limassol Marina Ltd, Mr Marios E. Lanitis, stated that: “The completion and operation of yet another phase of this ground-breaking project, is sending out a positive message for Cyprus. We are working hard to face the current challenges and are proving that we have the capabilities and strength to deliver this outstanding scheme as planned.”

(iii) Cala Ponte Marina in Italy is substantially complete and is due to open mid-2014. Fiorenzo Lupieri, General Manager of the marina, added, “Cala Ponte Marina will be a world class destination and a credit to this beautiful part of Italy’s varied coast. We are very excited to be bringing this marina into full operation, and we are delighted to see Cala Ponte taking its place in the Camper & Nicholsons network of premium marina destinations.”

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. As reported elsewhere, under the new accounting standard, IFRS 11, the detailed revenues and costs of the joint venture are excluded from the Statement of Comprehensive Income and included as part of a total share of losses of equity-accounted investees, net of tax. In 2013, the Group’s share of CNFE’s losses treated this way is €0.2 million (2012: €0.3 million loss). Further information on the Group’s share of the results of CNFE is provided in Note 9 to the Financial Statements.

External revenues generated by CNFE increased rapidly from €0.1m to approaching €0.5 million (our share from less than €0.1 million to nearly €0.25 million). This was based primarily on 3 projects, Haiyang and Hefai in China and Tanjung Aru in Malaysia, all of which have potential to generate future revenues. The growing revenues in CNFE have resulted in additional investment in working capital as indicated at the time of the Group’s fundraising in May 2013. Project deferrals in other areas of the world caused by the generally weak economic climate have impacted adversely on revenues but the pipeline of opportunities is improving with the C&N 1782 Club, described in more detail in the sales and marketing section, having a positive impact.

During the last three years the revenues from our owned marinas have reduced gradually as the requirement for technical work in particular reduced with completion of the marinas. Revenues from the Parent Company were also reduced as the business became more self-sufficient with increased external revenues and lower operating costs.

As reported in the Interim Results the business incurred a one-off redundancy cost of €0.2 million this year. Excluding one-off costs the Third Party Business operating costs in 2013 were €0.6 million lower than in 2012 and €1.0 million lower than 2011. Operating costs in the CNFE business remained the same at €0.3 million as that business sought to grow revenues and increase coverage in the Asia Pacific region.

Net Asset Value and property valuation

At 31 December 2013 the Group’s net assets, on an IFRS basis, amounted to €24.9 million (Dec 2012: €23.4 million). Of this amount, €0.7 million related to the minority shareholders in GHM with €24.2 million (Dec 2012: €22.5 million) attributable to the equity shareholders of the Company, which equated to 17.1 cents (Dec 2012: 28.0 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 20.5 cents (Dec 2012: 34.6 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 €17.7 million, €22.8 million and US$21.1 million (€15.3 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 €4.9 million equating to an Adjusted NAV per share of 20.5 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)	24.2	17.1
Grand Harbour Marina	4.9	3.4
Cesme Marina, Turkey	1.9	1.3
Port Louis Marina	(1.9)	(1.3)
NAV (Adjusted)	29.1	20.5

Basic and diluted per share figures are the same as no options in issue at the reporting date

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

	Total (€m)	Per share (c) #
Adjusted NAV – 31 December 2012	27.7	34,6
Issue of new shares	4.5	(11.8)
Trading loss	(2.4)	(1.7)
Valuation adjustments		
Grand Harbour Marina	0.5	0.3
Cesme	-	-
Port Louis Marina	(0.9)	(0.6)
Exchange gain/(loss) on consolidation and other changes	(0.4)	(0.3)
Adjusted NAV – 31 December 2013	29.1	20.5

Basic and diluted per share figures are the same as no options in issue 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 (2012) ("the Red Book") at 31 December 2013 in the sum of €22.8 million. We are in receipt of a valuation report as at 31 December 2013.

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 (2012) ("the Red Book") in the sum of €17.7 million. We are in receipt of a valuation report as at 31 December 2013.

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 2013 in accordance with the RICS Valuation – Professional Standards (2012) ("the Red Book") in the sum of $21.1 million (€15.3 million). We are in receipt of a valuation report as at 31 December 2013.

Camper & Nicholsons Marina Investments Limited

General Information

Directors:

Sir Christopher Lewinton (Chairman)
Roger Lewis
Martin Bralsford
Clive Whiley
Elizabeth Kan (appointed 25 June 2013))
Trevor Ash (resigned 30 September 2013)

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
20 New Street
St. Peter Port
Guernsey
GY1 4AN

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

Camper & Nicholsons Marina Investments Limited

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. He is an adviser to Compass Partners International Limited. 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).

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.

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 UK listed Albion Prime VCT PLC and of The Stanley Gibbons Group plc, an AIM listed Jersey company. He is also Chairman of the wealth management business, Collins Stewart (CI) Ltd. 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.

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.

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, First Eastern Marina Investments Limited, owned 47.26% of the Company's issued share capital at the date of her appointment.

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2013.

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.

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 2013 (2012: Nil)

Fixed assets

Movements in fixed assets during the year are set out in Note 13 to the financial statements.

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 2013 were:

	Number of Shares Held
Sir Christopher Lewinton (Chairman)	*3,856,292*
Roger Lewis	*400,000*
Trevor Ash (resigned 30 September 2013)	-
Martin Bralsford *	*5,195,033*
Clive Whiley **	*1,500,000*
Elizabeth Kan (appointed 25 June 2013)	-

*Included within Mr Bralsford's shareholding are 1,300,000 ordinary shares (0.92% 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 Martin Bralsford and Ms Elizabeth Kan 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 page 14.

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.

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 19, 21 and 22 of the consolidated financial statements. The Group's financial risk management objectives and policies are set out in note 29 and note 30 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 completed the negotiations with Scotiabank for the re-profiling of its 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 31 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.

DIRECTORS' REPORT (Continued)

Board of directors

The Company has a board of five 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 2013 and the number of meetings attended by each director:

	Scheduled Board Meetings		Ad Hoc Board Meetings	
	Held	**Attended**	**Held**	**Attended**
Sir Christopher Lewinton (Chairman)	4	4	2	2
Roger Lewis	4	4	2	2
Trevor Ash (resigned 30 September 2013)	3	3	2	1
Martin Bralsford	4	3	2	2
Clive Whiley	4	4	2	2
Elizabeth Kan (appointed 25 June 2013)	3	3	-	-

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.

All Directors' contracts are for one year.

	Date of appointment	**Unexpired term of contract at 31 December 2013**	**Contractual Annual rate of Directors fees**	**Emoluments in year ended 31 December 2013**	
				Group	**Parent company**
			€	€	€
Sir Christopher Lewinton (Chairman)	19-Dec-08	12 months	52,985	71,889	64,901
Roger Lewis	20-Oct-06	10 months	32,968	38,440	31,452
Martin Bralsford	29-Feb-12	2 months	32,968	30,555	30,555
Clive Whiley	12-Nov-12	11 months	29,436	-	-
Elizabeth Kan	25-June-13	6 months	29,436	14,848	14,848
			177,793	155,732	141,756
Former Directors					
Trevor Ash	Resigned 30-Sept-13		-	24,817	24,817

Further details relating to Directors' remuneration are provided in Note 7 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, 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 0203 405 1782.

Annual General Meeting

Notice convening the 2014 annual general meeting of the Company and a form of proxy in respect of that meeting can each be found at the end of this document.

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Auditor

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

By Order of the Board

Shaftesbury Limited
Secretary, 27 June 2014

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 2013, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position and 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 16, 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 Chairman's Statement, Business Review and Director's 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 2013 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
27 June 2014

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Comprehensive Income
for the year ended 31 December 2013

	Note	2013	2012 Restated
		€	€
Marina operating activities		4,534,956	4,379,141
Licensing of super yacht berths		-	3,220,781
Marina consultancy fees		1,366,611	1,622,104
Revenue		5,901,567	9,222,206
Cost of sales		(1,516,168)	(2,106,455)
Gross Profit		4,385,399	7,115,571
Directors' remuneration	7	180,549	747,987
Salaries & wages		1,981,004	2,213,412
Audit fees		148,453	137,803
Rent and rates		469,730	815,590
Other general administration expenses	8	1,362,769	1,598,624
Legal & professional and fundraising fees		213,971	332,957
Promotion		363,854	355,504
Depreciation		691,951	799,603
Exchange differences		125,931	39,756
Operating expenses		5,538,212	7,041,236
Operating (loss)/profit		(1,152,813)	74,335
Impairment loss on Port Louis assets	13	-	(3,768,021)
		(1,152,813)	(3,693,686)
Finance income		202,072	146,886
Finance expense		(1,266,288)	(1,342,334)
		(1,064,216)	(1,195,448)
Share of losses of equity-accounted investees, net of tax		(196,211)	(451,541)
Loss before tax		(2,413,240)	(5,340,675)
Taxation	9	(45,354)	112,379
Loss for the year from continuing activities		(2,458,594)	(5,228,296)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Net change in fair value reserve		(5,114)	48,601
Foreign exchange reserve		(346,590)	(141,050)
Other comprehensive income for the year		(351,704)	(92,449)
Total comprehensive income for the year		(2,810,298)	(5,320,745)
Loss attributable to:			
Equity shareholders		(2,438,685)	(5,545,388)
Non-controlling interest		(19,909)	317,092
Loss for the year		(2,458,594)	(5,228,296)
Total comprehensive income attributable to:			
Equity shareholders		(2,789,324)	(5,647,961)
Non-controlling interest		(20,974)	327,216
Total comprehensive income for the year		(2,810,298)	(5,320,745)
Loss per share (Euro cents)			
basic, attributable to equity shareholders	10	(2.02)	(6.91)
diluted, attributable to equity shareholders	10	(2.02)	(6.91)

The accompanying notes on pages 25 to 57 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 2013

	Issued Capital €	Retained Earnings €	Fair Value Reserve €	Foreign Exchange Reserve €	Total €	Non-controlling Interests €	Total Equity €
Year Ended 31 December 2012							
Balance at 1 January 2012 as previously reported and restated	54,233,732	(28,904,540)	(9,500)	2,816,850	28,136,542	597,384	28,733,926
Total comprehensive income (restated)							
Loss for the year	-	(5,545,388)	-	-	(5,545,388)	317,092	(5,228,296)
Other comprehensive income	-	-	38,477	(141,050)	(102,573)	10,124	(92,449)
Total comprehensive income (restated)	-	(5,545,388)	38,477	(141,050)	(5,647,961)	327,216	(5,320,745)
Restated balance at 31 December 2012	54,233,732	(34,449,928)	28,977	2,675,800	22,488,581	924,600	23,413,181
Year Ended 31 December 2013							
Restated balance at 1 January 2013	54,233,732	(34,449,928)	28,977	2,675,800	22,488,581	924,600	23,413,181
Total Comprehensive income for the year							
Loss for the year	-	(2,438,685)	-	-	(2,438,685)	(19,909)	(2,458,594)
Other comprehensive income	-	-	(4,049)	(346,590)	(350,639)	(1,065)	(351,704)
Total comprehensive income	-	(2,438,685)	(4,049)	(346,590)	(2,789,324)	(20,974)	(2,810,298)
Transactions with owners of the Company							
Contributions and distributions							
Issue of ordinary shares	4,548,565	-	-	-	4,548,565	-	4,548,565
Dividend paid to non-controlling interest	-	-	-	-	-	(249,935)	(249,935)
Total contributions and distributions	4,548,565	-	-	-	4,548,565	(249,935)	4,298,630
Balance at 31 December 2013	58,782,297	(36,888,613)	24,928	2,329,210	24,247,822	653,591	24,901,513

The accompanying notes on pages 25 to 57 form an integral part of these consolidated financial statements.

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Financial Position
As at 31 December 2013

	Note	31 December 2013	31 December 2012 Restated	1 January 2012 Restated
		€	€	€
Non current assets				
Property, plant and equipment	13	23,630,648	24,865,856	30,046,445
Equity accounted investees		271,405	238,128	686,860
Assets held under Trust	14	853,860	-	-
Cash pledges	15	4,403,964	3,500,099	2,738,246
Deferred tax asset		349,086	489,951	-
Available for sale financial assets	16	793,002	1,612,501	1,563,900
Goodwill	17	10,603,823	10,603,823	10,603,823
		40,905,788	41,310,358	45,639,274
Current assets				
Trade and other receivables	18	1,561,189	3,402,782	1,774,623
Cash and cash equivalents	19	4,567,010	4,194,301	6,514,078
		6,128,199	7,597,083	8,288,701
TOTAL ASSETS		47,033,987	48,907,441	53,927,975
Current Liabilities				
Trade and other payables	20	2,896,351	4,329,702	2,973,730
Loans repayable within one year	22	1,741,241	1,681,900	1,112,502
		4,637,592	6,011,602	4,086,232
TOTAL ASSETS LESS CURRENT LIABILITIES		42,396,395	42,895,839	49,841,743
Non current liabilities				
Loans repayable after more than one year	22	5,643,565	7,656,254	9,488,793
Unsecured 7% Bond	21	11,692,797	11,654,570	11,619,024
Other payables		158,520	171,834	-
		17,494,882	19,482,658	21,107,817
NET ASSETS		24,901,513	23,413,181	28,733,926
Equity attributable to equity shareholders				
Issued capital	23	58,782,297	54,233,732	54,233,732
Retained earnings		(36,888,613)	(34,449,928)	(28,904,540)
Fair value reserve		24,928	28,977	(9,500)
Foreign exchange reserve		2,329,210	2,675,800	2,816,850
		24,247,822	22,488,581	28,136,542
Non-controlling interest	25	653,691	924,600	597,384
Total equity		24,901,513	23,413,181	28,733,926
Net assets per share:				
Basic, attributable to equity shareholders	24	17.10c	28.03c	35.06c
Diluted, attributable to equity shareholders	24	17.10c	28.03c	35.06c

The consolidated financial statements on pages 21 to 57 were approved by the Board of Directors on 27 June 2014.

Sir C Lewinton, Chairman

M Bralsford, Director

The accompanying notes on pages 25 to 57 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 2013

	Year ended 31 December 2013 €	Year ended 31 December 2012 Restated €
Cash flows from operating activities		
Loss before taxation	(2,413,240)	(5,340,675)
Adjusted for:		
Finance income	(202,072)	(146,886)
Finance expense	1,266,288	1,342,334
Depreciation	691,951	799,603
Asset impairment loss	-	3,768,021
Share of losses of equity accounted investees, net of tax	196,211	451,541
Unrealised foreign exchange loss	61,071	(1,928)
	(399,791)	872,010
Decrease/(Increase) in receivables	1,829,432	(1,632,680)
(Decrease)/Increase in payables	(1,498,052)	1,508,199
Income tax credit/(expense)	95,511	(377,572)
Net cash flows from operating activities	27,100	369,957
Cash flow from investing activities		
Acquisition of property, plant & equipment	(83,219)	(297,630)
Disposals of property plant and equipment	5,855	665,665
Loan to equity accounted investee	(217,530)	-
Interest received	202,072	146,886
Net cash flows from investing activities	(92,822)	514,921
Cash flows from financing activities		
Proceeds of borrowings	38,227	35,546
Proceeds from new share issue	4,548,565	-
Increase in other non current assets	(943,340)	(761,853)
Repayment of borrowings	(1,627,727)	(1,137,942)
Dividend paid	(249,935)	-
Interest paid	(1,266,288)	(1,342,334)
Net cash flows from financing activities	499,502	(3,206,583)
Net increase/(decrease) in cash and cash equivalents	433,780	(2,321,705)
Opening cash and cash equivalents	4,194,301	6,514,078
Effect of exchange rate fluctuations on cash held	(61,071)	1,928
Closing cash and cash equivalents	4,567,010	4,194,301

The accompanying notes on pages 25 to 57 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 2013 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 and the Group's interest in joint ventures for the year ended 31 December 2013 were authorised for issue in accordance with a resolution of the directors on 27 June 2014.

2. Basis of preparation

The consolidated financial statements of the Group for the year to 31 December 2013 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 Euros.

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 19, 21 and 22 of the consolidated financial statements. The Group's financial risk management objectives and policies are set out in note 29 and note 30 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 completed the negotiations with Scotiabank for the re-profiling of its loan to a subsidiary company, the Board believes that the Group has adequate resources to continue trading for the foreseeable future and 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. With the adoption of The Companies (Guernsey) Law 2008, the Company is no longer required to disclose Company financial statements.

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.

2. Basis of preparation (continued)

The Group assesses goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in the Consolidated Statement of Comprehensive Income.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Transaction costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the Consolidated Statement of Comprehensive Income.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

(iii) Acquisitions of non-controlling interests
Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

(iv) Interests in Equity Accounted Investees – Joint Ventures
The Group's interests in equity accounted investees comprise interests in two joint ventures.

A joint venture is a contractual arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in joint ventures are accounted for using the equity method. They are recognised initially at cost which includes acquisition costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity accounted investees, until the date on which the significant influence or joint control ceases.

(v) Loss of control
When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any resulting gain or loss is recognised in the Consolidated Statement of Comprehensive Income. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available for sale financial asset depending on the level of influence retained.

(vi) Transactions eliminated on consolidation
All intra-Group balances, transactions, income and expenses and profits and losses resulting from intra-Group transactions that are recognised in assets, are eliminated in full. As charges to equity accounted investees relate to services provided and are charged to profit and loss as incurred, there will not be any unrealised gains on such transactions.

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 the following notes:

- Note 2 - Revenue recognition
- Notes 2 and 26 – Lease classification

(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 discussed below.

Impairment of non-financial assets
The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

Impairment of financial assets
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Measurement of fair values
A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Share-based payments
The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. This cost is included as a Fair Value Option Reserve in the Statement of Financial Position. Estimating fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility and dividend yield and making assumptions about them. If the option expires the cost is transferred from the Fair Value Option Reserve to Issued Capital.

2. Basis of preparation (continued)

Significant accounting judgments, estimates and assumptions (continued)

Deferred Tax Assets
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. The carrying value of recognised tax losses at 31 December 2013 was €421,795 (2012: €489,951).

3. Changes in accounting policies

Except for the changes detailed below, the Group has applied consistently the accounting policies set out in Note 4 to all periods presented in these consolidated financial statements.

The Group has adopted the following new standards and amendments to standards including any consequential amendments to other standards, with a date of initial application of 1 January 2013.

(a) Presentation of Items of Other Comprehensive Income (Amendments to IAS 1, "Presentation of Financial Statements"). The amendments to IAS 1 change the grouping of items in other comprehensive income in the condensed consolidated statement of comprehensive income. Items that could be reclassified to profit or loss at a future point in time are now required to be presented separately from items that will never be reclassified. As a result, the Group has modified the presentation of items in Other Comprehensive Income in its statement of comprehensive income to present separately items that could be reclassified to profit or loss from those that never would be. The amendment has no impact on the recognised assets, liabilities and comprehensive income of the Group.

(b) IFRS 10 Consolidated Financial Statements (2011) as a result of which the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. The standard introduces a new control model that is applicable to all investees, by focusing on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. In accordance with the transitional provisions of IFRS 10 (2011), the Group reassessed the control conclusion for its investees at 1 January 2013 and concluded that no changes were required in relation to the investees which are consolidated.

(c) IFRS 11 Joint Arrangements under which the Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's rights to the assets and obligations for the liabilities of the arrangements. Previously, the structure of an arrangement was the only consideration but under IFRS 11 consideration needs also to be given to the legal form of the separate vehicles, the contractual terms of the arrangements and other facts and circumstances. The Group has re-evaluated its involvement in its two joint arrangements IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi ("IC Cesme") and Camper & Nicholsons First Eastern Limited ("CNFE") and concluded that they are joint ventures under the accounting standard. As a result of this, the investments are now accounted for using the equity method rather than proportionate consolidation and this reduces the level of individual asset and liability categories in the Group.

(d) IFRS 12 Disclosure of Interests in other entities. This brings together into a single standard all the disclosure requirements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The standard requires the disclosure of information about the nature, risks and financial effects of these interests on the Group's financial position, financial performance and cash flows. As a result additional information has been disclosed, particularly in relation to the Group's interests in the IC Cesme and CNFE joint ventures.

(e) IFRS 13 Fair Value Measurement. This standard establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other IFRSs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure

3. Changes in accounting policies (continued)

requirements about fair value measurements in other IFRSs, including IFRS 7 Financial Instruments: Disclosures. As a result the Group has included additional disclosures in this regard (see Note 28).

In accordance with the transitional provisions of IFRS 13, the Group has applied the new fair value measurement guidance prospectively, and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impact on the measurements of the Group's assets and liabilities.

(f) Summary of quantitative impact

The following tables summarise the material impacts resulting from the above changes in accounting policies on the Group's financial position, comprehensive income and cash flows.

As the Group has taken advantage of the transitional provisions of Consolidated Financial Statements, Joint Arrangements and Disclosure of interests in Other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12), the following tables do not include the effect of the changes in accounting policies on the current period.

Condensed consolidated statement of financial position

		Effect of changes in accounting policies	
	As previously reported	**Joint Ventures**	**As restated**
1 January 2012	**€**	**€**	**€**
Property, plant and equipment	36,814,233	(6,767,788)	30,046,445
Other non-current assets including goodwill	15,278,160	(372,191)	14,905,969
Equity-accounted investees	-	686,860	686,860
Trade and other receivables (current)	1,971,637	(197,014)	1,774,623
Cash and cash equivalents	6,993,944	(479,866)	6,514,078
Total assets	**61,057,974**	**(7,129,999)**	**53,927,975**
Trade and other payables (current)	(3,486,342)	512,612	(2,973,730)
Other liabilities	(28,837,706	6,617,387	(22,220,319)
Total liabilities	**(32,324,048)**	**7,129,999**	**(25,194,049)**
Non-controlling interests	(597,384)	-	(597,384)
Equity attributable to equity shareholders	(28,136,542)	-	(28,136,542)
Total equity	**(28,733,926)**	**-**	**(28,733,926)**
31 December 2012			
Property, plant and equipment	31,544,965	(6,679,109)	24,865,856
Other non-current assets including goodwill	16,581,001	(374,627)	16,206,374
Equity-accounted investees	-	238,128	238,128
Trade and other receivables (current)	3,794,967	(392,185)	3,402,782
Cash and cash equivalents	4,864,152	(669,851)	4,194,301
Total assets	**56,785,085**	**(7,877,644)**	**48,907,441**
Trade and other payables (current)	(5,128,216)	798,514	(4,329,702)
Other liabilities	(28,268,359)	7,103,801	(21,164,558)
Total liabilities	**(33,396,575)**	**7,902,315**	**(25,494,260)**
Non-controlling interests	(924,600)	-	(924,600)
Equity attributable to equity shareholders	(22,463,910)	(24,671)	(22,488,581)
Total equity	**(23,388,510)**	**(24,671)**	**(23,413,181)**

The €24,671 adjustment for the joint ventures arises from the non-recognition of losses relating to CNFE as the Group’s cumulative share of its’ losses exceeded the investment in CNFE by this amount.

3. Changes in accounting policies (continued)

Summary of quantitative impact (continued)

When the Group acquired its' 45% interest in IC Cesme in 2007, goodwill of €372,191 was recognised in the Statement of Financial Position. This goodwill has been classified as part of the cost of the investment and is included in the table above within the adjustment of non-current assets relating to joint ventures.

	Effect of changes in accounting policies		
For the year ended 31 December 2012	**As previously reported**	**Joint Ventures**	**As restated**
	€	**€**	**€**
Condensed consolidated statement of comprehensive income			
Revenue	11,038,798	(1,816,772)	9,222,026
Cost of sales	(2,328,137)	221,682	(2,106,455)
Operating expenses	(8,784,657)	1743,421	(7,041,236)
Asset impairment charge	(3,768,021)	--	(3,768,021)
Net finance costs	(1,523,329)	327,881	(1,195,448)
Share of losses of equity-accounted investees, net of tax	-	(451,541)	(451,541)
Tax credit	112,379	-	112,379
Loss for the period	**(5,252,967)**	**24,671**	**(5,228,296)**
Fair value reserve	48,601	-	48,601
Foreign exchange reserve (balance sheet)	(141,050)	-	(141,050)
Other comprehensive income for the period	**(92,449)**	**-**	**(92,449)**
Total comprehensive loss for the period	**(5,345,416)**	**24,671**	**(5,320,745)**
Condensed consolidated statement of cash flows			
Net cash flows from operating activities	644,434	(274,477)	369,957
Net cash flows from investing activities	265,488	249,433	514,921
Net cash flows from financing activities	(3,060,915)	(145,668)	(3,206,583)
Others	-	-	-
Change in Cash and cash equivalents	**(2,150,993)**	**(170,712)**	**(2,321,705)**

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.

4. Summary of significant accounting policies (continued)

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:

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.

Interest income
Interest income is recognised as interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Dividends
Dividends are recognised by the parent company when the company's right to receive the payment is established. Intragroup dividends are eliminated in the consolidated financial statements.

Expenses

All expenses are accounted for on an accruals basis. Operating expenses are charged wholly to the Consolidated Statement of Comprehensive Income. Costs of issue of shares for cash are charged to shareholders' equity and share capital is shown in the consolidated Statement of Financial Position net of such costs. Costs incurred in issuing shares as consideration for the acquisition of business combinations are charged as an expense in the Consolidated Statement of Comprehensive Income.

Finance Income and Finance Expense

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, and gains on the disposal of available-for-sale financial assets. Interest income is recognised as it accrues in the Consolidated Statement of Comprehensive Income. Dividend income is recognised in the Consolidated Statement of Comprehensive Income on the date that the Group's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

Finance costs comprise interest expense on borrowings and impairment losses recognised on financial assets (other than trade receivables).

Borrowing costs that are not directly related to the acquisition or construction of a qualifying asset are recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

4. Summary of significant accounting policies (continued)

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 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.

Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:
- where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated Statement of Financial Position.

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.

4. Summary of significant accounting policies (continued)

Property, plant and equipment (continued)

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the Consolidated Statement of Comprehensive Income.

(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 in profit or loss 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 Revenue Recognition above.

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. Fair value is determined by reference to the quoted price of the relevant security at close of business on the last trading day of the reporting period by the stock exchange on which it is most actively traded. Changes in fair value are recognised in other comprehensive income and presented within equity in the fair value reserve.

4. Summary of significant accounting policies (continued)

Available for sale financial assets (continued)

Interest income, calculated using the effective interest method, is recognised in profit or loss. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Available for sale financial assets are classified as non-current assets if they are expected to be held for a period exceeding one year otherwise they are shown as current assets.

Cash and cash equivalents

Cash and short term deposits 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. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currency are initially recorded at the functional currency rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency 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.

4. Summary of significant accounting policies (continued)

Foreign currency (continued)

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.

(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 a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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-lived intangible assets are tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

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.

4. Summary of significant accounting policies (continued)

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.

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.

Provisions

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax discount rate that reflects, where appropriate, the risks specific to the liability.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance policy, the reimbursement is recognised as a separate asset but only when recovery of the asset is virtually certain and the liability is asserted. The expense relating to any provision is presented in the Consolidated Statement of Comprehensive Income net of any reimbursement. Where discounting is used, the increase in the provision due to unwinding the discount is recognised as a finance cost.

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

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed by the CEO of Camper & Nicholsons Marinas, 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.

4. Summary of significant accounting policies (continued)

Segment reporting (continued)

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 capital expenditure 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, amendments to standards and interpretations are effective for annual accounts beginning after 1 January 2013, 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*, IFRS 9 (2009) could change the classification and measurement of financial assets whilst IFRS 9 (2010) introduces additional changes relating to financial liabilities. These two changes are effective for annual periods beginning on or after 1 January 2015, with early adoption permitted. IFRS 9 was further amended in November 2013 to bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements and remove the 1 January 2015 mandatory effective date. The new mandatory effective date of IFRS 9 will be determined by the IASB once the outstanding phases are finalised.

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 2013 are set out below:-

6 **Segmental Reporting** (continued)

	Marina Operations	Marina Consultancy	Parent Company	Totals
For the year ended 31 December 2013	€	€	€	€
Revenues from external customers	6,497,035	1,447,249	34,048	7,978,332
Intersegment revenues	-	1,337,553	124,047	1,461,600
Total including joint ventures	6,497,035	2,784,802	158,095	9,439,932
Excluding joint venture impact	(1,962,079)	(230,594)	-	(2,192,673)
Total excluding joint ventures	4,534,956	2,554,208	158,095	7,247,259
Revenues from external customers	4,534,956	1,298,516	68,095	5,901,567
Intersegment revenues	-	1,255,692	90,000	1,345,692
Interest revenue	160,652	130	41,290	202,072
Interest expense	(1,263,776)	-	(2,512)	(1,266,288)
Depreciation & amortisation	634,908	57,043	-	691,951
Reportable segment loss	(877,930)	(151,499)	(1,187,600)	(2,217,029)
Share of profits/(losses) of equity accounted investees	33,276	(229,487)	-	(196,211)
Total including equity accounted investees	(844,654)	(380,986)	(1,187,600)	(2,413,240)
Expenditures for reportable segment non-current assets	45,910	29,948	-	75,858
For the year ended 31 December 2012				
Revenues from external customers	9,449,868	1,603,538	(14,608)	11,038,798
Intersegment revenues	-	2,141,710	109,087	2,250,797
Total including joint ventures	9,449,868	3,745,248	94,479	13,289,595
Excluding joint venture impact	(1,849,946)	(166,652)	-	(2,016,598)
Total excluding joint ventures	7,599,922	3,578,596	94,479	11,272,997
Revenues from external customers	7,599,922	1,631,435	10,555	9,241,912
Intersegment revenues	-	1,947,161	83,924	2,031,085
Interest revenue	111,532	67	35,287	146,886
Interest expense	(1,322,055)	-	(20,279)	(1,342,334)
Depreciation & amortisation	751,348	48,255	-	799,603
Reportable segment profit/(loss)	610,079	57,501	(1,788,693)	(1,121,113)
Asset impairment charge	(3,768,021)	-	-	(3,768,021)
Share of losses of equity accounted investees	(130,554)	(320,987)	-	(451,541)
Total including equity accounted investees	(2,288,496)	(263,486)	(1,788,693)	(5,340,675)
Expenditures for reportable segment non-current assets	349,145	55,233	-	404,378

6 Segmental Reporting (continued)

Reconciliation of reportable segment revenues and profit and loss

	31 December 2013	31 December 2012 Restated
Revenues	€	€
Total revenues for reportable segments	7,247,259	11,272,997
Elimination of inter-segment revenues	(1,345,692)	(2,031,085)
Group revenues	5,901,567	9,241,912
Profit & Loss		
Total profit & loss for reportable segments	(2,217,029)	(4,889,134)
Share of losses of equity accounted investees	(196,211)	(451,541)
Group loss before tax	(2,413,240)	(5,340,675)

Reconciliation of reportable segment assets and liabilities

	Marina Operations	Marina Consultancy	Parent Company	Totals
As at 31 December 2013	€	€	€	€
Assets for reportable segments	42,704,646	1,885,397	36,598,484	81,188,527
Investment in and loan to equity accounted investees	271,405	-	-	271,405
Total	42,976,051	1,885,397	36,598,484	81,459,932
Less: intercompany loans				(32,226,411)
Less: investments in subsidiaries net of goodwill				(2,199,534)
Group total assets				47,033,987
Liabilities for reportable segments	48,375,213	1,866,578	4,117,094	54,358,885
Less: intercompany loans				(32,226,411)
Group total liabilities				22,132,474
Group Net Assets				24,901,513
As at 31 December 2012				
Assets for reportable segments	45,941,391	1,916,849	32,825,171	80,683,411
Investment in and loan to equity accounted investee	238,128	-	-	238,128
Total	46,179,519	1,916,849	32,825,171	80,921,539
Less: intercompany loans				(29,804,565)
Less: investments in subsidiaries net of goodwill				(2,209,533)
Group total assets				48,907,441
Liabilities for reportable segments	49,566,989	1,731,936	3,999,900	55,298,825
Less: intercompany loans				(29,804,565)
Group total liabilities				25,494,260
Group Net Assets				23,413,181

7 Directors' remuneration

	Year ended 31 December 2013	Year ended 31 December 2012
	€	€
Directors' fees – Parent Company	166,573	236,547
Directors' fees – Other Group Companies	13,976	161,884
Mr Maris's contractual and statutory entitlements and ex gratia payment	-	349,556
Total	180,549	747,987

8 Other general administration expenses

	Year ended 31 December 2013	Year ended 31 December 2012
	€	€
Communications including travel	200,625	237,657
Repairs & maintenance	159,340	220,067
Security	93,040	99,363
Insurance	179,550	194,517
Electricity, water & gas	135,263	180,211
Administration fees	59,728	61,608
Printing stationery & postage	27,826	43,174
Bank charges	86,367	95,604
Bad debt provision	42,369	30,492
Bond costs amortisation	38,227	35,546
Royalty fees	171,603	154,711
Other	168,831	245,674
Total	1,362,769	1,598,624

9 Taxation

9.1 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 €96,009 arises in a subsidiary from the overprovision in prior years whilst the small tax charge of €498 arises in two other subsidiaries. The deferred tax asset has reduced by €68,156 to €421,795 at 31 December 2013 (31 December 2012: €489,951).The prior period charge relates to the 12% final tax charge on the long term berth sales completed at Grand Harbour Marina.

The prior year credit arises from the recognition of a previously unrecognised deferred tax asset in a subsidiary as management considered it probable that future taxable profit of that subsidiary would allow the deferred tax asset to be recovered. A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

	Year ended 31 December 2013 €	Year ended 31 December 2012 €
Income Tax charge	498	377,572
Tax over provided in prior periods	(96,009)	-
Deferred Tax charge/(credit)	140,865	(489,951)
Total (credit)/charge	45,354	(112,379)

9.2 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 2013 is as follows:

	Year ended 31 December 2013 €	Year ended 31 December 2012 €
Accounting loss before income tax	(2,325,895)	(4,889,134)
Income tax using the country domestic rates	(48,787)	555,420
Tax effect of:		
Brought forward losses	-	(17,092)
Profit on sale of long-term berths taxed separately	-	(704,040)
Expenses not deductible for income tax	201,763	352,555
Current tax (over) provided in prior periods	(95,513)	-
Movement in deductible temporary differences not recognised	-	-
Interest accrued taxable on receipt	(30,997)	(11,480)
Losses carried forward	18,888	-
12% final tax on berth sales	-	377,568
Recognition of previously unrecognised unrelieved tax losses and unabsorbed capital allowances	-	(460,679)
Change in recognised unrelieved tax losses and unabsorbed capital allowances	-	(29,272)
Unabsorbed capital allowances not previously recognised, now absorbed	-	(175,359)
Income tax (credit)/charge for the year	45,354	(112,379)

10 Earnings per share

Basic earnings per share amounts are calculated by dividing €2,438,685 Group net loss (2012: €5,545,388 Group net loss) for the year attributable to ordinary equity holders of the parent by 120,540,156 (2012: 80,243,615) being the weighted average number of ordinary shares outstanding during the period.

For the year ended 31 December 2013 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.

11 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.

12 Equity Accounted Investees – Joint ventures

The Group has 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 2013 the Group had invested €1.8 million (31 December 2012: €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. The timing of the requirement for the further shareholder loan of up to US$0.45 million is uncertain.

12 Equity Accounted Investees – Joint ventures (continued)

The table below summarises the financial information for IC Cesme and CNFE and also reconciles this summary information to the carrying amount of the Group's interest in these equity accounted investees.

	2013	2013	2013	2012
	IC Cesme	CNFE	Total	Total
Percentage ownership interest	45%	50%		
	€	€	€	€
Non current assets	14,063,025	8,370	14,071,395	14,846,900
Cash and cash equivalents	1,543,256	90,436	1,633,692	1,466,458
Other current assets	1,246,274	287,860	1,534,134	1,042,456
Non-current financial liabilities	(13,172,974)	(435,066)	(13,608,040)	(13,681,392)
Current financial liabilities	(2,395,086)	-	(2,395,086)	(2,104,830)
Other current liabilities	(1,508,464)	(471,546)	(1,980,010)	(1,916,852)
Net assets (100%)	(223,969)	(519,946)	(743,915)	(347,260)
Group's share of net assets	(100,786)	(259,973)	(360,759)	(158,734)
Losses not consolidated	-	42,443	-	24,671
Goodwill	372,191	-	372,191	372,191
Loan to equity accounted investee	-	217,530	217,530	-
Carrying amount of interest in joint ventures	271,405	-	271,405	238,128

	2013	2013	2013	2012
	IC Cesme	CNFE	Total	Total
Percentage ownership interest	45%	50%		
	€	€	€	€
Revenue	4,360,176	460,654	4,820,830	4,245,004
Operating expenses	(2,851,761)	(913,270)	(3,765,031)	(3,655,930)
Depreciation and amortisation	(878,862)	(1,188)	(880,050)	(832,232)
Finance revenue	32,696	2,968	35,664	23,173
Finance costs	(588,303)	-	(588,303)	(751,798)
Tax	-	(43,682)	(43,682)	(9,654)
Profit/(Loss) and total comprehensive income (100%)	73,946	(494,518)	(420,572)	(981,437)
Profit/(Loss) and total comprehensive income (Group share)	33,276	(247,259)	(213,983)	(476,212)
Losses not consolidated	-	17,772	17,772	24,671
Group's share of loss and total comprehensive income	33,276	(229,487)	(196,211)	(451,541)

12 Equity Accounted Investees – Joint ventures (continued)

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 €1m 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 €9,249,386. 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 note 26.

13 Property, plant and equipment

	Marina Develop.	Deferred super yacht berth costs	Equipment & office furniture	Motor vehicles	Leasehold Property	Total
Cost:	€	€	€	€	€	€
Year ended 31 December 2012						
At 1 January 2012 - restated	34,362,349	551,835	878,995	57,199	46,517	35,896,895
Additions	265,633	-	136,753	-	1,992	404,378
Deferred costs	(39,171)	(56,009)	-	-	-	(95,180)
Expensed	(705,737)	-	-	-	-	(705,737)
Disposals	(59,742)	-	(14,297)	-	-	(74,039)
Impairment charge	(3,768,021)	-	-	-	-	(3,768,021)
Exchange to closing rate	(309,034)	-	1,057	(404)	1,081	(307,300)
As at 31 December 2012 restated	29,746,277	495,826	1,002,508	56,795	49,590	31,350,996
Year ended 31 December 2013						
Additions	31,198	-	44,660	-	-	75,858
Reallocations	(14,088)	-	14,088	-	-	-
Disposals	(335)	-	(17,254)	(4,624)	-	(22,213)
Exchange to closing rate	(740,329)	-	(16,731)	(997)	(1,047)	(759,104)
As at 31 December 2013	29,022,723	495,826	1,027,271	51,174	48,543	30,645,537

13 Property, plant and equipment (continued)

	Marina Develop.	Deferred super yacht berth costs	Equipment & office furniture	Motor vehicles	Leasehold Property	Total
Depreciation:	€	€	€	€	€	€
Year ended 31 December 2012						
At 1 January 2012 - restated	5,287,352	5,057	521,494	35,771	776	5,850,450
Depreciation charge	649,331	-	128,817	11,541	9,914	799,603
Disposals	(103,637)	-	(10,474)	-	-	(114,111)
Exchange to closing rate	(50,511)	-	258	(504)	(45)	(50,802)
As at 31 December 2012 - restated	5,782,535	5,057	640,095	46,808	10,645	6,485,140
Year ended 31 December 2013						
Depreciation charge	560,308	-	117,087	4,993	9,563	691,951
Disposals	-	-	(11,784)	(4,574)	-	(16,358)
Exchange to closing rate	(135,834)	-	(8,968)	(996)	(46)	(145,844)
As at 31 December 2013	6,207,009	5,057	736,430	46,231	20,162	7,014,889
Net Book Value:						
As at 31 December 2013	22,815,714	490,769	290,841	4,943	28,381	23,630,648
As at 31 December 2012-restated	23,963,742	490,769	362,413	9,987	38,945	24,865,856

During 2013 the Port Louis Marina continued to be impacted by the weak regional economic conditions but nevertheless achieved a close to breakeven EBITDA result without berth sales. 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 15% (2012: 15%) to the forecast 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 super yacht berth sales, the continued slow take up of annual berthing contracts and the generally weak economic climate, CBRE have reduced their valuation of the asset at 31 December 2013 to $21.1 million (2012: $22.6 million) or €15.3 million (2012: €17.1 million). This valuation is $1.6 million below the $22.7 million (2012: $23.2 million) carrying value of the asset and is therefore considered to be an indicator of possible impairment of value.

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 is estimated that the unused seabed area has a value of around $1.5 million (€1.1 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 are returning to both the region and the marine market generally and that in the medium term consider the unused seabed area and superyacht 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 2013 include no impairment charge (2012: US$5 million or €3.8 million).

14. Assets held under Trust

In accordance with the terms of the Trust Deed for Grand Harbour Marina'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 to the Trustees, Malta Government Bonds that had cost €814,385 which were sold by the Trustees and generated net proceeds of €853,860 after broker fees of €1,146.

15 Cash pledges

	31-Dec-2013	31-Dec-2012 Restated
Cash Pledges comprise the following:	€	€
Isbank	3,929,023	3,500,099
Scotia Bank	474,941	-
	4,403,964	3,500,099

As detailed in Note 12, 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 2013 the Group's share of the cash pledge amounted to €3,929,023 (31 December 2012: €3,500,099) including interest added of €92,023 (31 December 2012: €54,599). 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.

In accordance with the information provided at the time of the fund raising in April 2013, a cash deposit of €0.5 million (US$655k) was placed with Scotiabank to facilitate the removal of the Debt Service Coverage Ratio covenant given to Scotiabank, that would otherwise have been breached on 31 March 2013, and secure a permanent waiver of prior breaches of the covenant.

16 Available for sale financial assets

At 31 December 2013, the Group held Available for sale financial assets which consisted of an investment in Malta Government Bonds amounting to €793,002. (31 December 2012: €1,612,501) Although the investment will be sold and will not be held to maturity, it is not expected that a sale will be completed in the short term. Consequently, the investment in Malta Government Bonds was classified as a non-current asset.

17 Goodwill

Goodwill arises from the following acquisitions:

	31 December 2013			31 December 2012
	Acquisition Cost	Group share of fair value of assets / (liabilities) acquired	Goodwill	Goodwill
	€	€	€	€
Grand Harbour Marina plc	11,167,684	1,835,062	9,332,622	9,332,622
Camper & Nicholsons Marina Holdings	125,808	(1,145,393)	1,271,201	1,271,201
			10,603,823	10,603,823

17 Goodwill (continued)

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 2013 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 2013.

In relation to Camper & Nicholsons Marina Holdings, management has considered the current performance of the business following the cost reductions completed during 2013 and the forecast performance of the business during the next two years. As this is a specialist business there are no recent transactions or listed businesses that are truly comparable. However using businesses with similar characteristics management has estimated that an appropriate EBITDA multiple should be in the range of 8x – 9x. 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.

18 Trade and other receivables

	31 December 2013	31 December 2012 Restated
	€	€
Trade receivables	1,171,276	2,879,737
Taxation recoverable	25,982	34,076
Other receivables	99,455	104,110
Prepayments and accrued income	264,476	384,859
	1,561,189	3,402,782

Trade receivables are non-interest bearing and are generally on 30-90 days terms. The significant decrease in trade receivables relates primarily to the decrease at Grand Harbour Marina which received two instalments of €0.8 million each from the super yacht berth sale concluded in December 2012.

As at 31 December 2013 the ageing analysis of trade receivables was as follows:-

	31 December 2013	31 December 2012 Restated
	€	€
Neither past due nor impaired	373,077	2,364,990
Past due but not impaired:		
Less than 30 days	148,576	8,277
Between 30 and 60 days	162,601	137,754
Between 60 and 90 days	106,676	67,156
Between 90 and 120 days	78,289	57,900
Greater than 120 days	301,057	236,141
Past due and impaired:		
Less than 120 days	-	37,049
Greater than 120 days	152,696	65,996
Less impairment	(152,696)	(95,526)
	1,171,276	2,879,737

19 Cash and cash equivalents

	31 December 2013	31 December 2012 Restated
	€	€
Cash and cash equivalents comprise the following:-		
Cash at bank and in hand	1,841,870	3,043,133
Short term deposits	2,725,140	1,151,168
	4,567,010	4,194,301

20 Trade and other payables

	31 December 2013	31 December 2012 Restated
	€	€
Trade payables	237,684	311,364
Other payables	193,224	773,285
Accrued expenses	1,789,891	2,604,849
Deferred revenue	675,552	640,204
	2,896,351	4,329,702

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

21 Unsecured Bond Issue

During the period ended 31 December 2010, Grand Harbour Marina plc ("GHM") issued €10,000,000 bonds, with an over-allotment option of €2,000,000 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 2013 the outstanding balance related to these bonds was €11,692,797 (31 December 2012: €11,654,570) which can be analysed as shown in the table below:

	31 December 2013	31 December 2012
	€	€
Opening balance	11,654,570	11,619,024
Amortisation of transaction costs	38,227	35,546
Balance at year end	11,692,797	11,654,570

22 Interest bearing loans and deposits

	31 December 2013	31 December 2012 Restated
	€	€
Scotia Bank Loan A	1,945,768	3,475,754
Scotia Bank Loan B	5,438,325	5,684,400
Total Bank Loans	7,384,093	9,160,154
Bank Overdrafts	713	15,250
	7,384,806	9,175,404
Unsecured 7% Bond (Note 21)	11,692,797	11,654,570
Other Loan	-	162,750
Total Loans	19,077,603	20,992,724
Repayable within one year	1,741,241	1,681,900
Repayable after more than one year	17,336,362	19,310,824
	19,077,603	20,992,724

	Interest Rate at 31 December 2013	Interest Rate at 31 December 2012	Due 2014	Due 2015	Due 2016-2019	Due 2020	Total
	%	%	€	€	€	€	€
Scotia Bank Loan A	3.40%	3.31%	1,740,528	205,240	-	-	1,945,768
Scotia Bank Loan B	5.70%	5.70%	-	5,438,325	-	-	5,438,325
Bank overdraft	5.00%	5.00%	713	-	-	-	713
Unsecured 7% Bond	7.00%	7.00%	-	-	-	11,692,797	11,692,797
Total			1,741,241	5,643,565	-	11,692,797	19,077,603

Information on the maturity profiles of the loans is given in Note 29.

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$15,000,000 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 two parts as Scotia Bank Loan A and Loan B to reflect the different repayment profiles. Scotia Bank Loan A, originally for US$7,500,000 is repayable in quarterly instalments that commenced at 30 June 2010 with the final payment due in June 2015. Scotia Bank Loan B for US$7,500,000, on which the interest rate has been fixed at 5.7% as shown above, is the bullet payment due in June 2015.

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

- a first general hypothec for €1,747,030 on overdraft basis over all assets, present and future given by Grand Harbour Marina plc; and

- a first special hypothec for €1,747,030 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 21.

23 Share Capital

	Authorised	Issued & Fully Paid	
		2013	2012
Ordinary shares of no par value	Unlimited	141,784,358	80,243,615

The share capital is shown in the consolidated Statement of Financial Position net of issue costs of €2,726,761 (2012: €2,552,043). In May 2013 the Company raised €4,723,283 (pre costs), €4,548,565 net of costs of €174,718, from the issue of 61,540,743 new Ordinary shares at a price of 6.5 pence (Sterling) per share.

24 Net asset value per share

The calculation of basic net asset value per share as at 31 December 2013 is based on net assets of €24,247,822 (2012: €22,488,581) attributable to the equity shareholders, divided by the 141,784,358 (2012: 80,243,615) ordinary shares in issue at that date. As there were no options outstanding at 31 December 2013 the basic and diluted net asset value per share are the same.

25 Non-controlling interest

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

26 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:

	2013		2012 Restated	
	€'000 Minimum	€'000 Maximum	€'000 Minimum	€'000 Maximum
Less than one year	416	798	420	800
Between one and five years	1,445	2,972	1,558	3,085
More than 5 years	6,443	12,391	6,829	13,159
Total	8,304	16,161	8,807	17,044

The marina leases have (a) 86 years and (b) 93 years unexpired at 31 December 2013. 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.

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 2013 were between 1 and 17 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 licenses are collected at the outset of the contract, the Group's gross and net investment in finance leases is zero.

26 Commitments and contingencies (continued)

Finance lease and hire purchase commitments

At the reporting date the Group has no commitments as lessee under finance leases.

Capital commitments

At 31 December 2013, the Group had contracted capital commitments of €Nil (2012: €Nil).

Contingent liabilities

The Company had no contingencies at 31 December 2013 (2012: Nil) but the Group had the following:

Litigation and claims

At 31 December 2013, a subsidiary was party to claims amounting to €160,084 (2012: €160,084) for contract works carried out by third parties.

At 31 December 2013, another subsidiary was party to a claim amounting to €95k (2012: €99k) for medical expenses, lost earnings and general damages in respect of an accident at the Marina in September 2010.

While liability is not admitted, if defence against these actions is unsuccessful, the disclosed amounts could become due although in respect of the claim relating to the accident at the marina any award should be met by the company's insurers. The directors do not expect the company to be found liable and no provision has been made for these claims in the consolidated financial statements.

Guarantees

The Company has 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 2013 was €7,005,625 (2012: €7,103,800).

Grand Harbour Marina plc, a subsidiary, has provided a guarantee in respect of a performance bond amounting to €34,941 (2012: €34,941).

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

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 €125,000 (base year 2009) rising annually in line with RPI.

27 Related party transactions

27.1 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.

27.2 Administration and support services provided by Y Lee Limited

During the year, Y Lee Limited charged €26,492 (2012: €Nil) to Camper & Nicholsons Marinas Limited for providing the services of Clive Whiley as CEO. At 31 December 2013 €Nil (2012: €Nil) was due to Y Lee Limited.

27.3 Administration and support services provided to CL Partners

During 2012, CL Partners of which Sir Christopher Lewinton is a partner, was charged €10,329 for administrative services provided by an employee of Camper & Nicholsons Marinas Limited. There was no equivalent charge in the current year. At 31 December 2013 €Nil (2012: €Nil) was due to Camper & Nicholsons Marinas Limited.

28 Financial Instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts, as at 31 December 2013 and 31 December 2012, in the consolidated statement of financial position, are as follows.

	31 December 2013		**31 December 2012**	
€	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial assets measured at Fair Value				
Assets held under Trust (Note 14)	855,740	855,740	-	-
Cash pledges	4,403,964	4,403,964	3,500,099	3,500,099
Available for sale financial assets	793,002	793,002	1,612,501	1,612,501
Financial assets not measured at Fair Value				
Trade and Other Receivables	1,561,189	1,561,189	3,402,782	3,402,782
Cash and Cash equivalents	4,565,130	4,565,130	4,194,301	4,194,301
Financial liabilities not measured at Fair Value				
Fixed rate borrowings	(5,438,325)	(5,588,292)	(5,684,800)	(5,790,789)
Other Loans and Borrowings	(1,946,481)	(1,946,481)	(3,653,354)	(3,653,354)
Unsecured 7% Bond	(11,692,797)	(12,155,765)	(11,654,570)	(12,139,197)
Trade and Other liabilities	(2,896,351)	(2,896,351)	(4,329,702)	(4,329,702)
Other payables	(158,520)	(158,520)	(171,834)	(171,834)

The assets held in Trust and the Available for sale financial assets both consist of investments in Malta Government Bonds which are quoted and freely traded on the Malta Stock Exchange and are 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 is therefore the same as the Fair Value. The increase in market value of these assets since 31 December 2012 is classified as a Fair Value Reserve in other Comprehensive Income.

28 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 2013, 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.

29 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 customers is small and there are no significant concentrations of credit risk within the Group.

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.

However, the Group has tried to mitigate the risk by limiting the size of the investment in any single property and investing in desirable locations.

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.

29 Financial risk management objectives and policies (continued)

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 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 effect 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.

30 Financial instruments

30.1 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 2013	**31 December 2012 Restated**
	€	€
Trade receivables	1,171,276	2,879,737
Other receivables	389,913	523,045
Cash Pledge	4,403,964	3,502,535
Assets held under Trust	855,740	-
Malta Government Bonds	793,002	1,612,501
Cash and cash equivalents	4,565,130	4,194,301
	12,179,025	12,712,119

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

30 Financial Instruments (continued)

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

	Carrying amount 31 December 2013 €	Carrying amount 31 December 2012 Restated €
Individual	148,262	166,795
Legal entities	1,090,316	2,728,658
Agents	85,394	79,810
	1,323,972	2,975,263
Amounts provided for	(152,696)	(95,526)
Carrying amount	1,171,276	2,879,737

Information relating to the aging of receivables at the reporting date and associated impairment is provided in note 18.

30.2 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 2013	€	€	€	€	€	€	€
Scotia Bank loan	7,382,973	(7,893,616)	(1,054,485)	(1,039,693)	(5,799,438)	-	-
7% Bond Issue	11,692,797	(17,460,000)	(420,000)	(420,000)	(840,000)	(2,520,000)	(13,260,000)
Bank overdraft	713	(713)	(713)	-	-	-	-
Accounts payable	237,684	(237,684)	(237,684)	-	-	-	-
	19,314,167	(25,592,013)	(1,712,882)	(1,459,693)	(6,639,438)	(2,520,000)	(13,260,000)
31 December 2012							
Scotia Bank loan	9,232,880	(10,188,013)	(975,516)	(962,973)	(2,187,720)	(6,061,804)	-
7% Bond Issue	11,654,570	(18,300,000)	(420,000)	(420,000)	(840,000)	(2,520,000)	(14,100,000)
Bank overdraft	15,250	(15,250)	(15,250)	-	-	-	-
Loan due to related party	162,750	(167,315)	(167,315)	-	-	-	-
Accounts payable	311,364	(311,364)	(311,364)	-	-	-	-
	21,376,814	(28,981,942)	(1,889,445)	(1,382,973)	(3,027,720)	(8,581,804)	(14,100,000)

As detailed in Note 22 part of the Scotia Bank loan at 31 December 2013 was subject to a floating interest rate based on Libor and part is at a fixed rate. The loan due to a related party as at 31 December 2012 was repaid during the year.

30.3 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 2013 that are subject to variable interest rates, an increase of 100 bps (2012: 100bps) would reduce profit before tax by €51k (2012: €74k). Similarly a reduction of 100bps (2012: 100bps) on all of the Group's borrowings subject to variable interest rates would increase profit before tax by €51k (2012: €74k).

30 Financial instruments (continued)

30.4 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 2013**	**31 December 2012**
Cash at bank		
GB Pounds	655	93
US Dollars	1,437	23
EC Dollars	92	54
Trade receivables		
GB Pounds	358	203
US Dollars	-	-
EC Dollars	124	151
Borrowings		
US Dollars	7,384	9,160

Exchange Rate to Euro Table

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

Currency	**Average rate**		**Year end rate**	
	2013	**2012**	**2013**	**2012**
GB Pounds	1.1774	1.2332	1.1995	1.2253
US Dollars	0.7530	0.7783	0.7251	0.7579
EC Dollars	0.2772	0.2864	0.2689	0.2785
Turkish Lira	0.3947	0.4323	0.3405	0.4252

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 2011**.**

€000	**31 December 2013**		**31 December 2012**	
	Equity	**Profit or Loss**	**Equity**	**Profit or Loss**
GB Pounds	(81)	216	15	303
US Dollars	(1,104)	64	(885)	86
Turkish Lira	(44)	159	(43)	117

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.

31 Substantial shareholdings

As at 31 May 2014 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
FE Marina Investments Ltd	25.00%
First Eastern (Holdings) Ltd	22.26%
Richard Griffiths	6.07%
Henderson Global Investors Ltd	5.66%
F&C Asset Management plc	4.55%
Nicholas Maris	4.10%
Overseas Asset Management (Cayman) Ltd	4.01%
Deutsche Asset & Wealth Management	3.97%
Martin Bralsford	3.66%

Included in the holding for Nicholas Maris are 3,246,625 shares (2.29%) 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 (0.92% of the issued share capital) owned by Dirac Ltd, a company incorporated in Jersey, of which Mr Bralsford is the sole Director and beneficiary.

32 Post balance sheet events

In accordance with the announcement made on 6 June 2014 and the issue on the same date of a Circular to shareholders and their approval of the proposed fundraising at an Extraordinary general Meeting on 27 June 2014, the Company has raised £2.4 million gross from the issue of 24,000,000 Ordinary shares at 10 pence per Ordinary share. These funds were raised through an Open Offer to qualifying shareholders fully underwritten by First Eastern (Holdings) Limited. Following the fundraising the Company has 165,784,358 Ordinary shares in issue of which 27.4% are owned by First Eastern (Holdings) Limited and 25% by its majority owned subsidiary FE Marina Investments Limited.

Also as reported in the announcement made on 6 June 2014 the Company has been negotiating with Scotia Bank to re-profile Scotia Bank Loan B to Camper & Nicholsons Grenada Limited which was repayable as a bullet repayment of $7.5 million in June 2015. An agreement has now been signed with Scotia Bank and Loan B has been reconstituted as Scotia Bank Loan C with stage payments of principal from 2016 to 2019 at a floating interest rate of 3% over LIBOR with effect from 1 July 2015: a significant reduction over the existing rate of 5.7%.

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 Thursday 24th July 2014 at 10.30am for the following purposes:-

1. To receive and adopt the audited financial statements and the reports of the Directors and Auditors for the period ended 31 December 2013.

2. To approve the Directors' report on remuneration as set out on page 17 of the Consolidated Financial Statements.

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

4. To elect two directors:
    a. Mr Martin Bralsford
    b. Ms Elizabeth Kan

5. 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 27th June 2014

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

Camper & Nicholsons Marina Investments Limited
Island House
Grande Rue
St Martins
Guernsey
GY4 6RU

www.cnminvestments.com

Camper & Nicholsons Marinas Ltd
Richmond Place
15 Petersham Road
Richmond
Surrey TW10 6TP
Tel: +44 (0)20 3405 1782
Fax: +44 (0)20 3405 3229
info@cnmarinas.com