Camper & Nicholsons Marinas

YACHTING SINCE 1782

Camper & Nicholsons Marina Investments Limited

Consolidated Financial Statements

for the year ended 31 December 2018

Annual Report

2018

Camper & Nicholsons Marina Investments Limited

KEY EVENTS

2018

January – Camper & Nicholsons Marina Investments Ltd delisted from AIM

November – disposal of 50% investment in Camper & Nicholsons First Eastern

December – Board approves Port Louis expansion investment

December – BOT contract extension agreed with Turkish Government for IC Cesme Marina

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

	2018	2017	2016	2015	2014
€m	Actual	Actual	Actual	Actual	Actual
Marina operating activities	9.2	8.7	8.6	8.2	7.2
Management & Consultancy	1.3	1.0	1.6	1.3	1.3
Operating revenues	10.5	9.7	10.2	9.5	8.5
Yas recharges and termination fee	-	-	-	1.7	0.8
Total revenues	10.5	9.7	10.2	11.2	9.3
Cost of sales	(1.9)	(1.6)	(1.7)	(2.5)	(2.5)
Gross Profit	8.6	8.1	8.5	8.7	6.8
Operating expenses	(6.3)	(6.6)	(6.8)	(6.8)	(6.1)
Gain on disposal	0.5	-	-	-	-
Exchange	(0.1)	(0.6)	-	0.2	0.4
EBITDA	2.7	0.9	1.7	2.1	1.1
Depreciation	(1.1)	(1.2)	(1.2)	(1.3)	(1.2)
Interest	(0.9)	(1.0)	(1.1)	(1.2)	(1.3)
PBT pre one-off charges	0.7	(1.3)	(0.6)	(0.4)	(1.4)
EBITDA impact of Yas termination fee	-	-	-	0.7	-
Investments (capex)	1.1	0.3	0.2	0.2	0.4
Net debt	9.3	9.3	13.9	13.8	13.4

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

Camper & Nicholsons Marina Investments Limited

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Cover photo: IC Cesme Marina, Turkey

CHAIRMAN'S STATEMENT

By Victor Chu, Chairman

As he indicated in his Chairman's Statement last year, Sir Christopher Lewinton, did not seek re-election at the 2018 AGM and, at my request became Chairman Emeritus. I wish to place on record my thanks to him for all that he did in his nearly 10 years as Chairman. I would like to thank, also, Roger Lewis, who having served on the Board since the Company was established in late 2006, decided to step down at the end of 2018. Roger's knowledge of the marina and property sectors was greatly appreciated by his fellow Directors during his 12 years on the Board. We wish him well for the future.

I was very pleased to become Chairman after the AGM in June and look forward to leading the Company in its next phase of development as part of the First Eastern Group.

2018 Performance

I am pleased to report that the Group achieved a small profit before tax in the year as a result of increased revenues at both our marinas and consultancy business and reduced operating costs following delisting and a reduction of staff levels in the consultancy business during the last quarter of 2017.

The unaudited 5 year table of summary financials on the cover of this report demonstrates the progress made by the Company since 2014. Over that period operating revenues have increased by €2 million from €8.5 million to €10.5 million with EBITDA, before exchange gains and losses and the gain on disposal, increasing from €0.7 million to €2.3 million. With improved profitability, net cash flow from operations, improved to €1.8 million (2017: €0.9 million).

With increased debt capital repayments and higher capital expenditure, the level of cash and cash equivalents decreased by €1.25 million during the year. The capital projects and debt repayments due in the next twelve months will require additional funding.

2018 Developments

There were a number of significant developments during the year:

1. Following the offer by First Eastern to acquire shares in the market at 8.5 pence per share and with First Eastern increasing its shareholding to 87.2%, the Company was delisted from the AIM Market in January 2018
2. In October, agreement was reached with our 50% joint venture partner in CNFE for the sale of our investment in that business. CNFE has taken longer to develop than had been anticipated and it was agreed that our partner was better placed to continue with the business development, with our management focus being on our owned marinas and Consultancy ROW business. The share capital and loans invested in CNFE had been eliminated previously by the Group's share of the cumulative losses but, with payment of significant debtor balances after completion, the transaction had a net small positive impact on Group Results in the year.
3. In November, Victoria Quay Estates Limited, a joint venture between First Eastern and Westcourt Real Estate, and the preferred developer of the new marina and waterfront mixed use development at the Victoria Marina site in East Cowes, Isle of Wight, decided to withdraw from the project because of the impasse created by Cowes Harbour Commission over the Harbour Infrastructure Funding Agreement, a critical component of the marina scheme.
4. An expansion program for Port Louis Marina was approved by the Board in December with the anticipated completion being in August 2019. The capital cost of the expansion is US$3.75 million which will provide 85 additional berths with annual berthing revenue of around €1 million at full capacity at 2019 prices.
5. Again, in December, agreement was reached with the Turkish Government for the extension of the BOT contract at our 45% owned investment in IC Cesme marina. The required payment of Tl 12.6 million (€2.1 million) for this, at the 100% level) is to be made over 5 installments, of which the first was in December 2018. The BOT contract has been extended by 33 years such that it now runs until January 2067.

Outlook

The benefit of the cost reductions following the delisting and savings from reduced headcount in the Consultancy business helped the Group generate improved results during 2018. With the current difficult global economic conditions and uncertainties caused by trade disputes, the fluctuating value of the Turkish currency and also the Brexit negotiations. we will continue to maintain tight control over the cost base in order to maintain profitability even if revenues decrease.

First Eastern continues to support the business and additional investment in the business will help us to reposition the assets and allow a more expansive strategy going forwards.

As part of the expansion strategy, the Board approved $3.75 million investment in Port Louis which will provide additional and more efficient berthing capacity to take advantage of the increased number of vessels visiting the southern Caribbean, particularly during the hurricane season.

Victor Chu

Chairman

30 April 2019

Camper & Nicholsons Marina Investments Limited

General Information

Directors:

Victor Chu (Chairman)
Sir Christopher Lewinton (former Chairman) – Resigned 6 June 2018
Roger Lewis - Resigned 31 December 2018
Martin Bralsford
Elizabeth Kan
Clive Whiley

Chairman Emeritus

Sir Christopher Lewinton – from 6 June 2019

Company Secretary:

Balchan Secretaries Limited – replaced Shaftesbury with effect from 14 June 2018

Registered office:

Bordage House
Le Bordage
St Peter Port
Guernsey
GY1 1BU

Guernsey based Administrator:

Fort Management Services Limited
Bordage House
Le Bordage
St Peter Port
Guernsey GY1 1BU

Legal Advisors United Kingdom:

Stephenson Harwood,
1 Finsbury Circus
London
EC2M 7SH

Legal Advisors Guernsey:

Carey Olsen
Carey House
Les Banques
St Peter Port
Guernsey GY1 4BZ

Auditor:

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

Bankers:

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

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

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

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

Camper & Nicholsons Marina Investments Limited

DIRECTORS

Victor Chu, Chairman – Hong Kong resident

Victor Chu is a lawyer with over 30 years' experience of operating and investing in Asia. He is Chairman and principal shareholder of First Eastern (Holdings) Limited, which together with its wholly owned subsidiary, FE Marina Investments Limited, owns 87.2% of the Company's issued share capital. He became a Director of the Group's majority owned subsidiary, Grand Harbour Marina plc in November 2017. Mr Chu obtained his law degree at University College London and qualified as a solicitor in England and Hong Kong in 1982 with Herbert Smith, the City law firm. Over the last 30 years he has served, at various times, as a Director and Council Member of the Hong Kong Stock Exchange, Member of the Hong Kong Takeovers and Mergers Panel, Advisory Committee Member of the Hong Kong Securities and Futures Commission and part-time member of the Hong Kong Government's Central Policy Unit. Mr Chu served as Foundation Board Member of the World Economic Forum in Geneva from 2003 to 2015 and currently co-chairs the Forum's International Business Council. He is also Chairman of the Hong Kong – Europe Business Council, a Trustee of Asia House and serves on the Boards of China Merchants China Direct Investments Ltd and Airbus SE. In June 2011, Mr Chu was awarded the 2011 Global Economy Prize (jointly with Professor Larry Summers and then European Central Bank President Jean-Claude Trichet) by the Kiel Institute for the World Economy.

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. Martin joined the Board of Camper & Nicholsons Marina Investments Limited in February 2012 and the following month became a Director of its' majority owned subsidiary, Grand Harbour Marina plc which is listed on the Malta Stock Exchange. Martin's other listed company appointment is as Chairman of Fundsmith Emerging Equities Trust PLC which floated on the London Stock Exchange's Main Market in June 2014. Martin is a former President of the Jersey Chamber of Commerce and has been approved by the Financial Service Regulatory Authorities in Jersey, Guernsey and the Isle of Man as a Director of a regulated body.

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 and Investment 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 former 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 wholly owned subsidiary, FE Marina Investments Limited, owns 87.2% of the Company's issued share capital. Ms Kan became a Director of the Group's majority owned subsidiary, Grand Harbour Marina plc in November 2017 and Chief Executive Officer in February 2019.

Clive Whiley, Director – UK resident

Clive Whiley has over thirty five 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, retail & leisure businesses: encompassing the UK, Europe, North America, Australasia, Middle East and the People's Republic of China. Mr Whiley is currently Interim Executive Chairman of Mothercare plc, a Director of the Group's majority owned subsidiary, Grand Harbour Marina plc which is listed on the Malta Stock Exchange and also Chairman of China Venture Capital Management Limited, First China Venture Capital Limited and Y-LEE Limited.

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the year ended 31 December 2018.

Principal activity

Camper & Nicholsons Marina Investments Limited (the "Company") is a limited liability company, incorporated and domiciled in Guernsey, whose shares were delisted from the AIM Market on 10 January 2018.

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 and the United States/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.

2018 Trading

The Directors are pleased to report improvements in revenues, operating profit, profit before tax and net cash flow from operations with improvements in both the marina and consultancy activities.

<u>Marinas</u>

- Combined marina revenues for the year, including our 45% share of Cesme, increased by €0.6 million to €9.2 million. The weak Turkish currency adversely impacted revenues at Cesme which were down €0.3 million but this was more than offset by the increases of €0.6 million and €0.3 million at GHM and Port Louis respectively.
- With the increased revenues GHM almost doubled PBT to €0.7 million (2017: €0.4 million) in spite of some one-off costs of around €0.1 million. Port Louis loss before tax at €0.4 million was a little less than last year with the benefit of increased revenues offset by a €0.3 million charge for maintenance dredging without which the marina would have been close to breakeven PBT.
- At IC Cesme, our joint venture in Turkey, although our 45% share of revenues decreased by €0.3 million the weak currency had a slightly greater positive impact on operating costs with the net result being that our share of PBT was breakeven (2017: €0.1 million loss).

<u>Consultancy</u>

- A strong level of third party projects together with continuing revenues from operating marinas such as St Katharine Docks supported a €0.4 million increase in external revenues together with a €0.3 million reduction in operating overheads, mainly from the lower headcount, helped the Consultancy business turn the €0.1m PBT loss in 2017 into a €0.4 million profit in 2018.
- Our share of the CNFE revenues reduced from €0.2 million in 2017 to €0.1 million in 2018 although the current period only recognised revenues in the first 10 months of the year until disposal of the investment. With a small increase in overhead costs the Group's share of the loss before tax increased to €0.2 million (2017: €0.15 million).

Directors

The Directors in office who served during the year ended 31 December 2018 and up to the date of this report are shown on page 3.

Brief biographical details of the continuing Directors are shown on page 4.

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.

Proposed dividend

The Directors do not recommend the payment of a dividend. (2017: Nil)

DIRECTORS' REPORT (Continued)

Statement of directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards and applicable law.

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping 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. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement due to fraud or error. 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included in the Company's website and for the preparation and dissemination of financial statements. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going concern

The financial position of the Group, its cash balances and borrowings are set out in notes 18, 20 and 21 of the consolidated financial statements. The Group's financial risk management objectives and policies are set out in note 28 and note 29 sets out the Group's financial instruments and risks.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through funding from its' majority shareholder and the availability of cash elsewhere within the Group which could be utilised if required, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the Group's major shareholder providing additional financial support during that period and it has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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

DIRECTORS' REPORT (Continued)

Corporate governance

Introduction

As a closed-ended investment company registered in Guernsey, 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.

Board of directors

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

The Board meets regularly, usually 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, funding, dividend policy and gearing.

The Company's Articles of Association require that one third of the Board 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. However, since the 2016 AGM, the Board decided that all directors should subject themselves to annual re-election by shareholders. The four Directors will therefore seek re-election.

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 safe-guarded 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 adviser.

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. 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 and appropriate bank accounts. 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.

Annual General Meeting

A notice convening the 2019 annual general meeting of the Company and a form of proxy in respect of the annual general meeting can each be found at the end of this document.

Disclosure of information to the auditor

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

Auditor

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

By Order of the Board

Balchan Secretaries Limited
Secretary, 30 April 2019

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

Our opinion is unmodified

We have audited the consolidated financial statements (the "Financial Statements") of Camper & Nicholsons Marina Investments Limited (the "Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and notes, comprising significant accounting policies and other explanatory information.
In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Group as at 31 December 2018, and of the Group's financial performance and the Group's cash flows for the year then ended;
- are prepared in accordance with International Financial Reporting Standards; and
- comply with the Companies (Guernsey) Law, 2008

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company and the Group in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the Financial Statements. We have nothing to report in these respects.

We have nothing to report on the other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the Financial Statements. Our opinion on the Financial Statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the Financial Statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

We have nothing to report on other 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 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.

Independent auditor's report to the members of Camper & Nicholsons Marina Investments Limited *(continued)*

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 6, the Directors are responsible for: the preparation of the Financial Statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Statements.
A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members as a body

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.

KPMG Channel Islands Limited

Chartered Accountants, Guernsey

Date: 3 May 2019

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Comprehensive Income
For the year ended 31 December 2018

	Note	2018	2017
		€000	*€000*
Marina operating activities		7,314	6,465
Marina consultancy fees		1,391	1,015
Revenue	5	8,705	7,480
Cost of sales		(1,774)	(1,379)
Gross Profit		6,931	6,101
Operating expenses	6	(5,854)	(6,305)
Gain on disposal of Joint Venture	9	477	-
Operating profit / (loss)		1,554	(204)
Finance income		84	93
Finance expense		(906)	(950)
		(822)	(857)
Share of losses of equity-accounted investees, net of tax	12	(211)	(119)
Profit / (Loss) before tax		521	(1,180)
Taxation	10	(333)	(360)
Profit / (Loss) for the year from continuing activities		188	(1,540)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Net change in fair value of debt investments measured at FVOCI		(4)	-
Foreign exchange reserve		537	(1,530)
Other comprehensive income for the year		533	(1,530)
Total comprehensive income / (loss) for the year		721	(3,070)
Income / (Loss) attributable to:			
Equity shareholders		101	(1,551)
Non-controlling interest		87	11
Income / Loss for the year		188	(1,540)
Total comprehensive income / (loss) attributable to:			
Equity shareholders		635	(3,081)
Non-controlling interest		86	11
Total comprehensive income / loss for the year		721	(3,070)

The accompanying notes on pages 15 to 44 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 2018

	Issued Share Capital *€000*	Retained Earnings *€000*	Fair Value Reserve *€000*	Foreign Exchange Reserve *€000*	Total equity attributable to shareholders ***€000***	Non-controlling Interests *€000*	Total Equity ***€000***
Year Ended 31 December 2017							
Balance at 1 January 2017	61,621	(41,523)	-	5,413	**25,511**	528	**26,039**
Total comprehensive income							
Profit / (Loss) for the year	-	(1,551)	-	-	**(1,551)**	11	**(1,540)**
Other comprehensive income	-	-	-	(1,530)	**(1,530)**	-	**(1,530)**
Total comprehensive income	-	(1,551)	-	(1,530)	**(3,081)**	11	**(3,070)**
Transactions with owners of the Company							
New shares issued	3,482	-	-	-	**3,482**	-	**3,482**
Total contributions and distributions	3,482	-	-	-	**3,482**	-	**3,482**
Balance at 31 December 2017	65,103	(43,074)	-	3,883	**25,912**	539	**26,451**
Year Ended 31 December 2018							
Balance at 1 January 2018	65,103	(43,074)	-	3,883	**25,912**	539	**26,451**
Total comprehensive income for the year							
Profit for the year	-	101	-	-	**101**	87	**188**
Other comprehensive income / (loss)	-	-	(3)	537	**534**	(1)	**533**
Total comprehensive income	-	101	(3)	537	**635**	86	**721**
Balance at 31 December 2018	65,103	(42,973)	(3)	4,420	**26,547**	625	**27,172**

The accompanying notes on pages 15 to 44 form an integral part of these consolidated financial statements.

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Financial Position
As at 31 December 2018

	Note	31 December 2018 €000	31 December 2017 €000
Non current assets			
Property, plant and equipment	13	23,347	22,607
Equity accounted investees	12	1,254	1,236
Cash pledges	14	3,175	3,144
Investment in corporate debt securities	15	494	-
Goodwill	16	10,604	10,604
		38,874	37,591
Current assets			
Trade and other receivables	17	2,114	1,749
Cash and cash equivalents	18	9,583	10,827
		11,697	12,576
TOTAL ASSETS		50,571	50,167
Current liabilities			
Trade and other payables	19	2,678	2,769
Contract Liabilities	5	1,134	737
Loans repayable within one year	21	3,627	1,150
		7,439	4,656
TOTAL ASSETS LESS CURRENT LIABILITIES		43,132	45,511
Non current liabilities			
Loans repayable after more than one year	21	-	3,461
Debt securities in issue	20	14,643	14,610
Other payables		148	150
Deferred tax liability		1,169	839
		15,960	19,060
NET ASSETS		27,172	26,451
Equity attributable to equity shareholders			
Issued share capital	22	65,103	65,103
Retained earnings		(42,973)	(43,074)
Foreign exchange reserve		4,420	3,883
Fair value reserve		(3)	-
		26,547	25,912
Non-controlling interest	24	625	539
Total equity		27,172	26,451
Net assets per share:			
Basic, attributable to equity shareholders	23	12.81c	12.50c
Diluted, attributable to equity shareholders	23	12.81c	12.50c

The consolidated financial statements on pages 11 to 44 were approved by the Board of Directors on 30 April 2019

Victor Chu, Chairman

M Bralsford, Director

The accompanying notes on pages 15 to 44 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 2018

	Year ended 31 December 2018	**Year ended 31 December 2017**
	€000	***€000***
Cash flows from operating activities		
Profit/(Loss) before taxation	521	(1,180)
Adjusted for:		
Finance income	(84)	(93)
Finance expense	906	950
Depreciation	714	837
Share of losses of equity accounted investees, net of tax and profit on disposal of investment	(266)	119
Amortised Bond issue costs	33	171
Unrealised foreign exchange (gain) / loss	(6)	20
	1,818	824
Increase in receivables	(357)	(121)
Increase in payables	293	230
Income tax paid	(3)	(3)
Net cash flows from operating activities	1,751	930
Cash flow from investing activities		
Acquisition of property, plant & equipment	(1,035)	(240)
Disposals of property plant and equipment	341	212
Disposal of short term investments	248	-
Interest received	84	93
Purchase of Corporate bonds	(498)	-
(Increase) / Decrease in pledged cash	(31)	903
Net utilisation of Trust to buy back bonds	-	1,926
Net cash flows from investing activities	(891)	2,894
Cash flows from financing activities		
Proceeds of borrowings	-	2
Proceeds of new share issue	-	3,482
Repayment of borrowings	(1,204)	(459)
Buyback of bonds issued	-	(10,970)
Net proceeds of new bond issue	-	14,599
Interest paid	(906)	(974)
Net cash flows from financing activities	(2,110)	5,680
Net increase/(decrease) in cash and cash equivalents	(1,250)	9,504
Opening cash and cash equivalents	10,827	1,343
Effect of exchange rate fluctuations on cash held	6	(20)
Closing cash and cash equivalents	9,583	10,827

The accompanying notes on pages 15 to 44 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, having been publicly traded on the AIM Market, were delisted on 10 January 2018.

The principal activity of the Company and its subsidiaries and joint ventures (together the "Group") during 2018 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 Financial Statements of the Group for the year ended 31 December 2018 were authorised for issue in accordance with a resolution of the Directors on 30 April 2019.

2 Basis of preparation

The Financial Statements of the Group for the year to 31 December 2018 have been prepared on a historical cost basis and are presented in Euro 000s.

Going concern
Notwithstanding the net decrease in cash and cash equivalents during the year ended 31 December 2018, the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these Financial Statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through funding from its' majority shareholder and the availability of cash elsewhere within the Group which could be utilised if required, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on the Group's major shareholder providing additional financial support during that period and it has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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

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) and are in compliance with The Companies (Guernsey) Law 2008.

Basis of consolidation
The consolidated financial statements comprise the financial statements of the Group at 31 December each year. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, and with the exception of the UK subsidiary, Camper & Nicholsons Marinas Ltd, which are prepared under UK GAAP, are prepared 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.

2 Basis of preparation (continued)

(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.

(iii) Equity Accounted Investees
The Group's interests in equity accounted investees comprise interests in two joint ventures and these are accounted for using the equity method. They are initially recognised at cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of equity accounted investees, until the date on which significant influence or joint control ceases.

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.

(iv) Non-Controlling Interests
Non-Controlling Interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition plus their proportionate share of profits and losses since acquisition less any dividends paid.

(v) Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation.

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 are included in Note 4, *Revenue recognition* and *Taxation* and the useful lives of assets as shown in Note 4 section (iv) of *property, plant and equipment*.

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

3 Summary of newly adopted accounting policies

The Group has initially applied IFRS 9 and IFRS 15 from 1 January 2018. A number of other new standards are also effective from 1 January 2018 but they do not have a material effect on the Group's financial statements.

Due to the transition methods chosen by the Group in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards, except for certain hedging requirements and separately presenting impairment loss on trade receivables and contract assets.

3 Summary of newly adopted accounting policies (continued)

IFRS 9 *(Financial instruments)* sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. The standard replaces IAS 39 Financial instruments: recognition and measurement.

IFRS 9 contains three principal classification categories for financial assets; measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

The following table explains the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group's financial assets and financial liabilities as at 1 January 2018. The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 January 2018 relates solely to the new impairment requirements.

		Original classification under IAS 39	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets				**€000**	**€000**
Cash pledges		Loans and receivables	Amortised cost	3,144	3,144
Trade and other receivables		Loans and receivables	Amortised cost	1,749	1,749
Cash and cash equivalents		Loans and receivables	Amortised cost	10,827	10,827
Total financial assets				**15,720**	**15,720**
Financial liabilities					
Bank overdrafts		Other financial liabilities	Other financial liabilities	3	3
Bank loan		Other financial liabilities	Other financial liabilities	4,608	4,608
Debt Securities in issue		Other financial liabilities	Other financial liabilities	14,610	14,610
Trade and other payables		Other financial liabilities	Other financial liabilities	2,769	2,769
Contract liabilities		Other financial liabilities	Other financial liabilities	737	737
Other payables		Other financial liabilities	Other financial liabilities	150	150
Total financial liabilities				**22,877**	**22,877**

As can be seen in the table above, IFRS 9 largely retains the existing requirements in IAS 39 for classification and measurement of financial liabilities and the adoption of IFRS 9 has not had a significant effect on the Group's accounting policies related to financial liabilities.

In relation to impairment, IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model which means that a loss event will no longer need to occur before an impairment allowance is recognised. The new model will apply to financial assets that are: debt instruments recognised on-balance sheet, such as trade receivables, loans or bonds and that have been classified as measured at amortised cost or at FVOCI.

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except the Group has used an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment requirements). Accordingly, the information presented for 2017 does not generally reflect the requirements of IFRS 9, but rather those of IAS 39.

3 Summary of newly adopted accounting policies (continued)

IFRS 15 *(Revenue from Contracts with Customers)* establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement. The Group has adopted IFRS 15 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 January 2018). Accordingly, the information presented for 2017 has not been restated – i.e. it is presented, as previously reported, under IAS 18, IAS 11 and related interpretations. Additionally, the disclosure requirements in IFRS 15 have not generally been applied to comparative information. IFRS 15 did not change the Group's accounting policies with respect to revenue recognition, and consequently on deferred income, which is now presented as contract liability.

Performance obligations and revenue recognition policies
The main features for an entity to recognise revenue are:

- Identify the contract (an agreement between two or more parties that creates enforceable rights and obligations) with a customer (a party that has contracted with an entity to obtain goods/services that are an output of the entity's ordinary activities in exchange for consideration).
- Identify the performance obligations (i.e. the promise to transfer goods/services to a customer) in the contract. If the good/service is distinct (meaning the customer can benefit from it on its own and the entity's promise to transfer the goods/services to the customer is separately identifiable from other promises in the contract), the promises are performance obligations and are accounted separately.
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) the entity satisfies a performance obligation (by transferring a promised good/service to a customer i.e. when the customer obtains control of the good/service).

A performance obligation may be satisfied at a point in time (typically for promises to transfer goods to a customer) or over time (typically for promises to transfer services to a customer).

The Standard specifies the accounting for an individual contract with a customer. However, as a practical expedient, an entity may apply this Standard to a portfolio of contracts (or *performance obligations*) with similar characteristics if the entity reasonably expects that the effects on the Financial Statements of applying this Standard to the portfolio would not differ materially from applying this Standard to the individual contracts (or performance obligations) within that portfolio.

For a contract to be identified and accounted for, all the following criteria must be met:

- the parties have approved in writing and are committed to perform their respective obligations,
- the entity can identify each party's rights regarding the goods/services to be transferred,
- the entity can identify the payment terms for the goods/services to be transferred,
- the contract has commercial substance (i.e. risk, timing, and amount of entity's future cash flows expected to change as a result of the contract) and
- it is probable that the entity collects the consideration (customer's ability and intention to pay should be considered in evaluating collectability).

Such criteria should be met at contract inception, and need not be reassessed unless there is an indication of a significant change in facts and circumstances (ex: the customer's ability to pay deteriorates significantly).

This Standard shall apply to the duration of the contract (i.e. the contractual period) in which the parties to the contract have present enforceable rights & obligations.

A contract does not exist if each party to the contract has a unilateral enforceable right to terminate a wholly unperformed contract without compensating the other party. A contract is wholly unperformed if:

- the entity has not yet transferred any promised goods/services to the customer; and
- the entity has not yet received, and is not entitled to receive any consideration in exchange for promised goods/services

3 Summary of newly adopted accounting policies (continued)

IFRS 15 (continued)

Recognition of revenue over time
An entity recognises revenue over time, and satisfies its performance obligations and transfers control of a good/service over time, if one of the following is met:

- customer simultaneously receives and consumes benefits provided by the entity's performance as the entity performs,
- the entity's performance does not create an asset with an alternative use to the entity (such assessment should be made at contract inception) and the entity has an enforceable right to payment for performance completed to date.

This applies for the Group's recognition of its main revenue streams, being annual, seasonal and visitor contracts, as the promise to the customer is to provide a service of making the berth available to use as and when the customer wishes. The extent to which the customer uses the berth does not affect the amount of the remaining service to which the customer is entitled.

The customer simultaneously receives and consumes the benefits of the entity's performance as it performs by making the berth available. Consequently, the entity's performance obligation is satisfied over time.

The customer benefits from its service of making the berth available evenly throughout the year i.e. the customer benefits from having the berth available, regardless of whether the customer uses it or not. In such case, the best measure of progress towards complete satisfaction of the performance obligation over time is a time-based measure and revenue is recognised on a straight-line basis throughout the berthing period.

Recognition of revenue at a point in time
An entity recognises revenue at a point in time, and satisfies its performance obligations and transfers control of a good/service at a point in time, if one of the following is met:

- entity has a present right to payment for the asset i.e. if a customer is presently obliged to pay for an asset,
- the customer has legal title to the asset,
- the entity has transferred physical possession of the asset,
- the customer has the significant risks and rewards of the ownership of the asset (however, when evaluating the risks and rewards of ownership of a promised asset, the entity shall exclude any risks that give rise to a separate performance obligation in addition to the performance obligation to transfer the asset; ex: an entity may have transferred control of an asset to a customer but not yet satisfied an additional performance obligation to provide maintenance services related to the transferred asset).

All these conditions may indicate that the customer has obtained the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset in exchange.

As per IAS 18, the licensing of long term super yacht berths at one of the Group's marinas was recognised upon the signing of the licensing arrangements with the berth holders, on the basis that such give rise to the sale of the Group's right to the use of such berths. Under IFRS 15, revenue will continue to be recognised at a point in time when real rights are acquired by the berth holder.

The existence of a significant financing component in the contract (difference between timing of payments and transfer of asset)

An entity shall adjust the promised consideration amount for the effects of the time value of money if the timing of payments agreed to by the parties provides the customer or the entity with a significant benefit of financing the transfer of goods/services to the customer.

As a practical expedient (which the Group has applied to annual, seasonal and visitor berthing), an entity need not adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception, that the period between when the entity transfers a promised good/service to a customer and when the customer pays for that good/service will be one year or less.

3 Summary of newly adopted accounting policies (continued)

IFRS 15 (continued)

Incremental costs of obtaining a contract
Costs an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained (ex: sales commission) shall be recognised as an asset if the entity expects to recover those costs. Such asset may then be amortised on a systematic basis that is consistent with the transfer to the customer of the goods/services to which the asset relates.

However, as a practical expedient, the Group will recognise the incremental costs of obtaining a contract as an expense when incurred since the amortisation period of the asset that the Group otherwise would have recognised is one year or less.

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

4 Summary of significant accounting policies

Goodwill

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

Revenue Recognition

Revenue is recognised when control over a product or service is transferred to the customer. Revenue is measured at the amount of consideration to which the Group expects to be entitled to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

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.

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.

4 Summary of significant accounting policies (continued)

Taxation (continued)

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 not probable that the temporary differences will reverse in the foreseeable future.

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

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

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

Property, plant and equipment

(i) Recognition and measurement

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

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

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

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. On-going repairs and maintenance expenditure 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 profit or loss within 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 within property, plant and equipment. (see note 13)

4 Summary of significant accounting policies (continued)

Property, plant and equipment (continued)

(iv) Depreciation

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

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

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

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

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

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

Cash and cash equivalents

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

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

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. A loss allowance is recognised for expected credit losses from all possible default events over the life of the trade receivables.

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 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.

4 Summary of significant accounting policies (continued)

Foreign currency

(i) Foreign currency transactions

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

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

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

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

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

(ii) Foreign operations

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

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

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

Impairment of non-financial assets

The carrying amounts of the Group’s non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. Goodwill and indefinite life intangible assets are tested every twelve months for impairment and at other times when such indicators exist.

For 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 cash generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss within 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

Policy applicable from 1 January 2018

Financial instruments

The Group recognises loss allowances for Expected Credit Losses ("ECLs") on:
- financial assets measured at amortised cost; namely trade and other receivables and cash at bank; and
- debt investments measured at FVOCI, namely investments in corporate debt securities.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade and other receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12 month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset. In the case of short-term, interest-free financial assets, such as trade receivables, ECLs are not discounted.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Impairment losses related to cash at bank and trade and other receivables, are presented separately in the statement of profit or loss and other comprehensive income. For debt securities at FVOCI, the loss allowance is charged to profit or loss under finance costs and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

4 Summary of significant accounting policies (continued)

Policy applicable before 1 January 2018

Financial assets not classified as at fair value through profit or loss, were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired included:

- 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 would enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers
- the disappearance of an active market for a security because of financial difficulties
- observable data indicating that there was a measurable decrease in the expected cash flows from a group of financial assets.

The Group considered evidence of impairment of these assets at an individual asset level. An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account. When the Group considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease could be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

Fair values

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

Share Capital

Ordinary shares

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

Leases

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

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual accounts beginning after 1 January 2018 and have not been early adopted in preparing these consolidated financial statements.

One which will be relevant to the Group is set out below.

IFRS 16 (Leases) published in January 2016, replaces the existing guidance in IAS17 (Leases) and changes fundamentally the accounting by lessees. It introduces a single, on-balance sheet accounting model for all leases similar to the current finance lease accounting. Lessor accounting remains similar with lessors continuing to classify leases as finance and operating leases. Sale-and-leaseback is effectively eliminated as an off-balance sheet financing structure. IFRS 16 is effective for annual reporting periods beginning on or after 1 January 2019, with early adoption permitted provided IFRS15 has also been adopted. Although there are optional exemptions for short-term leases and leases of low value, this IFRS

4 Summary of significant accounting policies (continued)

Standards issued but not yet effective (continued)

will impact on the Group's financial statements as it will need to recognise right-of-use assets representing the right to use the underlying leased assets arising from the 99 year deed of sub-emphyteusis relating to Grand Harbour Marina, Malta and the 99 year rental agreement for Port Louis Marina.

When IFRS 16 is adopted, the initial recognition of both the asset and liability should be equivalent to the unpaid discounted minimum lease payments from the date of initial application of the standard until the end of the lease term. Following preliminary assessments of the financial impact on the Group's financial statements, the initial recognition of the right-of-use assets and lease liabilities in relation to Grand Harbour Marina and Port Louis Marina are expected to amount to around €6.6 million. Subsequently, the assets will be reduced with the yearly depreciation charge, while the liability is reduced as minimum lease payments are made and an imputed finance cost on the liability is recognised.

5 Revenue

The effect of initially applying IFRS 15 on the Group's revenue from contracts with customers is described in note 3. Due to the transition method chosen in applying IFRS 15, comparative information has not been restated to reflect new requirements.

5.1 Revenue streams

The Group generates revenue primarily from berthing income from annual, seasonal and visitor boats berthed in its' marinas, from utilities, such as water and electricity provided to such boats, from landside revenues and from business consultancy revenues. The timing of long-term superyacht 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 net results.

		2018	2017
		€000	€000
Revenue from customer berthing contracts	5.2	**5,070**	4,556
Utility revenues		**1,840**	1,566
Landside and other revenues		**404**	343
Business Consultancy	5.3	**1,391**	1,015
Total revenues		**8,705**	7,480

5.2 Disaggregation of revenue from customer berthing contracts

The following table disaggregates revenue recognised from contracts with customers into appropriate categories, being annual, seasonal and visitor revenue streams.

		2018	2017
		€000	€000
Berth owner service charges		**464**	468
Annual contracts		**2,058**	2,026
Seasonal contracts		**508**	521
Visitor contract		**2,040**	1,541
Total revenues from customer berthing contracts		**5,070**	4,556

5 Revenue (continued)

5.3 Disaggregation of revenue from Business Consultancy

The following table disaggregates revenue recognised from Business Consultancy contracts into appropriate categories, being Retainer and Operator fees, Consultancy fees and recharged expenses.

		2018	2017
		€000	€000
Retainer and Operator fees		**708**	622
Consultancy		**582**	290
Recharged expenses		**101**	103
Total revenues from Business Consultancy		**1,391**	1,015

5.4 Contract balances

The following table provides information about receivables and contract liabilities from contracts with marina and consultancy business customers.

		2018	2017
		€000	€000
Receivables, which are included in 'trade and other receivables'		**1,325**	1,322
Contract liabilities		**(1,134)**	(737)

The receivables relate mainly to the non-refundable upfront fee (non-cancellable contract) charged to marina clients at or near contract inception, equivalent to the fee of the duration of the contract, whether it is annual, seasonal or visitor and to amounts owed by consultancy business clients for work completed in accordance with contracts. It is therefore an unconditional right to consideration, which as at 31 December 2018 has not yet been received.

The contract liabilities relate to the advance consideration received from customers for berthing contracts, for which revenue is recognised over time. These are all current liabilities.

The amount of €737k recognised in contract liabilities at the beginning of the period has been recognised as revenue for the period ended 31 December 2018.

6 Operating expenses

	Note	Year ended 31 December 2018	Year ended 31 December 2017
		€000	*€000*
Directors' remuneration	7	176	186
Salaries & wages		2,021	2,108
Audit fees		136	141
Rent and rates		586	561
Other general administration expenses	8	1,904	1,993
Legal & professional fees		183	194
Promotion		199	183
Depreciation		714	837
Exchange (gains) / losses		(65)	102
Total operating expenses		5,854	6,305

7 Directors' remuneration

	Year ended 31 December 2018	Year ended 31 December 2017
	€000	*€000*
Directors' fees – Parent Company	166	172
Directors' fees – Other Group Companies	10	14
Total	176	186

8 Other general administration expenses

	Year ended 31 December 2018	Year ended 31 December 2017
	€000	*€000*
Communications including travel	108	205
Repairs & maintenance	578	247
Security	46	84
Insurance	218	173
Electricity, water & gas	184	196
Administration fees	41	60
Printing stationery & postage	30	24
Bank charges	90	91
Bad debt (writeback) / provision	48	(20)
Bond costs amortisation	33	171
Royalty fees	306	278
(Profit) / loss on asset disposals	(4)	219
Other	226	265
Total	1,904	1,993

9 Disposal of Interest in Camper & Nicholsons First Eastern ("CNFE") Joint Venture

CNFE, the marina management and consultancy business serving the markets of Asia Pacific, including China, was established in 2011 as a joint venture between Camper & Nicholsons Marina Investments Ltd and FE Marina Partners Limited, a subsidiary of the Group's major investor, First Eastern. At 1st January 2018 the Group had an investment of US$0.5 million (€0.42 million) in the equity of CNFE, a loan of US$1.25 million (€1.04 million) and short term investments of €0.2 million from the extended payment terms on receivables.

CNFE had been unable to trade profitably since and following discussion with the joint venture partner it was agreed that both partners would convert their US$1.25 million shareholder loans into equity and that Camper & Nicholsons Marina Investments Limited would then sell its 50% share of the equity to FE Marina Partners Ltd for US$1. The sale was completed in November 2018 and as part of the agreement, the outstanding receivables owed to Group companies were paid. As the historic trading losses and the losses for 2018 up to the date of sale exceeded the value of the equity written off there was a book gain of €477k on the disposal.

10 Taxation

10.1 Taxation charge

The parent company, Camper & Nicholsons Marina Investments Limited is a Guernsey Exempt Company and is therefore not subject to taxation on its income under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. An annual exempt fee of £1,200 (2017: £1,200) has been paid. The Group's tax charge during the year is calculated as shown in the table below and consists primarily of a deferred tax charge and a small income tax charge with the latter relating to withholding tax in foreign jurisdictions.

The deferred tax liability has increased by €330k to €1,169k at 31 December 2018 (31 December 2017: €839k) with this balance reflecting the temporary differences relating mainly to plant and equipment net of unrelieved tax losses and unabsorbed capital allowances.

	Year ended 31 December 2018	Year ended 31 December 2017
	€000	*€000*
Income Tax charge	3	3
Deferred Tax charge	330	357
Total charge	333	360

The deferred tax charge reflects the change in recognised unrelieved tax losses and unabsorbed capital allowances.

10 Taxation (continued)

10.1 Taxation charge (continued)

At 31 December 2018 the Group's UK subsidiary had carried forward losses which are available for use against future profits. These losses have not been reflected in the statement of financial position and represent an unrecognised deferred tax asset of around €80k (2017: €155k).

10.2 Reconciliation of taxation charge

A reconciliation between tax expense and the product of accounting profit multiplied by domestic tax rates in the countries of operation is as follows:

	Year ended 31 December 2018 *€000*	Year ended 31 December 2017 *€000*
Accounting profit / (loss) before income tax	521	(1,180)
Income tax charge using the country domestic rates	(356)	(110)
Tax effect of:		
Brought forward losses	106	14
Expenses not deductible for income tax	(80)	(222)
Tax not recognised in prior period	-	(15)
Withholding tax in foreign jurisdictions	(3)	(3)
Movement in deductible temporary differences not recognised	-	(24)
Total tax charge for the year	(333)	(360)

11 Subsidiaries and Joint Ventures

Subsidiaries	**Activity**	**Country of Incorporation**	**% Equity Interest**
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 Entity			
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 accounts for a 45% interest in IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi ("IC Cesme"), a jointly controlled entity which operates a marina in Turkey. As at 31 December 2018 the Group had invested €1.8 million (31 December 2017: €1.8 million) in the equity of IC Cesme.

The Company had a 50% interest in Camper & Nicholsons First Eastern Limited ("CNFE"), a jointly controlled entity established during 2011 which was involved in marina management and consultancy in the Asia Pacific region. As detailed in Note 9 this interest was sold during the year.

12 Equity Accounted Investees – Joint ventures (continued)

	2018	2018	2018	2017	2017	2017
	IC Cesme	CNFE	Total	IC Cesme	CNFE	Total
At 100% level	€000	€000	€000	€000	€000	€000
Non-current assets	10,832	-	10,832	11,575	16	11,591
Cash and cash equivalents	2,396	-	2,396	2,919	180	3,099
Other current assets	1,267	-	1,267	1,564	76	1,640
Non-current financial liabilities	-	-	-	-	(2,084)	(2,084)
Isbank loan	(10,954)	-	(10,954)	(12,041)	-	(12,041)
Other current liabilities	(1,578)	-	(1,578)	(2,098)	(890)	(2,988)
Net assets / (net liabilities) (100%)	1,963	-	1,963	1,919	(2,702)	(783)
Percentage ownership interest	45%	-		45%	50%	
Group's share of net assets / (net liabilities)	882	-	882	864	(1,351)	(487)
Goodwill	372	-	372	372	-	372
Loan to equity accounted investee	-	-	-	-	1,101	1,101
Short term investment in JV	-	-	-	-	218	218
Exchange	-	-	-	-	32	32
Carrying amount of interest in joint ventures	1,254	-	1,254	1,236	-	1,236

	2018	2018	2018	2017	2017	2017
	IC Cesme	CNFE	Total	IC Cesme	CNFE	Total
At 100% level	€000	€000	€000	€000	€000	€000
Revenue	4,161	158	4,319	4,817	416	5,233
Operating expenses	(2,782)	(564)	(3,346)	(4,026)	(592)	(4,618)
Depreciation and amortisation	(775)	-	(775)	(806)	(2)	(808)
Finance revenue	46	-	46	120	-	120
Finance costs	(293)	(52)	(345)	(391)	(126)	(517)
Tax	(313)	-	(313)	392	(30)	362
Profit/(Loss) and total comprehensive income (100%)	44	(458)	(414)	106	(334)	(228)
Percentage ownership interest	45%	50%		45%	50%	
Group's share of profit/(loss) and total comprehensive income	18	(229)	(211)	48	(167)	(119)

As detailed in Note 9 the Group's 50% interest in the CNFE joint venture was sold during 2018. The 2018 results in the table above therefore reflect the results up until 31 October 2018, just before the sale was completed.

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, Grand Harbour Marina, has a 45% interest. The lease is non-cancellable and expires in 2033. The initial annual rent payable was approximately €1 million and this is index linked in future years in accordance with the Build Operate Transfer (BOT) contract. Towards the end of 2018, agreement was reached with the Government that the BOT contract should be extended by 33 years such that the agreement now ends at the beginning of 2067. The cost of this is a fee of €2.1 million (Group's 45% share €0.94 million) and the first instalment of €0.5 million was paid in December 2018 with 4 further equal annual payments required commencing in December 2019.

12 Equity Accounted Investees – Joint ventures (continued)

The bank loan was provided by Isbank to IC Cesme in the form of a Term Facility Agreement ("Term Facility") in the amount of €9.25 million. Semi-annual repayments, which commenced in December 2011, had reduced the outstanding balance to €5.44 million at 30 June 2015 at which time negotiations were completed with Isbank to increase the loan back to €7.0 million (Group's 45% share, €3.15 million). At the same time the interest rate on the loan was reduced to Euribor + 4.5% (previously Euribor + 5.5%) and the repayment profile was amended with the loan to be repaid in thirteen equal semi-annual instalments which commenced in July 2016 and will end in July 2022.

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 against which €8.495 million was drawn down and which was secured against cash pledges by the shareholders. During 2018, IC Cesme repaid €Nil million (2017: €1.8 million of which the Group's 45% share was €0.8 million) of the subordinated loan which, together with associated interest, resulted in a €Nil million (2017: €0.9 million) reduction of the cash pledge made to Isbank.

The Isbank loans are guaranteed by the shareholders as detailed in notes 14 and 25.

13 Property, plant and equipment

Cost:	Marina Development €000	Deferred super yacht berth costs €000	Equipment & office furniture €000	Motor vehicles €000	Leasehold Property €000	Total €000
Year ended 31 December 2017						
At 1 January 2017	35,613	496	1,100	73	81	37,363
Additions	255	-	23	18	-	296
Disposals	(395)	-	(5)	(2)	-	(402)
Effects of movements in exchange rates	(3,197)	-	(66)	(4)	(3)	(3,270)
At 31 December 2017	32,276	496	1,052	85	78	33,987
Year ended 31 December 2018						
Additions	933	-	74	3	-	1,010
Disposals	(414)	-	(31)	-	-	(445)
Effect of movements in exchange rates	1,109	-	20	1	(1)	1,129
At 31 December 2018	33,904	496	1,115	89	77	35,681
Accumulated depreciation and impairment losses						
Year ended 31 December 2017						
At 1 January 2017	10,675	5	908	58	46	11,692
Depreciation charge	782	-	25	9	21	837
Disposals	(185)	-	(5)	-	-	(190)
Exchange to closing rate	(905)	-	(47)	(4)	(3)	(959)
At 31 December 2017	10,367	5	881	63	64	11,380
Year ended 31 December 2018						
Depreciation charge	618	-	79	3	14	714
Disposals	(74)	-	(30)	-	-	(104)
Effect of movements in exchange rates	329	-	14	2	(1)	344
At 31 December 2018	11,240	5	944	68	77	12,334
Carrying Amount:						
At 31 December 2018	22,664	491	171	21	-	23,347
At 31 December 2017	21,909	491	171	22	14	22,607

13 Property, plant and equipment (continued)

Trading performance at Port Louis Marina improved again during 2018 with revenues more than 15% ahead of the prior year and EBITDA increasing to US$0.8 million before incurring essential maintenance dredging costs. With the continued improvement in trading and no significant changes at the marina, the Directors determined that no CBRE valuation was required at 31 December 2018.

A value in use was prepared by management in order to assess any potential impairment of the asset at 31 December 2018.The value in use gave an estimated value of US$20.3 million (€17.8 million) which is around 7% above the US$19 million book value. The end 2018 valuation compares with the CBRE valuation of US$19.5 million at the end of 2017.

On the basis of the improved trading performance and the value in use assessment being above the book value, the Directors have decided that no impairment charge is required in the 2018 financial statements (2017: €Nil million).

The Directors consider that the key variables used in calculating the value in use are the berthing revenue growth rate in the next 5 years, the discount rate used in relation to future cash flows and the level of berth sales. As an adverse change in these assumptions would reduce the value in use to close to or below the book value, the Directors consider it inappropriate to write back any of the previous asset impairment.

14 Cash pledges

	31 December 2018	31 December 2017
	€000	*€000*
Isbank cash pledge	3,175	3,144

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 2018 the Group's share of the cash pledge amounted to €3,175k (31 December 2017: €3,144k) including interest added of €225k (31 December 2017: €194k). 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.

15 Investment in Corporate Debt Securities

	31 December 2018	31 December 2017
	€000	*€000*
Corporate Debt Securities at FVOCI	494	-

Corporate debt securities held have been classified as financial assets at FVOCI (2017: available for sale). They have stated interest rates ranging from 3.5% to 5% and mature in nine to ten years (2017: no investments held). As at 31 December 2018, the value of such investments, by reference to quoted market prices on the Malta Stock Exchange, amounted to €494k. Such a value was classified as a Level 1 investment by reference to the fair value hierarchy. The loss on fair value during the period ended 31 December 2018 (i.e. €4k) has been presented in other comprehensive income and the fair value reserve. They are held in a separate portfolio to provide interest income but may be sold to meet liquidity requirements arising in the normal course of business. The financial terms of these financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

16 Goodwill

Goodwill arises from the following acquisitions:

			31 December 2018	31 December 2017
	Acquisition Cost	**Group share of fair value of assets acquired**	**Goodwill**	**Goodwill**
	€000	*€000*	*€000*	*€000*
Grand Harbour Marina plc	11,168	1,835	9,333	9,333
Camper & Nicholsons Marinas International Ltd			1,271	1,271
			10,604	10,604

The Company commissions annual professional valuations of the marinas in which GHM 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 2018 by the specialist leisure consultancy team of CBRE Limited, the Company's independent property valuer, who also completed the 31 December 2017 valuation. CBRE's valuation at the end of 2018 was €23.4 million which is unchanged from the prior year. Having reviewed this valuation the Directors have concluded that no adjustment to the carrying value of goodwill was necessary at 31 December 2018.

The goodwill relating to Camper & Nicholsons Marinas International Ltd arose originally on Camper & Nicholsons Marina Holdings ("CNMH") of which it was a wholly owned subsidiary. When CNMH was dissolved, Camper & Nicholsons Marinas International Ltd became a wholly owned subsidiary of the Company. In relation to Camper & Nicholsons Marinas International Ltd, management has considered the performance of the business during the last five years, and the forecast performance of the business in 2019. As this is a specialist business there are no recent transactions or listed businesses that are truly comparable. However management has used businesses with similar characteristics in estimating an appropriate EBITDA multiple range. Using the lower end of this range of multiples, being around 7x forecast EBITDA, the estimated value of the business is 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. In the event that the assumed EBITDA multiple reduced below 5x or the forecast 2019 EBITDA decreased by 25% or more, management might need to consider whether the goodwill should be impaired.

17 Trade and other receivables

	31 December 2018	**31 December 2017**
	€000	*€000*
Trade receivables	1,325	1,322
Taxation recoverable	1	10
Other receivables	497	86
Prepayments and accrued income	291	331
	2,114	1,749

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

Other receivables includes €377k (2017: €Nil) following recognition of amounts that were paid by the Company that the Government of Grenada should have borne and agreement with the Government that certain future costs can be offset against this balance.

17 Trade and other receivables (continued)

As at 31 December 2018 the ageing analysis of trade receivables was as follows:

	31 December 2018	31 December 2017
	€000	*€000*
Neither past due nor impaired	265	298
Past due but not impaired:		
Less than 30 days	257	164
Between 30 and 60 days	289	229
Between 60 and 90 days	115	174
Between 90 and 120 days	197	128
Greater than 120 days	202	329
Past due and impaired:		
Less than 120 days	-	-
Greater than 120 days	80	144
Less impairment	(80)	(144)
	1,325	1,322

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as shown in the table below. Comparative amounts for 2017 represent the allowance account for impairment losses under IAS 39.

	2018	2017
	€000	*€000*
Balance at 1 January under IAS 39	144	306
Adjustment on initial application of IFRS 9	-	
Balance at 1 January under IFRS 9	144	
Amounts written off	(96)	(138)
Net remeasurement of loss allowance	32	(24)
Balance at 31 December	80	144

18 Cash and cash equivalents

	31 December 2018	31 December 2017
	€000	*€000*
Cash and cash equivalents comprise the following:-		
Cash at bank and in hand	9,583	10,827
	9,583	10,827

19 Trade and other payables

	31 December 2018	31 December 2017
	€000	*€000*
Trade payables	482	393
Other payables	367	338
Accrued expenses	1,587	1,796
Accrued bond and loan interest	242	242
	2,678	2,769

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

20 Debt securities in issue

During the period ended 31 December 2017, Grand Harbour Marina plc ("GHM") issued €15 million bonds, bearing an interest rate of 4.5%, redeemable on 23 August 2027. As reported last year some of the proceeds were used to redeem the previously issued 7% Bond with the balance of the proceeds available to invest in the business.

The table below shows the outstanding balance.

	31 December 2018	**31 December 2017**
4.5% Bonds	*€000*	*€000*
Opening balance	14,610	-
Bond issue	-	15,000
Bond issue transaction costs	-	(401)
Amortisation of transaction costs	33	11
Balance at year end	14,643	14,610

21 Interest bearing loans and deposits

	31 December 2018	**31 December 2017**
	€000	*€000*
Scotia Bank Loan	3,626	4,608
Bank Overdrafts	1	3
	3,627	4,611
Unsecured 4.5% Bond (Note 20)	14,643	14,610
Total Loans	18,270	19,221
Repayable within one year	3,627	1,150
Repayable after more than one year	14,643	18,071
Total Loans	18,270	19,221

	Interest Rate at 31 December 2018	**Interest Rate at 31 December 2017**	**Due 2019**	**Due 2027**	**Total**
	%	**%**	*€000*	*€000*	*€000*
Scotia Bank Loan	5.82%	4.69%	3,626	-	3,626
Bank overdraft	4.85%	4.85%	1	-	1
Unsecured 4.5% Bond	4.5%	4.5%	-	14,643	14,643
Total			3,627	14,643	18,270

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 million or equivalent charge over the fixed assets, goodwill, and uncalled capital of the borrower and a floating charge over all other assets.

The Scotia Bank loan is subject to a floating rate being Libor+3%. The capital repayment due at the end of the first quarter of 2019 is US$375k with the remaining balance of the loan then due as a final bullet payment in mid 2019.

21 Interest bearing loans and deposits (continued)

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

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

Details of the Grand Harbour Marina 4.5% unsecured bond are given in Note 20.

A reconciliation of the cash and non cash movements arising from financing activities for the years ended 31 December 2017 and 2018 is shown in the table below.

€000	Loans and Overdrafts	7% Bond	4.5% Bond	Total
For the year ended 31 December 2017				
Balance at 1 January 2017	5,766	10,810	-	16,576
Cash outflows at redemption	-	(10,970)	-	(10,970)
Cash flow from new issue	-	-	14,610	14,610
(Repayment)/Drawdown	(457)	-	-	(457)
Amortisation of issue costs	-	160	-	160
Impact of exchange rate changes	(698)	-	-	(698)
Balance at 31 December 2017	4,611	-	14,610	19,221
For the year ended 31 December 2018				
Balance at 1 January 2018	4,611	-	14,610	19,221
(Repayment)/Drawdown	(1,204)	-	-	(1,204)
Amortisation of issue costs	-	-	33	33
Impact of exchange rate changes	220	-	-	220
Balance at 31 December 2018	3,627	-	14,643	18,270

22 Issued Share Capital

	Authorised	**Issued & Fully Paid 2018**	**2017**
Ordinary shares of no par value (000)	Unlimited	207,230	207,230

The share capital is shown in the consolidated Statement of Financial Position net of issue costs of €3,006k (2017: €3,006k).

23 Net asset value per share

The calculation of basic net asset value per share as at 31 December 2018 is based on net assets of €26,547k (2017: €25,912k) attributable to the equity shareholders, divided by the 207,230k (2017: 207,230k) ordinary shares in issue at that date. As there were no options outstanding at 31 December 2018 the basic and diluted net asset value per share are the same.

24 Non-controlling interest

The non-controlling interest is all attributable to the 20.83% non-controlling shareholding in Grand Harbour Marina plc ("GHM"), the Group's Maltese subsidiary which owns a 45% interest in IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi, in Turkey.

The following is summarised financial information for the GHM subgroup, prepared in accordance with IFRS, modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The information is before inter-company eliminations with other companies in the Group.

	2018	**2017**
	€000	*€000*
Revenues	4,725	4,130
Profit	419	51
Profit attributable to non-controlling interest	87	11
Other comprehensive income	(5)	(5)
Total comprehensive income	414	46
Total comprehensive income attributable to non-controlling interest	86	11
Current assets	10,522	8,737
Non-current assets	11,730	12,313
Current liabilities	(3,150)	(2,725)
Non-current liabilities	(15,812)	(15,449)
Net assets	3,290	2,876
Net assets attributable to non-controlling interest	625	539
Cash flows from operating activities	1,355	8,96
Cash flows from investing activities	(699)	2,057
Cash flows from financing activities	-	3,629
Net increase in cash and cash equivalents	656	6,582
Dividends paid to non-controlling interest during the year	-	-

25 Commitments and contingencies

Operating lease commitments – Group as lessee

The Group carries on business from three marinas and two office premises all except one held under non-cancellable operating leases. Rentals, excluding those related to IC Cesme Marina which is not consolidated on a line by line basis, are payable as follows:

	2018		**2017**	
	€000	*€000*	*€000*	*€000*
	Minimum	**Maximum**	**Minimum**	**Maximum**
Less than one year	465	846	482	863
Between one and five years	1,584	3,111	1,682	3,209
More than 5 years	4,488	7,849	4,485	7,846
Total	6,537	11,806	6,649	11,918

The marina leases have (a) 81 years and (b) 88 years unexpired at 31 December 2018. 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.

25 Commitments and contingencies (continued)

Operating lease commitments – Group as lessee (continued)

The Group has four office premises. Three of these are held under non-cancellable operating leases which range in length between 5 and 25 years with rents reviewable periodically to prevailing market rates. The fourth property is held under a 15 year operating lease which is cancellable at any time after the first 5 years subject to a six month notice period. The unexpired periods of these leases at 31 December 2018 were between 0.7 and 12 years. The Group ceased to occupy one of the offices during 2012 and another during 2017. Both of these properties have been sublet to the end of their terms.

Finance lease commitments – Group as lessor

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

Capital commitments

At 31 December 2018, the Group had contracted capital commitments of €785k (2017: €Nil).

Contingent liabilities

The Group had the following contingencies at 31 December 2018:

The Group's joint venture, IC Cesme, is disputing a claim by the District Governorship of Cesme that the landside tenants/subtenants in Cesme should pay to the Governorship a charge of 1% on the annual revenues from 2010 to 2018 and in future years. This charge would ultimately be the responsibility of IC Cesme in the event that the Governorship's claim is successful and the tenants/subtenants do not make the payment. The Board of Directors of IC Cesme Marina believes that this claim is contrary to the signed agreements and in this regard has initiated a legal case. As at 31 December 2018, the potential claim would amount to €704k (2017: €776k) with the Group's 45% share being €317k (2017: €349k) if IC Cesme had to make payment in full.

IC Cesme, is also disputing a claim and lawsuit by the Izmir Tax Inspection Board that it has incorrectly calculated the useful lives of certain assets and therefore the depreciation charge for the years between 2010 and 2013 resulting in a claim for payment of €109k tax, including a €65k penalty. The Board of Directors of IC Cesme, having consulted the company's Attorney, believe the lawsuit will be cancelled in a subsequent period. The decision of Izmir 4th Tax Court was annulled in favour of IC Cesme in June 2017. The defendant administration made an appeal request to the Regional Administrative Court which was refused. That decision has been appealed and the parties expecting the Council of State to rule on the matter. However, as no accrual has been made, in the event that it was not cancelled and IC Cesme lost the lawsuit, it would result in a liability of €109k (2017: €145k) with the Group's 45% share being €49k (2017: €65k).

IC Cesme is also disputing a claim and lawsuit by a former tenant of Cesme Marina, Bolluca Turizm Gida San. ve Dis Tic.Ltd.Sti., which started a legal case against IC Cesme after its contract was terminated in 2011 due to the lack of rental payments. The Board of Directors of IC Cesme, having consulted the company's Attorney, consider that the claim is not valid. Izmir 3rd Basic Commercial Court dismissed the case the claimant made a request of appeal to the Izmir Regional Court of Justice and the decision of that Court is awaited. However, as no accrual has been made, in the event that IC Cesme lost the lawsuit, it would result in a liability of €1,095k (2017: €1,439k) with the Group's share being €493k (2017: €648k).

Litigation and claims

At 31 December 2018, other than the three items noted above, there were no material claims against the Group or litigation issues with which the Group was involved.

25 Commitments and contingencies (continued)

Guarantees

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

The Company currently acts as a guarantor and sponsor of IC Cesme's repayment obligations under the Term Facility and the Subordinated Loan to the extent of 45% of any non-payment. As part of the contractual arrangements for the sale of the Company's interest in IC Cesme to GHM, GHM 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 2018 was €4,929k (2017: €5,418k).

Grand Harbour Marina plc, a subsidiary, has provided a guarantee in respect of a performance bond amounting to €35k (2017: €35k).

Trade Mark Licence

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

26 Related party transactions

26.1 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.

26.2 Administration and support services provided by Y-Lee Limited

During the year, Y-Lee Limited charged €17k (2017: €51k) to Camper & Nicholsons Marinas Limited for providing the services of Clive Whiley as CEO from the beginning of the year until 30 April 2018. At 31 December 2018 €Nil (2017: €Nil) was due to Y-Lee Limited.

26.3 Office Rental agreement with Evolution Securities China Limited

When Camper & Nicholsons Marinas Limited moved offices in October 2014 it agreed to share the office space with Evolution Securities China Limited, a Company which, like Camper & Nicholsons Marina Investments Limited, is majority owned by First Eastern. During the year €38k (2017: €38k) was charged to Evolution Securities China Limited for the provision of office space. At 31 December 2018 €Nil (2017: €Nil) was due to Camper & Nicholsons Marinas Limited.

26.4 Consultancy Services provided to Victoria Quay Estate Limited ("VQEL")

During the year, Camper & Nicholsons Marinas Limited charged €Nil (2017: credited €19k) to VQEL for marina consultancy services in relation to the proposed Victoria Quay development at East Cowes for which VQEL is the developer. First Eastern, which has an 87.2% shareholding in Camper & Nicholsons Marina Investments Limited, is also the lead investor in VQEL. At 31 December 2018 €Nil (2017: €Nil) was due to Camper & Nicholsons Marinas Limited. During October 2018, VQEL decided that it would not continue with the proposed Victoria Quay development.

27 Financial Instruments

The fair values of financial assets and financial liabilities, together with the carrying amounts, as at 31 December 2018 and 31 December 2017, in the consolidated statement of financial position, are as follows.

	31 December 2018		31 December 2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	€000	*€000*	*€000*	*€000*
Financial assets not measured at Fair Value				
Trade and Other Receivables	2,114	2,114	1,749	1,749
Cash and Cash equivalents	9,583	9,583	10,827	10,827
Cash pledges	3,175	3,175	3,144	3,144
Financial liabilities not measured at Fair Value				
Loans and Borrowings	(3,627)	(3,627)	(4,611)	(4,611)
Unsecured 4.5% Bond	(14,643)	(15,653)	(14,610)	(15,810)
Trade and Other liabilities	(3,812)	(3,812)	(3,506)	(3,506)
Other payables	(1,317)	(1,317)	(989)	(989)

The Unsecured 4.5% Bond is a financial instrument that is quoted on the Malta Stock Exchange. The Bond is considered to be Level 1 of the Fair Value hierarchy which is defined as being based on an unadjusted market price in an active market for identical assets or liabilities. The fair value of the bonds in issue at 31 December 2018, as shown above, is based on the trading price existing at the balance sheet date of €104.35 (2017: €105.4) per €100 nominal value.

28 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, interest rate risk and exchange 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 valuations carried out by CBRE Limited from time to time.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group. The nature of the Group's business is such that the amount of credit extended to individual external customers is usually small in order that significant concentrations of credit risk within the Group can be avoided.

28 Financial risk management objectives and policies (continued)

Liquidity risk

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

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

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's cash deposits and to its bank and other borrowings. In respect of cash balances, the Group's strategy is to 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 in the year was to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group is not subject to externally imposed capital requirements.

29 Financial instruments

29.1 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	
Financial Assets	**31 December 2018**	**31 December 2017**
	€000	*€000*
Investment in corporate debt securities	494	-
Trade receivables	1,325	1,322
Other receivables	498	96
Cash Pledges	3,175	3,144
Cash and cash equivalents	9,583	10,604
Total	15,075	15,166

Cash and cash equivalents represents funds deposited with several major Banks, the most significant being; HSBC, Bank of Valletta and Scotia Bank which are rated BBB to AA- based on Fitch Agency ratings.

29 Financial instruments (continued)

29.1 Credit risk (continued)

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

Trade Receivables	Carrying amount 31 December 2018	Carrying amount 31 December 2017
	€000	*€000*
Individual	259	205
Legal entities	904	967
Agents	242	294
	1,405	1,466
Impairment	(80)	(144)
Carrying amount	1,325	1,322

Information relating to the ageing of receivables at the reporting date and associated impairment is provided in note 17.

29.2 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	Over 5 Years
31 December 2018	*€000*	*€000*	*€000*	*€000*	*€000*	*€000*	*€000*
Scotia Bank loan	3,626	(3,726)	(3,726)	-	-	-	-
4.5% Bond Issue	14,643	(21,076)	(338)	(337)	(675)	(2,025)	(17,700)
Bank overdraft	1	(1)	(1)	-	-	-	-
Trade payables	482	(482)	(482)	-	-	-	-
Total	18,752	(25,284)	(4,547)	(337)	(675)	(2,025)	(17,700)
31 December 2017							
Scotia Bank loan	4,608	(4,884)	(627)	(718)	(3,539)	-	-
4.5% Bond Issue	14,610	(21,751)	(338)	(338)	(675)	(2,025)	(18,375)
Bank overdraft	3	(3)	(3)	-	-	-	-
Trade payables	393	(393)	(393)	-	-	-	-
Total	19,614	(27,031)	(1,361)	(1,056)	(4,214)	(2,025)	(18,375)

As indicated in Note 21, the Scotia Bank loan is subject to a floating interest rate of Libor plus 3%.

29.3 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 2018 that are subject to variable interest rates, an increase of 100 bps (2017: 100bps) would reduce profit before tax by €33k (2017: €63k). Similarly a reduction of 100bps (2017: 100bps) on all of the Group's borrowings subject to variable interest rates would increase profit before tax by €33k (2017: €63k).

29 Financial instruments (continued)

29.4 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 2018**	**31 December 2017**
Cash at bank		
GB Pounds	648	2,017
US Dollars	132	783
EC Dollars	48	245
Trade receivables		
GB Pounds	280	486
EC Dollars	163	187
Borrowings		
US Dollars	3,626	4,608

Exchange Rate to Euro Table

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

Currency	**Average rate**		**Year end rate**	
	2018	**2017**	**2018**	**2017**
GB Pounds	1.1303	1.1406	1.1179	1.1271
US Dollars	0.8467	0.8852	0.8734	0.8338
EC Dollars	0.3136	0.3279	0.3235	0.3088
Turkish Lira	0.1761	0.2427	0.1659	0.2215

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 below 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 below. This analysis assumes that all other variables, in particular interest rates remain constant. The analysis is performed on the same basis for 2017.

	31 December 2018		**31 December 2017**	
	Equity	**Profit or Loss**	**Equity**	**Profit or Loss**
	€000	*€000*	*€000*	*€000*
GB Pounds	(107)	87	(255)	178
US Dollars	(1,454)	(19)	(1,448)	12
Turkish Lira	(20)	(60)	(125)	(37)

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.

30 Substantial shareholdings

As at 30 April 2019 the Directors had been notified, or were aware, of the following holdings representing more than 3 per cent of the Company's issued share capital:

	% held
First Eastern (Holdings) Ltd	62.20%
FE Marina Investments Ltd	25.00%
Richard Griffiths	11.67%

The ultimate controlling party is Mr Victor Chu, the Chairman and principal shareholder of First Eastern (Holdings) Limited, which together with its wholly owned subsidiary, FE Marina Investments Limited, owns 87.2% of Camper & Nicholsons Marina Investments Limited's issued share capital.

31 Post balance sheet events

On 22 March 2019, the Company reached agreement with its' major shareholder, First Eastern (Holdings) Limited, on the terms of a loan of up to €1.5 million (US$1.7 million) to assist in funding the capital expenditure for the expansion of Port Louis and also the quarterly capital repayment to Scotia Bank that was due at 31st March 2019. At the date of approval of these financial statements €1.0 million (US$1.1 million) of this loan had been drawn down.

CAMPER & NICHOLSONS MARINA INVESTMENTS LIMITED

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an Annual General Meeting will be held at Bordage House, Le Bordage, St Peter Port, Guernsey, Channel Islands, Great Britain GY1 1BU on 11 June 2019 at 10.30am for the following purposes:-

1. To receive and adopt the audited financial statements and the reports of the Directors and Auditor for the period ended 31 December 2018.

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

3. To elect directors:
   a. Mr Martin Bralsford
   b. Mr Victor Chu
   c. Ms Elizabeth Kan
   d. Mr Clive Whiley

4. To consider any other business.

By order of the Board

Balchan Secretaries Limited
Company Secretary

Registered Office:
Bordage House
Le Bordage
St Peter Port
Guernsey,
GY1 1BU

Dated this 30 April 2019

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.

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Camper & Nicholsons Marinas

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