






Annual Report 2011

Camper & Nicholsons Marina Investments Limited

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Camper & Nicholsons Marina Investments Limited

CHAIRMAN'S STATEMENT

By Sir Christopher Lewinton, Chairman

During 2011, we took a number of significant steps to strengthen the Company and the Board expects these will provide a good foundation for 2012.

- We completed a Strategic Review following which we secured First Eastern Marina Investments Limited, part of First Eastern Investment Group ("First Eastern") as a 25% shareholder in CNMI through an investment of €4.8 million (£4.2 million) in the Company. We also established a JV company between Camper & Nicholsons and First Eastern based in Hong Kong. This JV has already confirmed our expectations of the great opportunities in China where we have signed contracts in relation to marinas in Tianjin, Qingdao and Huizhou.

- 2011 saw the completion of the investment phase of our 3 owned marinas along with improved underlying performance. We entered 2012 with 3 marinas fully operational and with strong management teams in place.

- Our third party business has had a successful year increasing its revenues by nearly 100%. Important elements of which include our first period of operation of the Yas marina in Abu Dhabi and the forthcoming opening in early 2013 of the Limassol marina in Cyprus now nearing completion. We aim to close further contracts over the coming year.

- We saw an encouraging improvement in the underlying performance of the businesses which is fully reported in the Business Review. The operating loss, before one off costs reduced from €4.6 million to €2.2 million and the Board expects to see this trend continue moving towards profitability. In spite of the economic conditions, berth sales in 2011 were €1.2m, the same level as in 2010. However, we have in hand a number of active negotiations which we expect to contribute to improved results in 2012.

The loss before tax of €5.1 million (7.6 Euro cents per share) improved from €5.9 million loss (10.4 Euro cents per share in 2010. After including a €10 million non-cash impairment charge relating to Port Louis the 2011 loss before tax increased to €15.1 million.

Group net assets have reduced by €10.2 million to €28.7 million since 31 December 2010, primarily as a result of a €10.0 million non-cash impairment charge against the value of our Port Louis Marina. Whilst the Board continues to believe in the long term value of this quality asset it is clear that the current value has been impacted by the global economic conditions and therefore the Directors considered it appropriate to write down the book value of the Port Louis asset.

In the first quarter of 2012 there has been a change to our Board of Directors. John Hignett, who has been a Director of CNMI since 2006 and of GHM since 2007, decided for health reasons to resign his position as of February 29th 2012. We are pleased to announce that he has been succeeded by Martin Bralsford who has wide experience in both financial services and international corporate activities which we believe will prove to be of value to the Board.

OUTLOOK

Your Board believes we can expect several years of a challenging economic environment but with the completion of the 3 marinas, the encouraging growth of the third party business and the increasing confidence in the opportunities in China, 2012 will be a year when we see CNMI moving towards profitability.

Most importantly, following the completion of the Strategic Review in 2011 your Board believes the Company is now positioned to enable us to address the needs of our shareholders going forward.

Sir Christopher Lewinton

Chairman

18 April 2012

BUSINESS REVIEW

By Nick Maris, Chairman & CEO of Camper & Nicholsons Marinas International Limited

Review & Outlook

During 2011 we have delivered strong revenue growth in our own marinas, in our third party business, and to our clients who have entrusted us with the design, commissioning and management of their marinas.

We have secured as a cornerstone investor and joint venture partner, First Eastern – a leading Hong Kong based investment group pioneering in the field of direct investment in China since 1988. The joint venture Camper & Nicholsons First Eastern is already securing contracts in China - the world's fastest growing marina market.

These steps forward are masked in our financial results by certain one off costs of which the most important is a non-cash impairment charge relating to the value of our Port Louis Marina.

We believe that all of our marinas have significant upside potential, as does our third party business and Far East joint venture. The skills which our team have in international marina operation have repeatedly proved of real value to our clients and in our own business.

Within the frame of caution that the fragile world economy requires we look forward to 2012 as being a year during which our growing number of clients continue to benefit from our skills and our shareholders from our increasing revenues.

Strong Growth in Revenues

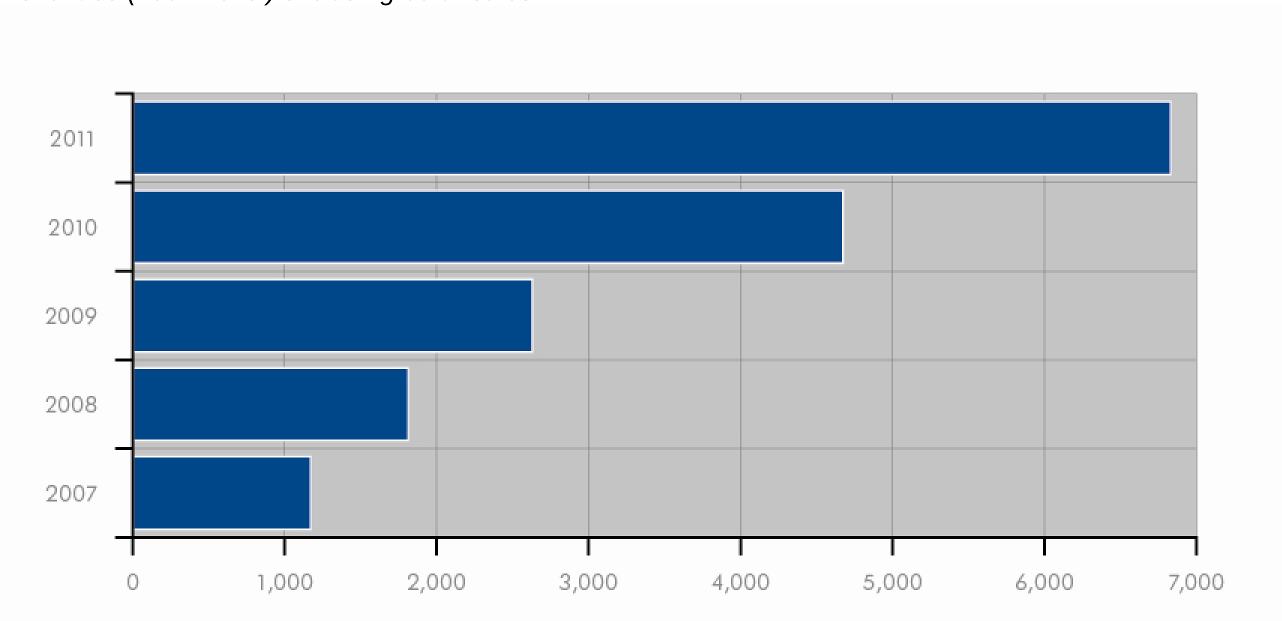
Marina operating revenues for the three marinas in which we are invested, grew strongly for the fourth successive year, reaching €6.7 million, a 45% increase over 2010.

Berth sales declined marginally against 2010 standing at €1.2 million for the year.

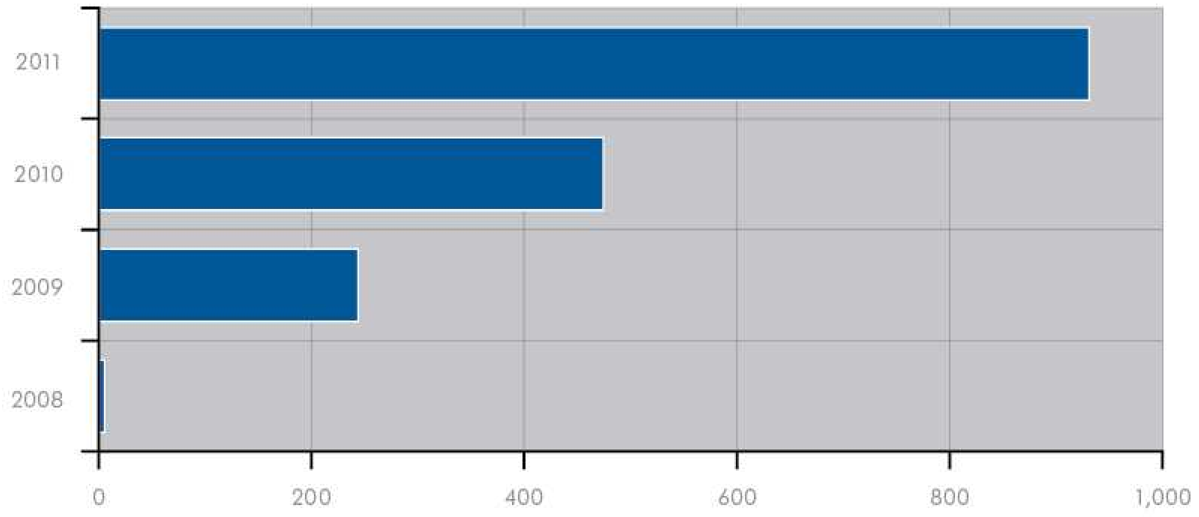
Our capital spending in the marinas declined to €0.6 million from the previous year's €6.2 million reflecting the completion of the development phase of the marinas.

Our third party consultancy business, which includes long term agreements, showed a third year of strong growth with revenues close to doubling over 2010, reaching €0.9 million.

Growth in Marina Operating Revenues - €000
Revenues (100% level) excluding berth sales



Growth in Revenues from Third Party Marinas - €000



Delivering Value to our Clients

For our clients who own or are developing marinas, we have been able to deliver increases in lettable berth areas and hence revenue potential during the design phase, by 60% in one case. Cost savings during the construction phase, by over €1 million in another case. And material occupancy increases, coupled with cost savings during the operation phase. As an example at a recent important event which accounts for 60% of annual berth revenues at a client marina, raising the profit margin by 57% through occupancy growth and cost saving.

The asset value of our marinas

The marinas in which we are invested have been valued by CBRE at 31st December 2011 at a total of €62.3 million.

The marinas are held on long term concessions of 99 years in the case of Grand Harbour Marina and Port Louis, and under a BoT contract of 25 years in the case of Cesme Marina – our joint venture with IC Investment Holdings one of Turkey's leading groups.

Each of the marinas is large scale, strategically located and recently completed. These are not assets for high frequency trading, and therefore our view is that their value should be linked to our own or an acquirers investment horizon. However there is pressure to modify projected future cash flows for current economic conditions. Following consultation with your Board and to ensure compliance with IFRS, an impairment charge (non-cash) of €10 million relating to the Port Louis Marina, is reflected in the accounts. Management's view however is that the Port Louis Marina's value will in due course reflect the full investment made.

Strategic Review & Joint Venture in Asia

Our Strategic Review concluded with an investment of €4.8 million through the purchase of new shares in CNMI Limited, by First Eastern Marina Investments Ltd a First Eastern Company. First Eastern is a leading Hong Kong-based investment group pioneering in the field of direct investments in China. Founded by Victor L.L. Chu in 1988, First Eastern has offices in Hong Kong, Beijing, Shanghai, Dubai, and London. First Eastern and its associates have invested into over 100 projects in China covering infrastructure projects, light industries, real-estate development and financial services, generating over US$7 billion of total investments for these projects. First Eastern is an investment institution regulated by the Hong Kong Securities & Futures Commission.

The Strategic Review incurred costs of €1.3 million but still has a number of future benefits to deliver to your Company.

Camper & Nicholsons Marina Investments Limited

In addition to the investment in your Company we have formed with First Eastern a 50:50 joint venture, Camper & Nicholsons First Eastern Limited ("CNFE"), chaired by Victor L. L Chu. It is capitalized at US$1 million and is headquartered in Hong Kong. Its core objective is to develop marina consultancy contracts in China, the world's fastest growing market for marinas, and in Asia.

First Eastern's long experience in China, coupled with your Company's strong marina sector capabilities, is already proving a very successful combination with clients in China. Important contracts have been signed in 2012 by CNFE.

Two key CNFE staff members have been recruited; Joseph Wong – Business Development Director and Todd Jeffery – Project Director, and both are in place in Hong Kong supporting our China and Asian business. Full support to CNFE is given by both Camper & Nicholson and First Eastern personnel.

Operating costs at marinas and investment in consultancy business

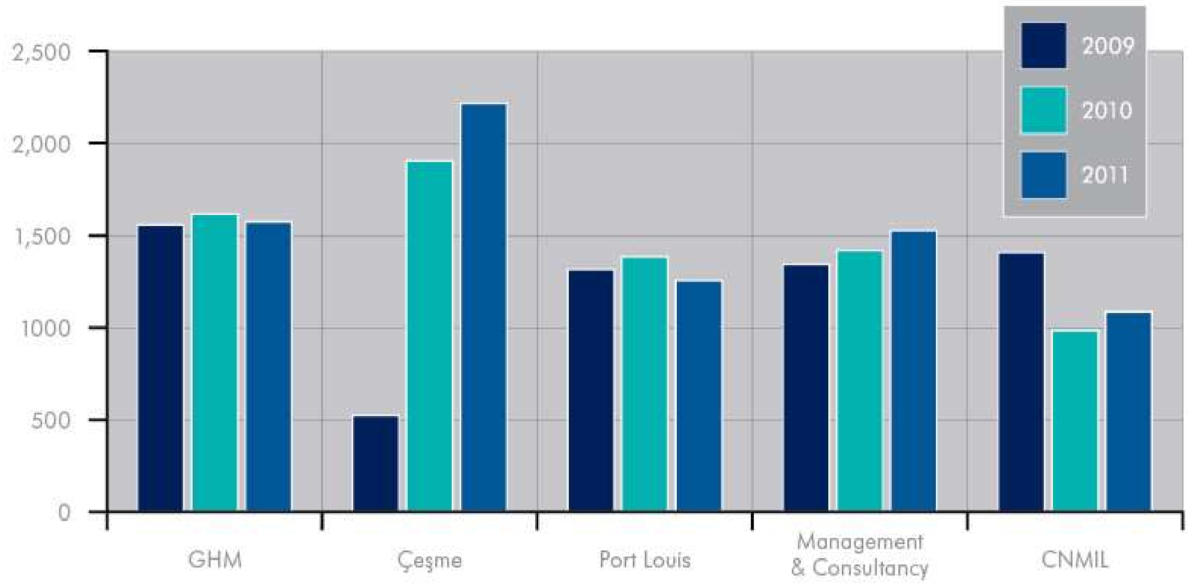
Close attention has been paid to controlling operating costs at the marinas and in the group responsible for developing and delivering our third party consultancy business.

Between 2009 and 2011 substantially the whole of the operating costs increase of €1.4 million was accounted for by the opening of Cesme Marina which occurred in mid 2010 and over the same period operating revenues increased by €4.8 million or over 170%. Operating expenses at the other marinas and the investment in third party consultancy remained flat or declined.

Operating Costs 2009 – 2011

Our refocusing on China led us to reduce the third party consultancy activities based in Malta closing the office which housed them. This led to one off closure costs which together with the transaction costs associated with GHM's acquisition of the 45% stake in Cesme Marina totalled €0.7 million.

Operating Costs 2009 – 2011 by business - €000



Management & Consultancy costs exclude those costs which are recharged to the marinas and included as operating costs in the marina figures.

Annual Operating Results

EBITDA operating results show a loss of €0.9 million a reduction in loss of €1.6 million from 2010.

	Annual Operating Results		
€m	*2011*	*2010*	*2009*
Marina operating activities	*5.1*	*3.8*	*2.6*
Licensing of superyacht berths	*1.2*	*1.2*	*-*
Marina consultancy fees	*0.9*	*0.5*	*0.2*
Total revenues	***7.2***	***5.5***	***2.8***
Gross Profit	*5.5*	*4.3*	*2.2*
EBITDA	***(0.9)***	***(2.5)***	***(4.0)***
Operating (Loss)/ Profit	*(2.2)*	*(4.6)*	*(5.0)*
Average Lettable Berth area (sq metres)	*107,000*	*93,900*	*67,100*
Period end Lettable Berth area (sq mtrs)	*107,000*	*107,000*	*76,400*
Investments made (capital expenditure)	*1.0*	*6.2*	*9.0*

EBITDA and Operating loss in 2011 are stated before the €1.3m charge for the strategic review, restructuring and closure costs.

Whilst the EBITDA loss was reduced to €0.9 million, after allowing for all strategic review, restructuring and Malta closure costs, and also for depreciation, interest and the impairment charge, the loss before tax is €15.1 million

The net asset value of the Company at 31 December 2011 is €28.1 million or 35.1 euro cents per share.

Grand Harbour Marina – *manager* Ben Stuart

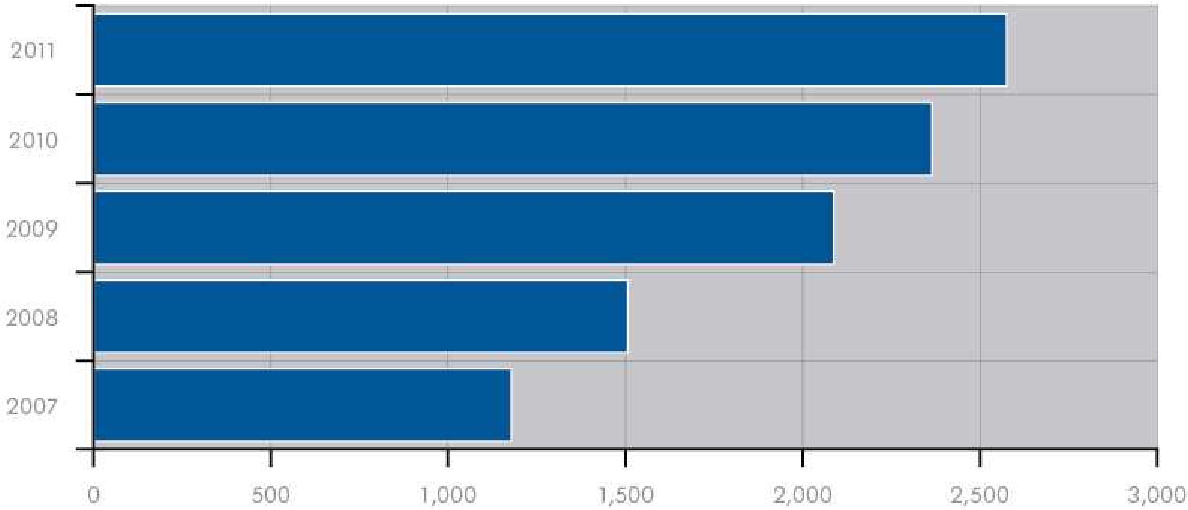
	Annual Results		
€m	*2011*	*2010*	*2009*
Berth Sales	1.2	-	-
Marina operating revenues	2.5	2.3	2.1
Total revenues	3.7	2.3	2.1
Cost of Sales	(1.0)	(0.4)	(0.4)
Operating Expenses	(1.6)	(1.6)	(1.6)
EBITDA	1.1	0.3	0.1

Operating costs exclude transaction costs and Fund raising costs

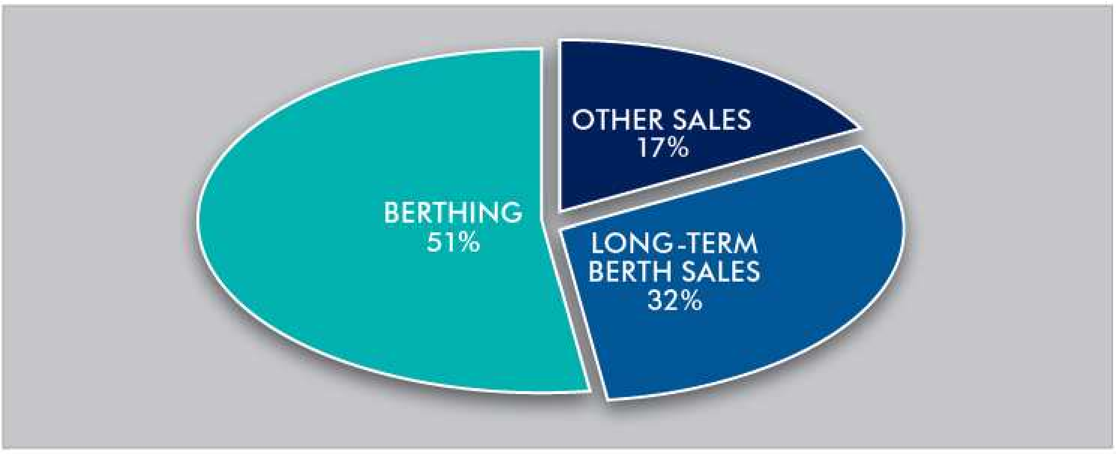
Voted one of the top 5 marinas in the world in a survey in November 2011 by Portbooker, a leading online nautical guide featuring over 8,500 marinas worldwide, Grand Harbour Marina is strategically located in the Mediterranean and well placed to attract boats from the surrounding area.

EBITDA increased by €0.8 million to €1.1 million with revenues increasing by €1.4 million as a result of higher berth tariffs and increased occupancy and the completion of two berth sales which generated revenues of €1.2 million (2010: berth sales revenues €Nil). As reported in the Group's 2011 Interim Results, GHM acquired from its parent company, CNMI, its 45% equity interest in IC Cesme Marina. This transaction occurred in March 2011 with consideration paid being €4.4 million plus costs, which comprised €1.9 million for the beneficial interest in the equity and the balance through the assumption of shareholders' subordinated loans. During the balance of 2011, GHM provided additional funding of €0.5 million to Cesme whilst the marina builds towards full occupancy. A fuller report on the performance of Cesme is given below.

Grand Harbour Marina
Growth in Marina Operating Revenues- €000
Revenues excluding berth sales



Grand Harbour Marina
2011 Analysis of Total Revenues



Trading

GHM continued its growth in EBITDA through increased revenues whilst controlling costs. After one off costs relating to the acquisition of Cesme (€0.1 million), finance charges including a net interest cost of €0.8 million relating to the Bond and depreciation of €0.35 million, GHM made a loss before tax of €0.1 million (2010: €0.8 million loss).

The pontoon berths generated an average revenue over the year of €66 per square metre. Sold superyacht berths generated €24 per square metre in berth service charges and net rental revenues whilst unsold superyacht berths (excluding pontoon H) generated revenues of €0.3 million. Utility revenues totalled nearly €0.6 million or 25% of revenues excluding berth sales. Utility net margins averaged approximately 11% of berth rental revenues. Unsold super yacht berths have a value in excess of €30 million at current price levels.

In spite of challenging market conditions, GHM achieved two berth sales during the year, a 30m berth and a 46m berth. Enquiry levels increased and at mid-April there was a pipeline of opportunities some of which may complete during 2012. GHM's planning application for an extension of the super-yacht capacity continues to be pursued but reconfiguration work will commence only when there is a buyer for one of the new berths.

CBRE valued GHM (based on a 100% interest) at €23.6 million as at 31 December 2011 (2010: €22.2 million). This valuation compares with the market capitalisation of GHM on the Malta Stock Exchange of €18.9 million.

Cesme Marina – manager Kemal Saatcioglu

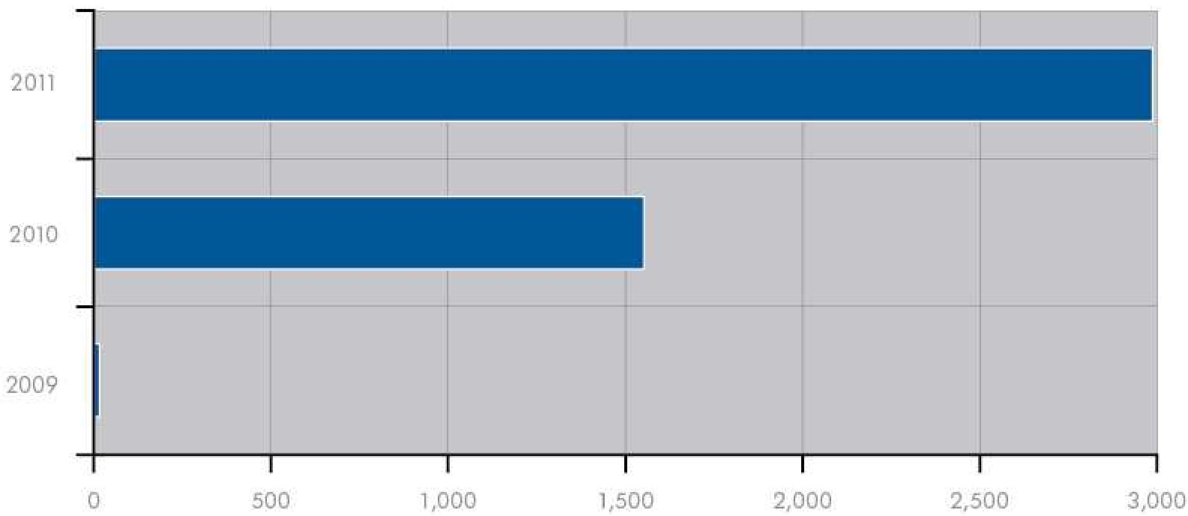
For 100% of the Marina		***Annual Results***	
€m	*2011*	*2010*	*2009*
Seaside revenues	1.4	0.5	-
Landside revenues	1.5	1.0	-
Total revenues	2.9	1.5	-
Cost of Sales	(0.3)	(0.2)	-
Operating expenses	(2.2)	(1.8)	(0.5)
EBITDA	0.4	(0.5)	(0.5)

Cesme Marina, a joint venture with our valued partners, IC Holdings, completed its first full year of operation in 2011 and continues to generate favourable comments from visitors to both the seaside and landside facilities. Having won first prize in the multi-purpose category of the Arkitera Architectural Awards in March 2011, in November the Marina won the Turkish Golden Anchor award for the best marina in Turkey, based on its high-specification construction, use of the latest technology and delivery of the highest standard of facilities and services for its customers. The quality of the marina has resulted in the rapid occupation of the available 373 berths with nearly 300 annual or seasonal contracts now in place. The widely reported economic problems in Greece make Cesme an attractive berthing location for Greek boat owners wishing to escape from Greece.

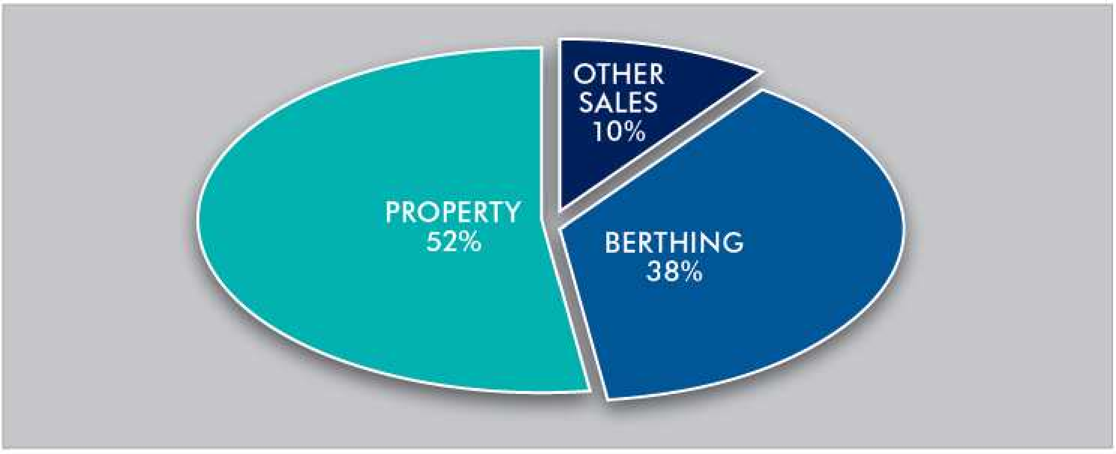
Cesme Marina

Growth in Marina Operating Revenues - €000

For 100% of marina including landside revenues



Cesme Marina
2011 Analysis of Total Revenues



Trading

EBITDA increased by €0.9 million to turn the 2010 loss of €0.5 million into a €0.4 million profit in 2011 as revenues almost doubled in the first full year of trading (2010: 6 months) and operating costs increased by 17%, Marina occupancy has continued to rise since opening in mid-2010 and the commercial areas remained fully let and performing ahead of budget. After finance charges depreciation and exchange losses, Cesme made a loss of €1.5 million (2010: €2.5 million loss). The Group's 45% share includes revenues of €1.3 million (2010: €0.7 million) and loss before tax of €0.7 million (2010: €1.1 million loss), including €0.1 million relating to exchange.

Based on existing annual tariffs at full occupancy berthing revenues would be €3.3 million.

The 58 retail units in the 6,300 square metre retail village remained fully occupied during the year. With the high footfall and extended opening, the revenues from fixed and turnover based rentals and ancillaries averaged around €240 per square metre over the year.

CBRE valued Cesme Marina (based on a 100% interest) at €18 million as at 31 December 2011 which is unchanged from the valuation at 31 December 2010.

Other

Planned capital expenditure of €0.5 million for a small breakwater extension to improve comfort for vessels in the outer berths and improve water utilisation is underway and this has now been substantially completed in time for the Turkish season.

Port Louis – manager Glynn Thomas

		Annual Results	
€m	*2011*	*2010*	*2009*
Berth Sales	-	1.2	-
Marina operating revenues	1.2	0.8	0.5
Total revenues	1.2	2.0	0.5
Cost of sales	(0.2)	(0.6)	(0.1)
Operating expenses	(1.3)	(1.4)	(1.3)
EBITDA	(0.3)	-	(0.9)

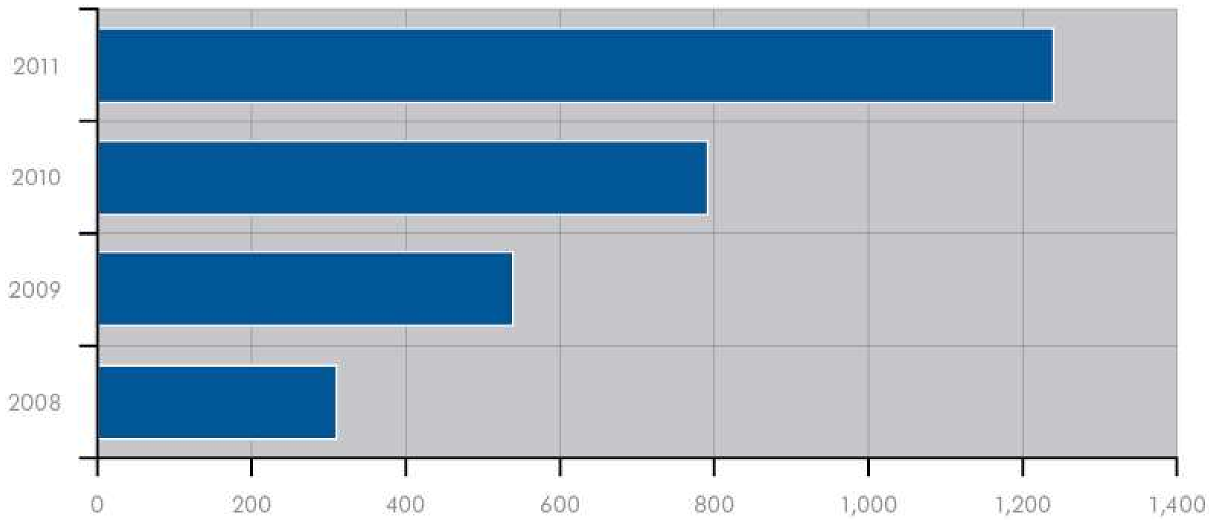
Port Louis Marina has established a reputation as a high quality marina providing a five star welcome to yacht owners, their guests and crews. This well-earned reputation has attracted leading international yacht charter operations and the marina is now the home port for the Grenada Sailing Festival each January. The marina is also a regular stop-off or base for rallies such as the World ARC and the Oyster Caribbean Regatta, both of which were hosted in 2011.

The marina operated at an EBITDA loss of €0.3 million (2010: €Nil) with no berth sales being made during the year (2010: €1.2 million). Revenues from marina operating activities at €1.2 million (2010: €0.8 million) were nearly 60% ahead of 2010 mainly due to significantly improved visitor levels.

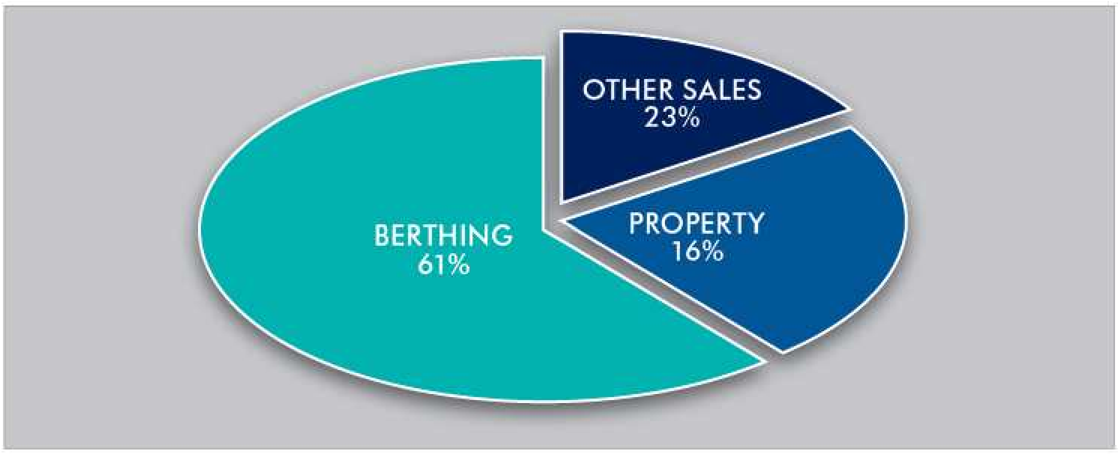
Port Louis Marina

Growth in Marina Operating Revenues - €000

Revenues excluding berth sales



Port Louis Marina
2011 Analysis of Total Revenues



Trading

The strong marketing activities and the growing reputation resulted in significantly increased operating revenues in 2011 with berthing revenues increasing by 55%, and landside and utility revenues increasing by 104% and 96% respectively.

Operating costs were controlled tightly and showed a real decrease of 3% from the prior year but with no berth sales in the period the marina made a small EBITDA loss. After depreciation and interest charges but before the €10 million impairment charge, there was a pre and post-tax loss of €1.3 million (2010: €2.0 million loss). Capital expenditure in the year reduced to €0.3 million reflecting the fact that the marina was completed in 2010.

Late in the year Savills was retained to assist with the marketing of super yacht berths. Although no sales were achieved in 2011 the marketing activities have started to create a pipeline of opportunities with a small berth sold for US$54k in February 2012.

In 2011 the marina achieved average revenue of $35 per square metre of lettable water area an increase of 55% over the prior year. Additional net revenues from utilities generated around 11% of the berthing revenues. The landside properties generated net revenues including utilities, of $0.2 million or $260 per square metre.

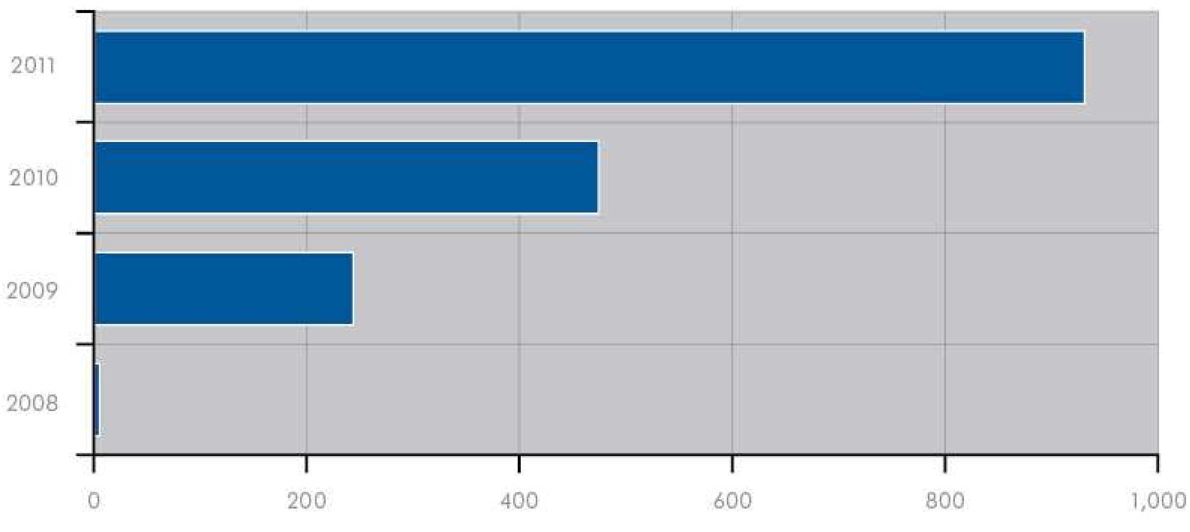
Acquisition of the marina in 2008 included an area of land with planning consent for the construction of residential and commercial properties. An independent valuation of this land was completed during July 2011 which gave a value of US$1.8 million in its current state or c.US$9 million with land reclaimed which it is estimated would cost US$1.5 million.

CBRE has valued the marina at US$26.8 million (€20.7 million) at 31 December 2011, (2010 - US$29.0 million €21.7 million). After adjusting for other assets and liabilities, the impairment charge taken in the current period and losses there is a cumulative €1.8 million negative adjustment as at 31 December 2011.

Third Party Marina Service Agreements

		Annual Results	
€m	*2011*	*2010*	*2009*
External revenues	0.9	0.5	0.2
Intra Group revenues	2.1	2.5	2.0
Total revenues	3.0	3.0	2.2

Third Party
Growth in external revenues - €000



The Third Party Marina Service Business was acquired late in December 2008 as part of the internalisation of the Group's management company. Since acquisition the revenues generated have doubled each year. During 2011 one significant new 10 year services agreement was signed with the contract commencing on 1st June 2011. This was for Yas Marina (Manager Cedric Le Rest) on Yas Island Abu Dhabi at the heart of the Yas Marina Circuit, home to the Formula 1™ Etihad Airways Abu Dhabi Grand Prix. Consultancy work has also been completed for major new marinas in the Caribbean and Mediterranean with the first of these scheduled to open in late 2012.

Following the closure of the C&N Marinas International office in Malta at the end of 2011, the management team has been consolidated into an office in Richmond from which they will be able to support our client marinas from the Caribbean through the Mediterranean and Abu Dhabi to China. Further growth in revenues in this sector is expected during 2011.

Net Asset Value and property valuation

At 31 December 2011 the Group's net assets, on an IFRS basis, amounted to €28.7 million (Dec 2010: €38.9 million). Of this amount, €0.6 million related to the minority shareholders in GHM with €28.1 million (Dec 2010: €38.2 million) attributable to the Company, which equated to 35.1 cents (Dec 2010: 63.4 cents) per share on both a basic and diluted basis. On a revaluation basis, the net assets per share were 39.3 cents (Dec 2010: 50.1 cents) on both a basic and diluted basis. As indicated previously, these figures do not reflect any revaluation of the Company's investments in subsidiaries and joint ventures, since in accordance with our statutory accounting policies, which conform to the requirements of International Financial Reporting Standards (IFRS), such investments are consolidated in the statement of financial position at the book value of the Group's share of net assets.

However, in accordance with the Group's stated valuation policy, which was set out in the Admission Document, CBRE Limited has updated its valuations of Cesme Marina, Turkey, Grand Harbour Marina, Malta and Port Louis Marina, Grenada. The basis on which these valuations were completed, is explained in the Note at the end of this report. CBRE's valuations of Cesme, Grand Harbour Marina and Port Louis Marina, completed in accordance with RICS Appraisal and Valuation Standards, are €18.0 million, €23.6 million and US$26.8 million respectively. Adjusting for debt and other liabilities, and taking into account the Company's shareholdings in Cesme and Grand Harbour Marina of 45% and 79.2% respectively and the €10 million impairment charge for Port Louis Marina, there is an NAV increase of €3.5 million equating to an Adjusted NAV per share of 39.3 cents on both a basic and diluted basis.

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

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

	Total (€m)	Per share # (c)
NAV (IFRS) after €10 million impairment charge relating to Port Louis	28.1	35.1
Grand Harbour Marina	3.5	4.2
Cesme Marina, Turkey	1.8	2.3
Port Louis Marina	(1.8)	(2.3)
NAV (Adjusted)	31.6	39.3

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

The year on year reconciliation, including the impact of the equity share issue in August 2011, is shown in the table below:

	Total (€m)	Per share (c) #
Adjusted NAV – 31 December 2010	30.1	50.1
New shares issued August 2011	4.5	(6.9)
Trading loss	(5.1)	(6.4)
Valuation adjustments		
Grand Harbour Marina	1.6	2.0
Cesme	0.6	0.7
Port Louis Marina	(0.6)	(0.8)
Exchange gain on consolidation and other changes	0.5	0.5
Adjusted NAV – 31 December 2011	31.6	39.3

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

Note concerning Property Valuations

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

Grand Harbour Marina, Malta

The property was initially valued as at 11 June 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards Fifth Edition (Red Book) in the sum of €23.2 million. The property was valued as a fully operational business entity with reference to trading potential. The property is occupied by way of a sub-Emphyteusis agreement granted June 1999 expiring in 2098. The property was valued again in accordance with Royal Institution of Chartered Surveyors Valuation Standards, Seventh Edition at 31 December 2011 in the sum of €23.6 million. We are in receipt of a valuation report as at 31 December 2011.

Cesme Marina, Turkey

The property was initially valued as at 20 April 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards, Fifth Edition (Red Book) in the sum of €4.1 million. The property was valued as a fully operational business entity with reference to trading potential. The property is occupied by way of a Build Operate and Transfer agreement expiring after 25 years. On expiry, all interest in the Marina, its fixtures and fittings will revert to the Turkish Government, free of consideration or compensation. The property was valued again at 31 December 2011 in accordance with Royal Institution of Chartered Surveyors Valuation Standards, Seventh Edition in the sum of €18.0 million. We are in receipt of a valuation report as at 31 December 2011.

Port Louis Marina, Grenada

The property was initially valued as at 6 December 2007 in accordance with Royal Institution of Chartered Surveyors Appraisal and Valuation Standards Fifth Edition (Red Book) in the sum of $27.3 million. The property and reclaimed land for development was valued in its then current state with reference to trading potential. The property is occupied by way of a 99 year lease from the Government of Grenada which expires in 2105 but is renewable at that time for a further 99 years. The property was valued again at 31 December 2011 in accordance with Royal Institution of Chartered Surveyors Valuation Standards, Seventh Edition in the sum of $26.8 million. We are in receipt of a valuation report as at 31 December 2011.

General Information

Directors:

Sir Christopher Lewinton (Chairman)
Nicholas Maris
Roger Lewis
Trevor Ash
Martin Bralsford

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DIRECTORS

Sir Christopher Lewinton - UK resident

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

Nicholas Maris, Non-executive Director – UK resident

Nicholas Maris has 40 years' experience in the marine sector, and a 17 year track record as a marina investor with experience of financing, developing, managing and investing in marinas and marina projects globally, including the acquisition and subsequent redevelopment and sale of Gosport Marina Limited in the United Kingdom and investment in Grand Harbour Marina Limited in Malta. He joined the Camper & Nicholsons Group as an investor and a non-executive Director in 1981 and since 1983 has held executive positions within the Group, including current positions as the Chairman of Camper & Nicholsons Marinas International Limited, Camper & Nicholsons Marinas Limited and Chairman of Camper & Nicholsons (Designs) Limited, which owns the rights to the Camper & Nicholsons trade marks. Mr Maris was also a Director and then Chairman of Camper & Nicholsons Yachts Limited (yacht builders and naval architects) from 1981 to 1999 and Chairman of Camper & Nicholsons International Limited (yacht brokers, charterers and managers) from 1988 to 1992.

Roger Lewis, Independent Director - Jersey resident

Roger Lewis was a director of Berkeley Group Holdings plc for over 15 years, the last 8 of which were as Chairman, a position from which he retired at the end of July 2007. He now acts as a consultant to the Group which is the holding company to UK land and property development entities including Berkeley Homes PLC, St. George PLC and St. James Group Limited. Prior to joining the Berkeley Group, Mr. Lewis was Group chief executive officer of The Crest Nicholson Group PLC from 1983 to 1991, managing director of Crest Homes Limited and Crest Estates Limited and subsequently Chief Executive of Crest Nicholson's property division from 1975 to 1983 and finance director of Crest Homes Limited from 1973 to 1975. Mr Lewis chaired the marina division of Crest Nicholson which included 4 marinas and led the development by Berkeley of Gunwharf Quays in Portsmouth.

Trevor Ash, Independent Director - Guernsey resident

Trevor Ash has over 30 years' investment experience. He is a Fellow of the Securities Institute in England & Wales. He was formerly managing director of Rothschild Asset Management (CI) Limited (now Insight Investment Management (CI) Limited). He is a director of a number of hedge funds, fund of hedge funds, venture capital, derivative and other offshore funds including several managed or advised by Insight, Merrill Lynch and Thames River Capital. Mr Ash recently retired as a director of NM Rothschild & Sons (CI) Limited, the banking arm of the Rothschild Group in the Channel Islands. He was a founding director of Valletta Fund Management Limited, the first fund management company to be established in Malta following the introduction of financial services regulations in 1995.

Martin Bralsford, Independent Director - Jersey resident

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

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2011.

Principal activity

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

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

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

Results and dividends

The results for the period are set out in the attached financial statements. No dividend has been paid in respect of the year ended 31 December 2011 (2010: Nil)

Fixed assets

Movements in fixed assets during the year are set out in Note 11 to the financial statements.

Directors

The directors, except where indicated otherwise, remained in office throughout the period and their interests in the shares of the company as at 31 December 2011 were:

	Number of Shares Held
Sir Christopher Lewinton (Chairman)	*2,403,129*
Nicholas Maris	*8,154,297*
Roger Lewis	*166,666*
Trevor Ash	-
John Hignett (resigned 29 February 2012)	*50,000*

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

Mr Hignett retired from the Board on 29 February 2012 and was succeeded on the same day by Mr Martin Bralsford.

Sir Christopher Lewinton, Mr Nicholas Maris and Mr Martin Bralsford retire from the board in accordance with the company's Articles of Association and, being eligible, offers themselves for re-election.

Brief biographical details of each of the directors are shown on page 14.

Directors' and officers' liability insurance

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

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

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the consolidated financial statements comply with The Companies (Guernsey) Law, 2008, International Financial Reporting Standards, and the AIM Rules of the London Stock Exchange. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Going concern

After making the necessary enquiries, the directors confirm that they are satisfied that the company has adequate resources to continue in business for the foreseeable future. The directors believe that it is appropriate to continue to apply the going concern basis in preparing the consolidated financial statements.

Substantial shareholdings

Individual shareholdings representing 3% or more of the company's issued share capital at the date of this report are detailed in note 30 to the accounts.

Corporate governance

Introduction

As a closed-ended investment company registered in Guernsey, the company is eligible for exemption from the requirements of the Combined Code issued by the Financial Reporting Council. However, the board recognises the importance of good corporate practice and is committed to maintaining high standards of corporate governance throughout the Group. It has put in place a framework which it considers appropriate for a company of this size, nature and stage of development.

DIRECTORS' REPORT (Continued)

Corporate governance (continued)

Board of directors

The company has a board of five non-executive directors.

The board meets regularly on a quarterly basis, and on other occasions as required, to review the investment performance and monitor compliance with the investment policy laid down by the board. The board has a formal schedule of matters specifically reserved for its decisions, including *inter alia* strategy, investment and dividend policies, gearing etc.

The table below sets out the number of board meetings held during the year ended 31 December 2011 and the number of meetings attended by each director:

	Scheduled Board Meetings		Ad Hoc Board Meetings	
	Held	**Attended**	**Held**	**Attended**
Sir Christopher Lewinton (Chairman)	4	4	5	3
Nicholas Maris	4	4	5	3
Roger Lewis	4	4	5	5
Trevor Ash	4	3	5	4
John Hignett	4	3	5	1

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

All Directors' contracts are for one year.

				Emoluments in year ended 31 December 2011	
	Date of appointment	**Unexpired term of contract at 31 December 2011**	**Contractual Annual rate of Directors fees**	**Group**	**Parent company**
			€	€	€
Sir Christopher Lewinton (Chairman)	19-Dec-08	12 months	75,000	83,037	76,049
Nicholas Maris	19-Dec-08	12 months	28,805	124,932	0
Roger Lewis	20-Oct-06	10 months	28,805	35,680	28,692
Trevor Ash	20-Oct-06	10 months	32,262	32,135	32,135
John Hignett	20-Oct-06	10 months	28,805	36,379	28,692
			193,677	312,163	165,568

Mr Nicholas Maris is entitled to a salary of £170,000 (€195,876) in his position as Chief Executive Officer of Camper & Nicholsons Marinas, the Group's management subsidiary. During the year Mr Maris waived his entitlement to his directors fees and part of this salary and was paid a salary of £95,000 (€109,460).

DIRECTORS' REPORT (Continued)

Corporate governance (continued)

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

Remuneration Committee

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

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

Nominations Committee

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

The Nominations Committee comprises Sir Christopher Lewinton, Roger Lewis and Nicholas Maris.

Audit Committee

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

Internal controls

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

The Fort Group is engaged to carry out the administration including the accounting function for the parent company and retains physical custody of the documents of title relating to investments.

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

Risk management

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

DIRECTORS' REPORT (Continued)

Corporate governance (continued)

Relations with shareholders

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

The board is also happy to respond to any written queries made by shareholders during the course of the year and can be contacted at the Registered Office. Alternatively, the Manager is happy to answer any questions you may have and can be contacted in the UK on 0203 405 3211.

Annual General Meeting

Notice convening the 2012 annual general meeting of the company and a form of proxy in respect of that meeting can each be found at the end of this document.

Disclosure of information to auditors

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

Auditor

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

By Order of the Board

Shaftesbury Limited
Secretary, 18 April 2012

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

We have audited the consolidated financial statements of Camper & Nicholsons Marina Investments Limited ("the Company" and "Group") for the year ended 31 December 2011 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards.

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 16, the directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the consolidated financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the consolidated financial statements

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

In addition, we read all the financial and non-financial information in Chairman's Statement, Business Review and Directors' Report to identify material inconsistencies with the audited consolidated financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on consolidated financial statements

In our opinion the consolidated financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2011 and of the Group's loss for the year then ended;
- are in accordance with International Financial Reporting Standards; and
- comply with the Companies (Guernsey) Law, 2008.

Matters on which we are required to report by exception

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

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

KPMG Channel Islands Limited
Guernsey, Channel Islands
Chartered Accountants
18 April 2012

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Comprehensive Income
for the year ended 31 December 2011

	Note	2011 €	2010 €
Marina operating activities		5,097,041	3,794,665
Licensing of super yacht berths		1,176,794	1,232,402
Marina consultancy fees		920,382	461,907
Revenue		7,194,217	5,488,974
Cost of sales		(1,736,723)	(1,146,549)
Gross Profit		5,457,494	4,342,425
Directors' fees		312,163	268,394
Salaries & wages		2,460,487	2,272,332
Audit fees		141,214	127,673
Rent and rates		1,009,200	821,579
Other general administration expenses	5	1,620,879	1,754,965
Legal & professional and fundraising fees		266,874	535,489
Promotion		522,023	683,042
Depreciation		1,324,028	2,121,719
Exchange differences		(12,138)	343,818
Operating expenses		7,644,730	8,929,011
Operating loss		(2,187,236)	(4,586,586)
Impairment loss on Port Louis assets	12	(9,994,898)	-
Strategic review costs	6	(1,259,004)	-
		(13,441,138)	(4,586,586)
Finance income		138,369	156,900
Finance expense		(1,804,181)	(1,474,090)
		(1,665,812)	(1,317,190)
Loss before tax		(15,106,950)	(5,903,776)
Taxation	7	(147,731)	(5,978)
Loss for the year from continuing activities		(15,254,681)	(5,909,754)
Other comprehensive income			
Fair value reserve		(12,000)	-
Foreign exchange reserve		90,163	1,991,366
Other comprehensive income for the year		78,163	1,991,366
Total comprehensive income for the year		(15,176,518)	(3,918,388)
Loss attributable to:			
Equity shareholders		(15,122,379)	(5,749,063)
Non-controlling interest		(132,302)	(160,691)
Loss for the year		(15,254,681)	(5,909,754)
Total comprehensive income attributable to:			
Equity shareholders		(15,041,716)	(3,757,697)
Non-controlling interest		(134,802)	(160,691)
Total comprehensive income for the year		(15,176,518)	(3,918,388)
Loss per share (Euro cents)			
basic, attributable to equity shareholders	8	(22.46)	(10.43)
diluted, attributable to equity shareholders	8	(22.46)	(10.43)

The accompanying notes on pages 25 to 52 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 2011

	Issued Capital €	Fair Value Share Option Reserve €	Retained Earnings €	Fair Value Reserve €	Foreign Exchange Reserve €	Total €	Non-controlling Interests €	Total Equity €
Year Ended 31 December 2010								
At 1 January 2010	48,653,795	78,957	(8,533,082)	-	735,321	40,934,991	1,049,086	41,984,077
Issue of share capital	978,082	-	-	-	-	978,082	-	978,082
Dividends to non-controlling interest	-	-	-	-	-	-	(156,209)	(156,209)
Total comprehensive income for the year								
Loss for the year	-	-	(5,749,063)	-	-	(5,749,063)	(160,691)	(5,909,754)
Other comprehensive income								
Foreign currency translation differences	-	-	-	-	1,991,366	1,991,366	-	1,991,366
At 31 December 2010	49,631,877	78,957	(14,282,145)	-	2,726,687	38,155,376	732,186	38,887,562
Year Ended 31 December 2011								
At 1 January 2011	49,631,877	78,957	(14,282,145)	-	2,726,687	38,155,376	732,186	38,887,562
Exchange adjustment on IC Cesme reserves			499,984			499,984		499,984
Elimination of share option reserve	78,957	(78,957)	-	-	-	-	-	-
Issue of share capital	4,522,898	-	-	-	-	4,522,898	-	4,522,898
Total Comprehensive income for the year								
Loss for the year	-	-	(15,122,379)	-	-	(15,122,379)	(132,302)	(15,254,681)
Other comprehensive income								
Fair value reserve	-	-	-	(9,500)		(9,500)	(2,500)	(12,000)
Foreign currency translation differences	-	-	-	-	90,163	90,163	-	90,163
At 31 December 2011	54,233,732	-	(28,904,540)	(9,500)	2,816,850	28,136,542	597,384	28,733,926

The accompanying notes on pages 25 to 52 form an integral part of these consolidated financial statements.

Camper & Nicholsons Marina Investments Limited
Consolidated Statement of Financial Position
As at 31 December 2011

	Note	31 December 2011 €	31 December 2010 €
Non current assets			
Property, plant and equipment	11	36,814,233	47,642,873
Cash pledge	13	2,738,246	1,983,000
Available for sale financial assets	14	1,563,900	-
Goodwill	15	10,976,014	10,976,014
		52,092,393	60,601,887
Current assets			
Trade and other receivables	16	1,971,637	2,016,208
Cash and cash equivalents	17	6,993,944	10,759,421
		8,965,581	12,775,629
TOTAL ASSETS		61,057,974	73,377,516
Current Liabilities			
Trade and other payables	18	3,486,342	3,066,571
Loans repayable within one year	20	1,526,089	1,474,360
		5,012,431	4,540,931
TOTAL ASSETS LESS CURRENT LIABILITIES		56,045,543	68,836,585
Non current liabilities			
Loans repayable after more than one year	20	15,692,593	17,151,463
Unsecured 7% Bond	19	11,619,024	11,586,647
Other payables	21	-	1,210,913
		27,311,617	29,949,023
NET ASSETS		28,733,926	38,887,562
Equity attributable to equity shareholders			
Issued capital	22	54,233,732	49,631,877
Retained earnings		(28,904,540)	(14,282,145)
Fair value share option reserve	24	-	78,957
Fair value reserve		(9,500)	-
Foreign exchange reserve		2,816,850	2,726,687
		28,136,452	38,155,376
Non-controlling interest	25	597,384	732,186
Total equity		28,773,926	38,887,562
Net Assets per share:	23		
basic, attributable to ordinary equity shares		35.06c	63.40c
diluted, attributable to ordinary equity shares		35.06c	63.40c

The consolidated financial statements on pages 21 to 52 were approved by the Board of Directors on 18 April 2012.

Sir C Lewinton, Chairman T C Ash, Director

The accompanying notes on pages 25 to 52 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 2011

	Year ended 31 December 2011 €	Year ended 31 December 2010 €
Cash flows from operating activities		
Loss before taxation	(15,106,950)	(5,903,776)
Adjusted for:		
Finance income	(138,369)	(156,900)
Finance expense	1,804,181	1,474,090
Depreciation	1,324,028	2,121,719
Asset impairment charge	9,994,898	-
Unrealised foreign exchange loss	(225,082)	(68,870)
	(2,347,294)	(2,533,737)
(Increase)/Decrease in receivables	42,722	(923,405)
Increase/(Decrease) in payables	(308,112)	246,809
Income tax expense	(147,731)	(118,885)
Net cash flows from operating activities	(2,760,415)	(3,329,218)
Cash flow from investing activities		
Acquisition of property, plant & equipment	(1,020,855)	(6,248,558)
Disposals of property plant and equipment	616,380	403,782
Acquisition of available for sale financial assets	(1,575,900)	-
Interest received	138,369	156,900
Net cash flows from investing activities	(1,842,006)	(5,687,876)
Cash flows from financing activities		
Proceeds of borrowings	763,627	4,468,750
Proceeds from new share issue	4,522,898	978,082
Net proceeds of 7% Bond issue	-	11,586,647
Increase in cash pledge	(755,246)	(1,983,000)
Repayment of borrowings	(2,115,236)	(4,321,982)
Dividend paid	-	(156,209)
Interest paid	(1,804,181)	(1,179,515)
Net cash flows from financing activities	611,862	9,392,773
Net increase/(decrease) in cash and cash equivalents	(3,990,559)	375,679
Opening cash and cash equivalents	10,759,421	10,314,872
Effect of exchange rate fluctuations on cash held	225,082	68,870
Closing cash and cash equivalents	6,993,944	10,759,421

The accompanying notes on pages 25 to 52 form an integral part of these consolidated financial statements.

1. Corporate Information

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

The principal activity of the Parent Company and its subsidiaries and joint ventures ("the Group") during 2011 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.

2. Basis of preparation and accounting policies

Basis of preparation

The consolidated financial statements of the Group for the year to 31 December 2011 have been prepared on a historical cost basis except that available for sale financial assets are valued at fair value in the consolidated financial statements. The consolidated financial statements are presented in Euros.

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. With the adoption of The Companies (Guernsey) Law 2008, the Company is no longer required to disclose Parent Company financial statements.

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

(i) Subsidiaries
Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

(ii) Business Combinations
Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group assesses goodwill at the acquisition date as:

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

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

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

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

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

2. Basis of preparation and accounting policies (continued)

Basis of preparation *(continued)*

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

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

(iv) Interests in Jointly Controlled Entities
The Group has interests in two joint ventures, which are jointly controlled entities. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest. The Group recognises its interest in its' joint ventures using proportionate consolidation. The Group combines its share of each of the assets, liabilities, income and expenses of the joint venture with the similar items, line by line, in its consolidated financial statements.

The financial statements for the joint ventures are prepared for the same reporting year as the parent company using consistent accounting policies.

When the Group contributes or sells assets to the joint venture, any portion of gain or loss from the transaction is recognised based on the substance of the transaction.

A joint venture is proportionately consolidated until the date when the Group ceases to have joint control over the joint venture.

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

(vi) Transactions eliminated on consolidation
All intra-Group balances, transactions, income and expenses and profits and losses resulting from intra-Group transactions that are recognised in assets, are eliminated in full.

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.

Estimates and assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2. Basis of preparation and accounting policies (continued)

Significant accounting judgments, estimates and assumptions *(continued)*

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

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

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

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

Deferred Tax Assets
Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of recognised tax losses at 31 December 2011 was Nil (2010: Nil).

Summary of significant accounting policies

Goodwill

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

Revenue Recognition

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

2. Basis of preparation and accounting policies (continued)

Revenue recognition (continued)

Licensing of super yacht berths
Super yacht berths are licensed to berth holders on terms which transfer substantially all the risks and rewards incidental to ownership. Revenue from such licensing over long term periods is recognised in full in the statement of comprehensive income on signing of the licensing contracts.

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

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

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

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

Expenses

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

Finance Income and Finance Expense

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

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

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

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

2. Basis of preparation and accounting policies (continued)

Taxation

Current income tax

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

Deferred income tax

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

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

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

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

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

Sales tax

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

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

Property, plant and equipment

(i) Recognition and measurement

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

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

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

2. Basis of preparation and accounting policies (continued)

Property, plant and equipment (continued)

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

(ii) Subsequent costs

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

(iii) Long term berth licences

As described above under Revenue recognition, part of the Group's operating activities involves the licensing of superyacht berths under finance leases typically for periods of 25-30 years. On the inception of such a lease, the cost of the berth is apportioned between the part attributable to the initial licensing period, which is recognised immediately in the Consolidated Statement of Comprehensive Income as the disposal cost, and the part (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 future economic benefits estimated to accrue from the licensing of such berths. The residual amount is classified as a non-current asset in the consolidated Statement of Financial Position.

(iv) Depreciation

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

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

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

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

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

In relation to the super-yacht berths, depreciation is provided up to the point when a long term licensing contract is signed, at which time the carrying amount of such berths is apportioned and accounted for as explained in Revenue Recognition above.

Available for sale financial assets

Listed redeemable notes held by the Group that are traded in an active market are classified as Available for Sale financial assets and are stated at fair value at the end of each reporting period. Fair value is determined by reference to the quoted price of the relevant security at close of business on the last trading day of the reporting period by the stock exchange on which it is most actively traded. Changes in fair value are recognised in other comprehensive income and presented within equity in the fair value reserve.

2. Basis of preparation and accounting policies (continued)

Available for sale financial assets (continued)

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

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

Cash and cash equivalents

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

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

Trade and other receivables

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

Trade and other payables

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

Interest bearing loans and borrowings

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

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

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

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

Foreign currency

(i) Foreign currency transactions

The consolidated financial statements are prepared in Euros, which is the Parent Company's functional and presentational currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currency are initially recorded at the functional currency rate ruling at the date of the transaction.

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

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

2. Basis of preparation and accounting policies (continued)

Foreign currency *(continued)*

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

All differences are taken to the consolidated statement of comprehensive income.

(ii) Foreign operations

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

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign exchange reserve in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

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

Impairment of non-financial assets

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

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

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

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

2. Basis of preparation and accounting policies (continued)

Share Capital

Ordinary shares

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

Provisions

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

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

Leases

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

Share based payment transactions

The company granted share options to each of its placing agents. These options were valued at the grant date using the Black and Scholes valuation method and were recognised as an expense, with a corresponding increase in equity. These options all expired on 29 January 2011 at which time none had been exercised. The value at which they were recognized in the cost of equity has been transferred to Issued Capital during 2011. As no share options remain there is no potential dilution of the Group's earnings for the year ended 31st December 2011 or of the net assets of the Group at the reporting date.

The Group has no other share based payment transactions.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed by the Chairman and CEO of Camper & Nicholsons Marinas International Ltd, the Group's chief operating decision maker, to make decisions about resources to be allocated to the segment and assess its performance.

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

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

Standards issued but not yet effective

A number of new standards, amendment to standards and interpretations are effective for annual accounts beginning after 1 January 2011, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements

2. Basis of preparation and accounting policies (continued)

Standards issued but not yet effective (continued)

of the Group, except for IFRS *9 Financial Instruments*, IFRS 10 *Consolidated Financial Statements,* IFRS 11 *Joint arrangements* and IFRS 12 *Disclosure of Interests in Other Entities*, the adoption of which become mandatory for the Group's 2013 financial statements.

Implementation of IFRS10 will impact the presentation of the consolidated financial statements whilst IFRS 12 establishes disclosure requirements as the Group has subsidiaries and joint arrangements. The implementation of IFRS 9 could change the classification and measurement of financial assets. The adoption of IFRS 11 will require the Group to change from its current practice of proportional consolidation to the equity method of accounting for the results of its joint ventures. This change is not expected to alter the Group's profit or loss for the year but its reported revenues, expenses, assets and liabilities may be different because the Group's proportionate share of the revenues, expenses, assets and liabilities of its joint ventures will no longer be included in the consolidated financial statements on a line by line basis.

3 Seasonality of operations

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

4 Segmental Reporting

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

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

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

The results for these two segments for the year ended 31 December 2011 are set out below:-

	Marina Operations	Marina Consultancy	Parent Company	Total
	€	€	€	€
For the year ended 31 December 2011				
Revenues from external customers	6,273,835	920,382	-	7,194,217
Intersegment revenues	-	2,134,417	106,540	2,240,957
Interest revenue	93,993	327	44,049	138,369
Interest expense	(1,699,057)	(31,847)	(73,277)	(1,804,181)
Depreciation & amortisation	1,239,031	84,997	-	1,324,028
Reportable segment profit / (loss)	(2,036,678)	(810,712)	(2,264,662)	(5,112,052)
Asset impairment	(9,994,898)	-	-	(9,994,898)
Reportable segment assets	52,261,253	2,226,856	34,768,691	89,256,800
Expenditures for reportable segment non-current assets	585,641	103,313	-	688,954
Reportable segment liabilities	(55,866,000)	(1,841,732)	(639,604)	(58,347,336)

Segmental Reporting (continued)

	Marina Operations	Marina Consultancy	Parent Company	Total
	€	€	€	€
For the year ended 31 December 2010				
Revenues from external customers	5,027,067	461,907	-	5,488,974
Intersegment revenues	-	2,588,388	44,172	2,632,560
Interest revenue	139,309	1,561	16,030	156,900
Interest expense	(1,400,871)	(57,099)	(16,120)	(1,474,090)
Depreciation & amortisation	2,028,346	82,594	-	2,110,940
Reportable segment loss	(3,871,742)	258,639	(2,290,673)	(5,903,776)
Reportable segment assets	67,688,185	2,184,544	33,583,959	103,456,688
Expenditures for reportable segment non-current assets	6,224,109	47,932	-	6,272,041
Reportable segment liabilities	(57,751,599)	(1,387,211)	(1,690,368)	(60,829,178)

Reconciliation of reportable segment revenues and profit and loss

	31 Dec 2011	31 Dec 2010
	€	€
Revenues		
Total revenues for reportable segments	9,328,634	8,077,362
Other revenues	106,540	44,172
Elimination of inter-segment revenues	(2,240,957)	(2,632,560)
Group Revenues	7,194,217	5,488,974
Profit & loss		
Total profit and loss for reportable segments	(2,847,390)	(3,613,103)
Other profit or loss	(2,264,662)	(2,290,673)
Group loss	(5,112,052)	(5,903,776)
Assets		
Total assets for reportable segments	54,488,109	69,872,729
Other assets	34,768,691	33,583,959
Less: intercompany loans	(26,023,288)	(26,339,224)
Less: investments in subsidiaries (net of goodwill)	(2,175,538)	(3,739,948)
Group Assets	61,057,974	73,377,516
Liabilities		
Total liabilities for reportable segments	(57,707,732)	(59,138,810)
Other liabilities	(639,604)	(1,690,368)
Less: intercompany loans	26,023,288	26,339,224
Group liabilities	(32,324,048)	(34,489,954)

5 Other general administration expenses

	Year ended 31 December 2011	Year ended 31 December 2010
	€	€
Communications including travel	303,485	299,780
Repairs & maintenance	217,614	177,585
Security	142,556	130,959
Insurance	198,596	196,400
Electricity, water & gas	173,636	175,647
Administration fees	57,681	66,630
Printing stationery & postage	38,378	54,940
Bank charges	99,379	63,044
Bad debt provision	11,030	113,113
Other	378,524	476,867
Total	1,620,879	1,754,965

6 Strategic review costs

	Year ended 31 December 2011	Year ended 31 December 2010
	€	€
Strategic Review	579,116	-
Restructuring costs	262,580	-
Malta Office closure costs	417,308	-
Total	1,259,004	-

On 16 March 2011, when the Company released its results for the year ended 31 December 2010, it announced also that CBRE had been appointed to carry out a Strategic Review of the business. As a result of the review, First Eastern Marina Investments Limited made a significant investment in new share capital in the Company and a new joint venture was created between the Company and First Eastern to access the fast growing Asian market. A further result of the review was the decision to close the Malta office, the cost of which is shown above.

During the year, the Group also completed the transaction whereby the Company's 45% equity interest in IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi ("IC Cesme") was sold to its' principal subsidiary, Grand Harbour Marina plc ("GHM"). The restructuring costs above include the costs of both the Company and GHM for this related party transaction.

7 Taxation

7.1 Taxation charge

The parent company, Camper & Nicholsons Marina Investments Limited is a Guernsey Exempt Company and is therefore not subject to taxation on its income under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. An annual exempt fee of £600 has been paid. The Group's tax charge during the year is calculated as shown in the table below. The current period charge relates to the 12% final tax charge on the long term berth sales completed at Grand Harbour Marina.

	Year ended 31 December 2011	Year ended 31 December 2010
	€	€
Tax over provided in prior periods	(627)	-
Current period	148,358	5,978
Total charge	147,731	5,978

7 Taxation (continued)

7.2 Reconciliation of taxation charge

A reconciliation between tax expense and the product of accounting profit multiplied by domestic tax rates in the countries of operation for the year ended 31 December 2011 is as follows:

	Year ended 31 December 2011 €	Year ended 31 December 2010 €
Accounting loss before income tax	(15,106,950)	(5,903,776)
Income tax using the country domestic rates	(425,413)	(424,065)
Tax effect of:		
Brought forward losses	(19,191)	(52,269)
Previously unrecognised unrelieved tax losses and unabsorbed capital allowances	-	(79,654)
Expenses not deductible for income tax	207,468	173,387
Current tax (over) provided in prior periods	(627)	-
Movement in deductible temporary differences not recognised	(17,313)	29,940
Deductible temporary differences arising as a result of change in estimate	-	126,188
Losses carried forward	254,449	226,473
12% final tax on berth sales	148,358	
Withholding tax in foreign jurisdictions	-	5,978
Income tax charge for the year	147,731	5,978

8 Earnings per share

Basic earnings per share amounts are calculated by dividing €15,131,879 Group net loss (2010: €5,749,063 Group net loss) for the year attributable to ordinary equity holders of the parent by 67,327,691 (2010: 55,113,190) being the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the above net losses attributable to ordinary equity holders of the parent by 67,327,691 (2010: 55,113,190), being the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares (see notes 22 and 24). For the year ended 31 December 2011 the weighted average number of shares used to calculate the basic and diluted earnings per share is the same because there were no outstanding options.

9 Subsidiaries and jointly controlled entities

	Activity	Country of Incorporation	% Equity Interest
Subsidiaries			
Camper & Nicholsons Marinas (Malta) Ltd	Investment Holding	Malta	100.00
Camper & Nicholsons Caribbean Holdings Ltd	Investment Holding	Bahamas	100.00
Camper & Nicholsons Grenada Ltd	Property Holding	Grenada	100.00
Camper & Nicholsons Grenada Services Ltd	Marina Operator	Grenada	100.00
Grand Harbour Marina plc (including its' subsidiary Maris Marine Limited)	Marina Operator	Malta	79.17
Camper & Nicholsons Marinas International Ltd	Group Investment Management and Third Party Marina Management & Consultancy	Malta	100.00
Camper & Nicholsons Marinas Ltd	Group Investment Management and Third Party Marina Management & Consultancy	UK	100.00
Jointly controlled entities			
Camper & Nicholsons First Eastern Ltd	Third Party Marina Management & Consultancy	Hong Kong	50.00
IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi	Marina Operator	Turkey	45.00

10 Jointly Controlled Entities

The Group has a 45% interest in IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi ("IC Cesme"), a jointly controlled entity which operates a marina in Turkey. As at 31 December 2011 the Group had invested €1.8 million (2010: €1.6 million) in the equity of IC Cesme.

The company has a 50% interest in Camper & Nicholsons First Eastern Limited "CNFE"), a jointly controlled entity established during 2011 which is involved in marina management and consultancy in the Asia Pacific region. The company agreed to provide funding of up to $1.25 million to CNFE over 2 years of which $0.5 million was provided in 2011.

The share of the assets, liabilities, income and expenses of the jointly controlled entities at 31 December 2011 and for the year then ended, which are included in the consolidated financial statements, are as follows:

	31 December 2011			31 Dec 2010
	IC Cesme	CNFE	Total	Total
	€	€	€	€
Current assets	369,136	383,165	752,301	299,033
Non-current assets	6,767,788	-	6,767,788	6,441,617
	7,136,924	383,165	7,520,089	6,740,650
Current liabilities	(936,633)	(64,987)	(1,001,620)	(1,115,882)
Non-current liabilities	(6,203,800)		(6,203,800)	(5,770,339)
	(3,509)	318,178	314,669	(145,571)

10 Jointly Controlled Entities (continued)

	31 December 2011			31 Dec 2010
	IC Cesme	CNFE	Total	Total
	€	€	€	€
Revenue	1,327,078	19,437	1,346,515	678,142
Operating expenses	(1,649,492)	(82,895)	(1,732,387)	(1,626,265)
Finance revenue	5,545	-	5,545	221
Finance costs	(344,054)	-	(344,054)	(200,166)
Loss before & after income tax	(660,923)	(63,458)	(724,381)	(1,148,068)
Non- controlling interest	87,883	-	87,883	-
Earnings	(573,040)	(63,458)	(636,498)	(1,148,068)

As reported in the 2010 Financial Statements, the Company sold its 45% beneficial equity investment in IC Cesme to its subsidiary, Grand Harbour Marina plc for consideration of €1.9 million in March 2011. The investment was sold at a price derived from an independent valuation completed by the Group's valuers, CBRE.

11 Property, plant and equipment

Cost:	**Marina Develop.** €	**Deferred super yacht berth costs** €	**Equipment & office furniture** €	**Motor vehicles** €	**Leasehold Property** €	**Total** €
Year ended 31 December 2010						
At 1 January 2010	41,062,531	532,315	2,257,138	48,956	256,691	44,157,631
Additions	4,746,785	-	1,481,316	43,760	180	6,272,041
Reallocations	(1,160,947)	(4,544)	1,165,491	-	-	-
Sale of berths	(398,939)	-	-	-	-	(398,939)
Disposals	-	-	(8,072)	(15,735)	-	(23,807)
Exchange to closing rate	2,734,015	-	81,995	2,467	-	2,818,477
As at 31 December 2010	46,983,445	527,771	4,977,868	79,448	256,871	52,825,403
Year ended 31 December 2011						
Exchange adjustment on IC Cesme fixed assets	458,956	-	11,283	1,552	-	471,791
Additions	474,716	-	169,469	-	44,769	688,954
Reallocations	3,262,146	-	(3,262,146)	-	-	-
Sale of berths	(339,025)	-	-	-	-	(339,025)
Deferred costs	(24,064)	24,064	-	-	-	-
Disposals	-	-	(158,114)	-	(256,871)	(414,985)
Impairment charge (Note 12)	(9,994,898)	-	-	-	-	(9,994,898)
Exchange to closing rate	156,174	-	(212,280)	(69)	1,748	(54,427)
As at 31 December 2011	40,977,450	551,835	1,526,080	80,931	46,517	43,182,813

11 Property, plant and equipment (continued)

	Marina Develop.	Deferred super yacht berth costs	Equipment & office furniture	Motor vehicles	Leasehold Property	Total
Depreciation:	€	€	€	€	€	€
Year ended 31 December 2010						
At 1 January 2010	2,248,905	3,613	715,800	27,801	13,369	3,009,488
Depreciation charge	1,183,019	-	910,687	14,635	13,378	2,121,719
Disposals	-	-	(3,229)	(15,735)	-	(18,964)
Exchange to closing rate	48,613	-	20,950	724	-	70,287
As at 31 December 2010	3,480,537	3,613	1,644,208	27,425	26,747	5,182,530
Year ended 31 December 2011						
Exchange adjustment on IC Cesme fixed assets	(31,198)	-	2,464	540	-	(28,194)
Reallocations	1,092,789	-	(1,092,789)	-	-	-
Depreciation charge	1,061,881	-	233,587	15,550	13,010	1,324,028
Disposals	(21,607)	1,444	(78,457)	-	(39,010)	(137,630)
Exchange to closing rate	97,634	-	(70,165)	349	29	27,847
As at 31 December 2011	5,680,036	5,057	638,847	43,864	776	6,368,580
Net Book Value:						
As at 31 December 2010	43,502,908	524,158	3,333,660	52,023	230,124	47,642,873
As at 31 December 2011	35,297,414	546,778	887,233	37,067	45,741	36,814,233

12. Asset Impairment charge

During 2011, although the Port Louis marina generated significant increases in operating revenues the prevailing subdued economic conditions, particularly in the important North American market, have prevented the marina revenue growth achieving the levels previously expected. All recent valuations undertaken by CBRE have indicated that the current open market value of the property is less than the carrying value and as the Directors now believe there is unlikely to be a significant upturn in value in the short to medium term, in accordance with the accounting policy in Note 2, the Group completed a value-in-use calculation for the Port Louis Marina. Based on forecast future cash flows of the asset over its life, using an assumed discount rate of 14.3% and terminal growth rate of 5% per annum, the value-in-use calculation at the current time is estimated at $28.7 million as compared with the book value of $41.8 million. Although the Directors remain confident that Port Louis marina will prove to be a sound long term investment, based on this estimated value in use the financial statements for 2011 include an impairment charge of $13.1 million (2010: Nil) or €10.0 million which represents the difference between the carrying value and the current estimated value in use.

13 Cash pledge

As detailed in Note 20, 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 2011 the Group's share of the cash pledge amounting to €2,738,246 (31 December 2010: €1,983,000) including interest added of €23,996 (31 December 2010: Nil) 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.

14 Available for sale financial assets

At 31 December 2011, the Group held Available for sale financial assets which consisted of an investment in Malta Government Bonds amounting to €1,563,900. Although the investment will be sold and will not be held to maturity, it is not expected that a sale will be completed in the short term. Consequently, the investment in Malta Government Bonds was classified as a non-current asset.

15 Goodwill

Goodwill arises from the following acquisitions:

			31 December 2011	31 December 2010
	Acquisition Cost	Group share of fair value of assets / (liabilities) acquired	Goodwill	Goodwill
	€	€	€	€
Grand Harbour Marina plc	11,167,684	1,835,062	9,332,622	9,332,622
IC Cesme Marina Yatirim Turizm ve Isletmeleri Sirketi	1,084,091	711,900	372,191	372,191
Camper & Nicholsons Marina Holdings	125,808	(1,145,393)	1,271,201	1,271,201
			10,976,014	10,976,014

The company commissions biannual professional valuations of the marinas in which it has a financial interest and reviews the carrying value of marina related goodwill by reference to those valuations. Valuations of Grand Harbour Marina and Cesme Marina were carried out as at 31 December 2011 by the specialist leisure consultancy team of CBRE Limited, the company's independent property valuer. Having reviewed these valuations and completed value in use assessments, the Directors have concluded that no adjustment to the carrying value of goodwill was necessary at 31 December 2011.

16 Trade and other receivables

	31 December 2011	31 December 2010
	€	€
Trade receivables	1,279,303	1,370,916
Taxation recoverable	33,022	172,800
Other receivables	247,069	8,399
Prepayments and accrued income	412,243	464,093
	1,971,637	2,016,208

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

16 Trade and other receivables (continued)

As at 31 December 2011 the ageing analysis of trade receivables was as follows:-

	31 December 2011	31 December 2010
	€	€
Neither past due nor impaired	750,844	271,838
Past due but not impaired:		
Less than 30 days	49,595	642,645
Between 30 and 60 days	161,119	134,892
Between 60 and 90 days	113,467	121,525
Between 90 and 120 days	85,215	147,536
Greater than 120 days	119,051	52,480
Past due and impaired:		
Less than 120 days	741	16,533
Greater than 120 days	218,551	232,113
Less impairment	(219,280)	(248,646)
	1,279,303	1,370,916

17 Cash and cash equivalents

	31 December 2011	31 December 2010
	€	€
Cash and cash equivalents comprise the following:-		
Cash at bank and in hand	1,647,163	1,226,166
Short term deposits	5,346,781	9,533,255
	6,993,944	10,759,421

18 Trade and other payables

	31 December 2011	31 December 2010
	€	€
Trade payables	411,860	782,525
Other payables	466,741	386,271
Accrued expenses	1,752,032	1,356,158
Deferred revenue	855,709	541,617
	3,486,342	3,066,571

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

19 Unsecured Bond Issue

During the period ended 31 December 2010, Grand Harbour Marina plc ("GHM") issued €10,000,000 bonds, with an over-allotment option of €2,000,000 bearing an interest rate of 7%, redeemable on 25 February 2020 and subject to an early redemption option that may be exercised by GHM between 2017 and 2020.

As at 31 December 2011 the outstanding balance related to these bonds was €11,619,024 (31 December 2010: €11,586,647) which can be analysed as shown in the table below:

19 Unsecured Bond Issue (continued)

	31 December 2011	31 December 2010
	€	€
Opening balance	11,586,647	-
Proceeds from issue of unsecured bonds	-	12,000,000
Issue costs	-	(440,336)
Amortisation of transaction costs	32,377	26,983
Balance at year end	11,619,024	11,586,647

20 Interest bearing loans and deposits

	31 December 2011	31 December 2010
	€	€
Scotia Bank Loan A	4,290,693	5,287,587
Scotia Bank Loan B	5,796,750	5,613,000
Isbank Loan	3,917,387	4,162,224
Isbank Subordinated Loan	2,700,000	1,968,761
Total Bank Loans	16,704,830	17,031,572
Bank Overdrafts	25,602	92,251
	16,730,432	17,123,823
Unsecured 7% Bond (Note 19)	11,619,024	11,586,647
Other Loan	488,250	1,502,000
Total Loans	28,837,706	30,212,470
Repayable within one year	1,526,089	1,474,360
Repayable after more than one year	27,311,617	28,738,110
	28,837,706	30,212,470

	Interest Rate at 31 December 2011	Interest Rate at 31 December 2010	Due 2012	Due 2013	Due 2014 & 2015	Due 2016 & 2017	Due 2018, 2019 & 2020	Total
	%	%	€	€	€	€	€	€
Scotia Bank Loan A	3.40%	3.39%	761,400	1,522,800	2,006,493	-	-	4,290,693
Scotia Bank Loan B	5.70%	5.70%	-	-	5,796,750	-	-	5,796,750
Isbank Loan	7.26%	6.52%	244,837	489,673	979,346	979,346	1,224,185	3,917,387
Isbank sub loan	1.40%	1.40%	168,750	337,500	675,000	675,000	843,750	2,700,000
Bank overdraft	5.00%	5.50%	25,602	-	-	-	-	
Unsecured 7% Bond	7.00%	7.00%	-	-	-	-	11,619,024	11,619,024
Other Loan (Note 27)	6.71%	6.30%	325,500	162,750	-	-	-	488,250
Total			1,526,089	2,512,723	9,457,589	1,654,346	13,686,959	28,837,706

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

20 Interest bearing loans and deposits (continued)

Security:

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

- First ranking and continuing sum Demand Mortgage Debenture stamped for US$15,000,000 or equivalent charge over the fixed assets, goodwill, and uncalled capital of the borrower and a floating charge over all other assets.

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

The Isbank loan is provided to IC Cesme in the form of a Term Facility Agreement ("Term Facility") in the amount of €9,249,386. This loan is repayable in semi-annual instalments commencing in December 2011. In addition to the Term Facility Isbank provided a loan in the form of a General Cash and Non-Cash Credit Agreement (the "Subordinated Loan") with a maximum facility of €6 million. The Subordinated Loan has been secured against cash pledges by the shareholders and is repayable commensurate with the Term Facility. The Group's audited consolidated statement of financial position includes 45% of the value of these loans from Isbank reflecting its shareholding % in IC Cesme Marina. The Isbank loans are guaranteed by the shareholders as detailed in note 26.

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

- a first general hypothec for €1,747,030 on overdraft basis over all assets, present and future given by Grand Harbour Marina plc; and
- a first special hypothec for €1,747,030 on overdraft basis over the temporary utile dominium for 99 years commencing from 2 June 1999 over the land measuring 1,410 square metres at Cottonera Waterfront Vittoriosa; and

Details of the Grand Harbour Marina 7% unsecured bond are given in Note 19.

The Other Loan is secured by a share charge in favour of the lender over shares that the Parent Company or its subsidiary owns in Camper & Nicholsons Marinas International Limited.

21 Non-current liabilities – other payables

The amount of other payables totalled €Nil (2010: €1,210,913). During the year the Group made the final payment of the deferred consideration on the initial acquisition of Port Louis Marina.

22 Share Capital

	Authorised	**Issued & Fully Paid**	
		2011	2010
Ordinary shares of no par value	Unlimited	80,243,615	60,182,711

The share capital is shown in the consolidated Statement of Financial Position net of issue costs of €2,552,043 (2010: €2,453,448). In August 2011 the Company raised €4,700,450 (pre costs), €4,522,898 net of costs of €177,552, from the issue of 20,060,904 new Ordinary shares at a price of 20.75p per share.

23 Net asset value per share

The calculation of basic net asset value per share as at 31 December 2011 is based on net assets of €28,136,542 (2010: €38,155,376), divided by the 80,243,615 (2010: 60,182,711) ordinary shares in issue at that date. The basic and diluted net asset value per share are the same as at 31 December 2011 there were no options outstanding.

24 Share-based payments

The company granted an option to each of its placing agents, Arbuthnot Securities Limited and Cantor Fitzgerald Europe, in respect of the share issue at Listing in January 2007, to subscribe for up to 250,000 ordinary shares each at a price of €1 each at any time between the first and fourth anniversaries of the admission for listing of the company's shares on the AIM market on 29th January 2007. The options were not exercised prior to their expiry date and the value at which they were recognised in the cost of equity, €78,957, has been transferred from the Fair Value Share Option Reserve to Issued Capital during the period under review.

25 Non-controlling interest

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

26 Commitments and contingencies

Operating lease commitments – Group as lessee

The Group carries on business from three marinas and three office premises all of which are held under non-cancellable operating leases. Rentals are payable as follows:

	2011		2010	
	€'000 Minimum	€'000 Maximum	€'000 Minimum	€'000 Maximum
Less than one year	722	1,043	588	798
Between one and five years	3,142	4,794	2,872	4,334
More than 5 years	13,402	20,114	13,649	20,743
Total	17,266	25,951	17,109	25,875

The marina leases have (a) 88 years, (b) 95 years and (c) 22 years unexpired at 31 December 2011. 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; under lease (b) the rent is dependent upon the square footage brought into use; and under lease (c) the 2011 rent of €0.8 million, 45% of which is included in the Group's results, is subject to index linking.

The office premises' leases range in length between 5 and 25 years and the rents are reviewable periodically to prevailing market rates. The unexpired periods of these leases at 31 December 2011 were between 5 and 19 years. The Group recently ceased to occupy one of the offices and a sub-letting is currently being sought. Provision has been made for the cost of holding the property until the date by which it is anticipated that the sub-letting will be achieved.

Finance lease commitments – Group as lessor

The Group has granted a number of licences ranging in duration from 25 to 30 years in respect of berths at Grand Harbour Marina. The licence fees payable for the berth are accounted for in the year of sale and consequently there is no future licence fee income. Licensees are required to pay annual service charges to defray the costs of maintenance of the berths. Because all amounts receivable under long term licenses are collected at the outset of the contract, the Group's gross and net investment in finance leases is zero.

26 Commitments and contingencies (continued)

Finance lease and hire purchase commitments

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

Capital commitments

At 31 December 2011, the Group had contracted capital commitments of €24,811 (2010: €Nil).

Contingent liabilities

The Company had no contingencies at 31 December 2011 (2010: Nil) but the Group had the following:

Litigation and claims

At 31 December 2011, a subsidiary was party to claims amounting to €160,084 (2010: €160,084) for contract works carried out by third parties.

While liability is not admitted, if defence against these actions is unsuccessful, the disclosed amounts could become due. The directors do not expect the company to be found liable and no provision has been made for these claims in the consolidated financial statements.

During the year ended 31 December 2008, a subsidiary paid over the VAT received on the sale of three berths under protest, pending the outcome of a dispute with the Commissioner of VAT as to whether such sales are subject to VAT. During the reporting period the judgement of the case was handed down by the Court of Appeal and declared that VAT was in fact due.

Guarantees

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

The Parent Company currently acts as a guarantor and sponsor of IC Cesme's repayment obligations under the Term Facility and the Subordinated Loan to the extent of 45% of any non-payment. As part of the contractual arrangements for the sale of the Company's interest in IC Cesme to GHM, GHM has agreed to become guarantor in place of the Company but the legal formalities relating to this substitution had not been completed at the reporting date. GHM has indemnified the Company against any loss arising. The Group's potential liability at 31 December 2011 was €6,617,387 (2010: €6,130,985).

Grand Harbour Marina plc, a subsidiary, has provided guarantees in respect of one performance bond and one bid bond amounting in total to €34,941 (2010: €134,941).

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

Trade Mark Licence

The Company has an exclusive, perpetual, global licence to use the Camper & Nicholsons brand and related trademarks in connection with marinas and marina related services and is liable to pay a royalty of, generally, 1.5% of the marina related turnover of entities licensed to use the brand and of 1.5% of fees earned from marina related consultancy services provided to third party clients, subject to a minimum annual payment of €125,000 (base year 2009) rising annually in line with RPI.

27 Related party transactions

27.1 Transactions with key management personnel

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

27.2 Loan from Maris Marine Holdings Limited

As at 31 December 2011, the Company had a loan of €488,250 from Maris Marine Holdings Limited, a company of which Nicholas Maris is a controlling shareholder. The loan is repayable by monthly instalments of €27,125 The Company may, in its discretion, accelerate any or all of the repayments (in whole or in part). The loan is subject to immediate repayment in the event of a sale or on a change of control of the Company. Interest is payable semi-annually on the loan at the rate of 5.5 per cent above Euribor. The loan is secured by a charge in favour of the lender over the shares that the Company or its subsidiary owns in Camper & Nicholsons Marinas International Limited.

27.3 Accounting services provided to Maris Marine Holdings Limited

Maris Marine Holdings Limited, a company of which Nicholas Maris is the controlling shareholder, has been charged £13,800 (2010: £13,800) for accounting services provided by an employee of Camper & Nicholsons Marinas Limited. At 31 December 2011 £Nil (2010: £1,351) was due to Camper & Nicholsons Marinas Limited and is included in trade debtors.

27.4 Marina database

Camper & Nicholsons Marinas International Limited has incurred costs of €52,900 (2010: €48,655) with Maris Technologies Limited, a subsidiary of Maris Marine Holdings Limited, for the development of a database. At 31 December 2011 €4,409 (2010: €14,730) was due to Maris Technologies Limited and is included within trade creditors.

27.5 Trade Mark Licence

The royalties due under the Trade Mark licence referred to in Note 26 are payable to Camper & Nicholsons (Designs) Limited. Nicholas Maris is a director of Camper & Nicholsons (Designs) Limited, and a potential beneficiary of the Maris Settlement, a trust which ultimately controls Camper & Nicholsons (Designs) Limited. During the year, the Company paid royalties and other related fees of €139,484 (2010: €144,613) and there was €33,525 outstanding at 31 December 2011 (2010: €32,699).

27.6 Administration and support services provided by CL Partners

During the year, CL Partners, of which Sir Christopher Lewinton is a partner, provided administration and support services to Camper & Nicholsons Marinas Limited for which it charged £28,000 (2010: £14,000). At 31 December 2011 £Nil (2010: £4,112) was due to CL Partners and is included within trade creditors. CL Partners also provided services to Camper & Nicholsons Marina Investments Limited in relation to the Strategic Review for which it charged fees of €150,000 (2010: €Nil) all of which had been paid prior to 31 December 2011.

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, exchange rate risk and interest rate risk. The directors regularly review and agree policies for managing these risks and these are summarised as follows:

28 Financial risk management objectives and policies (continued)

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 biannual valuations carried out by CBRE Limited.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group. The nature of the Group's business is such that the amount of credit extended to individual customers is small and there are no significant concentrations of credit risk within the Group.

Liquidity risk

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

However, the Group has tried to mitigate the risk by limiting the size of the investment in any single property and investing in desirable locations.
Management monitor the Group's cash flow requirements on a weekly basis to ensure there is sufficient cash on demand to meet capital expenditure commitments and expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of circumstances that cannot reasonably be predicted.

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 Parent Company. The Parent 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.

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	
	31 December 2011	**31 December 2010**
	€	**€**
Trade receivables	1,279,303	1,370,916
Other receivables	692,334	645,292
Cash Pledge	2,738,246	1,983,000
Government Bonds	1,563,900	-
Cash and cash equivalents	6,993,944	10,759,421
	13,267,727	14,758,629

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

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

	Carrying amount	
	31 December 2011	**31 December 2010**
	€	**€**
Individual	158,287	119,902
Legal entities	941,604	1,424,301
Agents	207,744	75,359
	1,307,635	1,619,562
Amounts provided for	(28,332)	(248,646)
Carrying amount	1,279,303	1,370,916

Information relating to the aging of receivables at the reporting date and associated impairment is provided in note 16.

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**	**6-10 Years**
31 December 2011	**€**	**€**	**€**	**€**	**€**	**€**	**€**
Scotia Bank loan	10,087,443	(11,057,575)	(556,294)	(549,725)	(1,842,786)	(8,108,770)	-
Isbank Term loan	3,917,387	(4,545,883)	-	(378,029)	(610,378)	(1,731,242)	(1,826,234)
Isbank Subord Loan	2,700,000	(3,133,183)	-	(260,550)	(420,694)	(1,193,232)	(1,258,707)
7% Bond Issue	11,619,024	(19,140,000)	(420,000)	(420,000)	(840,000)	(2,520,000)	(14,940,000)
Bank overdraft	25,602	(25,602)	(25,602)	-	-	-	-
Loan due to related party	488,250	(521,012)	(179,131)	(173,671)	(168,210)	-	-
Accounts payable	411,860	(411,860)	(411,860)	-	-	-	-
	29,249,566	(38,835,115)	(1,592,887)	(1,781,975)	(3,882,068)	(13,553,244)	(18,024,941)

29 Financial Instruments (continued)

Liquidity risk (continued)

31 December 2010	Carrying Amount €	Contractual Cash Flows €	6 Months or less €	6 - 12 Months €	1 - 2 Years €	3 - 5 Years €	6-10 Years €
Scotia Bank loan	10,900,587	(12,278,214)`	(426,964)	(422,842)	(1,091,926)	(10,336,482)	-
Isbank Term loan	4,162,224	(4,930,046)	-	(385,900)	(377,600)	(1,780,066)	(2,386,480)
Isbank Subord Loan	1,968,761	(2,331,944)	-	(182,532)	(178,608)	(841,982)	(1,128,822)
7% Bond Issue	11,586,647	(19,980,000)	(420,000)	(420,000)	(840,000)	(2,520,000)	(15,780,000)
Bank overdraft	92,251	(92,251)	(92,251)	-	-	-	-
Loan due to related party	1,502,000	(1,651,846)	(247,313)	(366,513)	(702,267)	(335,753)	-
Accounts payable	782,525	(782,525)	(782,525)	-	-	-	-
Retentions & deferred consideration	1,210,913	(1,329,815)	(29,726)	(48,834)	(1,251,255)	-	-
	32,205,908	(43,376,641)	(1,998,779)	(1,826,621)	(4,441,656)	(15,814,283)	(19,295,302)

As detailed in Note 20 part of the Scotia Bank loan at 31 December 2011 was subject to a floating interest rate based on Libor and part is at a fixed rate. The Isbank loan is subject to a floating interest rate based on Euribor. The loan due to the related party is also a floating rate loan based on Euribor.

The Isbank loans to Cesme are guaranteed by shareholders and referred to in Note 26.

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 2011 that are subject to variable interest rates, an increase of 100 bps (2010: 100bps) would reduce profit before tax by €87k (2010: €110k). Similarly a reduction of 100bps (2010: 100bps) on all of the Group's borrowings subject to variable interest rates would increase profit before tax by €87k (2010: €110k).

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 2011**	**31 December 2010**
Cash at bank		
GB Pounds	111	312
US Dollars	815	542
EC Dollars	58	229
Turkish Lira	88	10
Trade receivables		
GB Pounds	-	2
US Dollars	-	635
EC Dollars	60	82
Turkish Lira	47	55
Borrowings		
US Dollars	10,087	10,901

29 Financial instruments (continued)

Exposure to currency risk (continued)

Exchange Rate to Euro Table

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

Currency	Average rate		Year end rate	
	2011	2010	2011	2010
GB Pounds	1.1522	1.1657	1.1972	1.1617
US Dollars	0.7184	0.7543	0.7729	0.7484
EC Dollars	0.2651	0.2847	0.2820	0.2826
Turkish Lira	0.4277	0.5009	0.4092	0.4880

Sensitivity analysis

A 10 percent strengthening of the Euro against the year end rate for the following currencies at 31 December would have increased/(decreased) equity by the amounts shown whilst a 10 per cent strengthening of the average Euro rate during the year would have increased/(decreased) profit or loss by the amounts shown. This analysis assumes that all other variables, in particular interest rates remain constant. The analysis is performed on the same basis for 2010**.**

€000	31 December 2011		31 December 2010	
	Equity	Profit or Loss	Equity	Profit or Loss
GB Pounds	(16)	294	(15)	212
US Dollars	(2,299)	123	(2,196)	159
Turkish Lira	(31)	69	(655)	58

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.

29.5 Fair value hierarchy

The Available for Sale Financial Assets are Malta Government Bonds. As these Bonds are quoted on the Malta Stock Exchange they are carried at fair value at the reporting date based on the market value.

29.6 Fair values

At the reporting date the carrying amount of financial assets and financial liabilities approximated their fair values.

30 Substantial shareholdings

As at 16 April 2012 the Directors had been notified, or were aware, of the following holdings representing more than 3 per cent of the Company's issued share capital:

	% held
FE Marina Investments Ltd	25.00%
Nicholas Maris	10.17%
Deutsche Bank AG	9.01%
F&C Asset Management plc	8.23%
Henderson Global Investors Ltd	6.35%
Richard Griffiths	6.07%
Universities Superannuation Scheme	5.61%
Moore Europe Capital Management LLP	5.17%
Overseas Asset Management (Cayman) Ltd	3.80%

Included in the holding for Nicholas Maris are 3,246,625 shares (4.05%) held by the Maris Settlement, a discretionary trust of which Nicholas Maris is a potential beneficiary.

31 Post balance sheet events

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

CAMPER & NICHOLSONS MARINA INVESTMENTS LIMITED

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an Annual General Meeting will be held at Island House, Grande Rue, St Martins, Guernsey, Channel Islands, Great Britain GY4 6RU on 22nd June 2012 at 09.30am for the following purposes:

1. To receive and adopt the audited financial statements and the reports of the Directors and Auditors for the period ended 31 December 2011.

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

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

4. To elect three directors:

   a. Sir Christopher Lewinton

   b. Mr Nicholas Maris

   c. Mr Martin Bralsford.

5. SPECIAL RESOLUTION

   THAT the Company be authorised in accordance with The Companies (Purchase of Own Shares) Ordinance, 1998, to make market purchases (as defined in section 5 of the said Ordinance) of its own shares provided that:

   a. The maximum number of shares hereby authorised to be purchased is 14.99% of the shares in issue as at the date of the passing of this resolution;

   b. This authority shall expire at the conclusion of the next annual general meeting of the Company (although the Company may, prior to the expiry of such authority, enter into a contract to purchase shares under such authority and make a purchase of shares pursuant to any such contract).

6. To consider any other business.

By order of the Board

Shaftesbury Limited
Company Secretary

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

Dated this 4th May 2012

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

Camper & Nicholsons
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MARINAS

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