

**PREMIER MARINAS HOLDINGS
LIMITED**

Report and Financial Statements

52 weeks ended 30 March 2014



PREMIER MARINAS HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS 2014

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PREMIER MARINAS HOLDINGS LIMITED

REPORT AND FINANCIAL STATEMENTS 2014

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R J Boissier
N Patel
P D Tebbit
H Platt
J W Brown
J Jaap

SECRETARY

G A Collins

REGISTERED OFFICE

Swanwick Marina
Swanwick
Southampton
Hampshire
SO31 1ZL

BANKERS

HSBC
8 Canada Square
London
E14 5HQ

SOLICITOR

Berwin Leighton Paisner
Adelaide House
London Bridge
London
EC4R 9HA

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Southampton, United Kingdom

PREMIER MARINAS HOLDINGS LIMITED

STRATEGIC REPORT

PRINCIPAL ACTIVITY

The principal activity of the company is as an intermediate holding company. The principal activity of the group is the ownership and management of marinas and marine related facilities.

The subsidiary undertakings principally affecting the profits or net assets of the group in the period are listed in note 11 to the financial statements.

BUSINESS REVIEW

The results for the period are set out in the group consolidated profit and loss account on page 8.

The directors are satisfied with the performance of the group for the period and with its financial position at the end of the year.

The group's head office provides senior management and shared service functions for finance, marketing, property development, HR and IT. The group's businesses, which are managed individually, report into the head office which is responsible for setting and monitoring performance targets. A broad range of performance indicators are applied and the directors are satisfied with the performance of all of the group's business against the targets set for the year. Performance indicators have not been disclosed as it is not considered necessary for the understanding of these financial statements.

The directors do not anticipate any significant changes to the level of business activity in the coming year.

GOING CONCERN

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review above. The borrowing facilities of the group are described under 'Principal risks and uncertainties' on page 3. In addition, note 1 to the financial statements include the group's policies and processes for managing its capital; its financial risk management; details of its financial instruments; and its exposure to credit risk and liquidity risk.

The group meets its day to day working capital requirements through surplus cash. The group's forecasts and projections, taking account of possible changes in trading performance, show that the group will be able to operate within the level of its current facilities.

The directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The group is financed entirely by its shareholders in the form of loan notes, the provision of which is committed until at least August 2020. In addition, the directors are in receipt of letters of support from the investors dated 12 December 2014 confirming the intention of the investors to continue to provide ongoing support to Premier Marinas Holdings Limited and its subsidiaries to meet their liabilities as and when they fall due into the foreseeable future, being not less than 12 months from the date of signing these financial statements.

On the basis of the support available from the investors, the directors have an expectation that the company and the group have the resources required to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual report and accounts.

PREMIER MARINAS HOLDINGS LIMITED

STRATEGIC REPORT

PRINCIPAL RISKS AND UNCERTAINTIES

The group's activities expose it to a number of risks and uncertainties.

There is a risk that the markets for the group's products and services or its competitive position could deteriorate. Premier manages these risks through building strong relationships with its customers and by maintaining high standards of customer service. The group conducts regular market research to ensure that it continues to meet its customers' expectations.

Premier recognises that its employees are critical to its success and the group is committed to creating a culture in which all employees feel valued for their contribution and are encouraged to achieve their full potential. The group is Investors in People accredited.

Premier is committed to ensuring the safety of those people who work with it or who could be affected by its activities. The group devotes significant resources to managing and improving the safety of its operations. All such activities are actively promoted and led by the board, supported by internal and external reviews, training and education.

The principal financial risks facing the group include liquidity, credit and interest rate risk.

The group's credit risk is primarily attributable to amounts receivable from its customers. Amounts owing by customers are closely managed and the group has no significant concentration of risk with exposure spread over a large number of customers.

To monitor liquidity and ensure that the group maintains sufficient funds for its ongoing operations and future developments, Premier closely monitors and forecasts profits and cashflow and maintains appropriate headroom in its cash balances.

The group had a total of £129.0 million (31 March 2013: £129.0 million) of subordinated, unsecured loan note debt, fixed at an average interest rate of 7.497% until 11 August 2015 (2013: 7.497% until 11 August 2014). A further £11.5 million of subordinated, unsecured loan note debt has been drawn down since the year end.

KEY PERFORMANCE INDICATORS

The Key performance indicators of the group are set out below and the group is pleased to be able to report improvements in all these against what remains a challenging environment for the sale of quality marina and marine related facilities.

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Turnover	24,658	24,415
EBITDA	11,561	11,207
Net cash inflow generated by operations	11,561	8,623

Since the year end the group has further invested in its' marinas and acquired the land, property and operations of Endeavour Quay, a boatyard adjacent to the group's Gosport Marina for c £4.8 million.

Approved by the Board of Directors and signed on behalf of the Board.


G A Collins

Secretary

19 December 2014

PREMIER MARINAS HOLDINGS LIMITED

DIRECTORS REPORT

The directors present their annual report and the audited financial statements for the 52 weeks ended 30 March 2014.

DIRECTORS

The directors who held office throughout the period and to the date of signing, unless otherwise stated, were:

R J Boissier
N Patel
M Sperber (resigned 18 February 2014)
P D Tebbit
H Platt
J W Brown (appointed 4 April 2013)
J Jaap (appointed 27 February 2014)

In accordance with the company's Articles of Association, no director retires by rotation.

During the period to 30 March 2014 Harlyn Asset Management Limited, a company owned by R J Boissier (a director of Premier Marinas Limited) charged management fees totalling £nil (52 weeks ended 31 March 2013: £320,000) to Premier Marinas Holdings Limited and its subsidiaries.

During the period to 30 March 2014 R J Boissier purchased services from the group to the value of £5,112 (52 weeks ended 31 March 2013: £5,112).

RESULTS AND DIVIDENDS

The loss on ordinary activities after taxation and minority interest attributable to shareholder was £98,000 (52 weeks ended 31 March 2013: profit of £2,596,000). The directors did not recommend the payment of a final dividend (52 weeks ended 31 March 2013: £nil). The Directors' assessment of Going Concern is included in the Strategic Review.

PROVISION OF INFORMATION TO THE AUDITOR

Each of the persons who is a director at the date of approval of this annual report confirms that:

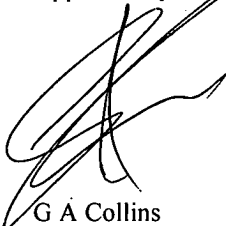
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

AUDITOR

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



G A Collins

Secretary

19 December 2014

PREMIER MARINAS HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER MARINAS HOLDINGS LIMITED

We have audited the financial statements of Premier Marinas Holdings Limited for the 52 weeks ended 30 March 2014 which comprise the consolidated profit and loss account, the consolidated and individual company balance sheets, the consolidated cash flow statement and the related notes 1 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 March 2014 and of the group's loss for the 52 weeks period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

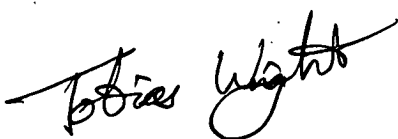
In our opinion the information given in the Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER MARINAS HOLDINGS LIMITED (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Tobias Wright FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Southampton, United Kingdom

19 December 2014

PREMIER MARINAS HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT 52 weeks ended 30 March 2014

	Notes	£'000	52 weeks ended 30 March 2014 £'000	£'000	52 weeks ended 31 March 2013 £'000
TURNOVER	I,2				
Continuing			24,658		24,415
Discontinued			-		150
			<u>24,658</u>		<u>24,565</u>
Cost of sales			(13,292)		(13,563)
			<u>11,366</u>		<u>11,002</u>
GROSS PROFIT					
Administrative expenses	3		(2,203)		(2,156)
			<u>9,163</u>		<u>8,696</u>
OPERATING PROFIT					
Continuing		9,163		8,696	
Discontinued		-		150	
			<u>9,163</u>		<u>8,846</u>
Other income	5		-		2,698
Net Interest payable and similar charges	8		(9,523)		(8,730)
			<u>(360)</u>		<u>2,814</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4				
Tax credit/(charge) on (loss)/profit on ordinary activities	9		262		(218)
			<u>(98)</u>		<u>2,596</u>
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD	20				

There were no other recognised gains or losses in the current or prior period. Consequently no statement of total recognised gains and losses is presented.

PREMIER MARINAS HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET 30 March 2014

	Notes	30 March 2014 £'000	31 March 2013 £'000
FIXED ASSETS			
Goodwill	10	1,433	1,602
Negative goodwill	10	(670)	(1,081)
Total - intangible assets		763	521
Tangible assets	11	134,983	132,696
		135,746	133,217
CURRENT ASSETS			
Stocks	13	227	216
Property stock	13	5,781	5,781
Development work in progress	14	731	630
Debtors	15	3,615	5,438
Cash at bank and in hand		4,768	7,867
		15,122	19,932
CREDITORS: amounts falling due within one year	16	(11,816)	(13,750)
NET CURRENT ASSETS		3,306	6,182
TOTAL ASSETS LESS CURRENT LIABILITIES		139,052	139,399
CREDITORS: amounts falling due after more than one year	16	(129,329)	(129,356)
PROVISIONS FOR LIABILITIES	17	(2,048)	(2,270)
NET ASSETS		7,675	7,773
CAPITAL AND RESERVES			
Called up share capital	18	9,856	9,856
Profit and loss account deficit	20	(2,181)	(2,083)
SHAREHOLDER'S FUNDS	21	7,675	7,773

The financial statements of Premier Marinas Holdings Limited, registered number 05524490, were approved by the Board of Directors and authorised for issue on 19 December 2014.

Signed on behalf of the Board of Directors



R J Boissier

Director

PREMIER MARINAS HOLDINGS LIMITED

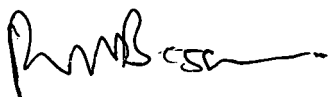
COMPANY BALANCE SHEET

30 March 2014

	Notes	30 March 2014 £'000	31 March 2013 £'000
FIXED ASSETS			
Investments	12	55,829	55,829
CURRENT ASSETS			
Debtors	15	76,451	76,599
CREDITORS: amounts falling due within one year	16	(52)	(105)
NET CURRENT ASSETS		76,399	76,494
TOTAL ASSETS LESS CURRENT LIABILITIES		132,228	132,323
CREDITORS: amounts falling due after more than one year	16	(128,952)	(128,952)
NET ASSETS		3,276	3,371
CAPITAL AND RESERVES			
Called up share capital	18	9,856	9,856
Profit and loss account deficit	20	(6,580)	(6,485)
SHAREHOLDER'S FUNDS	21	3,276	3,371

The financial statements of Premier Marinas Holdings Limited, registered number 05524490, were approved by the Board of Directors and authorised for issue on *19 December* 2014.

Signed on behalf of the Board of Directors



R J Boissier

Director

PREMIER MARINAS HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT 52 weeks ended 30 March 2014

	Notes	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Net cash inflow from operating activities	24	11,561	8,623
Returns on investments and servicing of finance	25	(9,523)	(8,730)
Taxation paid	25	(210)	(460)
Capital expenditure	25	(4,927)	(4,151)
Other income	25	-	2,698
Net cash outflow before financing		(3,099)	(2,020)
Financing	25	-	-
Decrease in cash in the period	26	(3,099)	(2,020)

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

52 weeks ended 30 March 2014

1. ACCOUNTING POLICIES

Accounting convention and presentation of financial information

The financial statements have been prepared under the historical cost convention, in accordance with applicable law and United Kingdom accounting standards. The particular accounting policies adopted by the directors are described below. They have all been applied consistently throughout the period and prior period.

Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review above. The borrowing facilities of the group are described under 'Principal risks and uncertainties' on page 3. In addition, note 1 to the financial statements include the group's policies and processes for managing its capital; its financial risk management; details of its financial instruments; and its exposure to credit risk and liquidity risk.

The group meets its day to day working capital requirements through surplus cash. The group's forecasts and projections, taking account of possible changes in trading performance, show that the group will be able to operate within the level of its current facilities.

The directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The group is financed by entirely by its shareholders in the form of loan notes, the provision of which is committed until at least August 2020. In addition, the directors are in receipt of letters of support from the investors dated 12 December 2014 confirming the intention of the investors to continue to provide ongoing support to Premier Marinas Holdings Limited and its subsidiaries to meet their liabilities as and when they fall due into the foreseeable future, being not less than 12 months from the date of signing these financial statements.

On the basis of the support available from the investors, the directors have an expectation that the company and the group have the resources required to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual report and accounts.

Consolidation

The consolidated financial statements incorporate the results of Premier Marinas Holdings Limited and its subsidiary undertakings for the 52 weeks ended 30 March 2014 (2013: 52 weeks ended 31 March 2013).

Subsidiaries have been consolidated under the acquisition method of accounting and the results of company acquisitions are included in the consolidated profit and loss account from the date of acquisition or to the date of disposal. Goodwill on consolidation represents the difference between the purchase consideration and the fair value of net assets acquired and is capitalised in the period in which it arises and is amortised over its useful economic life.

As permitted by Section 408 of the Companies Act 2006, Premier Marinas Holdings Limited is exempt from the requirement to present its own profit and loss account.

Fixed assets and depreciation

Leasehold land and buildings are stated at cost, assessed for impairment on an annual basis making comparison to a provisional valuation. All other fixed assets are stated at cost. The transitional rules of Financial Reporting Standard No. 15 "Tangible Fixed Assets" have been followed and assets have been retained at their previous valuations.

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) **52 weeks ended 30 March 2014**

1. ACCOUNTING POLICIES (continued)

Fixed assets and depreciation (continued)

Depreciation is provided by the company to write off the cost or valuation less estimated residual value of tangible fixed assets by equal annual instalments over their estimated useful economic lives as follows:

Freehold and long leasehold land	Not depreciated
Freehold buildings	Fifty years
Long leasehold buildings	Over the length of the lease
Pontoons	4% - 20%
Lock structures	2.5% - 5%
Fixtures, fittings and equipment	13% - 25%

Goodwill and negative goodwill

Goodwill arising on the acquisition of subsidiary companies is carried in the balance sheet as an intangible fixed asset. Where goodwill is regarded as having an indefinite economic life, in accordance with Financial Reporting Standard 10 'Goodwill and Intangible assets' it is not amortised but carried in the balance sheet at the value arising on acquisition. The carrying value of non-amortised goodwill is subjected to an annual impairment review based upon independent annual valuations of the assets acquired in accordance with Financial Reporting Standard 11 'Impairment of fixed assets and goodwill'. Diminutions in the value of goodwill to below the carrying value are charged to the profit and loss account.

This treatment represents a departure from the Companies Act 2006, which requires amortisation to be charged systematically over an estimated life. In this respect, the Companies Act conflicts with the UK generally accepted accounting standard above.

The value of the non-amortised goodwill at the balance sheet date is £881,000.

Where goodwill is regarded as having a finite economic life, goodwill is capitalised and written off on a straight line basis over its useful economic life which is 10 years. Provision is made for any impairment.

Negative goodwill is similarly included in the balance sheet and is credited to the profit and loss account in the periods in which the non-monetary assets are recovered through depreciation or sale. Negative goodwill in excess of the fair values of the non-monetary assets acquired is credited to the profit and loss account in the periods expected to benefit, assessed as 10 ten years.

Investments

Investments are stated at cost less any provision for impairment.

Discontinued operations

The profit and loss account discloses discontinued operations. This reflects business discontinued during the 52 weeks period ended 30 March 2014.

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as operating leases and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease. Operating lease income is accounted for on a straight line basis with any rental increases recognised during the period to which they relate.

Stocks and property stocks

Stocks and property stocks are stated at the lower of cost and net realisable value.

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

52 weeks ended 30 March 2014

1. ACCOUNTING POLICIES (continued)

Development work in progress

Development work in progress is shown at cost. Cost includes property planning and environmental and architecture fees incurred on development projects. Development costs are capitalised only when the outcome of the development project can be assessed with reasonable certainty and planning consent for a project has been awarded, to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised.

Current taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Pension costs

The Group participates in three defined contribution pension plans, administered by Legal and General Assurance Society, Skandia Life and Scottish Life. Contributions are charged to the profit and loss account in the period in which they are incurred.

Turnover

Turnover represents the amounts (excluding value added tax) derived from renting of marina berthing, sales of other associated marina goods and services, new boat sales, brokerage commissions and rents receivable from properties in the United Kingdom.

Income from the sale of goods is recognised when the goods are physically delivered to the customer. Income from lease berth revenue and rents receivable is treated as deferred income and is released on a straight line basis over the life of the lease.

Operating results

The operating results include transactions up to and including the Sunday nearest to 31 March of each year. Accordingly as required by Section 390(3) of the Companies Act 2006 the accounts refer to the 52 week period to 30 March 2014 (2013: 52 weeks ended 30 March 2013).

Historical cost profits and losses

No separate note of consolidated historical cost profits and losses has been presented. The asset costs derived from a previous valuation consist of freehold and leasehold land and buildings. The excess of value above cost is in relation to land and accordingly no additional depreciation arises as land is not depreciated.

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

52 weeks ended 30 March 2014

2. ANALYSIS OF TURNOVER

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Continuing operations:		
Marina berth fees and associated marina goods and services	21,952	21,875
Rent and service charge from properties	2,706	2,540
	<u>24,658</u>	<u>24,415</u>
Boat sales and brokerage (discontinued operations)	-	150
	<u>24,658</u>	<u>24,565</u>

All turnover derives from the United Kingdom and all operations are based in the United Kingdom.

3. ADMINISTRATIVE EXPENSES

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Salary costs	1,540	1,355
Legal and professional fees	182	177
Administration and motor costs	247	244
Marketing	226	229
	<u>2,195</u>	<u>2,005</u>
Ongoing expenses	250	396
Management recharges	(411)	(414)
Negative goodwill written back	169	169
Positive goodwill written off		
	<u>2,203</u>	<u>2,156</u>

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) 52 weeks ended 30 March 2014

4. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
(Loss)/profit on ordinary activities before taxation is stated after charging/(crediting):		
Company - for audit services	6	6
Group - for audit services	65	65
Depreciation of owned fixed assets	2,640	2,606
Negative goodwill written back	(411)	(414)
Positive goodwill written off	169	169
Operating leases		
Land and buildings	760	722
Other	37	50
Rent and service charges receivable within turnover	2,706	2,540

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor for the audit of the company's annual accounts	6	6
The audit of the company's subsidiaries pursuant to legislation	65	65
Total audit fees	71	71
Fees payable to the company's auditor and their associates for other services to the group		
Tax services	56	66
Other services	12	22
Total non-audit fees	68	88

5. OTHER INCOME

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Sale of land lease	-	2,685
Sale of pontoons	-	12
Boat sales	-	1
	-	2,698

Other income represents the compensation received for the early surrender of a long leasehold interest.

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

52 weeks ended 30 March 2014

6. EMPLOYEES

The company had no employees in the period. Group staff costs during the period were:

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Wages and salaries	4,026	3,906
Social security costs	366	364
Pension costs	201	178
	<u>4,593</u>	<u>4,448</u>

The average monthly number of group employees and directors during the period were:

	No.	No.
Marina operations	94	89
Administration	52	54
	<u>146</u>	<u>143</u>

7. DIRECTORS' EMOLUMENTS

The directors serving at 30 March 2014 and 31 March 2013 were paid by Premier Marinas Limited and the amounts paid for their services to the company are shown in the accounts of Premier Marinas Limited for the current period. The directors serving at 30 March 2014 received total emoluments of £243,077 (31 March 2013: £56,000) from Premier Marinas Limited during the period, but it is not practicable to allocate this between their services as directors of Premier Marinas Holdings Limited and their services as directors of the other companies in the Group.

Details of transactions between the directors and the group during the period to 30 March 2014 are disclosed in note 28.

8. NET INTEREST PAYABLE AND SIMILAR CHARGES

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Minority preference share interest	10	11
Bank interest received	(17)	(70)
Loan stock redemption premium	9,530	8,789
	<u>9,523</u>	<u>8,730</u>

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) 52 weeks ended 30 March 2014

9. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Current tax		
United Kingdom corporation tax	57	315
Adjustment in respect of prior year	(97)	87
Total current tax (credit)/charge	(40)	402
Deferred tax (note 17)		
Origination of timing differences	79	(85)
Effect of tax rate change	(301)	(99)
Total tax (credit)/charge	(262)	218

The standard rate of tax for the period, based on the UK standard rate of corporation tax, is 23% (52 weeks ended 31 March 2013: 24%). The actual tax (credit)/charge for the current period and the previous period differs from the standard rate for the reasons set out in the following reconciliation.

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
(Loss)/profit on ordinary activities before tax	(360)	2,814
Tax on (loss)/profit on ordinary activities at standard rate	(82)	675
Factors affecting charge for the period:		
Capital allowances for period in (excess)/deficit of depreciation	(79)	85
Other tax adjustments	-	10
Goodwill and write offs	(57)	(59)
Expenses not deductible	275	248
Utilisation of brought forward losses	-	(644)
Prior year adjustment	(97)	87
Total actual amount of current tax (credit)/charge	(40)	402

No provision has been made for deferred tax on revaluing land and buildings to market value as there is no intention to dispose of the properties.

The Finance Act 2013, which provides for reductions in the main rate of corporation tax from 23% to 21% effective from 1 April 2014 and to 20% effective from 1 April 2015, was substantively enacted on 2 July 2013. These rate reductions have been reflected in the calculation of deferred tax at the balance sheet date.

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

52 weeks ended 30 March 2014

10. INTANGIBLE FIXED ASSETS

Group	Positive goodwill £'000	Negative goodwill £'000	Total £'000
Cost			
At 1 April 2013 and 30 March 2014	2,574	(5,874)	(3,300)
Amortisation			
At 1 April 2013	(972)	4,793	3,821
Positive goodwill written off	(169)	-	(169)
Negative goodwill written back	-	411	411
At 30 March 2014	(1,141)	5,204	4,063
Net book value			
At 30 March 2014	1,433	(670)	763
At 31 March 2013	1,602	(1,081)	521

11. TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £'000	Long leasehold land and buildings £'000	Lock structure £'000	Pontoons £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost/valuation						
At 1 April 2013	92,402	38,081	2,313	11,104	15,943	159,843
Additions	2,750	370	13	197	1,833	5,163
Disposals	-	-	-	-	(242)	(242)
At 30 March 2014	95,152	38,451	2,326	11,301	17,534	164,764
Depreciation						
At 1 April 2013	4,163	5,089	1,036	6,233	10,626	27,147
Charge for the period	601	493	87	516	943	2,640
Disposals	-	-	-	-	(6)	(6)
At 30 March 2014	4,764	5,582	1,123	6,749	11,563	29,781
Net book value						
At 30 March 2014	90,388	32,869	1,203	4,552	5,971	134,983
At 31 March 2013	88,239	32,992	1,277	4,871	5,317	132,696

When Premier Marinas Holdings Limited acquired an additional 50% of the share capital of Premier Marinas Limited on 14 August 2005, the land and buildings were acquired at their fair value at that date, resulting in a fair value adjustment in Premier Marinas Holdings Limited of £43,081,661.

The freehold and long leasehold land and buildings were valued as at 31 March 2014 by Knight Frank, 55 Baker Street, London, W1U 8AN based on the current open market with existing use. This valuation, which shows a surplus over book value, has not been incorporated into the accounts at 30 March 2014.

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) 52 weeks ended 30 March 2014

12. INVESTMENTS

Company	Investment in subsidiary undertakings £'000
Cost and net book value At 1 April 2013 and 30 March 2014	55,829

Premier Marinas Limited is held directly by Premier Marinas Holdings Limited.

The principal operating subsidiary undertakings at 30 March 2014 and 31 March 2013 are set out below.

Subsidiary undertakings	Country of incorporation	Principal activity	Class and percentage of shares held
Premier Marinas Limited	Great Britain	Operation of two yacht marinas	Ordinary shares 100%
Premier Marinas (Gosport) Limited	Great Britain	Operation of a yacht marina	Ordinary shares 100%
Premier Marinas (Southsea) Limited	Great Britain	Operation of a yacht marina	Ordinary shares 100%
Premier Marinas (Falmouth) Limited	Great Britain	Operation of a yacht marina	Ordinary shares 100%
Premier Marinas (Brighton) Limited	Great Britain	Operation of a yacht marina	Ordinary shares 100%
Premier Marinas (Eastbourne) Limited	Great Britain	Operation of a yacht marina	Ordinary shares 100%
Gosport Real Estate Limited	Great Britain	Property development	Ordinary shares 100%
Gosport Estates Limited	Great Britain	Property development	Ordinary shares 100%
Premier Marinas (Hamble) Limited	Great Britain	Operation of a yacht marina	Ordinary shares 100%
Premier Yacht Sales Limited	Great Britain	Brokerage and sale of new yachts	Ordinary shares 100%
Falmouth Yacht Marina Limited	Great Britain	Holding company	Ordinary shares 100%

Premier Yacht Sales Limited was liquidated on 16 September 2014.

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) 52 weeks ended 30 March 2014

13. STOCKS AND PROPERTY STOCK

	30 March 2014		31 March 2013	
	Group £'000	Company £'000	Group £'000	Company £'000
Finished goods and goods for resale	227	-	216	-
Property stock	5,781	-	5,781	-

The replacement cost of finished goods and goods for resale is not materially different to the balance sheet value.

14. DEVELOPMENT WORK IN PROGRESS

	30 March 2014		31 March 2013	
	Group £'000	Company £'000	Group £'000	Company £'000
Development work in progress	731	-	630	-

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 March 2014		31 March 2013	
	Group £'000	Company £'000	Group £'000	Company £'000
Trade debtors	2,003	-	4,576	184
Amounts owed by subsidiary undertaking	-	76,451	-	76,415
Amounts owed by parent undertaking	690	-	517	-
Prepayments and accrued income	599	-	345	-
Other debtors	140	-	-	-
Tax debtor	183	-	-	-
	3,615	76,451	5,438	76,599

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) 52 weeks ended 30 March 2014

16. CREDITORS

	30 March 2014		31 March 2013	
	Group £'000	Company £'000	Group £'000	Company £'000
Amounts falling due within one year				
Trade creditors	438	-	827	-
Corporation tax	-	-	67	-
Other taxation and social security	901	-	1,221	-
Other creditors	156	-	148	-
Accruals and deferred income	10,321	52	11,487	105
	<u>11,816</u>	<u>52</u>	<u>13,750</u>	<u>105</u>
Amounts falling due after more than one year				
Unsecured loan stock	128,952	128,952	128,952	128,952
Minority interest preference shares (note 19)	350	-	350	-
Accruals and deferred income	27	-	54	-
	<u>129,329</u>	<u>128,952</u>	<u>129,356</u>	<u>128,952</u>

17. PROVISIONS FOR LIABILITIES

Deferred taxation provided in the financial statements, and the amount unprovided of the total potential liability, are as follows:

	Group £'000	Company £'000
Deferred tax		
At 1 April 2013	2,270	-
Movement in period	79	-
Effect of change in tax rate	(301)	-
	<u>2,048</u>	<u>-</u>
At 30 March 2014		

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) 52 weeks ended 30 March 2014

17. PROVISIONS FOR LIABILITIES (continued)

Deferred tax	30 March 2014		31 March 2013	
	Provided £'000	Unprovided £'000	Provided £'000	Unprovided £'000
Group				
Accelerated capital allowances	2,048	-	2,270	-
Provision	<u>2,048</u>	<u>-</u>	<u>2,270</u>	<u>-</u>
Company				
Accelerated capital allowances	-	-	-	-
Provision	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

No provision has been made for deferred taxation on revalued assets because the Directors have no intention to dispose of the assets concerned in the foreseeable future.

18. CALLED UP SHARE CAPITAL

	30 March 2014 £'000	31 March 2013 £'000
Allotted, called up and fully paid		
9,856,305 £1 ordinary shares	<u>9,856</u>	<u>9,856</u>

19. MINORITY INTEREST

	30 March 2014 £'000	31 March 2013 £'000
Group	<u>350</u>	<u>350</u>

The non-equity minority interest relates to cumulative preference shares in Falmouth Yacht Marina Limited. The preference shares are non-voting and entitle the holders to special berthing privileges. The full rights of these shares are disclosed in the accounts of Falmouth Yacht Marina Limited, which may be obtained from the Registrar of Companies.

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) 52 weeks ended 30 March 2014

20. RESERVES

	Profit and loss account deficit £'000
Group	
At 1 April 2013	(2,083)
Loss for the period	(98)
	<hr/>
At 30 March 2014	(2,181)
	<hr/>
Company	
At 1 April 2013	(6,485)
Loss for the period	(95)
	<hr/>
At 30 March 2014	(6,580)
	<hr/>

The loss after tax for the financial period dealt with in the financial statements of the parent company was £95k (31 March 2013: profit £490k). As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company.

21. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	30 March 2014		31 March 2013	
	Group £'000	Company £'000	Group £'000	Company £'000
(Loss) profit for the financial period	(98)	(95)	2,596	490
	<hr/>	<hr/>	<hr/>	<hr/>
Net (decrease)/increase in shareholder's funds	(98)	(95)	2,596	490
Opening shareholder's funds	7,773	3,371	5,177	2,881
	<hr/>	<hr/>	<hr/>	<hr/>
Closing shareholder's funds	7,675	3,276	7,773	3,371
	<hr/>	<hr/>	<hr/>	<hr/>

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) 52 weeks ended 30 March 2014

22. CAPITAL COMMITMENTS

- (i) At 30 March 2014 the Group had contracted capital commitments of £889,000 (31 March 2013: £780,000).
- (ii) At 30 March 2014 the Company had contracted capital commitments of £74,000 (31 March 2013: £nil).
- Annual commitments under non-cancellable operating leases are as follows:

Group	30 March 2014		31 March 2013	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Within one year	-	17	-	24
Within one to two years	-	17	-	22
Within two to five years	-	10	-	13
Over five years	760	-	722	-
	<u>760</u>	<u>44</u>	<u>722</u>	<u>59</u>

The company had no annual commitments under non-cancellable operating leases.

23. PENSIONS

During the period the Group participated in three defined contribution Group Personal Pension Plans administered by Legal & General Assurance Society, Skandia Life and Scottish Life. The Group's contributions are charged to the profit and loss account in the period they are incurred. The pension charge cost for the period was £201,110 (52 weeks ended 31 March 2013: £177,708). The balance outstanding as at 30 March 2014 was £17,253 (31 March 2013: £20,909).

24. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	52 weeks ended 30 March 2014 £'000	52 weeks ended 31 March 2013 £'000
Operating profit	9,163	8,846
Negative goodwill written back	(411)	(414)
Positive goodwill written off	169	169
Depreciation	2,640	2,606
(Increase)/decrease in stock	(11)	193
(Increase)/decrease in development work in progress	(101)	168
Decrease/(increase) in debtors	2,006	(2,666)
Decrease in creditors	(1,894)	(279)
Net cash inflow from operating activities	<u>11,561</u>	<u>8,623</u>

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

52 weeks ended 30 March 2014

25. ANALYSIS OF CASH FLOWS FOR HEADLINE NETTED IN THE CASH FLOW STATEMENT

	30 March 2014 £'000	31 March 2013 £'000
Returns on investment and servicing of finance		
Interest paid	(9,530)	(8,789)
Interest received	17	70
Non-equity dividends paid to minority	(10)	(11)
	<u>(9,523)</u>	<u>(8,730)</u>
Taxation		
UK corporation tax paid	(210)	(460)
	<u>(210)</u>	<u>(460)</u>
Capital expenditure		
Purchase of tangible assets	(5,163)	(4,151)
Fixed assets proceeds	236	-
	<u>(4,927)</u>	<u>(4,151)</u>
Financing		
Loan stock issued	-	-
Loan repaid to bank	-	-
	<u>-</u>	<u>-</u>
Other income		
Sale of land and pontoons (note 5)	-	2,698
	<u>-</u>	<u>2,698</u>

26. ANALYSIS OF MOVEMENT IN NET DEBT

	1 April 2013 £'000	Cash flow £'000	30 March 2014 £'000
Cash at bank and in hand	7,867	(3,099)	4,768
Loan notes	(128,952)	-	(128,952)
Minority interest preference shares	(350)	-	(350)
Net debt	<u>(121,435)</u>	<u>(3,099)</u>	<u>(124,534)</u>
		30 March 2014 £'000	31 March 2013 £'000
Decrease in cash and net debt in the period		(3,099)	(2,020)
Movements in net debt in the period		(3,099)	(2,020)
Net debt at the beginning of the period		(121,435)	(119,415)
Net debt at the end of the period		<u>(124,534)</u>	<u>(121,435)</u>

PREMIER MARINAS HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

52 weeks ended 30 March 2014

27. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate parent company is Premier Marinas Jersey Holdings Limited, a company incorporated in Jersey. The ultimate parent company of Premier Marinas Holdings Limited is Premier Marinas Jersey Holdings Limited, a company incorporated in Jersey. The ultimate controlling party of Premier Marinas Holdings Limited is the major investor, BNP Paribas Securities Services Trust Company (Jersey) Limited and BNP Paribas Securities Services Trust Company Limited (acting as trustees of the BlackRock UK Property Fund).

28. RELATED PARTY TRANSACTIONS

During the period to 30 March 2014 Harlyn Asset Management Limited, a company owned by R J Boissier charged management fees totalling £nil (52 weeks ended 31 March 2013: £320,000) to Premier Marinas Holdings Limited and its subsidiaries.

During the period to 30 April 2014 R J Boissier purchased services from the group to the value of £5,112 (52 weeks ended 31 March 2013 : £5,112)

29. POST BALANCE SHEET EVENTS

A further £11.5 million of subordinated, unsecured loan note debt has been drawn down since the year end to finance various capital initiatives, and the group has further invested in its' marinas and acquired the land, property and operations of Endeavour Quay, a boatyard adjacent to the group's Gosport Marina for c £4.8 million.