

COMPANY REGISTRATION NUMBER 2860394

ALVECHURCH BOAT CENTRES LIMITED
ABBREVIATED ACCOUNTS
31 DECEMBER 2004



HOWELL DAVIES LIMITED
 Chartered Accountants & Registered Auditors
 Tudor House
 37a Birmingham New Road
 Wolverhampton
 West Midlands
 WV4 6BL

ALVECHURCH BOAT CENTRES LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

Contents	Pages
Officers and professional advisers	1
The directors' report	2 to 3
Independent auditors' report to the company	4
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Cash flow statement	7
Notes to the abbreviated accounts	8 to 19

ALVECHURCH BOAT CENTRES LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

E J Helps
S Boddice
K P Threlfall
D R Arrand

Company Secretary

D R Arrand

Registered Office

Tudor House
37a Birmingham New Road
Wolverhampton
West Midlands
WV4 6BL

Auditors

Howell Davies Limited
Chartered Accountants
& Registered Auditors
Tudor House
37a Birmingham New Road
Wolverhampton
West Midlands
WV4 6BL

ALVECHURCH BOAT CENTRES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2004

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2004.

Principal Activities and Business Review

The company's principal activity continued to be that of the operation of five inland waterways marinas, including the building and hiring of narrowboats.

Business Review

The directors are pleased to report that, as anticipated, 2004 was a year of growth and progress for the company. The full annual impact of the acquisition of Wessex Narrowboats was reflected most noticeably in terms of turnover and profitability, with the company achieving record levels. The acquisition on 30th December of Viking Afloat Limited, the country's fourth largest narrowboat hire operator, will ensure that this growth will continue throughout 2005 and beyond.

Results and Dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	2004 £	2003 £
Dividends paid on ordinary shares	<u>25,000</u>	<u>25,000</u>

The Directors and their Interests in the Shares of the Company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 December 2004	At 1 January 2004
E J Helps	40,000	40,000
S Boddice	60,000	40,000
K P Threlfall	60,000	40,000
D R Arrand	<u>—</u>	<u>—</u>

C J Davies retired as a director on 20 October 2004.

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on pages 8 to 9, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and

ALVECHURCH BOAT CENTRES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2004

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

Auditors

A resolution to re-appoint Howell Davies Limited as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Tudor House
37a Birmingham New Road
Wolverhampton
West Midlands
WV4 6BL

Signed by order of the directors



D R Arrand
Company Secretary

Approved by the directors on 13 April 2005

ALVECHURCH BOAT CENTRES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 5 to 19, together with the financial statements of the company for the year ended 31 December 2004 prepared under Section 226 of the Companies Act 1985.

Respective Responsibilities of the Directors and the Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of Opinion


We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act, and the abbreviated accounts on pages 5 to 19 are properly prepared in accordance with those provisions.

Tudor House
37a Birmingham New Road
Wolverhampton
West Midlands
WV4 6BL

13 April 2005



HOWELL DAVIES LIMITED
Chartered Accountants
& Registered Auditors

ALVECHURCH BOAT CENTRES LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2004

	Note	2004 £	2003 £
Gross Profit		1,118,531	983,657
Distribution costs		231,904	204,959
Amortisation of Goodwill		—	267,000
Administrative expenses		564,224	442,497
Operating Profit	2	322,403	69,201
Interest receivable		6,656	190
Interest payable and similar charges	5	(16,444)	(24,661)
Profit on Ordinary Activities Before Taxation		312,615	44,730
Tax on profit on ordinary activities	6	61,233	1,453
Profit on Ordinary Activities after Taxation		251,382	43,277
Dividends	7	25,000	25,000
Retained Profit for the Financial Year		226,382	18,277
Balance brought forward		124,352	106,075
Balance carried forward		350,734	124,352

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 19 form part of these abbreviated accounts.

ALVECHURCH BOAT CENTRES LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2004

	Note	2004 £	£	2003 £	£
Fixed Assets					
Intangible assets	8		3,102		1,602
Tangible assets	9		1,555,195		1,529,790
Investments	10		2,590,349		164
			<u>4,148,646</u>		<u>1,531,556</u>
Current Assets					
Stocks	11	144,251		120,684	
Debtors	12	604,271		502,734	
Cash in hand		4,794		4,569	
		<u>753,316</u>		<u>627,987</u>	
Creditors: Amounts Falling due Within One Year	13	<u>3,399,840</u>		<u>1,831,943</u>	
Net Current Liabilities			(2,646,524)		(1,203,956)
Total Assets Less Current Liabilities			<u>1,502,122</u>		<u>327,600</u>
Creditors: Amounts Falling due after More than One Year	14		900,000		—
			<u>602,122</u>		<u>327,600</u>
Provisions for Liabilities and Charges					
Deferred taxation	15		51,388		3,248
			<u>550,734</u>		<u>324,352</u>
Capital and Reserves					
Called-up equity share capital	17		200,000		200,000
Profit and loss account			350,734		124,352
Shareholders' Funds	18		<u>550,734</u>		<u>324,352</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on the 13 April 2005 and are signed on their behalf by:



E J Helps
Director

The notes on pages 8 to 19 form part of these abbreviated accounts.

ALVECHURCH BOAT CENTRES LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2004

	Note	2004 £	£	2003 £	£
Net Cash Inflow From Operating Activities	19		830,879		196,552
Returns on Investments and Servicing of Finance	19		(15,099)		(39,917)
Taxation	19		(1,838)		(1,172)
Capital Expenditure and Financial Investment	19		(89,105)		(598,376)
Acquisitions and Disposals					
Acquisition of shares in group undertakings		(2,590,185)		(1)	
Net Cash Outflow From Acquisitions and Disposals			(2,590,185)		(1)
Equity Dividends Paid			(50,000)		—
Cash Outflow Before Financing			(1,915,348)		(442,914)
Financing	19		1,200,000		—
Decrease in Cash	19		<u>(715,348)</u>		<u>(442,914)</u>

The notes on pages 8 to 19 form part of these abbreviated accounts.

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill	- 100% Straight Line
Intangible Assets	- 25% Straight Line

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 2% Straight Line
Plant & Machinery	- 15% / 20% / 25% & 33 1/3% Straight Line
Narrowboats	- 10% Straight Line

Leasehold Property is written off over the period of the lease.

No depreciation is provided for on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in Progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

1. Accounting Policies *(continued)*

Pension Costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating Profit

Operating profit is stated after charging/(crediting):

	2004 £	2003 £
Amortisation of intangible fixed assets	1,045	—
Amortisation of goodwill	—	267,000
Depreciation of owned fixed assets	75,937	71,581
Profit on disposal of fixed assets	(14,782)	(83,615)
Auditors' remuneration		
- as auditors	4,838	3,934

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

3. Particulars of Employees

The average number of staff employed by the company during the financial year amounted to:

	2004 No	2003 No
Boat Building Staff	16	12
Sales Staff	14	10
Administrative Staff	7	6
Operational Management	7	8
Boat Hire Staff	40	38
	<u>84</u>	<u>74</u>

The aggregate payroll costs of the above were:

	2004 £	2003 £
Wages and salaries	1,420,067	1,135,570
Social security costs	112,188	96,305
Other pension costs	1,660	1,678
	<u>1,533,915</u>	<u>1,233,553</u>

4. Directors' Emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2004 £	2003 £
Emoluments receivable	<u>195,151</u>	<u>189,429</u>

5. Interest Payable and Similar Charges

	2004 £	2003 £
Interest payable on bank borrowing	15,778	24,661
On term loan	666	—
	<u>16,444</u>	<u>24,661</u>

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

6. Taxation on Ordinary Activities

(a) Analysis of charge in the year

	2004 £	2003 £
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	13,093	1,838
Total current tax	13,093	1,838
Deferred tax:		
Origination and reversal of timing differences	48,140	(385)
Tax on profit on ordinary activities	61,233	1,453

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2003 - 10.36%).

	2004 £	2003 £
Profit on ordinary activities before taxation	312,615	44,730
Profit on ordinary activities by rate of tax	59,397	4,634
Depreciation for year in excess of capital allowances	(766)	3,815
Expenses not allowable for tax purposes	36	-
Capital Allowances - Balancing Charge	-	18,180
Utilisation of Losses brought forward	(42,765)	(16,128)
Profit on disposal of fixed assets	(2,809)	(8,663)
Total current tax (note 6(a))	13,093	1,838

7. Dividends

The following dividends have been paid in respect of the year:

	2004 £	2003 £
Dividend paid on ordinary shares	25,000	25,000

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

8. Intangible Fixed Assets

	Goodwill £	Other Intangible Assets £	Total £
Cost			
At 1 January 2004	267,001	1,605	268,606
Additions	–	2,695	2,695
Disposals	–	(195)	(195)
At 31 December 2004	<u>267,001</u>	<u>4,105</u>	<u>271,106</u>
Amortisation			
At 1 January 2004	267,001	3	267,004
Charge for the year	–	1,045	1,045
On disposals	–	(45)	(45)
At 31 December 2004	<u>267,001</u>	<u>1,003</u>	<u>268,004</u>
Net Book Value			
At 31 December 2004	<u>–</u>	<u>3,102</u>	<u>3,102</u>
At 31 December 2003	<u>–</u>	<u>1,602</u>	<u>1,602</u>

9. Tangible Fixed Assets

	Land and Buildings £	Plant and Machinery £	Narrow- boats £	Total £
Cost				
At 1 January 2004	1,457,553	380,741	49,500	1,887,794
Additions	55,950	71,231	–	127,181
Disposals	–	(2,651)	(34,500)	(37,151)
At 31 December 2004	<u>1,513,503</u>	<u>449,321</u>	<u>15,000</u>	<u>1,977,824</u>
Depreciation				
At 1 January 2004	119,648	227,710	10,646	358,004
Charge for the year	26,125	49,312	500	75,937
On disposals	–	(1,041)	(10,271)	(11,312)
At 31 December 2004	<u>145,773</u>	<u>275,981</u>	<u>875</u>	<u>422,629</u>
Net Book Value				
At 31 December 2004	<u>1,367,730</u>	<u>173,340</u>	<u>14,125</u>	<u>1,555,195</u>
At 31 December 2003	<u>1,337,905</u>	<u>153,031</u>	<u>38,854</u>	<u>1,529,790</u>

Included within land and building is land at a cost of £226,471 (2003 : £226,471) which is not depreciated.

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

9. Tangible Fixed Assets *(continued)*

Capital commitments

	2004 £	2003 £
Contracted but not provided for in the financial statements	<u>247,443</u>	<u>6,427</u>

10. Investments

	Share in Subsidiary Undertakings £	Listed & Unlisted Investments £	Total £
Cost			
At 1 January 2004	1	163	164
Additions	2,590,185	—	2,590,185
At 31 December 2004	<u>2,590,186</u>	<u>163</u>	<u>2,590,349</u>
Net Book Value			
At 31 December 2004	<u>2,590,186</u>	<u>163</u>	<u>2,590,349</u>
At 31 December 2003	<u>1</u>	<u>163</u>	<u>164</u>

Listed investments

Listed investments having a net book value of £Nil (2003 - £115) are held by the company and had a market value of £Nil at the end of the year (2003 - £Nil).

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

10. Investments (continued)

Unlisted Investments

The company owns 35.94% of the issued share capital of Drifters Leisure Limited

Share in Subsidiary Undertaking

The company owns 100% of the issued share capital of Wessex Narrowboats Limited, a none trading subsidiary of Alvechurch Boat Centres Limited.

On 30 December 2004 the company acquired 100% of the issued share capital of Viking Afloat Limited, a company incorporated and operating in the United Kingdom.

The aggregate capital and reserves and the profit and (loss) for these companies are as follows :

	2004 £	2003 £
Aggregate capital and reserves		
Drifters Leisure Limited	1,719	428
Wessex Narrowboats Limited (None Trading)	1	1
Viking Afloat Limited	1,398,601	Nil
Profit and (loss) for the year		
Drifters Leisure Limited	1,291	60
Wessex Narrowboats Limited (None Trading)	Nil	Nil
Viking Afloat Limited	234,650	Nil

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

11. Stocks

	2004 £	2003 £
Stock	112,650	94,115
Work in progress	31,601	26,569
	<u>144,251</u>	<u>120,684</u>

12. Debtors

	2004 £	2003 £
Trade debtors	224,075	343,161
Other debtors	1,623	5,298
Prepayments and accrued income	378,573	154,275
	<u>604,271</u>	<u>502,734</u>

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

13. Creditors: Amounts Falling due Within One Year

	2004 £	2003 £
Bank loans and overdrafts	1,763,629	748,056
Trade creditors	873,139	795,233
Amounts owed to group undertakings	350,000	—
Corporation tax	13,093	1,838
Other taxation and social security	107,437	89,720
Dividends payable	—	25,000
Other creditors	182,970	31,176
Accruals and deferred income	109,572	140,920
	<u>3,399,840</u>	<u>1,831,943</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2004 £	2003 £
Bank loans and overdrafts	<u>1,763,629</u>	<u>748,056</u>

The bank loan and overdraft are secured by a fixed and floating charge over all of the company's assets and guarantees given by third parties

14. Creditors: Amounts Falling due after More than One Year

	2004 £	2003 £
Bank loans and overdrafts	<u>900,000</u>	<u>—</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2004 £	2003 £
Bank loans and overdrafts	<u>900,000</u>	<u>—</u>

15. Deferred Taxation

The movement in the deferred taxation provision during the year was:

	2004 £	2003 £
Provision brought forward	3,248	3,633
Profit and loss account movement arising during the year	48,140	(385)
Provision carried forward	<u>51,388</u>	<u>3,248</u>

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

15. Deferred Taxation *(continued)*

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2004 £	2003 £
Excess of taxation allowances over depreciation on fixed assets	51,388	3,248
	<u>51,388</u>	<u>3,248</u>

16. Related Party Transactions

On 30 December 2004, the company purchased 100% of the issued share capital of Viking Afloat Limited. At the year end a purchase ledger balance of £35 was outstanding and a loan account balance of £350,000 was due to Viking Afloat Limited.

17. Share Capital

Authorised share capital:

	2004 £	2003 £
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid:

	2004 No	£	2003 No	£
Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>

18. Reconciliation of Movements in Shareholders' Funds

	2004 £	2003 £
Profit for the financial year	251,382	43,277
Dividends	(25,000)	(25,000)
	<u>226,382</u>	<u>18,277</u>
Opening shareholders' equity funds	<u>324,352</u>	<u>306,075</u>
Closing shareholders' equity funds	<u>550,734</u>	<u>324,352</u>

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

19. Notes to the Statement of Cash Flows

Reconciliation of Operating Profit to Net Cash Inflow From Operating Activities

	2004 £	2003 £
Operating profit	322,403	69,201
Amortisation	1,045	267,000
Depreciation	75,937	71,581
Profit on disposal of fixed assets	(14,782)	(83,615)
Increase in stocks	(23,567)	(66,342)
Increase in debtors	(101,537)	(157,521)
Increase in creditors	571,380	96,248
Net cash inflow from operating activities	<u>830,879</u>	<u>196,552</u>

Returns on Investments and Servicing of Finance

	2004 £	2003 £
Interest received	6,656	190
Interest paid	(21,755)	(40,107)
Net cash outflow from returns on investments and servicing of finance	<u>(15,099)</u>	<u>(39,917)</u>

Taxation

	2004 £	2003 £
Taxation	<u>(1,838)</u>	<u>(1,172)</u>

Capital Expenditure

	2004 £	2003 £
Payments to acquire intangible fixed assets	(2,695)	(268,502)
Payments to acquire tangible fixed assets	(127,181)	(627,358)
Receipts from sale of fixed assets	40,771	297,484
Net cash outflow from capital expenditure	<u>(89,105)</u>	<u>(598,376)</u>

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

19. Notes to the Statement of Cash Flows (continued)

Financing

	2004 £	2003 £
Repayment of bank loans	1,200,000	—
Net cash inflow from financing	1,200,000	—

Reconciliation of Net Cash Flow to Movement in Net Debt

	2004 £	2003 £
Decrease in cash in the period	(715,348)	(442,914)
Net cash (inflow) from bank loans	(1,200,000)	—
	(1,915,348)	(442,914)
Change in net debt	(1,915,348)	(442,914)
Net debt at 1 January 2004	(743,487)	(300,573)
Net debt at 31 December 2004	(2,658,835)	(743,487)

Analysis of Changes in Net Debt

	At 1 Jan 2004 £	Cash flows £	At 31 Dec 2004 £
Net cash:			
Cash in hand and at bank	4,569	225	4,794
Overdrafts	(748,056)	(715,573)	(1,463,629)
	(743,487)	(715,348)	(1,458,835)
Debt:			
Debt due within 1 year	—	(300,000)	(300,000)
Debt due after 1 year	—	(900,000)	(900,000)
	—	(1,200,000)	(1,200,000)
Net debt	(743,487)	(1,915,348)	(2,658,835)

ALVECHURCH BOAT CENTRES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2004

20. Transactions with Directors

(a) The company operates 31 narrowboats under its sponsorship scheme, for leisure companies in which the directors have material interests. The terms of the agreements under which these boats are operated are the standard terms for all such agreements.

The income to the company in relation to these narrowboats is as follows:-

Company	Material interest held by:	Income £
Churchill Leisure	Mr S Boddice	115,611
Tettenhall Leisure	Mr K P Threlfall	187,062
Hanbury Leisure	Mr E J Helps	72,615

(b) During the year narrowboats were sold by the company to leisure companies in which a director has a material interest.

The values of these sales were as follows:-

Company	Material interest held by:	Sales Value £
Churchill Leisure	Mr S Boddice	49,500
Tettenhall Leisure	Mr K P Threlfall	59,750