



The Rank Organisation Limited

Annual Report

and Accounts

for the 52 weeks

ended 27th June 1964



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Notice of Meeting

NOTICE IS HEREBY GIVEN that the Twenty-Seventh Annual General Meeting of the Company will be held at The Dorchester Hotel (Ballroom Entrance, Park Lane) London, W.1, on Thursday, the 8th day of October, 1964 at 12 noon for the following purposes:—

- 1 To receive the Accounts for the 52 weeks ended 27th June, 1964, and the Reports of the Directors and Auditors.
- 2 To declare a Final Dividend on Ordinary and 'A' Ordinary Shares.
- 3 To elect Directors.
- 4 To fix the Auditors' Fee.
- 5 To transact any other ordinary business of the Company.
- 6 As special business to consider the following resolution which will be proposed as an Ordinary Resolution:—

RESOLUTION

That the capital of the Company be increased to £31,500,000 by the creation of 6,000,000 additional 'A' Ordinary Shares of 5s. each forming one class with the existing 'A' Ordinary Shares of 5s. each.

By Order of the Board,

J. K. MONTGOMERIE

Secretary.

Dated this 15th day of September, 1964.

A warm invitation to attend the Annual General Meeting is extended to all shareholders whether entitled to vote or not.

Under the Company's Articles of Association the holders of Ordinary and 'A' Ordinary Shares are entitled to attend but only the holders of Ordinary Shares are entitled to vote. A member entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a member.

Subject to the confirmation at the Annual General Meeting of the proposed Final Dividend on the Ordinary and 'A' Ordinary Shares, warrants in payment thereof will be posted on 4th November, 1964.

Directors

President

THE LORD RANK, J.P.

Chairman and Chief Executive

JOHN DAVIS

J. A. CALLUM

GRAHAM R. DOWSON

C. R. P. HAMILTON

WILLIAM E. JENKINS, C.B.E.

F. KEIGHLEY

T. A. LAW

SOL M. LINOWITZ (U.S.A.)

RT. HON. LORD MABANE, K.B.E.

Col. SIR LEONARD ROPNER, Bt., M.C., T.D., D.L., M.P.

RT. HON. VISCOUNT ROTHERMERE

DUDLEY SAWARD, O.B.E.

SIR IVAN STEDEFORD, G.B.E.

EARL ST. JOHN (U.S.A.)

JOSEPH C. WILSON (U.S.A.)

KENNETH WINCKLES, M.B.E.

G. I. WOODHAM-SMITH

Secretary and Registered Office

fice J. K. MONTGOMERIE, 11 Belgrave Road, London, S.W.1

Bankers

NATIONAL PROVINCIAL BANK LIMITED

Auditors and Consultant Accountants PEAT, MARWICK, MITCHELL & CO.

Directors' Report

1 The Directors present the Balance Sheet of the Company and Consolidated Balance Sheet at 27th June, 1964, and Consolidated Profit and Loss Account for the 52 weeks ended that date.

	£	£
The Surplus for the 52 weeks including Non-Trading and Extraneous Items, after providing for Depreciation, Interest and Taxation and excluding interests of Outside Shareholders, was	-	4,765,000
Which your Directors (a) have applied (b) recommend be appropriated as follows:—		
(a) $6\frac{1}{4}\%$ Preference Dividend for the year ended 30th June, 1964, less Income Tax	354,000	
(a) 8% Second Preference Dividend for the half year ended 30th June, 1964, less Income Tax	63,000	
(a) Interim Dividend of 15% on Ordinary and 'A' Ordinary Shares, less Income Tax	591,000	
(b) As Final Dividend of 11½% on Ordinary and 'A' Ordinary Shares, less Income Tax	886,000	1,894,000
Deduct Surplus retained in the Accounts of Subsidiary		2,871,000
Companies		1,357,000
The Surplus retained by the Parent Company was		1,514,000
The Balance brought forward amounted to		2,449,000
Making an amount to be carried forward of		£3,963,000

- 2 The capital of the Company was increased in October, 1963 to £18,500,000 by the creation of 4,000,000 'A' Ordinary Shares of 5/- each, in November, 1963 to £21,500,000 by the creation of 3,000,000 8% Second Cumulative Preference Shares of £1 each and in April, 1964 to £30,000,000 by the creation of 8,000,000 Ordinary Shares of 5/- each and 26,000,000 'A' Ordinary Shares of 5/- each.
- 3 In October, 1963, £10,000,000 6% Convertible Unsecured Loan Stock 1983/88 was offered at par to the holders of the Ordinary and 'A' Ordinary Shares and to the holders of the 6½% Loan Stock 1977/82. The issue was most successful, £9,756,016 of the Stock being taken up and the remainder sold for the benefit of the Company.
- 4 The Court confirmed the scheme for reduction of the Capital and cancellation of the shares in Rank Radio and Television Limited held outside The Rank Organisation in November, 1963 with the result that that company became a wholly-owned subsidiary.
- 5 In December, 1963 the Company acquired all the shares not already held within the Organisation in two subsidiaries, Provincial Cinematograph Theatres Limited and P.C.T. Construction Company Limited in consideration for the allotment of 1,466,604 6½% Cumulative Preference Shares of £1 each and 2,556,787 8% Second Cumulative Preference shares of £1 each in the Company.
- 6 Holders of £4,521,734 6½% Convertible Unsecured Loan Stock 1977/82, representing 78.6 per cent. of the Stock then in issue, exercised conversion rights between 1st October and 9th December, 1963 and were allotted 2,713,040 'A' Ordinary Shares of 5/- each in the Company in exchange.

- 7 In April, 1964, £6,431,989.15.0 being part of the sum standing to the credit of the Company's Share Premium Account, was capitalised and appropriated to the holders of Ordinary and 'A' Ordinary Shares by the issue credited as fully paid of 7,575,932 Ordinary Shares of 5/each in the proportion of one such share for every Ordinary Share held and by the issue of 18,152,027 'A' Ordinary Shares in the proportion of one such share for every 'A' Ordinary Share held. The numbers of shares required to be allotted on conversion of 6½ % Convertible Unsecured Loan Stock 1977/82 and of 6% Convertible Unsecured Loan Stock 1983/88 were increased accordingly.
- 8 In June, 1964 the Company made offers to acquire the whole of the issued share capital of The Pullin Group Limited. These offers have been accepted in respect of all the issued Preference Shares and over 94% of the issued Ordinary Shares of Pullin. Assuming that the outstanding Ordinary Shares of Pullin can be compulsorily acquired pursuant to Section 209 of the Companies Act, 1948, the total consideration for this acquisition will be the issue of 45,000 8% Second Cumulative Preference Shares and of 1,749,160 'A' Ordinary Shares in the Company.

The £500,000 Pullin 6½% Loan Stock has been exchanged for a like amount of new 6½% Convertible Unsecured Loan Stock 1975/79 of the Company.

The acquisition of this Company is in no way reflected in the accompanying accounts.

- 9 During the year, the Rt. Hon. Selwyn Lloyd retired from the Board following his appointment as Lord Privy Seal.
 - Mr. G. R. Dowson, Mr. C. R. P. Hamilton, Mr. T. A. Law, Mr. Sol M. Linowitz, and Mr. D. Saward, who were appointed Directors during the year, retire in accordance with the Articles of Association and being eligible, offer themselves for re-election.
 - Mr. J. A. Callum, Sir Leonard Ropner, Viscount Rothermere, and Mr. G. I. Woodham-Smith, retire by rotation in accordance with the Articles of Association, and being eligible, offer themselves for re-election.
- 10 Messrs. Peat, Marwick, Mitchell & Co. have signified their willingness to continue in office as auditors.
- It is intended to proceed in the near future with an issue of £12½ million of a new convertible loan stock which will be offered by way of rights to the Ordinary and 'A' Ordinary Shareholders and to the holders of the existing Convertible Loan Stocks.

Details of this issue have not yet been completed, but it is hoped that terms can be announced shortly, in which event the offer would be despatched early in October.

It will be necessary, in connection with this proposed issue, to increase the authorised amount of the 'A' Ordinary Share Capital and accordingly a resolution to create 6,000,000 additional 'A' Ordinary Shares of 5/- each will be proposed as special business at the Annual General Meeting.

Ordinary Shareholders will be sent a form of proxy which they are invited to complete and return if they are unable to attend the meeting.

12 Acting upon the recommendation made by the Chairman of the Stock Exchange, the following information in regard to controlling shareholdings is given—this information was disclosed to shareholders in the Annual Accounts in 1955.

53% of the Ordinary Shares of The Rank Organisation Limited, representing Lord Rank's and Lady Rank's original holdings, is owned by Odeon Cinema Holdings Limited which in its turn is owned and controlled by Film Development & Research Limited and the Trustees of the J. Arthur Rank Group Charity to whom these interests were given by Lord Rank and Lady Rank in 1953.

By Order of the Board,

J. K. MONTGOMERIE

Mr. John Davis' Statement

Dear Fellow Stockholder.

I have pleasure in reporting to you upon the results and the activities of the Organisation for the 52 weeks ended 27th June, 1964.

The period which I am about to review has been one combining consolidation, expansion and development and a stimulating and exciting year for Management, resulting in the highest profit ever recorded by this Organisation.

In my last review on the 1962/63 Accounts, I referred to the satisfactory increase in profits, which amounted to approximately 50% after taxation. An increase of this nature creates a precedent which is difficult to maintain. I am, therefore, more than pleased that for 1963/64 we have achieved a similar increase over the previous record profits. This reflects the great effort of our Management and Personnel at all levels.

I am further pleased to report that our sales for the first time exceeded £100 million, and am proud to say that although this figure includes £28 million in respect of our domestic Theatre operations, we have achieved export sales of almost 20% of our total turnover amounting to approximately £20 million.

A number of financial events have taken place since my last review. I will refer to these before dealing with our Accounts and activities generally.

FINANCIAL EVENTS

Last year I referred to our intention of raising £10 million by way of a 'rights' issue of a new 6% Convertible Loan Stock. This issue was a great success. The holders are entitled to convert into 'A' Ordinary Shares between 1st October and 9th December in the years 1965, 1966 and 1967.

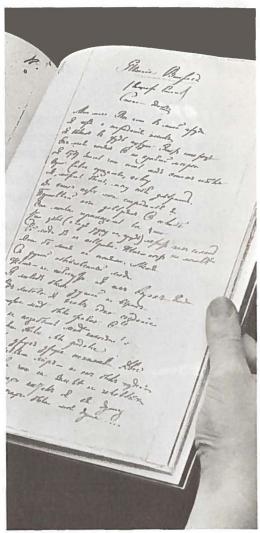
As regards the existing $6\frac{3}{4}\%$ Convertible Loan Stock the earliest date on which holders were entitled to convert into 'A' Ordinary Shares was between 1st October and 9th December, 1963, when nearly 80% of the Stock was converted. The balance carries the right to convert in the same periods of 1964 or 1965.

The rapid development of the Group's activities, including Rank Xerox, calls for further capital notwithstanding our substantial cash flow, which in 1963/64 amounted to approximately £10,570,000. It is our intention to issue a further £12,500,000 of Convertible Loan Stock as 'rights' to the holders of the Ordinary and 'A' Ordinary Shares and of the existing Convertible Loan Stocks. Details of this issue will, I anticipate, be announced shortly.

The proceeds of the issue should finance the present planned programme and thus obviate for several years the need to raise further funds in a manner which in any way involves equity capital, although the Group may, from time to time, finance particular operations by way of loans in one form or another.

The policy of simplifying the financial structure of the Group has continued with the acquisition of substantial minority interests in Provincial Cinematograph Theatres Limited and in P.C.T. Construction Company Limited. Under these schemes, which received Court approval, the Organisation issued in total 1,466,604 6½% Cumulative





ABOVE Mr. Joseph C. Wilson, President of Xerox Corporation, talks with Mr. John Davis, Chairman of The Rank Organisation, during one of Mr. Davis's frequent visits to the United States. During the year, the ties between the two organisations were further strengthened by the appointment of Mr. Sol M. Linowitz, Chairman of Xerox Corporation, to the Board of The Rank Organisation.

TOP RIGHT This facsimile copy of the poem 'Steno', by Turgenev, was produced by University Microfilms Limited and presented to the Soviet Government to mark the Rank Xerox exhibition in Moscow in July this year. Xerography was used to copy the original manuscript, which is in the British Museum.

RIGHT Celebrating his 21st anniversary with The Rank Organisation is Mr. Victor Finney, a senior executive whose many special services have been invaluable to the Organisation in the years of rapid expansion and widening interests in this country and overseas.



Preference Shares and 2,556,787 8% Second Preference Shares, all of £1 each, and also paid approximately £100,000 as consideration for these minority interests. Both these important companies are now wholly-owned subsidiaries.

The acquisition of the outstanding share capital of Rank Radio and Television Limited has also resulted in that Company becoming a wholly-owned subsidiary.

I am happy to say that this programme of consolidation of our interests into The Rank Organisation is now, for all practical purposes, complete.

The further issues of capital by two of our subsidiaries, Rank Precision Industries Limited and A. Kershaw & Sons Limited, anticipated in my previous statement, were duly made in December 1963. These issues were necessary to enable Rank Precision Industries to contribute its due proportion of the additional financial requirements of Rank Xerox Limited and thus maintain its proportionate equity interest. Under these arrangements, 259,875 new Ordinary Shares of £1 each in Rank Precision Industries and 241,407 Ordinary Shares of 1/- each in Kershaw were issued. I anticipate that further issues will be required from time to time to deal with the present insatiable capital requirements of Rank Xerox resulting from its explosive expansion.

A number of important property transactions have been concluded. These transactions have involved the sale and lease-back of 22 properties, realising some £4 million in cash and yielding a surplus over book value of more than £1 $\frac{1}{2}$ million. This surplus has been credited to consolidated capital reserves in the Accounts of the Organisation.

When we acquired control of Murphy Radio Limited in June 1962 we obtained as a result their 10% interest in British Relay Wireless and Television Limited. Our policy is to conduct our affairs through active management and it was primarily for this reason that we decided to dispose of our shares for a consideration of more than £ $1\frac{1}{2}$ million.

Under arrangements made some years ago by which certain of our surplus cinema properties were disposed of, we secured a minority interest in a development company, London and Northern Properties Limited, which acquired those properties. During the year an offer was made to acquire the whole of the issued capital of this latter company on favourable terms with the result that our investment was sold, realising some £530,000 and showing a profit of approximately £142,000.

The agreement with the Xerox Corporation, under which the jointly-owned Rank Xerox was formed, gave the latter company the exclusive rights to exploit xerography in all territories of the world other than the U.S.A. and Canada.

Apart from Mexico, where a subsidiary had been established, the Latin American territories had not been penetrated in view of the uncertain financial conditions in that area.

We agreed with Xerox Corporation that they should reacquire the rights to this area. As part of these arrangements Xerox purchased the shares previously held by Rank Xerox in the already established Mexican subsidiary. In consideration for giving up the rights in the Latin American territories, Rank Xerox will be paid a royalty of 5% on sales and rentals of xerographic products in these areas.

As further consideration for the amendment of the original Agreement, Xerox Corporation has issued a total of 37,500 of its common shares, half of which have accrued to The Rank Organisation Limited and half to Rank Precision Industries Limited. These shares have been incorporated in the Organisation's accounts under the heading of Trade Investments at their par value of around £13,000, which compares with their market value at 27th June, 1964, of over £1½ million.

In April last, Xerox Corporation issued 4% Convertible Subordinated Debenture by way of rights to existing shareholders and by virtue of The Rank Organisation and Rank Precision Industries holdings of common shares we subscribed for \$93,800 nominal of the debenture stock at a cost of £33,532.

As part of our plans to enlarge our hotel and restaurant activities we have acquired the whole of the Share Capital of the Lobster Pot Group of Companies Limited, operating in the Blackpool area, and of the Mere Golf and Country Club Limited.

The former company operates four restaurants and a Tenpin Bowl in Blackpool and is an important addition to our interests in these fields. The consideration amounting to £867,523 was satisfied in cash.

Mere Golf and Country Club, which stands on a considerable area of land situated near to our motorway service area at Knutsford in Cheshire, was acquired for a cash price of £225,000.

In June there was considerable comment in the Press in regard to discussions between The Rank Organisation and Mecca Limited. We were originally approached by the Board of that Company and, from discussions which took place, it appeared that an offer by us would receive favourable consideration. After careful consideration we believed that on the right basis the acquisition of this Company would strengthen materially our position in the fields in which we both operate and, at the same time, would have contributed to our future profits on a basis that would not have resulted in any "watering" of our equity earnings. The terms put forward by us were in our opinion attractive to the Mecca shareholders. They were, however, as high as we were prepared to go to meet the requirements to which I have just referred, and it was because of this latter aspect of the matter that when the Mecca Board were unwilling to recommend our offer we were quite unwilling to increase it. This is a policy we intend to adhere to in the future in any comparable situation.

I am pleased to say that our offer for the whole of the Share Capital of the Pullin Group was accepted by more than 94% of the shareholders and we shall acquire the balance of the Share Capital under the provisions of Section 209 of the Companies Act. This offer will involve the issue of 1,749,160 'A' Ordinary Shares and the transaction is being completed after the date of these Accounts. The Pullin Group has important interests in the instrumentation and photographic fields and, when integrated in our Divisions, will be a welcome addition to our existing activities.

This latter acquisition is part of a deliberate policy: namely to increase materially the turnover of products in our instrumentation fields, in particular to enable us to strengthen our Export Sales Organisation where we believe there is considerable growth potential if direct selling overseas is effected in depth. This policy should help our profits in the future.

We hope to acquire instrumentation and other companies, whose products are compatible with those we already produce.

In view of the growth and spread of the Organisation's activities, it has been decided to issue an Interim Statement each year. The first of these was issued in March of this year.

I reported then that a bonus issue of Ordinary and 'A' Ordinary Shares would be made on the basis of one new share of each class for each share of that class then held. This involved the issue of 7,575,932 Ordinary and 18,152,027 'A' Ordinary Shares of 5/each.

I further reported that an interim dividend of 15% had been declared as compared with the $7\frac{1}{2}$ % interim dividend for the previous year and indicated the probability of the payment of a final dividend of 10% on the issued Ordinary and 'A' Ordinary Share Capital as increased by the bonus issue.

I am pleased to say that having regard to the satisfactory results for the full year, it is proposed to pay a final Ordinary and 'A' Ordinary dividend of $11\frac{1}{4}$ % which compares with the 10% contemplated in the interim statement. Total dividends for the year ended June 1964 will therefore be $18\frac{3}{4}$ % as compared with the adjusted rate of $13\frac{3}{4}$ % in respect of the previous year taking the bonus issue into account.

FINANCIAL ACCOUNTS

The Accounts for the 52 weeks ended 27th June, 1964, will be found on pages 52 to 61. Further financial information is provided on pages 48 to 50 amplifying that given in the statutory accounts.

Despite today's improved manufacturing techniques, quality of production is still dependent on human skills. On the left, a technician tests a 30 kV power pack; on the right an operator at the Rank-Bush Murphy factory at Plymouth, is loading an automatic coil-winding machine.





Consolidated Profit and Loss Account—Group profits before charging interest and taxation have increased appreciably by 35% from £8,370,000 to £11,326,000. Profits after tax have increased by 57% from £2,939,000 to £4,607,000.

The following abridged consolidated profits statement may help to give a picture of the results of our operations for the last three financial years:—

Profits before Interest and Taxation Less Interest	1964 £ 11,326,000 2,354,000	1963 £ 8,370,000 2,062,000	1962 £ 6,617,000 1,647,000
Profit before Taxation Less Taxation	8,972,000 3,194,000	6,308,000 2,751,000	4,970,000 2,614,000
Profit after Taxation Less Outside Shareholders Proportion	5,778,000 1,171,000	3,557,000 618,000	2,356,000 450,000
Add Non-Trading Items etc. 1,658,000 Less Transfer to Capital Reserve 1,500,000	4,607,000 158,000	2,939,000 3,000	91,000
Profit Available Less Preference Dividends	4,765,000 417,000	2,942,000 327,000	1,997,000
Less Ordinary Dividends	4,348,000 1,477,000	2,615,000 969,000	1,779,000 795,000
Amount added to the Carry forward	£2,871,000	£1,646,000	£984,000
Cover for Ordinary Dividends (excluding non-trading items) Cover for Ordinary Dividends	2.8	2.7	2·1
(excluding tax benefit of investment allowances)	2.2	2.2	1.9



Essential components of the American Saturn I rocket (above) were tested for accuracy to a millionth of an inch by measuring instruments of Rank Taylor Hobson. At Cape Kennedy, headquarters of the U.S. National Aeronautical Space Administration, Rank-Bush Murphy colour television equipment is used to monitor the crucial early stages of rocket take-off. These are just two examples of The Rank Organisation's significant contribution to the development of space communications and research in this country and abroad.

On page 50 of this brochure will be found an analysis of the Organisation's profits under the principal activities. It is significant to note that whereas five years ago, profits from our cinema interests formed 65% of the total, they contributed only just over 46% last year, although, in amount, they were in excess of the profits of the previous year. This is a measure of the success of our policy of diversification which we have been pursuing so vigorously in recent years.

It is pleasing to see that profits from Film Exhibition in the British Isles have increased. This has been brought about partly because the fall in cinema attendances which has taken place over the last ten years has been largely stemmed and partly because of improved film product which has been available for exhibition.

Profits from Overseas Exhibition also show an improvement, once again mainly due to the increased profitability of our Canadian interests.

Profits from Film Production and Distribution show little change from those of the previous year.

Our Film Studios and Laboratories have produced rather lower profits than last year. In view of the Industry's reduced demand for film printing and the increasing competition with which we are being faced, I do not regard these results as unsatisfactory.

Manufacturing profits have been approximately maintained. Rank Precision Industries is undergoing a process of re-organisation and the full effect of this has not yet been felt.

The phenomenal growth of Rank Xerox has resulted in more than trebled profits being earned from this exciting venture.

Considerable sums of capital have been invested in recent years in our newer activities which include Bowling, Ballrooms, Retail Shops, Motorway Service Areas and Hotels. These are still in the early stages of development and are by no means fully income-producing; consequently there is considerable hidden strength in our Profit and Loss Account in that many of these newer projects will contribute materially to our profits over the next three/five years.

Interest Payable has increased from £2,062,000 to £2,354,000 due mainly to increased short-term borrowings by Rank Xerox. The part year's interest charge on the new 6% Convertible Unsecured Loan Stock has largely been compensated by the reduction in the interest charge on the $6\frac{3}{4}$ % Stock as a result of the substantial conversions which were made during the year.

Profits after taxation and amounts attributable to outside shareholders of subsidiaries have increased from £2,939,000 to £4,607,000.

In arriving at these profits the charge for taxation has been reduced by £1,200,000 (1963—£600,000) relief in respect of investment allowances, of which £250,000 (1963—£100,000) is applicable to outside shareholders.

Net preference dividends have increased from £327,000 to £417,000 as a result of the issues of additional shares during the year. After deducting Preference and Ordinary dividends, profits of £2,871,000 together with the sum of £1,500,000, making £4,371,000 in all remain to be added to the consolidated reserves of the Organisation.

Consolidated Balance Sheet—The following abridged Statement summarises the net assets under their significant headings:—

Abridged Consolidated Assets Statement

	1964	1963	1962
	£	£	£
Fixed Assets less Depreciation	76,287,000	60,785,000	48,919,000
Net Current Assets	20,708,000	11,693,000	8,194,000
Trade Investments etc.	5,551,000	7,367,000	11,090,000
Goodwill etc.	9,035,000	8,014,000	5,566,000
	111,581,000	87,859,000	73,769,000
Less Loans and Deferred Liabilities	55,771,000	44,300,000	35,319,000
	55,810,000	43,559,000	38,450,000
Less Outside Shareholders Interests	9,685,000	10,082,000	8,909,000
Net Assets (including Goodwill)	46,125,000	33,477,000	29,541,000
Less Preference Share Capital	12,553,000	8,529,000	8,529,000
Equity in the Organisation	£33,572,000	£24,948,000	£21,012,000
Represented by:			
Share Capital	12,864,000	5,753,000	5,332,000
Reserves	20,708,000	19,195,000	15,680,000
	£33,572,000	£24,948,000	£21,012,000

During the year a new class of preference share of the Parent Company carrying a dividend of 8% per annum was created to facilitate the acquisition of minority interests in Subsidiaries to which I have referred. Issues in the several classes of shares have been as follows:—

				1 1
	6½% Preference of £1 each	8% Second Preference of £1 each	Ordinary of 5/- each	'A' Ordinary of 5/- each
	£	£	£	£
Issued at 29th June, 1963	8,529,000	_	1,894,000	3,859,000
Issued to minority shareholders of certain subsidiaries as part consideration for the acquisition of shares in those Companies	1,467,000	2,557,000	_	
Issued to 6½% Convertible Unsecured Loan Stock- holders who exercised their right to convert	_		_	678,000
Issued to existing Shareholders under the capitalisation issue	_	_	1,894,000	4,538,000
Shares subscribed by Executives of the Organisation under the Share Option Scheme	_		_	1,000
Issued at 27th June, 1964	£9,996,000	£2,557,000	£3,788,000	£9,076,000

Holders of the remaining £1,228,000 $6\frac{3}{4}$ % Convertible Unsecured Loan Stock 1977/82 of the Parent Company are reminded that they have the option to convert their stock into 'A' Ordinary Shares of 5/- each upon giving the prescribed notice between 1st October and 9th December in 1964 and 1965 on the following basis:—

1964 116 'A' Ordinary Shares per £100 Stock

1965 110 'A' Ordinary Shares per £100 Stock

Capital Reserves show a reduction due mainly to the capitalisation of reserves for the bonus share issue, which is partly offset by premiums received on the issue of shares to holders of the $6\frac{3}{4}\%$ Convertible Stock who exercised their conversion right and by the transfer of £1,500,000 to Capital Reserve out of property realisation surpluses.

Fixed Assets have again increased considerably reflecting the growth of our new ventures. The significant increase in Rented Equipment is due mainly to Rank Xerox. The book value of **Trade Investments** has fallen from £7,054,000 to £5,134,000 arising mainly from the disposal of our investments in British Relay Wireless and Television Limited and London & Northern Properties Limited, reference to which has been made earlier in this Statement.

DIRECTORS AND PERSONNEL—During the year an invitation to join the Board was extended to:—

Mr. C. R. P. Hamilton	Deputy Chairman of Standard Bank
Mr. Sol M. Linowitz	Chairman of the Board of Xerox
	Corporation of America, and to

Mr. Graham R. Dowson Director of Marketing—The Rank Organisation

Mr. Tom Law Managing Director of Rank Xerox Ltd.

Mr. Dudley Saward Managing Director of Rank-Bush Murphy

Limited

These last three appointments indicate an important point of principle—that the Board Room is open to executives of the Organisation who have made the grade in Divisional activities—and I am sure that this will be an encouragement to our many executives.

These additional appointments to your Board will be a great help to us all in our deliberations.

I would personally like to take this opportunity of thanking my colleagues on the Board for the great support which they have given me, not only over the last two years, but even earlier when I proposed the significant changes in the Organisation's activities which have led to the results with which I have just dealt. Their constructive comment and subsequent support of the major expansion programme which we undertook, has been a source of great strength to me and to the whole Organisation, as I have been able to convey to Management at all levels the confidence of the Board in our programme.

In expressing these sincere views, I could not let this opportunity pass without thanking Mr. R. G. Leach of Messrs. Peat, Marwick, Mitchell & Co. for his ever-available help and practical advice. He has been a tower of strength to me in the major change of direction which we have achieved in the Organisation's activities.

I mentioned last year that the development programme has thrown a heavy load on Management and Personnel alike. I can only reiterate this statement as the year which we are now reviewing has been an exceptionally demanding one. We have, however,

Rank Organisation Sales Overseas 1959-64

£m 22 _____ £19,909,000 £12,623,000 £8,892,000 £8,057,000 £6,564,000 £5,856,000 1959 1960 1961 1962 1963 1964

as part of the programme, been steadily strengthening Management in depth, so that we are able to meet the changing conditions and the consequent challenges with greater preparedness and confidence.

The strength of your business is the strength of the Management team, who are prepared to work long hours, and, what is more important, to think and plan well ahead.

Our progress has been greatly helped by the Divisional structure, which has enabled our staff at all levels to give their best efforts and enthusiasm. We thank them most sincerely for their great support and loyalty.

THE FUTURE

I view the future with confidence, having regard to the planned development of our activities, strengthened by the experience which we have had to date.

Some years ago the Organisation's fortunes were almost wholly dependent on the cinema, since our manufacturing activities, with the exception of Bush, were largely to produce products for the same Industry.

I am certain that we should be unwise to depend too much again on the development of one side of our interests, even though it is an activity as exciting as xerography. We, of course, intend to develop Rank Xerox to its fullest potential, whilst at the same time we are expanding and intend to continue to expand our interests and activities which cater for the leisure time and the leisure money of the public and in certain instrumentation and electronic fields where we have the expertise. We do not intend, however, to purchase at inflated prices and every proposition will be considered in the light of its value to the Organisation under our management.

Looking at the picture, particularly for 1964/65 I hope that we shall largely maintain our profits from cinemas, here and abroad, but there may well be a reduction in profits from Film Production and Distribution. On the manufacturing side I look to a reasonable increase in profits. Rank Xerox will show a substantial profit increase as will our miscellaneous activities, including ballrooms, catering, bowling, rental and relay businesses.

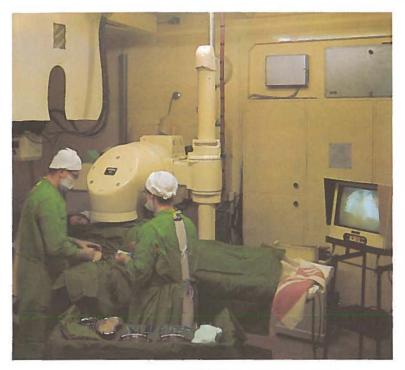
In consequence, I can confidently predict a satisfactory increase in the Organisation's profits for 1964/65 with, I hope, a consequent increase in dividends in line with our present policy of maintaining at least a two-fold cover, unless there are dramatic alterations in taxation or in the economic position of the country.

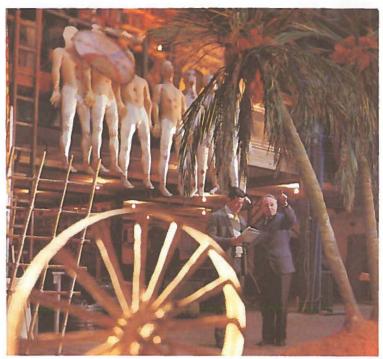
The years subsequent to 1964/65 will, I am convinced, show an even more exciting prospect.

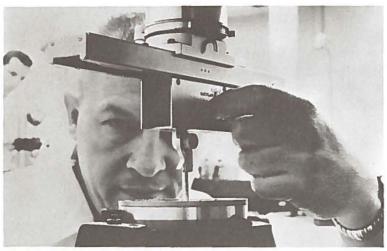
Yours sincerely,

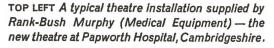
JOHN DAVIS

Chairman and Chief Executive





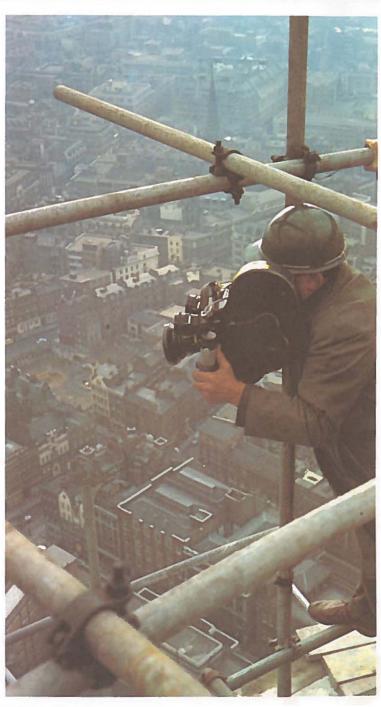




TOP RIGHT A corner of the 30,000 sq. ft. Property Department at Pinewood Studios, which can provide at short notice exactly what is needed for most film sets.

LOWER LEFT The Rank Taylor Hobson Talyrond is being used in many countries throughout the world to measure surface roundness to the most exacting standards. Here, an engineer of the Aeronautics Division of North American Aviation Inc. is seen using a Talyrond to measure the cavity of a gyro used on the inertial navigational system which guides U.S. Polaris Submarines.

RIGHT A cameraman finds the right vantage point high up on the 600 ft. Post Office Tower in Marylebone, London, while filming "Salute the Engineer" in the "Look at Life" series. Produced by the Special Features Division, this popular series, now in its sixth year, has established an international reputation for balanced coverage of important events in the news.



THE DIVISIONAL OPERATIONS

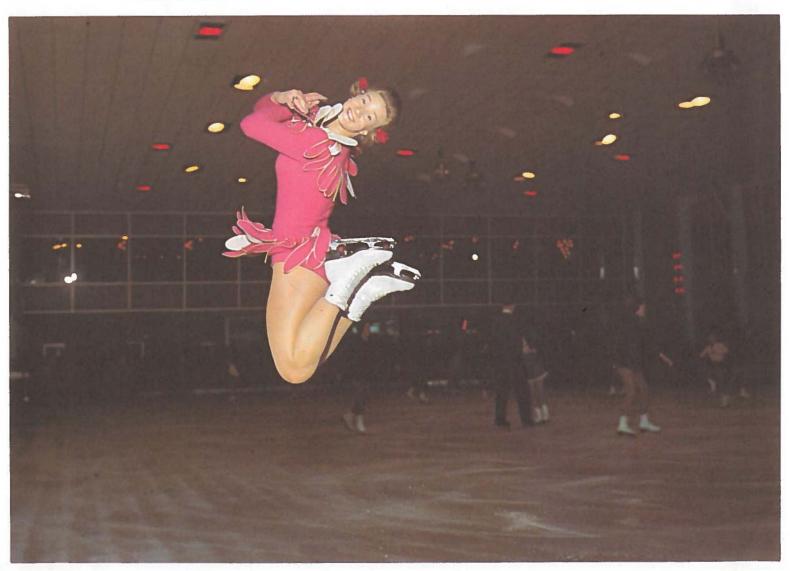
Generally—In my Statement last year, I made reference to the importance which we, as an Organisation, attach to the role of the Salesman. I had a further opportunity to emphasise my views on this subject in my address to the 1964 Advertising Association Annual Conference, of which I was the Chairman.

I am constantly surprised that we have not yet had a National Selling Year. Great attention is paid to the importance of raising productivity, and rightly so, by improving the efficiency of our manufacturing techniques. I am afraid that there is a serious danger that the production of goods will continue to be regarded in the future, as it often has been in the past, as an end in itself. In fact, it is only the beginning of a long chain of activities.

It is high time, in my view, that the nation became truly aware that unless higher production is matched by vigorous and effective salesmanship at home and abroad we shall not remain a great trading nation.

We, in the Rank Organisation, know the vital importance of marketing. It underlies all our activities and all our thinking. It brings in its train increased production, efficiency, sales and profits.

Only when we are fully conscious of what the customer needs in the terms of product, service, quality and price, can we intelligently programme production. I sincerely hope that in the coming months we shall see to an increasing extent evidence that this concept is more widely appreciated, and the practice more generally followed on a national basis.



Marketing in its modern concept is the key to national success. In our own case it has been rewarding to see the results which we are achieving in developing our newer activities through the proper use of modern marketing methods in all its techniques. The importance of overseas trade cannot be over-estimated. Our Company has been taking active steps to ensure that we play a full part in the national interests and in the furtherance of the interests of the Organisation.

Appointments are currently being made in major markets in Europe as part of a European plan to stimulate the activities of our agents and distributors in those countries, and to provide a constant local link with the markets concerned.

Senior marketing executives with considerable local experience and nationals of the countries concerned will ensure that our interests are profitably exploited in the years to come.

I am happy to say that all Divisions which were in a position to do so have contributed to the great improvement in profits, to which I have already referred.

One or two Divisions, to which I will refer in greater detail later, are primarily in the development stage where it cannot be expected that they will be material contributors to profits for at least two or three years.

We have, during the year under review, examined again the management structure of our Divisions and, where appropriate, have taken action to strengthen it. Such policies take time to produce results, but I am happy to say it is clear that the actions which we have taken will be rewarding, and that our management in depth is constantly getting stronger.





LEFT The first Top Rank ice rink, at Southampton, opened in April, 1964, with a gala performance by international champion skaters. Among them was Sjoukje Dijkstra of Holland, the 1964 Olympic, World and European Ladies Figure Skating Champion.

ABOVE Not aircraft propellers, but the cooling fans of Rank Xerox 914 Office Copiers awaiting final assembly at the 12-acre Mitcheldean factory, Gloucestershire.

RIGHT 16 mm. film projectors, a valuable aid to teaching, can now be used in daylight conditions. The Bell & Howell "Filmosound" 652, marketed by Rank Audio Visual Division and the only one of its type in the U.K., is seen in use at an East Sussex School, one of many thousands of schools using films from Rank Film Library.



Whyteleafe—A modern office block with every modern facility adjacent to the railway station at Whyteleafe on the Godstone Road, with an area of 114,000 sq. ft., will be completed this month.

It is our intention to move considerable sections of our clerical staff out of London to this new office block. It is our belief that many of our Staff will be able to work under better conditions and have easier transport facilities, whilst at the same time we will reduce operating costs and relieve pressure on demand for space in inner London, where rents are much higher and where it is unnecessary to house personnel other than senior executives.

This move is a major departure which, not unnaturally, creates some uncertainty in the minds of personnel. It is my considered view that when they have settled down in their new surroundings they will appreciate and enjoy the benefits which will accrue from the move.

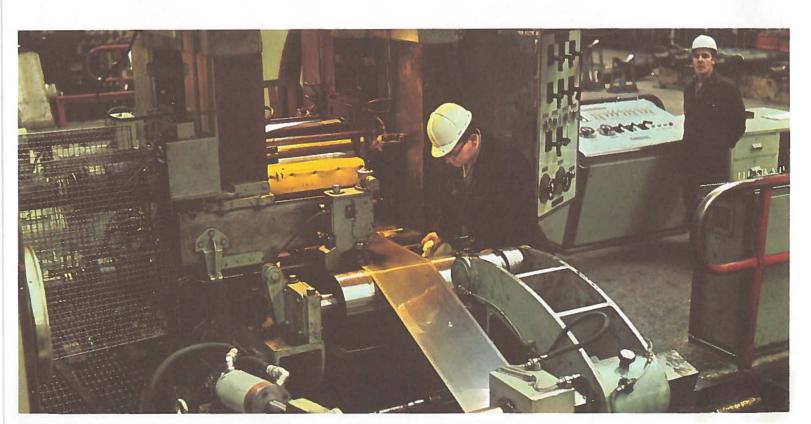
Naturally, we are taking care of the social problems which will arise and affect such a considerable number of people.

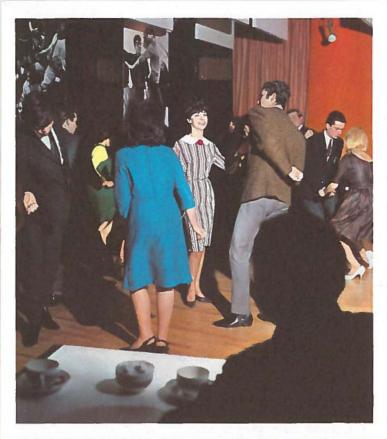
A little over a year ago, we formed a **Women's Advisory Panel** to assist us in catering for the woman's point of view in which so many of our activities are involved—decor facilities, packaging, colour, etc. This Panel have worked with enthusiasm. I would like to express my great appreciation of the contribution which they are making to our activities.

About the same time, we also set up a Committee of Scientific and Technical

LEFT Representatives from many parts of the world attended a sales conference in London to discuss the application of Rank Xerox Copyflo printers in Patent Offices.

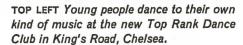
BELOW An important industrial application of the Rank Taylor Hobson Model 'E' Continuous Gauge is to check the thickness of steel strip at the Rotherham works of Messrs. Steel, Peech & Tozer.







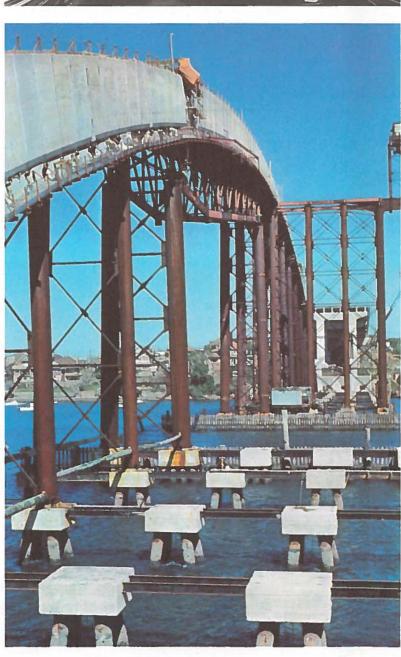




LOWER LEFT Transport drivers are important customers on the motorways, and their favourite dishes are always available from Top Rank Motorway Service Areas.

TOP RIGHT The Rank Organisation operates the first and only world-wide distribution system for British films—a vital factor in U.K. production.

RIGHT This new bridge at Sydney, N.S.W., has the largest unhinged compression arch in the world (1,000 ft.). The Rank Taylor Hobson "Talyvel", which can detect a tilt of one inch in three miles, was used in its construction.



Consultants who have met with our Technical Executives in the manufacturing fields and have discussed the many problems with great enthusiasm. Their forward thinking and independent views have done much to stimulate thought within the Organisation and have been of material benefit to us.

Top Rank Catering—We have been in the catering business through our restaurants for many years. We are rapidly expanding our catering activities through our interests in Ballrooms, Banqueting Suites, Motor Service Areas, Motor Inn Operations, Theatres, etc.

We shall ensure that the standards of food and service which we give the public will be of the highest in all our establishments and to assist this aim we have set up an experimental and control kitchen at Belgrave Road, Victoria. This we believe, to be an important step forward in setting standards in our catering activities which will make a steadily increasing contribution to profits.

FILM ACTIVITIES

The Film Industry has continued to be faced with many problems arising out of changing public taste and movements in interest in and demands for entertainment.

I am convinced that the Film Industry has an important part to play in the years ahead. We must accept the public's view as to what they require, which perhaps over-simply and briefly put, is that they wish to see exciting but wholesome entertainment of the type which they cannot see on their television screens, under conditions of high standards of decor, comfort and quality of sound reproduction.

Unfortunately, as I said last year, there are those in the Industry who are spending more thought and time in 'chasing moonbeams' than endeavouring to 'project the beams to public entertainment'.

The Films Council Sub-Committee Report, to which I referred last year, was subsequently considered by the Industry. Perhaps not unnaturally, agreement could not be reached as to the course of action to be taken. It was, therefore, referred to the Rt. Hon. Edward Heath, Secretary of State for Industry, Trade and Regional Development.

The Minister announced on 30th July, 1964 that he was submitting the problem to the Monopolies Commission, which course we heartily welcome since it will enable the matter to be considered by an impartial judicial body. We hope and believe that this review will dispose once and for all of the many misconceptions which have bedevilled the Industry for many years and in consequence will be of the utmost value to the Industry as well as to this Organisation.

Exhibition—The attendances in our theatres in the year under review have been more stable than for the last ten years. In comparable theatres an increase of 2.6% was achieved over the previous year. I believe that this situation was brought about by there being available more films of good entertainment value than for some years past, and by accepting and exploiting the public's clear indication that they wish to see such films under the best possible conditions and to treat cinema-going as an evening out rather than just going to the 'flicks'.

There has been an inevitable continuation overall in national theatre closures, some 159 in number. There were approximately 2,150 theatres operating in this country at December 1963, of which we operate 336. We have closed 194 theatres over the last ten years, whilst the Industry closures were 2,406.

The flexible booking policy which we adopted to maximise the available audiences for films which are clearly in public demand has been of great benefit to producers. The outstanding films last year were 'From Russia With Love', 'A Stitch in Time', 'The Great Escape', 'Tom Jones', 'Doctor in Distress', 'The Longest Day', and 'The Pink Panther'. Of these seven films, two were produced by the Organisation—not a bad record.

In addition we have played with success roadshow programmes of 'Cleopatra', 'The Fall of the Roman Empire' and 'Lawrence of Arabia'.

First feature quota for 1963 remained at 30%: we achieved 41%. The two major circuits were requested to give a voluntary indication that they would endeavour to achieve at least the same quota of British films in 1964 as in 1963, which undertaking we were only too happy to give, subject to the reasonable qualification that British films of adequate entertainment calibre will be available in sufficient quantity.

We are continuing our modernisation policy, expending large sums of money on major renovation schemes in some cases involving the complete internal demolition of a theatre and its reconstruction into one or two modernised ones. We have greatly improved decor schemes, based on expert advice of which full advantage is being taken. This continuing programme last year involved some £3,000,000, including twelve major schemes.

We have been expanding the use of our theatres for live shows with increasing success. These range from one-night 'pop' stands through the Beatles to the Sunday night Season at Swiss Cottage with the Royal Philharmonic Orchestra. The African Ballet was retained for a five-week season at the New Victoria.

Taking all in all, it has been a satisfactory year, with the first indications of stability developing in attendances for the past ten years. Unless the Industry, as a result of internal discord, upsets this developing situation we should, in spite of the heavy increased costs with which we will be faced in the next twelve months, maintain the level of profit which we have just reported.

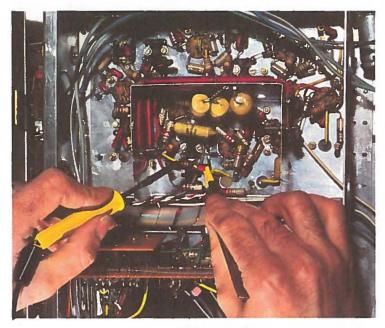
Overseas—Competition from television, in particular in Australia, has continued, but under the strong and imaginative management which my friend and colleague Mr. Norman Rydge has created in this territory, the results for their last trading year were satisfactory, and the dividend was maintained.

New Zealand has had a record year and has continued under Sir Robert Kerridge's able guidance to make satisfactory progress, although in recent months, the operation was beginning to feel the impact of television to a greater extent than ever before.

In Canada our wholly-owned subsidiary has continued to make steady progress under the guidance of Mr. Christopher Salmon. We are looking forward to improving results in the current year.

In Ireland we have continued to make steady and satisfactory progress.

In our remaining territories we have made steady progress, apart from Ceylon, where the trading situation is over-clouded by the political one.





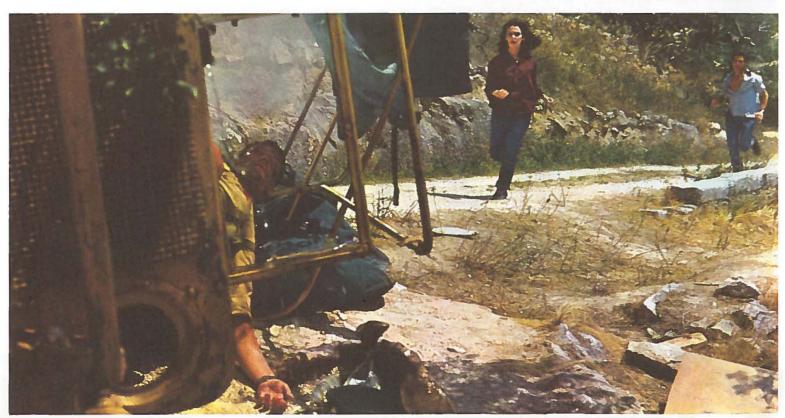
TOP RIGHT Carry Home — a new Top Rank enterprise in catering. Delicious, freshly-cooked meals are sold in heat-retaining cartons.

RIGHT With the introduction of a Master Control Centre for the London area, Top Rank Home and Leisure is offering even speedier service. The Centre is in radio contact with its fleet of vans, and customers' requirements are met with the minimum delay.

BELOW One of the Rank Organisation major productions this year is "The High Bright Sun", a story set in troubled Cyprus. Dirk Bogarde, George Chakiris and Susan Strasberg head a strong cast in this Betty Box — Ralph Thomas production, filmed on location in Southern Italy and at Pinewood.







In Singapore and Malaysia, we were shocked by the tragic death in an aircraft accident of our long-standing friend and colleague, Dato Loke Wan Tho. This was a great loss to us and to Singapore and Malaysia, where he was held in highest regard and was a great contributor to public life.

Film Distribution—The pattern of distribution of films, both at home and abroad, has continued to change to meet the new patterns of public taste and film availability. Our Domestic and Overseas Organisations have consequently been faced with many difficulties. I am glad to say that they have been realistic in their approach to the problems which have arisen, and have been in the forefront in encouraging rationalisation in film handling, film despatch, etc., which can only be of benefit to the whole Industry.

Domestic Operation—We have been fortunate in having for distribution some excellent box-office attractions in which we have been financially interested. The continued supply of Universal product has been of high order, with the result that we handled twenty-two programmes, compared with seventeen in the previous year.

The most successful of the British programmes were the Betty Box/Ralph Thomas production 'Doctor in Distress' and the Hugh Stewart/Norman Wisdom film 'A Stitch in Time'. These comedies gave great entertainment and pleasure to a large number of people.

It is perhaps unfortunate that we could not agree with Mr. Wisdom for him to participate in the making of another film of the type which has proved so popular with the public.

The most successful Universal films were Alfred Hitchcock's 'The Birds' and Stanley Donen's 'Charade'.

The third big-scale picture from the Bronston operation 'The Fall of the Roman Empire' opened in London earlier this year, and is playing to substantial business.

The 'Look at Life' Magazine continues with wide distribution in this country and some thirty-six countries overseas. The horizons of its filming have been consistently changed with the result that episodes have been filmed in such widely spread locations as France, Germany, Italy, Switzerland, Holland, Australia, New Zealand, Cyprus, Singapore, Borneo and Aden. After prolonged negotiations we have secured permission to film in the Soviet Union and the first result should be in release in the early Autumn.

The 250th issue of 'Look at Life' was released on the 19th December, 1963.

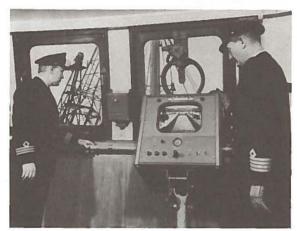
We anticipate having programmes of entertainment value available to all our exhibitor customers in the coming year, but this will be influenced to some extent by our Film Production programme to which I refer later.

Our Overseas Film Operation has achieved improved results in spite of the difficulties to which I have referred, including problems arising from extreme nationalistic feeling, nationalisation of Film Industries and economic conditions leading to depreciation of currencies.

We continued to distribute the important Disney product in many parts of the world. I am happy to say that our relationship with this organisation remains of the best.

Film Production—British film producers have, on the whole, had a most difficult year. The difficulties have been aggravated by the continuing heavy rise in costs. All









TOP LEFT The "family" of cathode ray tubes is growing rapidly to keep pace with the everwidening applications of electronics. Over 1,000 different kinds of tube are produced at the Rank Cintel tubes factory at Sidcup, Kent.

TOP RIGHT The conveyer belt system at the Rank-Bush Murphy factory, Plymouth, has brought production to a high pitch of efficiency, and the continuous flow of chassis along the work benches ensures that assembly is completed with economy.

LEFT CENTRE The s.s. Borgsten, largest tanker ever built in Britain, is one of the ships using closed circuit television supplied by Rank Audio Visual Division as a navigational aid. The Captain is provided with an "extra eye" when navigating crowded harbours and docks.

ABOVE The wash-day of the 1960's is far removed from the drudgery of the past. Visiting a Top Rank Coin Operated Laundry almost counts as pleasure!

expenses have risen, particularly those relating to the services of the creative talents which are in such demand and have been aggravated in addition by the heavy demands of television.

In addition to these problems, great uncertainties have been created through the problems with which the Industry has been faced. These culminated in the Films Council report to which I have already referred, and which amongst other factors raises considerable doubts as to security of outlet for producers in the future. This situation necessitated our proceeding with caution since, if the basic pattern of exhibition were materially altered, producers' grosses could be further reduced at a time when there was a great difficulty in recovering the cost of production.

We were most reluctant to curtail our production activities, but, in the interests of the stockholders, we are exercising careful judgement so that we do not find ourselves in the difficult position experienced some years ago.

Our policy is to continue to produce films only in cases where our Executives are satisfied that they can combine the creative talents and suitable casting to produce an entertainment film at a cost related to the market which is available to British film producers—no easy problem.

The Film Processing Division reflects the generally reduced level of activity in the Industry, either through curtailment of production and/or due to the limited number of films available for release processing. As a result, although the Division has maintained a high standard of efficiency, the through-put of film has been reduced with a consequent reduction in profits. This contraction is all the more serious in the light of the further increase in wages which has been negotiated whilst I am writing this Report.

Our laboratories at Acton and Denham have been maintained in a high state of efficiency made possible by the policy adopted some years ago of concentrating the bulk of our television activities at the Olympic plant at Acton. The introduction of another T.V. channel has increased the demand for these facilities.

Bearing in mind the problems which I have outlined in relation to Film Production and Distribution, I do not anticipate that the profits of this Division will improve in the current financial year.

Advertising Films Division—This relatively small but nevertheless important contributor to our profits has had another excellent year.

Their business is the sale and encouragement of the use of the cinema advertising medium by major national advertisers and local retailers. It is clear that advertisers have an increasing realisation of its importance in fully-planned and co-ordinated advertising/marketing campaigns.

The Division has also made good progress in its extension into the production of television commercials, securing the award of three prizes at the Eleventh International Advertising Film Festival in Venice.

There is also an increasing demand for industrial films produced by the Division, and this activity is being extended.

LEISURE SERVICE ACTIVITIES

Our interests in this field continue to expand and I will refer to the main activities:—

Top Rank Tenpin Bowling—The views I expressed a year ago that tenpin bowling was developing as a national family sport have been endorsed by our experience





TOP The queues form outside the Astoria, Charing Cross Road, for the Samuel Bronston success, "The Fall of The Roman Empire", part-financed by The Rank Organisation and distributed by World Film Distribution.

ABOVE LEFT The cocktail bar at the Top Rank Motor Inn, Maidstone. There are seven Motor Inns now in operation—soon they will reach out across the continent to bring pleasure to travellers abroad.

RIGHT A Ground Zero Indicator, manufactured by Rank-Bush Murphy (Nucleonics and Controls), is used during a NATO exercise to determine the direction and height of an explosion.



during the year. We are convinced that public interest in this new form of healthy entertaining sport will grow as the facilities increase.

In this country there are currently 89 bowls, representing 1,924 lanes, of which we operate 18 with 482 lanes—25%.

A further 31 bowls are under construction with 883 lanes, eight of which we shall be operating with 247 lanes. It is anticipated that by the end of 1964 there will be in operation 105 bowls nationally, rising to at least 150 by the end of 1965.

It was unfortunate that our development programme has fallen a little behind schedule through circumstances beyond our control. We anticipate having 26 bowls in operation by June 1965.

Many of these bowls are, or will be, associated with other forms of entertainment, such as ballrooms, ice rinks, restaurants and cinemas.

We are actively developing league play with encouraging results. In addition, the Top Rank Junior Tenpin Bowling Club has been developed with considerable enthusiasm both by the players and the Management.

A number of International challenge matches with Continental European countries have taken place.

The Top Rank Bowl at Birmingham will play host for the European Championships of 1965.

We are satisfied that our progress in this field, where we are taking great care as to the location of sites in the light of early experience, is developing on satisfactory

BELOW Tens of thousands of spools of colour film are processed each year by the skilled technicians of Top Rank Film Processing — a section of Rank Photographic. Quality control checks are carried out at every stage and the amateur enjoys the same high standards of service as the professional.



lines and that the Division will be an increasing contributor to our profits over the years ahead.

The Ballroom Division has made steady progress as our Management is alive to the public's ever-changing taste in music, dancing, etc., with the result that the Division has had a record turnover, to which catering has added considerably.

Our new concept of 'suites' suitable for any type of function has proved acceptable to the public with gratifying results. These 'suites' depart from the preconceived pattern of the past and incorporate modern decor, furnishings and fittings. Research and development of new ideas continue, so that each unit opened during our development programme will show improved facilities.

We increased the number of operating units to 29 by June last, which will be further increased to 33 by June of next year whilst others will open early in the following financial year.

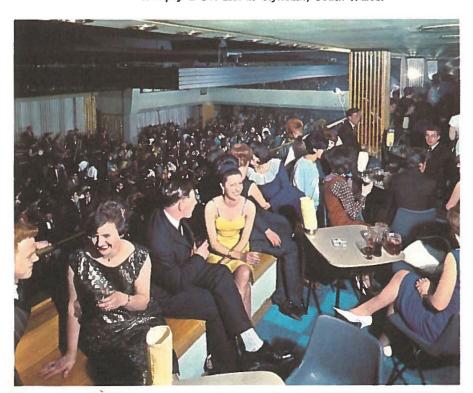
I am glad to say that our profits improved by 39% as compared with a year ago. We look forward to this activity's continued expansion with confidence.

Top Rank Motor Inns and Motorway Services Division—This Division came into operation as from the 1st July, 1963, when Mr. J. L. Hastings was appointed Managing Director. Consequently, its activities have primarily been related to development, such as site seeking, planning, etc. I am pleased with the progress which has been made and am satisfied that the Division will be an important contributor to our profits in the years ahead.

It has at the moment under its control two motorway service areas—one on the M.2

LEFT The Top Rank Cardiff Suite is designed for adaptation to any occasion. Its size, atmosphere and shape can be changed at the push of a button. Here it is shown as a ballroom, but it is also one of the finest conference halls in the City.

RIGHT This mighty machine, the largest walking dragline in Europe, is in contact with site control using VHF Radio Telephone equipment supplied by Rank-Bush Murphy (Telecommunications). The machine, with a 60-ton fully loaded bucket, is in operation at the open-cast coal site of George Wimpey & Co. Ltd. at Glyneath, South Wales.





and the other on the M.6 at Knutsford—both of which are developing on satisfactory lines.

A third service area is currently being built at Forton on the M.6 which, it is anticipated, will be opened in April 1965. Our tender has also been accepted for the important service area at Hilton Park at the junction of the M.5, M.1 and M.6 north of Birmingham, which should be opened by December 1966.

Since the close of the financial year, we have been advised that the Contract for the important service area at Aust, adjacent to the Severn bridge on the M.4 will be granted to us, about which we are particularly pleased.

The Maidstone Motor Inn was opened last autumn and has developed on satisfactory lines. It became clear soon after opening that to ensure a balanced operation it would be necessary to increase the number of bedrooms. This has been done, the extension opening to the public on the 1st August last. This motor inn now has 85 bedrooms (189 beds) adequate banqueting, conference and other rooms, together with restaurants, bars, etc.

Our developments in Ireland are progressing well. The South County Hotel, a few miles outside Dublin, has been such a success that it has been necessary to increase its banqueting and dining facilities and also the number of bedrooms from 41 to 63 (68—121 beds). This work will be completed during the winter months.

On the 16th July, the important Silver Springs Hotel at Cork (having 72 bedrooms, 144 beds) was formally opened to the public by Mr. Erskine Childers, T.D., Minister for Transport and Power.

We acquired as and from the commencement of the current financial year the important Lobster Pot Group of restaurants in Blackpool, having five catering units and a wholesale company, which will in addition to their present activities, provide our motor service areas and other establishments in that area with a more efficient food buying system, an important acquisition.

The activities of this Division, at home and abroad, are being developed on a sound initial five year plan with a clear policy objective, which I am sure will satisfy an important and at present unprovided requirement of motorists and other travellers. Further progress has been made in the operation of our **Rental and Relay** shops. The number of shops which have now been converted to Top Rank Home and Leisure standards, exceeds one hundred.

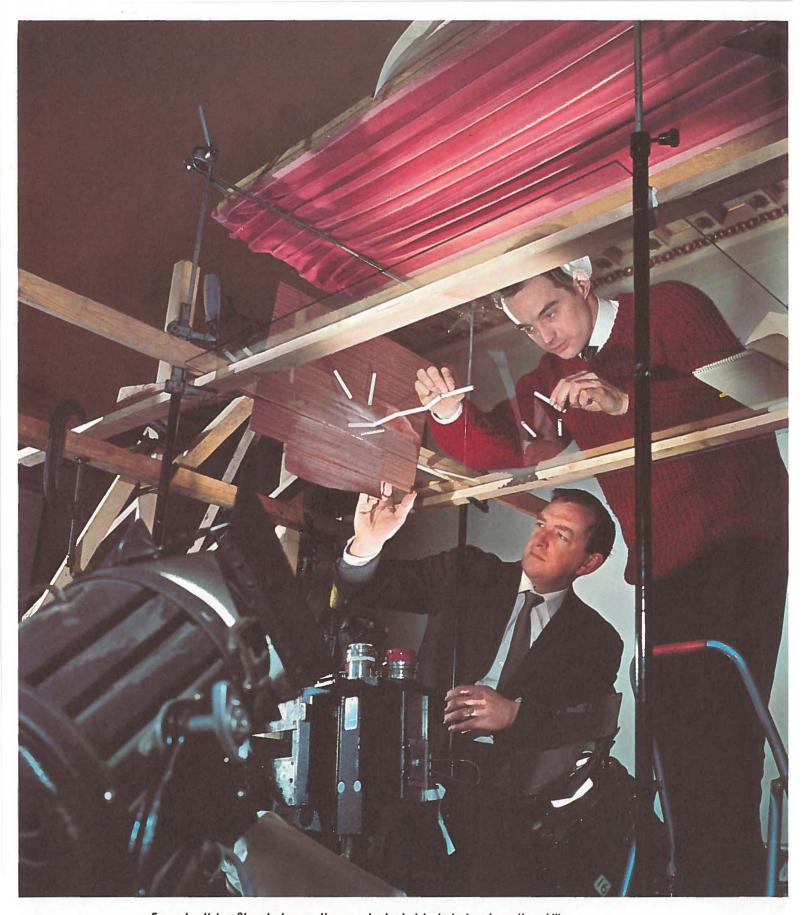
It is clear that such shops, backed by the right personnel with the new marketing techniques which have been introduced, are developing into a profitable activity. In addition, great emphasis is being placed on the quality of our service, both in respect of cash and rental sales.

Steady progress has been made in our **Relay** operations. We have secured during the year franchises for the Royal Borough of New Windsor and the Royal Burgh of Aberdeen, bringing the total number of towns in which we have franchises to 34.

These developments are of a long-term nature and I am sure that they will be of steadily increasing importance to the overall activities of this Division.

This developing Division has made steady progress.

We continue to hold a $37\frac{1}{2}\%$ interest in **Southern Television Limited**, who will complete a record year in October next. I am pleased that the Independent Television Authority has shown confidence in our Management by extending its licence for a further three years, subject to certain circumstances which may terminate the licence earlier. The



Few advertising films last more than a minute, but technical and creative skills employed match those of a major full-length production. Animation techniques play a vital part in the development of imaginative sequences which combine effective salesmanship with entertainment. The photograph shows a unit of the Advertising Films Division in action during the making of a 30-second film to advertise cigarettes.

licence is also subject to renewal at the option of the Independent Television Authority, for a second term of three years.

The terms provided by the new Television Act under which the television companies operate are financially much more severe than in the past. It is our belief, however, that with efficient management and the use of advanced marketing techniques, it will be possible partially to offset by increased revenue the heavy additional charges which will be payable.

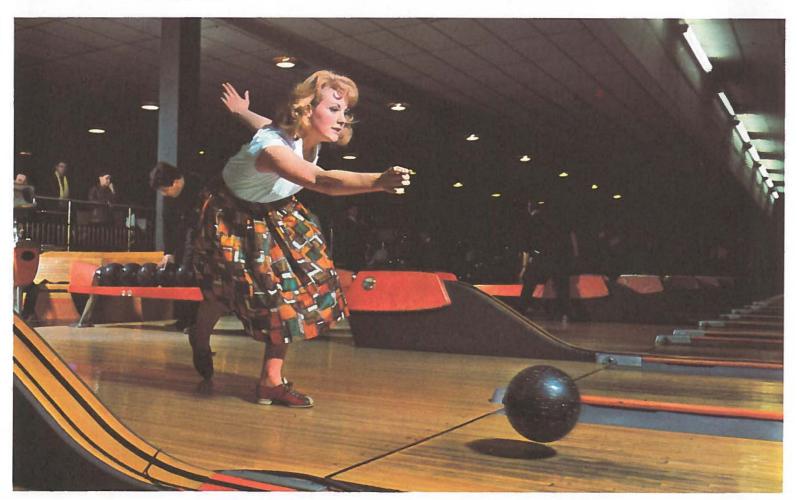
Pay Television—The Postmaster General has announced that Pay-Television will be introduced experimentally in a few places in this Country. The Choiceview partnership, between Rediffusion and The Rank Organisation, is one of the operators to be given a licence.

Choiceview plans to start an experimental service over Rediffusion's wired network, in Leicester, when it can be assured that sufficient cinema films, which will be essential to satisfactory programming in the earlier stages, will be available.

It is unfortunate that so many restrictions have been placed on activities during the experimental period, as I feel that we may not be able to build up sufficient data on public programme-acceptability, which we could have done had there been greater freedom to experiment.

It is clear that the interests of cinema theatre operators have been protected. As under this protection, freedom of action between the interested parties has been granted,

BELOW Bowling has proved itself a sport of universal appeal — giving as much pleasure to women as to men, to teenagers as to their parents. More and more housewives are paying an afternoon visit to Top Rank Bowls for healthy relaxation.



I hope that it will be possible to secure on reasonable terms the co-operation of independent exhibitors so that there can be ascertained, as far as practicable, the public's interest in this new medium of entertainment.

Rank Audio Visual Division—This Division was created on the 3rd April, 1963, as a result of the re-organisation of our Rank Audio Visual and Photographic Division to include the business of Rank Kalee Division. The Division has largely ceased to carry on manufacturing activities and is primarily involved in marketing a large range of related products.

We have continued successfully to market the Bell and Howell products in the United Kingdom.

We have also introduced to the market the Asahi Pentax and Mamiya quality cameras with outstanding success.

Our Film Library, 16 and 8 mm., has continued to maintain its prominent position in the industry with its wide range of subjects coupled with first-class service.

The educational programme has been materially increased. In 1964 we shall be releasing some sixty educational films, which is double the average for many previous years. These films cover a wide variety of subjects from biology and other scientific subjects to athletics, swimming training, etc.

In April 1964 we launched the Rank Language Laboratories. This equipment consists of a number of individual tape decks linked to the master console, which allows the student to work at his own speed and yet also have individual tuition.

The Laboratory has received immediate recognition for its technical excellence and by the end of the year there will be some twenty units in operation in this Country, apart from those already being installed in Germany, Malta and Malaysia.

A range of Physics Demonstration Tubes tying in with the new Physics Teaching Course being pioneered by the Nuffield Foundation have been introduced. It is our belief that this Physics Equipment will contribute greatly to the teaching of school children and make physics in the early stages a much more interesting subject when the young are first introduced to it.

We have been supplying to an increasing extent seating, carpeting and stage equipment to university lecture rooms, halls, football and swimming stadia, and this business has been increasing and has replaced that which we have lost as the result of the more limited opportunities existing in the Film Industry, which used to be the major outlet for such products. The result is that the seating factory increased its turnover by some 28% during the year.

Towards the end of the financial year, it was decided to transfer to this Division the control of the Top Rank Processing activity carried on at Park Royal, previously under the control of the Film Processing Division. It was felt that the marketing requirements made it a more compatible activity of this Division. We believe that the change of management will enable us to improve the service which we give.

The Division handles many other products too numerous to mention in detail, backed up by a highly competitive service and commercial organisation.

MANUFACTURING AND MARKETING ACTIVITIES

Rank-Bush Murphy—The year has been one of consolidation of the Bush and Murphy operations. I reported a year ago that television and radio production had been re-organised by the end of the last financial year. The completion of the re-equipment

of our production units was finished only during the first quarter of the operating year 1963/64.

We have experienced considerable difficulty in increasing in accordance with our plan our labour force at Plymouth, Welwyn Garden City and Skegness, which factors were the direct cause of our being unable to meet some of our orders in the peak selling season of the year.

In an endeavour to overcome the labour shortage we leased a small Board of Trade factory in Camborne to act as a satellite for television production in Plymouth. This is now in full operation and our labour force should meet our anticipated requirements for 1964/65.

In order to cope with anticipated demands for future years a new Board of Trade factory is being built for us in South Shields, where an adequate labour force is available. Training of personnel will commence at the end of 1964 and we expect to be in limited production by mid 1965.

Our invoiced sales of television for 1963/64 are only marginally above those of the previous year, due to the production difficulties to which I have referred.

The industry anticipated a substantial boost to sales in the off-peak season with the opening of the B.B.C. 2 Transmitter in the London area. It is unfortunate that the programme material so far has had little public appeal, with the result that January/ June sales have been at much the same level as those of the previous year.

We understand the B.B.C. is reconsidering the programme content of its second programme and is advancing its dates for coverage in other parts of the country. The success or otherwise of these moves will undoubtedly influence sales in 1964/65.

We fully realise the need to find ways and means of reducing the cost of television, radio and transistor radio equipment, involving new techniques and probably new sources of raw material. These aspects of our operation are actively being investigated. Material changes in market conditions have been developing over the last year or two, which we have been watching most carefully. It has become clear that it was necessary for us to reappraise our marketing techniques.

The result has been an extensive re-organisation and strengthening of the marketing department, the results of which cannot be reflected immediately, but as the year progresses, should be of material benefit to us.

Whilst comparative tests between the three **Colour** systems—NTSC, SECAM and PAL—were conducted by the authorities during the year, no European agreement has been reached as to which system should be adopted, in fact a decision has been deferred until April 1965.

The Postmaster General has stated that a colour service will be transmitted in the United Kingdom by January 1967, with trade test transmissions commencing in the autumn of 1966. He has also stated that if there is no European agreement by April 1965, this country will proceed with a system of its own choice. Whatever system may be employed, we are equipped to produce the appropriate receivers. Such output could be quickly put on a mass production basis if public demand develops.

All in all, a year of some disappointments, but progress has been made.

Our Overseas Manufacturing Investments have made steady progress.

Bush (Ireland) Limited, who manufactures under both Bush and Murphy trademarks, has again had a satisfactory year.

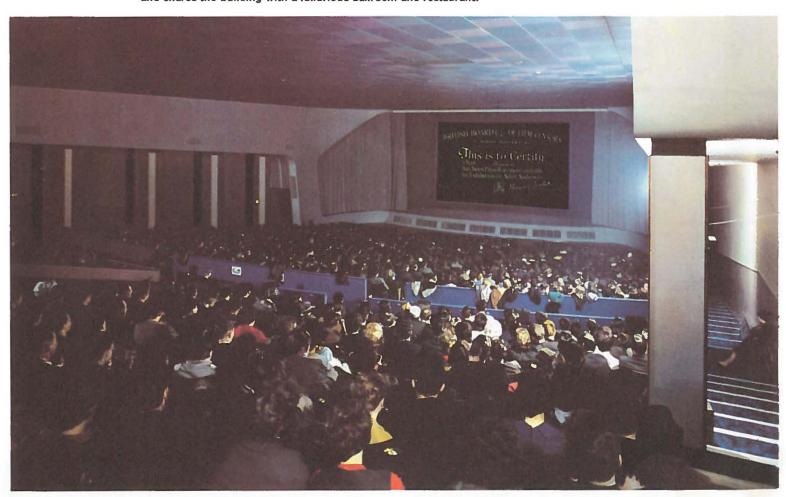




TOP LEFT The Norman Wisdom comedy "A Stitch in Time", produced at Pinewood and released in December, 1963, proved to be one of the outstanding film successes of the year. It was an immediate record-breaker in this country and overseas.

TOP RIGHT A Takumar "fisheye" ultra-wide-angle lens, marketed by Rank Photographic in the United Kingdom, was used to produce this unusual view of the 36-lane Top Rank Bowl at Old Trafford, Manchester.

BELOW Theatre Division spent some £3 million last year on modernisation and reconstruction of its cinemas throughout the country. One of the new theatres is the Odeon at Preston, Lancashire, which has 1229 seats on a single floor level and shares the building with a luxurious ballroom and restaurant.



In India our associated company Mulchandani Electrical and Radio Industries Limited, which manufactures Bush equipment has made steady progress and has completed the first stage of its new factory development at Thana, near Bombay.

Our other associated company Murphy India Limited has also had a satisfactory year and has in hand the construction of a new factory.

Rank Cintel Limited—It became clear as the year progressed that the activities of this Division, which was not profitable as a whole, needed drastic re-organisation. The operation was examined in detail by our staff and professional advisers, who produced reports which were discussed in detail by a number of Senior Managing Directors.

It was decided as a result that certain of the activities should be transferred to other Divisions within the Group, and that the Avionics and Instrumentation work should be disposed of.

There is no doubt that in the Avionics field in particular, very considerable scientific and technical progress has been achieved. It is my view, however, that with Avionics in particular, it is only the large organisations in this field who can survive through heavy research programmes and afford to meet the constantly changing techniques of this great industry.

Rank Taylor Hobson Division—Following the decision taken early in 1963 to set up this Division as a separate activity, including the absorption of Kershaws, it was necessary to reorganise the Management structure which has been successfully carried out with beneficial results. It is both a marketing and manufacturing division.

During the year it was decided that the activities—Solus Schall (previously carried on by Murphy) and the metal detection equipment (previously carried on by Rank Cintel) should be taken over by the Division. This led to additional strength both in marketing, production and design.

Additional premises have been acquired in Leicester and as a result of our redeployment of the facilities within the Leeds factory, these actions will lead to a significant increase in production resources.

We are faced with a problem, which is not peculiar to us, namely the supply of trained labour. In order to meet this situation, we have set up extensive training facilities both at Leicester and Leeds.

Turnover was some 16% higher than the previous year, whilst order intake was 24% higher.

The order intake from overseas has shown a high increase over that of the previous year, some 38%. Our exports now represent some 45% of total turnover. In fact the Division's share of national export of television and other lenses now exceeds 50%. Considerable impact has been made in the United States market with the Varotal V—10 to 1 Zoom lens for image orthicon television cameras. A major factor in the success is the unique commercial methods of accurately processing aspheric lenses.

It is interesting to note the progress which has been made in overseas markets and stresses the view which I have expressed earlier as to the need for instrument companies to be brought together into larger units so that they strengthen not only their research and development programmes but what is perhaps more important their marketing efforts in overseas markets.

It is unfortunate that some of the smaller companies do not see the problem in this light. I am sure that they will be forced to face this issue in the not too distant future.

RANK XEROX

This has been another exciting year in the tremendous growth of Rank Xerox Limited. The rate of expansion continues to justify the expression "explosive" which I used in last year's Report.

The magnitude of the development which has taken place is demonstrated in particular by the increase in the number of '914' Office Copiers placed in the period under review—more than double that of the previous year. The cumulative number of installations increased by 172% to a total of 15,470. We can rightly say that in the territories under our control the Xerox revolution in office copying is well under way, although I believe we are still only at the beginning of the story. We are continuing to market the Copyflo and Standard Xerox equipments with great success.

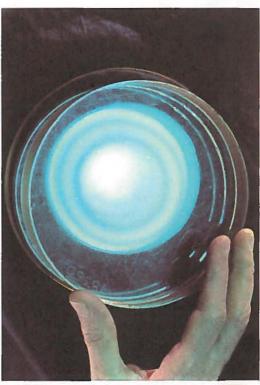
The greatest problem which remains is that of keeping pace with the demand of those who wish to take advantage of the Xerox Office Copier in their daily business lives. The Rank Organisation plant at Mitcheldean has again been enlarged to meet manufacturing demands, the increase during the year being 153,000 sq. ft. giving a total of 400,000 sq. ft., an increase of 66% during the year. Orders are about to be placed for a further extension involving approximately 150,000 sq. ft. of manufacturing area together with service buildings.

The Elstree consumables plant has been increased both by physical enlargement and by a greater use of automatic bulk-production methods.

LEFT Engineers carrying out tests on Rank Xerox 914 Office Copiers at the Mitcheldean factory. Over 1500 people are employed at the factory to meet the growing world demand for the revolutionary Xerox dry-copying process.

RIGHT The coloured circles of light visible in this lens are called "Newton's rings". To the experts of Rank Taylor Hobson they provide a really accurate means of checking a lens during manufacture.







LEFT The striking 'Spherama' exhibit used 57 of the total of 120 screens supplied to the Swiss National Fair by Andrew Smith Harkness Ltd., a member of Rank Audio Visual Division.

RIGHT A Rank Taylor Hobson Varotal V lens in use during a BBC colour television test transmission.

BELOW A production shot from Southern Television's "The Full Man", the first Adult Education series screened at "peak" viewing time and designed primarily for group viewing under a tutor.





In Holland, at Venray, work has begun on the construction of the new £4 million plant which will ultimately supply xerographic consumables to our customers within the E.E.C.

Eleven new Overseas Subsidiaries came into operation or were in advanced stages of formation, by the end of the financial year. Branch Sales and Service Areas have been increased by thirty-six raising the total to eighty-three, with a further fifty planned for the current year.

I am proud to say that more than two-thirds of our installations are overseas, and nearly 70% of our revenue comes from abroad, reflecting in particular the growth of our Subsidiaries in Europe.

One of the major policy problems to which I have applied considerable attention, has been to ensure that the management structure has been developed in depth as the demands on it have grown sometimes at an alarming rate. An Assistant Managing Director, Mr. N. G. Foulkes, has recently been appointed, and the increasing responsibilities of senior personnel redefined.

During the year, the number of employees rose from 2,026 to over 4,000. Even so, we are faced with the need for a material increase in personnel over the next 12/18 months.

As we have grown and become more efficient, so the Company has increased in sophistication. Many more specialised skills are now available within the Company, as the most modern techniques in management, staff selection, training, and the use of specialist consultants, are being increasingly employed.

The importance which we place on vigorous sales promotion, marketing and advertising, is reflected in the fact that our publicity expenditure was doubled during the year, and will be doubled again in the coming year.

We operate today one of the strongest sales and service organisations in the office equipment field. The Company's reputation, both nationally and internationally, has rapidly established itself on the basis of our concept of service. Our aim is to provide a complete service on the customer's premises to meet all his copying needs. These needs will change as business responds to changes and new conditions. Special attention is being paid to research into future requirements to ensure that systems and equipment are developed to meet them.

Close liaison is being constantly maintained at all levels within the executive and management with the Xerox Corporation and with our Japanese associated company, Fuji-Xerox.

We were proud that Mr. Joseph Wilson suggested and arranged that the first World Planning Conference held by the three Companies should take place in London last year.

The Xerox Corporation has continued to place heavy emphasis on future planning for all products which, in my view, is the keynote to sustained success. Their research and engineering expenditure for 1964 in this field will be in the order of \$23 million.

Fuji-Xerox—This joint venture with Fuji Photo Films of Tokyo is making good progress after a rather slow start.

The plant at Iwatsuki, forty miles north of Tokyo, has been doubled in area. Production of the '914' has been more than trebled, now running at the rate of 104 machines per month. At the same time, the manufacturing area of the consum-

ables plant at Odawara has been increased by nearly 60% to meet the ever-growing demand.

Sales and Services Offices, etc., are being established in Japan's three largest cities, Tokyo, Osaka and Nagoya.

I am satisfied that this joint venture is now developing on sound lines at a rapid rate. Last September, the Xerox Corporation, after five years of strenuous development effort, launched the **Desk-Top '813' Copier.**

To bring this new copying system to market they had expended some \$20 million. The resulting machine is delicate yet rugged, compressing its remarkable capabilities into one-seventh of the cubic area of the '914' Copier, with the result that a whole new dimension was added to the **Xerox Copying Service**.

Production at Mitcheldean of the '813' Copier is now under way. The first batch of machines is undergoing field tests. We, for our part, have spent over one million pounds on housing and setting up the '813' production line. It is our intention to place these machines on the market in September.

I intimated a year ago that we were re-arranging our distribution service, and certain of our Headquarters staff, to meet the ever increasing demand for our products and consumable goods. The move to the former Denham Studios, which has been extensively replanned and re-equipped, was smoothly carried out. It is now the international distribution centre for all consumables and machines other than the '914'.

The '914' (and in due course the '813') Copiers are distributed direct from Mitcheldean to the national warehouses of the marketing companies.

Some 70% of our exports are despatched by air freight.

Substantially bigger warehouses are being required and provided in the overseas companies. We are continually planning for the future. Such growth and demands for space, plant, etc. in turn create heavy demands for capital to be provided in association with the Xerox Corporation.

I indicated my confidence in the future of Rank Xerox a year ago. All that has happened during the year under review has confirmed that such confidence was fully justified, and that Rank Xerox, even with increasing competition, will make substantial profits in the future.

Perhaps the best way of summing up the Report which I have just made is to show the consolidated results from the territories which are now under our control.

Period Ending June	Sales/Rental Income	Profits after Interest but before Taxation
	£	£
1960	673,000	(6,000)
1961	1,130,000	30,000
1962	2,599,000	(46,000)
1963	6,464,000	907,000
1964	14,971,000	2,760,000

I am delighted to say that a maiden dividend of $12\frac{1}{2}\%$ £382,812 on the 'A' and 'B' Capital has been declared by the Company.

You will appreciate no doubt that through the rapid expansion of its activities heavy demands for capital and other finance constantly arise. Consequently, I anticipate that at least for the next few years we shall distribute only a limited proportion of the earned profit.

In my view, we should not have made and will not continue to make the progress which we have made, had it not been for the mutual understanding and respect between Mr. Joseph C. Wilson and Mr. Sol M. Linowitz on the one part and the Managing Director of Rank Xerox, Mr. Tom Law and myself on the other, which is something which is understood and appreciated in depth at all levels of management within our Organisation.

A successful partnership always needs close and cordial relationship but in the case of xerography it is my belief that this is particularly necessary as expansion and development is at such a rate, and conditions change so fast, that to maintain the right relationship and understanding between the partners it is necessary for there to be a flexible and understanding approach to the problems which constantly arise.

Arising out of the great expansion which I have outlined, it has been necessary for us mutually to agree to provide additional capital during the financial period under review as a result of which the Issued Share Capital at 27th June 1964 consisted of:—

Shares	'A'	'B'	,C,	'D'
Rank Organisation including Rank Precision Industries Limited		£2,500,000		£600,100
Xerox Corporation	£2,500,000		£1,200,200	

The effect of this is that the Datum Line up to which profits are split fifty/fifty now stands at £2,500,000. Above this datum, profits are allocated as to two-thirds to Xerox and one-third to Rank. For convenience, the former 'C' shares have been reformed into 'C' and 'D' shares without affecting the basic principles of our agreement.

Since 27th June 1964 the 'C' and 'D' Share Capitals have been increased to agreed levels of £1,266,867 and £633,433 respectively. Future capital requirements over and above this capitalisation will be provided as to 50% in 'A' and 'B' shares and 50% in 'C' and 'D' shares. The datum of £2,500,000 will increase appropriately if and when the 'A' and 'B' share capital rises above £5,000,000 so that at all times it represents 50% of such capital.

I referred on page 10 to the revision of our arrangements covering Central and South America which I am sure was in the interests of all parties.

No doubt great interest will be shown in our anticipated placing programme for 1964/65. It is more difficult this year to be specific because of the introduction of the '813' in this country in the Autumn, and overseas early next Spring, combined with the problems of lifting initial production of the '813' to the level we anticipate we shall need.

I shall be most disappointed if we do not install at least an additional 15,000 machines during the year, being a combination of '914's and '813's.

Ten Year Financial Review

£ figures in thousands	1964	1963	1060	4064
Profits	1904	1903	1962	1961
Profit before interest payable and taxation	£11,326	£8,370	£6,617	£6,451
Interest Payable	2,354	2,062	1,647	1,369
Profit before Taxation	8,972	6,308	4,970	5,082
Taxation based thereon	3,194	2,751	2,614	2,732
Profit after Taxation	5,778	3,557	2,356	2,350
Non-Trading and Extraneous Items 1,602 Less: Transfer to Capital Reserve 1,500	102	(30)	83	(193)
	5,880	3,527	2,439	2,157
Outside Shareholders of Subsidiaries	1,115	585	2,439 442	993
Outside Shareholders of Subsidiaries	1,110	363	442	990
Annuanistian	£4,765	£2,942	£1,997	£1,164
Appropriation Net Dividends of Parent Company				
Preference	£417	£327	£218	£101
Ordinary	1,477	969	795	441
Additions to Reserves, etc.	2,871	1,646	984	622
Additions to Reserves, etc.				
	£4,765	£2,942	£1,997	£1,164
Capital Employed				
Ordinary Share Capital and Reserves	£33,572	£24,948	£21,012	£13,119
Preference Share Capital	12,553	8,529	8,529	2,750
Future Taxation	3,065	3,647	3,831	3,640
Outside Shareholders of Subsidiaries	9,685	10,082	8,909	17,378
Loan Capital	29,192	23,307	23,776	18,454
Short Term Advances	17,910	8,203	3,202	2,977
Bank Loans and Overdrafts	5,604	9,143	4,510	6,880
	£111,581	£87,859	£73,769	£65,198
Represented by:	21111001	201,000	20,703	200,100
Fixed Assets	£76,287	£60,785	£48,919	£45,248
Goodwill	9,035	8,014	5,566	5,061
Subsidiary not consolidated		-	4,800	
Investments	5,551	7,367	6,290	6,214
Net Current Assets	20,708	11,693	8,194	8,675
Tite Carrone London				
	£111,581	£87,859	£73,769	£65,198

1960	1959	1958	1957	1956	1955
£5,122	£4,088	£2,993	£5,821	£6,375	£7,393
1,119	1,103	1,212	913	839	786
4,003	2,985	1,781	4,908	5,536	6,607
1,962	1,788	1,558	3,135	3,433	3,654
2,041	1,197	223	1,773	2,103	2,953
2,041	1,137	220	1,770	2,100	2,000
212	510	780	841	562	386
2,253	1,707	1,003	2,614	2,665	3,339
1,509	1,355	807	1,246	1,430	1,756
£744	£352	£196	£1,368	£1,235	£1,583
£101	£98	£95	£95	£95	£93
230	154	64	159	136	136
413	100	37	1,114	1,004	1,354
£744	£352	£196	£1,368	£1,235	£1,583
£9,792	£9,438	£9,140	£9,107	£7,672	£6,671
2,750	2,750	2,750	2,750	2,750	2,750
2,851	2,425	2,946	4,021	4,694	4,567
21,657	21,197	20,069	19,964	20,741	20,268
15,826	15,758	16,274	16,969	14,966	15,087
_	_	_	-	-	_
6,060	6,742	7,165	5,440	4,049	4,191
£58,936	£58,310	£58,344	£58,251	£54,872	£53,534
£44,144	£44,477	£46,168	£47,379	£44,243	£42,412
1,528	1,332	1,359	1,374	2,098	2,073
-				2,030	
5,888	6,031	4,939	4,373	3,934	3,913
7,376	6,470	5,878	5,125	4,597	5,136
	£58,310	£58,344			
£58,936	200,010	200,344	£58,251	£54,872	£53,534

Analysis of Sales and Profits

£ figures in thousands	1	964	1	963	19	962	19	961	19	50
Sales	£	%	£	%	£	%	£	%	£	%
Exhibition in the British Isles	28,654	26.9	26,161	29.4	27,133	38.9	28,226	39.0	25,627	37.9
Exhibition Overseas	4,753	4.5	3,785	4.2	3,239	4.6	3,601	5.0	4,293	6.4
Film Production and Distribution	10,639	10.0	9,463	10.6	9,124	13.1	10,115	14.0	10,421	15.4
Film Studios and Laboratories	3,713	3.5	4,058	4.6	3,979	5.7	3,822	5.3	3,534	5.2
Manufacturing	27,974	26.2	27,961	31.4	18,254	26.1	19,585	27.1	18,232	27.0
Rank Xerox	14,971	14.0	6,464	7.3	2,599	3.7	1,130	1.6	673	1.0
Miscellaneous Activities	15,879	14.9	11,120	12.5	8,111	11.6	6,949	9.6	5,502	8.1
	106,583	100.0	89,012	100.0	72,439	103.7	73,428	101.6	68,282	101.0
Rank Xerox (not consolidated before 1963)	_	_	_	-	2,599	3.7	1,130	1.6	673	1-0
	106,583	100.0	89,012	100-0	69,840	100.0	72,298	100.0	67,609	100.0
Profits		O. The								
Exhibition in the British Isles	3,521	31.1	3,141	37.5	3,733	56.4	3,628	56.2	2,272	44.4
Exhibition Overseas	714	6.3	516	6.2	399	6.0	340	5.3	460	9.0
Film Production and Distribution	493	4.3	435	5.2	209	3.2	529	8.2	217	4.2
Film Studios and Laboratories	517	4.6	599	7.2	579	8.7	499	7.7	407	7.9
Manufacturing	1,281	11.3	1,315	15.7	725	11-0	1,148	17.8	1,532	29.9
Rank Xerox	3,376	29.8	1,103	13-2	29	0.4	33	0.5	(6)	(0.1)
Miscellaneous Activities	1,424	12.6	1,261	15.0	972	14.7	307	4.8	234	4.6
	11,326	100.0	8,370	100.0	6,646	100.4	6,484	100.5	5,116	99-9
Rank Xerox (not consolidated before 1963)		_	_	_	29	0.4	33	0.5	(6)	(0.1)
Profit before Interest Payable and Taxation	11,326	100.0	8,370	100.0	6,617	100.0	6,451	100-0	5,122	100-0
	E ALERICA		1000				15-19-15			10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1

Miscellaneous Information

Depreciation of Fixed Assets	£5,543	£3,833	£2,573	£2,273	£1,907
Retained Profits	5,027	1,890	1,018	902	1,029
Cash Flow	£10,570	£5,723	£3,591	£3,175	£2,936
Expenditure on Fixed Assets	£23,819	£12,587	£7,355	£4,898	£2,589
Exports	£19,909	£12,623	£8,892	£8,057	£6,564
Number of Employees	45,463	40,698	33,730	32,413	31,626
Number of Shareholders:					
Ordinary and 'A' Ordinary	27,143	24,227	17,409	8,056	6,698
Preference	20,810	15,616	16,587	4,338	4,456

Accounts

Pages	52–53	Consolidated Profit and Loss Account
	54–55	Consolidated Balance Sheet
	56–57	Balance Sheet
	58-60	Notes on the Accounts
	61	Report of the Auditors

THE RANK ORGANISATION LIMITED Consolidated Profit and Loss Account for the 52 weeks ended 27th June, 1964

	Schedule Reference	£	1963 £
Trading Profit before charging depreciation		15,795,000	11,218,000
Depreciation: Buildings and Plant Rental Equipment		2,492,000 3,051,000	2,208,000 1,625,000
		5,543,000	3,833,000
Dividends and Interest receivable	A	10,252,000 1,074,000	7,385,000 985,000
		11,326,000	8,370,000
Interest payable	В	2,354,000	2,062,000
Profit before Taxation		8,972,000	6,308,000
Taxation based thereon	С	3,194,000	2,751,000
		5,778,000	3,557,000
Outside Shareholders' Share of Subsidiaries' Profits		1,171,000	618,000
Profit for the Period (after taxation) attributable to Shareholders in The Rank Organisation Limit	ed	4,607,000	2,939,000
Non-Trading and Extraneous Items, excluding amounts attributable to Outside Shareholders Less: Transfer to Capital Reserve in respect of Property Sales		1,658,000 1,500,000	3,000
(Note 4 page 58)		158,000	3,000
Balance of Profit available for Appropriation (of £3,408,000 is dealt with in the accounts of The Rank O isation Limited)		£4,765,000	£2,942,000
Dividends less income tax of The Rank Organisation Lin	nited		
6½% Cumulative Preference (full year)		354,000	327,000
8% Second Cumulative Preference (half year)		63,000	_
Ordinary and 'A' Ordinary	E	1,477,000	969,000
Profit retained		1,894,000	1,296,000
Subsidiaries		1,357,000	822,000
The Rank Organisation Limited		1,514,000	824,000
		£4,765,000	£2,942,000
		the state of the s	

Schedules

			1963
A	Dividends and Interest Receivable	£	£
	Trade Investments	880,000	794.000
	Bank Deposits, etc.	194,000	191,000
		£1,074,000	£985,000
8	Interest Payable	Martin Martin de des des	
	Debentures and other Fixed Loans	1,278,000	1,205,000
	Bank Loans and Overdrafts	313,000	474,000
	Short Term Advances, etc.	763,000	383,000
		£2,354,000	£2,062,000
C	Taxation		
	United Kingdom, after benefit from Investment Allowances of £1,200,000		
	(1963 £600,000) of which £250,000 (1963 £100,000) is applicable to outside shareholders and after relief of £270,000 in respect of prior year losses.		
	Profits Tax	769,000	668,000
	Income Tax	1,897,000	1,886,000
		2,666,000	2,554,000
	Overseas	528,000	197,000
	O 101 3043	£3,194,000	£2,751,000
-	Non-Trading and Evironeous Items	200110-11000	<u> </u>
D		4 794 000	7// 000
	Profits less losses on Sales of Properties and other Fixed Assets	1,734,000	744,000
	Provisions no longer required Taxation	396,000	116,000
	Realisation of Theatres	67,000	202,000
	Profit on Redemption of Debenture Stocks	75,000	76,000
	Items relating to prior years (net)	9,000	23,000
		£2,281,000	£1,161,000
	Less: Stamp Duty and Formation Expenses written off	153,000	23,000
	Written off Goodwill	30,000	655,000
	Written off Trade Investments less £66,000 net profits on sales	46,000	182,000
	Provisions for Terminal Losses (after taxation relief £78,000)	134,000	924 000
	Experimental Relay Network Obsolescence (after taxation relief	134,000	331,000
	£28,000)	66,000	_
	Future Experimental Expenditure on Pay Television	250,000	
		£679,000	£1,191,000
		1,602,000	Loss 30,000
	Losses attributable to outside shareholders	56,000	33,000
		£1,658,000	£3,000
E	Dividends on Ordinary and 'A' Ordinary Shares	183 187 187 E.	
	Interim 15% paid on £6,432,000 (1963-71/2% on £5,752,000)	591,000	264,000
	Final 11½% proposed on £12,864,000 (1963-20% on £5,752,000)	886,000	705,000
		£1,477,000	£969,000
F	Remuneration of Directors of The Rank Organisation Limited		
	Fees	33,000	31,000
	Other Emoluments	77,000	70,000
		£110,000	£101,000
	Pension to Past Director in respect of executive services	£1,000	£1,000
G	Remuneration of Auditors	A STATE OF THE PARTY OF THE PAR	
	The Rank Organisation Limited	4,000	3,000
	Subsidiary Companies	104,000	91,000
		£108,000	£94,000

THE RANK ORGANISATION LIMITED

Consolidated Balance Sheet at 27th June, 1964

at 27th June, 1904		19	63	
	£	£	£	£
ISSUED SHARE CAPITAL OF				
THE RANK ORGANISATION LIMITED (Note 3)			and the same of th	
6½% Cumulative Preference Shares of £1 each	9,996,000		8,529,000	
8% Second Cumulative Preference Shares of £1 each	2,557,000			
Ordinary Shares of 5/- each	3,788,000		1,894,000	1100000
'A' Ordinary Shares of 5/- each	9,076,000	25,417,000	3,859,000	14,282,000
CAPITAL RESERVES (Note 4)				
Share Premium Account	3,940,000		6,843,000	
Other Capital Reserves	1,851,000	5,791,000	294,000	7,137,000
DEVENUE DECEDUES (Note 4)				
REVENUE RESERVES (Note 4)	E 407 000		5 440 000	
General Reserves	5,107,000		5,113,000	
Profit and Loss Accounts	2 062 000		0.440.000	
The Rank Organisation Limited Subsidiaries	3,963,000 5,847,000	14,917,000	2,449,000 4,496,000	12,058,000
Subsidiaries		14,817,000		12,030,000
ISSUED SHARE CAPITAL AND RESERVES				
ATTRIBUTABLE TO MEMBERS OF THE RANK ORGANISATION LIMITED		46,125,000		33,477,000
AMOUNTS SET ASIDE FOR FUTURE TAXATION (Note 5)		3,065,000		3,647,000
OUTSIDE SHAREHOLDERS' INTEREST IN NET ASSETS OF SUBSIDIARIES				
(Other than Goodwill, Patents and Trade Marks)		9,685,000		10,082,000
		58,875,000		47,206,000
LOAN CAPITAL AND BORROWED MONEY				
63/4 Convertible Unsecured Loan Stock 1977/82 (Note 6)	1,228,000		5,750,000	
6% Convertible Unsecured Loan Stock 1983/88 (Note 6)	10,000,000		-	
Debenture Stocks, Secured Notes and Mortgages (Note 7)	17,964,000		17,557,000	
	29,192,000		23,307,000	
Short Term Advances and Acceptance Credits— mainly financing equipment on rental—and amounts				
due under Hire Purchase Agreements (£617,000)	17,910,000		8,203,000	
Bank Loans and Overdrafts (Secured £4,350,000)	5,604,000	52,706,000	9,143,000	40,653,000
	£	111,581,000		£87,859,000

			196	3
	£	£	£	£
FIXED ASSETS (Note 8)				
Land, Buildings and Plant	59,352,000		52,287,000	
Equipment on or for Rental	16,935,000	76,287,000	8,498,000	60,785,000
GOODWILL, PATENTS AND TRADE MARKS (Note 9)		9,035,000		8,014,000
TRADE INVESTMENTS (Note 10)				
At cost less £189,000 written off (uncalled liability £383,000)	E 101 000		7.054.000	
At par value (market value £1,563,000)	5,121,000	E 124 000	7,054,000	7.054.000
At par value (market value £1,505,000)	13,000	5,134,000	-	7,054,000
	19 30 1			
CASH IN HANDS OF TRUSTEES FOR				
DEBENTURE STOCKHOLDERS		417,000		313,000
		90,873,000		76,166,000
CURRENT ASSETS				
Film Productions (Note 11)	5,736,000		5,872,000	
Stocks and Work in Progress	17,069,000		11,366,000	
Debtors and Prepayments	15,999,000		12,273,000	
Cash at Bank and in Hand	5,281,000		2,102,000	
	£44,085,000		£31,613,000	
DEDUCT: LIABILITIES AND PROVISIONS				
(Other than borrowed money)				
Creditors, Expenses Accrued and Provisions (Note 12)	18,503,000		16,033,000	
Current Taxation (including Income Tax accrued to date)	3,448,000		2,880,000	
Dividends				
Shareholders in the Company	1,140,000		868,000	
Outside Shareholders of Subsidiaries	286,000		139,000	
	£23,377,000	20,708,000	£19,920,000	11,693,000
		111,581,000		£87,859,000
	S. W. 19 E.			

THE RANK ORGANISATION LIMITED

Balance Sheet at 27th June, 1964

					1963
	£	£	£	£	£
	Authorised	Issued and Fully Paid			
SHARE CAPITAL (Note 3)					
6½% Cumulative Preference Shares of £1 each	10,000,000	9,996,000		8,529,000	
8% Second Cumulative Preference Shares of £1 each	3,000,000	2,557,000		_	
Ordinary Shares of 5/- each	4,000,000	3,788,000		1,894,000	
'A' Ordinary Shares of 5/- each	13,000,000	9,076,000	25,417,000	3,859,000	14,282,000
	£30,000,000			-	
CAPITAL RESERVES (Note 4)					
Share Premium Account		3,940,000		6,824,000	
Profits on sales of Fixed Assets to Sub-	sidiaries	849,000		832,000	
Other Capital Reserves		957,000	5,746,000		7,656,000
REVENUE RESERVES					
General Reserve		2,895,000		2,895,000	
Profit and Loss Account (Note 4)		3,963,000	6,858,000	2,449,000	5,344,000
			38,021,000		27,282,000
AMOUNT SET ASIDE FOR FUTURE INCO	ME TAX		102,000		399,000
LOAN CAPITAL AND BORROWED MONE			Carried States		
6½% Convertible Unsecured Loan Sto 1977/82 (Note 6)		1,228,000		5,750,000	
6% Convertible Unsecured Loan Sto 1983/88 (Note 6)	ck	10,000,000		_	
Debenture Stock, Secured Notes and Mortgages (Note 7)		3,852,000		4,049,000	
		15,080,000		9,799,000	æ
Short Term Advance			THE	192,000	
Bank Loans and Overdrafts (Secured)		2,829,000	17,909,000	4,119,000	14,110,000
			£56,032,000		£41,791,000

			1	1963	
	£	£	£	£	
FIXED ASSETS					
Land, Buildings and Plant (Note 8)		7,863,000		5,309,000	
TRADE INVESTMENTS					
At cost <i>less</i> £70,000 written off (uncalled liability £247,000)	594,000		872,000		
At par value (market value £782,000)	7,000	601,000	_	872,000	
CASH IN HANDS OF TRUSTEES FOR DEBENTURE STOCKHOLDERS		32,000		_	
SUBSIDIARIES					
Shares at or under cost	26,804,000		25,286,000		
Amounts owing by Subsidiaries including dividends receivable	20,850,000		12,262,000		
	47,654,000		37,548,000		
Less: Amounts owing to Subsidiaries	1,614,000	46,040,000	2,127,000	35,421,000	
		E4 F00 000		44 000 000	
CURRENT ASSETS		54,536,000		41,602,000	
Film Productions (Note 11)	1,722,000		1,733,000		
Stock	126,000		59,000		
Debtors and Prepayments	312,000		185,000		
Cash at Bank and in hand	1,484,000		23,000		
	£3,644,000		£2,000,000		
DEDUCT: LIABILITIES AND PROVISIONS		THE REAL PROPERTY.			
(Other than borrowed money)					
Creditors, Expenses Accrued and Provisions (Note 12)	773,000	1/5 188	297,000		
Current Taxation (including Income Tax accrued	005 000		040.000		
to date)	235,000		646,000		
Dividends Preference Shares—half year to 30th June, 1964	254,000		163,000		
Proposed on Ordinary and 'A' Ordinary Shares	886,000		705,000		
Proposed on Ordinary and 11 Ordinary Shares		1,496,000	£1,811,000	400.000	
	£2,148,000	1,490,000	£1,011,000	189,000	
RANK JOHN DAVIS Directors					
		£56,032,000		£41,791,000	
Notes relating to this Balance Sheet appear on Pages 58 to 60. The Auditors' Report appears on Page 61.					

Notes forming part of the Consolidated Accounts and Balance Sheet of The Rank Organisation Limited on pages 52—57

- 1 ALL AMOUNTS are shown to the nearest thousand pounds.
- 2 EXCHANGE RATES—Unrestricted foreign currencies have been converted at mid-market rates ruling at 27th June, 1964 and certain restricted currencies at or below official rates. The surplus arising from the net appreciation in overseas currency figures of fixed and current assets after deducting liabilities, has been adjusted in the Goodwill figure.
- 3 GAUMONT BRITISH—The shares issued by the Company under a Scheme of Arrangement approved by the Court in December, 1961 for the acquisition of the Issued Share Capital of Gaumont British Limited not then owned within the Group were treated as having been issued at their nominal value of £5,868,000. The excess of the book value of the net tangible assets attributable to the shares so acquired over the consideration amounted to £2,465,000 and is included in Group Revenue Reserves.

4 MOVEMENTS IN RESERVES

The Group	Share Premium Account	Other Capitai Reserves	General Reserves	Profit & Loss Accounts Subsidiaries
	£	£	£	£
Balances at 29th June, 1963	6,843,000	294,000	5,113,000	4,496,000
Premium on Shares issued less expenses	3,548,000			
Applied against Capitalisation Issue	(6,432,000)			
Transfer in respect of Property Sales		1,500,000		
Sundry items	(19,000)	45,000		
Profit retained		12,000	(6,000)	1,351,000
Balances at 27th June, 1964	£3,940,000	£1,851,000	£5,107,000	£5,847,000
The Company	Share Premium Account	Profits on Sale of Fixed Assets to Subsidiaries	Other Capital Reserves	Profit & Loss Account
	£	£	£	£
Balances at 29th June, 1963	6,824,000	832,000	_	2,449,000
Premiums on Shares issued less expenses	3,548,000			
Applied against Capitalisation Issue	(6,432,000)			
Transfer in respect of Property Sales			950,000	
Sundry items		17,000	7,000	
Profit retained				1,514,000
Balances at 27th June, 1964	£3,940,000	£849,000	£957,000	£3,963,000

- 5 THE AMOUNTS SET ASIDE FOR FUTURE TAXATION in the Consolidated Balance Sheet comprise Future Income Tax including taxation deferred by virtue of capital allowances, less £2,980,000 (1963 £824,000) in respect of taxation on unrealised profits arising on sales of equipment by Rank Xerox Limited to its Subsidiary Companies, such profits having been excluded from the Consolidated Profit and Loss Account.
- 6 CONVERTIBLE UNSECURED LOAN STOCKS—The options to convert into "A" Ordinary Shares are exercisable between 1st October and 9th December in the years and on the terms as follows:—each £100 of the 6\frac{3}{4}\% Stock into 116 shares in 1964, or 110 shares in 1965 and each £100 of the 6\% Stock into 66 shares in 1965, 62 in 1966 or 60 in 1967.

7 DEBENTURE STOCKS, SECURED NOTES AND MORTGAGES

The Group	1964	1963
Repayable by annual sinking funds or by instalments—	£	£
Final redemption dates after 1979	9,331,000	7,903,000
Final redemption dates 1966 to 1979	8,424,000	9,076,000
Repayable by 1966 or at short notice	209,000	578,000
	£17,964,000	£17,557,000
The Company		•
5% Debenture Stock, repayable at par by 25 equal half-yearly instalments	1,156,000	1,249,000
4½% Promissory Notes (secured) repayable by 7 yearly instalments of £200,000 and		
the balance in 1971	2,600,000	2,800,000
Mortgages	96,000	
	£3,852,000	£4,049,000

8 FIXED ASSETS

Freehold and Leasehold Land and Buildings, Plant and Equipment of the Group are mainly at cost but partly at independent valuation and of the Company wholly at cost.

	Cost etc.	Depreciation	Net	1963
	£	£	£	£
The Group				
Theatres, Ballrooms, Tenpin Bowling, kindred Properties and Equipment	54,139,000	16,042,000	38,097,000	37,405,000
Studios, Laboratories and Film Distribution Premises and Equipment	5,344,000	2,806,000	2,538,000	2,616,000
Manufacturing and Commercial Premises, Plant and Equipment	22,817,000	4,834,000	17,983,000	11,342,000
Closed Theatres	1,078,000	344,000	734,000	924,000
	83,378,000	24,026,000	59,352,000	52,287,000
Equipment on or for Rental	24,345,000	7,410,000	16,935,000	8,498,000
•	£107,723,000	£31,436,000	£76.287,000	£60,785,000
The Company				
Theatres, Ballrooms, Tenpin Bowling, kindred Properties and				
Equipment	6,137,000	860,000	5,277,000	3,823,000
Commercial Premises, Plant and Equipment	2,790,000	269,000	2,521,000	1,421,000
Closed Theatres	73,000	8,000	65,000	65,000
	£9,000,000	£1,137,000	£7,863,000	£5,309,000
		-		

9 GOODWILL, PATENTS AND TRADE MARKS

At cost *less* amounts written off including the net excess of the cost of shares in Subsidiaries over the net book value of the net tangible assets at dates of acquisition and after deducting the proportion applicable to Outside Shareholders of Subsidiaries.

10 TRADE INVESTMENTS

	U.K.	Overseas	i otai
The Group	£	£	£
Theatre Operating Companies	111,000	3,937,000	4,048,000
Film Producing and Distributing Companies	48,000	90,000	138,000
Television and other Companies	443,000	505,000	948,000
	£602,000	£4,532,000	£5,134,000

Notes (continued)

11	FILM PRODUCTIONS	The Group		The Co	The Company	
		1964	1963	1964	1963	
		£	£	£	£	
	Released Films at estimated recoverable value	4,404,000	3,917,000	1,312,000	1,080,000	
	Unreleased and Uncompleted Films and					
	Interests at cost	1,650,000	2,244,000	619,000	847,000	
	Story Rights, Scenarios and Pre-Production					
	Expenditure at cost less amounts written off	82,000	111,000	41,000	56,000	
		6,136,000	6,272,000	1,972,000	1,983,000	
	Less: Provisions for possible losses on Unreleased					
	Films and for Contingencies	400,000	400,000	250,000	250,000	
		£5,736,000	£5,872,000	£1,722,000	£1,733,000	

12 CREDITORS, EXPENSES ACCRUED AND PROVISIONS include an amount of £250,000 in respect of a provision for future experimental expenditure on Pay Television.

13 CONTINGENT LIABILITIES

The Group

There are Contingent Liabilities in respect of (a) Distribution Guarantees with independent film producers, other Guarantees, etc. amounting in aggregate to approximately £2,800,000 (1963 £2,500,000), (b) a claim under a legal action against an overseas subsidiary which is disputed and (c) customs duties under negotiation in certain overseas territories.

The Company

There are Contingent Liabilities in respect of Distribution Guarantees and Guarantees of Advances to Subsidiaries and Associated Companies amounting in aggregate to approximately £11,400,000 (1963 £7,400,000).

14 CAPITAL COMMITMENTS

There are commitments for Capital Expenditure by the Group of approximately £7,000,000 (1963 £5,100,000) and by the Company of approximately £4,300,000 (1963 £1,100,000).

15 ACQUISITION OF THE PULLIN GROUP LIMITED

Since the 27th June 1964 the Company has declared unconditional its offer to acquire the whole of the issued share capital and convertible unsecured loan stock of The Pullin Group Limited for an aggregate consideration to be satisfied by the issue of 1,749,160 'A' Ordinary Shares of 5/- each, 45.000 8% Second Cumulative Preference Shares of £1 each and £500,000 new 6½% Convertible Unsecured Loan Stock 1975/79 of the Company; the 'A' Ordinary Shares so issued do not rank for the final dividend proposed for the 52 weeks ended 27th June 1964.

Report of the Auditors to the Members of The Rank Organisation Limited

We have audited the annexed Balance Sheet and have obtained all the information and explanations

which we considered necessary. Proper books have been kept and the Balance Sheet is in agreement

therewith.

We have examined the annexed Consolidated Balance Sheet and Consolidated Profit and Loss Account.

The accounts of certain of the Subsidiary Companies have been audited by other firms.

In our opinion the Balance Sheet and the Consolidated Accounts comply with the requirements

of the Companies Act, 1948, and give respectively a true and fair view of the Company's affairs at

27th June, 1964, and so far as concerns the members of the Company, a true and fair view of

the state of affairs and of the profit of the Group.

11, Ironmonger Lane, London, E.C.2.

PEAT, MARWICK, MITCHELL & CO.,

15th September, 1964.

Chartered Accountants.

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Some facts about

The Rank Organisation Limited

The Rank Organisation Factories

The Man-with-the-Gong, hallmark of quality for Rank Organisation products and services, is seen on many factory buildings in the United Kingdom. The rapid expansion of the Organisation's industrial activities has been matched by the development of existing premises and the acquisition or construction of new factories, workshops and stores. It has given scope for leading architects in the industrial field. The names of the industrial divisions have become synonymous with the setting of standards. Rank-Bush Murphy, Rank Taylor Hobson, Rank Cintel, Wharfedale Wireless... these and others are leaders in their respective fields.

The Organisation's growth has been as fast and exciting as the rise in its manufacturing output and in its sales at home and overseas. Each new development is a logical extension of an existing activity. Expansion is based on the firm foundations of experience and skilled craftsmanship. Today, production of The Rank Organisation encompasses electronics, nucleonics, precision engineering, lenses, instrumentation, radio and television. Rigid quality control is enforced in all the factories to achieve the highest standards of production.

Soon the Man-with-the-Gong will be seen on a factory on the Continent for the first time. A new £4-million factory on a 25-acre site at Venray, Holland, due for completion in 1965, will produce the consumables for Xerox dry-copying machines throughout Europe. As far away as Bombay, two Rank-Bush Murphy factories are producing radio sets for the rapidly developing Indian market, and are ready for the introduction of television there. A new factory at Thana will be opened next year. At home, the current expansion programme includes a 100,000 sq. ft. factory in the North-east, at South Shields. Due to open in the New Year, this Rank-Bush Murphy factory will ultimately provide much-needed employment for 2,000.

In this section, some of the major factories of the Rank Organisation in the United Kingdom are shown:



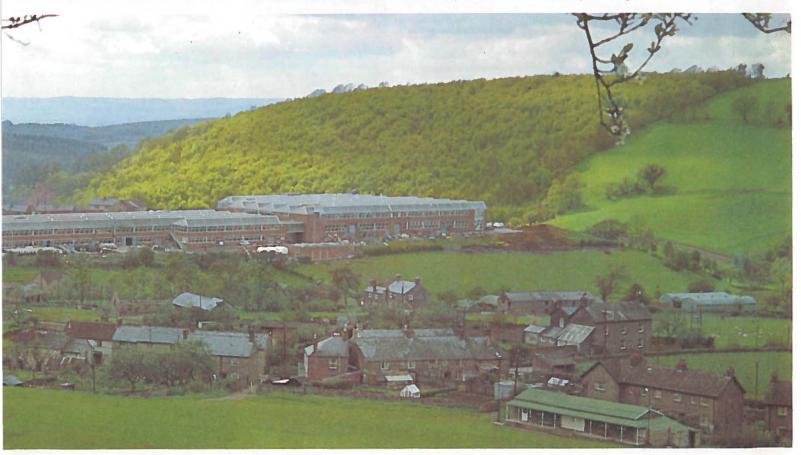




TOP Rank Xerox, Denham. This is now the international distribution centre for all Rank Xerox consumables and copying machines, other than the 914 (which is distributed direct from Mitcheldean). The former film studios have been extensively replanned and re-equipped for this purpose.

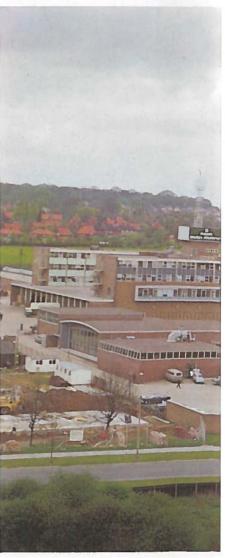
LEFT Rank Taylor Hobson, Leicester. This is one of the Division's three factories in the city, totalling more than 250,000 sq. ft. Some 950 persons are employed in the production of precision instruments, lenses and pantograph engraving machines.

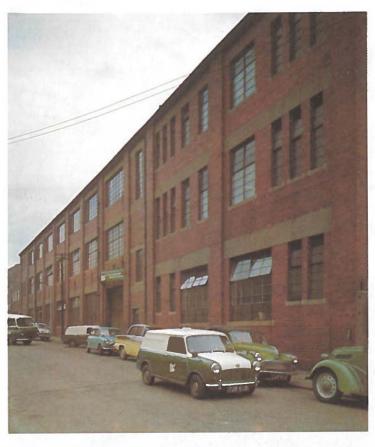
BELOW The Rank Organisation Mitcheldean Plant, Gloucestershire. The vigorous demand in Britain and overseas for Xerox dry-copying machines is reflected in the rapid growth of this 400,000 sq. ft. plant, covering 12 acres with 21½ acres for further expansion. In the next year, work will be under way on a 150,000 sq. ft. extension of factory floor space.









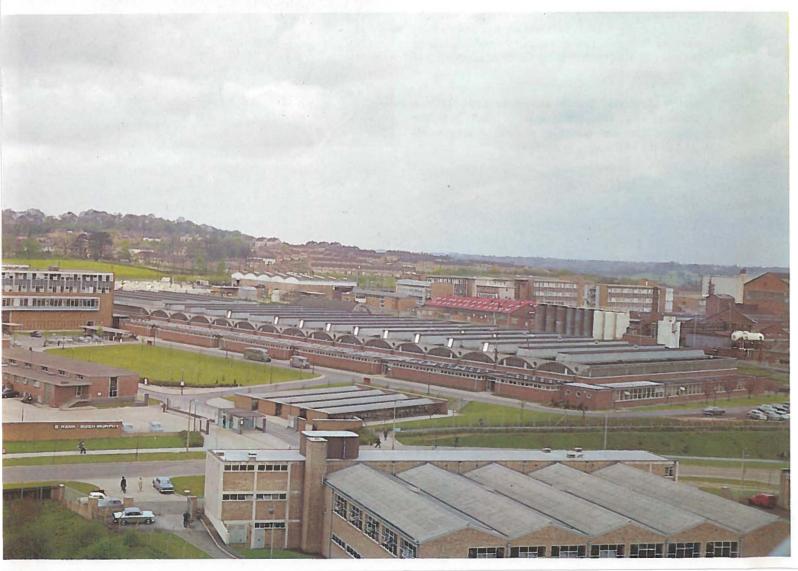


EXTREME LEFT Wharfedale Wireless Works, Yorkshire. The world famous Wharfedale high-fidelity amplifying equipment is manufactured at this factory, which covers 20,500 sq. ft.

LEFT **Kershaw, Leeds.** Lenses, engraving machines, optical instruments and dosimeters for checking radiation are among the products of this factory, which covers 200,000 sq. ft. and employs 500.

BELOW LEFT Rank Cintel tube factory, Sidcup. This 97,000 sq. ft. factory, employing 170 skilled workers, manufactures a wide range of cathode ray tubes and photoelectric cells, playing an ever-increasing role in industry and technology today.

BELOW Rank-Bush Murphy, Welwyn Garden City.
Originally opened in 1955 by Murphy Radio, this factory now covers 300,000 sq. ft. and employs over 2,300 people. To this factory come, for final assembly, about 50 per cent of the television chassis manufactured at the Plymouth works. Products in the field of electronics include mobile radio-telephones, Government communications equipment, closed circuit television cameras, nuclear instrumentation and protective systems, medical x-ray equipment, and automation and control equipment.





Rank Organisation Motion Picture Laboratories, Denham and Acton. These are the largest laboratories of their kind in Europe. Denham (ABOVE) processes all colour work, providing service of the highest quality at the speed which the film industry of this country and overseas demands. Acton (RIGHT) processes black-and-white film, with special emphasis on the top-speed requirements for television and newsreel material. The two laboratories have a total capacity for film processing of over 5½ million feet weekly.

EXTREME RIGHT Rank Audio Visual, Sales and Administrative Offices, Woodger Road, London W.12. The Division operates a full sales and advisory service on all aspects of audio visual presentation. Seats for theatres, cinemas, assembly and lecture halls from the Golborne, Lancashire, factory are only one of the items handled through these sales and administrative offices every year.

BELOW Andrew Smith Harkness Ltd., Elstree produces over 3000 major screens each year for cinemas, film and television studios. Approximately 60% of the total output is exported.







Products and Services

FILMS

ADVERTISING FILMS

Produces and distributes cinema and television commercials for national and local advertisers.

FILM PROCESSING

Processes and prints commercial and amateur motion picture films in colour and black-and-white.

FILM PRODUCTION

Produces feature films, principally at Pinewood Studios, which are also used extensively by leading outside producers.

RANK AUDIO VISUAL (see also 'Leisure', 'Television', 'Technology')

Equips cinemas with screens, projectors, sound equipment, furnishing, etc.

Cinema and projection screens by Andrew Smith Harkness for professional and amateur use.

Rank Film Library, a unit of Rank Audio Visual, leading European distributor of 16 mm, educational, training, and entertainment films.

WORLD FILM DISTRIBUTION-OVERSEAS

A world-wide film distribution organisation handling the productions of many British and American producers, in addition to those financed by The Rank Organisation.

WORLD FILM DISTRIBUTION-U.K.

Distributes British, American and other foreign films throughout the United Kingdom and Eire.

Produces and distributes weekly 'Look at Life' colour magazine film series.

LEISURE

RANK AUDIO VISUAL (see also 'Films', 'Television', 'Technology')

Photographic equipment marketed by Rank Photographic includes Bell & Howell 8 mm. amateur cine

cameras and projectors, Asahi Pentax cameras, Mamiya cameras, screens, slide projectors, and accessories.

Top Rank Film Processing processes and prints colour stills for amateurs and professionals.

RANK-BUSH MURPHY (see also 'Television', 'Technology')

Radios, record players and radiograms by Bush Radio and Murphy Radio.

Tape Recorders by Bush Radio.

THEATRE

Manages 336 theatres in U.K. and controls or operates in partnership, over 500 theatres overseas.

Catering of all kinds ranging from theatre restaurants to banqueting suites.

Top Rank Bingo and Social Clubs: there are 38 fulltime Bingo Clubs in addition to part-time operations. Top Rank Studios and Dance Clubs: there are 25.

Top Rank Coin Operated Laundries: 15 are in operation.

TOP RANK DANCING

Operates 29 ballrooms.

TOP RANK HOME AND LEISURE SERVICE (see also 'Television')

Manages 183 retail outlets, selling and renting radio and television sets and consumer durables.

TOP RANK MOTOR INNS AND MOTORWAY SERVICES

Manages Motor Inns in U.K. and Eire, catering, petrol and servicing facilities on motorway service areas.

Eight Top Rank Service Stations are at present in operation.

TOP RANK TENPIN BOWLING

Operates 18 Top Rank Bowling Centres.

WHARFEDALE WIRELESS

Manufacturers of the internationally renowned range of Wharfedale hi-fi speakers.

TELEVISION

INDEPENDENT TELEVISION

The Rank Organisation holds a 37.6% interest in Southern Television Ltd.

PAY-TV

The development and promotion of the Choiceview system of Pay-TV in partnership with Rediffusion Ltd.

RANK AUDIO VISUAL (see also 'Films', 'Leisure', 'Technology')

School television receivers, and loudspeakers.

Closed circuit television systems.

Wide range of professional studio equipment.

RANK-BUSH MURPHY (see also 'Films', 'Leisure', 'Technology')

Television sets by Bush Radio and Murphy Radio.

Closed-circuit television systems.

Colour television receiving and monitoring equipment, colour video monitors, colour bar generators, signal decoders.

Television studio equipment (Colour and Monochrome).

Telecine equipment. 16 mm. and 35 mm. Colour and Monochrome.

Monitor (Colour).

Monitor (C.C.T.V.)

Camera (C.C.T.V.)

Wide Screen Projector.

RANK TAYLOR HOBSON AND KERSHAW (see also 'Technology')

Varotal television zoom lenses.

Ortal lenses for television.

Vidital lenses for television.

TOP RANK HOME AND LEISURE SERVICE (see also 'Leisure')

Operates wired relay services in 34 towns.

Rents and sells television sets in its 183 retail outlets.

TECHNOLOGY

AUDIO VISUAL SERVICES—by Rank Audio Visual

16 mm. cine equipment.

Educational films. Seating.

Draperies and floor coverings.

Stage equipment. Screens.

Demonstration oscilloscopes.

Laboratory instruments and equipment.

School television receivers.

School loudspeakers.

Physics demonstration tubes.

Slide projectors.

DATA SYSTEMS—by Rank Data Systems

Markets and manufactures the Xeronic High Speed Computer Output Printer.

ELECTRONIC TUBES—by Rank Audio Visual

Instrument cathode ray tubes.

Television cathode ray tubes.

Radar cathode ray tubes.

Scanning cathode ray tubes.

Precision cathode ray tubes.

Photo-electric cells.

Photo-conductive cells.

Photo-diodes. Photo-switches.

Delay lines.

ENGINEERS' MEASURING INSTRUMENTS—by Rank Taylor Hobson

'Talyrond' roundness measuring instrument.

'Talysurf' surface finish measuring instrument.

'Talymin' comparator gauges.

Micro-alignment telescopes.

'Talyden' workshop microscopes.

'Talyvel' electronic level.

EQUIPMENT FOR CINEMAS—by Rank Audio Visual

Sound recording and associated equipment.

35 mm. projectors. Carbons.

Draperies and floor coverings.

Screens. Seating.

FLYING AIDS-by Rank-Bush Murphy

Equipment for visual flight simulators.

Radar transponder beacon.

Auto-land leader cable equipment.

LENSES AND OPTICAL SYSTEMS—by Rank Taylor Hobson and Kershaw

Varotal television zoom lenses. Ortal lenses for television. Ental lenses.

Kinetal lenses.

Vidital lenses for television.

Aerial reconnaissance lenses.

Micro-alignment telescopes.

Workshop and blade edge microscopes.

Full form projectors.

Intro periscopes.

Periscopes for Armoured Fighting Vehicles.

Peri-Binoculars.

Prism paralleloscopes.

Radar telescopes.

Sights for artillery.

MACHINE TOOLS—by Rank Taylor Hobson and Kershaw

Pantograph engraving machines.

Cutter grinders.

MEDICAL—by Rank Medical Equipment

Portable X-ray units.

Mobile (ward) X-ray units.

Electronically controlled constant potential X-ray units.

High power (1000 mA/150 KV) X-ray units.

Universal X-ray tables.

X-ray tube stands.

Ceiling mounted tube conveyors.

Bucky exposure tables.

Vertical Bucky Stands.

Wall and floor mounted cassette holders.

Tomographs.

Protective aprons and equipment.

Skull tables.

X-ray tubes.

X-ray film changers.

Image intensifiers.

Closed circuit television attachments.

Radiographic accessories.

Dark room equipment.

Cassettes and intensifying screens.

Fluorescent screens.

Short wave treatment apparatus and accessories.

Electro-cardiographs and accessories.

Electro-medical apparatus, diagnostic and therapeutic.

MILITARY ELECTRONIC EQUIPMENT—by Rank-Bush Murphy

Communications equipment for the Army, Royal Navy, Royal Air Force, Merchant Navy, Civil Aviation and civil undertakings generally.

Radar Navigational Aids (e.g. Eureka/Rebecca).

Leader Cable automatic landing equipment.

Missile telemetry and destruct equipment.

Electrical test gear and electronic instruments.

Coil winding, transformers, resin casting, printed circuitry.

Airborne electronic countermeasures equipment.

Airborne anti-submarine equipment.

Submarine-borne electronic countermeasures equipment.

Microwave systems and aerials (2,000—12,000 mc/s).

NON-DESTRUCTIVE TESTING EQUIPMENT—by Rank Taylor Hobson and Solus-Schall

Ultrasonic testing equipment.

Magnetic testing equipment.

Penetrant testing equipment.

Eddy Current equipment.

X-ray and Gamma-ray radiographic equipment.

Crystallographic equipment.

Metallic specimens sorting equipment.

Flaw detection apparatus.

Apparatus for layer depth measurement.

Magnetic field equipment.

Wall thickness measurement equipment.

NUCLEONIC EQUIPMENT—by Rank Nucleonics and Controls

Nuclear Reactor control instruments.

Nucleonic geological survey instruments.

Dosimeters.

Radiation measuring instruments.

Nuclear fall out monitoring equipment.

Nuclear blast detection instruments.

Civil Defence monitors.

Monitors for military applications.

Remote handling tools.

Linear and logarithmic D.C. amplifiers.

Linear and logarithmic rate meters.

Scalers.

Linear pulse amplifiers.

Nuclear auto-control equipment.

Ionisation chambers and counters.

Sample changers.

Precision mechanical assemblies.

Nucleonic health physics equipment.

Laboratory test and measuring instruments.

Equipment for continuous weighing and thickness measurement and automatic control systems.

Traffic control equipment.

Traffic monitoring systems.

RANK MITCHELDEAN PLANT

Manufactures Xerox 914 and 813 Office Copiers.

RANK RESEARCH LABORATORIES

Fundamental research to requirements of Divisions within The Rank Organisation and sponsored research for outside companies and establishments.

RANK TELECOMMUNICATIONS

Multi-channel radio links—VHF/UHF.

Telemetry equipment.

VHF mobile radio equipment.

Automatic radio alarm systems.

XEROGRAPHY

RANK XEROX

914 Office Copier.

813 Desk-top Office Copier.

Copyflo Continuous Printer, manufactured by Rank Data Systems Division.

University Microfilms.

Rank Xerox Copy Service.

1824 Printer-Enlarger.

Standard equipment for making Offset Litho Printing Masters.

In association with Xerox Corporation of Rochester, U.S.A., manufactures and markets xerographic equipment for high speed document copying throughout the world, with the exception of the Americas.

Activities in association with other companies

INDEPENDENT TELEVISION (see also 'Television')

The Organisation holds a 37.6% interest in Southern Television Limited, the Independent Television contractor for Southern and South-East England.

PAY-TV (see also 'Television')

The development and promotion of the Choiceview system of Pay-TV in partnership with Rediffusion Limited.

The Rank Organisation Executive

Director of Marketing

Graham Dowson

Secretary

J. K. Montgomerie

Chief Accountant

J. C. E. A. Rolls

Controller of Information Services

Donald Harker

Advertising Films

Managing Director

B. H. Annett

Executive Producer

S. R. Elton

Celluloid Products

Director

Captain F. J. Thurston Moon

Film Processing

Managing Director

W. M. Harcourt

General Manager

R. A. Dibley

Film Production

General Manager

E. A. R. Herren

Odeon (Ireland)

Theatre Controller

C. M. Conroy

Catering Controller

M. Mac Menamin

Secretary

J. Walls

Odeon (Northern Ireland)

Managing Director

R. V. C. Eveleigh

Rank Audio Visual

Managing Director

J. P. Collis

Administrative Controller J. R. Sim

Rank Audio Visual

Marketing Director

T. E. Chilton

Rank Film Library

General Manager

A. R. Hodge

Rank Photographic and Top Rank Film Processing

Marketing Director

J. B. Smith A. G. Smith

General Manager

Electronic Tubes

General Manager

G. J. Williams

Rank Studio Equipment

Marketing Manager

K. L. Tebbutt

Andrew Smith Harkness

Managing Director

T. S. Harkness

C. S. Harrison & Sons

Director

J. W. A. Harrison

Dudley Saward, O.B.E.

C. C. Moore, M.C.

W. T. Deuchrass

W. H. Harrison

J. H. Barker

K. S. Davies

Rank-Bush Murphy

Managing Director

Assistant Managing Director

Marketing Director

Production Director

Technical Director

Technical Advisory Director

Electronics Director

Director of Research

W. Ross

Financial Director

T. M. C. Lance

H. C. Edwards

Rank Research Laboratories

Director of Laboratories

Dr. A. T. Starr

Rank Data Systems

General Manager

I. D. Brotherton

Chief Executive F. Wickstead Chief Production Executive and Deputy to Chief Executive C. W. Hotchen Rank Taylor Hobson Joint Managing Director H. Leeming (Marketing) Joint Managing Director J. A. Stafford (Production) Rank Xerox Managing Director T. A. Law Assistant Managing Director N. Foulkes R. Walker Director of Marketing General Manager-Australia E. R. Kinsman Austria Dr. K. Rischka Belgium M. Cledes **Denmark** M. Hansen France J. C. Delafon Germany P. D. Troward Holland D. Timmer Italy Dr. A. Bordone New Zealand K. P. Langley Spain H. M. Sargisson Sweden O. Soderholm Switzerland C. S. Thompson Financial Controller H. E. R. Shand Staff Controller D. R. Sheppard Manager, Marketing Planning J. H. Pickering Manager, Technical Development Dr. P. M. Tipple Chief Engineer J. A. Hargroves Theatre Managing Director Kenneth Winckles, M.B.E. Assistant Managing Director B. P. Quilter Theatre Controller Michael Bagstaff Booking Controller G. Pinches Theatre Sales Controller C. W. Lewis **Top Rank Dancing** J. M. Whittle Managing Director Top Rank Home and Leisure Service Executive Vice-Chairman Graham Dowson Director of Marketing B. P. Dencer

R. J. Milwidsky

W. P. Hampshire

Rank Mitcheldean Plant

Director of Engineering

Director of Administration

Top Rank Motor Inns and Motorway Services Managing Director J. L. Hastings, D.S.C. Top Rank Tenpin Bowling Managing Director E. G. Forsyth Wharfedale Wireless Works Limited Chairman G. A. Briggs World Film Distribution-Overseas Managing Director C. W. P. Mac Arthur World Film Distribution-U.K. Managing Director F. L. Thomas H. Boodson General Sales Manager C. W. Rymer Commercial Manager Special Features Division Executive Producer G. Grafton Green Central Services E. Sinclair Market Research Chief Medical Officer Dr. A. B. Black, M.D., M.R.C.P. Personnel Controller J. Michael Booth Controller, Employee Services H. F. Lock Property Controller V. E. Flood Insurance Manager H. G. Coplestone Purchasing Controller L. S. Denman Travel and Overseas Liaison Victor Finney Dr. J. B. Birks, Ph.D., D.Sc., Scientific and F.Inst.P., A.M.I.E.E. **Technical Consultants** Professor F. Koenigsberger, D.Sc., M.I.Mech.E., M.I.Prod.E., Mem.A.S.M.E. Professor G. A. Whitfield. O.B.E., B.Sc., F.Inst.P., M.I.E.E., F.R.Ac.S.

Miss Molly Love

Miss Jennifer Russell

Miss Joyce Lowrie, A.R.I.B.A.

Mrs. Gaby Schreiber, F.S.I.A.

Women's Advisory Panel

