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RANK

1981 Annual Report and Accounts

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Directors

Harry Smith, Chairman

Russell W. Evans, M.C., LL.B., Deputy Chairman and Managing Director

J. B. Smith, Deputy Managing Director.

Sir Robert Bellinger, G.B.E., D.Sc.

L. H. Bond, Director of Personnel and Corporate Relations

R. F. Butlin, Managing Director, Hotels and Holidays Division

R. F. H. Cowen, M.B.E.

J. C. Duckworth

Sir Arnold France, G.C.B.

Sir Reay Geddes, K.B.E.

Sir Patrick Meaney

Sir Denis Mountain, Bt.

The Hon. Angus Ogilvy

K. S. Russett (Australian), Managing Director, International Division
Chairman, Rank Industries Australia Pty. Limited

Sir Richard Trehane, D.Sc.

President Sir John Davis, D.Tech.

Secretary and Registered Office
B. C. Owers
11 Hill Street,
London W1X 8AE

Solicitors
Richards, Butler & Co.

Registrars and Transfer Office
Hill Samuel Registrars Limited,
6 Greencoat Place,
London SW1P 1PL

Auditors
Peat, Marwick, Mitchell & Co.

Bankers
National Westminster Bank Limited

Merchant Bankers
S. G. Warburg & Co. Limited

Brokers
Cazanove & Co.
Carr, Sebag & Co.

The Rank Organisation

Principal Activities

The Rank Organisation is a leading leisure group and an important manufacturer and supplier of consumer and industrial products to world markets. It also has substantial property interests. It has a major investment in the Rank Xerox companies, owned jointly with Xerox Corporation, which manufacture and market xerographic copiers and duplicators as well as other items of business equipment.

The leisure interests include Odeon and Gaumont cinemas in the United Kingdom and other cinemas elsewhere in the world, Pinewood film studios, film and video distribution, Top Rank Clubs, Suites and motorway service areas, discotheques, restaurants, marinas, hotels (including the Athenaeum, Gloucester, Royal Garden, Royal Lancaster and White House in London), Butlin's holiday centres, caravan parks and overseas travel and holidays.

The Group manufactures scientific instruments, optical goods and electronic equipment through Rank Precision Industries and manufactures in markets loudspeakers, cine cameras, audio visual educational equipment, Strand lighting and control equipment, stage equipment and studio lighting equipment and, in Australia only, television sets and a range of whitegoods, including refrigerators, dishwashers, home laundry, microwave ovens and air conditioning units; a range of housewares, including irons, toasters, and food preparation products; security systems and furniture. Rank Film Laboratories are the leading European processors of cinema and television film.

Overseas associated companies include a manufacturer of television sets and radios in India and leisure companies in Australasia and the Far East.

Financial Highlights of the Year ended 31st October 1981

	1981	1980
Turnover	£618.4 million	£596.7 million
Trading Profit	£39.1 million	£37.2 million
Associated Companies (Share of profit before taxation)	£91.9 million	£94.2 million
Profit before taxation	£102.8 million	£109.4 million
Profit before extraordinary items	£52.9 million	£54.3 million
Profit attributable to the Company	£51.0 million	£34.3 million
Earnings per Ordinary share	25.9p	26.6p
Dividends per Ordinary share	10.8p	10.8p
Net Assets per Ordinary share	280.6p	238.9p

In calculating net assets per share, the investment in the Rank Xerox companies has been included at balance sheet value only.

Notice of Meeting

Notice is hereby given that the forty-fifth Annual General Meeting of the Company will be held at the Royal Lancaster Hotel, Lancaster Terrace, Hyde Park, London W2, on Thursday, 18th March 1982, at 12 noon for the following purposes:

- 1 To receive the Auditors' Report and to adopt the Directors' Report and the Accounts for the year ended 31st October 1981.
- 2 To declare a Final Dividend on the Ordinary shares.
- 3 To elect the following Directors:
 - (a) Mr. L. H. Bond
 - (b) Sir Arnold France
(who was 70 on 20th April 1981)
 - (c) Sir Reay Geddes
 - (d) Mr. J. B. Smith
- 4 As special business, to re-appoint Auditors and to authorise the Directors to fix the Auditors' Fee.

By Order of the Board
B. C. Owers
Secretary

22nd February 1982

Directors for re-election

Mr. L. H. Bond is Director of Personnel and Corporate Relations. He is aged 58 and was appointed to the Board in 1978.

Sir Arnold France, who is 70, has been a non-executive Director of the Company since 1973. He was formerly Chairman of the Board of Inland Revenue.

Sir Reay Geddes has been a non-executive Director since 1975 and is also a member of the Chairman's Advisory Committee. He is aged 69 and was formerly Chairman of Dunlop Holdings Limited.

Mr. J. B. Smith was appointed to the Board in 1976 and is Deputy Managing Director. He is aged 53 and first joined The Rank Organisation in 1963. He left the Company in 1965 and rejoined in 1971.

A warm invitation to attend the Annual General Meeting is extended to all Ordinary shareholders, for whom an admission card is enclosed.

Under the Company's Articles of Association only the holders of Ordinary shares are entitled to vote. A holder of Ordinary shares is entitled to appoint one or more proxies to attend and (on a poll) to vote in his or her stead. A proxy need not be a member. For Ordinary shareholders, a form of proxy is enclosed.

If the proposed Final Dividend on the Ordinary shares is approved at the meeting, warrants in payment will be posted on 9th April 1982 (payable on 12th April 1982) to those shareholders on the Register at 5th March 1982.

Directors' service contracts of more than one year's duration are available for inspection at the Registered Office of the Company, 11 Hill Street, London W1X 8AE, during the usual business hours. These contracts will also be available at the Royal Lancaster Hotel at least fifteen minutes prior to and throughout the meeting.

Chairman's Statement

Statement by the Chairman Mr. Harry Smith

Trading profit for the Rank controlled activities increased by £1.9 million compared with the previous year, after writing off £2.2 million due to rationalisation measures. Particularly good results came from Rank Cintel in the Industrial Division, Rank Industries Asia, Rank Industries America and Rank City Wall. Generally, trading conditions remained extremely difficult during the year and there was evidence of some decline in discretionary spending.

We greatly regret the need to put in hand site closures and to make a number of employees redundant but we must examine all operations individually and take whatever action is necessary to maintain viability without damaging long-term prospects.

Group profit before tax for the year ended 31st October 1981 was £102.8 million compared with £109.4 million for the previous year, a fall of 6%. The increase of £6 million in Group interest charges was not due to additional Group borrowings but to higher interest rates and the cost of overseas interest when translated into sterling. A report on the Rank Xerox companies appears on pages 46 to 48 but in summary the share of pre-tax profits attributable to the Rank Organisation for the year was £85.2 million compared with £87.5 million for the previous year.

This year for the first time, the accounts of the Rank Xerox companies have been prepared in accordance with the provisions of the new US Financial Accounting Standard No. 52. This revised accounting standard requires that gains or losses made as a result of currency fluctuations in translating subsidiary companies' Balance Sheets be reflected as part of shareholders funds, rather than included in the Profit and Loss account.

The effect of applying the new standard has been to improve our share of the reported pre-tax profits of the Rank Xerox companies by £15 million for 1980/81 over that which would have been reported had the former standard been applied. If the new standard had been applied to the 1979/80 accounts, there would have been a reduction of £1.8 million in our share of the reported profits of that year and the comparative figures have been restated accordingly.

This year we have been facing the consequences of a severe recession. Taking this into account the profit performance is encouraging as, with some improvement in trading conditions and lower interest rates, there is considerable potential for higher profits and a return to a pattern of rising dividends.

Dividends

The Board recommends the payment of a Final Dividend of 6 pence per Ordinary share which, together with the Interim Dividend, makes a total distribution in respect of the year ended 31st October, 1981 of 10.8 pence per Ordinary share, the same as for the previous year.

Board

Sir Arnold France who has been a member of the Board since 1973 has agreed to offer himself for re-election to the Board having reached the age of 70 during the year. Sir Arnold who joined us after completing a distinguished career in the Civil Service, has served on the boards of two other industrial companies, and has a wide understanding of our affairs and of the economic scene in general. We welcome his decision to offer himself for re-election.

Peter Courtney became Finance Director of the Group on 19th July 1976 having previously been Finance Director of Rank Audio Visual which he joined in 1973. He announced his intention during the latter part of 1981 of resigning in order to take up the appointment of Finance Director for The Boots Company Limited. I would like to thank Peter Courtney for the very effective manner in which he has carried out his responsibilities and the contribution he has made to our affairs during his time with us and wish him every success in his future career.

Immediately following the Annual General Meeting in March, as previously announced, I will be retiring as Chairman, having filled this position for five years.

During this period the primary responsibility for the management of the Group and the implementation of Board decisions has been carried by Russell Evans, Group Managing Director, who will succeed me as Chairman.

Chairman's Statement

I would like to express my appreciation for the considerable contribution that Russell Evans has made to the progress of the Group and the support he has given me during my term as Chairman. I have every confidence that the Group will grow and prosper under his leadership, and look forward to assisting him in any way I can as non-executive Deputy Chairman.

I regret that during the last two years we have had to face a recession of great severity at a time when we were in the process of making many changes in the management as well as implementing strategic decisions throughout the Group. This has placed unusually great pressure on everyone concerned with management, and I would like to thank them all for the considerable effort and skill they have applied during this period.

1976-1981

During this period we have established a new management team, a management structure appropriate to our needs and a strategy for the profitable development of the Group in the future.

Many strategic decisions and rationalisation programmes have been put into effect which have considerably strengthened our balance sheet.

Net borrowings have been reduced from £302 million to £190.8 million; the debt equity ratio from 103.4% to 33%; distributable reserves have improved from £23.4 million to £60.7 million; and the value of assets per share from 161.9p to 280.6p.

We operate in three principal business areas: leisure, advanced technology and property, and our United Kingdom activities have been restructured into four operating divisions — Hotels and Holidays, Leisure, Film and Television Services, and the Industrial Division all operating in clearly defined market sectors.

The activities and the performance of these divisions are described in detail in the Review of Operations but in general terms the first three divisions have operated profitably during 1981, and also stand to benefit from any improvement in the level of discretionary spending.

Hotels and Holidays Division is the largest of the UK Divisions. In addition to Rank Hotels, it includes

Butlin's, the largest holiday company in Europe. The recent acquisition of Wings and Owners' Services (OSL) will further strengthen the division by improving the balance between Butlin's successful U.K. holiday operations and its expanding activities overseas.

Leisure Division announced during the year a major programme of cinema closures. These closures have paved the way for economies in administration and overheads which will enable the reduced circuit to be operated more profitably. Cinema sites that are no longer required will be either used for other leisure activities or sold. Wherever it is appropriate to do so, the sites will be redeveloped to realise the full site value and, at the same time, to incorporate within the redevelopment modern cinemas where these are required.

Other activities of Leisure Division include bingo, catering and motorway service areas, all of which activities are being modernised in order to enable the Division to take full advantage of the potential for profit growth in these sectors of the leisure market.

Film and Television Services Division in particular has excellent prospects stemming from the many technical advances in the field of home entertainment which will bring additional demands for our television services, Pinewood studio facilities, our film and video libraries, and for video cassettes.

The Industrial Division has been constituted only recently and includes Rank Cintel, Rank Strand and Rank Taylor Hobson, all amongst the world leaders in their specialist sectors and also Rank Pullin Controls with important defence products and development contracts.

Within this division we have great expertise in high grade optics and precision mechanical engineering with a fast-growing advanced electronics capability. Its future strategy is under review and will, I believe, lead to more consistent performance with better utilisation of assets. It will also be seeking related opportunities for expansion into new growth sectors.

International Division comprises our operations in North America, Australia and the Far East concerned with marketing and servicing products

Chairman's Statement

supplied by the UK Industrial Division and the manufacture and marketing of products overseas. A primary objective is to realise the full potential of the recent expansion of Rank Industries Australia which continues to benefit from the active support of General Electric of America, NEC of Japan and Bauknecht of Germany. Performance in the last half of this financial year was substantially ahead of the first half and prospects for 1982 are encouraging.

A new company formed in 1980, Zynar, completed its first year of operation by achieving its sales target of £750,000 and plans to double this in year two. Local micro-computer networks, which was one of the market opportunities identified, have become a more buoyant market than originally anticipated, and aided by an investment in Nestar Systems Inc., California, Zynar has quickly established a reputation as a leading supplier of network systems in Europe. We intend to exploit our early entry into this field to the full and also expand into related fields of software and systems technology. Although at present small, there are good reasons to believe that Zynar will become a significant contributor to Group profits within five years and thereafter continue to grow in this very exciting sphere of advanced technology.

Another new development is our recent acquisition of an important equity stake in Telecom Equipment Corp., New York. This company is an industry leader in the rapidly expanding business of providing and servicing private telecommunication systems to a wide variety of users. We believe this company has important opportunities for expansion in North America. Rank Asia are active in the same business area in Malaysia and Singapore, and we intend to seek further opportunities to expand in other overseas markets, making full use of the expertise developed so successfully by the management of Telecom Equipment Corp. Any additional overseas activities will be controlled by the Rank Organisation.

Rank City Wall and our property company in Eire with their portfolio of high quality investment properties have made an important contribution to Group performance. Since 1976 trading profit has risen from £7.2 million to £13.1 million.

The value of the portfolio has risen in the financial year by: £32.4 million; since 1976 from £116 million to £213.3 million in spite of the fact that

£52.6 million has been realised by disposals producing a surplus of £9.9 million. Capital investment in this period was £18.8 million.

The intended sale of the Sheppard Centre in Toronto, Canada which was announced on 6th August 1981 was not completed. Negotiations are proceeding with other interested purchasers.

The preference shares issued by Rank City Wall Canada as part of its funding of its property investment, are due for repayment in May 1982. The proceeds of sale of Sheppard Centre will be used to finance this repayment and the balance will be applied to the reduction of Group borrowings.

As stated in the Interim Report, we disposed of our investment in Rank Estates Limited during the year, producing a surplus of approximately £11 million.

In regard to future policy, the value of our property portfolio lies in the steady growth of profits generated by the properties held, as reflected in the annual revaluation of these assets. We believe that retention of a property portfolio is justified, not only because it provides for the Group a dependable source of income which is relatively secure against inflation, but also because it constitutes a valuable source of finance as individual properties mature and are sold.

Although we have not yet achieved a satisfactory level of profits relative to capital employed for the UK divisions and subsidiaries, they all operate in potentially strong market sectors. We have a sound structure of control and a competent management team. Aided by some recovery in the economy I believe it will not be long before we are achieving good results from these operations and we also have the advantage of a strong balance sheet at the bottom of a serious recession. As we move out of the recession there will be ample opportunities for expansion and we intend to select those most likely to achieve consistently good profitability and growth.

Southern Television

Southern Television performed well in the last year of its franchise with a profit before tax of £6.9 million, our share being £2.6 million. Dividends received during the year amounted to £3.5 million

Chairman's Statement

compared with £0.9 million for the previous year and included a distribution of prior year reserves to shareholders in preparation for the disposal of the company to the new franchise holder. The consideration receivable for our shareholding reflects the net worth of the company at 31st December 1981 and will be included in the 1982 accounts.

The handover arrangements to Television South were conducted smoothly and the excellent performance which STV has maintained since its inception continued with very favourable comment regarding the quality of the many series of programmes produced in the year.

I would like to express our appreciation of the high professional standards maintained during the difficult transitional period by Southern Television employees and sympathy for the disturbance to their careers caused by the puzzling decision of the IBA not to renew the franchise. I also hope that all who wish to continue their careers in the industry will find satisfactory opportunities to do so.

Rank Xerox Companies

The consolidated accounts of the Rank Xerox companies for the year ended 31st October 1981 (and preceding years) are set out on pages 49 to 51.

The statement by Mr. H. Orr-Ewing, Chairman of Rank Xerox Limited, and Mr. P. A. Allaire, Managing Director of that company, reporting on the year's operations and results of the Rank Xerox companies appears on pages 46 to 48.

Personnel

Reference was made last year to the need to contain our pay and manning levels in order to contribute to the attack on inflation and reduce costs so enabling us to compete effectively both in the UK and in world markets. This policy has continued throughout this year and has made a major contribution towards the financial results achieved under existing trading conditions.

Our system of internal communications has played an important role in maintaining a good understanding and relationship between management and employees throughout the Group

and we attach great importance to continuing our efforts to develop and improve these systems for the future.

We are concerned by the effect of unemployment on young people and are pursuing a wide range of activities aimed at identifying and developing more opportunities for people leaving schools and universities.

We are also maintaining our support of a number of organisations actively engaged in improving the relationship between industry and educational establishments. This work will help to ensure that the education and training available to young people will enable them to develop the skills which will be required by industry as the economy recovers.

I would like to express the Board's appreciation for the loyalty and hard work of everyone employed by the Group during another difficult year.

Prospects

Our forecast for 1982 indicates a marked improvement in profits for the Rank controlled activities. Looking beyond 1982 the action taken in recent years will ensure a good performance from our traditional activities. We also have exceptional growth prospects through our extensive involvement in information technology. Rank Xerox is in the process of launching a range of new products for the office of the future and will increasingly benefit from this extension of their activities. Our own investment in Zynar and Telecom Equipment Corp. gives us a further involvement in information technology, with excellent prospects for rapid growth.

We look to the future with great confidence.

Harry Smith
Chairman

The Bank Organisation

Mr. Harry Smith

Mr. Harry Smith retires from the office of Chairman of the Board at the conclusion of the 1982 Annual General Meeting. He became a non-executive Director of the Company in April 1971 and was appointed Deputy Chairman early in 1976, becoming Chairman on the retirement of Sir John Davis in March 1977.

Harry Smith has been the principal architect of major changes in the Company's organisational structure which were put into effect during his years in office. These have reflected not only the changing emphasis in the Company's major activities, but also the need to develop appropriate management skills throughout the Group. New investments have been directed towards businesses with higher profit potential than some of those with which the Organisation has been traditionally associated. At the same time, emphasis has been placed on developing the Group's activities on a wider geographic base.

The Board of Directors wishes to record its appreciation of the outstanding contribution made to the Company by Harry Smith during his term of office and its pleasure at his willingness to continue on the Board and to accept the position of non-executive Deputy Chairman.

Russell W. Evans
Deputy Chairman

Review of Operations

Group Managing Director's Review of Divisional Operations and Overseas Associated Companies

LEISURE DIVISION

Operation of cinemas, Top Rank Clubs, discotheques, catering, motorway service areas, banqueting and other leisure facilities.

Managing Director – Mr. H. A. Crichton-Miller
Turnover £129,023,000 (1980 £122,074,000)
Trading Profit £6,431,000 (1980 £8,255,000)

Mr. Lew Small, Managing Director of this Division since January 1979, retired during the year, after 35 years' service. He was succeeded by Mr. Crichton-Miller, who was formerly Managing Director of Rank Toshiba and who joined The Rank Organisation in February 1969.

Film Exhibition – United Kingdom – Cinema admission levels were generally disappointing, although the latest James Bond film 'FOR YOUR EYES ONLY' achieved great success. However, by continuing to exercise tight control of costs, the company was able to maintain profitability. Business suffered from lack of high quality films due to the Screen Writers' strike in America and uncertainties within the industry arising from changes of ownership of two major film producers, Twentieth Century-Fox and United Artists. Those problems have now been resolved.

The live show business continued at 1980 levels and made a good contribution to profits; this trend is expected to continue.

A major review of the cinema circuit resulted in the disposal or closure of 27 cinemas during October. The circuit now consists of 96 units with 237 screens. Agreements have been concluded or are under negotiation for the development of several cinema sites, mainly in the London area. It is intended that the sites be developed for office accommodation with cinemas included in the development. This strategy enables the company to realise maximum values from the sites and, at the same time, to replace old cinemas with modern ones, where they can be operated profitably.

Film activities – Overseas

Holland – The Tuschinski operation in Holland comprises exhibition and distribution. Although the distribution operation has remained profitable, exhibition had a poor year, with admissions showing a serious decline. A major reorganisation

of the group is being undertaken to bring the circuit back to profitability in 1982.

Portugal – The Sao Jorge Cinema in Lisbon has been tripled. It re-opened in September and business levels since then have been very satisfactory. Despite the closure of the cinema while the tripling took place, a profit was made and higher profits are expected in 1982.

The film distribution operation continues to show good results.

Eire – The Irish subsidiary now operates three cinemas in Dublin with 10 screens. Business was reasonable although cinema admissions suffered at times through bus strikes and 'H-block' demonstrations in the centre of Dublin. The Metropole Cinema traded successfully following its conversion into three auditoria in 1980. A fast food operation has also been opened at this cinema, with encouraging results.

Top Rank Clubs – The first half-year saw increasing admissions in a static market. Admissions weakened in the second half-year in line with the market. The decline was primarily attributable to the recession and lower levels of disposable income. Contributory factors may have been the civil disturbances which occurred in some areas in which our clubs are situated and possibly the advent of newspaper bingo. Despite these difficulties, profitability was maintained at 1980 levels.

Electronic cash bingo was installed at 31 clubs and substantial investments have been made to modernise six clubs. A new club was opened at Taunton in November 1981. It is hoped to obtain licences for several new clubs and the programme of up-grading and modernisation will be continued.

Entertainment and Banqueting – These operations had a difficult year, largely through the decline in the market for dancing. However, profitability was maintained, although at a low level.

The popularity of roller-disco has generated business in several of our units, but this fashion is now declining. A new discotheque was opened in Bristol and, after a slow start, trading is now very encouraging. Major redecoration was carried out in the discotheques in Charing Cross Road and Brighton.

In order to improve efficiency and profitability, in June 1981 the management and administration of these activities was merged with that of the cinema operations.

Review of Operations

Catering – Profits from motorway service areas were disappointing, in view of the company's purchase of 50-year leases in October 1980 and the ending of the high rental payments previously levied. Frequent petrol price wars have made it difficult to achieve satisfactory profits on petrol sales, whilst the level of holiday traffic was lower than anticipated.

Despite the difficult trading conditions of 1981, the prospects for future business remain good and major developments are being undertaken at the Hilton Park and Knutsford service areas. Within three years all the Division's motorway service areas will have been modernised, providing much improved amenities and higher standards of service for all customers.

The company's Wimpy Bars continued to trade profitably, although suffering in the summer from insufficient sales volume. The first counter service unit opened at Birchwood (Warrington) in December and further openings are planned for 1982.

Rank Leisure now operates six Great American Disaster restaurants and has also purchased the franchise for the U.K. and Europe. Modifications to the menu and environment are leading to a marked improvement in results.

HOTELS AND HOLIDAYS DIVISION

Operation of holiday centres and hotels in the United Kingdom and Europe including a group of luxury hotels. Overseas travel and holidays; boat holidays in the United Kingdom and France; Leisure Caravan Parks.

Managing Director – Mr. R. F. Butlin
 Turnover £131,719,000 (1980 £127,596,000)
 Trading Profit £14,694,000 (1980 £15,610,000)

The market for holidays in the United Kingdom continued its decline of the past three years, for reasons associated with the economic recession, the strength of the pound against European currencies and the indifferent weather – all of which have made Continental holidays appear more attractive.

Butlin's

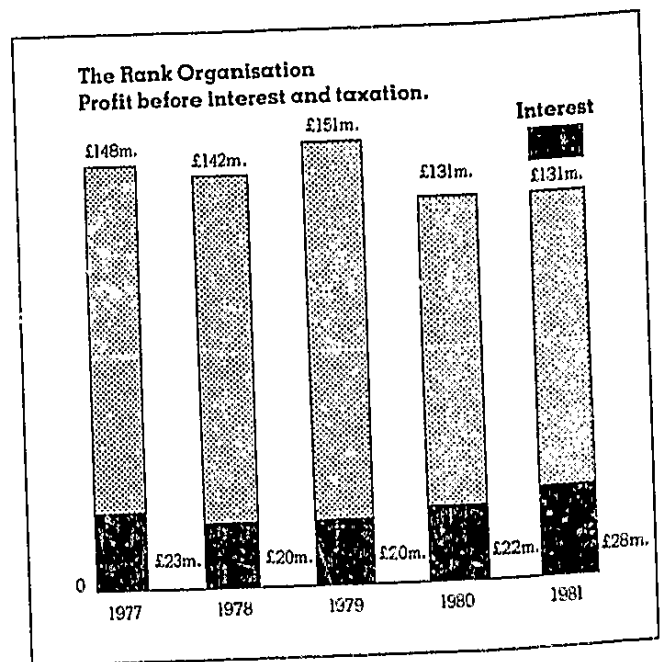
Main Centres – The recession at home was reflected in a reduction of holiday bookings at Butlin's U.K. Main Centres from 1,160,000 to 1,085,000 – a decrease of 6½%. However, our share of this important sector of the U.K. holiday market was fully maintained.

Small Centres – Butlin's holiday hotels had another very successful year, as did the company's operations in France, both at the caravan sites and on the Canal du Midi. Bookings of motor cruisers in the U.K. were mixed, with business on the Thames improving on last year, but the Norfolk Broads operation showing a decrease of 11%. Promotion of boating holidays is now being made direct to the public and through travel agents under the FreshFields brand name.

Butlin's acquired the Grand Hotel at Llandudno and the first season's operation – from May – has been very encouraging. There has also been further expansion of the caravan operation in France.

Leisure Caravan Parks – Bookings of Leisure Caravan Parks hire fleet increased by 11% over 1980, with Primrose Valley doing particularly well, with an increase of 18%. Leisure Caravan Parks was unable to acquire the caravan site at Allhallows, near Rochester, Kent, to which reference was made last year, but the Suffolk Sands site at Felixstowe, with a leasehold development of 365 pitches, was acquired and opened during the year.

Occupancy at Lake Arrowhead, in Myrtle Beach, U.S.A., was 8½% higher than in the previous year, with the 24 holiday homes providing useful additional revenue for the site, having been let throughout 25 weeks.



Review of Operations

Rank Hotels – The decision that Rank Hotels should dispose of its five European hotels and concentrate its activities on the seven U.K. properties has been implemented in respect of the four major properties and will remove the burden of losses incurred by those operations over recent years, and enable the company to achieve acceptable levels of return.

A programme of staff reduction has been successfully implemented in the head office and operating units. This, in conjunction with improved productivity and other cost recoveries, produced substantial savings, of which some £2 million is on payroll alone. Redundancies have been limited to 40, the majority of manpower saving being achieved through natural wastage.

During the year, room occupancies in the United Kingdom hotels fell below those of 1980, with the exception of the Royal Garden and the Royal Lancaster hotels.

Despite decreased volumes, pricing action resulted in an overall increase in turnover of 7% and a marginal improvement in operating profit over last year.

Of the two provincial hotels, the Unicorn hotel in Bristol again improved its profitability by 15%; but the Great Danes hotel at Maidstone was less successful in countering the recession.

Rank Marine International – The major tenant at Port Hamble, Fairways Marine Limited, went into liquidation. New tenancies have been granted for the boatyard, chandlery and brokerage. In spite of this difficulty the profits earned by the company were very satisfactory.

FILM AND TELEVISION SERVICES DIVISION

Operation of Pinewood film studios; film distribution; cinema advertising service; production of educational and training films; film and video cassette libraries; marketing of audio-visual equipment and services, and consumer photographic products; film processing. Associated Company: Rank Phicom Video Group – video laboratories, film and video studios, cassette duplication.

Managing Director – Mr. J. Daly
Turnover £40,807,000 (1980 £45,346,000)
Trading Profit £2,099,000 (1980 £934,000)

Mr. Jim Daly was appointed Managing Director of this Division when it was established in January

1981. He was formerly Managing Director of Rank Film Laboratories and has been an employee of the Organisation since 1962.

Trading conditions in 1981 were very unfavourable for the Division's activities. As a result, turnover fell by 9%.

The effect of the world recession on the film industry has been amplified by its dependence on the U.S. market where feature film production was greatly reduced because of high interest rates and the Screen Writers' strike. This resulted in less work for Pinewood and Rank Film Laboratories. It also meant that the major U.S. film companies were short of product, causing them to acquire rights for films made by independent film producers. Rank Film Distributors consequently had difficulty in obtaining good films for distribution at an acceptable price.

However the subsidiaries were profitable and total profits of the companies within the Division rose by £1.2 million, principally due to improved performance by Rank Film Distributors following the elimination of losses on film production.

The continuing decline in cinema admissions created problems for Rank Film Distributors and Rank Advertising Films and in these circumstances, the profits achieved by these companies were very satisfactory.

Pinewood – There was a dearth of studio feature film production and Pinewood secured only six films during the year. However, this represented a high proportion (over 40%) of those available.

Management action was necessary to reduce expenditure and major staff redundancies were incurred. Bookings increased in the last quarter of the year and it is expected that the studio will now be very busy for many months, on the basis of orders received.

The project to run public tours of Pinewood was rejected by the local authority. A revised and more limited proposal is being considered by the company. Meanwhile, Pinewood has begun to provide facilities for conferences, meetings and product launches. These have made a contribution to profits which is expected to grow.

In the short term, it is expected that the demand for Pinewood's services will continue to fluctuate and an additional, and more stable, source of revenue is being sought. It is likely that Pinewood will be used increasingly to make films for television and some of this year's production has been specifically for the American cable and satellite markets. This should increase as cable and satellite broadcasting develops in Europe.

Review of Operations

Rank Advertising Films - This was another satisfactory year for the company. The poster advertising industry has been adversely affected by an agreement to reduce cigarette advertising by 30%. However, Rank Advertising Films' poster turnover has grown by 35% and this trend is expected to continue.

On 31st July 1981, Rank Advertising Films acquired for £104,000 Faber Advertising Services Limited, who owned the advertising rights on 57 screens in the U.K. and Eire.

The outlook for the immediate future is good but long-term growth will depend on the company's ability to service other outlets in addition to cinemas.

Rank Audio Visual - As from 1st November 1981, Film and Television Services Division has assumed responsibility for the film, video, audio-visual and photographic operations of Rank Audio Visual.

Profit for these activities fell in 1981, mainly due to the decline of the 8mm cine business, adversely affected by the growth of video. This trend has been countered by the acquisition of several new agencies in the photographic field including Soligor lenses and Omega enlargers.

The Film Library continues to operate satisfactorily and in addition to Rank, Universal, Paramount, Disney and I.T.C. films, it has now acquired rights to distribute United Artists' pictures.

The Video Library became profitable in its second year of operation and has obtained distribution rights for some important Disney titles in the U.K.

Investment in the production of training films has been increased. The Gateway Educational film Library has been acquired and merged with the Rank Aldis Educational Library.

Rank Film Distributors - Cinema distribution turnover for 1981 declined due to lower income from our U.K. agency agreement with Fox and lower income from overseas. However, this situation was compensated by profits from sales for television and video cassettes.

Rank Film Distributors has rights to 500 feature films and is, therefore, well placed to benefit from the growth of video cassettes, video discs, cable television and satellite broadcasting.

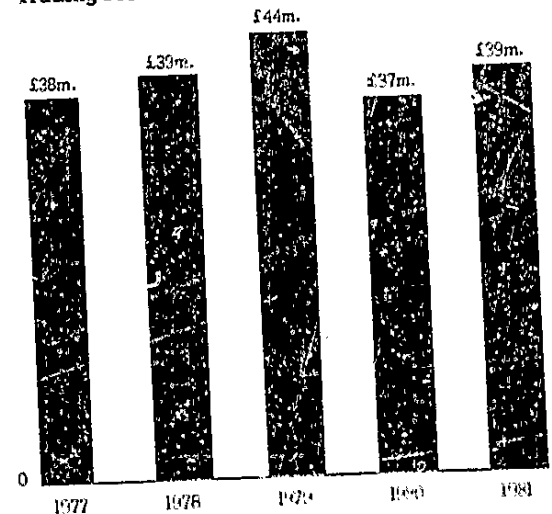
Rank Film Laboratories - The volume of film processed has dropped by 24% and the decline

was apparent in all sections of the market serviced by the laboratory. In addition to the unfavourable conditions which have affected the whole film industry, a new practice has developed which is particularly damaging to U.K. film laboratories, which rely heavily on release printing. This is the practice of importing and exhibiting prints which have already been used in America.

There is no evidence that the current trend will show significant recovery and manning was reduced substantially during the year. In the medium term it is expected that production will increase, but release printing will decline as distributors turn towards video. This may result in a continuing decrease in the size of the laboratory business.

Rank Phicom Video Group - On 1st January 1981, the Rank Video Centre was merged with its major competitor to form a new video facilities company, Rank Phicom Video Group Limited. At the same time, Audio + Video, a company specialising in cassette duplication for the industrial market, was acquired. Rank invested £725,000, in addition to the assets of the Rank Video Centre, to secure a 50% share of the new company. Substantial rationalisation of manpower, equipment and premises has been made possible and the prospects, particularly for video cassette mastering and duplication, appear promising.

The Rank Organisation
Trading Profit.



Review of Operations

Camera Effects – On 9th April 1981, Camera Effects Limited was acquired for £1,650,000. Camera Effects specialises in producing optical effects on film using computerised rostrum cameras.

INDUSTRIAL DIVISION

Manufacture and marketing of a wide range of precision-made industrial and consumer products including: broadcast television equipment; process control equipment; medical equipment; specialised cathode ray tubes; analytical instrumentation; day and night vision; sonar and metal detection equipment; cine zoom lenses; precision measurement equipment; counting devices; matrix printers and hand numbering machines; theatre and TV studio lighting and controls; stage engineering; sound and auditorium equipment; and hi-fi.

Managing Director – Mr. G. W. Deith
Turnover £92,174,000 (1980 £86,986,000)
Trading Loss £3,753,000 (1980 Profit £2,616,000)

Mr. Geoffrey Deith was appointed Managing Director of the Industrial Division on its formation on 17th August 1981. He joined the Group in December 1980 subsequent to the acquisition of R. E. Ingham Limited of which he had been Managing Director since 1963.

The Industrial Division has operated with great difficulty under the restraints imposed by the world recession. Reductions in demand by the steel and automotive industries have had a severe effect on Taylor Hobson and Hilger; Government cutbacks in defence and local authority spending constrained Pullin Controls and Strand respectively; whilst, in the consumer product field, the HiFi business has had to cope with depressed consumer spending, together with high sterling exchange rates in the early part of the year.

Heavy international competition for the Division's remaining markets, caused an inevitable erosion of profit margins, and as a result a trading loss for the financial period. Notable exceptions to this trend include the telecine operations of Cintel and the instrument business of Taylor Hobson in Japan, both of which were successful in increasing sales and profits.

At most of the Division's factories there have been redundancy programmes to bring production facilities in line with market forecasts. The future is viewed with cautious optimism, with 1982 regarded as a further year of cost reductions to provide the lower cost base necessary for profitable activity.

Rank Cintel – The year opened with a low order book due to the world economic climate and high interest rates in the U.S.A., but the effective marketing of the advanced telecine machine resulted in a successful year's trading. The largest single order ever placed for this equipment, worth £2.5 million, was won during the year in Nigeria.

An increase in the level of graduate intake this year will reinforce the research and development team, who have successfully launched a range of new developments. The company's market leadership and technical expertise was confirmed by the receipt of an Emmy Award for outstanding achievement in engineering development from the U.S. Academy of Television Arts and Sciences. Rank Cintel is the first British company to receive the Award since its introduction in 1948.

Cintel has been able to expand into further premises at the Ware site and entered the current financial year with increased order books and excellent business momentum.

The Rank Electronic Tubes cathode ray tube business continues to expand successfully, with an important share of the market for avionic head-up display tubes. The acquisition of a modestly sized American business specialising in avionic head-down tubes puts Rank Electronic Tubes in a good position to increase its share of this important and growing market.

Rank Hilger – The worldwide recession in the steel industry resulted in a substantial reduction in orders for emission spectrometers which seriously affected the company's financial performance. As a result, substantial redundancy and restructuring was necessary during the year.

Considerable progress was made in introducing the Chemispek automatic analyser to world markets, in the face of strong competition, and the Chromaspek amino-acid analyser was awarded a Gold Medal at the Brno Fair.

New developments in crystal materials for X-ray scintillation detectors have led to new market opportunities for these products.

Rank Taylor Hobson – Considerable restructuring of the company took place during the year. In general, market share has been maintained, but profits were sharply reduced due to pressure on margins and the lower volume of sales.

However, the Japanese subsidiary increased sales and profits substantially and the first orders for micro-surface generation machinery were obtained.

Review of Operations

The Thermal Imaging development programme, in conjunction with the Ministry of Defence, is progressing satisfactorily and is now making a significant contribution to results.

Rank Pullin Controls – A Government moratorium on defence expenditure, and the subsequent reduction in naval expenditure, severely affected the company's order intake for the Brentford plant. Similar constraints applied to the night vision equipment manufactured at Debden, resulting in some short time working at the plant.

The company is currently consolidating its optical, electronic and mechanical engineering resources on the one site at Debden, thus providing a balanced technological facility geared to the needs of the market. The Brentford site has useful development potential and will be sold.

There has been a shift in emphasis from weapon sights to vehicle sights and these, together with drivers' periscopes, offer the best potential, particularly in overseas markets, in the next few years.

HiFi – Losses were incurred in this sector due to the depressed level of consumer spending on luxury consumer durables and the strength of sterling in the early part of the year. Selling operations in Holland and France were not viable and were closed.

Following a period of short time working, a substantial redundancy was declared at Wharfedale as a pre-requisite to streamlining that operation to take advantage of the combined technical resources of Wharfedale, Heco and Ingham. Plans are being implemented to revise the method of manufacturing of Wharfedale, to accommodate two new product ranges and to make effective reductions in the cost base prior to launching into a wider range of export markets. The export potential has now been strengthened, with new distributors in the U.S.A., Japan, Australia, France, Holland, Indonesia and the Philippines.

A new range of loudspeakers launched by Heco at the Berlin Exhibition was well received and will enable the product group to maintain market share in the highly competitive West German market.

The Ingham factory which supplies hi-fi speakers and cabinets to other manufacturers has had its capacity extended by new capital equipment to meet demand from a wider range of customers. Levels of demand have improved, particularly from Japanese customers.

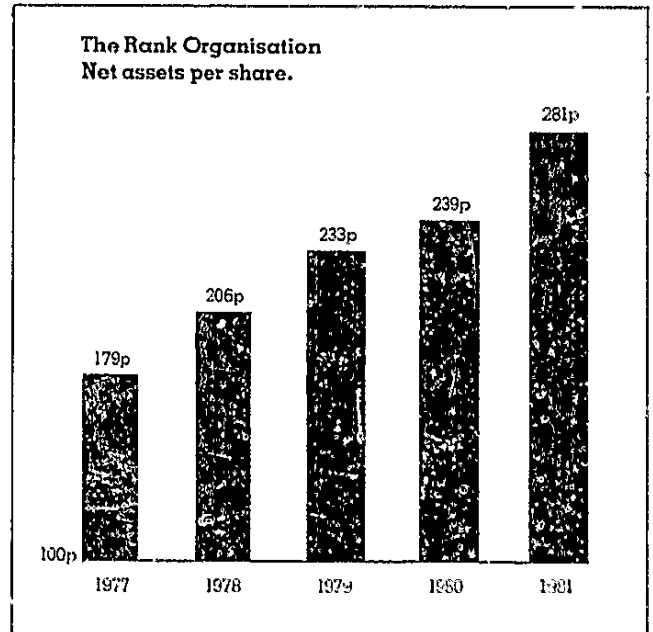
Strand – The economic recession bit deeply, with the U.K. private sector holding back on capital investment and local authorities cutting back on their expenditure in theatres, schools, multi-purpose halls, etc. The strong pound substantially reduced overseas margins, though this factor has improved in recent months. The U.K. Independent Television industry undertook very little re-equipment, but a substantial contract was obtained for re-equipping a complete studio at the BBC's Shepherds Bush Television Centre.

A new range of seating known as Horizon was introduced. Strand Lighting successfully launched new theatre lanterns of highly advanced design.

Tele-Stage acquired in 1979 has built up a large order book but experienced problems in expanding its volume of production and in carrying out major overseas installations during the year. These problems have now been resolved and we look forward to a significant improvement in performance.

English Numbering Machines – With little opportunity to raise prices, ENM succeeded in effecting cost reductions via design and production rationalisation and achieved modest profits. In the traditional office product ranges, there have been fluctuations in demand due to major customer destocking but the overall demand pattern has been sufficient to support reduced capacity.

New developments in the electro-sensitive



Review of Operations

printer product group have won substantial orders and this sector is the basis of a concerted effort to identify and exploit new product opportunities.

INTERNATIONAL DIVISION

A group of overseas-based companies supplying a wide range of products and services to industrial and consumer markets, including Rank Organisation technical products made in the U.K. In Australia: manufacture and marketing of television sets, whitegoods, housewares and furniture; marketing of audio equipment, microwave ovens, air conditioning units, security systems, industrial process control equipment. In America and Canada: manufacture and marketing of theatre lighting and control equipment, precision instruments and commercial neon signs. In Asia: marketing of a range of consumer and professional products, including Rank products; an electronic systems engineering service to many industries.

Managing Director - Mr. K. S. Russett
Turnover £203,620,000 (1980 £133,642,000)
Trading Profit £7,698,000 (1980 £5,609,000)

Mr. Keith Russett is Chairman and Chief Executive of Rank Industries Australia. He was appointed Managing Director of the International Division in March 1981, when the Division was formed to develop and co-ordinate the interests of the Group's operations outside Europe.

Strong growth was achieved by the Division's operating units during the second half and a sound base is being established for the long-term development of international markets.

Rank Industries America/Rank Industries Canada

Strand Century - The introduction of additional dimming and lighting control products, together with improved sales in the broad range of professional lighting markets, contributed to better profit performance.

Rank Precision Industries Inc. - In spite of overall weakness in the capital goods and metal working markets, improved results were achieved. A range of co-ordinate measuring machines will be distributed in the U.S.A. as a result of an agreement recently completed with Pergran Limited. Continued progress has been achieved in penetrating the market for telecine equipment.

Rank Scherr-Tumigo - The sales of small tools and hand measuring products were adversely affected by weaknesses in the metal working and automotive industries. Optical comparators continued to enjoy a high level of market acceptance.

Rank Industries Asia - This operation covers Rank Electronics Asia (Hong Kong) as well as Rank Industries Asia (Singapore). Profits increased by 23% on a turnover higher by 28% in the territories covered by this group. Increased sales of technical products and services contributed to the better performance. Trading continued in buoyant economic conditions, with an average area growth rate of 7% which is expected to continue in the coming year. With the acceptance of additional significant contracts, extension of activities into further territorial markets in the area is contemplated.

Rank Industries Asia achieved results which were well above plan despite experiencing some of the trading difficulties encountered in other areas of the world, such as increased interest rates and adverse currency fluctuations. At the year end, their order books were higher by some 40% than in October 1980.

Rank Industries Australia - Both turnover and trading profit for the first half of the year were adversely affected by industrial relations problems following a plant closure. The company recovered in the second half and performed generally in line with original expectations and trading profit budgets.

The company's leadership in both the television receiver and small appliance markets has been maintained and significant progress has been recorded in whitegoods and furniture. An important share of the fast-growing video recorder market has been achieved.

Rank Industries Australia continued to improve its strong position in the supply of broadcast and studio equipment and theatre and studio lighting fixtures and controls.

Manufacturing activities within Australia were further developed and colour television receivers produced by the Rank NEC factory were at record high levels. Similarly, refrigerators manufactured were almost double previous levels. Small appliance manufacture by Rank General-Electric Housewares was at a higher level than any previous year. A small appliance assembly

Review of Operations

operation has been successfully established in Auckland, New Zealand.

Furniture manufacture and marketing suffered difficult trading conditions during the early part of the year but with the benefit of re-organisation and a complementary acquisition improved substantially and returned to trading profit towards the latter part of the year. The operation enters the new financial year with a strong order book.

The Australian Government has encouraged a programme of rationalisation within the white goods industry. In compliance with this policy Rank Australia has discontinued manufacture of large capacity household refrigerators and entered into an agreement with Philips whereby requirements for large refrigerators under the Rank Arena and General Electric brands will be manufactured by Philips while Rank Industries Australia will, in addition to its own requirement, manufacture small refrigerators under the Philips and Ignis brands for their distribution.

With generally favourable conditions forecast for the Australian economy, continued growth is anticipated for Rank Industries Australia.

RANK CITY WALL LIMITED

Property investment

*Turnover £20,651,000 (1980 £16,321,000)

*Trading Profit £13,095,000 (1980 £9,443,000)

*(includes turnover and profit of O.I.C. Property Holdings Limited in Eire)

United Kingdom and Europe

Directors and Joint

General Managers – Mr. B. T. Penfold
Mr. T. Thomas

The U.K. rent roll increased by £228,000 from new or reversionary lettings, and £880,000 from completed rent reviews. Sales totalling £3.1 million were completed or agreed in respect of certain United Kingdom properties of which the most significant was the retail element of the Savoy Centre, Glasgow, which had been unlet since construction.

Various freeholds of U.K. properties were acquired where the Company held head-leasehold title previously, at a total cost of £1.67 million. The principal purchase was of the freehold of an office building in Curzon Street, London.

The Company's development at Holton Heath, Dorset continued with the construction of a new access road to this light industrial and warehousing

site. Some 290 acres of the site, redundant for commercial development and already designated a Site of Special Scientific Interest by the Nature Conservancy Council because of its rare flora and fauna, were leased to the NCC as a National Nature Reserve at a nominal rent.

The company's Belgian portfolio continues to trade adequately in the depressed local economy.

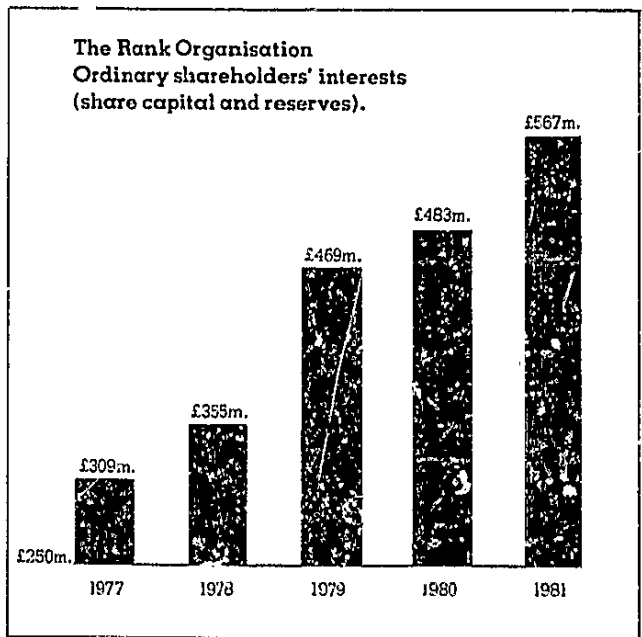
Canada

Executive President – Mr D. H. Montague

At 2 Bloor West, the reconfiguration and refurbishment of the lower level mall is now complete. The area has leased well and the tenants are trading satisfactorily.

Recent reviews negotiated in the last twelve months will give a healthy increase in income and the value of the company's portfolio now shows a substantial surplus over book value.

Negotiations are proceeding for the disposal of the major development at Sheppard Centre, Toronto, the proceeds of which will be utilised in part for the purpose of repaying the Preference Shares issued in 1979.



Review of Operations

ZYNAR

Micro-processor systems.

Managing Director - Mr. C. Crook

The products (local computer and network services) marketed by Zynar constitute a new concept in information technology. A large amount of pioneering effort has therefore had to be undertaken by the company. During the year, Zynar obtained some of the largest local computer network contracts available in the market. Citibank the National Computing Centre, and the Central Computer & Telecommunications Agency are among Zynar's customers.

Zynar undertook sales activities in most European countries in 1981 and has established an operating subsidiary in Germany during the year - Zynar Vertriebs GmbH.

The company is continuing to expand and has recruited a highly qualified staff. Co-ordination and co-operation with the company's partner, Nestar Systems Inc. in Palo Alto, California, has been increased and the companies are actively involved in joint research and development projects.

OVERSEAS ASSOCIATED COMPANIES

Australia - The Greater Union Organisation Pty Limited

Our associated company enjoyed a very successful year with profits from film exhibition and related activities increasing by 16% over the previous year. Our half share of the company's earnings for the year to 30th June 1981 amounted to A \$4.46 million compared with A \$3.84 million for the preceding twelve months.

New Zealand - The Kerridge Odeon Corporation Limited.

Despite more difficult trading conditions prevailing in New Zealand during the year to 31st March 1981, our associated company improved its results both from film exhibition, property letting and from its merchandising activities generally. Our half share of Kerridge Odeon profits increased from NZ \$3 million in 1980 to NZ \$3.1 million for the year ended 31st March 1981.

Directors' Report

1 Principal Activities

The principal activities of the Group are shown on page 3. There has been no significant change in these during the year.

An analysis of the Group's turnover and profit is set out on page 43.

2 Accounts and Dividends

On pages 24 to 42, the Directors present the Balance Sheets at 31st October 1981, the Group Profit and Loss Account for the year ended on that date and the Current Cost Accounts.

An Interim Dividend of 4.8p per share was paid on the Ordinary shares on 2nd November 1981. The Directors recommend payment of a Final Dividend of 6p per share, payable on 12th April 1982.

The amount which it is proposed should be transferred to reserves is detailed in Note 15 to the Accounts on page 37.

3 Fixed Assets

Changes in fixed assets during the year are shown in Note 11 on pages 31 and 32. These include an increase of £32,369,000 arising from a revaluation of investment properties.

4 Directors

With the exception of Mr. R. F. Butlin and Mr. K. S. Russett, the Directors listed on page 2 were Directors of the Company throughout the year ended 31st October 1981.

Mr. R. F. Butlin and Mr. K. S. Russett were appointed to the Board on 4th December 1980.

Mr. P. H. Courtney, who was a Director throughout the year, is resigning with effect from 31st January 1982 and Mr. T. E. Chilton resigned on 22nd January 1981.

Mr. L. H. Bond, Sir Arnold France, Sir Reay Geddes and Mr. J. B. Smith retire by rotation in accordance with the Articles of Association and, being eligible, offer themselves for re-election.

As Sir Arnold France was 70 in 1981 his proposed re-election will be the subject of a resolution of which special notice has been given.

Of the Directors proposed for re-election, Mr. L. H. Bond and Mr. J. B. Smith each has a service

contract with the Company which is terminable by either party on not less than three years notice.

5 Directors' Interests

The beneficial interests of the Directors in shares of the Company, which are set out in the following table, include such family interests as are required to be shown by the Companies Act, 1967.

	At 31st October 1981		At 1st November 1981	
	Ord.	6½% Pref.	Ord.	6½% Pref.
Sir Robert Bellinger	5,000	—	50,000	—
R. F. Butlin	41,038	—	41,038*	—
P. H. Courtney	3,500	—	1,500	—
R. F. H. Cowen	81,900	—	81,900	—
Russell W. Evans	9,706	—	9,706	—
Sir Reay Geddes	1,166	—	1,166	—
Sir Patrick Meaney	1,008	—	1,008	—
Sir Denis Mountain	315	1,000	315	1,000
The Hon. Angus Ogilvy	2,679	—	2,679	1,000
K. S. Russett	8,516	—	8,516*	—
Harry Smith	6,160	—	6,160	—
J. B. Smith	240	—	240	—
Sir Richard Trehane	1,260	1,000	1,260	1,000

(*at date of appointment)

In addition to the above, at 31st October 1981 Mr. R. F. Butlin was beneficially interested in £500 6½% First Mortgage Debenture Stock 1982/87 of Butlin's Limited and has a non-beneficial interest, as trustee, in 5,648 Ordinary shares and £155,000 10½% Unsecured Loan Stock 1997/2002 of The Rank Organisation Limited and in £10,000 7½% First Mortgage Debenture Stock 1985/90 and £10,000 8% Second Mortgage Debenture Stock 1992/97 of Butlin's Limited.

Throughout the year, Sir Patrick Meaney was also beneficially interested in £76 10½% Unsecured Loan Stock 1997/2002 of the Company.

Mr. R. F. H. Cowen is a Director and a Member of The Rank Foundation Limited and a Trustee of The Rank Prize Funds. In those capacities, he has a non-beneficial interest in 20,492,281 Ordinary shares and 1,026 6½% Cumulative Preference shares in the Company.

Directors' Report

In another capacity, Mr. Cowen has a further non-beneficial interest in 13,144 Ordinary shares and £15,200 10 $\frac{3}{4}$ % Unsecured Loan Stock 1997/2002.

Sir Denis Mountain has the following non-beneficial interests in shares and debentures of the Company as Trustee of:

Eagle Star Staff Pension Fund - 12,600 Ordinary shares

Eagle Star 1975 Staff Pension Scheme - 34,000 Ordinary shares

Except as stated herein, none of the Directors held interests in shares or debentures of the Company or any of its subsidiaries at 1st November 1980 or at 31st October 1981.

None of the Directors or their families has acquired or sold any interests in shares or debentures of the Company or its subsidiaries since 31st October 1981.

6 Contracts with Directors

There were no contracts or arrangements subsisting during the year ended 31st October 1981, or at that date, in which a Director of the Company is or was materially interested and which was significant in relation to the Company's business.

7 Executive Share Schemes

An Executive Incentive Scheme was constituted on 19th October 1970 and provided for the Company and certain subsidiaries to lend money through trustees to nominated executives to enable them to acquire shares in the Company at market values. The loans are repayable within thirteen years of their being made. The loans are also currently interest free. The Scheme was terminated on 6th November 1980. Mr. R. W. Evans, who was a Director throughout the year ended 31st October, 1981 and Mr. T. E. Chilton, who was a Director until 22nd January, 1981 hold 9,706 and 9,240 Ordinary shares respectively, issued pursuant to the Scheme.

An Executive Share Option Scheme was also adopted in 1973 but no options were granted under it and the Scheme was terminated on 7th January 1982.

8 Acquisitions and Disposals

In April 1981, all the issued share capital of Camera Effects Limited was acquired for £1,650,000.

In December 1981, the Company acquired Owners Services Limited, Wings Limited and Aldwych Travel Limited from Tozer Kemsley & Millbourn (Holdings) Limited for a cash consideration of £14.5 million. Also in December 1981, Rank Industries America Inc. concluded an agreement for the purchase of a 21% shareholding in Telecom Equipment Corp. at a cost of US \$17.2 million.

By an agreement dated 30th October 1981, Rank Hotels Limited transferred to Far East Hotels and Entertainment Limited its shareholding in Rank Hotels Overseas Limited which, through wholly-owned subsidiaries, owns the Royal Windsor Hotel in Brussels and the Hotel Westminster in Paris. Contracts were exchanged on 17th December 1981 for the sale by Rank Hotels Limited to Creges Etablissement of Rank Hotels S.p.A. which owns two hotels in Italy.

9 Shareholdings Exceeding 5 per cent.

So far as is known, the only person holding or beneficially interested at 23rd January 1982 in more than 5 per cent. of the Ordinary share capital of the Company was The Rank Foundation Limited which held 20,367,281 Ordinary shares at that date, 10.1 per cent. of the Ordinary shares. The Rank Foundation Limited is associated with The Rank Prize Funds whose holding of 125,000 Ordinary shares in the Company amounts to a further 0.1 per cent.

10 Ordinary Shares

At 31st October 1981, the issued Ordinary shares of the Company were held by 41,320 holders (excluding holders of American Depository Receipts) as follows:

Shares held	Number of shareholders
1—100	17,710
101—250	6,042
251—500	5,232
501—1,000	6,092
1,001—5,000	5,051
5,001—10,000	370
10,001—50,000	403
Over 50,000	420

The total number of Ordinary shareholdings, including American Depository Receipts, was 56,393 (1980—61,741).

Directors' Report

11 Close Companies—Income and Corporation Taxes Act 1970

The Company is not a close company within the meaning of the Income and Corporation Taxes Act 1970.

12 Exports and Overseas Earnings	£000
Value of goods exported by the Group in the year ended 31st October 1981.	42,605
Profits of overseas subsidiaries; film revenues and royalties earned overseas; and share of profits of overseas associated companies	8,484
Exports and overseas earnings of the Rank Xerox companies	353,966

13 Employees

The average number of employees within the Group in each of the 52 weeks to 31st October 1981 and the aggregate gross remuneration for the year were:

	Number	Aggregate gross remuneration £000
Employees within the United Kingdom including 6,586 part-time employees	25,172	103,556
Employees outside the United Kingdom including 453 part-time employees	6,406	43,900
	31,578	147,456

14 Disabled Persons

The Rank Organisation has always sought to employ its quota of disabled persons. The Company has an established policy to encourage the employment of the disabled whenever this is practicable bearing in mind the requirements of the job and regards the quota laid down by the Government as a minimum requirement.

Where an employee becomes disabled during the course of his or her employment, every effort is made to find suitable alternative employment

within the Company and re-training is given if this is necessary.

With regard to career development and promotion, the Company strives to ensure that disabled employees are able to benefit from the planned training and development programmes which exist for employees.

15 Charitable and Political Contributions

During the year ended 31st October 1981, the Company and its subsidiaries made contributions for charitable purposes totalling £151,000. The Company has contributed £30,000 to the Conservative and Unionist Party and £1,000 to the Centre for Policy Studies Limited. The Company also contributed £2,500 to Aims of Industry.

16 Companies Act 1980

In accordance with the provisions of the above Act, the Company will be re-registered as a public limited company and the name of the Company will then become "The Rank Organisation Public Limited Company". This change will be effected on or before the date of the Annual General Meeting.

17 Articles of Association

The Directors recommend that the Company adopts new Articles of Association and the necessary Special Resolution will be proposed at an Extraordinary General Meeting to be held immediately following the conclusion of the Annual General Meeting on 18th March 1982. An explanatory circular together with the Notice convening the Extraordinary General Meeting accompanies this Report.

18 Auditors

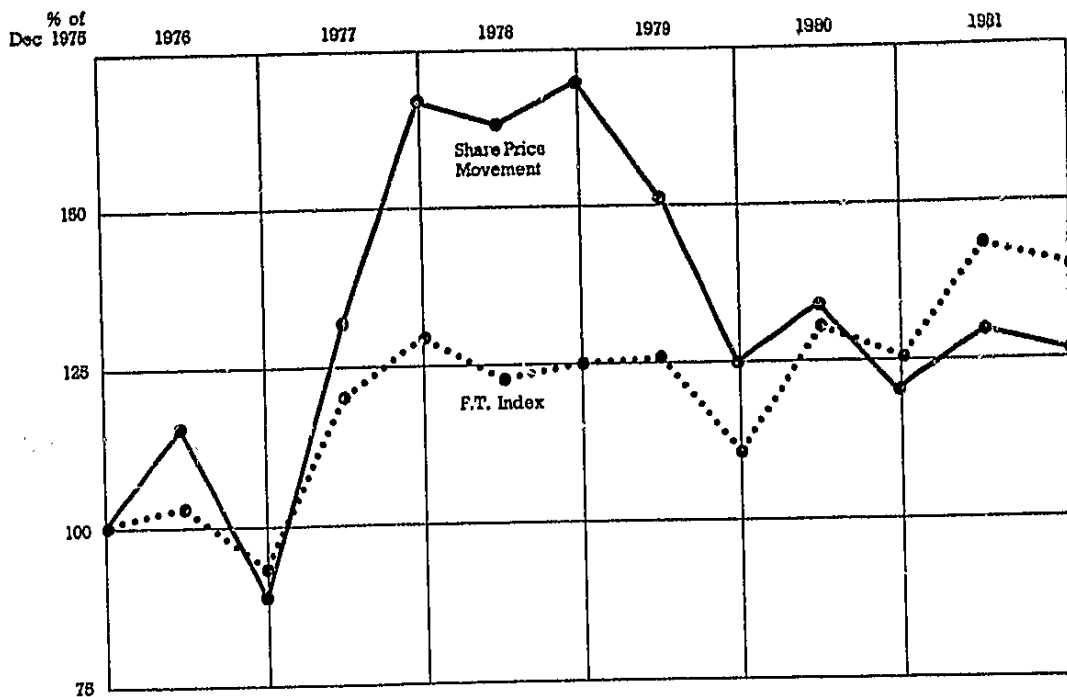
Messrs. Peat, Marwick, Mitchell & Co. have signified their willingness to continue in office as Auditors. A resolution for their re-appointment will be proposed at the Annual General Meeting.

By Order of the Board
B. C. Owers
Secretary

25th January 1982

The Rank Organisation

Percentage movement in price of Ordinary shares
and Financial Times Industrial Ordinary Share Index
31st December 1975 = 100
(Share prices and Index at 30th June and 31st December)



The Financial Calendar

The Interim Results for the half year and the interim dividend are announced in mid July. The interim dividend is paid in early November.

Annual Results. A preliminary statement is published in mid January. The Annual Report is posted to shareholders in mid February and the final dividend is paid in mid April.

The Annual General Meeting is held in mid March.

Conversion of 4½% Convertible Loan 1993
These Bonds may be converted at any time until 12th February 1993 at a price of \$14.523 per Ordinary share.

Dates of Payment of Dividends and Interest

6½% Preference Shares	1st January and 1st July
8% Second Preference Shares	1st January and 1st July
4½% Convertible Loan 1993	15th February
6% Unsecured Loan Stock 1983/88	30th June and 31st December
5½% Unsecured Loan Stock 1990/95	30th June and 31st December
8% Unsecured Loan Stock 1988/93	30th June and 31st December
8½% Bonds 1986	1st November
10½% Unsecured Loan Stock 1997/2002	30th April and 31st October

The Rank Organisation

Accounts

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Source and Application of Funds	26
Notes to the Accounts	27-40
Current Cost Accounts	41-42

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

We have audited the accounts on pages 24 to 42 in accordance with approved Auditing Standards.

In our opinion the accounts set out on pages 24 to 40, which have been prepared on the basis of the accounting policies set out in note 1 on pages 27 and 28, give a true and fair view of the state of affairs of the company and of the group at 31st October 1981 and of the profit and source and application of funds of the group for the year to that date and comply with the Companies Acts 1948 to 1981.

In our opinion, the abridged supplementary current cost accounts set out on pages 41 and 42 have been properly prepared in accordance with the accounting policies and methods set out therein to give the information required by Statement of Standard Accounting Practice No.16.

London
25th January 1982


PEAT, MARWICK, MITCHELL & CO.
Chartered Accountants

Group Profit & Loss Account

for the year ended 31st October 1981

	Note	1981 £000	1980* £000
Turnover		<u>618,403</u>	<u>596,723</u>
Trading profit	2	39,144	37,222
Associated companies	3		
Rank Xerox Companies		85,181	87,531
Others		6,695	6,694
		<u>131,020</u>	<u>131,447</u>
Interest	4	28,264	22,023
Profit before taxation		<u>102,756</u>	<u>109,424</u>
Taxation	5	44,220	50,966
		<u>58,536</u>	<u>58,458</u>
Minority interests		5,587	4,109
Profit before extraordinary items		<u>52,949</u>	<u>54,349</u>
Extraordinary items	6	(1,944)	(20,015)
Profit attributable to The Rank Organisation Limited	7	<u>51,005</u>	<u>34,334</u>
Dividends	8	22,398	22,398
Profit retained	9	<u>28,607</u>	<u>11,936</u>
Earnings per Ordinary Share (before extraordinary items)	10	<u>25.9p</u>	<u>26.6p</u>

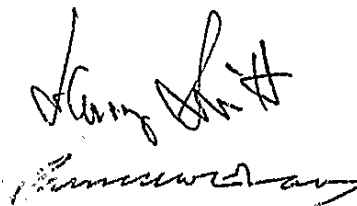
*Comparative figures have been restated (see note 3 on page 29).
The notes to the accounts are on pages 27 to 40.

Balance Sheets

at 31st October 1981

	Note	Group		Company	
		1981 £000	1980* £000	1981 £000	1980 £000
Assets employed					
Fixed assets	11				
Investment properties		213,338	156,121	—	—
Others		229,879	242,450	59,837	59,042
Interests in subsidiaries	13	—	—	306,674	309,073
Investments	14	270,304	212,148	1,394	1,202
Goodwill		45,508	46,094	4,094	3,997
Deferred revenue expenditure		1,017	1,072	78	59
Net current assets (liabilities)	18	17,689	28,966	(19,861)	(35,355)
		<u>777,735</u>	<u>686,851</u>	<u>353,216</u>	<u>338,048</u>
 Financed by					
Ordinary share capital	15	50,498	50,498	50,498	50,498
Reserves	15	516,268	432,124	197,983	190,440
Ordinary shareholders' funds		<u>566,766</u>	<u>482,622</u>	<u>248,481</u>	<u>240,938</u>
Preference share capital	15	12,598	12,598	12,598	12,598
Minority interests	19	48,142	37,353	—	—
Deferred taxation	17	6,156	3,697	1,873	2,178
Loan capital and borrowed money	16	144,073	150,581	90,264	82,334
		<u>777,735</u>	<u>686,851</u>	<u>353,216</u>	<u>338,048</u>

HARRY SMITH
RUSSELL W. EVANS } *Directors*



Accounts approved by Board of Directors
on 25th January 1982.

*Group comparative figures have been restated (see note 3 on page 29).
The notes to the accounts are on pages 27 to 40.

Source and Application of Funds

for the year ended 31st October 1981

	1981 £ million	1980 £ million
Source of funds		
Within the Group		
Trading profit	39.1	37.2
Interest	(28.2)	(22.0)
Dividends received from associated companies	23.8	23.6
Extraordinary items before tax	(3.3)	(27.6)
Items included above not requiring (providing) funds		
Depreciation	15.1	14.3
Other items	(0.9)	3.8
	45.6	29.4
Net proceeds from the sale of:		
Investments	11.8	4.9
Properties and plant	12.9	8.2
Net assets and goodwill of subsidiaries	6.0	—
	77.2	42.6
Outside the Group		
Borrowings other than bank overdrafts	22.5	23.7
Issue of Ordinary Shares	—	1.1
	22.5	24.8
Total	99.7	67.3
Application of funds		
Acquisition of net assets and goodwill of subsidiaries	2.7	3.4
Other investments	2.3	0.3
Additions to fixed assets		
Investment properties	3.0	2.6
Other fixed assets	24.7	37.8
Repayment of borrowings other than bank overdrafts	17.9	16.9
Dividends paid	25.8	25.8
Taxation paid	2.2	1.7
	80.1	88.5
Increase (decrease) in working capital	19.6	(21.2)
Comprising		
Decrease in creditors and accrued expenses	9.6	(13.4)
Decrease in acceptance credits and bank overdrafts less cash and short term deposits	32.5	(24.2)
(Decrease) in stock and work in progress	(20.5)	2.7
(Decrease) in debtors	(2.0)	13.7
	19.6	(21.2)

Note: To eliminate distortions arising from changes in foreign currency exchange rates, the figures are presented on the basis that exchange rates ruling at 31st October of each year had applied throughout that year.

Notes to the Accounts

2 Accounting policies

(i) Historical cost convention

The accounts of the Group have been prepared under the historical cost convention, adjusted for the revaluation of certain properties as disclosed in note 11.

(ii) Subsidiary companies

The Group accounts include the audited accounts, made up to 31st October 1981, of all subsidiary companies. Details of principal subsidiary companies are given in note 13.

(iii) Associated companies

The Group Profit and Loss Account includes the proportion of the results of associated companies attributable to the shareholdings of The Rank Organisation Limited and its subsidiaries. The principal cases where accounts have been used which are not co-terminous with those of The Rank Organisation Limited, are as follows.

Company	Accounting date
Cathay Organisation Private Limited	31st December 1980
The Greater Union Organisation Pty. Limited	30th June 1981
Kerridge Orleon Corporation Limited	31st March 1981

In the Group Balance Sheet the investments in associated companies are shown at the aggregate of cost (less amounts written off) and the Group's share of post-acquisition retained profits and reserves.

(iv) Exchange rates

The Company and its subsidiaries

Assets and liabilities and profit and loss account items in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Exchange differences on trading transactions are dealt with in arriving at trading profit. Realised exchange differences on non-trading transactions, to the extent not dealt with in earlier years, are included in the profit and loss account in extraordinary items. All other exchange differences are dealt with in reserves.

Rank Xerox Companies

Assets and liabilities denominated in foreign currencies are translated into the functional currencies of the reporting companies at exchange rates ruling at the balance sheet date. The exchange differences arising, together with exchange differences on trading transactions, are dealt with in the respective profit and loss accounts.

For the purposes of consolidation of financial statements denominated in foreign currencies, assets and liabilities are translated into sterling at the exchange rates ruling at the balance sheet date and profit and loss account items at average exchange rates for the year. The exchange differences arising are dealt with through reserves. Unrealised intra-group profits are eliminated at exchange rates ruling on the date of the relevant transactions.

(v) Turnover

Turnover consists of sales of goods and services, admission receipts, film distribution revenues, royalties, commissions and gross rentals receivable from investment properties and proceeds of sale of properties held as trading assets. Turnover of associated companies is not included.

(vi) Goodwill

Goodwill represents the net excess of the cost of shares in subsidiaries over the net tangible assets at dates of acquisition and is stated at cost less amounts written off.

(vii) Stocks

Raw materials, work in progress, finished goods, other stocks and film productions are stated at the lower of cost (including, where appropriate, manufacturing overheads) and net realisable value on bases consistent with the previous year. Work in progress is stated net of progress payments receivable.

(viii) Deferred revenue expenditure

Deferred revenue expenditure comprises:

(a) oil exploration expenditure which is carried forward until a decision can be reached as to whether or not the project to which such expenditure relates has prospects for development on a commercial basis. Provisions are made to reduce expenditure to estimated realisable value.

(b) pre-opening expenses which are written off on a straight line basis over a maximum of ten years.

Notes to the Accounts

(ix) Depreciation of fixed assets

The following is a summary of the Group's policy for depreciation of fixed assets:

Properties held for investment

- (a) Completed investment properties are revalued annually and the effect is reflected in the investment property revaluation reserve. On disposal the relevant amount of the revaluation reserve is transferred to other reserves.
- (b) No depreciation is provided on freehold land and buildings.
- (c) No depreciation is provided on leasehold properties where the leases have more than 50 years to run. The historic costs of other leasehold properties are depreciated on a straight line basis over the remaining terms of the leases.

Other properties

- (a) No depreciation is provided on freehold land.
- (b) Depreciation is provided on a straight line basis to write off the cost of all freehold buildings over their estimated useful lives which do not exceed 100 years.
- (c) Leasehold properties are depreciated over the shorter of their estimated useful lives, which do not exceed 100 years, and the terms of the leases.

Plant, vehicles and equipment

Depreciation is provided on a straight line basis to write off the cost of the assets over their estimated useful lives mainly at rates between 5% and 25% per annum.

(x) Deferred Taxation

The Company and its subsidiaries

Deferred taxation is only provided where required by local regulations, or where it cannot be demonstrated with reasonable probability that tax reliefs obtained will continue to benefit the Group for the foreseeable future.

No provision is made for taxation payable in the event of the profits of certain overseas subsidiary and associated companies being distributed and on capital gains which might arise from the sale of properties at the values at which they are stated in the Group Balance Sheet.

The amounts of deferred taxation provided and the relevant potential liability are set out in note 17 on page 39.

Rank Xerox Companies

Full provision is made for deferred taxation.

2 Trading profit

Trading profit is arrived at after crediting
Surplus on purchase of debentures and loan stock

And after charging

Depreciation
Auditors' remuneration (Company £128,200, 1980 £125,000)

	1981 £000	1980 £000
	381	705
	16,129	14,302
	1,037	308

3 Associated companies

	Rank Xerox Companies		Others	
	1981 £000	1980* £000	1981 £000	1980 £000
Share of profits less losses before taxation	85,181	87,531	6,698	6,694
Share of taxation (note 5)	(35,083)	(46,803)	(3,104)	(3,492)
Share of extraordinary items (note 6)	—	—	295	612
	50,098	41,728	3,886	3,814
Dividends receivable by the Group	(16,985)	(21,402)	(4,210)	(1,713)
	33,113	20,326	(384)	2,101
Profits less losses for the year retained by associated companies	(1,196)	(734)	—	—
Minority interests	—	—	—	—
	31,917	19,592	(384)	2,101
Amounts retained attributable to shareholders of the company	—	—	(739)	(1,319)
Reserves of associated company written out on disposal of investment	—	—	—	—
	31,917	19,592	(1,123)	782

*See following page.

Notes to the Accounts

Associated Companies continued

*Comparative figures

The 1980 comparative figures in the Group Profit and Loss Account and Group Balance Sheet set out on pages 24 and 25, and in the relevant notes, have been restated to give effect to a change by the Rank Xerox Companies in the accounting policy for translating amounts denominated in foreign currencies. The change has been made to comply with Statement No. 52 of the U.S. Financial Accounting Standards Board, the broad effects of which are the adoption of closing rates of exchange for the translation of all assets and liabilities and the reflection in reserves of differences on translation of financial statements of overseas companies rather than in the Profit and Loss Account. The revised policy is set out in Note 1 (iv) on page 27.

In the restatement of the 1980 Group Profit and Loss Account the change of policy has resulted in a reduction of Group profits before taxation of £1,813,000 an increase in taxation of £936,000, a reduction in the minority share of profits of £101,000 and a reduction in retained profits for that year of £2,696,000. In respect of an additional loss of £35,406,000 has been charged in respect of 1980 and a gain of £7,792,000 credited in respect of previous years (see note 15). As a result of these changes, investments in Rank Xerox Companies in the Group Balance Sheet at 31st October 1980 have been reduced by £31,448,000, minority interests by £1,136,000 and reserves by £30,312,000.

4 Interest

Interest on bank loans and overdrafts
Interest on other loans fully repayable within 5 years
Interest on other loans not fully repayable within 5 years
Discount on acceptance credits
Interest receivable

	1981 £000	1980 £000
	10,633	9,963
	10,763	2,871
	7,055	8,081
	2,248	3,665
	(2,425)	(2,457)
	<u>28,264</u>	<u>22,023</u>

5 Taxation

	Company and its subsidiaries £000	1981 Associated companies		Total £000	Company and its subsidiaries £000	1980 Associated companies		Total £000
		Rank Xerox Companies £000	Others £000			Rank Xerox Companies £000	Others £000	
United Kingdom corporation tax	2,872	10,053	1,855	14,780	(2,112)	15,794	986	14,668
Current tax	(174)	1,390	(775)	431	(1,084)	(1,599)	491	(2,192)
Deferred tax	(629)	—	—	(629)	1,676	—	—	1,676
Advance corporation tax	—	(8,845)	—	(8,845)	—	—	—	—
Prior year stock relief	—	—	—	—	—	—	—	—
	<u>2,059</u>	<u>2,588</u>	<u>1,080</u>	<u>5,737</u>	<u>(1,520)</u>	<u>14,195</u>	<u>1,477</u>	<u>14,152</u>
Overseas	1,969	14,720	2,232	18,911	1,985	24,269	2,070	28,314
Current tax	2,005	17,775	(208)	19,572	1,206	7,349	(55)	8,560
Deferred tax	—	—	—	—	—	—	—	—
	<u>3,964</u>	<u>32,495</u>	<u>2,024</u>	<u>38,483</u>	<u>3,191</u>	<u>31,608</u>	<u>2,015</u>	<u>36,614</u>
	<u>6,033</u>	<u>35,083</u>	<u>3,104</u>	<u>44,220</u>	<u>1,671</u>	<u>45,803</u>	<u>3,492</u>	<u>50,966</u>

Company and its subsidiaries
United Kingdom corporation tax is provided at 52% and is stated after crediting double tax relief of £291,000 (1980 £373,000) in respect of income from subsidiaries and £589,000 (1980 £818,000) in respect of dividends from associated companies. The charge for taxation has been reduced by £2,802,000 (1980 £3,020,000) in respect of accelerated capital allowances and other timing differences and by £1,279,000 in respect of stock relief.

Rank Xerox Companies

The charge for United Kingdom corporation tax provided at 52% has been reduced by £1,836,000 in respect of stock relief. In addition deferred tax of £8,845,000 provided in prior years has been released as a consequence of the Finance Act 1981.

Notes to the Accounts

	1981 £000	1980 £000
6 Extraordinary items		
Profits less losses on disposal of investments in subsidiary, associated and other companies	9,482	(1,852)
Losses on cessation of businesses	(9,815)	(24,880)
Losses less profits on disposal of investment properties	(2)	1,315
Profits less losses on disposals of other properties	677	607
Goodwill written off	(3,626)	(3,156)
Exchange profits on repayment of overseas currency loans	13	399
	(3,271)	(27,537)
Taxation (including relief relating to previous years)	800	2,989
	(2,471)	(24,548)
Share of extraordinary items of associated companies	295	612
	(2,176)	(23,936)
Attributable to minorities	(232)	(3,921)
	(1,944)	(30,015)
7 Profit attributable to The Rank Organisation Limited	1981 £000	1980 £000
Dealt with in the accounts of The Rank Organisation Limited	29,946	(617)
Retained in subsidiary companies	(9,735)	14,577
Retained in associated companies	30,794	20,374
	61,005	34,334
8 Dividends	1981 £000	1980 £000
<i>Preference Shares</i>		
6½% Cumulative Preference	437	437
8% Second Cumulative Preference	146	146
	583	583
<i>Ordinary Shares</i>		
Interim of 4.8p per share, since paid (1980 interim of 4.8p per share)	9,695	9,695
Final of 6p per share, proposed (1980 final of 6p per share)	12,120	12,120
	21,815	21,815
	22,398	22,398

By virtue of the Finance Acts 1972 and 1976, the dividends payable on the 6½% Cumulative Preference Shares and 8% Second Cumulative Preference Shares are calculated at the rates of 4.375% and 5.6% per annum respectively.

Notes to the Accounts

9 Profit retained	1981 £000	1980 £000
The Rank Organisation Limited and subsidiaries	(2,187)	(8,438)
Associated companies	31,917	19,892
Rank Xerox Companies	(1,123)	782
Others	—	—
	28,607	11,936

10 Earnings per Ordinary Share

The calculation of earnings per Ordinary Share is based upon profit before extraordinary items of £52,949,000, from which are deducted Preference dividends totalling £383,000, giving earnings of £52,366,000 (1980 £53,766,000), and on Ordinary Shares in issue during the year of 201,996,000 (1980 weighted average of 201,835,000 shares). If full provision had been made for deferred taxation, other than in respect of capital gains, earnings would have been £49,664,000 (1980 £45,746,000) and earnings per share 24.5p (1980 22.7p). Comparative figures for 1980 have been restated (See note 3 on page 29)

11 Fixed assets

Group	Completed properties		Properties held for and in course of development		Total £000
	Freehold £000	Leasehold £000	Freehold £000	Leasehold £000	
Investment properties					
Net book amount at 31st October 1980*	84,463	68,021	3,400	237	156,121
Exchange adjustments	14,446	4,639	—	—	19,085
Transfer from other fixed assets	5,928	—	—	—	5,928
Additions at cost	1,623	776	634	—	3,033
Disposals at book amount	(2,013)	(511)	(286)	(230)	(3,040)
Depreciation for year	—	(153)	—	—	(153)
Surplus on revaluation	24,022	6,892	(645)	—	32,369
Net book amount at 31st October 1981	128,468	81,660	3,203	7	213,338

*The opening balances have been adjusted in respect of assets reclassified.

Completed investment properties have been revalued at 31st October 1981 by the Directors (with advice from executives of the Group who hold appropriate professional qualifications or have relevant experience), on the basis of the open market value as between willing buyer and willing seller for existing use. The net surplus of £32,369,000 arising from the revaluations, including a net surplus on overseas investment properties of £17,394,000 translated at exchange rates ruling at 31st October 1981, has been transferred to an investment property revaluation reserve. Properties held for and in course of development are held at cost.

Notes to the Accounts

Fixed assets continued	Freehold land and buildings £000	Leasehold land and buildings £000	Plant, vehicles and equipment £000	Total £000
Other fixed assets				
At cost	123,555	62,488	140,805	326,848
At Directors' valuation in				
1975	893	—	—	893
1978	1,096	—	—	1,096
	125,544	62,488	140,805	328,837
Accumulated depreciation	19,602	11,835	67,521	98,958
Net book amount at 31st October 1981	105,942	50,653	73,284	229,879
<i>Movements during year:</i>				
Net book amount at 31st October 1980*	113,720	54,646	74,084	242,450
Exchange adjustments	3,548	164	2,205	5,914
Transfer to investment properties	(5,928)	—	—	(5,928)
New subsidiaries	—	90	283	373
Subsidiaries sold	(3,624)	(1,867)	(1,128)	(6,619)
Additions at cost	3,904	3,014	17,770	24,688
Disposals at book amount	(3,200)	(2,482)	(6,160)	(11,812)
Provisions for losses on disposal	(403)	(1,495)	(2,246)	(4,144)
Depreciation for year	(2,072)	(1,447)	(11,524)	(15,043)
Net book amount at 31st October 1981	105,942	50,653	73,284	229,879
Company				
At cost	27,444	27,910	37,510	92,864
Accumulated depreciation	7,272	6,398	19,357	33,027
Net book amount at 31st October 1981	20,172	21,512	18,153	59,837
<i>Movements during year:</i>				
Net book amount at 31st October 1980*	20,421	20,832	17,789	59,042
Intra group transfers at book amount	419	791	6	1,216
Additions at cost	728	1,037	3,637	5,402
Disposals at book amount	(1,183)	(166)	(462)	(1,811)
Provision for losses on disposal	175	(400)	(128)	(351)
Depreciation for year	(388)	(582)	(2,691)	(3,661)
Net book amount at 31st October 1981	20,172	21,512	18,153	59,837

*The opening balances have been adjusted in respect of assets reclassified.

The net book amount of leasehold investment properties and other leasehold land and buildings at 31st October 1981 includes for the Group £23,742,000 (1980 £13,596,000) and for the company £16,242,000 (1980 £6,339,000) in respect of leases with less than 50 years to run.

The net book amount of investment properties at 31st October 1981 not depreciated during the year ended on that date was, in respect of the Group £206,193,000 (1980 £152,688,000).

Notes to the Accounts

12 Future capital expenditure	Group		Company	
	1981 £000	1980 £000	1981 £000	1980 £000
Commitments	3,886	6,006	181	648
Authorised by the Directors but not contracted	9,752	9,852	1,925	1,886
	<u>13,338</u>	<u>15,858</u>	<u>2,106</u>	<u>2,233</u>
United Kingdom	10,713	14,028		
Overseas	2,625	1,830		
	<u>13,338</u>	<u>15,858</u>		

13 Interests in subsidiaries	1981	1980
	£000	£000
Shares in subsidiaries at or under cost	183,375	142,227
Amounts owing by subsidiaries including dividends receivable less provisions	240,459	246,674
Interest receivable	709	—
	<u>394,543</u>	<u>389,101</u>
Less: Amounts owing to subsidiaries	85,734	78,755
Interest payable	2,135	1,273
	<u>306,674</u>	<u>309,073</u>

Of the amounts owing by subsidiaries £74,500,000 (1980 £74,500,000) has been subordinated to other creditors as an alternative to increasing the share capital of certain subsidiaries.

The principal subsidiaries, whose activities are shown in greater detail in the Review of Operations on pages 10 to 18, are:

	Class of shares owned	Percentage of share capital attributable to the Company		
		Directly owned	Through subsidiaries	Total
Leisure Division				
Rank Leisure Limited	Company limited by guarantee	100	—	100
Odeon (Ireland) Limited	Ordinary	—	100	100
Rank Tuschinski Beheer B.V.	Ordinary	—	100	100
Hotels and Holidays Division				
Butlin's Limited	6% Cumulative Preference	100	—	100
	Ordinary	100	—	100
Leisure Caravan Parks Limited	Ordinary	—	100	100
Rank Hotels Limited	Ordinary	100	—	100
Film and Television Services Division				
Pinewood Studios Limited	Ordinary	100	—	100
Rank Advertising Films Limited	Ordinary	100	—	100
Rank Film Distributors Limited	Ordinary	100	—	100
Rank Film Laboratories Limited	Ordinary	100	—	100
Rank Audio Visual Limited	Ordinary	100	—	100
Industrial Division				
English Numbering Machines Limited	Ordinary	100	—	100
Rank Strand Limited	Ordinary	100	—	100
Rank Precision Industries Limited	Ordinary	30	65	95
(note (c))				
Rank Wharfedale Limited	Ordinary	100	—	100

Notes to the Accounts

Details of principal subsidiary companies continued	Class of shares owned	Percentage of share capital attributable to the Company		
		Directly owned	Through subsidiaries	Total
International Division				
Rank Industries America Inc.	Common	—	100	100
Rank Industries Asia Pte. Limited	Ordinary	—	100	100
Rank Industries Australia Pty. Limited	Ordinary	—	100	100
Rank Industries Canada Limited	Common Non-Cumulative Participating Preference	—	100	100
Property				
Rank City Wall Limited	Ordinary	100	—	100
Rank City Wall Canada Limited	Common	—	100	100
Holding Companies				
A. Kershaw & Sons, Limited (note (a))	8% 'A' Cumulative Preference 12½% 'B' Non-Cumulative Preference Ordinary	78 85 82	— — —	78 85 82
Rank Overseas Holdings Limited (note (b))	Ordinary	100	—	100
Rank Precision Industries (Holdings) Limited (notes (a) and (c))	5% Cumulative Preference Ordinary	57 60	38 33	92 93
Rank RX Holdings Limited (notes (c) and (d))	Ordinary	50	46	96
Rank Zynar B.V. (note (e))	Ordinary	—	100	100

- (a) A. Kershaw & Sons, Limited holds 43% of the preference and 40% of the ordinary share capital of Rank Precision Industries (Holdings) Limited.
- (b) Rank Overseas Holdings Limited owns the Group's investment in Rank Industries Australia Pty. Limited and many other overseas subsidiary and associated companies.
- (c) Rank Precision Industries (Holdings) Limited owns 70% of the share capital of Rank Precision Industries Limited and 60% of the share capital of Rank RX Holdings Limited.
- (d) Rank RX Holdings Limited owns directly and indirectly the whole of the Group's interests in the Rank Xerox Companies.
- (e) Rank Zynar B.V. owns all the issued share capital of Zynar Holdings B.V. which is the holding company of Zynar Limited and Zynar Vertriebs Gesellschaft m.b.H. A share scheme has been established whereby certain senior executives of Zynar Holdings or its subsidiaries may subscribe for shares in that company on terms that such shares may be purchased by Rank Zynar at a future date at a price determined in accordance with the provisions of the scheme. The total number of shares which may be issued to executives will not exceed 25% of the issued share capital of Zynar Holdings and to date no shares have been issued under the scheme.
- (f) All companies listed above are incorporated and operate in Great Britain other than:
- | | |
|------------------------|-----------|
| Rank Industries Canada | — Canada |
| Rank City Wall Canada | — Canada |
| Rank Tuschinski Beheer | — Holland |
| Rank Zynar | — Holland |
- Rank Industries America — U.S.A.
Rank Industries Asia — Singapore
Rank Industries Australia — Australia

Notes to the Accounts

14 Investments

Group

Rank Xerox Companies

Unlisted

Shares at par

Shares at cost

Share of retained profits and reserves

Subordinated unsecured loan notes

Promissory notes

Other associated companies

Unlisted

Shares at Directors' valuation

Shares at cost less amounts written off

Scrip issue at par

Share of retained profits and reserves

Advances

Listed

Shares at cost (Market value £155,000—1980 £125,000)

Other investments

Listed shares at cost less amounts written off
(Market value £17,000—1980 £16,000)

Promissory note

Unlisted shares at cost less amounts written off

Total

Unlisted

Listed

Company

Other associated companies

Unlisted

Shares at cost

Scrip issue at par

Other investments

Listed shares at cost (Market value £14,000—1980 £13,000)

Unlisted shares at cost

Total

	1981 £000	1980 £000
Shares at par	14,883	14,883
Shares at cost	4,145	4,145
Share of retained profits and reserves	218,513	165,138
Subordinated unsecured loan notes	237,541	184,166
Promissory notes	1,200	1,200
	596	537
	<u>239,337</u>	<u>185,903</u>
Shares at Directors' valuation	250	639
Shares at cost less amounts written off	4,434	2,725
Scrip issue at par	902	902
Share of retained profits and reserves	22,556	19,952
Advances	602	119
Shares at cost (Market value £155,000—1980 £125,000)	28,744	24,337
	73	36
	<u>29,917</u>	<u>24,373</u>
Listed shares at cost less amounts written off (Market value £17,000—1980 £16,000)	39	37
Promissory note	1,800	1,745
Unlisted shares at cost less amounts written off	311	90
	<u>2,150</u>	<u>1,872</u>
	270,192	212,075
	112	73
	<u>270,304</u>	<u>212,148</u>
Shares at cost	256	266
Scrip issue at par	902	902
	<u>1,158</u>	<u>1,168</u>
Listed shares at cost (Market value £14,000—1980 £13,000)	36	34
Unlisted shares at cost	200	—
	<u>236</u>	<u>34</u>
	<u>1,394</u>	<u>1,202</u>

Notes to the Accounts

Investments continued

Details of the principal investments

	Country of incorporation and operation	Class of capital owned	Percentage of share capital attributable to the Company		
			Directly owned	Through subsidiaries	Total
Rank Xerox Companies					
Rank Xerox Limited	Great Britain	'B' Ordinary	—	96.4	6.4
		'D' Ordinary	—	96.4	96.4
Rank Xerox Business Equipment Inc.	U.S.A.	'B' Common	—	96.4	96.4
Rank Xerox Holding B.V.	Holland	'B' Ordinary	—	96.4	96.4
		'C' Ordinary	—	96.4	96.4
Rank Xerox Investments Limited	Bermuda	'B' Ordinary	—	96.4	96.4
Other associated companies					
Film Exhibition					
Cathay Films Distribution Company Limited	Hong Kong	Ordinary	—	24.2	24.2
Cathay Organisation Private Limited	Singapore	Ordinary	—	24.2	24.2
Ceylon Theatres Limited	Sri Lanka	Ordinary	—	28.4	28.4
The Greater Union Organisation Pty. Limited	Australia	Ordinary	—	50.0	50.0
Kenridge Odeon Corporation Limited	New Zealand	Ordinary	—	50.0	50.0
Manufacture					
Bush (Ireland) Limited	Eire	'A' Ordinary	—	30.0	30.0
		'B' Ordinary	—	49.0	49.0
Murphy India Limited	India	Ordinary	—	33.4	33.4
Television					
Southern Television Limited	Great Britain	Ordinary	37.6	—	37.6

The business of Rank Xerox Limited consists mainly of the manufacture in the United Kingdom of xerographic equipment for high speed document copying and duplicating, the marketing of such equipment through subsidiaries operating in Europe, Asia, Africa and Australasia and the manufacturing and marketing operations of Fuji Xerox Co. Ltd., a company incorporated in Japan, which is 50% owned.

Rank RX Holdings Limited owns all the 'B' and 'D' shares in Rank Xerox Limited and is entitled to approximately 48.8% of the total votes. Xerox Corporation and a subsidiary own all the 'A' and 'C' shares and are entitled to approximately 51.2% of the total votes. 57,475 'E' shares in Rank Xerox Limited are held by the Trustees of the Rank Xerox employee share purchase scheme and carry no votes.

Rank Xerox Business Equipment Inc. is an investment holding company which acquired the Eastern Hemisphere Special Businesses of Xerox Corporation in April 1979. These businesses, which are conducted through wholly owned subsidiaries of Rank Xerox Business Equipment Inc. in the United Kingdom, Belgium, France and West Germany, comprise the manufacture and marketing of office equipment and the publication of books and training programmes. Xerox Corporation is entitled to 51% of the voting rights in Rank Xerox Business Equipment Inc. and Rank RX Overseas Limited (a wholly owned subsidiary of Rank RX Holdings Limited) is entitled to 49%.

Rank Xerox Holding B.V. owns the entire share capital of Rank Xerox Manufacturing (Nederland) B.V. whose manufacturing facilities are employed mainly in the manufacture of xerographic equipment and ancillary supplies. Société Industrielle Rank Xerox S.A., incorporated and operating in France, is also a subsidiary of Rank Xerox Holding B.V. The xerographic equipment and ancillary supplies manufactured by Rank Xerox Manufacturing (Nederland) B.V. and Société Industrielle Rank Xerox S.A. are sold mainly to other Rank Xerox companies. Voting rights in Rank Xerox Holding B.V. are held as to 51.2% by Xerox Corporation and 48.8% by Rank RX Overseas Limited.

Rank Xerox Investments Limited is an investment holding company and owns inter-alia 75% of the share capital of Xerox Egypt S.A.E., whose business consists mainly of the marketing of xerographic equipment and ancillary supplies. Voting rights in Rank Xerox Investments Limited are held as to 51% by Xerox Corporation and 49% by Rank RX Overseas Limited.

Under an agreement with Xerox Corporation made in 1977, the Group, through Rank RX Holdings Limited, is entitled to a share in the annual combined profits before taxation of all the associated companies owned jointly with Xerox Corporation. This share amounts to one half of such profits up to a maximum annual sum of £3,700,527 plus one third of the amount by which such profits exceed £7,401,254, from which is deducted the related taxation.

For this purpose, the combined profits before taxation are calculated after making such adjustments as are necessary to eliminate charges made by Xerox Corporation for research and development and corporate overhead costs and the effect of inter-group trading.

Notes to the Accounts

15 Share capital and reserves

Share capital	1981		1980	
	Authorised	Issued and fully paid	Authorised	Issued and fully paid
	£000	£000	£000	£000
6½% Cumulative Preference Shares of £1 each	10,000	9,996	10,000	9,996
8% Second Cumulative Preference Shares of £1 each	3,000	2,602	3,000	2,602
Ordinary Shares of 25p each	57,000	50,498	57,000	50,498
	<u>70,000</u>	<u>63,096</u>	<u>70,000</u>	<u>63,096</u>

At 31st October 1981 4,080,906 of the unissued Ordinary shares were reserved against conversions of the outstanding 4½% Convertible Loan 1993.

Reserves	Group		Company	
	1981	1980	1981	1980
	£000	£000	£000	£000
Share premium account	141,608	141,608	141,608	141,608
Investment property revaluation reserve	71,485	36,270	—	—
Other reserves	303,175	254,246	66,375	48,832
	<u>516,268</u>	<u>432,124</u>	<u>197,983</u>	<u>190,440</u>

Movements in investment property revaluation reserve	£000
Balance at 31st October 1980	36,270
Transfer from other reserves on reclassification and adjustments on disposal	880
Exchange adjustment	1,966
Surplus on revaluation of investment properties	32,914
Write back of revaluation surplus on uncompleted properties	(648)
Balance at 31st October 1981	<u>71,485</u>

Movements in other reserves	Group			Company
	Company and its subsidiaries	Associated companies	Total	£000
	£000	£000	£000	£000
Balances at 31st October 1980 as previously reported	75,199	209,359	284,558	48,832
Prior year exchange adjustment (see note 3 on page 29)	—	(2,698)	(2,698)	—
Restatement of retained profits for 1980	—	(35,406)	(35,406)	—
Charge to reserves for 1980	—	7,792	7,792	—
Credit to reserves for years before 1980	—	—	—	—
Balances at 31st October 1980 as restated	75,199	179,047	254,246	48,832
Transfer to investment property revaluation reserve	(880)	—	(880)	—
Exchange adjustments	—	19,531	19,531	—
Rank Xerox companies	(2,087)	3,500	1,413	(4)
Other companies	—	345	345	—
Surplus on revaluation of fixed assets	300	(387)	(87)	—
Sundry	(2,187)	30,794	28,607	7,547
Profit retained	—	—	—	—
Balances at 31st October 1981	<u>70,345</u>	<u>232,830*</u>	<u>303,175</u>	<u>56,375</u>
Regarded as available for distribution	<u>60,727</u>	<u>—</u>	<u>60,727</u>	<u>49,656</u>

*Includes £210,097,000 in respect of Rank Xerox companies

Notes to the Accounts

16 Loan capital and borrowed money	Group		Company	
	1981 £000	1980 £000	1981 £000	1980 £000
Bank overdrafts	5,135	8,096	—	—
Bank loans				
Amounts repayable				
Within one year or on demand	23,626	16,611	6,229	14,518
Between one and two years	4,121	633	4,000	—
Between two and five years	17,865	24,344	13,333	14,667
In five years or more	8,667	11,335	8,667	11,333
	54,179	52,823	32,229	40,518
Other borrowings				
4½% Convertible Loan 1993	32,106	24,638	32,106	24,638
Remainder				
Amounts repayable				
Within one year	37,060	4,415	1,357	1,029
Between one and two years	19,051	21,341	1,358	1,029
Between two and five years	15,975	24,148	4,069	3,088
Between five and fifteen years	29,324	23,226	7,995	8,843
In fifteen years or more	23,040	31,207	18,736	18,736
	156,556	128,976	65,621	57,363
	215,870	189,894	97,850	97,881
Total				
Secured				
Sterling	25,660	26,687	13	16
Other currencies	7,528	11,147	—	—
	33,188	37,834	13	16
Unsecured				
Sterling	53,093	56,563	52,162	56,412
Other currencies	129,589	95,497	45,675	41,453
	182,682	152,060	97,837	97,865
	215,870	189,894	97,850	97,881
Deduct: Parallel loans	12,120	10,290	—	—
	203,750	179,604	97,850	97,881
Deduct: Amounts repayable within one year or on demand included in current liabilities	59,677	29,023	7,586	15,547
	144,073	150,581	90,264	82,334

Other borrowings shown above, other than the 4½% Convertible Loan 1993, include borrowings not fully repayable within five years totalling £63,379,000 (1980 £64,285,000) for the Group and £33,502,000 (1980 £32,725,000) for the Company. These borrowings are repayable in part by annual sinking funds or by instalments and are all repayable at par. The average rate of interest payable on these borrowings was, for the Group 9.0% (1980 9.1%) and for the Company 9.3% (1980 9.3%).

Holder of the 4½% Convertible Loan 1993 has the right to convert into fully paid Ordinary shares of the Company exercisable until 12th February 1993 on the basis of U.S. \$14.823 of the Loan for one Ordinary share of 25p. No conversion rights had been exercised by 31st October 1981 at which date U.S. \$59,267,000 nominal of the loan was outstanding. During the year the Company purchased and cancelled U.S. \$750,000 of the loan.

In 1976, a subsidiary entered into two parallel loan agreements with an overseas third party. Under each agreement the subsidiary initially borrowed U.S. \$10,000,000 and lent the third party the sterling equivalent thereof. At 31st October 1981, the amount outstanding under these agreements totalled U.S. \$22,949,000 (1980 U.S. \$22,949,000) by the subsidiary and £12,120,000 (1980 £10,290,000) by the third party.

Notes to the Accounts

17 Deferred taxation

	Group				Company			
	1981		1980		1981		1980	
	£000	£000	£000	£000	£000	£000	£000	£000
Capital allowances	5,329	3,406	219	465	40,087	38,517	9,266	8,727
Stock appreciation relief	—	364	—	—	—	8,310	—	733
Other timing differences	2,992	2,226	1,654	1,713	(2,601)	(4,309)	(725)	(605)
Losses	—	—	—	—	(281)	(1,077)	—	—
	<u>8,321</u>	<u>5,996</u>	<u>1,873</u>	<u>2,178</u>	<u>37,205</u>	<u>41,441</u>	<u>8,541</u>	<u>8,855</u>
Advance corporation tax	(2,165)	(2,299)	—	—	(4,287)	(3,975)	—	(1,676)
	<u>6,156</u>	<u>3,697</u>	<u>1,873</u>	<u>2,178</u>	<u>32,918</u>	<u>37,466</u>	<u>8,541</u>	<u>7,179</u>

Potential liability to deferred taxation
(See note 1 (x) on page 28)

The above figures exclude taxation payable:

- (a) in the event of profits of certain overseas subsidiary and associated companies being distributed and
(b) on capital gains estimated at £26 million (1980 £22 million) at current rates of taxation which might arise from the sale of properties at the values at which they are stated in the Group Balance Sheet.

18 Net current assets (liabilities)

	Group		Company	
	1981 £000	1980 £000	1981 £000	1980 £000
Current assets				
Stocks				
Raw materials and work in progress	33,323	41,258	—	—
Finished goods and other stocks	62,634	62,756	4,140	3,884
Film productions	4,733	4,965	3,965	4,579
	<u>100,690</u>	<u>108,979</u>	<u>8,105</u>	<u>8,463</u>
Debtors and prepayments	114,206	105,066	4,245	3,330
Loans to Trustees of the Executive Incentive Scheme (after provisions of £37,000)	22	22	22	22
Advance corporation tax recoverable on dividends provided in the accounts	1,286	—	1,286	—
Dividends receivable from associated companies	8,231	10,782	—	—
Short term deposits	24,849	6,682	19,000	2,000
Cash at bank and in hand	4,301	10,636	334	7,310
	<u>253,585</u>	<u>242,167</u>	<u>32,992</u>	<u>21,125</u>
Current liabilities				
Amount of loan capital and borrowed money repayable within one year or on demand	59,677	29,023	7,586	15,847
Creditors, provisions and accrued expenses	129,173	131,358	20,148	18,924
Acceptances by banks	16,175	25,427	—	—
United Kingdom corporation tax	2,588	1,170	824	—
Overseas taxation	2,708	2,396	—	—
Dividends	194	194	194	194
Accrued on preference shares	21,815	21,815	21,815	21,815
Payable and proposed on Ordinary Shares	2,280	1,818	—	—
Minority shareholders of subsidiaries	1,286	—	1,286	—
Advance corporation tax	—	—	—	—
	<u>235,896</u>	<u>213,201</u>	<u>51,853</u>	<u>56,480</u>
Net current assets/(liabilities)	<u>17,689</u>	<u>28,966</u>	<u>(18,861)</u>	<u>(35,355)</u>

Notes to the Accounts

19 Minority interests

Minority interests include £33,315,000 in respect of preference shares issued by a subsidiary which are redeemable at par on 15th May 1982.

20 Contingent liabilities

A claim against the Company in the High Court arising out of the 1975 Offer for Sale has been dismissed, and the plaintiffs have been ordered to pay the Company's legal costs. The Company is advised that any appeal is likely to fail and accordingly no provision has been made. The amount of damages claimed was in the first instance £600,000 excluding interest, but during the course of the trial leave was given to amend the Statement of Claim so that the action became one brought on behalf of all the investors concerned which effectively increased the damages claimed to an amount estimated at £2,490,000 excluding interest.

In addition there are the following items:

Group There are contingent liabilities in respect of (a) guarantees amounting in aggregate to approximately £6,300,000 (1980 £9,800,000) including £300,000 (1980 £300,000) relating to advances by third parties at 31st October 1981 to associated companies and (b) additional taxation payable in the event of the profits of certain overseas subsidiary and associated companies being distributed.

Company There are contingent liabilities mainly in respect of advances by third parties at 31st October 1981 to (a) subsidiaries amounting in aggregate to approximately £99,100,000 (1980 £92,200,000) of which £98,400,000 (1980 £90,800,000) is included as liabilities in the Group balance sheet and (b) associated companies of approximately £300,000 (1980 £300,000).

The Company is included in a normal group value added tax registration. Companies within the group registration are jointly and severally liable for the total value added tax due by such group. At 31st October 1981 the contingent liability under these arrangements amounted to £3,847,000 (1980 £5,199,000).

21 Directors and employees

	1981 £000	1980 £000
(a) Total emoluments of the directors of The Rank Organisation Limited		
Fees	69	64
Other emoluments	370	251
Contributions to pension schemes	153	98
Pension paid to former director	8	8
Compensation for loss of office	155	—
(b) Emoluments of Chairman	53	48
(c) Emoluments of highest paid director	69	61

(d) The table which follows shows the number of other directors of The Rank Organisation Limited and of employees of the Group, whose emoluments during the year were within the bands stated.

Emoluments £	Directors		Employees	
	1981	1980	1981	1980
Up to 5,000	7	6		
5,001—10,000	3	3		
10,001—15,000	1	—		
20,001—25,000			29	27
25,001—30,000			11	7
30,001—35,000			3	4
35,001—40,000	1	2		
40,001—45,000	2	2		
50,001—55,000	1	—		

(e) The particulars shown in notes (c) and (d) above are provided only in respect of directors and employees of the Group working wholly or mainly in the United Kingdom.

(f) At 31st October 1981 one officer had a loan outstanding from the Company of £30,000.

Current Cost Accounts

Group Profit and Loss Account for the year ended 31st October 1981

	Note	1981 £million	1980 £million
Turnover		618.4	596.7
Historical cost trading profit before interest		39.1	37.2
Less Current cost operating adjustments	2	(21.3)	(23.2)
Current cost operating profit		17.8	14.0
Gearing adjustment		4.5	4.9
Interest on net borrowing	3	(23.8)	(17.1)
		(6.0)	(3.1)
Associated Companies			
Per historical cost accounts		91.9	94.2
Less Current cost adjustments	4	(25.4)	(24.0)
		66.5	70.2
Current cost profit before taxation		60.5	67.1
Taxation		(44.2)	(51.0)
		16.3	16.1
Minority interests		(5.7)	(3.6)
Profit before extraordinary items		10.6	12.5
Extraordinary items		(1.0)	(20.9)
Current cost profit (loss) attributable to The Rank Organisation Limited		9.6	(8.4)
Dividends		(22.4)	(22.4)
Current cost deficit for the year		(12.8)	(30.8)

Notes to the current cost accounts (CCA)

1. Accounting policies

(a) CCA are based on historical cost accounts adjusted to comply with SSAP 16. Investment properties have not been adjusted. Lack of CCA information for some overseas subsidiaries is not believed material to this presentation. CCA figures allow for price changes specific to the business. The 1980 figures have been restated to give effect to a change by the Rank Xerox Companies in the accounting policy for translating amounts denominated in foreign currencies, as explained in note 3 on page 29.

(b) The gross current cost of fixed assets has been derived as follows:—

(i) Plant has been restated using appropriate Government indices applied to the historical costs.

(ii) The current cost of land and non-specialised buildings has been estimated by the Directors based upon the advice of executives of the Group who hold appropriate professional qualifications or have relevant experience. The valuations adopted for these purposes have in certain cases been taken to be equal to the depreciated net book amount as reflected in the historical cost accounts, principally in respect of theatre properties.

(c) Other accounting policies:

Except as set out above the policies used in the current cost accounts are the same as those used in the historical cost accounts.

2. Current cost operating adjustments

	1981 £m	1980 £m
Cost of sales	(7.4)	(8.9)
Monetary working capital	1.3	(0.7)
	(6.1)	(9.6)
Depreciation	(13.5)	(13.0)
Fixed asset disposals	(1.7)	(0.6)
	(21.3)	(23.2)

4. Associated companies: current cost adjustments

	1981 £m	1980 £m
Cost of rentals and sales	(9.6)	(10.8)
Monetary working capital	(4.3)	(3.6)
	(13.9)	(14.4)
Depreciation	(18.4)	(16.2)
Fixed asset disposals	(0.6)	(1.1)
	(32.9)	(31.7)
Leasing adjustment	(0.9)	—
Gearing adjustment	8.4	7.7
	(25.4)	(24.0)

3. Gearing adjustment

(a) Shareholders' funds have been adjusted to eliminate from the balance sheet, investments, goodwill and the net interest in investment properties.

(b) Average borrowings during the year of £87.4 million 1980 £82.2 million have been attributed to investment properties.

Current Cost Accounts

Group Balance Sheet as at 31st October 1981

	Note	1981 £million	1980 £million
Assets employed			
Fixed assets		213.3	156.1
Investment properties	5	399.3	446.6
Other fixed assets		348.4	293.5
Investments		35.5	34.1
Goodwill			
Working capital		102.0	110.4
Stock		(15.0)	(26.2)
Trade creditors less trade debtors		87.0	84.2
		1,083.5	1,014.5
Net operating assets			
Financed by			
Ordinary share capital		50.5	50.5
Reserves: Current cost	6	322.3	316.7
Other	7	432.2	389.4
		805.0	756.6
Ordinary shareholders' funds			
Preference share capital		12.6	12.6
Minority interests		48.7	38.4
Dividends payable		21.8	21.8
		88.1	82.9
Total shareholders' interest			
Net borrowing		144.3	150.6
Loan capital and borrowed money		6.2	3.7
Deferred taxation		44.9	30.8
Other current liabilities/assets (net)		195.4	185.1
		1,083.5	1,014.5

Notes to the current cost accounts (CCA) (continued)

	1981		1980	
	Gross current replacement cost or valuation £m	Accumulated depreciation £m	Net current replacement cost or valuation £m	Net current replacement cost or valuation £m
Freehold land and buildings	256.8	41.6	215.2	240.6
Leasehold land and buildings	97.3	17.2	80.1	97.3
Plant, vehicles and equipment	254.8	150.8	104.0	108.7
	608.9	209.6	399.3	446.6

	£m
7. Other reserves	
Balance at 31st October 1980 as restated	389.4
Movement in investment property revaluation reserve	35.2
Movement in other reserves before historic cost profit retained	20.4
Current cost deficit for the year	(12.8)
Balance at 31st October 1981	432.2

	£m
8. Current cost reserve	
Balance at 31st October 1980	316.7
Revaluation surpluses reflecting price changes:	
Land and buildings	(16.6)
Plant and machinery	(3.8)
Stock	7.2
Investments	22.1
Adjustments to Goodwill	2.0
Monetary working capital adjustment	(1.3)
Gearing adjustment	(4.5)
Minority interests	0.5
	322.3
Balance at 31st October 1981	84.1
of which: Realised	238.2
Unrealised	

The Rank Organisation

Analysis of Turnover

	1981 £000	1980 £000	1979 £000	1978 £000	1977 £000
Leisure Division	129,023	122,074	113,986	105,700	84,387
Hotels and Holidays Division	131,719	127,596	117,285	92,743	80,962
Film and Television Services Division	40,807	45,346	52,786	45,328	37,343
Industrial Division	92,174	86,986	83,620	92,872	87,989
International Division	203,620	133,642	97,908	77,346	76,068
Property	20,651	16,321	14,930	13,398	14,636
Radio and Television	—	64,563	57,196	57,573	22,983
Canadian Theatres	—	—	—	—	172
Sundry	408	195	121	136	—
Turnover	<u>618,402</u>	<u>596,723</u>	<u>537,832</u>	<u>485,096</u>	<u>442,666</u>

Analysis of Trading Profit

	1981	1980	1979	1978	1977
Leisure Division	6,431	8,255	9,192	9,801	6,440
Hotels and Holidays Division	14,694	15,610	17,847	11,510	9,230
Film and Television Services Division	2,099	934	3,397	3,900	3,368
Industrial Division	(3,753)	2,616	4,708	6,021	6,293
International Division	7,698	5,609	765	1,730	6,112
Property	13,095	9,443	8,295	7,567	8,426
Radio and Television	—	(4,280)	(364)	(988)	(3,220)
Canadian Theatres	—	—	—	—	1,703
Unallocated central costs:	—	—	—	—	38,354
Profits on redemption of debentures	40,264	38,187	43,860	39,541	(899)
Trading Profit	<u>(1,501)</u>	<u>(1,670)</u>	<u>(1,548)</u>	<u>(1,344)</u>	<u>612</u>
	381	705	1,467	967	—
	<u>39,144</u>	<u>37,222</u>	<u>43,779</u>	<u>39,164</u>	<u>37,967</u>

Geographical Analysis of Turnover and Profit

A geographical analysis of turnover and trading profit of trading operations carried on by the Company and its subsidiaries for the year ended 31st October 1981 is as follows:

	Turnover £000	Trading Profit £000
United Kingdom	360,706	25,100
Belgium	3,147	218
France	3,884	(411)
Germany	11,443	(17)
Holland	9,613	(785)
Italy	3,420	32
Eire	6,468	1,213
Rest of Europe	2,249	118
Canada	14,940	6,103
U.S.A.	23,449	1,956
Australasia	160,315	4,967
Asia	16,452	1,277
Japan	2,316	493
Deduct: Unallocated central costs net of profits on redemption of debentures	—	(1,120)
	<u>618,402</u>	<u>39,144</u>

The Rank Organisation

	1981 £000	1980 £000	1979 £000
Turnover	<u>618,402</u>	<u>596,723</u>	<u>537,832</u>
Profits			
Trading profit before depreciation	54,273	51,524	56,662
Depreciation	15,129	14,302	12,883
Expenditure on abortive oil exploration and discontinued property development	—	—	—
	<u>39,144</u>	<u>37,222</u>	<u>43,779</u>
Trading profit			
Share of profits before taxation of associated companies	85,181	87,531	101,889
Rank Xerox Companies	6,695	6,694	5,414
Others	<u>131,020</u>	<u>131,447</u>	<u>151,082</u>
Interest	28,264	22,023	19,893
	<u>102,756</u>	<u>109,424</u>	<u>131,189</u>
Profit before taxation			
Taxation	6,033	1,671	1,345
The Rank Organisation Limited and subsidiaries			
Associated companies	35,083	45,803	49,722
Rank Xerox Companies	3,104	3,492	2,660
Others	<u>44,220</u>	<u>50,966</u>	<u>53,727</u>
	58,536	58,458	77,462
Profit after Tax	5,587	4,109	3,476
Minority interests	52,949	54,349	73,986
	<u>(1,944)</u>	<u>(20,015)</u>	<u>(323)</u>
Extraordinary items	<u>51,005</u>	<u>34,334</u>	<u>73,663</u>
Appropriation			
Dividends of Parent Company	583	583	583
Preference	21,815	21,815	21,747
Ordinary			
Additions to reserves etc.	(2,187)	(8,438)	21,599
The Rank Organisation Limited and subsidiaries			
Associated companies	31,917	19,592	28,192
Rank Xerox Companies	(1,123)	782	1,542
Others	<u>51,005</u>	<u>34,334</u>	<u>73,663</u>
Assets employed			
Fixed Assets	443,217	398,571	362,798
Investments—			
Rank Xerox Companies	239,337	185,903	194,226
Others	30,967	26,245	30,677
Goodwill and deferred revenue expenditure	46,525	47,166	51,818
Net current assets before deducting loan capital repayable within one year	77,366	57,989	80,887
	<u>837,412</u>	<u>715,874</u>	<u>720,406</u>
Financed by			
Ordinary share capital and reserves	566,766	432,622	468,518
Preference share capital	12,598	12,598	12,598
Deferred taxation	6,156	3,697	5,217
Minority interests	48,142	37,353	44,103
Loan capital and borrowed money including amounts repayable within one year	203,750	179,604	189,970
	<u>837,412</u>	<u>715,874</u>	<u>720,406</u>

Figures for 1980 have been restated. See note 3 on page 29. Figures for earlier years are as previously reported.

Ten Year Review

1978 £000	1977 £000	1976 £000	1975 £000	1974 £000	1973 £000	1972 £000
485,096	442,666	426,317	352,663	287,686	260,293	195,219
618	46,974	43,472	27,159	27,119	31,453	21,353
5,454	9,007	10,842	9,935	8,257	6,786	5,246
—	—	29	1,072	1,054	—	—
39,164	37,967	32,601	16,152	17,808	24,667	16,107
97,899	105,301	59,163	49,200	54,306	47,384	36,320
5,070	4,350	5,145	4,128	3,930	3,963	2,838
142,133	147,618	96,909	69,480	76,044	76,014	55,265
20,203	22,811	21,320	18,813	15,824	7,604	4,899
121,930	124,807	75,589	50,667	60,220	68,410	50,376
2,151	8,717	6,219	(779)	2,666	8,539	5,298
48,139	41,972	29,377	25,693	24,832	22,881	17,204
2,567	2,354	2,547	1,682	1,881	1,918	1,437
52,857	53,043	38,143	26,596	29,379	33,338	23,939
69,073	71,764	37,446	24,071	30,841	35,072	26,437
2,540	3,232	2,039	1,334	1,173	956	709
66,533	68,512	35,407	22,737	29,668	34,116	25,728
2,084	(11,655)	6,302	(2,699)	(10,845)	690	58
68,617	56,857	41,709	20,038	18,823	34,806	25,786
583	583	583	583	583	622	833
15,494	13,870	12,300	11,025	8,379	7,588	8,193
24,965	13,975	12,998	(1,056)	(14,071)	8,434	17,344
25,742	28,697	13,824	7,806	23,666	15,733	(1,185)
1,333	(268)	2,004	1,680	266	2,429	601
68,617	56,857	41,709	20,038	18,823	34,806	25,786
323,436	350,542	394,751	355,325	312,606	278,854	133,261
160,985	134,761	101,229	91,687	83,232	57,784	41,399
27,198	24,642	29,460	20,309	16,355	25,957	20,427
42,245	43,647	43,245	44,162	44,249	42,451	21,488
74,248	49,521	35,022	49,215	52,439	68,107	51,651
628,112	603,113	603,707	560,698	508,881	473,153	268,226
354,763	308,797	279,372	257,051	226,132	222,141	153,264
12,598	12,598	12,598	12,598	12,593	12,598	12,598
7,294	12,325	6,699	7,034	13,743	8,799	6,890
13,146	11,466	8,776	7,597	6,550	5,375	4,024
240,311	257,927	296,262	276,418	249,858	224,240	91,450
628,112	603,113	603,707	560,698	508,881	473,153	268,226

Rank Xerox Companies

Statement on the results of the Rank Xerox Companies

1981 has been a particularly difficult year for industry. Most countries in Europe experienced a fall in Gross National Product. At the same time, inflation and interest rates have been at high, and sometimes unprecedented, levels. In recognising these adverse conditions we have continued to improve cost effectiveness and to be more competitive.

During the year we installed the highest number of copier/duplicator machines in any one year in our history; at the same time we achieved substantial productivity improvements. In 1981, significant new products were added to our office information systems range which aims at establishing Rank Xerox as a leader in what is undoubtedly the growth market of the future.

The year 1981 also marked the 25th anniversary of Rank Xerox Limited. Since its formation in 1956 the Company has become one of the most successful and enduring joint ventures in business history.

Results

Revenues for the year to 31 October 1981 rose by 2 per cent. to £1,268 million. Profits before tax and before Xerox Corporation charges amounted to £261 million against £264 million for 1980. The fall in profits was due entirely to movements of sterling against other currencies. Both these figures are based on Statement No. 52 of the US Financial Accounting Standards Board concerning foreign currency translation issued in December 1981. This revised accounting standard requires that gains or losses made as a result of currency fluctuations in translating subsidiary companies' balance sheets be reflected as part of shareholders funds, rather than included in the profit and loss account.

Under the previous convention, FASB Statement No. 8, our profits before tax and before Xerox Corporation charges would have been £216 million for 1981 and £269 million for 1980.

A better indication of operating performance is seen by excluding exchange rate effects. On this basis profits grew by 4 per cent. We regard this as a creditable performance in a period of economic recession coupled with intensified competition.

Fuji Xerox played a significant role in 1981 in its contribution to group profits. After a good performance in the second half, Fuji Xerox' underlying profits growth for the year, before

exchange rate effects, was 16 per cent. However, after the favourable effects of currency fluctuations, our share of its profits before tax was £27 million against £19 million in the previous year.

In 1981 Rank Xerox contributed £60 million, compared with £42 million in 1980, to the research and development costs and corporate overheads of Xerox Corporation. To a large extent this increase was the result of the weakness of the pound against the dollar. Since the distribution of profits from the jointly owned companies is calculated before the allocation of those costs, profits attributable to Xerox Corporation and The Rank Organisation Limited are not affected. After these charges, profits before tax amounted to £201 million.

As a result of changes in legislation relating to UK stock relief, the effective tax rate for 1981 was lower than that for 1980. This is reflected in profits after tax amounting to £124 million against £105 million in the previous year. Under the previous convention, FASB Statement No. 8, the profits after tax would have been £82 million for 1981 and £113 million for 1980.

Cost Effectiveness

In our review last year, we said that at a time of economic recession, high inflation and increasing competitive pressures in our industry, the most critical task we faced was to achieve a constantly higher level of cost effectiveness. Achievements so far have been encouraging.

Cost effectiveness became a primary Rank Xerox target in the late 1970s. As a result of a number of specific projects, productivity has been improved substantially throughout the business. Over the last three years the improvement has been over twice the rate of earlier years, more than meeting our target for the end of 1981. Productivity improvements continue to be a vital goal, and vigorous plans have been made to provide similar improvements in 1982 and beyond.

We are convinced that the group's future success is dependent on maintaining productivity improvements. The competitive environment will be as strong as ever in reprographics, and we face formidable competitors in systems products. The challenge is well recognised throughout every area of operations, and because of that we are confident of meeting our demanding targets.

Overall, employment levels declined slightly during the year; there were some reductions

Rank Xerox Companies

at the main manufacturing sites—Mitcheldean, Welwyn and Venray. Keeping the right balance of people with appropriate skills in a changing business environment is not easy and will present us with a continuing challenge.

The Reprographic Market

Although the recession has had an impact on the reprographic market, growth continues at a good, if reduced pace. The strong demand in this sector has continued to stimulate new competitive activity. We have seen the emergence of significant new competitors both at the top end from US manufacturers and in the middle and lower volume ranges from Japanese manufacturers. In the past three years, five major companies have entered the market with 85 new competitive products.

During these years, Rank Xerox has introduced new products across the whole range of the market. Products introduced in 1981 include the Xerox 2350 which brings copy size reduction facilities to the low volume sector and the Xerox 3300, which is also for low volume users and provides a document feeder and 5-bin sorter.

The products announced in 1980 which were progressively launched in our major markets during 1981 have been well received. These include the Xerox 5600—with automatic two-sided copying, re-circulating document handler and automatic stapling—and the Xerox 8200 and 9500 which produce copies at high speed with offset litho quality.

Installations of copiers and duplicators in 1981 were the highest we have ever achieved in a single year. Particular efforts were made during the year to balance profitability and market share by adjusting prices. The changes made have varied country by country depending on market conditions, but nowhere have we been able to fully recover rising costs by increasing prices; in some cases price reductions have been necessary. With our new products, new marketing initiatives and competitive pricing we expect the trend of increased installations to continue.

In response to changing market conditions we revised our direct sales organisation to put more emphasis on major customers. At the same time, we recognise that it is important to be a key supplier to small customers who also demand competitive office equipment of high quality.

We are witnessing a growing mass market and the challenge is to be able to serve these customers in a cost effective way. To meet these

needs, we are building a sales organisation to sell to small businesses. Since it is becoming more difficult to cover this large market economically through our traditional direct sales organisation, we are exploring a number of alternative distribution and selling methods.

Our experiments in telephone prospecting, mail order and coupon advertising have been successful. We are extending these activities and we are also appointing dealers and distributors. At the same time, our chain of retail stores, at present only in the UK and France, is being selectively expanded. The combination of these selling methods with our direct sales organisation will differ country by country to suit the market.

Information Systems

1981 was a year of progress for our developing information systems business. A number of new products have been introduced which will bring Rank Xerox into a lead position in the fast growing market for office information products and systems. The principal products introduced have been electronic typewriters, a personal computer and a professional workstation. These important new products join those already established in the market.

The Xerox 600 series of electronic typewriters has four models ranging from a low cost model with a half page memory, to a communicating version with a 10-page memory and a visual display. These electronic typewriters are an important step in our plans and demonstrate a further commitment to our strategy of becoming total suppliers of office information products. The electronic typewriter is the natural successor to the electric typewriter but with the advantage that it can help organisations to evolve towards complete office communications systems. The communicating display models can be connected to the Xerox Ethernet local area network. Ethernet links different items of equipment within an office or between offices for high speed exchange of information.

We believe the Xerox 600 series of electronic typewriters are the right products at the right time while the market is in the early stages of transformation from electric to electronic typing. The electronic segment is already growing fast. It is anticipated that by 1986 over half of all typewriters in use in Europe will be electronic and Rank Xerox is entering this next generation market with a product based on excellent technology and

Rank Xerox Companies

high volume, low cost manufacturing capability. Initial supplies of typewriters are being made in the US but production will take place in Europe in 1982.

The Xerox 820 is a personal desk-top computer and display word processor and can be used for electronic mail. The professional workstation, the Xerox 8010 Information System, allows managers to create, modify, store and retrieve text, graphics and records. It has a wide screen which can display two A4 pages simultaneously. Users can also distribute documents via electronic mail to local and remote users on the Ethernet network.

In addition to these new products our range of word processors (including the Xerox 860), Telecopier facsimile machines and the Xerox 9700 laser-based electronic printer did well.

The advanced technology and the extensive practical network systems experience gained by Xerox and Rank Xerox over many years gives us a very firm base from which to pursue the opportunities in this exciting new market. Beyond doubt, the rate of growth of this sector of the business will now be substantial. Having said that, it must be appreciated that while the long term rewards are expected to be very good, considerable investment will be required to achieve these rewards.

Directors

Rank Xerox Limited. We welcome to the Board Roland Magnin, Director, Marketing Planning and Operations Support, who was previously Regional Manager of Rank Xerox in France and Belgium. In his new position, he retains his role as Chairman of Rank Xerox SA (France).

Rank Xerox Investments Limited. We welcome to the Board J. Maldwyn Thomas who retired as Chairman of Rank Xerox Limited in 1979.

Rank Xerox Business Equipment Inc. W. F. Souders has been succeeded as Chairman by J. V. Titsworth, and J. R. Milligan has been appointed a Director.

The Future

Our fundamental strategy is that in all elements of our operations we will offer the best quality and service in our industry. We are firmly in the business of selling productivity in the office environment and delivering maximum efficiency and cost effectiveness.

The year ahead will be one of investment in the marketing of new products, in improving distribution methods, and in ensuring that our own operations continue to be more cost effective. Our profits will continue to be affected by these heavy investments. Rank Xerox is determined to remain a leader in an industry that, over the next decade, will experience outstanding growth both in reprographics and in the emerging office automation market.

We operate in a rapidly changing business environment and the ability of Rank Xerox people to change their working environment and methods is of cardinal importance to our success. While change is not always comfortable or welcome it is, nonetheless, imperative. The complacency derived from past successes has irreparably damaged some once-great businesses. Rank Xerox does not intend to fall victim to such problems.

We are completely confident of our company's ability to adapt both to changing world conditions and new trends in the industries in which we operate.

H. Orr-Ewing
Chairman
Rank Xerox Limited.

P. A. Allaire
Managing Director
Rank Xerox Limited.

Rank Xerox Companies

Source and Application of Funds

for the year ended 31st October 1981

Source of funds	1981 £ million	1980 £ million
Within the Group		
Profit after taxation	121.8	104.6
Profit retained in associated company	(9.3)	(7.3)
Items charged against profits not requiring funds		
Depreciation	121.2	123.7
Deferred taxation and other charges	(11.5)	16.7
Exchange adjustments	15.3	(0.4)
Disposals of fixed assets	60.0	54.2
	<u>297.5</u>	<u>291.5</u>
Outside the Group		
Additional share capital, long-term loans and non current liabilities	54.0	26.3
	<u>351.5</u>	<u>317.8</u>
Application of funds		
Additions to rental equipment	168.3	168.4
Additions to properties and plant	30.1	41.3
Net increases in loans for the purchase of 'E' shares	2.2	1.7
Additional deferred expenditure	5.1	15.6
Repayment of long-term loans	39.2	45.9
Dividends paid	38.6	41.9
	<u>283.5</u>	<u>314.8</u>
Increase in net current assets	<u>68.0</u>	<u>3.0</u>
Comprising		
Increase in stocks and stores	15.8	19.9
Increase in debtors and prepayments	116.7	(8.6)
Decrease in bank overdrafts and acceptances	2.5	(33.1)
(Decrease) in marketable securities, short-term deposits, bank balances and cash	(7.4)	1.5
(Increase) in long-term loans repayable in one year	(2.5)	(6.8)
(Increase) in creditors and accrued expenses	(57.1)	30.1
	<u>68.0</u>	<u>3.0</u>

Rank Xerox Companies

	1981 £000	1980 £000	1979 £000
Turnover	1,268,157	1,237,344	1,164,954
Profits			
Trading profit before depreciation	371,268	380,391	599,893
Depreciation	121,263	123,708	114,359
Trading profit	250,005	256,683	285,534
Share of profit before taxation of Fuji Xerox	26,523	19,371	32,268
Interest receivable	12,386	14,603	11,325
	288,914	290,657	329,117
Interest payable	27,595	26,663	25,902
Profit before taxation and central costs	261,319	263,994	303,215
Central costs (See note below)	60,458	42,164	48,111
Profit before taxation	200,861	221,840	255,104
Taxation based thereon	77,318	116,798	123,006
Profit after taxation	123,543	105,042	132,098
Profit attributable to minority interests	1,792	414	171
	121,751	104,628	131,927
Extraordinary items	—	—	—
	121,751	104,628	131,927
Deduct: Amount attributable to Xerox Corporation and 'E' shareholders	71,653	62,900	79,760
Profit after taxation attributable to The Rank Organisation Group	50,098	41,728	52,167
Assets employed			
Fixed assets	559,438	500,121	544,184
Investment in Fuji Xerox	74,923	56,936	53,408
Loans for the purchase of 'E' shares	3,007	1,687	1,461
Net current assets (liabilities)	134,322	96,537	104,553
Taxation on unrealised intra-group profits	122,495	121,726	115,124
Development expenditure and items receivable after one year	73,758	32,035	24,332
	967,943	809,042	843,062
Financed by			
Share capital and reserves			
The Rank Organisation Group	237,469	184,125	192,383
Xerox Corporation	453,072	347,672	365,144
'E' shareholders	3,074	3,074	3,074
Minority interests	10,228	9,162	9,266
Loan capital and borrowed money repayable after one year	114,323	101,568	134,587
Deferred taxation	111,541	132,093	107,248
Non-current taxation and other liabilities	38,236	31,348	31,360
	967,943	809,042	843,062

In accordance with the agreement with Xerox Corporation, The Rank Organisation's share of the results of companies owned jointly with Xerox Corporation is computed by reference to the profits before deduction of charges made since 1st November 1976 by Xerox Corporation for research and development and corporate overhead costs ("central costs"). Figures for 1980 have been restated for a change in the basis of accounting for the translation of amounts denominated in foreign currencies. Earlier years are as previously reported.

Ten Year Review

1978 £000	1977 £000	1976 £000	1975 £000	1974 £000	1973 £000	1972 £000
1,086,862	960,869	783,658	612,417	473,522	370,841	269,191
398,143	407,733	284,728	241,321	231,150	192,608	143,651
108,025	90,185	83,566	72,940	59,154	48,650	37,924
290,118	317,548	201,162	168,381	171,996	143,958	105,727
22,309	19,612	1,325	4,895	9,377	7,245	4,565
7,414	9,247	5,209	2,463	1,567	1,464	1,430
319,841	346,407	207,696	175,739	182,940	182,667	111,722
26,986	30,300	31,883	30,731	22,358	13,346	6,133
292,855	316,107	175,813	145,008	160,582	139,321	105,589
40,461	39,341	—	—	—	—	—
252,394	276,766	175,813	145,008	160,582	139,321	105,589
122,233	106,330	86,193	71,385	73,247	67,099	49,970
130,161	170,416	89,620	73,623	87,338	72,222	55,616
1,714	1,593	2,116	767	885	563	165
128,447	168,823	88,504	72,856	86,450	71,659	55,454
—	—	—	(4,996)	—	—	—
128,447	168,823	88,504	67,860	86,450	71,659	55,454
78,514	105,193	58,339	44,613	56,976	47,156	36,338
49,933	63,630	30,165	23,247	29,474	24,503	19,116
486,241	459,477	414,377	410,139	360,302	253,304	194,462
34,616	25,637	17,612	25,092	25,675	17,313	14,038
2,161	3,630	3,212	3,144	2,425	1,756	1,112
1,461	63,985	60,733	34,619	(18,633)	(6,015)	(22,737)
102,363	104,327	77,038	56,813	36,993	25,246	18,235
111,961	11,928	10,339	10,045	10,934	8,664	5,455
10,469	—	—	—	—	—	—
747,811	668,984	583,311	539,852	417,696	300,268	210,565
159,739	132,930	99,986	85,587	80,503	56,585	40,199
300,772	248,380	183,662	156,210	147,120	100,772	69,210
3,074	3,074	3,074	2,979	2,416	1,665	1,088
9,360	8,038	6,047	4,554	3,801	2,813	1,285
157,295	177,962	213,373	216,866	115,731	86,569	68,623
95,052	87,929	77,169	73,656	68,028	48,336	25,260
22,519	10,674	—	—	97	3,526	4,900
747,811	668,984	583,311	539,852	417,696	300,268	210,565

owned
member
in foreign