



NOTICE OF ILLEGIBLE PAGES

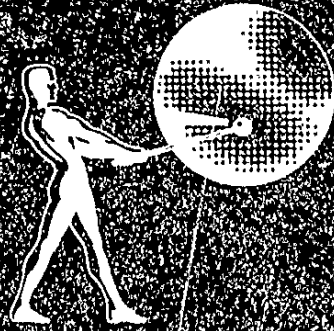
Companies House regrets that documents in this company's record have pages which are illegible.

The poor quality has been noted, but unfortunately steps taken to improve them were unsuccessful.

Companies House would like to apologise for any inconvenience this may cause



THE RANK ORGANISATION

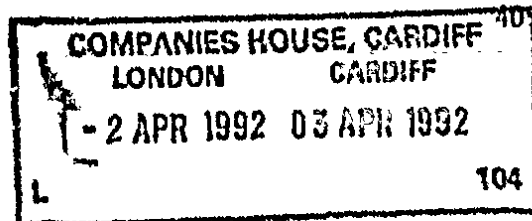


Report and Accounts 1991

Results at a Glance

	1991	1990
	£m	£m
Turnover	2,114.2	1,333.1
Trading profit	186.6	145.1
Exceptional items	(1.3)	16.0
Associated undertakings	158.2	167.2
Profit before tax	250.5	312.1
Earnings	140.9	197.9

	Per Ordinary Share	
	Pence	Pence
Earnings	38.4	70.1
Dividend — net	31.0	31.0
Net assets		448



Contents

Results at a Glance	1	Accounting Policies	24
Chairman's Statement	2	Notes to the Accounts	26
Divisional Results	4	Principal Subsidiary Undertakings	41
Review of Operations	6	Principal Associated Undertakings	43
Board of Directors	16	Report of the Auditors	45
Directors' Report	17	Five Year Review	46
Group Profit and Loss Account	20	Share Ownership Analysis and	
Balance Sheets	21	Financial Calendar	47
Group Source and Application of Funds	22	Notice of Meeting	48

Chairman's Statement

Rank was not immune to recession and profit before tax for the year ended 31st October 1991 was £250.5 million compared with £312.1 million in the previous year a reduction of nearly 20%.

Turnover was £2,114.2 million compared with £1,333.1 million and trading profit at £186.6 million was 28.6% up on the £145.1 million reported in 1990, and the reasons for this are outlined in the review of operations on pages 7 to 15.

Rank's share of the pre-tax results of Rank Xerox was £158.7 million compared with £167.2 million in 1990. The 1991 figure included exceptional property profit of £4.4 million against £11.3 million in 1990.

Universal Studios Florida in its first full trading year made a small contribution to pre-tax profit, despite a decline in visitors to the Orlando tourist market.

Interest costs rose by £76.8 million caused not only by continuing excessively high borrowing rates but also by higher debt caused mainly by the full year effect of the assumption of Mecca's borrowings.

The tax charge of £102.4 million included an Advance Corporation Tax write off of £7 million.

Earnings per share were 38.4p compared with 70.1p achieved in 1990. The principal causes of this reduction were losses from Video Distribution and Precision Industries, reduced exceptional profit, initial financing costs for Universal Studios Florida, a write-off of Advance Corporation Tax and the acquisition costs of Mecca.

The Board has recommended a final dividend of 20.75p per Ordinary share which, together with the interim dividend of 10.25p per Ordinary share declared in July 1991, makes a total net distribution for the financial year ended 31st October 1991 of 31.0p per share, the same as for 1990.

Net borrowings at the year end were £960.8 million compared with £710.2 million in 1990. The increase of some £250 million during the year resulted from the repayment of Auction Market Preference shares at a cost of £117 million, completion payment of £59 million for the

acquisition of the Deluxe film laboratory and adverse translation effect of £66 million on the foreign currency debt. Excluding these items, cashflow was neutral during the year. Net debt at the year end was 64% of total shareholders' funds. The Group has available committed borrowing facilities of some £1.3 billion with an average maturity of some five years of which more than 50% is at fixed rates with an average interest cost below 9%.

The three year rolling programme of professional property revaluation continued, resulting in a reduction of some £35 million taking the overall property surplus to £395 million as at 31st October 1991. Net assets per Ordinary share decreased from 448p to 409p largely as a result of this lower property valuation and writing off goodwill in the acquisition of the Deluxe film processing laboratory in Los Angeles.

Some £192 million was invested during the year on capital expenditure, with the primary aim of increasing the competitive efficiency and future profitability of the Organisation's operating units.

During the year peripheral business activities and properties, largely acquired with Mecca, were sold, reducing year end debt by some £62 million. Since the year end the Group has disposed of its Motorway Service Areas for £86 million cash plus a small residual interest in the business. The Company will continue to dispose of non core activities whenever appropriate values can be obtained.

The poor economic and trading environment in 1991 resulted in a testing year for most businesses, with continuing external pressures on consumer and investment spending. Throughout the year the cost bases of Rank's operations have been reduced, with management focus on market competitiveness, funds conservation and cash generation. Some 3,100 people were redundant as part of the planned reduction in the Group's ongoing cost base. The difficulties of the year prevented the further reduction of debt, but this remains a priority in 1992.

The integration of the continuing Mecca

Chairman's Statement



Sir Patrick Meaney with
Mr Michael Gifford.

Photography: G. O. Beer

operations within the Organisation has been completed. Regrettably, in the economic conditions of 1991 it has not been possible to develop these additional assets to their full sales and profit potential and they have not yet contributed their originally anticipated levels of earnings and return on investment.

In the recessionary and highly competitive conditions in the UK and USA, we have improved our share of leisure markets. Sales increased by 59% with overall trading profit up by 29% and, excluding the losses from Video Distribution and Precision Industries, overall profit margins increased. Rank's effective marketing ensured that discretionary consumer spending and, most importantly, the habit of customers using Rank's organised leisure facilities continued during a time of generally depressed earnings and declining personal wealth.

Hopes of an early improvement in the world economy seem to have stalled at present. With recession still with us and political events adding to current uncertainty, it is not possible to be confident about an upturn in economic conditions in 1992. What can give confidence is Rank's competitive

advantages in its markets, its financial strength and its management ability to get the best out of what is available.

I should wish to pay tribute to the contribution made by our management and employees during a tough and demanding year.

We have established a Personal Equity Plan and a direct low cost share dealing service through which existing and prospective shareholders will be able to invest in the Ordinary shares of The Rank Organisation. Further details of these two facilities can be found in the leaflet enclosed with this Annual Report.

We are ready to take profitable advantage of any upturn in the UK and USA and our objective is the resumption of earnings growth as quickly as possible.

Patrick Meaney

Divisional Results

ANALYSIS BY DIVISION	Turnover			Trading profit			Year end operating assets	
	1991	1990	1990	1991	1990	1990	1991	1990
	£m	£m	adjusted £m	£m	£m	adjusted £m	£m	£m
Film and Television	612.7	527.6	527.6	21.9	36.7	36.7	365.0	343.3
Holidays and Hotels	511.4	348.1	492.3	76.6	66.4	78.1	821.9	855.8
Recreation	654.9	227.2	664.4	59.4	34.2	52.6	449.6	446.7
Leisure	215.6	109.7	204.5	23.6	5.1	22.2	276.3	243.5
Discontinued and other	119.6	120.5	129.5	5.1	2.7	3.1	94.2	87.8
	<u>2,114.2</u>	<u>1,333.1</u>	<u>2,018.3</u>	<u>186.6</u>	<u>145.1</u>	<u>192.7</u>	2,007.0	1,977.1
Investments							636.1	605.3
Net non-operating liabilities							(1,105.7)	(821.9)
							<u>1,537.4</u>	<u>1,760.5</u>

Notes. 1. The 1990 adjusted figures include the operating results of Mecca on a basis comparable with the 1991 results.

2. Inter-segmental turnover is not material.

3. Operating assets of divisions exclude net borrowings, tax, dividends and fair value provisions for future costs.

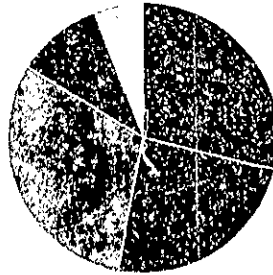
ANALYSIS BY GEOGRAPHICAL AREA	Turnover		Trading profit		Year end operating assets	
	1991	1990	1991	1990	1991	1990
	£m	£m	£m	£m	£m	£m
United Kingdom	1,467.5	820.7	165.1	120.8	1,565.8	1,577.1
Rest of Europe	31.5	40.2	1.8	2.8	36.1	29.0
USA	427.8	315.0	4.8	13.3	291.7	266.9
Rest of the World	67.8	36.7	9.8	5.5	19.2	16.3
Discontinued and other	119.6	120.5	5.1	2.7	94.2	87.8
	<u>2,114.2</u>	<u>1,333.1</u>	<u>186.6</u>	<u>145.1</u>	2,007.0	1,977.1
Investments					636.1	605.3
Net non-operating liabilities					(1,105.7)	(821.9)
					<u>1,537.4</u>	<u>1,760.5</u>

ANALYSIS BY DESTINATION	Turnover	
	1991	1990
	£m	£m
United Kingdom	1,418.9	782.6
Rest of Europe	67.9	36.3
USA	457.2	331.8
Rest of the World	50.6	41.9
	<u>1,994.6</u>	<u>1,212.6</u>
Discontinued and other	119.6	120.5
	<u>2,114.2</u>	<u>1,333.1</u>

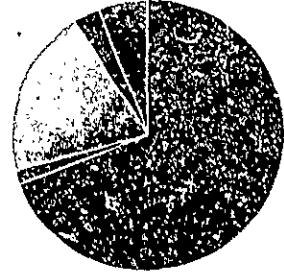
Divisional Results

TURNOVER

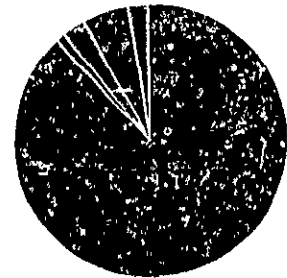
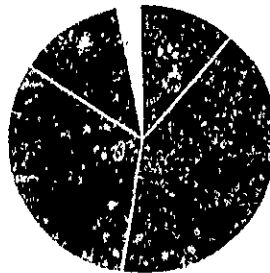
Divisional



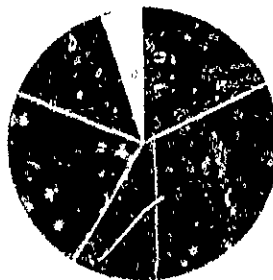
Geographical area



TRADING PROFIT

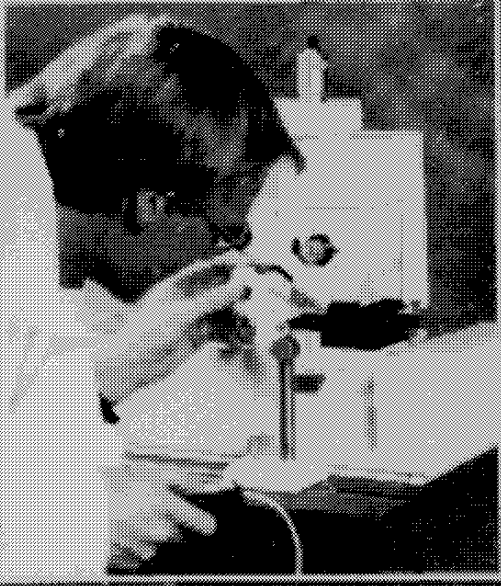
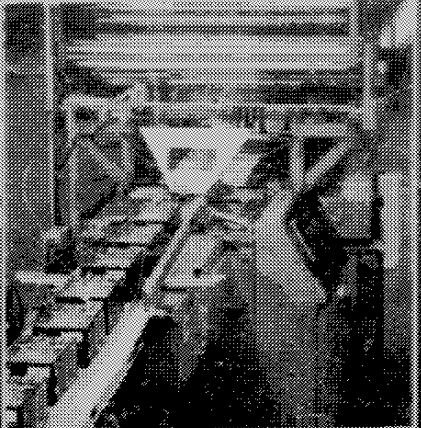


YEAR END OPERATING ASSETS



- Film and Television
- Holidays and Hotels
- Recreation
- Leisure
- Discontinued and other

- United Kingdom
- Rest of Europe
- USA
- Rest of the World
- Discontinued and other



FILM AND TELEVISION

Director — James Daly

1. "Shining Through", starring Michael Douglas and Melanie Griffith, was one of six major international films made at Pinewood Studios in 1991.
2. Rank Video Services' fully automated high volume packaging machines can produce more than 200,000 packaged video cassettes every 24 hours.
3. The new five screen Odeon cinema complex at Ipswich, Suffolk, incorporates all the latest technology and customer facilities.
- 4.19. "The Silence of the Lambs", starring Anthony Hopkins and Jodie Foster, was Rank Film Distributors' most successful film in 1991. It was also an important product for Odeon Cinemas, Rank Film Laboratories and Rank Video Services.
5. Rank Cintel's revolutionary electronic drawing and cartoon animation system for film and video broadcast graphics planned for launch in 1992.
6. One of a new range of advanced cathode ray tubes introduced by Rank Brimar to provide improved performance in Cintel's telecine systems
7. The two upgraded Prelude spotlights (left) and new Cantata luminaires are part of Strand Lighting's wide range of lighting systems marketed through out the world
8. A technician checking the surface texture of a silicon wafer for microelectronics manufacture on a Nanostep instrument developed by Rank Taylor Hobson and the National Physical Laboratory.

The economic downturn affected most businesses in particular Video Distribution and Precision Industries. Despite the unfavourable conditions Odeon Cinemas, Pinewood Studios and Film Laboratories performed well and Video Duplication was unchanged. UK cinema admissions continued to grow and have doubled over the last six years.

FILM EXHIBITION The increase in UK cinema admissions continued as a result of strong product and the opening of new facilities. Odeon Cinemas increased overall profit and achieved record results.

Odeon's most successful films included "Terminator 2", "The Silence of the Lambs" and "3 Men and a Little Lady". 36 new screens were added to the circuit including new cinemas at three locations.

The buoyant trend in cinema helped Screen Advertising to perform well in a market badly affected by the recession and turnover was less than 1% below last year.

FILM DISTRIBUTION UK cinema distribution achieved record turnover but overall profit declined mainly because of fewer international films being available for distribution. Rank Film Distributors' most successful releases were "The Silence of the Lambs" and "Mermaids".

FILM LABORATORIES The laboratories achieved a profit and volume increase despite difficult market conditions with most film producers seeking to reduce costs. There were strong performances from Film House in Toronto and from the Deluxe laboratory in Hollywood.

Further improvements are being achieved in quality, service, efficiency and capacity.

PINEWOOD STUDIOS achieved record profit. Fewer commercials were available but the studios

	1991	1990
	£m	£m
Turnover	612.7	527.6
Trading profit	21.9	36.7
Year end operating assets	365.0	343.3

continued to be busy with 10 feature film productions using the facilities during the year. The largest production was "Alien III".

PRECISION INDUSTRIES The businesses within Rank Precision Industries manufacture and sell capital equipment for which world demand has been poor resulting in an overall trading loss.

Research and development has been increased, particularly at Rank Brimar and Rank Cintel concentrating on new products. Rank Cintel is test marketing its first computer graphic animation product and Rank Taylor Hobson launched the Talyrond 400 a roundness measuring system.

All businesses including Strand Lighting have been reorganised to reduce costs and are better positioned to take advantage of any upturn in world economic activity.

VIDEO DISTRIBUTION The industry trend towards fewer retail product launches had a significant impact on the video distribution business which relies entirely on retail product. This trend, combined with a depressed market and major reorganisation costs, produced a loss of £20 million for the year.

The business has now been consolidated at a single location. Costs have been reduced and the administration streamlined with sharp focus on cash generation. A major new account was obtained at the end of the year.

VIDEO DUPLICATION Although the market was flat, Rank volume increased by 9% due mainly to a further major studio contract in the United States.

Demand in the first half was subdued as major customers chose to launch fewer titles into the retail market. However, the second half included large orders from Fex for "Home Alone" and Paramount for "Indiana Jones and the Temple of Doom".



HOLIDAYS AND HOTELS

Director — Angus Crichton-Miller

	1990		
	1991	1990	adjusted
	£m	£m	£m
Turnover	511.4	348.1	492.3
Trading profit	76.6	66.4	78.1
Year end operating assets	821.9	855.8	855.8

Despite the poor economic environment and the Gulf War occurring during the peak holiday booking season, profit was satisfactory. Bookings for hotels and the Shearings continental programme were affected adversely, with customers reluctant to commit to overseas holidays in the Spring and early Summer.

BUTLIN'S Bookings at the five Holiday Worlds increased by 7% due to a good performance during the Winter period. There was strong demand for half board holidays, partly at the expense of self-catering, which continued a three year trend.

The five Butlin's hotels performed well with both bookings and tariffs ahead of 1990, reflecting recent investment in improved accommodation and facilities.

Butlin's profit declined slightly as a result of pressure on prices.

HAVENWARNER The Haven and Warner businesses, covering 62 caravan and chalet parks, had a successful year with a significant increase in profit over 1990. Substantial improvements at the Warner parks, particularly in new accommodation, gave increased customer satisfaction. One new park, at Challaborough Bay in Devon, was purchased during the year and enjoyed a good first season.

Sales of static caravans were higher than in 1990 and the introduction of caravan sales at selected Warner parks was successful.

Haven France and Spain, the caravan and camping business with locations in Continental Europe, had an outstanding year with bookings 30% ahead.

In 1992 Warner self-catering parks will come under the Haven brand, although the Warner name will be retained for the half board parks.

HOTELS The hotels had a difficult year, due to both the decline in international travel brought about by the Gulf War and the general recession, and trading profit declined by some £5 million.

The London hotels gained a major airline contract and mounted a successful promotion for USA visitors in the early summer, but autumn business was disappointing.

The London Theatre Dinner Show restaurants suffered from the lack of tourists, particularly from the USA, and business was down against the previous year. The Provincial hotels were also affected adversely with fewer business conferences and functions.

Rank Hotels North America had a successful year and in December 1991 secured the management contract for a 516-room hotel at Fort Worth.

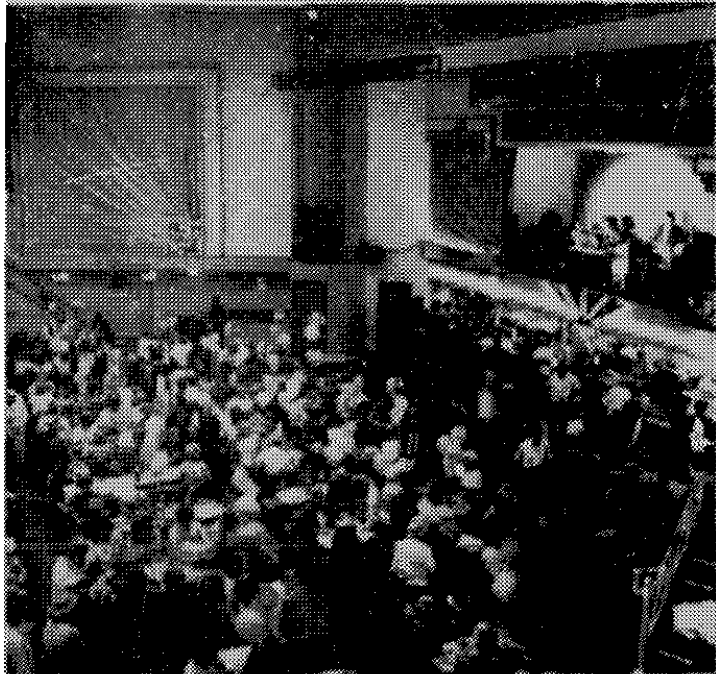
SHEARINGS Bookings for UK coach holidays were satisfactory, but there was a significant decline in early season continental tours, resulting from the Gulf War. However, Shearings' performance improved on the previous year due to improved efficiency and higher margins.

The company is reviewing its hotel portfolio and is selling a number of its smaller hotels. The Tarbet Hotel, Loch Lomond, was purchased in October, and other purchases are under review.

Shearings now concentrates on its core coach holiday and hotel activities, and its urban bus services operations have been sold.

1. Some of the characters who perform in "Wizzy's World", the instantly popular new attraction introduced last season to entertain Butlin's younger holidaymakers.
2. The new children's pool and sun terrace at Haven France and Spain's Les Charmettes holiday park on the Atlantic Riviera.
3. The popular Wayfarer Café barbecue at Warner's Norton Grange Holiday Village on the Isle of Wight.
4. The Tarbet Hotel on Loch Lomond in Scotland acquired for Shearings' "Coast & Country" Hotels in 1991.
5. Rank Hotels North America won the contract to manage the 516-room Radisson Plaza Hotel in Fort Worth, Texas.
6. Part of Haven Holidays' computerised reservations department at Haven Warner's headquarters in Hemel Hempstead, Hertfordshire.
7. Members of the cast of the "Talk of London" dinner show.

BINGO



Review of Operations

RECREATION

Director — John Garrett

	1991	1990	1990 <i>adjusted</i>
	£m	£m	£m
Turnover.....	654.9	227.2	664.4
Trading profit.....	59.4	34.2	52.6
Year end operating assets	449.6	446.7	446.7

The Division's trading has been satisfactory and attendances were maintained at last year's levels. Customer spending in casinos has been lower than last year which combined with the increased VAT cost to the Division of some £3 million, has had an adverse impact on profit. Despite this, overall profit increased and Associated Leisure made a modest contribution against losses last year.

AMUSEMENT CENTRES Despite the general weakness in retail trading, Rank Amusements increased its comparable unit turnover but overall profit was flat.

New units were opened at Carlisle, Chester le Street, Dartford, Eastleigh, Hounslow, Leigh Park, Stroud and Walthamstow. The business also took over responsibility for running seasonal centres at 17 Warner holiday locations in addition to those at Butlin's and Haven.

Coin operated ten pin bowling was successfully introduced at Butlin's Wonderwest World and Funcoast World and a 4,500 sq ft purpose built amusement centre was opened for the start of the holiday season at Wonderwest World.

All inland amusement centres are being rebranded under the 'Quicksilver' banner and Rank Amusements was the first operator to use the latest 'Virtual Reality' high tee video simulators.

ASSOCIATED LEISURE Significant restructuring of the business has taken place during the year concentrating on the core business of installing and maintaining amusement machines in the UK with concentration on efficiency, operating cost and financial control.

A unique computer based cash collection programme has been introduced giving our customers fast reliable and secure data on machine income.

The reorganisation of the brewery industry following the Report by the Monopolies and Mergers Commission is likely to have a major impact on machine sales and hiring. Associated Leisure is now in better condition to take advantage of all opportunities.

BINGO Trading profit from the integrated Top Rank Club and Mecca bingo operations increased reflecting the efficiencies generated by the combined circuit and the resilience of the business.

There was a marginal increase in admissions and customer spending was above expectations although profit was adversely affected by the VAT increase in April.

The results from the clubs opened at Cwmbran, Leeds and Romford have exceeded expectations, endorsing the strategy of continuing to develop a circuit of large, modern clubs in key locations offering today's bingo players the top class facilities and environment they require.

The Canadian clubs traded satisfactorily and in Ontario an eighth club was acquired in November 1991. Continuing efforts are being made to develop our presence in the Ontario bingo market.

In May, bingo's 30th anniversary in the UK was celebrated with special promotional events which were highly successful in generating publicity for the Top Rank and Mecca brands.

CASINOS Overall admissions were marginally ahead of last year. Trading profit was down but with an improving trend in the second half.

During the year clubs in Birmingham, Cardiff, Manchester, Ramsgate and Southsea were upgraded and, where appropriate, enlarged. These developments are aligned to Rank's continuing commitment to improving club performance and maintaining leadership in this sector of gaming.

1. The new front-of-house signage at the Top Rank Club in Bolton, Lancashire.
2. Associated Leisure is a leading supplier of mine, pool, video and fruit machines for sale and hire
3. The interior of the Bolton Top Rank Club following its refurbishment last year.
4. Rank Amusements introduced the new "Quicksilver" branding last summer for its amusement centres.
5. "The Gloucester" in London was one of several casinos which underwent major refurbishment in 1991.



Review of Operations

LEISURE

Director — Terence North

	1991	1990	1990 adjusted
	£m	£m	£m
Turnover.....	215.6	109.7	204.5
Trading profit.....	23.6	5.1	22.2
Year end operating assets...	276.3	243.5	243.5

The Division operates a range of leisure activities in the UK and USA with both countries in recession throughout 1991. Each business has suffered the consequences to varying degrees through reduced sales but has been able to respond by reducing operating costs whilst improving customer service. This has led to improved profit.

AHNERT The economic downturn and flat real estate market throughout the USA caused Rank Ahnert to produce losses of some £4 million which included an increase of £8 million in provisions for debtors. Current trading is similar to last year with no signs of any significant improvement and recovery is likely to be slow and patchy.

The business is adjusting to regulatory marketing restrictions imposed in recent years and will be in a position to take best advantage when the market turns up.

LEISURE UK Despite reduced sales in difficult trading conditions the 50 nightclubs now in operation improved on their 1990 performance through improved efficiency and cost savings.

Rank Leisure is carrying out an ongoing refurbishment programme of its nightclubs to enhance their competitive position.

A new multi-leisure centre containing seven cinemas, ten pin bowl, amusements, theme bar, nightclub and discotheque opened in the Wirral in November 1991 and to date the centre is trading ahead of expectations. Work is planned to commence early in 1992 on the construction of a new multi-leisure centre at Telford.

The ice rink business was discontinued in 1991.

LEISURE USA The business experienced a successful year despite difficult trading conditions.

Hard Rock Cafes performed well. Rank owned units recorded a good improvement in profit over 1990 and endorsed the resilience of the product. A new Hard Rock Cafe opened successfully in Paris in November 1991 and three further units are planned to open in 1992. This will bring the total of Rank owned units to 11 and there are 10 franchise operations which also performed satisfactorily.

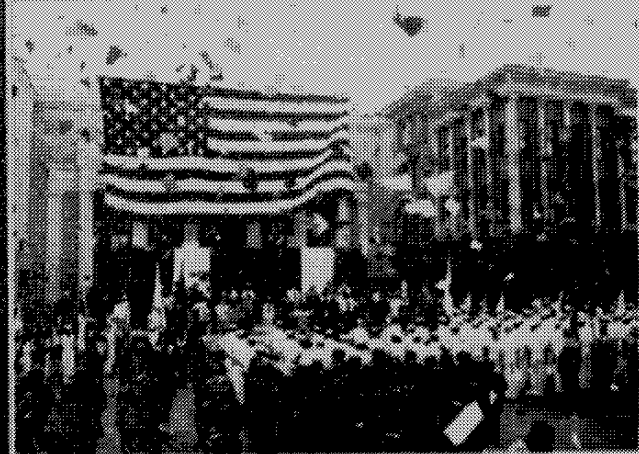
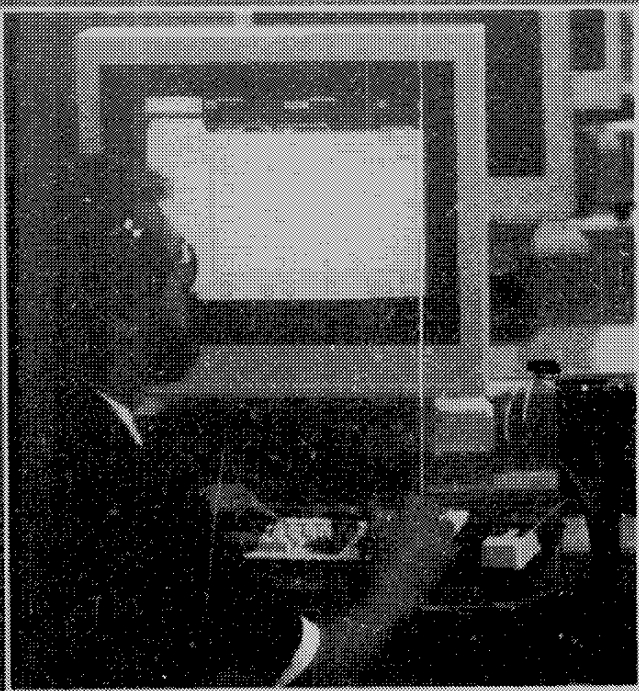
Rank Leisure USA operates Dinner Shows and restaurants mainly in Orlando, Florida. These performed well in 1991, increasing profit. A new Dinner Show was opened in California and results to date have exceeded expectations.

The remaining business is the Kingston Plantation resort, Myrtle Beach, South Carolina dealing primarily in second home sales. The property market generally has been affected adversely by the recession although Kingston sales were only slightly down on 1990 levels.

RESTAURANTS The general drop in the "eating out" market reduced sales but profit improved through lower costs and overhead savings. The business is in good condition to benefit fully from an uplift in demand.

The restaurant brands were rationalised during the year. The Prima Pasta operations were increased from 12 to 21 branches with more planned in London and the same countries and the Pizza Piazza branches now have 16 locations.

1. This Rank owned Hard Rock Cafe was developed and opened in Paris in 1991.
- 2/3. Rank Leisure USA's Western theme dinner show, "Wild Bill's" in Los Angeles, has become a successful new Californian attraction since opening last summer.
4. The Ritzzy discotheque in Bristol prior to reopening in the autumn following refurbishment costing nearly £2 million, which increased customer capacity from 550 to 1,450.
5. A 'model home' at Rank Ahnert's newest residential and recreational community at "Big Ridge" in Marshall's Creek, Pennsylvania, USA.
6. The Leisure Division is responsible for the management of Rank's interests in Universal Studios Florida, where famous stars of Western films featured in the Grand Opening of one of the latest attractions — "The Wild, Wild West Show".
7. This Prima Pasta restaurant in Bristol was among a number of new units opened by Rank Restaurants during 1991.



ASSOCIATED UNDERTAKINGS

RANK XEROX. The Rank Organisation's share of Rank Xerox profit before tax was £159 million against £167 million in 1990. Rank's share of the 1991 pre-tax profit recorded £7 million less from exceptional property profit than in 1990.

Rank Xerox's turnover for the year declined by 6% to £2.5 billion but excluding currency impact and the reduction attributable to the sale of the South Pacific Operations to Fuji Xerox at the end of 1990, turnover was about the same as 1990.

Profit before tax in which Rank participates declined to £473 million against £496 million in 1990, a reduction of 5%..

Despite increased revenue during the year, the profit of Fuji Xerox declined by 7% as the company continued to invest further in research and development.

Customer satisfaction remained the number one priority. Using regular surveys, Rank Xerox have established that customer satisfaction within three months of installation is now running at about 97% across all products.

Employee motivation and satisfaction is the second corporate objective, since it is believed that achieving customer satisfaction and high levels of employee motivation will lead to increased market share and improved return on assets.

The third corporate priority is to increase market share; this was achieved in 1991 and Rank Xerox plans to repeat that achievement in 1992. Equipment sales across the majority of the market sectors improved during the year, especially in high and low volume reprographics and decentralised printing. The DocuTech production publisher, launched in 1991, proved a particular success and exceeded expectations.

In late Summer 1991, Rank Xerox staged the largest customer promotion in its history. Several new products were announced, including the highlight colour printer, the full colour copier and a broad array of laser printing systems. With these

new products, Rank Xerox has a strong, competitive product line with which to face the future.

The fourth priority, optimising return on assets, will be achieved by continuing to apply strict controls to the cost base and the balance sheet, so that anticipated revenue growth from continuing market share expansion will generate improvements on both return on sales and asset turnover, the component parts of return on assets.

At the end of the 1991 financial year, Rank Xerox announced a £165 million medium term investment programme in research, development and manufacturing operations in Europe. These investments reflect the potential which exists in the European document market, currently worth about £25 billion a year and forecast to double by 1996. As The Document Company in Europe, Rank Xerox is determined to play a leadership role in this market.

UNIVERSAL STUDIOS FLORIDA Rank has a 50% investment with MCA in this motion picture and television related theme park in Orlando which opened in June 1990 and is managed by MCA. The technical problems which occurred in the months after opening were overcome gradually during 1991.

The major effect of the US recession on national tourism has been reflected in the reduced numbers of visitors to Orlando where hotel occupancies fell by over 10% in the year. However, Universal Studios Florida in its first full year made a small contribution to pre-tax profit.

Paid admissions were ahead of forecast and spends per head were much in line with expectations. Operating costs were higher than planned because of the earlier technical problems and it is anticipated that these costs should come more into line during 1992. Paid admissions for the early part of 1992 are encouraging and show a substantial improvement on the same period last year.

1./2. Two elements of the revolutionary new "DocuTech Network Publisher". One of several major products launched by Rank Xerox in 1991, 'DocuTech' enables users to publish high-quality documents from electronic and hard copy sources.

3. Members of the US armed forces and their families were guests of honour at Universal Studios Florida on 18th May 1991, to celebrate the success of "Desert Storm" and receive a personal message from President George Bush, read to them by US Secretary of Defense, Mr Dick Cheney.

4. The Armed Forces Day celebrations at Universal Studios concluded with a fireworks display and 'Sen et Lumiere' Show.

5. The new "Back To The Future" ride at Universal Studios Florida comprises motion based flight simulator The Lorian cars in a six story Omnimax dome theatre. It's considered the most exciting 'white knuckle' ride in the world. "Back To The Future" was opened in June by the President of Universal Studios Florida, Mr Tom Williams, with assistance from three of the film's stars, Tom Wilson, Mary Steenburgen and Michael J. Fox.

Board of Directors

Sir Patrick Meaney	Chairman since 1983 and a Director since 1979. Aged 66. Chairman of A. Kershaw & Sons, Plc, a Deputy Chairman of the Midland Bank plc and a Director of Imperial Chemical Industries PLC, MEPC plc and Tarmac PLC.
Michael B. Gifford	Managing Director and Chief Executive since 1983. Aged 56.
David V. Atterton, CBE	A non-executive Director since 1987. Aged 64. A Director of The Bank of England, Barclays Bank PLC, British Coal Corporation and Marks & Spencer plc.
Sir Arthur Bryan	A non-executive Director since 1985. Aged 68. A Director of Friends Provident Life Office, J.C.B. Inc. of America and United Kingdom Fund Inc. of America.
Angus Crichton-Miller	A Director since 1982. Aged 52. Managing Director of the Holidays and Hotels Division.
James Daly	A Director since 1982. Aged 53. Managing Director of the Film and Television Division.
Sir Leslie Fletcher, DSC	A non-executive Director since 1984. Aged 69. Chairman of Westland Group plc and Deputy Chairman of RMC Group plc.
Sir Denis Mountain, Bt.	A non-executive Director since 1968. Aged 62. A Director of Allied London Properties plc and the Bank of Nova Scotia (Canada) Limited.
Terence H. North	A Director since 1990. Aged 55. Managing Director of the Leisure Division.
The Hon. Sir Angus Ogilvy, KCVO	A non-executive Director since 1968. Aged 63. A Director of Laurentian Life plc and Sotheby's.
Anthony W. Stenham	A non-executive Director since 1987. Aged 60. Chairman of Arjo Wiggins Appleton PLC and a Director of Capital Radio plc, Rothmans International plc, Standard Chartered PLC and Unigate PLC.
Nigel V. Turnbull, FCA	A Director since 1987. Aged 49. Finance Director.
Douglas M. Yates	A Director since 1982. Aged 49. Commercial Director.

Chairman's Standing Committee

The Chairman and the non-executive Directors constitute the Chairman's Standing Committee authorised by the Board to review matters of Corporate Governance including Audit, Board Appointments and Directors remuneration covering salaries and participation in performance award and share option schemes.

Secretary	Brian C. Owers
Registered Office	6 Connaught Place London W2 2EZ
Registrars	Barclays Registrars
Transfer Office	Bourne House 34 Beckenham Road Beckenham Kent BR3 4TU

Directors' Report

The Directors submit their Report and Statement of Accounts for the year ended 31st October 1991.

PRINCIPAL ACTIVITIES AND BUSINESS

REVIEW

The Rank Organisation is engaged in the supply of products and services to the film and television industries, owns holiday and hotel businesses and operates organised recreation and leisure facilities in the United Kingdom and overseas. Rank has a major investment in the Rank Xerox companies owned jointly with Xerox Corporation and a joint investment with MCA in the Universal Studios motion picture theme park at Orlando, Florida.

In December, 1991 Rank sold its Motorway Service Area business for a consideration of some £86 million cash plus a small residual interest in the business, and the cash proceeds were applied to reduce borrowings.

In accordance with an agreement reached with the Office of Fair Trading at the time of the Mecca acquisition, eight bingo clubs have been sold.

An analysis of turnover, profit and year end operating assets by business activity is given on pages 4 and 5 and the Group's continuing activities and businesses are reported on in the Review of Operations.

PROFIT AND DIVIDENDS

Profit before tax for the year was £250.5 million (1990 £312.1 million). Profit after tax and minority interests was £140.9 million (1990 £197.9 million). Exceptional costs of £1.3 million included redundancy and reorganisation costs net of profit on disposals.

The Directors recommend a final dividend of 20.75p per Ordinary share which, together with the interim dividend of 10.25p already paid, makes a total for the year of 31.0p per share (1990 31.0p).

Subject to approval at the Annual General Meeting, the final dividend will be paid on 8th April 1992 to those shareholders whose names are on the register on 6th March 1992.

The amount which it is proposed should be transferred to reserves is detailed in note 21 to the Accounts on pages 36 and 37.

FIXED ASSETS

Rank continued a three-year cycle of property revaluations as at 31st October 1991 with the revaluation of its hotels other than those acquired with the Mecca Leisure Group which were revalued as at the date of acquisition. The effect has been a reduction of £35 million taking the overall revaluation surplus to £395 million.

Changes in tangible fixed assets during the year are shown in note 9 on pages 28 and 29.

BORROWING POWERS

The borrowing powers contained in the Articles of Association provide that borrowings shall not exceed one and a half times adjusted share capital and consolidated reserves of Rank. As at 31st October 1991 this limit was £2,241 million against Group net borrowings of £961 million.

During the year the Group replaced existing borrowing facilities by arranging new loans for periods of up to 17 years. The Group now has available committed facilities of £1.3 billion with an average maturity of some 5 years of which more than 50% is at fixed rates with an average interest cost below 9%.

SHARE CAPITAL

During the year 30,265 Ordinary shares were issued on exercise of options under the Executive Share Option Scheme and 80,735 Ordinary shares were issued on the exercise of options under the Share Savings Scheme.

In October, 1,067,039 Ordinary shares were issued as consideration for the acquisition by the Company of 1,478,130 Ordinary shares of 5p each in A. Kershaw and Sons, Plc.

A resolution will be proposed at the Annual General Meeting to renew for a further year the authority of the Directors to allot and grant rights

Directors' Report

over the unissued share capital and to authorise the Directors to allot and grant rights over Ordinary shares for cash up to a maximum nominal amount of \$3,866,753 representing 5% of the issued Ordinary share capital without first making a strict pro rata offer to all existing Ordinary shareholders.

DIRECTORS

The Directors indicated on page 16 were Directors of the Company throughout the year.

Sir Angus Ogilvy, Sir Denis Mountain, Mr N. V. Turnbull and Mr D. M. Yates retire by rotation and, being eligible, offer themselves for re-election.

Mr Turnbull and Mr Yates have service contracts with the Company which are terminable by either party on not less than three years' notice.

The beneficial interests of the Directors in shares of the Company and their share options are shown in note 22 on page 37. Directors' remuneration is included in the schedules on pages 37 and 38.

The Company maintains directors' and officers' liability insurance which provides insurance cover for Directors and other officers of Group companies, including those of the Company.

PERSONNEL

The Company values the contribution that its employees, at all levels, make to the success of the enterprise. It invests substantially in the training, development and motivation of staff with great focus on the standards of personal attitudes and services to meet our customers' requirements.

One example of success in this area has been the accreditation of Rank Hotels & Banqueting as an examining body on behalf of the City & Guilds Institute in relation to national catering and hotel keeping programmes.

All companies within the Organisation continue to work with local and national education and training authorities with particular support for TECS, the Investors in People Programme and the National Council for Vocational Qualifications. The involvement of employees in the success of

the business is encouraged through initiatives, communications and consultative programmes throughout the Organisation and its subsidiary operations.

The Company encourages the active application of equal opportunities policies and programmes to provide fair and equitable conditions for all employees regardless of sex, family status, religion, creed, colour, ethnic origin, age, or disability. In particular, all employees receive equal opportunities for recruitment, training and promotion and equal terms and conditions of employment in all jobs of comparable value. The Company is supportive of the Opportunity 2000 campaign to increase the quality and quantity of women's participation in the workplace. Nearly 50% of the Group's employees are female and 32% of all management and supervisory positions are held by females. The Company encourages the employment of the disabled with the provision of appropriate opportunities and facilities, and has adopted the new "Tick" symbol in all suitable areas.

SHARE OPTION SCHEMES

During the year further options over Ordinary shares were granted to employees under the terms of the share option schemes.

Particulars of options outstanding at 31st October 1991 are given in note 21 on pages 35 and 36.

The Company currently operates three share option schemes, the Share Savings Scheme and the Executive Share Option Scheme, both of which were approved by shareholders in March 1985, and the Overseas Executive Share Option Plan approved in March 1989. The scheme rules contain limits on the number of shares over which options may be granted but the limits prescribed in the schemes adopted in 1985 are not consistent with the limits imposed in the later overseas scheme. In particular the number of shares which may be issued under the Executive Share Option Scheme is restricted to

Directors' Report

2.5% of the issued Ordinary share capital or 5,700,000 shares if that is less. Whilst this limit was regarded as adequate when the scheme was adopted in 1985, it is more restrictive than required by the guidelines published by the Association of British Insurers which provide that up to 5% of the issued Ordinary share capital may be used in connection with executive share option schemes.

Accordingly, it is proposed that the rules of the Executive Share Option Scheme be amended to provide that the number of shares which are at any time subject to options granted under that scheme and/or the Overseas Executive Share Option Plan or which have been issued pursuant to options granted under either scheme during the immediately preceding ten years shall not exceed 5% of the issued Ordinary share capital.

The rules of the Share Savings Scheme similarly have a limit of the lesser of 2.5% of the issued Ordinary share capital and 5,700,000 shares and it is proposed therefore to amend the rules in the same way as proposed for the Executive Share Option Scheme.

The rule of both of the Share Savings and Executive Option Schemes will further provide that there will be an aggregate limit on shares utilised under all three option schemes of 10% of the issued Ordinary share capital or 50 million shares whichever is the lesser. The rules are also to be amended to permit this overall limit to be adjusted in the event of a variation in share capital.

Resolutions 4 and 5 set out in the Notice of Meeting on page 48 authorise the Directors to make the proposed rule changes.

Resolution 6 in the Notice of Meeting authorises a further amendment to the rules of the Share Savings Scheme to increase the amount of the monthly contribution by participants to £250 being the new limit now permitted by the Finance Act 1991.

SIGNIFICANT SHAREHOLDINGS

At the date of this Report the Company is aware or has been notified of holdings of more than 3% of the Company's issued share capital by Nutraco Nominees Ltd. (21,472,481 shares — 6.9%), Guardian Royal Exchange plc (18,495,123 — 6.0%), and Philip & Drew Fund Management Limited (12,793,041 — 4.1%).

The Company is not aware of any other person who is interested whether directly or indirectly in 3% or more of the issued Ordinary share capital of the Company.

CHARITABLE AND POLITICAL DONATIONS

Charitable donations made during the year ended 31st October 1991 amounted to £199,988. The Company has contributed £25,000 to the Conservative and Unionist Party.

CLOSE COMPANIES — INCOME AND CORPORATION TAXES ACT 1988

The Company is not a close company within the meaning of the Income and Corporation Taxes Act 1988.

AUDITORS

KPMG Peat Marwick have signified their willingness to continue in office as Auditors. A resolution for their reappointment will be proposed at the Annual General Meeting.

By Order of the Board

Brian C. Owers B.C. Owers

Secretary

30th January 1992

Group Profit & Loss Account

For the year ended 31st October 1991

	1991	1990
	£m	£m
Turnover		
Less costs	1 2,114.2	1,333.1
	1 1,927.6	1,188.0
Trading profit		
Exceptional items	1 186.6	145.1
Income from interests in associated undertakings	2 (1.3)	16.0
Rank Xerox companies	13 158.7	167.2
Others	13 (0.5)	—
Profit before interest		
Interest	3 343.5	328.3
	3 (93.0)	(16.2)
Profit on ordinary activities before tax		
Tax on profit on ordinary activities	4 250.5	312.1
	4 (102.4)	(110.1)
Profit on ordinary activities after tax		
Minority interests	148.1	202.0
	(7.2)	(4.1)
Earnings		
Extraordinary items	5 140.9	197.9
	5 —	(15.2)
Profit for the financial year		
Dividends	6 140.9	182.7
Preference	7 (22.5)	(11.6)
Ordinary	7 (95.8)	(95.5)
Transfer to reserves		
	21 22.6	75.6
Earnings per Ordinary share		
	8 38.4p	70.1p

Balance Sheets

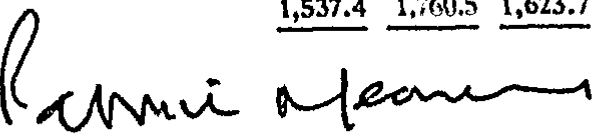
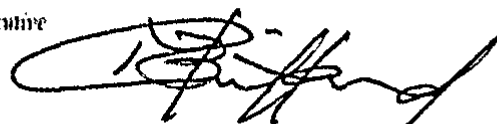
At 31st October 1991

	Note	Group		Company	
		1991 £m	1990 £m	1991 £m	1990 £m
Fixed assets					
Tangible assets	9	1,821.8	1,766.9	2.2	1.8
Investments	11	636.1	605.3	2,841.1	2,424.9
		<u>2,457.9</u>	<u>2,372.2</u>	<u>2,843.3</u>	<u>2,426.7</u>
Current assets					
Stocks	15	158.6	164.2	—	—
Debtors	16	448.7	536.1	158.7	150.8
Cash and deposits	17	71.6	213.0	25.6	156.6
Creditors (amounts falling due within one year)					
Loan capital and borrowings	17	(96.0)	(224.1)	(55.1)	(25.4)
Other	18	(461.8)	(461.5)	(878.0)	(605.4)
Net current assets (liabilities)		121.1	227.7	(748.8)	(323.4)
Total assets less current liabilities		2,579.0	2,599.9	2,094.5	2,103.3
Creditors (amounts falling due after more than one year)					
Loan capital and borrowings	17	(936.4)	(699.1)	(466.9)	(359.9)
Other	18	(2.1)	(2.2)	(0.2)	(0.2)
Provisions for liabilities and charges					
Deferred taxation	19 & 20	(5.2)	(10.1)	(1.9)	(3.8)
Other provisions	19	(97.9)	(128.0)	(1.8)	(28.0)
		<u>1,537.4</u>	<u>1,760.5</u>	<u>1,623.7</u>	<u>1,711.4</u>
Capital and reserves					
Called up share capital	21	122.9	123.9	122.9	123.9
Share premium account	21	487.3	480.1	487.3	480.1
Capital redemption reserve	21	1.3	—	1.3	—
Revaluation reserve	21	395.5	439.3	152.0	152.0
Other reserves	21	487.1	669.4	860.2	955.4
		1,494.1	1,712.7	1,623.7	1,711.4
Minority interests		43.3	47.8	—	—
		<u>1,537.4</u>	<u>1,760.5</u>	<u>1,623.7</u>	<u>1,711.4</u>

Patrick Meaney *Chairman*

M.B. Gifford *Managing Director and Chief Executive*

Accounts approved by the Board on 30th January 1992.

Group Source and Application of Funds

For the year ended 31st October 1991	Note	1991 £m	1990 £m
Net cash inflow from operating activities	2	<u>348.3</u>	100.5
Returns on investment and servicing of finance			
Interest received		10.7	36.8
Interest paid		(102.5)	(66.2)
Dividends received from associated undertakings		129.2	62.3
Dividends paid		(121.5)	(86.7)
Net cash outflow from returns on investment and servicing of finance		<u>(84.1)</u>	(53.8)
Tax paid		<u>(58.6)</u>	(48.8)
Investing activities			
Purchase of tangible fixed assets		(192.1)	(197.2)
Purchase of investments		(7.5)	(63.6)
Purchase of subsidiaries and minorities	3	(66.2)	(473.6)
Utilisation of provisions		(55.0)	8.3
Sale of fixed assets and assets held for disposal		47.6	22.7
Sale of businesses	4	—	15.8
Net cash outflow from investing activities		<u>(273.2)</u>	<u>(687.6)</u>
Net cash outflow before financing		<u>(67.6)</u>	<u>(689.7)</u>
Financing			
Redemption of USS Cumulative Preference shares		117.1	—
Issue of ordinary share capital		(0.5)	(358.9)
Loan capital and borrowings		(42.8)	(491.6)
Cash and short term deposits		(141.4)	160.8
		<u>(67.6)</u>	<u>(689.7)</u>

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 the year.

Notes to Group Source and Application of Funds

1 Basis of preparation
The Source and Application of Funds accords with the disclosure principles of Financial Reporting Standard 1.

	1991	1990
	<u>£m</u>	<u>£m</u>
2 Reconciliation of trading profit to net cash inflow from operating activities	186.6	145.1
Trading profit	(1.3)	16.0
Exceptional items	102.6	56.8
Depreciation and provision for loss on disposal	(0.5)	(9.6)
Profit less losses on sale of tangible fixed assets	29.3	(18.7)
Decrease (increase) in stocks	60.3	(40.6)
Decrease (increase) in debtors	(28.0)	5.1
(Decrease) increase in creditors	—	(9.5)
Bond redemption profit	—	(41.1)
Extraordinary items before tax	(0.7)	(3.0)
Other items	<u>348.3</u>	<u>100.5</u>
Net cash inflow from operating activities		
3 Purchase of subsidiaries and minorities		
Net assets acquired	10.5	628.6
Tangible fixed assets	—	3.5
Investments in associated undertakings	14.4	24.8
Stocks	10.7	138.8
Debtors	(17.4)	(158.7)
Creditors	—	(0.5)
Deferred taxation	(3.4)	(99.2)
Other provisions	9.1	(30.3)
Minority shareholders' interests	—	(4.6)
Adjustment on associate becoming a subsidiary undertaking	<u>23.9</u>	<u>502.4</u>
	<u>88.5</u>	<u>410.6</u>
Goodwill	<u>112.4</u>	<u>913.0</u>
Satisfied by:	—	445.0
Loans and acquired subsidiaries	<u>66.2</u>	<u>28.6</u>
Cash	66.2	473.6
	19.2	—
Cash paid in previous year	20.0	—
Deferred consideration	7.0	439.4
Shares allotted	<u>112.4</u>	<u>913.0</u>
4 Sale of businesses		
Net assets disposed of:	—	4.6
Fixed assets	—	1.3
Stocks	—	1.7
Debtors	—	(1.5)
Creditors	—	6.1
	—	9.7
Profit on disposal	—	<u>15.8</u>
Satisfied by:	—	15.8
Cash	—	—

Accounting Policies

I CONSOLIDATION

The accounts are prepared under the historical cost convention except for the revaluation of certain assets as detailed in Notes 9 and 12 in accordance with applicable accounting standards on a basis consistent with the previous year. The Group's profit and loss account and balance sheet include the accounts of the Company and its subsidiary undertakings, and the Group's share of profits or losses and reserves of its associated undertakings. The profits or losses of subsidiary undertakings acquired or sold during the year are included as from or up to their respective dates of acquisition or disposal.

II FOREIGN CURRENCY

Revenues and costs of overseas companies are included in the consolidated profit and loss account at year-end rates of exchange. Assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date except where a forward exchange contract has been arranged when the contracted rate is used. Exchange differences on the retranslation of opening net assets of foreign subsidiary companies are dealt with through reserves net of differences on related foreign currency borrowings. Other gains and losses arising from foreign currency transactions, including trading, are included in the consolidated profit and loss account.

III TURNOVER

Turnover consists of sales of goods and services, including the value of work carried out on property developments in progress, and interest receivable on instalment sales. Turnover for casinos includes the value of gaming chips sold.

IV CAMPGROUND MEMBERSHIPS

The income from the sale of long term campground memberships is recognised in full on completion with provision being made for all actual and anticipated cancellations. Costs of developing the campgrounds, excluding land, are charged against income in the proportion actual sales bear to total anticipated sales.

V INTEREST RECEIVABLE ON INSTALMENT SALES

Interest income arising from instalment sales is recognised over the life of the contracts concerned.

VI DEFERRED EXPENDITURE

Deferred expenditure comprises (a) those costs, including interest, incurred prior to the commencement of trading which are regarded as a prepayment against future profits to be earned and (b) other intangible assets including rights acquired. The expenditure is included in the balance sheet as a prepayment and is written off on average over five years.

VII GOODWILL

Goodwill is written off to reserves in the year that it arises.

VIII STOCKS

Stocks include work in progress and are valued at the lower of cost (including an appropriate proportion of overhead) and net realisable value. Profits recognised on property developments completed or in progress have regard to the stage of development and the anticipated profit on the project.

IX RESEARCH AND DEVELOPMENT EXPENDITURE

Research and development expenditure incurred in the year (net of recoveries) is charged against profit from ordinary activities.

X DEPRECIATION

Properties

- (a) No depreciation is provided on freehold land.
- (b) No depreciation is provided on certain freehold buildings or on certain buildings held on leases with unexpired terms of more than 20 years where the Directors are of the opinion that the buildings concerned are currently sufficiently well maintained to ensure that the residual values of such freehold and leasehold properties are not less than cost or valuation.
- (c) Depreciation is provided on a straight line basis to write off the cost of all freehold buildings other than those referred to in (b) above over their estimated useful lives which do not exceed 100 years.
- (d) Leasehold properties other than those referred to in (b) above are depreciated over the shorter of their estimated useful lives, which do not exceed 100 years, and the terms of the leases.
- (e) Expenditure on major refurbishments of properties is amortised over periods of between five and 15 years.

Other

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.

XI LEASED ASSETS

Assets acquired under finance leases are included in tangible fixed assets. Depreciation is provided at rates designed to write off the cost in equal annual amounts over the shorter of the estimated useful lives of the assets (which are the same as those for assets purchased outright) or the period of the leases. The capital element of future rentals is treated as a liability and the interest element is charged to the profit and loss account over the period of the leases in proportion to the balances outstanding.

Expenditure on operating leases is charged to the profit and loss account on a basis representative of the benefit derived from the asset, normally on a straight line basis over the lease period.

XII PENSIONS

The pension costs relating to the UK Schemes which are of the defined benefit type are assessed in accordance with the advice of a qualified actuary using the projected unit method. Actuarial surpluses and deficiencies are recognised over the expected average remaining service lives of the employees. The pension costs relating to the UK Schemes which are of the defined contribution type represent the contributions payable by the Group. Overseas Schemes are accounted for in accordance with local conditions and practice such that the costs are charged against profits on a systematic basis over the service lives of the employees.

XIII DEFERRED TAXATION

Deferred taxation, computed under the liability method, is provided in respect of timing differences to the extent that it is probable that a liability will arise in the foreseeable future.

Notes to the Accounts

1	TURNOVER AND TRADING PROFIT	1991	1990
		£m	£m
	Turnover	2,114.2	1,333.1
	Cost of sales	(1,630.1)	(995.5)
	Gross profit	484.1	337.6
	Distribution costs	(117.8)	(90.7)
	Administrative expenses	(182.8)	(106.5)
	Other operating income	3.1	4.7
	Trading profit	<u>186.6</u>	<u>145.1</u>

Turnover includes £12.7m (1990 £15.5m) in respect of interest receivable on instalment sales.

Trading profit is stated after (charging) or crediting the following items:

Depreciation of tangible fixed assets	(100.1)	(59.4)
Operating lease payments — property	(23.7)	(14.3)
— plant and machinery	(6.3)	(8.4)
Research and development expenditure (net of recoveries)	(11.7)	(9.6)
Auditors' remuneration (Company £0.3m (1990 £0.2m))	(2.4)	(1.8)
Rents receivable	<u>7.7</u>	<u>7.0</u>

An analysis of turnover and trading profit by Division and by geographical area is given on page 4.

2	EXCEPTIONAL ITEMS	1991	1990
		£m	£m
	Profit less loss on disposal of properties	6.5	5.1
	Bond redemption profit	—	9.5
	Reorganisation costs less other profits	(7.8)	1.4
		<u>(1.3)</u>	<u>16.0</u>

3	INTEREST	1991	1990
		£m	£m
	Interest on bank loans and overdrafts	(61.8)	(27.7)
	Interest on other loans fully repayable within five years	(3.0)	(2.4)
	Interest on other loans not fully repayable within five years	(37.7)	(22.8)
	Finance charges on finance leases	—	(0.1)
		<u>(102.5)</u>	<u>(53.0)</u>
	Interest receivable other than on instalment sales	10.7	26.8
	Amortisation of interest capitalised	(1.2)	—
		<u>(93.0)</u>	<u>(16.2)</u>

Interest payable is shown net of £1.3m (1990 £12.1m) interest allocated to property development projects and £NIL (1990 £1.1m) interest allocated to other investments.

4 TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	1991 Associated undertakings			Total	1990 Associated undertakings			Total
	Company and its subsidiaries	Rank Xerox companies	Others		Company and its subsidiaries	Rank Xerox companies	Others	
	£m	£m	£m	£m	£m	£m	£m	
United Kingdom corporation tax								
Current	36.6	2.1	—	38.7	29.0	(3.3)	25.7	
Deferred	(10.4)	—	—	(10.4)	6.4	(6.7)	(0.3)	
ACT written off	6.9	—	—	6.9	—	—	—	
	33.1	2.1	—	35.2	35.4	(10.0)	25.4	
Overseas tax								
Current	3.2	63.1	—	66.3	3.9	70.9	74.8	
Deferred	(0.2)	1.1	—	0.9	(2.0)	11.9	9.9	
	3.0	64.2	—	67.2	1.9	82.8	84.7	
	36.1	66.3	—	102.4	37.3	72.8	110.1	

Company and its subsidiaries

United Kingdom corporation tax on profits for the year has been provided at 33.4% (1990 35%). The United Kingdom tax charge is stated after crediting double tax relief £1.2m (1990 £1.1m) in respect of income from subsidiary undertakings and £10.5m (1990 £4.8m) in respect of dividends from associated undertakings.

Rank Xerox companies

The charge for United Kingdom corporation tax has been provided at 33.4% (1990 35%).

5 EXTRAORDINARY ITEMS

	1991 £m	1990 £m
Costs incurred, less release of provisions, in respect of the termination of activities	—	(41.1)
Taxation including relief relating to previous years	—	2.1
	—	(39.0)
Share of surplus on disposal of businesses in associated undertakings	—	23.8
	—	(15.2)

6 PROFIT ATTRIBUTABLE TO THE RANK ORGANISATION Plc

The profit for the financial year dealt with in the accounts of The Rank Organisation Plc was £140.2m (1990 £75.5m). As provided for by Section 230 of the Companies Act 1985, no profit and loss account is presented in respect of The Rank Organisation Plc.

Notes to the Accounts

7 DIVIDENDS	1991	1990
	£m	£m
Preference shares		
Convertible Preference	18.8	2.9
US\$ Cumulative Preference	3.7	8.7
	<u>22.5</u>	<u>11.6</u>
Ordinary shares		
Interim of 10.25p per share paid (1990 interim of 10.25p per share)	31.6	31.6
Final of 20.75p per share, proposed (1990 final of 20.75p per share)	64.2	63.9
	<u>95.8</u>	<u>95.5</u>
	<u>118.3</u>	<u>107.1</u>

8 EARNINGS PER ORDINARY SHARE

The calculation of earnings per Ordinary share is based upon profit before extraordinary items of £140.9m from which are deducted Preference dividends totalling £22.5m giving earnings of £118.4m (1990 £186.3m) and on the weighted average number of Ordinary shares in issue during the year of 308,255,000 (1990 265,918,000 shares). The difference between the basic and fully diluted earnings per share is not material.

9 TANGIBLE ASSETS

Company	Leasehold land and buildings	Fixtures fittings tools and equipment	Total
	£m	£m	£m
Cost at 31st October 1990	1.0	2.1	3.1
Additions	0.4	0.6	1.0
Disposals	(0.1)	(0.2)	(0.3)
Cost at 31st October 1991	1.3	2.5	3.8
Depreciation at 31st October 1990	0.4	0.9	1.3
Depreciation for year	—	0.5	0.5
Disposals	(0.1)	(0.1)	(0.2)
Depreciation at 31st October 1991	0.3	1.3	1.6
Net book amount at 31st October 1990	<u>0.6</u>	<u>1.2</u>	<u>1.8</u>
Net book amount at 31st October 1991	<u>1.0</u>	<u>1.2</u>	<u>2.2</u>

The net book amount of leasehold land and buildings at 31st October 1991 includes £1.0m (1990 £0.6m) in respect of leases with less than 50 years to run.

Notes to the Accounts

9 TANGIBLE ASSETS continued

Group	Freehold land and buildings £m	Leasehold land and buildings £m	Fixtures fittings tools and equipment £m	Plant and machinery £m	Total £m
Cost or valuation at 31st October 1990*	866.9	532.1	570.8	113.2	2,083.0
Currency translation adjustment	6.8	2.6	3.0	6.3	18.7
New businesses acquired	6.0	0.1	1.2	3.3	10.6
Additions	29.6	21.7	112.5	28.3	192.1
Disposals	(10.5)	(6.5)	(53.6)	(2.5)	(73.1)
Transfers (to) from current assets	(1.9)	3.7	0.6	(7.8)	(5.4)
Revaluation adjustments (Note (a))	(10.7)	(29.9)	—	—	(40.6)
Cost or valuation at 31st October 1991	886.2	523.8	634.5	140.8	2,185.3
At cost	424.0	193.5	634.5	140.8	1,392.8
At valuation in 1989	38.8	27.8	—	—	66.6
At valuation in 1990	320.1	140.0	—	—	460.1
At valuation in 1991	103.3	162.5	—	—	265.8
Cost or valuation 31st October 1991	886.2	523.8	634.5	140.8	2,185.3
Depreciation at 31st October 1990*	21.9	12.4	235.8	46.0	316.1
Currency translation adjustment	0.7	0.9	0.7	2.0	4.3
New businesses acquired	—	—	0.1	—	0.1
Disposals	(0.3)	(0.3)	(36.5)	(6.0)	(43.1)
Depreciation for year	4.5	5.2	74.8	18.6	103.1
Provision for loss on disposal	0.3	(1.4)	(0.8)	0.1	(1.8)
Transfers (to) from current assets	(6.2)	0.5	(3.6)	0.2	(9.1)
Revaluation adjustments (Note (a))	(2.1)	(4.0)	—	—	(6.1)
Depreciation at 31st October 1991	18.8	13.3	270.5	60.9	363.5
Net book amount at 31st October 1990	845.0	519.7	335.0	67.2	1,766.9
Net book amount at 31st October 1991	867.4	510.5	364.0	79.9	1,821.8

(a) The property valuation at 31st October 1991 was made by Messrs Knight Frank and Rutley on the basis of open market value for existing use and assumed where applicable the continued benefit of licences and permits.

(b) The net book amount of land and buildings includes £789.2m (1990 £783.8m) in respect of assets carried at valuation. The total amount of land and buildings as determined under the historical cost accounting rules was £1,059.4m (1990 £1,009.2m), depreciation £83.2m (1990 £97.1m) and net book amount £976.2m (1990 £912.1m).

(c) Land and buildings with a net book amount of £1,087.7m (1990 £1,199.1m) are not depreciated. The net book amount of leasehold land and buildings at 31st October 1991 includes £210.4m (1990 £197.4m) in respect of leases with less than 50 years to run. The net book amount of tangible assets includes £6.5m (1990 £5.2m) interest capitalised.

(d) The net book amount of plant and machinery includes £18.9m (1990 £9.9m) in respect of assets in the course of construction.

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

Notes to the Accounts

10 COMMITMENTS

Future capital expenditure

At 31st October 1991 commitments for capital expenditure amounted to £37.9m (1990 £96.5m including the outstanding payment on Deluxe) for the Group and £NIL (1990 £NIL) for the Company. Expenditure authorised by the Directors but not contracted amounted to £81.5m (1990 £62.2m) for the Group and £NIL (1990 £NIL) for the Company.

Group rental commitments over periods of leases

The commitment at 31st October 1991 to make payments on operating leases in the year to 31st October 1992 was:

	Properties		Plant and machinery	
	1991	1990	1991	1990
	£m	£m	£m	£m
Leases expiring in one year	1.2	1.0	2.1	1.8
Leases expiring in two to five years	3.7	3.1	4.9	10.4
Leases expiring in more than five years	20.8	16.2	0.2	0.7
	<u>25.7</u>	<u>20.3</u>	<u>7.2</u>	<u>12.9</u>

Forward foreign exchange contracts

At 31st October 1991 contracts in the ordinary course of business for the Group were £118.8m (1990 £114.5m) and for the Company £NIL (1990 £NIL).

11 INVESTMENTS

	Note	Group		Company	
		1991	1990	1991	1990
		£m	£m	£m	£m
Subsidiary undertakings	12	—	—	2,841.1	2,424.9
Associated undertakings	13	636.1	586.0	—	—
Other	14	—	19.3	—	—
		<u>636.1</u>	<u>605.3</u>	<u>2,841.1</u>	<u>2,424.9</u>

12 INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	Shares at valuation	Shares at cost	Loans and advances	Provisions	Net book amount
	£m	£m	£m	£m	£m
Balances at 31st October 1990	155.3	1,365.8	970.6	(66.8)	2,424.9
Additions	—	402.9	193.4	(29.7)	566.6
Disposals/repayments	—	(1.0)	(149.4)	—	(150.4)
Balances at 31st October 1991	<u>155.3</u>	<u>1,767.7</u>	<u>1,014.6</u>	<u>(96.5)</u>	<u>2,841.1</u>

The shares shown at valuation were valued by the Directors in 1990. The historic cost of such shares is £3.3m.

Of the loans and advances to subsidiary undertakings £46.3m (1990 £46.3m) has been subordinated to other creditors as an alternative to increasing the share capital of certain subsidiary undertakings.

Details of principal subsidiary undertakings are given on pages 41 and 42.

Notes to the Accounts

13 INTERESTS IN ASSOCIATED UNDERTAKINGS

	Participating interests at cost	Group	
		Share of post acquisition retained profits	Total
	£m	£m	£m
Rank Xerox companies (unlisted)			
Balances at 31st October 1990	24.0	416.3	440.3
Currency translation adjustment	—	14.1	14.1
Additions	0.5	—	0.5
Profits less losses for the year less dividends receivable (see below)	—	18.1	18.1
Balances at 31st October 1991	24.5	448.5	473.0
Other (unlisted)			
Balances at 31st October 1990	145.7	—	145.7
Currency translation adjustment	16.1	—	16.1
Additions	7.0	—	7.0
Disposals	(2.7)	—	(2.7)
Amortisation of interest capitalised	(1.2)	—	(1.2)
Provision for diminution in value	(1.3)	—	(1.3)
Profits less losses for the year less dividends receivable (see below)	—	(0.5)	(0.5)
Balances at 31st October 1991	163.6	(0.5)	163.1
Total	188.1	448.0	636.1

Other associated undertakings are principally represented by the Group's interest in Universal Studios Florida. Included in other associates' participating interests at cost is £158.3m (1990 £138.8m) in respect of interests in partnerships including £14.4m (1990 £13.8m) interest capitalised.

	Rank Xerox companies		Others	
	1991	1990	1991	1990
	£m	£m	£m	£m
Share of retained profit for the year				
Share of profits less losses before taxation	158.7	167.2	(0.5)	—
Share of taxation (note 4)	(66.3)	(72.8)	—	—
Share of extraordinary items	—	21.6	—	—
	92.4	119.0	(0.5)	—
Dividends receivable by the Group	(74.3)	(112.4)	—	—
Profits less losses for the year less dividends receivable	18.1	6.6	(0.5)	—
Minority interests	(0.6)	(1.2)	—	—
Amounts retained attributable to shareholders of the Company	17.5	6.4	(0.5)	—
Adjustments on becoming subsidiary undertakings	—	—	—	(2.5)
Net increase in profits retained	17.5	6.4	(0.5)	—

Details of principal associated undertakings are given on pages 43 and 44.

Notes to the Accounts

14 OTHER INVESTMENTS

	Group			
	Shares at cost	Loans and advances	Provisions	Total
	£m	£m	£m	£m
Balances at 31st October 1990	0.2	19.6	(0.5)	19.3
Currency translation adjustment	—	0.1	—	0.1
Disposals	(0.2)	—	—	(0.2)
Adjustment on investment becoming a subsidiary undertaking	—	(19.2)	—	(19.2)
Balances at 31st October 1991	—	0.5	(0.5)	—

15 STOCKS

	Group	
	1991	1990
	£m	£m
Raw materials	29.9	36.1
Work in progress	16.2	18.5
Finished goods and goods for resale	69.9	64.2
Film productions	18.3	18.7
Completed properties for resale	9.3	9.0
Property developments in progress	15.0	17.7
	<u>158.6</u>	<u>164.2</u>

Interest capitalised included in completed properties for resale and property developments in progress amounted to £0.9m (1990 £0.8m).

16 DEBTORS

	Group		Companies	
	1991	1990	1991	1990
	£m	£m	£m	£m
Amounts falling due within one year				
Trade debtors	191.0	205.9	1.0	0.9
Amounts owed by subsidiary undertakings	—	—	114.1	94.0
Other debtors	39.9	44.9	1.7	1.0
Assets held for disposal	43.2	55.1	—	—
Prepayments and accrued income	47.0	56.8	1.1	16.5
Instalment sale debtors	8.1	10.4	—	—
Notes receivable	4.5	4.6	—	—
Amounts recoverable on contracts	0.4	4.3	—	—
Dividends receivable from associated undertakings	—	54.9	—	—
	<u>334.1</u>	<u>436.9</u>	<u>117.9</u>	<u>112.4</u>
Amounts falling due after more than one year				
Trade debtors	1.1	3.7	—	—
Other debtors	1.4	1.3	—	—
Prepayments and accrued income	11.5	1.8	—	—
Instalment sale debtors	44.7	41.2	—	—
Notes receivable	32.4	27.8	—	—
Advance corporation tax recoverable	23.5	23.4	40.8	38.4
	<u>114.6</u>	<u>99.2</u>	<u>40.8</u>	<u>38.4</u>
Total	<u>448.7</u>	<u>536.1</u>	<u>158.7</u>	<u>149.8</u>

17 LOAN CAPITAL, BORROWINGS, SHORT TERM DEPOSITS AND CASH

	Group		Company	
	1991 £m	1990 £m	1991 £m	1990 £m
Bank overdrafts	35.3	44.4	—	—
Bank loans:				
Amounts repayable				
Within one year or on demand	56.5	152.0	55.1	7.4
Between one and two years	—	144.3	—	143.4
Between two and five years	467.4	215.9	466.3	215.9
In five years or more	—	—	—	—
	523.9	512.2	521.4	366.7
Other borrowings:				
Amounts repayable				
Within one year	4.2	27.7	—	18.0
Between one and two years	0.1	0.4	—	—
Between two and five years	4.4	56.1	—	—
Between five and 15 years	349.0	267.8	—	—
In 15 years or more	115.5	20.6	0.6	0.6
	473.2	366.6	0.6	18.6
Total	1,032.4	923.2	522.0	385.3
Secured	13.0	38.2	—	—
Unsecured	1,019.4	885.0	522.0	385.3
Total as above	1,032.4	923.2	522.0	385.3
Amounts due within one year or on demand	96.0	224.1	55.1	25.4
Amounts due after more than one year	936.4	699.1	466.9	359.9
Loan capital and borrowings	1,032.4	923.2	522.0	385.3
Short term deposits	9.8	159.3	7.0	155.5
Cash at bank and in hand	61.8	53.7	18.6	1.1
Total cash and deposits	71.6	213.0	25.6	156.6
Net borrowings	960.8	710.2	496.4	228.7

Borrowings of £13.0m (1990 £38.2m) are secured by either fixed or floating charges on various assets and undertakings of certain subsidiary undertakings. Other borrowings shown above include (a) borrowings not fully repayable within five years totalling £463.9m (1990 £267.8m) for the Group and £NIL (1990 £NIL) for the Company which are repayable at par in part by annual sinking funds or by instalments with an average rate of interest payable of 9.9% (1990 9.9%) for the Group, (b) £0.6m (1990 £0.6m) for both the Group and the Company in respect of a 10½% Eurosterling bond redeemable at par in 2008 and (c) £NIL (1990 £20.0m) for the Group and £NIL (1990 £NIL) for the Company in respect of 11½% Mortgage Debenture Stock redeemed in the year.

Notes to the Accounts

18 OTHER CREDITORS

	Group		Company	
	1991	1990	1991	1990
	£m	£m	£m	£m
Amounts falling due within one year				
Payments received on account	13.3	11.4	—	—
Trade creditors	187.3	193.5	1.7	6.9
Interest payable to subsidiary undertakings	—	—	—	5.0
Amounts owed to subsidiary undertakings	—	—	771.6	495.0
United Kingdom corporation tax	15.8	16.4	3.5	4.1
Overseas taxation	2.7	3.5	—	—
Advance corporation tax	23.5	23.5	23.5	22.4
Other tax and social security	28.2	29.2	1.3	0.4
Other creditors	19.5	20.9	0.6	0.2
Accruals and deferred income	101.0	92.9	6.9	4.1
Dividends				
Accrued on Preference shares	4.7	3.1	4.7	3.1
Payable and proposed on Ordinary shares	64.2	64.2	64.2	64.2
Minority shareholders of subsidiaries	1.6	2.9	—	—
	<u>461.8</u>	<u>461.5</u>	<u>878.0</u>	<u>605.4</u>
Amounts falling due after more than one year				
Trade creditors	0.4	—	—	—
Overseas taxation	0.4	0.6	—	—
Other creditors	1.3	1.6	0.2	0.2
	<u>2.1</u>	<u>2.2</u>	<u>0.2</u>	<u>0.2</u>

19 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred	Acquisition	Other provisions	Total
	taxation		Other	
	£m	£m	£m	£m
Group				
Balances at 31st October 1990	10.1	93.5	34.5	128.0
Currency translation adjustment	0.9	1.3	0.2	1.5
Arising on acquisitions	—	3.4	20.0	23.4
Charged (released) to the profit and loss account in the year	(10.6)	0.9	1.4	2.3
Charged to revaluation reserve	6.2	—	—	—
Advance corporation tax recoverable	(1.4)	—	—	—
Utilised during the year	—	(48.6)	(8.7)	(57.3)
Balances at 31st October 1991	<u>5.2</u>	<u>50.5</u>	<u>47.4</u>	<u>97.9</u>
Company				
Balances at 31st October 1990	3.8	—	28.0	28.0
Charged to the profit and loss account in the year	(5.3)	—	(26.2)	(26.2)
Advance corporation tax recoverable	5.4	—	—	—
Balances at 31st October 1991	<u>1.9</u>	<u>—</u>	<u>1.8</u>	<u>1.8</u>

Other provisions principally represent closure costs in respect of the termination of activities and contingent consideration arising on acquisition of minority interests.

Notes to the Accounts

20 DEFERRED TAXATION	Provided				Not provided			
	Group		Company		Group		Company	
	1991 £m	1990 £m	1991 £m	1990 £m	1991 £m	1990 £m	1991 £m	1990 £m
Capital allowances.....	10.7	18.3	7.9	7.9	39.7	35.8	—	—
Other timing differences.....	2.3	8.2	—	5.3	(5.6)	3.4	—	—
Revaluation surplus..	6.2	—	—	—	—	—	—	—
Losses.....	—	(3.8)	—	—	(0.4)	(0.8)	—	—
Advance corporation tax.....	(14.0)	(12.6)	(6.0)	(9.4)	—	—	—	—
	5.2	10.1	1.9	3.8	33.7	38.4	—	—

The above figures exclude taxation payable:

- (a) in the event of profits of certain overseas subsidiary undertakings being distributed
- (b) on capital gains which might arise from the sale of certain investments by the Company at the values at which they are stated in the Company's balance sheet and
- (c) on capital gains which might arise if land and buildings were to be sold at the amounts at which they are carried in the Group's balance sheet as, in the opinion of the Directors, the majority of such properties will be retained for use in the business.

Tax has been provided on the revaluation surplus attributable to assets which have been identified for sale.

21 CAPITAL AND RESERVES	1991		1990	
	Authorised £m	Issued and fully paid £m	Authorised £m	Issued and fully paid £m
Share capital				
US\$ Cumulative Preference shares	3.2	—	3.2	1.3
Convertible Cumulative Redeemable Preference shares of 20p each	60.0	45.6	60.0	45.6
Ordinary shares of 25p each	108.8	77.3	108.8	77.0
	172.0	122.9	172.0	123.9

The Convertible Preference shares carry an entitlement to a dividend at the rate of 8.25p (net) per share per annum. They are convertible in any of the years 1993 to 2003 into Ordinary shares of 25p each at a rate equivalent to 10.6383 Ordinary shares for every 100 Convertible Preference shares and may be redeemed at £1.00 per share at any time after 30th April 2003 at the option of the Company and, in any event, will be redeemed at £1.00 per share on 31st July 2007.

The Company redeemed during the year the three series of US\$ Cumulative Preference shares, namely 670 Series A Depositary shares, 670 Series B Depositary shares, and 660 Series C Depositary shares at the issue price of \$200 million.

In October 1,067,039 Ordinary shares were issued as consideration for the acquisition by the Company of 1,478,130 Ordinary shares of 5p each in A. Kershaw & Sons, Plc.

During the year, 111,000 Ordinary shares were issued on the exercise of options by employees.

Under the Share Savings Scheme, approved by shareholders on 14th March 1985, employees hold options to subscribe for up to 1,772,385 (1990—586,243) Ordinary shares at prices between 57 p and 741.84p per share exercisable by 1996.

Under the Executive Share Option Scheme, approved by shareholders on 14th March 1985, directors and executives hold options to subscribe for up to 5,774,520 (1990—1,572,840) Ordinary shares at prices ranging between 636p and 933.85p per share exercisable by 2001.

Under the Overseas Executive Share Option Plan, approved by shareholders on 15th March 1989, directors and executives hold options to subscribe for up to 596,945 (1990—49,410) Ordinary shares at prices ranging between 598p and 933.85 p per share exercisable by 2001.

21 CAPITAL AND RESERVES continued

Options granted under the Share Savings Scheme are exercisable normally within a period of six months after the fifth anniversary of the SAYE contracts. Options granted under the Executive Share Option Scheme and the Overseas Executive Share Option Plan are exercisable within a period normally commencing on the third anniversary and ending on the tenth anniversary of the date of the grant.

	Preference share capital	Ordinary share capital	Share premium account
	£m	£m	£m
Movements in Share capital and Share premium account			
Balances at 31st October 1990	46.9	77.0	480.1
Issue of Ordinary shares in the year	—	0.3	7.2
Redemption of US\$ Cumulative Preference shares	(1.3)	—	—
Balances at 31st October 1991	45.6	77.3	487.3

	Group	Company
	£m	£m
Movement in capital redemption reserve		
Balances at 31st October 1990	—	—
Arising on redemption of US\$ Cumulative Preference shares	1.3	1.3
Balances at 31st October 1991	1.3	1.3

Movement in revaluation reserve		
Balances at 31st October 1990	439.3	152.0
Currency translation adjustments	0.1	—
Transfer on disposal	(1.3)	—
(Deficit) on revaluation	(34.7)	—
Tax on revaluation surplus	(6.2)	—
Transfer of depreciation on revaluation	(1.7)	—
Balances at 31st October 1991	395.5	152.0

	Company and its subsidiaries	Associated undertakings	Total
	£m	£m	£m
Movements in other reserves			
Group			
Balances at 31st October 1990	268.5	400.9	669.4
Currency translation adjustments	(14.0)(a)	13.6	(0.4)
Surplus on profit and loss account for the year	5.6	17.0	22.6
Transfer of depreciation on revaluation	1.7	—	1.7
Other	(0.6)	—	(0.6)
Redemption of US\$ Cumulative Preference shares	(117.1)	—	(117.1)
Write off of goodwill arising in the year (see below)	(88.5)	—	(88.5)
Balances at 31st October 1991	55.6	431.5(b)	487.1

(a) After offsetting £43.5m of net exchange losses arising on foreign currency borrowings less deposits.

(b) Includes £432.0m in respect of Rank Xerox companies.

The write off of goodwill of £88.5m for the year to other reserves related to the acquisition of (a) Deluxe Laboratories, (b) the outstanding minority in Pleasurama (Jersey) Ltd and (c) part of the outstanding minority in A. Kershaw & Sons, Plc. The cumulative goodwill written off at 31st October 1991 amounted to £768.4m (1990 £660.9m).

Notes to the Accounts

21 CAPITAL AND RESERVES continued Company	Merger	Other	Total
	£m	£m	£m
Balances at 31st October 1990	385.0	570.4	955.4
Surplus on profit and loss account for the year	—	21.9	21.9
Redemption of USS Cumulative Preference shares	—	(117.1)	(117.1)
Balances at 31st October 1991	385.0	475.2(c)	860.2

(c) Of which £81.7m is not available for distribution.

22 DIRECTORS AND EMPLOYEES (a) The Directors' interests in shares or stocks of the Company which are all beneficial were as follows:	31st October 1991		1st November 1990 or date of appointment	
	Ordinary shares	Share options	Ordinary shares	Share options
D. V. Atterton	1,250	1,885	1,250	1,885
Sir Arthur Bryan	1,250	—	1,250	—
H. A. Crichton-Miller	1,000	77,317	1,000	47,857
J. Daly	1,875	77,571	1,875	48,031
Sir Leslie Fletcher	3,943	1,711	3,868	1,711
M. B. Gifford	35,000	152,301	47,493	108,441
Sir Patrick Meaney	8,763	109,464	8,763	62,284
Sir Denis Mountain	10,581	—	10,581	—
T. H. North	5,000	53,672	5,000	33,514
Sir Angus Ogilvy	5,841	1,711	5,841	1,711
A. W. P. Stenham	—	1,885	—	1,885
N. V. Turnbull	1,425	69,881	1,125	43,071
D. M. Yates	3,512	71,617	5,367	47,857

The above interests include options to purchase Ordinary shares under the terms of the Company's Share Savings and Executive Share Option Schemes.

As at 1st November 1990 Mr. N. V. Turnbull had a beneficial interest in 1000 Ordinary shares of 5p each in A. Kershaw & Sons, Plc. On 19th November 1990 he ceased to be interested in 250 Ordinary shares of that Company and accordingly was beneficially interested in 750 Ordinary shares at 31st October 1991.

Except as stated above none of the Directors had any interest in the shares, share options or stocks of the Company or its subsidiaries.

There have been no changes in the above interests in shares and share options since 31st October 1991.

No Director was interested during or at the end of the year in any contract which was significant in relation to the Company's business.

	1991	1990
(b) Total emoluments of the Directors of The Rank Organisation Plc	1000	1000
Fees	90	75
Other emoluments	1,299	1,050
Contributions to pension schemes	523	358
(c) Emoluments of Chairman	209	178
(d) Emoluments of highest paid Director	309	286

Notes to the Accounts

22 DIRECTORS AND EMPLOYEES continued

(e) The table which follows shows the number of Directors of The Rank Organisation Plc, including the Chairman and the highest paid Director, whose emoluments during the year were within the bands stated.

Emoluments £	Directors	
	1991	1990
10,001—15,000	6	6
15,001—20,000	—	1
130,001—135,000	—	1
135,001—140,000	—	1
145,001—150,000	3	1
150,001—155,000	—	1
155,001—160,000	1	—
175,001—180,000	—	1
180,001—185,000	1	—
205,001—210,000	1	—
285,001—290,000	—	1
305,001—310,000	1	—

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

(g) The remuneration of the Directors is authorised by a Standing Committee of the Board comprising of the Chairman and the non-Executive Directors. The remuneration package of the Executive Directors includes a salary with pension entitlements, a bonus award directly related to the attainment of annual divisional and corporate performance targets, and participation in the longer term share option incentive scheme. The performance awards are based on a percentage up to a total of 45% of salary if each of the maximum targets is achieved. Payments made under the Performance Award Scheme during the year ended 31st October 1991 related to achievements in the year ended 31st October 1990 and are included within Directors' Emoluments.

	1991	1990
	£m	£m
Employee costs	365.7	260.3
Wages and salaries	28.9	20.8
Social security costs	12.4	10.3
Other pension costs	427.0	291.4
Employee numbers	44,993	29,689
Employees on average during the year	42,993	46,816
Employees at 31st October	44,993	29,689
Employees on average by geographical area	1991	1990
United Kingdom	37,027	24,479
Rest of Europe	618	590
USA	6,783	4,216
Rest of World	565	404
	44,993	29,689

22 DIRECTORS AND EMPLOYEES *continued*

Provision for pension and similar obligations

United Kingdom

With effect from 6th April 1991, the pension schemes previously operated by Mecca Leisure Group plc amalgamated with the Group pension schemes. The Group pension schemes are contracted-out of the State Earnings Related Pension arrangements and are externally funded under separate trusts. Benefits under defined benefit schemes are fixed by reference to final pay. Benefits under defined contribution schemes depend on the contribution levels and the emerging investment performance. Actuarial valuations of the Group pension funds are carried out by the Eagle Star Group triennially and valuations of the amalgamated funds as at 6th April 1991 are in course of preparation. The results of previous valuations were as follows:

(a) *Group Schemes* The last actuarial report of the Pension Plan was to 5th April 1988. That report disclosed that the actuarial value of the assets was sufficient to cover 161% of the benefits that had accrued to members after allowing for expected future increases in earnings. The valuation method used was a projected unit method including a 20-year control period with allowance for new entrants. The main actuarial assumptions were a long-term yield of 8% per annum, salary increases of 6.5% per annum and increases in pensions in payment of 3% per annum. The market value of the Plan's assets at 6th April 1988 was £131.1m excluding the value of annuities purchased to match pensions in payment.

The Money Purchase Scheme commenced on 6th April 1988. The market value of its assets at 5th April 1991 was £7m.

(b) *Mecca Leisure Group plc* Prior to 6th April 1991, Mecca Leisure Group plc operated two defined benefit schemes. Both were contracted out of the State Earnings Related Pension and were externally funded under separate trusts. A valuation of the schemes was carried out at 1st April 1990 by Towers, Perrin, Forster and Crosby. The main actuarial assumptions used in that valuation were a long-term yield of 8% per annum, salary increases of 6.5% per annum and increases in pensions in payment of 3% per annum for one scheme and 5% per annum for the other.

The combined market value of the two schemes at 1st April 1990 was £52.1m. The valuation results at 1st April 1990 disclosed no material surplus or deficiency.

USA

The Group operates defined contribution schemes in the USA. The market value of their combined assets at 31st October 1991 was £17.7m (1990 £11.4m). Group contributions to these schemes totalled £2.2m (1990 £1.5m).

Other countries

Group contributions to schemes for employees in other countries totalled £0.3m (1990 £0.2m).

23 ACQUISITIONS

The Group acquired the business of the Deluxe film processing laboratory in Los Angeles, USA in December 1990 and in addition purchased certain minority interests.

The profit before interest of acquisitions during the year amounted to £5.5m.

The aggregate net assets acquired amounted to £27.3m against which fair value provisions of £3.4m were created leaving a net amount of £23.9m. The total consideration amounted to £112.4m including expenses leaving goodwill of £88.5m.

Notes to the Accounts

24 CONTINGENT LIABILITIES

	1991	1990
Group	£m	£m
Guarantees by the Company and by subsidiary undertakings, bills discounted by Group companies and uncalled liability in respect of partly paid shares.	39.1	27.6

There are outstanding in the USA administrative proceedings against a subsidiary undertaking, for which the potential liability cannot be quantified. The Group is vigorously contesting the proceedings.

	1991	1990
Company	£m	£m
Guarantees of advances to subsidiary undertakings, bills discounted and uncalled liabilities in respect of partly paid shares		
Provided as liabilities in the Group balance sheet	459.9	308.8
Others	11.6	3.2

No security has been given in respect of any contingent liability.

25 POST BALANCE SHEET EVENTS

In December 1991, the Group sold its Motorway Service Area business for a cash consideration of £86m plus a small residual interest in the business. In December 1991 agreement was reached for the sale of the Shearings' urban bus services operations in the North Western and West Midlands areas for a consideration of £3.7m. The directors and shareholders of the purchasing company included two former directors of Shearings Limited.

Principal Subsidiary Undertakings

Except where otherwise stated The Rank Organisation Plc ("Rank") owns indirectly 100% of the ordinary share capital of the following companies. There are also holdings of Preference shares which are separately disclosed. The country of registration or incorporation is England unless otherwise indicated after the company name. The principal operations are carried out in the country of registration.

FILM AND TELEVISION

	Principal activities
Deluxe Laboratories (Inc) (USA)	Film processing laboratory
Odeon Cinemas Limited	Film exhibition
Pinewood Studios Limited	Film production studios, post-production facilities and services
Rank Advertising Films Limited	Cinema advertising contractor
Rank Brimar Limited	Design, manufacture and marketing of high performance, high resolution cathode ray tube products
Rank Canada Inc (Canada)	Owns the Film House film laboratory, markets lighting fixtures and electronic controls
Rank Cintel Limited	Design, manufacture and marketing of broadcast equipment and software based television graphic products
Rank Film Distributors Limited	Investment in and international distribution of feature films
Rank Film Laboratories Limited	Film processing laboratory
Rank Retail Services America Inc (USA)	Distribution of video and audio products
Rank Taylor Hobson Limited	Design, manufacture and marketing of high precision metrology instruments
Rank Taylor Hobson Inc (USA)	
Rank Video Services America Inc (USA)	Video duplication
Rank Video Services Limited	Video duplication
Strand Lighting Limited	Design, manufacture and marketing of lighting fixtures and electronic controls for the theatrical, film, television, entertainment and architectural industries
Strand Lighting Inc (USA)	

HOLIDAYS AND HOTELS

Butlin's Limited <i>(Rank also owns indirectly all the 6% Cumulative Preference shares)</i>	Holiday Worlds and holiday hotels
Character Hotels Limited	Provincial hotels in the UK
HavenWarner Limited	Caravan parks in the UK, France and Spain and Warner Holiday centres in the UK
Rank Hotels Limited	London hotels
Shearings Limited	UK coach holidays and holiday hotels

RECREATION

Associated Leisure Limited	Amusement machine hire and sales businesses
County Clubs Limited	Provincial casinos
Grosvenor Clubs Limited	London casinos
Rank Amusements Limited	Amusement centres
Top Rank Limited	Social and bingo clubs

Principal Subsidiary Undertakings

LEISURE

	Principal activities
Hard Rock International Plc	Hard Rock Cafes owned by The Rank Organisation
Hard Rock Cafes International Inc (USA)	
Rank Ahnert Inc (USA)	"Outdoor World" holiday memberships at caravan park resorts, the sale of timeshare, second homes and land
Rank Leisure Limited	Development and operation of multi-leisure centres, and nightclubs in the UK
Rank Leisure (USA) Inc	Theme restaurants in the USA
Rank Orlando Inc (USA)	Owns The Rank Organisation's investment in Universal Studios Florida
Rank Restaurants Limited	"Prima Pasta" and "Pizza Piazza" restaurants

DISCONTINUED

Rank Motorway Services Limited	Motorway service areas, trunk road services and motor lodges in the UK
--------------------------------	--

HOLDING AND OTHER COMPANIES

A. Kershaw & Sons, Plc (Rank owns directly 78% of the "A" 8% Cumulative Preference, 85% of the "B" 12½% Non Cumulative Preference and 86% of the Ordinary shares)	Holds 43% of the preference and 40% of the ordinary share capital of Rank Precision Industries (Holdings) Limited which owns 50% of the share capital of Rank RX Holdings Limited
Mecca Leisure Group Plc (Rank owns directly 100% of the 7.25% (net) Convertible Cumulative Preference, the 8.1773% (net) Cumulative Preference and the Ordinary shares)	Owns The Rank Organisation's investments in UK and overseas subsidiary companies not owned directly by Rank or the other holding companies
Rank America Inc. (USA)	Owns The Rank Organisation's investments in the USA
Rank Holdings (Netherlands) BV (Holland)	Owns The Rank Organisation's investments in Rank America Inc and other overseas subsidiary companies
Rank Holdings (UK) Limited (Directly owned)	Owns the Rank Organisation's investments in the majority of the UK operating subsidiary companies
Rank Overseas Holdings Limited (Directly owned)	Owns 100% of Rank Holdings (Netherlands) BV
Rank Precision Industries (Holdings) Limited (Rank owns 57% directly and 35% indirectly of the 5% Cumulative Preference and 60% directly and 35% indirectly of the Ordinary shares)	Owns 50% of the share capital of Rank RX Holdings Limited
Rank RX Holdings Limited (Rank owns 50% directly and 47% indirectly of the Ordinary shares)	Owns indirectly The Rank Organisation's investment in the Rank Xetox companies

Principal Associated Undertakings

The accounting date for all principal associates is 31st October 1991.

UNIVERSAL STUDIOS FLORIDA

Universal Studios Florida (USA) is a 50% joint venture managed by MCA Inc.

Principal activities

Operation of a television and film studio and motion picture theme park together with real estate development on adjoining land.

A summary of the financial statements of Universal Studios Florida and the Group's share thereof is set out below:

	12 months to 31 October 1991	1 month to 31 October 1990
	£m	£m
Profit and loss account		
Turnover	124.6	4.6
Depreciation and amortisation	(26.3)	(1.7)
Other costs	(88.2)	(4.4)
Trading profit	10.1	(1.5)
Net interest payable	(9.8)	(0.7)
Profit before tax	<u>0.3</u>	<u>(2.2)</u>
Balance sheet		
Fixed assets	344.3	312.7
Net current assets	10.9	15.2
Net borrowings	(136.0)	(142.0)
Net assets	<u>219.2</u>	<u>185.9</u>
Group share of net assets	109.6	93.0
Additional Group investment	48.7	44.6
Carrying value	<u>158.3</u>	<u>137.6</u>

	Percentage voting interest	Class of capital owned	Percentage holding
RANK XEROX COMPANIES			
Rank Xerox Limited (England)	48.8	*B' Ordinary *D' Ordinary	97.3 97.3
Rank Xerox Holding B.V. (Holland)	48.8	*B' Ordinary *C' Ordinary	97.3 97.3
Rank Xerox Investments Limited (Bermuda)	49.0	*B' Ordinary	97.3
R-X Holdings Limited (Bermuda)	33.3	*B' Ordinary	97.3

Principal activities

The business of the Rank Xerox companies consists of the design, manufacturing and marketing of business equipment. This includes xerographic copiers and duplicators, electronic impact and electrostatic printers, information processing products and systems, electronic typewriters, facsimile transmitters, and related supplies. Rank Xerox has its principal manufacturing operations in the United Kingdom, France, and Holland, its principal associated undertaking, Fuji Xerox Co. Limited, a company incorporated in Japan, which is 50% owned by Rank Xerox Limited, also manufactures and markets business equipment.

Principal Associated Undertakings

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 undertakings owned jointly with Xerox Corporation. This share amounts to one half of such profits up to a maximum annual sum of £3,700,627 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 profit before tax as shown below is adjusted for charges made by Xerox Corporation for research and development and corporate overhead costs and for profit participation adjustments in accordance with the above agreement.

A summary of the audited combined financial statements of the Rank Xerox companies is set out below:

	1991	1990
	£m	£m
Profit and loss account		
Turnover	2,506	2,676
Less costs	2,285	2,387
Trading profit	221	289
Net interest receivable	70	51
Share of results of associated undertakings	104	112
Profit before Xerox Corporation charges	395	452
Xerox Corporation charges	(156)	(158)
Profit before tax	239	294
Tax	(98)	(130)
Profit after tax	141	164
Extraordinary profit after tax	—	60
Profit for the financial year	141	224
Balance sheet		
Fixed assets		
Tangible assets	347	335
Investments	428	348
	775	683
Net current assets	1,365	1,295
Total assets less current liabilities	2,140	1,978
Creditors falling due after more than one year	(612)	(573)
Provisions for liabilities and charges	(123)	(112)
	1,405	1,293
Share capital and reserves	1,398	1,287
Minority interests	7	6
	1,405	1,293
Profit participation		
Profit before tax	239	294
Add: Xerox Corporation charges	156	158
Add: Profit participation adjustments	80	47
Deduct: Minority interests	(2)	(3)
Profit for participation purposes before extraordinary profits	473	496
Extraordinary profit before tax	—	59
Profit for participation purposes	473	555

Report of the Auditors, KPMG Peat Marwick

TO THE MEMBERS OF THE RANK ORGANISATION Plc

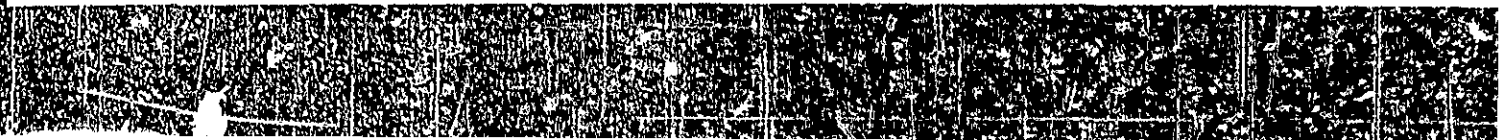
We have audited the accounts set out on pages 20 to 44 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the Company and the Group at 31st October 1991 and of the profit and source and application of funds of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

London
30th January 1992

KPMG Peat Marwick

KPMG Peat Marwick
Chartered Accountants
Registered Auditor



Five Year Review

TURNOVER, PROFIT, EARNINGS AND DIVIDEND

	1991	1990	1989	1988	1987
	£m	£m	£m	£m	£m
Turnover	2,114.2	1,333.1	1,093.0	824.1	668.4
Trading profit	186.6	145.1	142.7	123.3	93.1
Exceptional items	(1.3)	16.0	24.7	0.2	7.2
Rank Xerox companies	158.7	167.2	159.6	150.5	115.7
Other associates	(0.5)	—	3.6	—	2.5
Interest	(93.0)	(16.2)	(39.5)	(18.9)	(10.2)
Profit before tax	250.5	312.1	291.1	255.1	208.3
Tax	(102.4)	(110.1)	(107.5)	(95.1)	(78.3)
Minority interests	(7.2)	(4.1)	(3.4)	(3.1)	(3.9)
Earnings	140.9	197.9	180.2	156.9	126.1
Extraordinary items	—	(15.2)	5.5	22.3	16.4
Profit for the financial year	140.9	182.7	185.7	179.2	142.5
Earnings per Ordinary share (before extraordinary items)	38.4p	70.1p	79.7p	70.1p	56.2p
Total Dividend per Ordinary share	31.0p	31.0p	29.0p	25.3p	21.0p
Group funds employed					
Fixed assets	1,821.8	1,766.9	874.8	691.1	354.1
Investments	636.1	605.3	573.5	417.1	340.7
Net trading assets	40.3	98.5	133.9	80.7	64.9
Total funds employed at year end	2,498.2	2,470.7	1,582.2	1,188.9	759.7
Financed by					
Ordinary share capital and reserves	1,293.5	1,383.4	968.9	844.6	610.0
Preference share capital including premium and minorities	243.9	377.1	147.2	16.2	27.0
	1,537.4	1,760.5	1,116.1	860.8	637.0
Net borrowings	960.8	710.2	466.1	328.1	122.7
	2,498.2	2,470.7	1,582.2	1,188.9	759.7
Investment expenditure	312.0	1,187.0	362.3	306.6	128.6
Average number of employees ('000's)	45.0	29.7	22.8	21.4	19.5

Trading profit has been restated to exclude exceptional items now disclosed separately.

Earnings per Ordinary share and Dividends per Ordinary share have been restated to reflect the effects of the Rights Issue announced in January 1990.

Shareholder Information

SHARE OWNERSHIP ANALYSIS

As at 31st October 1991

	Holdings		Nominal amount held	
	Number	%	£m	%
Ordinary shareholdings				
Institutions and other corporate holdings:				
Banks and nominee companies	6,708	15.10	51.78	66.95
Insurance companies and pension funds	338	0.76	14.58	18.85
Other corporate holdings	788	1.77	7.04	9.11
	<u>7,834</u>	<u>17.63</u>	<u>73.40</u>	<u>94.91</u>
Individuals:				
Over 25,000 shares	7	0.02	0.10	0.13
2,501 – 25,000 shares	759	1.71	1.14	1.47
501 – 2,500 shares	6,845	15.41	1.83	2.36
Up to 500 shares	28,978	65.23	0.87	1.13
	<u>36,589</u>	<u>82.37</u>	<u>3.94</u>	<u>5.09</u>
Total Ordinary shareholdings	<u>44,423</u>	<u>100.00</u>	<u>77.34</u>	<u>100.00</u>

Convertible Preference shares

The total number of Convertible Preference shares in issue as at 31st October 1991 was 227,973,470 shares having a nominal value of £45,594,694. These shares were held by a total of 13,169 shareholders.

CORPORATE PERSONAL EQUITY PLAN (PEP)

The Rank Organisation Corporate PEP is open to existing and prospective shareholders. There is also a regular monthly savings facility. Further information concerning The Rank Organisation PEP is available from the Plan Manager, Bradford & Bingley (PEPs) Limited, P.O. Box 50, Main Street, Bingley, West Yorkshire BD16 2LW (Telephone 0274 555677).

SHARE DEALING SERVICE

Hoare Govett operate a low cost share dealing service for ordinary shares in The Rank Organisation. Shares can be sold or purchased at a base commission rate of 1% with no minimum charge. Further information is available from Hoare Govett Corporate Finance Limited, FREEPOST, London EC2D 2HG (Telephone 081-847 7730).

THE FINANCIAL CALENDAR

Half Year Results:	Announced July
Dividend on Convertible Preference shares:	Paid end July
Interim Dividend on Ordinary shares:	Paid in September
Full Year Results:	Announced January
Dividend on Convertible Preference shares:	Paid end January
Final Dividend on Ordinary shares:	Paid in April
Annual Reports:	Posted to shareholders in February
Annual General Meeting:	Held in March

Notice of Meeting

Notice is hereby given that the fifty-fifth Annual General Meeting of The Rank Organisation Plc will be held in the Cotswold Suite, Gloucester Hotel, Harrington Gardens, London SW7 4LH, at 11.30am on Wednesday, 11th March 1992 for the following purposes:

1. To receive the Report of the Directors and the audited Accounts for the year ended 31st October 1991 and to declare a final dividend on the Ordinary shares.
2. To elect Directors:
 - (a) Sir Angus Ogilvy
 - (b) Sir Denis Mountain
 - (c) Mr N. V. Turnbull
 - (d) Mr D. M. Yates

3. To reappoint Auditors and to authorise the Directors to fix the Auditors' fee.

As special business to consider and if thought fit, pass the following Resolutions of which Resolutions nos 4, 5 and 6 will be proposed as Ordinary Resolutions and Resolution 7 as a Special Resolution:

4. That the Directors be authorised with immediate effect to amend the Rules of The Rank Organisation 1985 Executive Share Option Scheme by the substitution for the text of Rules 6 and 11 of the new text thereof exhibited in draft to this meeting (and initialled by the chairman thereof for the purpose of identification) subject to and with effect from the date of the approval of such amendments by the Board of Inland Revenue.
5. That the Directors be authorised with immediate effect to amend the Rules of The Rank Organisation Share Savings Scheme by the substitution for the text of Rule 3 of the new text thereof exhibited in draft to this meeting (and initialled by the chairman thereof for the purpose of identification) subject to and with effect from the date of the approval of such amendments by the Board of Inland Revenue.
6. That the Rules of The Rank Organisation Share Savings Scheme be amended by deleting the whole text of paragraph (D) of Rule 5 and substituting therefor these words following:

"The minimum monthly contribution payable by a

Participant under any Savings Contract shall be £10. The aggregate of the monthly contributions payable by any Participant under all his Savings Contracts concurrently in force shall not exceed £250 (or, if less, the maximum such aggregate permitted at any relevant time by the governmental regulations governing Savings Contracts)";

subject to and with effect from the date of the approval of such amendment by the Board of Inland Revenue.

7. "That the Directors be generally and unconditionally authorised at any time before the date for which the Annual General Meeting of the Company next following this meeting is convened and at any time thereafter, notwithstanding that this authority has expired, pursuant to any offer or agreement made by the Company before the expiry of this authority:
 - (i) to allot relevant securities (as defined in Section 80(2) of the Companies Act 1985) up to a maximum nominal amount of £25,778,000.
 - (ii) to allot any equity security of the Company under the authority conferred on them by sub-paragraph (i) of this Resolution as if Section 89(1) of that Act did not apply provided that the power hereby given shall be limited to:
 - (a) such allotment of equity securities as are specified in paragraphs 6(C)(1) and 6(C)(2) of the Articles of Association of the Company; and
 - (b) any other allotment for cash of equity securities up to a maximum nominal amount of £3,866,753 being 5% of the issued Ordinary share capitalthe expression "equity security" having for the purpose of this Resolution the meaning ascribed to it in Section 94 of that Act."

By Order of the Board

Brian C. Owers
Secretary
17th February 1992

6 Connaught Place
London W2 2E7

Under the Company's Articles of Association only the holders of Ordinary shares are entitled to attend and vote. Holders of Convertible Preference shares are entitled to attend, but not entitled to speak or 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. The appointment of a proxy will not preclude a member from attending the Meeting and voting in person. Directors' service contracts of more than one year's duration are available for inspection at the Registered Office of the Company during the usual business hours and the place of the Meeting for 15 minutes prior to and throughout the Meeting.