

RANK LEISURE MACHINE SERVICES LIMITED

Registered No. 00657720

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS**

31 DECEMBER 2010

MONDAY



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RANK LEISURE MACHINE SERVICES LIMITED

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 December 2010

Business review and principal activities

The Company is a limited company incorporated and domiciled in England and Wales

The Company did not trade in the year and the directors do not expect the Company to trade in the future

The directors do not recommend the payment of a dividend

Post balance sheet event

On 7 June 2011 Guoco Group Limited (Guoco), a company incorporated in Bermuda, and listed on the Hong Kong stock exchange, acquired a controlling interest in The Rank Group Plc, a parent undertaking

At the date of signing these financial statements, Guoco owned 74.5% of The Rank Group Plc through two controlled undertakings, Asia Fountain Investment Company Limited and All Global Investments Limited. The ultimate parent undertaking of Guoco is Hong Leong Company (Malaysia) Berhad which is incorporated in Malaysia.

Directors

The following were directors of the Company during the year

Mr M I Burke

Mr P J Gallagher (resigned 31 August 2011)

Mr C A R Jennings (appointed 31 August 2011)

Statement of directors' responsibilities

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

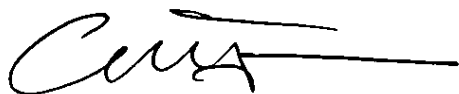
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with applicable law and International Financial Reporting Standards ('IFRS') as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The directors confirm that they have complied with the above requirements in preparing the financial statements.

By order of the board



Mr C A R Jennings
Director

Date 23 September 2011

Registered Office Statesman House, Stafferton Way, Maidenhead, Berkshire, SL6 1AY
Registered Number 00657720

RANK LEISURE MACHINE SERVICES LIMITED
BALANCE SHEET AT 31 DECEMBER 2010

| | Note | 2010 £'000 | 2009 £'000 |
|--|------|---------------|---------------|
| Non-current assets | | | |
| Investments in subsidiary undertakings | 4 | - | - |
| Current assets | | | |
| Trade and other receivables | 5 | 15,917 | 15,917 |
| Net assets | | <u>15,917</u> | <u>15,917</u> |
| Shareholders' equity | | | |
| Ordinary share capital | 6 | 66,000 | 66,000 |
| Other reserves | 7 | (50,083) | (50,083) |
| Total equity | 7 | <u>15,917</u> | <u>15,917</u> |

All equity is attributable to equity interests

The notes on pages 3 and 4 are an integral part of these financial statements

For the financial year ended 31 December 2010, the Company was entitled to exemption from audit under section 480 of the Companies Act 2006, and no notice has been deposited under section 476

The directors acknowledge their responsibilities for

- ensuring that the Company keeps proper accounting records which comply with section 386 of the Act, and
- preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company

These financial statements were approved by the board on 23 September 2011 and were signed on its behalf by



Mr C A R Jennings
Director

RANK LEISURE MACHINE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with EU Endorsed International Accounting and Financial Reporting Standards ('IFRS') and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS

The financial statements have been prepared under the historic cost convention

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The best estimate of the directors may differ from the actual results

(b) Investments

Investments in subsidiaries are held at cost less impairment

2 Income statement, statement of comprehensive income and statement of changes in equity

The Company has not traded in the year and has received no income and incurred no expenditure and consequently no income statement, statement of comprehensive income or statement of changes in equity have been prepared

3. Cash flow statement

There have been no cash flows in the year and consequently no cash flow statement has been prepared

4 Investments in subsidiary undertakings

| | 2010 | 2009 |
|--------------------------|--------------|--------------|
| | £'000 | £'000 |
| Cost | 14,350 | 14,350 |
| Provision for impairment | (14,350) | (14,350) |
| Net book amount | - | - |

At 31 December 2010, the Company held the following interests in subsidiary undertakings, which are all incorporated and registered in England and Wales with the exception of Associated Leisure France SARL which is incorporated in France. None of the subsidiary undertakings traded during the year

| Subsidiary undertaking | Class of shares held | Proportion held directly (%) | Proportion held indirectly (%) |
|----------------------------------|-----------------------------|-------------------------------------|---------------------------------------|
| Rank Seasonal Amusements Limited | Ordinary | 100.0 | - |
| Rank Nemo (HGY) Limited | Ordinary | 100.0 | - |
| Rank Nemo (HGZ) Limited | Ordinary | 89.9 | 10.0 |
| Associated Leisure France SARL | Ordinary | 50.0 | 50.0 |

Associated Leisure France SARL held 100.0% of the ordinary shares of Associated Leisure France Properties SCI

5 Trade and other receivables

| | 2010 | 2009 |
|--|---------------|---------------|
| | £'000 | £'000 |
| Amounts owed by parent undertaking | 2,498 | 2,498 |
| Amounts owed by fellow subsidiary undertakings | 13,419 | 13,419 |
| | <u>15,917</u> | <u>15,917</u> |

6 Ordinary share capital

| | 2010 | 2009 |
|-----------------------------------|---------------|---------------|
| | £'000 | £'000 |
| Authorised, issued and fully paid | | |
| Ordinary shares of £1 each | <u>66,000</u> | <u>66,000</u> |

RANK LEISURE MACHINE SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

7. Other reserves and shareholders' equity

The Company has not traded in the year and consequently there have been no movements in other reserves or shareholders' equity. Other reserves represent retained losses.

8. Directors and employees

The directors received no remuneration in the year in respect of their services to the Company which were of negligible value (2009: nil). There were no employees of the Company during the year (2009: nil).

9. Parent undertakings and related party transactions

Throughout the year ended 31 December 2010 and to the date of signing these financial statements, the Company's immediate parent company was Rank Group Gaming Division Limited. Both the Company and Rank Group Gaming Division Limited are incorporated and registered in England and Wales.

Throughout the year ended 31 December 2010 and to 6 June 2011, the ultimate holding company was The Rank Group Plc, a company incorporated and registered in England and Wales.

The Rank Group Plc, was the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of The Rank Group Plc consolidated financial statements can be obtained from www.rank.com/investors/reports_2011.jsp or by written request to the Company Secretary at Statesman House, Stafferton Way, Maidenhead, Berkshire, SL6 1AY.

With effect from 7 June 2011, the ultimate holding company became Hong Leong Company (Malaysia) Berhad, a company incorporated in Malaysia.

There were no related party transactions during the year.

All intercompany loans are unsecured, interest free and repayable on demand. The Company has expressed that it does not intend to call in the loans in the next 12 months.

10. Post balance sheet event

On 7 June 2011 Guoco Group Limited (Guoco), a company incorporated in Bermuda, and listed on the Hong Kong stock exchange, acquired a controlling interest in The Rank Group Plc, a parent undertaking.

At the date of signing these accounts, Guoco owned 74.5% of The Rank Group Plc through two controlled undertakings, Asia Fountain Investment Company Limited and All Global Investments Limited. The ultimate parent undertaking of Guoco is Hong Leong Company (Malaysia) Berhad which is incorporated in Malaysia.