

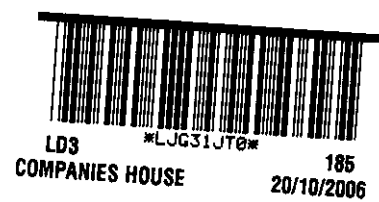
**RANK OVERSEAS FINANCE LIMITED**  
**Registered No. 784032**

**DIRECTORS' REPORT**

**AND**

**ACCOUNTS**

**31 DECEMBER 2005**



## **RANK OVERSEAS FINANCE LIMITED**

### **DIRECTORS**

Mrs P. M. Coles  
Mr P. R. Gill  
Mrs S. Wren

### **DIRECTORS' REPORT**

The Directors present their Report and Statement of Accounts for the year ended 31 December 2005.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The Company did not trade in the year under review and the Directors do not expect the Company to trade in the future.

### **RESULTS AND DIVIDEND**

The Directors do not recommend the payment of a dividend.

### **DIRECTORS**

The following were Directors of the Company during the year:-

Mr C. B. A. Cormick  
Mr I. Dyson  
Mrs. S. Wren  
Mr P. R. Gill  
Mrs P. M. Coles

Mr I. Dyson resigned as a Director of the Company on 24 June 2005.  
Mr P. R. Gill was appointed as a Director of the Company on 11 July 2005.  
Mr C. B. A. Cormick resigned as a Director of the Company on 31 October 2005.  
Mrs P. M. Coles was appointed as a Director of the Company on 1 November 2005.

## DIRECTORS' INTERESTS

The Directors' interests in shares or stocks of The Rank Group Plc, including options to purchase Ordinary shares under the terms of the Group's Executive Share Option Schemes ("ESOS") and Share Savings Schemes ("SAYE") were as follows:-

	31 December 2005				1 January 2005 (or date of appointment if later)		
	Ordinary Shares	ESOS	SAYE	Exercise Price (p)	Ordinary Shares	ESOS	SAYE
P M Coles	-	90,149	-	299.50p	-	90,149	-
P R Gill	-	230,831	-	303.25p	-	-	-
	-	-	7,155	225.00p	-	-	-
S Wren	-	5,904	-	338.72p	-	5,904	-
	-	-	-	271.00p	-	23,247	-
	-	28,915	-	239.92p	-	28,915	-
	-	15,608	-	320.33p	-	15,608	-
	-	24,943	-	277.83p	-	-	-
	-	-	11,968	141.00p	-	-	11,968

*Note: In addition to the above P R Gill has been granted conditional awards totalling 115,226 Ordinary shares; in addition to the above S Wren has been granted conditional awards totalling 70,502 Ordinary shares under the terms of the Rank Group 2000 Long Term Incentive Plan.*

Options to subscribe for Ordinary shares of The Rank Group Plc granted to and exercised by Directors in the year ended 31 December 2005 are set out below. Except as stated, no options lapsed during the year.

	Granted		Lapsed		Exercised			
	ESOS	SAYE	ESOS	SAYE	ESOS	SAYE	Price per Option (p)	Market Price at date of exercise (p)
P R Gill	230,831	-	-	-	-	-	303.25	-
	-	7,155	-	-	-	-	225.00	-
S Wren	24,943	-	-	-	-	-	277.83	-
	-	-	-	-	23,247	-	271.00	302.25

The market price of an ordinary share at 31 December 2005 was 305.75p and the range during the preceding 12 months was 250.00p to 322.50p. Options outstanding at 31 December 2005 are exercisable at various dates between 20 February 2001 and 2 October 2015.

In addition to the above interests, pursuant to the requirements of the Companies Act 1985, each Director is deemed to be interested in the Ordinary shares of The Rank Group Plc held by The Rank Group Plc Employee Benefit Trust. At 1 January 2005 the interest was in a total of 824,895 Ordinary shares and at 31 December 2005 the interest was in a total of 202,852 Ordinary shares.

The Company's Register of Directors' Interests (which is open to inspection) contains full details of Directors' shareholdings and options to subscribe.

Except as stated above, none of the Directors had any interest in the shares, share options, stocks or debentures of the Company, its ultimate parent undertaking or any subsidiary of that Company at 1 January 2005 or at 31 December 2005.

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the Directors to prepare financial statements for each financial year that 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. The Directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

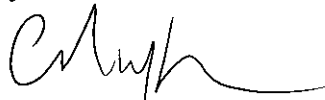
The Directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2005 and that applicable accounting standards have been followed.

The Directors are responsible for keeping proper accounting records that 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 1985. 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.

## **AUDITORS**

In accordance with s386(2) of the Companies Act 1985, PricewaterhouseCoopers LLP will continue as auditors of the Company under the terms of an elective resolution passed by the Company.

By order of the Board



C M Duffill  
Secretary

Registered Office:  
6 Connaught Place  
London, W2 2EZ.

Date: 29 September 2006

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RANK OVERSEAS FINANCE LIMITED**

We have audited the financial statements of Rank Overseas Finance Limited for the year ended 31 December 2005 which comprise the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

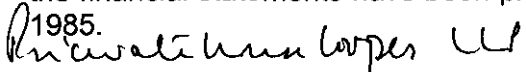
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2005; and
- the financial statements have been properly prepared in accordance with the Companies Act


  
PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
1 Embankment Place  
London  
Date: 29 September 2006

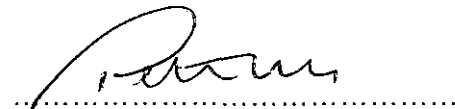
**RANK OVERSEAS FINANCE LIMITED**  
**BALANCE SHEET AT 31 DECEMBER 2005**

	<u>Note</u>	<u>2005</u> £'000	<u>2004</u> £'000
<b>CURRENT ASSETS</b>			
Receivables: Amounts falling due within one year	4	15,682	15,682
		<hr/>	<hr/>
<b>NET ASSETS</b>		15,682	15,682
		<hr/>	<hr/>
<b>EQUITY</b>			
Share Capital	6	5,000	5,000
Retained Earnings		10,682	10,682
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>	5	15,682	15,682
		<hr/>	<hr/>

All shareholders' equity is attributable to equity interests.

These accounts were approved by the Board of Directors on 29 September 2006

  
P M Coles

  
P R Gill

The notes to the accounts are on pages 6 and 7.

## RANK OVERSEAS FINANCE LIMITED

### NOTES TO THE ACCOUNTS AT 31 DECEMBER 2005

#### 1. Accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted for use in the European Union and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

On transition to IFRS, the company considered recognition of all assets and liabilities required by IFRS and derecognition of all assets and liabilities not recognised by IFRS. No adjustments have been found necessary.

The financial statements are prepared under the historical cost convention as modified by the revaluation of land and buildings, available for sale investments, financial assets and liabilities held for trading.

#### 2. Income statement

The Company did not trade during the year ended 31 December 2005, has received no income and incurred no expenditure and consequently no income statement has been prepared.

#### 3. Cash flow statement

There have been no cash flow movements during the year, therefore, no Cash flow statement has been prepared.

#### 4. Receivables

	<u>2005</u> <u>£'000</u>	<u>2005</u> <u>£'000</u>
Amounts falling due within one year owed by parent and subsidiary undertakings	15,682	15,682

The loans are unsecured, interest free and repayable on demand.

#### 5. Shareholders' equity

There has been no movement in shareholders' equity during the year.

#### 6. Share capital

	<u>2005</u> <u>£'000</u>	<u>2004</u> <u>£'000</u>
Authorised, allotted, called up, issued and fully paid:		
5,000,000 Ordinary shares of £1 each	5,000	5,000

**7. Directors and employees**

The Directors received no remuneration in the year in respect of their services to the Company which were of negligible value (2004:nil). There were no employees of the Company during the year (2004: nil).

Information relating to the Directors' shareholdings and share options is given in the Directors' report on pages 1 to 3.

**8. Ultimate parent undertaking**

The Company's ultimate parent undertaking is The Rank Group Plc. Both the company and The Rank Group Plc are incorporated and registered in Great Britain. The ultimate parent undertaking and controlling party is The Rank Group Plc, which is 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 the Company Secretary at 6 Connaught Place, London, W2 2EZ.

There were no related party transactions during the year. As at 31 December 2005 the company was owed £7,587,468 (2004 £7,587,468) by Rank Group Finance Plc, £7,063,127 (2004 £7,063,127) by Rank Leisure Holdings Limited and £1,031,774 (2004 £1,031,774) by Rank Overseas Holdings Limited.

The loans are unsecured, interest free and repayable on demand.