

RANK OVERSEAS FINANCE LIMITED  
Registered No. 784032

DIRECTORS' REPORT

AND

ACCOUNTS

31 DECEMBER 2003



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19/07/04

## **RANK OVERSEAS FINANCE LIMITED**

### **DIRECTORS**

Mr C B A Cormick  
Mr I Dyson  
Mrs S A Wren

### **DIRECTORS' REPORT**

The Directors present their Report and Statement of Accounts for the year ended 31 December 2003.

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

The Company did not trade in the year under review.

### **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 A Wren

### **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 2003				1 January 2003		
	Ordinary Shares	ESOS	SAYE	Exercise Price (p)	Ordinary Shares	ESOS	SAYE
C B A Cormick	95,635	62,867		222.75p	25,568	268,311	3,958
		82,103		271.00p			
		59,707		239.92p			
			3,958	240.00p			
I Dyson	118,293	278,225	-	248.00p	20,000	416,601	-
		138,376		271.00p			
		100,033		239.92p			
S Wren	-	5,904		338.72p	241	59,232	11,968
		9,281		274.75p			
		20,800		187.50p			
		23,247		271.00p			
		28,915		239.92p			
			11,968	141.00p			

## **RANK OVERSEAS FINANCE LIMITED**

### **DIRECTORS' REPORT**

Note: In addition to the above C B A Cormick has been granted conditional awards totalling 187,744 Ordinary shares, I Dyson has been granted conditional awards totalling 308,364 Ordinary shares and Mrs S Wren has been granted conditional awards totalling 29,088 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 2003 are set out below. Except as stated, no options lapsed during the year.

	Granted		Lapsed		Exercised		Price per Option (p)	Market Price at date of exercise (p)
	ESOS	SAYE	ESOS	SAYE	ESOS	SAYE		
C B A Cormick	59,707	-	123,341		-	-	-	239.92
								372.92
I Dyson	100,033	-	-	-	-	-	-	239.92
S Wren	28,915	-	-	-	-	-	-	239.92

The market price of an Ordinary share at 31 December 2003 was 279.3p and the range during the preceding 12 months was 212.5p to 307p. Options outstanding at 31 December 2003 are exercisable at various dates between 20 February 2001 and 26 March 2013.

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 2003 the interest was in a total of 3,897,157 Ordinary shares and at 31 December 2003 the interest was in a total of 2,752,076 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 2003 or at 31 December 2003.

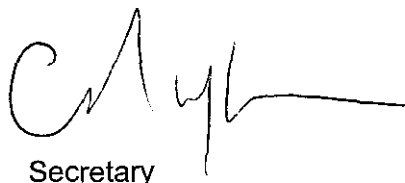
**RANK OVERSEAS FINANCE LIMITED**

**DIRECTORS' REPORT**

**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



Secretary

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

Date: 16 June 2004

**RANK OVERSEAS FINANCE LIMITED**

**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 2003 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.

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

We have audited the financial statements, which comprise the balance sheet and the related notes.

### **Respective responsibilities of Directors and auditors**

The Directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 are 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 transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Directors report.

### **Basis of audit opinion**

We conducted our audit in accordance with auditing standards 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 of the state of affairs of the Company at 31 December 2003 and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP, London  
Chartered Accountants  
Registered Auditors  
Date: 16 June 2004

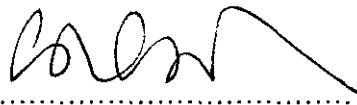
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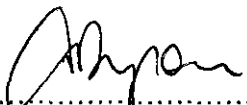
**RANK OVERSEAS FINANCE LIMITED**  
**BALANCE SHEET AT 31 DECEMBER 2003**

	<u>Note</u>	<u>2003</u> £'000	<u>2002</u> £'000
<b>CURRENT ASSETS</b>			
Debtors: Amounts falling due within one year	2	15,682	15,682
		<hr/>	<hr/>
<b>NET ASSETS</b>		15,682	15,682
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	5,000	5,000
Profit and loss account		10,682	10,682
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>	3	15,682	15,682
		<hr/>	<hr/>

*All shareholders' funds are attributable to equity interests.*

These accounts were approved by the Board of Directors on 16 June 2004

  
.....  
Director

  
.....  
Director

The notes to the accounts are on pages 7 and 8.

## **RANK OVERSEAS FINANCE LIMITED**

### **NOTES TO THE ACCOUNTS AT 31 DECEMBER 2003**

#### **1. Accounting policies**

(i) Basis of preparation

The accounts are prepared under the historical cost convention and comply with applicable accounting standards on a basis consistent with the previous year.

(ii) Cash flow statement

Under Financial Reporting Standard 1, the Company is exempt from the requirement to include a cash flow statement within its accounts since it is a wholly owned subsidiary undertaking.

#### **2. Debtors**

	<b><u>2003</u></b> <b>£'000</b>	<b><u>2002</u></b> <b>£'000</b>
Amounts falling due within one year:		
Amounts owed by parent undertaking	7,063	7,063
Amounts owed by fellow subsidiary undertaking	8,619	8,619
	<hr/>	<hr/>
	15,682	15,682
	<hr/>	<hr/>

#### **3. Shareholders' funds**

	<b><u>2003</u></b> <b>£'000</b>	<b><u>2002</u></b> <b>£'000</b>
Shareholders' funds at 1 January	15,682	15,682
Shareholders' funds at 31 December	<hr/>	<hr/>
	15,682	15,682
	<hr/>	<hr/>



**RANK OVERSEAS FINANCE LIMITED**

**NOTES TO THE ACCOUNTS AT 31 DECEMBER 2003**

**4. Share capital**

	<u>2003</u> £'000	<u>2002</u> £'000
Authorised, allotted, called up, issued and fully paid:		
5,000,000 Ordinary shares of £1 each	5,000	5,000
	<hr/>	<hr/>

**5. Directors and employees**

The Directors received no remuneration in the year (2002: £nil). There were no employees of the Company during the year (2002: nil).

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

**6. Ultimate parent undertaking**

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.