

GENTING STANLEY PLC
DIRECTORS' REPORT AND ACCOUNTS
31 DECEMBER 2006

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COMPANIES HOUSE

COMPANY NUMBER: 1519749

GENTING STANLEY PLC (formerly Stanley Leisure plc)

DIRECTORS' REPORT

The Directors present their report and the audited financial statements for the eight month period ended 31 December 2006. On 22 December 2006 the Company changed its accounting reference date from 30 April to 31 December. On 1 July 2007, the Company changed its name from Stanley Leisure plc to Genting Stanley plc.

Results and Dividends

Group turnover on continuing operations for the 35 week period ended 31 December 2006 was £161.7m (52 week period ended 30 April 2006 £224.8m).

Profit before tax and exceptional items on continuing operations for the period was £12.4m, before exceptional items of £14.2m (52 week period ended 30 April 2006 £31.9m, before exceptional items of £12.8m).

The Group incurred exceptional items of £14.2m during the period relating to the write down of fixed assets of £5.2m, transaction costs of £5.5m in relation to the acquisition of the Group by Genting International and an accelerated share option charge of £3.5m.

A final dividend in respect of the year ended 30 April 2006 of 8.3p per ordinary share (30 April 2006 7.5p) was paid during the period.

Principal Activities and Business Review

During the period, the principal activities of the Group were the operation of casinos and licensed betting offices and agencies.

Genting Stanley plc is the largest casino operator in the UK with 45 casinos, 4 of which are in London and 41 throughout the rest of the UK.

On 6 October 2006, the Company became a subsidiary of Genting International PLC, ("Genting International").

Genting International is a leading integrated resorts development specialist with over 20 years of international gaming expertise and global experience in developing, operating and/or marketing internationally acclaimed casino and integrated resorts in different parts of the world, including Australia, the Americas, Malaysia, the Philippines and the UK. Genting International is a 54.8%-owned member company of Genting Berhad and was incorporated in 1984 to invest in leisure and gaming-related businesses outside Malaysia. Genting Group is a collective name for Genting Berhad and its subsidiaries and associates. Genting Group is one of Asia's leading and best managed multinationals, renowned for its strong management leadership, financial prudence and sound investment discipline. Genting International is currently listed on the Main Board of the Singapore Exchange Securities Trading Limited ("Singapore Exchange").

Genting Stanley plc delisted from the London Stock Exchange on 17 November 2006.

The Board of Directors of Genting Stanley plc, headed by Tan Sri Lim Kok Thay as Chairman, is responsible and accountable for the Group's operations. Other Board members are Lord Baker of Dorking, Mr Peter Brooks, Mr Justin Tan Wah Joo and Mr Justin Leong Ming Loong. Lord Steinberg, who retired as Chairman of Stanley Leisure plc on 31 December 2006, remains as Life President.

A strong and experienced senior management team implements the policies and directions set by the Board. Our attention to controls in the highly regulated UK environment resulted in the successful renewal of casino licences in 2006 without any issue.

On 19 June 2006 the Group purchased Harbour House Casino Limited in Southampton for a total consideration of £6.0m.

During the year, the Group continued its ongoing programme of obtaining new gaming licences and investing in its existing casinos.

The relocated casino in Stoke was completed and opened in July 2006. Major refurbishments were undertaken at the casinos in Bournemouth and Reading. Significant investment and refurbishments were made at eight other provincial casinos in Portsmouth, Derby, Southampton, Edinburgh, Liverpool, Leicester and both casinos in Coventry. The Group will continue its ongoing programme of investment in both its existing estate and in new casinos.

GENTING STANLEY PLC (formerly Stanley Leisure plc)

DIRECTORS' REPORT

In March 2006, Scotland implemented a smoking ban in all public enclosed areas. A similar smoking ban will be implemented in England from July 2007. The Group is modifying casinos to enable access to external areas, where possible, for the convenience of our players.

The Group also intends to pursue opportunities presented by new casino licences to be introduced by the 2005 Gambling Act as appropriate.

The Group is increasingly focused on "win per admission" and "earnings before interest and tax (EBIT) per admission" as key performance indicators. For the 35 weeks ended 31 December 2006 for the provincial estate "win per admission" was £28.45 (52 weeks ended 30 April 2006 £33.27) and "EBIT per admission" was £7.60 (52 weeks ended 30 April 2006 £8.03).

Directors

The directors who have served during the period were:

P Brooks (appointed 24 October 2006)
R Wiper (resigned 31 January 2007)
C C Child (resigned 28 February 2007)
Lord Baker of Dorking
Lord Steinberg (resigned 31 December 2006)
R Waddington (resigned 17 November 2006)
T Weller (resigned 17 November 2006)
Tan Sri Lim Kok Thay (appointed 1 January 2007)
J Tan Wah Joo (appointed 24 October 2006)
J Leong Ming Loong (appointed 24 October 2006)

Corporate Social Responsibility

The Group appreciates its responsibilities in respect of social, environmental and ethical matters and upholds the highest standards of operations and conduct. As a socially responsible company, Genting Stanley is focused on contributing positively to the development of the economy and the community in all areas where it operates.

Genting Stanley actively promotes and supports responsible gaming. In advocating responsible gaming in our casinos, we continue to disseminate information on responsible gaming through printed and online channels.

As a responsible member of the casino gaming industry, we are resolutely committed to the development of awareness, prevention and counseling programmes for problem and underage gambling, both on our premises and in the wider community in which we operate.

Genting Stanley is an active contributor to the Responsibility in Gambling Trust, which funds research and education into problem gambling in the UK. In addition, the Group supports the work of Gamcare, a registered charity, and publicises the services they offer to individuals with gambling problems.

Employees

The Group recognises that the success of its business is fundamentally linked to the contribution made by its employees. The Group strives to attract, motivate and retain quality employees by offering competitive salary and benefits packages, investing in employee development and training programmes and encouraging employee involvement and communication. The Group's human resources policies and strategies are focused on striking a balance between improving productivity, job enhancement and the ensuing rewards.

The Group ensures that employees receive information about the financial and economic factors affecting the business by regular management meetings, a quarterly newsletter and staff conferences. The Group has regular consultation with employees so that employees' views can be taken into account in making decisions that are likely to affect their interests.

The Group endorses the principles of equal employment opportunities in the selection, career development and promotion of employees, regardless of gender, orientation, ethnic origin, religion and whether disabled or otherwise.

DIRECTORS' REPORT

Health and Safety

The Group takes all reasonable and practicable steps to safeguard the health, safety and welfare of employees and customers. The Directors receive regular reports and updates on health and safety matters. Operational management have responsibility for effective management of health and safety in the business in accordance with the Group's health and safety policies and manuals which define the Group's approach to compliance with relevant legislation.

Environment

Although the Group is considered to have low environmental risks, the Group recognises that the business does have an impact on the environment. The Group is committed to developing methods of working which are environmentally responsible. Energy and water conservation and effective waste management continue to be a central focus. The Group has also begun work with the Carbon Trust to review opportunities for energy efficiencies in the estate.

Political and Charitable Donations

No political contributions were paid during the period (April 2006: £nil). The Company made a donation of £136,000 in the eight month period to the Responsibility of Gambling Trust. This amount represents the Company's total donations for charitable purposes during the period (April 2006: £300,000).

Auditors

A resolution to re-appoint PricewaterhouseCoopers LLP as the Company's auditors will be submitted to the Annual General Meeting.

Disclosure of Information to Auditors

Each Director at the date of this Report has confirmed, in so far as the Director is aware, that there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken appropriate steps to make themselves aware of any such information and to establish that the Company's auditors are aware of that information.

Creditor Payment Policy

It is the policy of the Group that each company should agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard written terms to individually negotiated contracts. Payments are normally made in accordance with these terms and conditions, provided that they have also been complied with by the supplier. All Group companies have complied with this policy during the year. At December 2006 the Group and Company trade creditors represented 30 days of purchases (April 2006: 30 days).

Treasury Policy

The Group makes offsetting arrangements, whereby cash surpluses are offset against overdrafts elsewhere in the UK Group.

Draw downs on revolving credit facilities are controlled centrally for varying periods depending on market rates and cash flow projections. A standby facility is available solely to meet potential gaming losses in the Gaming Division at a level agreed with the Gambling Commission.

The Group is exposed to interest rate risk on borrowings. Where appropriate, the Group uses interest rate instruments to achieve what it considers to be a balanced risk profile.

The Group's £150m revolving credit and term loan facility has margins, depending upon covenant performance, of between 0.475% and 0.85% above LIBOR.

The Group is not exposed to significant exchange rate risk.

DIRECTORS' REPORT

Going Concern

The Financial Statements have been prepared on the going concern basis as the Directors have a reasonable expectation that the Company and Group has adequate resources to continue in operational existence for the foreseeable future

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Financial Statements for each financial period. Under that law the Directors have prepared the Group and Company Financial Statements in accordance with IFRS as adopted by the European Union. The Financial Statements are required to give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for the financial period.

The Directors consider that in preparing the Financial Statements the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all accounting standards which they consider to be appropriate have been followed. The Directors confirm that they have complied with the above requirements in preparing the Financial Statements, including the compliance with IFRS as adopted by the European Union.

The Directors have responsibility for ensuring that the Group keeps proper accounting records which disclose with reasonable accuracy the financial position of the Group and which enable them to ensure that the Financial Statements comply with the Companies Act 1985 and as regards the Group Financial Statements, Article 4 of the IAS Regulation.

The Directors have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Financial Statements have been prepared on the going concern basis as the Directors have a reasonable expectation that the Company and Group has adequate resources to continue in operational existence for the foreseeable future.

The Directors are responsible for the maintenance and integrity of the Company's website. Information published on the internet is accessible in many countries with different legal requirements. Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Post Balance Sheet Events

Changes to the UK Gaming Duty Bands are due to take effect from 1 April 2007. The 2.5% starting rate of gaming duty has been abolished. The next band of 12.5% is increased to 15% and a new rate of 50% is introduced on gross yield from gaming in excess of £10m per accounting period of six months for each casino. These changes have been imposed without prior indication or consultation with the UK gaming industry and will have a negative effect on the profit performance of the Group.

The main rate of corporation tax will become 28% from 30% with effect from 1st April 2008 (31 December 2007 30%).

On 22 March 2007, the Company completed the disposal of its interest in its international betting operation. The Company's 50% interest was sold to its existing partner for a cash consideration of £1m. In addition, the Company will be entitled to a share of the after tax profits of the international business over the next three years, with effect from 1 January 2007, subject to a maximum aggregate share of £5m. For 2007, the share of profits will be one-third followed by 25% and 20% of after tax profits respectively for 2008 and 2009. The consideration was determined on a willing buyer-willing seller basis.



By order of the Board
P M BROOKS
Director

11 July 2007

GENTING STANLEY PLC (formerly Stanley Leisure plc)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENTING STANLEY PLC (formerly Stanley Leisure plc)

We have audited the Group and parent Company Financial Statements (the "Financial Statements") of Genting Stanley plc for the 35 weeks ended 31 December 2006 which comprise the Group Income Statement, the Group and Parent Company Balance Sheets, the Group and Parent Company Cash Flow Statements, the Group and Parent Company Statement of Recognised Income and Expense 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 have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other information contained in the Financial Statements and consider whether it is consistent with the audited Financial Statements. The other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

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 judgments made by the Directors in the preparation of the Financial Statements, and of whether the accounting policies are appropriate to the Group's and 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.

GENTING STANLEY PLC (formerly Stanley Leisure plc)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GENTING
STANLEY PLC (formerly Stanley Leisure plc)

Opinion

In our opinion

the Group Financial Statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's affairs as at 31 December 2006 and of its profit and cash flows for the 35 week period then ended,

the parent Company Financial Statements give a true and fair view, in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 1985, of the state of the parent Company's affairs as at 31 December 2006 and cash flows for the 35 week period then ended,

the Financial Statements have been properly prepared in accordance with the Companies Act 1985, and

the information given in the Directors' Report is consistent with the Financial Statements

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Manchester

[Date] 11 July 2007

GENTING STANLEY PLC
CONSOLIDATED INCOME STATEMENT
FOR THE 35 WEEKS ENDED 31 DECEMBER 2006

35 weeks ended 31 December 2006					
	Before exceptional items	Exceptional items	Total		
	35 weeks ended 31 December 2006	35 weeks ended 31 December 2006	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006	
notes	£m	£m	£m	£m	
CONTINUING OPERATIONS					
Revenue - gross win	2	161.7	-	161.7	224.8
Cost of sales	2,3	(135.7)	(5.2)	(140.9)	(185.8)
Gross profit	2,3	26.0	(5.2)	20.8	39.0
Administrative expenses	2	(9.8)	(9.0)	(18.8)	(15.5)
Operating profit	2,3	16.2	(14.2)	2.0	23.5
Interest receivable	6	0.3	-	0.3	3.5
Interest payable and similar charges	3,6	(4.1)	-	(4.1)	(7.9)
Profit/(loss) before tax	3,4	12.4	(14.2)	(1.8)	19.1
Tax on profit on ordinary activities	3,7	(2.8)	6.7	3.9	(7.3)
Profit/(loss) for the period from continuing operations	2,3	9.6	(7.5)	2.1	11.8
Profit for the period from discontinued operations	2,3	-	-	-	343.7
Profit/(loss) before tax - continuing operations		12.4	(14.2)	(1.8)	19.1
- discontinued operations		-	-	-	348.9
- continuing and discontinued operations		12.4	(14.2)	(1.8)	368.0
Tax		(2.8)	6.7	3.9	(7.3)
- continuing operations	3,7	(2.8)	6.7	3.9	(7.3)
- discontinued operations	3,7	-	-	-	(5.2)
- continuing and discontinued operations	7	(2.8)	6.7	3.9	(12.5)
Profit/(loss) for the period		9.6	(7.5)	2.1	355.5
- continuing operations		9.6	(7.5)	2.1	11.8
- discontinued operations		-	-	-	343.7
Profit/(loss) attributable to					
Minority interests		(0.6)	-	(0.6)	2.8
Equity holders of the Company		10.2	(7.5)	2.7	352.7
		9.6	(7.5)	2.1	355.5

The analysis of the comparative results between continuing and discontinued operations is shown in note 2
The accounting policies on pages 13 - 22 and the notes on pages 23 to 52 form part of these financial statements

GENTING STANLEY PLC

BALANCE SHEETS

AS AT 31 DECEMBER 2006

	notes	Group		Company	
		31 December 2006	30 April 2006	31 December 2006	30 April 2006
		£m	£m	£m	£m
ASSETS					
Non-current assets					
Goodwill	9	13 6	13 6	-	-
Intangible assets	9	253 3	245 0	-	-
Property, plant and equipment	10	179 6	175 1	4 1	4 5
Investments	11	5 7	5 9	307 5	307 5
Deferred tax asset	20	-	-	2 6	-
Retirement benefit asset	19	0 6	0 6	0 6	0 6
Total non-current assets		452 8	440 2	314 8	312 6
Current assets					
Inventories	12	1 5	1 6	-	-
Trade and other receivables	13	9 2	8 9	193 8	186 6
Cash and cash equivalents	14	22 3	26 9	4 1	2 1
Total current assets		33 0	37 4	197 9	188 7
Total assets		485 8	477 6	512 7	501 3
LIABILITIES					
Current liabilities					
Bank overdraft and borrowings	17	(3 1)	(3 1)	(0 7)	(1 0)
Trade and other payables	15	(30 6)	(35 6)	(63 2)	(58 0)
Current tax	16	(2 4)	(6 0)	-	-
Total current liabilities		(36 1)	(44 7)	(63 9)	(59 0)
Non current liabilities					
Loan capital and borrowings	17	(105 6)	(92 1)	(105 0)	(90 2)
Deferred tax liability	20	(91 0)	(98 4)	-	(0 5)
Provisions	21	(3 4)	(4 5)	(3 4)	(4 5)
Total non current liabilities		(200 0)	(195 0)	(108 4)	(95 2)
Total liabilities		(236 1)	(239 7)	(172 3)	(154 2)
Total net assets		249 7	237 9	340 4	347 1
EQUITY					
Called up share capital	22	18 4	17 5	18 4	17 5
Share premium account	24	83 3	70 8	83 3	70 8
Capital redemption reserve	24	15 3	15 3	15 3	15 3
Revaluation reserve	24	38 5	38 5	0 8	0 8
Capital reserve	24	5 3	5 3	-	-
Other reserves	24	23 9	23 9	23 7	23 7
Retained earnings	24	62 9	63 2	198 9	219 0
Equity shareholders' funds	24	247 6	234 5	340 4	347 1
Minority interest in equity	24	2 1	3 4	-	-
Total equity	24	249 7	237 9	340 4	347 1

The accounting policies on pages 13 - 22 and the notes on pages 23 to 52 form part of these financial statements

Approved by the Board on 11 July 2007



P M Brooks

GENTING STANLEY PLC

STATEMENTS OF RECOGNISED INCOME AND EXPENSE

FOR THE 35 WEEKS ENDED 31 DECEMBER 2006

	Group		Company	
	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m	£m	£m
Profit/(loss) for the period	2 1	355 5	(17 1)	370 3
Actuarial gain recognised in the pension scheme	0 2	0 8	0 2	0 8
Net gains/(losses) recognised in the financial period	2 3	356 3	(16 9)	371 1
Attributable to				
Minority interest	(0 6)	2 8	-	-
Equity shareholders of the parent	2 9	353 5	(16 9)	371 1
	2 3	356 3	(16 9)	371 1

As permitted by Section 230(i) Companies Act 1985, the Company has not presented its own profit and loss account

GENTING STANLEY PLC
CASH FLOW STATEMENTS
FOR THE 35 WEEKS ENDED 31 DECEMBER 2006

	notes	Group		Company	
		35 weeks ended 31 December 2006	52 weeks ended 30 April 2006	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
		£m	£m	£m	£m
Cash flows from operating activities	A	2 5	39 5	(20 1)	(29 0)
Cash flows from investing activities- continuing operations	B	(27 5)	437 3	-	499 6
Cash flows from financing activities- continuing operations					
Issue of share capital		13 4	4 0	13 4	4 0
Drawdown/(repayment) of borrowings		15 0	(115 0)	15 0	(115 0)
Capital element of finance lease rental payment		(1 6)	(11 6)	(0 7)	(12 6)
Dividends paid to equity holders		(5 8)	(93 9)	(5 8)	(93 9)
Dividends paid to minority interests		(0 7)	(2 7)	-	-
Purchase of 'B' shares		-	(247 5)	-	(247 5)
Net cash flows from financing activities		20 3	(466 7)	21 9	(465 0)
Net (decrease)/increase in cash and cash equivalents		(4 7)	10 1	1 8	5 6
Movement in cash and cash equivalents					
Net cash and cash equivalents at the beginning of the period		26 7	16 6	2 1	(3 5)
Net (decrease)/increase in cash and cash equivalents		(4 7)	10 1	1 8	5 6
Cash and cash equivalents at the end of the period	C	22 0	26 7	3 9	2 1

Reconciliation of net (decrease)/increase in cash and cash equivalents to movements in net debt

	Group		Company	
	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m	£m	£m
Net debt at beginning of period	(68 3)	(203 6)	(89 1)	(220 9)
Net (decrease)/increase in cash and cash equivalents	(4 7)	10 1	1 8	5 6
(Increase)/Decrease in debt	(13 4)	126 6	(14 3)	127 6
Other non cash and cash equivalent movements	-	(1 4)	-	(1 4)
Net debt at the end of the period	(86 4)	(68 3)	(101 6)	(89 1)

Other non-cash changes represents the amortisation of debt finance costs

NOTES TO THE CASH FLOW STATEMENTS

A CASH FLOWS FROM OPERATING ACTIVITIES

	Group		Company	
	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m	£m	£m
CONTINUING OPERATIONS				
Operating (loss)/profit - before exceptional items	16 2	33 4	(4 3)	(6 2)
Exceptional items				
Gaming division -assets written down	(5 2)	(9 9)	-	(2 3)
Accelerated share option charge	(3 5)	-	(3 5)	-
Transaction costs in relation to the acquisition of the Group	(5 5)	-	(5 5)	-
Operating (loss)/profit - after exceptional items	2 0	23 5	(13 3)	(8 5)
Gaming division -assets written down	5 2	9 9	-	2 3
Accelerated share option charge	3 5	-	3 5	-
Depreciation (net of gain on disposal of fixed assets of £nil (30 April 2006 £0 6m))	7 8	8 2	0 3	0 9
Change in working capital	(7 7)	10 9	(3 0)	(11 3)
Interest paid	(4 1)	(7 2)	(3 7)	(6 8)
Interest received	0 3	3 5	0 2	3 2
Tax paid	(7 1)	(11 4)	(6 7)	(9 8)
Cost of share based payments	2 6	1 0	2 6	1 0
Net cash inflow/(outflow) from operating activities	2 5	38 4	(20 1)	(29 0)
DISCONTINUED OPERATIONS				
Operating profit	-	5 6	-	-
Depreciation	-	0 9	-	-
Change in working capital	-	(5 4)	-	-
Net cash inflow from operating activities	-	1 1	-	-
Cash flows from operating activities	2 5	39 5	(20 1)	(29 0)

B CASH FLOWS FROM INVESTING ACTIVITIES

	Group		Company	
	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m	£m	£m
CONTINUING OPERATIONS				
Purchase of property, plant and equipment	(21 5)	(25 0)	-	(0 3)
Sale of property, plant and equipment	-	1 3	-	1 3
Purchase of subsidiaries	(6 0)	(30 5)	-	-
Sale of subsidiaries (net of cash disposed)	-	491 5	-	498 6
Cash flows from investing activities	(27 5)	437 3	-	499 6

GENTING STANLEY PLC
NOTES TO THE CASH FLOW STATEMENTS (CONTINUED)

C CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the cash flow statements comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less and overdrafts

	Group		Company	
	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m	£m	£m
CONTINUING OPERATIONS				
Cash at bank and in hand	9.3	18.7	-	0.5
Short term deposits	13.0	8.2	4.1	1.6
Bank overdrafts (included within bank overdraft and borrowings within current liabilities)	(0.3)	(0.2)	(0.2)	-
	22.0	26.7	3.9	2.1

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

Basis of preparation

The consolidated Financial Statements of the Group for the period ended 31 December 2006 have been prepared in accordance with IFRS adopted for use in the European Union. These are those Standards and related interpretations issued and adopted by the IASB that have been endorsed by the European Commission at the period end. The parts of the Companies Act 1985 applicable to those companies reporting under IFRS have also been applied.

The consolidated Financial Statements are prepared under the historical cost convention as modified by the revaluation of certain properties.

Critical accounting estimates and judgements

The preparation of financial information, in conformity with IFRS, requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial information and the reported amounts of revenues and expenses during the reporting period. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the consolidated Financial Statements are set out in the relevant accounting policies discussed below, in particular the impairment of assets. The best estimates of the Directors may differ from the actual results.

Standards not early adopted by the Group

IFRS 7, 'Financial instruments: Disclosures', and the complementary amendment to IAS 1, 'Presentation of financial statements – Capital disclosures', has not been early adopted in 2007. IFRS 7 introduces new disclosures relating to financial instruments. This standard does not have any impact on the classification and valuation of the Group's financial instruments. This standard is effective for accounting periods beginning on or after 1 January 2007.

Standards, amendments and interpretations effective in 2006 but not relevant to the Group

The following standards, amendments and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2006 but they are not relevant to the Group's operations:

IAS 21 (Amendment), Net investment in a foreign operation

IAS 39 (Amendment), Cash flow hedge accounting of forecast intragroup transactions

IAS 39 (Amendment), The fair value option

IAS 39 and IFRS 4 (Amendment), Financial guarantee contracts

IFRS 1, (Amendment), First-time adoption of international financial reporting standards and IFRS 6, (Amendment), exploration for and evaluation of mineral resources,

IFRS 6, Exploration for and evaluation of mineral resources,

IFRIC 4, Determining whether an arrangement contains a lease,

IFRIC 5, Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds, and

IFRIC 6, Liabilities arising from participating in a specific market – Waste electrical and electronic equipment

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

Interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 May 2006 or later periods but which the group has not early adopted

IFRIC 8, Scope of IFRS 2 (effective from annual periods beginning on or after 1 May 2006) IFRIC 8 requires consideration of transactions involving the issuance of equity instruments – where the identifiable consideration received is less than the fair value of the equity instruments issued – to establish whether or not they fall within the scope of IFRS 2. The group will apply IFRIC 8 from 1 January 2007, but it is not expected to have any impact on the Group's accounts

IFRIC 10, Interim Financial Reporting and Impairment (effective for annual periods beginning on or after 1 November 2006)

IFRIC 10 prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent Balance Sheet date. The group will apply IFRIC 10 from 1 January 2007 but it is not expected to have any impact on the Group's accounts

Interpretations to existing standards that are not yet effective and not relevant for the Group's operations

The following interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 May 2006 or later periods but are not relevant for the Group's operations

IFRIC 7, Applying the restatement approach under IAS 29, Financial reporting in hyperinflationary economies (effective from 1 March 2006) IFRIC 7 provides guidance on how to apply the requirements of IAS 29 in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, when the economy was not hyperinflationary in the prior period. As none of the Group entities has a currency of a hyperinflationary economy as its functional currency, IFRIC 7 is not relevant to the Group's operations

IFRIC 9, Reassessment of embedded derivatives (effective for annual periods beginning on or after 1 June 2006) IFRIC 9 requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. IFRIC 9 is not relevant to the Group's operations because none of the terms of the Group's contracts have been changed

Basis of consolidation

The consolidated Financial Statements include those of the Company and all of its subsidiaries, together with the Group's share of profits or losses and reserves of its joint ventures and associates. Financial Statements are prepared for the financial period ending on the 31 December. The results of businesses acquired or disposed of are accounted for from or to the effective date of acquisition or disposal.

Subsidiaries

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They cease to be consolidated from the date that the Group no longer has control.

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Joint ventures

Joint ventures are all entities over which the Group exercises joint control. Investments in joint ventures are accounted for by the equity method of accounting and are initially recognised at cost.

The Group's share of its joint ventures post-acquisition profits or losses after tax is recognised in the Income Statement, and its share of post-acquisition movements in reserves is recognised in the reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. The carrying amount of an investment in a joint venture is tested for impairment by comparing its recoverable amount with its carrying amount whenever there is an indication that the investment may be impaired.

Exceptional items

The Group defines exceptional items as those items, which by their nature or size would distort the comparability of the Group's results from period to period.

Segmental reporting

A business segment is defined as a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments, and this is the Group's primary reporting segmental analysis. Management has identified geographical segments as its secondary reporting segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The Group is organised into the following primary business segments,

- Gaming
 - London,
 - Provincial,
- International Betting, and
- Other

The secondary reporting segments are the main geographic areas in which the Group operates. These are the UK and Europe.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT, and other sales related taxes.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

GENTING STANLEY PLC (formerly Stanley Leisure plc)

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

Gaming

Gaming revenue represents gross gaming yield received from casino gaming activities (including casino gaming machines) (excluding VAT) and catering revenues

International Betting

Betting turnover represents stakes less payouts on betting activities

Interest income

Interest income is recognised on a time proportion method using the effective interest method

Dividend income

Dividend income is recognised when the Group's right to receive the payment is established

Foreign currency translation

Functional and presentation currency

The consolidated Financial Statements are presented in sterling, which is the Company's and Group's functional and presentation currency. Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency)

Transactions and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. At each Balance Sheet date, monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing at the Balance Sheet date. Translation differences on monetary items are taken to the Income Statement.

Translation differences on non-monetary items are reported as part of the fair value gain or loss and are included in either equity or the Income Statement as appropriate.

Group companies

The results and financial position of overseas Group entities are translated into Sterling as follows:

- Assets and liabilities are translated at the closing rate at the date of that Balance Sheet,
- Income and expenses are translated at the average exchange rate for the period,

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and foreign currency loans which finance such investments, and from translation of results at an average rate, are taken to equity. When a foreign operation is sold, such exchange differences are recognised in the Income Statement as part of the gain or loss on sale.

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

Share-based payments

The Group operated share-based compensation plans during the period

In accordance with IFRS 2 "Share Based Payments", the fair value of the employee services received under such schemes is recognised as an expense in the Income Statement, with a corresponding entry to reserves. Fair value at the date of grant is determined by use of a combination of the Monte Carlo Option Pricing Model and the Black Scholes Option Pricing Model, dependent on the type of compensation plan being valued. The amount to be expensed over the vesting period until the employees become fully entitled to the award is determined by reference to the fair value of share incentives, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of share incentives that are expected to vest.

At each Balance Sheet date, the Group revises its estimates of the number of share incentives that are expected to vest. The impact of the revision of original estimates, if any, is recognised in the Income Statement, with a corresponding adjustment to equity, over the remaining vesting period. The Group has taken advantage of the transitional provisions of IFRS 2 and has applied IFRS 2 only to equity settled awards granted after 7 November 2002 that had not vested on 1 January 2005.

Dividends

Dividends proposed and unpaid at the period end are not recognised in the Financial Statements until they have been approved. Interim dividends are recognised when paid.

Property, plant and equipment

The Group's properties are carried at cost / deemed cost, the deemed cost being the carrying value as at 3 May 2004, as permitted by IFRS 1. The Group's properties will be revalued and hence carried at a revalued amount when the fair value is considered to be materially different from its carrying amount. Net revaluation surpluses are credited to reserves.

No depreciation is provided on land or on assets in the course of construction and prior to being commissioned. Depreciation on other assets is calculated so as to write off the cost / deemed cost of tangible fixed assets, less their estimated residual values, over the expected useful economic lives of the assets concerned, at the following rates:

- Freehold and long leasehold properties are depreciated over 50 years on a straightline basis,
- Short leasehold premises with lease terms of 50 years or less are depreciated over the remaining period of the lease on a straightline basis,
- Leasehold improvements are depreciated over the shorter of the term of the associated lease or 50 years on a straightline basis,
- Fixtures, fittings and equipment are depreciated at rates of 15% - 25% per annum on a reducing balance basis,
- Motor vehicles are depreciated over four years on a straightline basis.

The Group reviews its residual values for fixed assets each period.

1 ACCOUNTING POLICIES (CONTINUED)

Goodwill

Goodwill is the excess of the fair value of the consideration payable for an acquisition over the fair value of the Group's share of identifiable net assets of a subsidiary, joint venture or associate acquired at the date of acquisition. In accordance with IFRS 3 goodwill is not amortised but reviewed annually for impairment and as such is stated at cost less any provision for impairment in value. Fair values are attributed to the identifiable assets, liabilities and contingent liabilities that existed at the date of acquisition, reflecting their condition at that date. Adjustments are made where necessary to bring the accounting policies of acquired businesses into alignment with those of the Group.

Goodwill arising on acquisition of subsidiaries is included within intangible assets. Goodwill on acquisitions of joint ventures and associates is included in the carrying amount of the investment. Goodwill is tested annually for impairment and carried at amortised cost as at 3 May 2004 plus cost for any acquisition completed after 3 May 2004 less accumulated impairment losses. An impairment charge is recognised for any amount by which the carrying value of goodwill exceeds its fair value.

Gains and losses on the disposal of an entity include the Balance Sheet carrying value of goodwill relating to the entity sold, allocated where necessary on the basis of relative fair value.

Goodwill arising on acquisitions made before 2 May 1999 has been written off directly to reserves in the period in which it arose.

Other Intangible assets

Casino licences

The Group capitalises purchased casino licences. The amount capitalised is the difference between the price paid for a casino including the associated licence and the fair value of a similar property without a casino licence. Management believes that casino licences have indefinite lives as based on all relevant factors there is no foreseeable limit to the period over which the licences are expected to generate cash inflows. Each licence is reviewed annually for impairment and as such is stated at cost less any accumulated impairment losses.

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The costs are amortised over their estimated useful lives, being three years. Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred.

Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation but are reviewed annually for impairment. On acquisition any goodwill acquired is allocated to cash-generating units (CGUs) for the purposes of impairment testing. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of (1) an asset's fair value less costs to sell and (2) value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Impairment losses are recognised in the Income Statement.

Where goodwill forms part of a CGU that is disposed of, this goodwill is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Financial instruments

The Group uses instruments to hedge the risk associated with interest rates. Interest differentials on financial instruments are recognised by adjusting net interest payable. Gains or losses on the hedges are recognised in the period to which they relate.

Financial instruments are recorded initially at fair value on the date a derivative contract is entered into and subsequently measured at fair value. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. Changes in fair value are reflected in the Income Statement.

Costs associated with the arrangement of debt finance are amortised over the life of the related borrowing facilities.

Trade receivables

Full provision is made in the Financial Statements for all unrecovered gaming debts at the Balance Sheet date, net of amounts recovered up to the date of approval of the accounts.

Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

Borrowings and borrowing costs

All loans and borrowings are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowing. Borrowings are subsequently stated at amortised cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowing costs are expensed in the period in which they are incurred, except for issue costs which are amortised over the period of the borrowing.

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

Tax

Current tax is determined by applying the rates ruling in the relevant country to the relevant taxable profits

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred tax is calculated using tax rates and laws that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Provisions

Provisions are recognised when

- The Group has a present legal or constructive obligation as a result of past events,
- It is more likely than not that an outflow of resources will be required to settle the obligation, and
- The amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset when the reimbursement is virtually certain.

Leases

Finance leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the (1) fair value of the leased property and (2) the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and its lease term.

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES (CONTINUED)

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Income Statement on a straightline basis over the period of the lease. Incentives from lessors are recognised as a systematic reduction of the charge over the periods benefiting from the incentives.

Employee benefits

Pension obligations

The Group operates various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age at retirement, years of service and compensation.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The asset/liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets, together with adjustments for unrecognised past service costs. The defined benefit asset/obligation is calculated triennially by independent actuaries using the projected unit valuation method and is updated annually on an approximate basis.

The present value of the defined benefit asset/obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are immediately recognised in the Balance Sheet, and through the Statement of Recognised Income and Expense.

Past service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service costs are amortised on a straightline basis over the vesting period.

Membership to the Group's single defined benefit scheme, the Stanley Leisure 1988 Retirement Benefit Scheme, has not been offered since 2 February 2001, and the scheme is, therefore, effectively closed to new entrants.

1 ACCOUNTING POLICIES (CONTINUED)

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit when they are due.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Bonus Plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Holiday Pay

The Group recognises an appropriate liability for the cost of holiday entitlements not taken at the Balance Sheet date.

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SEGMENTAL INFORMATION
PRIMARY FORMAT- BUSINESS SEGMENTS

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
CONTINUING OPERATIONS		
Revenue - gross win	57.9	83.9
Gaming division - London	82.7	108.9
- Provincial	21.1	32.0
International Betting Operation		
Total	161.7	224.8
Cost of sales	(135.7)	(175.9)
Gross profit	26.0	48.9
Administrative expenses	(9.8)	(15.5)
Operating profit before exceptional items	16.2	33.4
Exceptional items	(14.2)	(9.9)
Operating profit after exceptional items	2.0	23.5
Interest receivable	0.3	3.5
Interest payable and similar charges	(4.1)	(5.0)
Exceptional finance charges	-	(2.9)
(Loss)/profit before tax	(1.8)	19.1
Tax credit/(charge)	3.9	(7.3)
(Loss)/profit for the period	2.1	11.8
Profit attributable to minority interests	0.6	(2.8)
Net profit attributable to equity shareholders	2.7	9.0
 Analysis of operating profit after exceptional items by business segment		
Gaming division - London	10.2	12.2
- Provincial (after exceptional items of £5.2m (30 April 2006 £9.9m))	6.1	12.0
International Betting Operation	(0.3)	5.5
Other activities (central costs(after exceptional items of £9.0m))	(14.0)	(6.2)
Operating profit	2.0	23.5

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SEGMENTAL INFORMATION (CONTINUED)

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
DISCONTINUED OPERATIONS		
Revenue - gross win		
Retail Betting Operation	-	24.3
Telebetting and internet betting operations	-	0.1
E-gaming operation	-	1.1
Total	-	25.5
Cost of sales	-	(20.0)
Gross profit	-	5.5
Administrative expenses	-	0.1
Operating profit before exceptional items	-	5.6
Exceptional items	-	342.6
Operating profit after exceptional items	-	348.2
Interest receivable	-	-
Interest payable and similar charges	-	-
Share of pre-tax profits of joint ventures and associates	-	0.7
Profit before tax	-	348.9
Tax charge	-	(5.0)
Tax on joint ventures and associates	-	(0.2)
Profit for the period	-	343.7
Profit attributable to minority interests	-	-
Net profit attributable to equity shareholders	-	343.7
Analysis of operating profit after exceptional items by business segment		
Retail Betting Operation	-	346.0
Telebetting and internet betting operations	-	(0.6)
E-gaming operation	-	1.3
Maxims Casino	-	1.5
Operating profit	-	348.2

The Group's domestic Retail Betting Operation was sold on 18 June 2005. The internet sports betting and telebetting activities ceased trading on 9 July 2005 following the disposal. The e-gaming operation was sold on 14 October 2005. The Group's interest in Maxims casino was sold on 10 March 2006.

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SEGMENTAL INFORMATION (CONTINUED)
PRIMARY FORMAT- BUSINESS SEGMENTS

	Gaming division	International Betting operation	Other activities	Total
	£m	£m	£m	£m
CONTINUING OPERATIONS				
31 DECEMBER 2006				
Assets and liabilities				
Segment assets	442.5	10.2	9.1	461.8
-London	193.4			
-Provincial	249.1			
Other segment assets (1)	19.0	-		19.0
	461.5	10.2	9.1	480.8
Interests in joint ventures and associates	-	0.1	5.6	5.7
Total assets	461.5	10.3	14.7	486.5
Segment liabilities (1)	123.3	7.4	107.5	238.2

(1) Certain segment assets and liabilities are managed in total across the gaming division, and have not therefore been split between London and Provincial casinos

Other segment information

Capital expenditure (including acquisitions)				
- property, plant and equipment	19.8	0.3	-	20.1
- intangible assets	5.7	-	-	5.7
Depreciation	6.7	0.8	0.3	7.8

Capital expenditure on property, plant and equipment of £19.8m comprises £0.6m for London casinos and £19.2m for Provincial casinos. Capital expenditure on intangible assets of £5.7m relates to Provincial casinos. Depreciation of £6.7m comprises £1.0m for London casinos and £5.7m for Provincial casinos.

	Gaming division	International Betting operation	Other activities	Total
	£m	£m	£m	£m
30 APRIL 2006				
Assets and liabilities				
Segment assets	426.7	12.5	7.9	447.1
-London	177.6			
-Provincial	249.1			
Other segment assets (2)	24.6	-	-	24.6
	451.3	12.5	7.9	471.7
Interests in joint ventures and associates		0.4	5.5	5.9
Total assets	451.3	12.9	13.4	477.6
Segment liabilities (2)	148.7	7.3	83.7	239.7

(2) Certain segment assets and liabilities are managed in total across the gaming division and have not therefore been split between London and Provincial casinos

Other segment information

Capital expenditure (including acquisitions)				
- property, plant and equipment	34.4	1.1	-	35.5
- intangible assets	22.4	-	-	22.4
Depreciation	7.2	0.9	0.7	8.8

Capital expenditure on property, plant and equipment of £34.4m comprises £5.4m for London casinos and £29.0m for Provincial casinos. Capital expenditure on intangible assets of £22.4m relates to Provincial casinos. Depreciation of £7.2m comprises £1.4m for London casinos and £5.8m for Provincial casinos.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 SEGMENTAL INFORMATION (CONTINUED)
SECONDARY FORMAT- GEOGRAPHICAL SEGMENTS

	Revenue	Segment assets	Capital expenditure
	£m	£m	£m
CONTINUING OPERATIONS			
31 DECEMBER 2006			
United Kingdom	140.6	470.6	25.5
Europe	21.1	10.2	0.3
Total	161.7	480.8	25.8
30 APRIL 2006			
United Kingdom	192.8	459.2	56.8
Europe	32.0	12.5	1.1
Total	224.8	471.7	57.9
DISCONTINUED OPERATIONS			
31 DECEMBER 2006			
United Kingdom	-	-	-
Europe	-	-	-
Rest of World	-	-	-
Total	-	-	-
30 APRIL 2006			
United Kingdom	22.3	-	-
Europe	2.2	-	-
Rest of World	1.0	-	-
Total	25.5	-	-

3 EXCEPTIONAL ITEMS

		35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	notes	£m	£m
CONTINUING OPERATIONS			
Gaming division - assets written down		(5.2)	(9.9)
Transaction costs in relation to the acquisition of the Group		(5.5)	-
Accelerated share option charge		(3.5)	-
Financial expenses incurred following the disposal of the Retail Betting Operation	3A	-	(2.9)
Tax		6.7	4.0
Total		(7.5)	(8.8)
DISCONTINUED OPERATIONS			
Profit on disposal of Retail Betting Operation	3A	-	340.1
Profit on disposal of e-gaming operation	3A	-	1.0
Profit on disposal of interest in Maxims casino	3A	-	1.5
Tax	3A	-	(4.6)
Total		-	338.0
Total exceptional items		(7.5)	329.2

The Stanley Group was acquired by Genting International Investment (UK) Limited ("GII UK"), a wholly owned subsidiary of Genting International plc. The ultimate parent company and controlling party is now Genting International plc, incorporated in the Isle of Man. Transaction costs of £5.5m were incurred in relation to the acquisition of the Group by Genting International plc, along with an accelerated share option charge of £3.5m.

The Group incurred an exceptional fixed asset write down during the period of £5.2m in respect of a review of fixed asset carrying values.

In the prior year, the Group incurred an exceptional write down of £9.9m in respect of fixed assets that have been replaced as part of the casino refurbishment programme.

The Retail Betting Operation was sold on 18 June 2005. Following the disposal, the Group incurred financial expenses in relation to the early termination of finance leases attached to assets included in the sale, and also in relation to the early termination of three interest rate swaps following the reduction in the Group's borrowing facility.

The e-gaming operation was sold on 14 October 2005.

The Group's interest in Maxims Casino was sold on the 10 March 2006.

3A PROFIT ON DISPOSAL

52 weeks ended 30 April 2006

	Retail Betting Operation *	E-gaming operation	Maxims casino	Total
	£m	£m	£m	£m
The profit on disposal of the discontinued operations in the prior year is calculated as follows				
Sale proceeds before working capital adjustments	504.0	1.7	8.1	513.8
Working capital adjustments	(2.6)	0.2	0.4	(2.0)
Sale proceeds net of working capital adjustments	501.4	1.9	8.5	511.8
Less: professional fees	(5.8)	(0.1)	-	(5.9)
other disposal costs	(7.0)	(0.1)	-	(7.1)
Net assets disposed of	488.6	1.7	8.5	498.8
	(148.5)	(0.7)	(7.0)	(156.2)
Exceptional items (note 3)	340.1	1.0	1.5	342.6
Financial expenses incurred following the disposal of the discontinued operations	(2.9)	-	-	(2.9)
Pre-tax profit on disposal	337.2	1.0	1.5	339.7
Tax	(4.6)	-	-	(4.6)
Post-tax profit on disposal	332.6	1.0	1.5	335.1

* Includes the costs relating to the closure of the telebetting and internet betting operations that closed following the disposal of the Retail Betting Operation.

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
Profit on ordinary activities before tax is stated after charging/(crediting) the following		
CONTINUING OPERATIONS		
Employee benefits expense (note 5)	55.1	80.4
Inventories - cost of inventories recognised as an expense (included in cost of sales)	5.4	7.4
Betting tax, gross profits tax, betting levies and gaming duty	27.5	40.1
Depreciation - owned assets (including £0.7m in respect of leased assets (30 April 2006 £0.8m))	7.8	8.8
(Loss)/Profit on disposal of fixed assets	-	(0.6)
Auditors' remuneration - statutory audit fees	0.1	0.1
- return of cash to shareholders	-	0.1
Auditors' remuneration - tax advisory services	0.1	0.1
Auditors' remuneration - tax compliance services	0.1	0.1
Operating lease rentals - property	4.3	7.3
Operating lease rentals - plant and machinery	1.7	2.8
Rents receivable	0.2	-
DISCONTINUED OPERATIONS		
Employee benefits expense (note 5)	-	7.2
Betting tax, gross profits tax, betting levies and gaming duty	-	4.8
Depreciation - owned assets (including £nil in respect of leased assets (30 April 2006 £nil))	-	0.9
Auditors' remuneration - disposal of the Retail Betting Operation	-	0.3
CONTINUING AND DISCONTINUED OPERATIONS		
Employee benefits expense (note 5)	55.1	87.6
Inventories - cost of inventories recognised as an expense (included in cost of sales)	5.4	7.4
Betting tax, gross profits tax, betting levies and gaming duty	27.5	44.9
Depreciation - owned assets (including £0.7m in respect of leased assets (30 April 2006 £0.8m))	7.8	9.7
Profit on disposal of fixed assets	-	(0.6)
Auditors' remuneration - statutory audit fees	0.1	0.1
- disposal of Retail Betting Operation	-	0.3
- return of cash to shareholders	-	0.1
Auditors' remuneration - tax advisory services	0.1	0.1
Auditors' remuneration - tax compliance services	0.1	0.1
Operating lease rentals - property	4.3	7.3
Operating lease rentals - plant and machinery	1.7	2.8
	0.2	-

Depreciation includes £1.1m (30 April 2006 £2.2m) in respect of properties

Fees payable by the Company for auditors' remuneration were £73,800 (30 April 2006 £47,000)

5 EMPLOYEES AND DIRECTORS

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	number	number
The average number of persons employed by the Group during the period was as follows		
CONTINUING OPERATIONS		
Gaming division	4,015	3,713
International Betting Operation	421	386
Other activities	23	39
	4,459	4,138
DISCONTINUED OPERATIONS		
Retail Betting Operation	-	421
Total average number of employees	4,459	4,559

5 EMPLOYEES AND DIRECTORS (CONTINUED)

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
Employee costs were as follows		
CONTINUING OPERATIONS		
Wages and salaries	49.5	72.1
Social security costs	4.7	6.9
Other pension costs	0.9	1.4
	<u>55.1</u>	<u>80.4</u>
DISCONTINUED OPERATIONS		
Wages and salaries	-	6.6
Social security costs	-	0.5
Other pension costs	-	0.1
	<u>-</u>	<u>7.2</u>
CONTINUING AND DISCONTINUED OPERATIONS		
Wages and salaries	49.5	78.7
Social security costs	4.7	7.4
Other pension costs	0.9	1.5
	<u>55.1</u>	<u>87.6</u>

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
CONTINUING OPERATIONS		
Director costs were as follows		
Wages and salaries	9.2	2.2
Social security costs	1.4	0.3
Other pension costs	0.1	0.3
	<u>10.7</u>	<u>2.8</u>
Highest paid Director was as follows		
Wages and salaries	0.3	0.8
Social security costs	-	0.1
Other pension costs	-	0.1
	<u>0.3</u>	<u>1.0</u>

2 Directors accrued retirement benefits under money purchase schemes (30 April 2006: 4)

2 Directors exercised share options during the period (30 April 2006: 3)

2 Directors received shares during the period under long term incentive schemes (30 April 2006: 3)

During the prior period shares were received under long term incentive schemes

Compensation of key management personnel of the Group

The remuneration of executive directors and key management of the Group, is set out in aggregate for each of the categories specified in IAS 24 Related Party Disclosures

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
Salaries and short-term employee benefits	0.4	1.9
Post-employment benefits	0.1	0.3
Termination payments	-	0.1
Share-based payments	-	0.5

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 NET INTEREST PAYABLE AND SIMILAR CHARGES

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
CONTINUING OPERATIONS		
Interest receivable	(0.3)	(3.5)
Interest payable and similar charges		
Bank loans, overdrafts and other loans wholly repayable within five years	3.8	4.4
Financial expenses incurred following the disposal of the Retail Betting Operation (see note 3)	-	2.9
Finance leases	0.3	0.6
Total interest payable and similar charges	4.1	7.9
Net interest payable and similar charges	3.8	4.4

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
Analysis of charge in period		
<i>Current tax</i>		
U.K. Corporation tax	0.4	13.2
- continuing operations	0.4	7.8
- discontinued operations	-	5.4
Adjustments in respect of prior periods	3.1	0.7
- continuing operations	3.1	1.5
- discontinued operations	-	(0.8)
Foreign tax, including adjustments in respect of prior periods	3.5	13.9
Total current tax	3.5	14.3
<i>Deferred tax</i>		
Origination and reversal of timing differences	(7.4)	(1.8)
- continuing operations	(7.4)	(2.4)
- discontinued operations	-	0.6
	(3.9)	12.5
Reported as		
- continuing operations	(3.9)	7.3
- discontinued operations	-	5.2
	(3.9)	12.5
The tax charge on discontinued operations is made up of		
Tax on gain on discontinuance	-	4.6
Tax on ordinary activities of discontinued operations	-	0.6
	-	5.2

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 TAXATION ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The tax credit for the period is higher than the standard rate of U K corporation tax. The differences are explained as follows:

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
(Loss)/profit before tax	(1.8)	368.0
Expected tax on profits at 30%	(0.5)	110.4
Adjustments to current tax charge in respect of prior periods	3.1	0.7
Adjustments to deferred tax charge in respect of prior periods	(5.1)	(0.9)
Accounting profit on disposal of subsidiaries not taxable	-	(102.6)
Other expenses, including goodwill, not deductible for tax purposes	2.4	2.2
Effect of adopting IAS 12	-	(1.6)
Exercise of share options	(3.8)	-
Tax on disposal and pre sale dividend strip	-	4.3
Tax (credit)/charge for the period	(3.9)	12.5

8 DIVIDENDS

	Group and Company	
	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006
	£m	£m
Return of surplus funds (52 weeks ended 30 April 2006: 250p per A share)	-	81.8
Final paid: 8.3p (52 weeks ended 30 April 2006: 7.5p) per 25p share	5.8	9.8
Interim paid (52 weeks ended 30 April 2006: 3.3p) per 25p share	-	2.3
	5.8	93.9

The Directors are not proposing a final dividend in respect of the period ended 31 December 2006.

In the prior period, the dividend of £81.8m was paid on 16 September 2005 in respect of 32,709,393 'A' shares as part of the £327m return of surplus funds to shareholders.

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 INTANGIBLE ASSETS

	Goodwill	Acquired gaming licenses at cost	Total
	£m	£m	£m
Cost			
At 1 May 2005	26 2	222 6	248 8
Additions	-	22 4	22 4
At 30 April 2006	26 2	245 0	271 2
Additions (see note 27)	-	5 7	5 7
Transfers (see note 10)	-	2 6	2 6
At 31 December 2006	26 2	253 3	279 5
Aggregate Impairment			
At 1 May 2005, 30 April 2006 and 31 December 2006	(12 6)	-	(12 6)
Net book amount			
At 31 December 2006	13 6	253 3	266 9
At 30 April 2006	13 6	245 0	258 6

Licences comprise the cost of acquired gaming licences. These are not amortised as they are considered to have an indefinite life as there is no foreseeable limit to the period over which the licences are expected to generate cash inflows.

Additions in the year of £5 7m relate to the fair value of licences upon the acquisition of Harbour House Casino Limited on 19 June 2006.

In the prior period, additions of £22 4m relate to the fair value of licences upon the acquisition of the Westcliff Group on 25 January 2006.

9A IMPAIRMENT REVIEW

Impairment review of intangible assets with indefinite lives

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, in accordance with IAS 36 'Impairment of Assets'. The Group classifies goodwill and gaming licences as indefinite life assets.

Each casino is treated as a separate cash generating unit (CGU) and tested for impairment on this basis. The inherent value of casino licences is deemed to be an intrinsic part of the value of the operation of the casinos and is therefore considered as part of total casino assets in the impairment review. The cost of casino licences is £253 3m (30 April 2006: £245 0m) and management does not believe that there has been any impairment.

The recoverable amount of each casino, including the licence, is determined based on value in use calculations using cash flow projections. The cash flow projections are based on current financial budgets approved by Directors for the next financial year. The pre-tax discount rate applied to these projections is 9.8% (30 April 2006: 9.8%).

For all casinos, the value in use calculation exceeded the carrying value and there was no impairment. No reasonably possible change in a key assumption would cause the carrying value of the CGUs to be in excess of their value in use.

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 PROPERTY, PLANT AND EQUIPMENT

	Properties			Leasehold improvements	Fixtures, fittings and equipment	Motor vehicles	Assets in the course of construction	Total
	Freehold	Long lease	Short lease					
	£m	£m	£m	£m	£m	£m	£m	£m
Group								
Cost								
At 1 May 2005	83.3	11.0	29.3	3.3	64.3	0.5	2.7	194.4
Additions	2.8	1.6	1.8	0.1	19.3	-	1.5	27.1
Acquisitions	-	6.2	0.4	0.2	1.6	-	-	8.4
Disposals	(0.2)	-	(0.5)	-	(28.3)	-	-	(29.0)
At 30 April 2006	85.9	18.8	31.0	3.6	56.9	0.5	4.2	200.9
Depreciation								
At 1 May 2005	1.0	0.6	2.0	1.8	29.7	0.5	-	35.6
Charge for the year	0.6	0.4	1.2	0.1	6.5	-	-	8.8
Disposals	-	-	-	-	(18.6)	-	-	(18.6)
At 30 April 2006	1.6	1.0	3.2	1.9	17.6	0.5	-	25.8
Charge for the period	0.2	0.3	0.6	0.1	6.6	-	-	7.8
Assets written off	-	-	-	-	(7.9)	-	-	(7.9)
Acquisitions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(0.3)	(0.1)	-	(0.4)
At 31 December 2006	93.3	17.5	30.7	3.5	55.8	0.4	3.7	204.9
Net book amount								
At 31 December 2006	91.5	16.2	26.9	1.5	39.8	-	3.7	179.6
At 30 April 2006	84.3	17.8	27.8	1.7	39.3	-	4.2	175.1

Fixtures, fittings and equipment include assets held under finance leases and have the following net book amount

	31 December 2006	30 April 2006
	£m	£m
Cost	11.0	11.0
Aggregate depreciation	(8.6)	(7.3)
	2.4	3.7

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold property	Fixtures and fittings and equipment	Motor vehicles	Total
	£m	£m	£m	£m
Company Cost				
At 1 May 2005	4.2	9.5	0.1	13.8
Disposals	(0.2)	(4.6)	-	(4.8)
At 30 April 2006	4.0	4.9	0.1	9.0
Disposals	-	(0.2)	(0.1)	(0.3)
At 31 December 2006	4.0	4.7	-	8.7
Depreciation				
At 1 May 2005	0.2	6.4	-	6.6
Charge for the period	-	0.6	-	0.6
Disposals	-	(2.7)	-	(2.7)
At 30 April 2006	0.2	4.3	-	4.5
Charge for the year	0.1	0.2	-	0.3
Disposals	-	(0.2)	-	(0.2)
At 31 December 2006	0.3	4.3	-	4.6
Net book amount				
At 31 December 2006	3.7	0.4	-	4.1
At 30 April 2006	3.8	0.6	0.1	4.5

Fixtures, fittings and equipment include assets held under finance leases and have the following net book amount

	31 December 2006	30 April 2006
	£m	£m
Cost	0.9	0.9
Aggregate depreciation	(0.9)	(0.8)
	-	0.1

The Group has elected to retain carrying values of freehold, long leasehold, and short leasehold properties as deemed cost at transition to IFRS at 3 May 2004

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 INVESTMENTS

	Group			Company		
	Joint ventures	Associated undertakings	Total	Shares in subsidiary undertakings	Shares in associated undertakings	Total
	(note a)	(note b)		(note c)		
	£m	£m	£m	£m	£m	£m
Cost						
At 1 May 2005	5.9	0.1	6.0	482.2	-	482.2
Additions	-	-	-	0.5	-	0.5
Disposals	-	-	-	(173.2)	-	(173.2)
At 30 April 2006	5.9	0.1	6.0	309.5	-	309.5
Additions	0.1	-	0.1	-	-	-
Disposals	(0.3)	-	(0.3)	-	-	-
At 31 December 2006	5.7	0.1	5.8	309.5	-	309.5
Impairment						
At 1 May 2005	-	(0.1)	(0.1)	-	-	-
Provision for impairment	-	-	-	(2.0)	-	(2.0)
At 30 April 2006 and 31 December 2006	-	(0.1)	(0.1)	(2.0)	-	(2.0)
Net book amount						
At 31 December 2006	5.7	-	5.7	307.5	-	307.5
At 30 April 2006	5.9	-	5.9	307.5	-	307.5

(a) Joint venture undertakings

The Group holds a 50% interest in Stanley Genting Casinos Limited, a Joint Venture company, in partnership with Palomino Sun (UK) Limited, a subsidiary within the Genting Group. Stanley Genting Casinos Limited has been formed to pursue the development of regional casinos in the UK. It has been accounted for as a joint venture.

Stanley Genting Casinos (Leeds) Limited was formed on 14 December 2004 and is a wholly owned subsidiary of Stanley Genting Casinos Limited. The company owns an option over land adjacent to Leeds United Football Club. It has been accounted for as a joint venture.

The Group owned 50% of Stanleybet Romania via Stanleybet International Limited. Stanleybet Romania is a company incorporated in Romania which operates a number of betting shops in that country. It is accounted for as a joint venture.

(b) Associated undertakings

In the prior period, on 10 March 2006, the Group disposed of its 50% interest in Coastbright Limited, a subsidiary of the Genting Group, which operates Maxims casino in London. It was accounted for as an associate due to the respective levels of Board representation and as Genting control the day to day operations of the casino. The Genting Group is incorporated in Malaysia.

STANLEY INTERNATIONAL BETTING PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 INVESTMENTS (CONTINUED)

(c) Subsidiary undertakings

The consolidated accounts include the accounts of Stanley Leisure plc and its subsidiaries. The principal subsidiaries are set out below.

			% equity interest	
Directly owned	Activity	Country of incorporation and operation	31 December 2006	30 April 2006
Stanley Casinos Holdings Limited	Holding Company	England	100	100
Stanley Overseas Holdings Limited	Holding Company	England	100	100
			% equity interest	
Indirectly owned	Activity	Country of incorporation and operation	31 December 2006	30 April 2006
Stanley Casinos Limited	Casino operator	England	100	100
Stanley Interactive Limited	Internet sports betting	England	100	100
Westcliff Casinos Limited	Casino operator	England	100	100
Spieler Casinos (Southend) Limited	Casino operator	England	100	100
Triangle Casino (Bristol) Limited	Casino operator	England	100	100
Tameview Properties Limited	Property company	England	100	100
MLG Investments Limited	Holding Company	England	100	100
Harbour House Casino Limited	Casino operator	England	100	-

The Company has a 50% holding in the ordinary share capital of Stanley International Betting Limited, a UK company engaged in the acceptance of bets from Europe, principally Italy, and Stanleybet International Limited, a UK company engaged in the licencing of software to other Group companies in Europe. Both are accounted for as subsidiaries because of the dominant influence of the Company over the management of their operations. The Group also holds a 60% interest in Bolus d o o via Stanley International Betting Limited. Bolus d o o is a company incorporated in Croatia which operates a number of betting shops in that country. It is accounted for as a subsidiary of the Group. On 22 March 2007 the Group completed the disposal of the International Betting Division (see note 29).

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 INVESTMENTS (CONTINUED)

Summarised financial information in respect of the Group's Interests in joint ventures are shown below

	31 December 2006	30 April 2006
	£m	£m
Current assets	3 0	3 5
Non-current assets	2 8	2 9
Current liabilities	(0 5)	(1 3)
Non-current liabilities	-	-
	<u>5 3</u>	<u>5 1</u>
Income	1 5	1 8
Expenses	<u>(1 5)</u>	<u>(1 8)</u>
	-	-
Tax	-	-
Share of post-tax losses from joint ventures	<u>-</u>	<u>-</u>

Summarised financial information in respect of the Group's interests in associates are shown below

	31 December 2006	30 April 2006
	£m	£m
Total assets	-	-
Total liabilities	-	-
Net assets	<u>-</u>	<u>-</u>
Group's share of revenue	-	4 7
Group's share of pre-tax profit	-	0 7
-continuing operations	-	-
-discontinued operations	-	0 7

The joint ventures has no significant contingent liabilities to which the Group is exposed and nor has the Group any significant contingent liabilities in relation to it's interests in the joint ventures

The joint ventures have no significant capital commitments

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 INVENTORIES

	Group		Company	
	31 December 2006	30 April 2006	31 December 2006	30 April 2006
	£m	£m	£m	£m
Consumables	0.7	0.6	-	-
Goods for resale	0.8	1.0	-	-
	1.5	1.6	-	-

The Group consumed £5.4m (30 April 2006: £7.4m) of inventories during the period

13 TRADE AND OTHER RECEIVABLES

	Group		Company	
	31 December 2006	30 April 2006	31 December 2006	30 April 2006
	£m	£m	£m	£m
Trade receivables	4.6	3.2	-	-
Amounts due from Group undertakings	-	-	193.6	185.9
Other debtors	1.3	1.8	-	0.2
Prepayments and accrued income	3.3	3.9	0.2	0.5
	9.2	8.9	193.8	186.6

14 CASH AND CASH EQUIVALENTS

	Group		Company	
	31 December 2006	30 April 2006	31 December 2006	30 April 2006
	£m	£m	£m	£m
Cash at bank and in hand	9.3	18.7	-	0.5
Short term bank deposits	13.0	8.2	4.1	1.6
	22.3	26.9	4.1	2.1

The average rate of interest on short term deposits was 5.0% (30 April 2006: 3.2%). These deposits had an average maturity of one day

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 TRADE AND OTHER PAYABLES - CURRENT

	Group		Company	
	31 December 2006	30 April 2006	31 December 2006	30 April 2006
	£m	£m	£m	£m
Trade payables	8 0	11 2	-	0 2
Amounts due to Group undertakings	-	-	62 8	56 4
Taxation and social security	14 9	11 7	-	-
Accruals and deferred income	7 7	12 7	0 4	1 4
	<u>30 6</u>	<u>35 6</u>	<u>63 2</u>	<u>58 0</u>

16 CURRENT TAX LIABILITY

	Group		Company	
	31 December 2006	30 April 2006	31 December 2006	30 April 2006
	£m	£m	£m	£m
Current tax	2 4	6 0	-	-

17 FINANCIAL LIABILITIES- BORROWINGS

	Group		Company	
	31 December 2006	30 April 2006	31 December 2006	30 April 2006
	£m	£m	£m	£m
Current				
Bank loans and overdrafts due within one year or on demand - unsecured	0 3	0 2	0 2	-
Finance lease obligations	2 8	2 9	0 5	1 0
	<u>3 1</u>	<u>3 1</u>	<u>0 7</u>	<u>1 0</u>
Non-current				
Bank loans - unsecured	105 0	90 0	105 0	90 0
Finance lease obligations	0 6	2 1	-	0 2
	<u>105 6</u>	<u>92 1</u>	<u>105 0</u>	<u>90 2</u>

The borrowings are repayable as follows

On demand or within one year
In more than one but not more than two years
In more than two but not more than five years
In more than five years
Total borrowings
Debt finance costs

Group	
31 December 2006	30 April 2006
£m	£m
3 1	3 1
0 6	2 0
105 0	90 1
-	-
<u>108 7</u>	<u>95 2</u>
-	-
<u>108 7</u>	<u>95 2</u>

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 FINANCIAL LIABILITIES- BORROWINGS (CONTINUED)

The carrying amount of the Group's borrowings are denominated in the following currencies

	Group		Company	
	31 December 2006	30 April 2006	31 December 2006	30 April 2006
	£m	£m	£m	£m
Sterling	108.7	95.2	105.7	91.2

The effective interest rates at the Balance Sheet date were as follows

	31 December 2006	30 April 2006
	%	%
Bank overdraft	6.2	5.1
Bank loans	5.3	5.1
Finance lease obligations	11.9	10.5

The minimum lease payments under finance lease obligations fall due as follows

	Group	
	31 December 2006	30 April 2006
	£m	£m
Within one year	3.0	3.2
In more than one but not more than five years	0.6	2.4
In more than five years	-	-
	3.6	5.6
Future finance charges on finance lease obligations	(0.2)	(0.6)
Present value of finance lease obligations	3.4	5.0

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 FINANCIAL INSTRUMENTS

The following analysis sets out a comparison by category of carrying amounts and fair values of all the Group's financial instruments

	Continuing operations Carrying amount	Fair value
	£m	£m
31 DECEMBER 2006		
Financial assets		
Current		
Cash and cash equivalents	22.3	22.3
Financial Liabilities		
Current		
Interest bearing loans and borrowings	0.3	0.3
Finance lease obligations	2.8	2.8
Non-current		
Interest bearing loans and borrowings	105.0	105.0
Finance lease obligations	0.6	0.6
30 APRIL 2006		
Financial assets		
Current		
Cash and cash equivalents	26.9	26.9
Financial Liabilities		
Current		
Finance lease obligations	0.2	0.2
Non-current		
Interest bearing loans and borrowings	90.0	90.0
Finance lease obligations	2.1	2.1

The fair values of cash and cash equivalents approximate to the book value due to their short term maturity

Trade receivables and payables have been excluded because the carrying amount is a reasonable approximation of their fair value

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 FINANCIAL INSTRUMENTS (CONTINUED)

Interest rate risk

Set out below is the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
	£m	£m	£m	£m	£m	£m	£m
31 DECEMBER 2006							
Fixed rate							
Finance lease obligations	2.8	0.6	-	-	-	-	3.4
Floating rate							
Bank overdrafts	0.3	-	-	-	-	-	0.3
Bank loan	-	-	-	105.0	-	-	105.0

Non interest bearing financial instruments are not included in the above table as they are not subject to interest rate risk

	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
	£m	£m	£m	£m	£m	£m	£m
30 APRIL 2006							
Fixed rate							
Finance lease obligations	2.9	2.0	0.1	-	-	-	5.0
Floating rate							
Bank overdrafts	0.2	-	-	-	-	-	0.2
Bank loan	-	-	-	-	90.0	-	90.0

Non interest bearing financial instruments are not included in the above table as they are not subject to interest rate risk

Unsecured borrowing facilities

The Group has a revolving credit facility of £150m, on which interest is payable at rates between 0.475% and 0.85% above LIBOR, depending upon financial covenant performance. At 31 December 2006 £45m was undrawn (30 April 2006 £60m)

At 31 December 2006, the Group also has £7.2m (30 April 2006 £7.3m) undrawn committed borrowing facilities which expire within one year (30 April 2006 one year)

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 PENSION COMMITMENTS

There are three principal pension schemes, the assets of which are held separately from those of the Group

Defined contribution schemes

Two of the schemes are defined contribution

Pension costs for defined contribution schemes are as follows
Defined contribution schemes

Group	
31 December 2006	30 April 2006
£m	£m
0.7	1.1

Defined benefit scheme

The third scheme, the Stanley Leisure 1988 Retirement Benefit Scheme is a defined benefit scheme, which provides benefits based on final pensionable earnings. Membership has not been offered since 2 February 2001, and the scheme is, therefore, effectively closed to new entrants. This has not affected the status or rights of existing members.

The last full actuarial valuation was carried out by a qualified independent actuary as at 1 February 2004 and updated on an approximate basis to 31 December 2006.

The current contribution rate of 6.9% of pensionable pay will be reviewed following the triennial valuation of the scheme due as at 1 February 2007. As the scheme is closed to new entrants, the current service cost as a percentage of pensionable payroll is likely to increase as the membership ages, although it will be applied to a decreasing pensionable payroll.

All actuarial gains and losses in the year are recognised immediately in the Statement of Recognised Income and Expense.

The amount recognised in the Balance Sheet is as follows

Fair value of plan assets
Present value of funded obligations
Net pension asset

Group and Company	
31 December 2006	30 April 2006
£m	£m
20.0	19.3
(19.4)	(18.7)
0.6	0.6

The amounts recognised in the Income Statement are as follows

Amounts charged to operating profit

Total operating charge
Amounts charged to finance costs
Expected return on pension scheme assets
Interest on pension scheme liabilities
Net finance cost

31 December 2006	30 April 2006
£m	£m
(0.3)	(0.5)
(0.3)	(0.5)
0.7	0.9
(0.7)	(0.8)
-	0.1
(0.3)	(0.4)

Total included within staff employee benefits expense

The actual return on plan assets was 4.5% (30 April 2006: 27.0%)

The cumulative amount of actuarial gains and losses recognised in the Statement of Recognised Income and Expense since adoption of IAS 19 is £1.0m (30 April 2006: £0.8m)

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 PENSION COMMITMENTS (CONTINUED)

	31 December 2006	30 April 2006
	£m	£m
Changes in the present value of defined benefit obligation are as follows		
Defined benefit obligation at the beginning of the period	(18.7)	(15.6)
Current service cost	(0.3)	(0.5)
Interest on pension scheme liabilities	(0.7)	(0.8)
Contribution by plan participants	(0.1)	(0.2)
Benefits paid	0.2	0.3
Actuarial gains/(losses)	0.2	(1.9)
Defined benefit obligation at the end of the period	<u>(19.4)</u>	<u>(18.7)</u>

	31 December 2006	30 April 2006
	£m	£m
Changes in the fair value of plan assets are as follows		
Fair value of plan assets at the beginning of the period	19.3	10.8
Expected return on plan assets	0.7	0.9
Employer contribution	0.1	5.0
Contribution by plan participants	0.1	0.2
Benefits paid	(0.2)	(0.3)
Actuarial gains	-	2.7
Fair value of plan assets at end the of the period	<u>20.0</u>	<u>19.3</u>

The contribution expected to be paid during the financial year ended 31 December 2007 amounts to £0.2m

	31 December 2006	30 April 2006
	£m	£m
Analysis of the movement in the Balance Sheet asset/(liability) is as follows		
Defined benefit obligation at the beginning of the period	0.6	(4.8)
Current service cost	(0.3)	(0.5)
Net finance cost	-	0.1
Employer contributions	0.1	5.0
Actuarial gain	0.2	0.8
Defined benefit asset at the end of the period	<u>0.6</u>	<u>0.6</u>

	31 December 2006	30 April 2006
	%	%
The major categories of assets as a percentage of total plan assets are as follows		
Equities	83%	83%
Bonds	17%	17%
Cash	-	-
Total	<u>100%</u>	<u>100%</u>

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 PENSION COMMITMENTS (CONTINUED)

	31 December 2006	30 April 2006
	%	%
The principal assumptions made by the actuaries were		
Inflation	3.10	3.00
Salary increases	3.10	3.00
Discount rate	5.10	5.00
Pensions in payment increase	3.00	3.00
Revaluation rate for deferred pensioners	3.10	3.00
Expected return on plan assets	6.70	6.70

The overall expected return on plan assets was derived as an average of the long term expected rates of return on each major asset category weighted by the allocations among the categories

The mortality assumptions adopted at 31 December 2006 imply the following life expectancies

Male currently age 65	18.5
Female currently age 65	21.5
Male currently age 40	42.3
Female currently age 40	45.3

These life expectancies are based on the PA92 (C=2005) mortality tables

	31 December 2006	30 April 2006
	%	%
Expected long term rate of return		
Equities	7.00	7.00
Bonds	5.00	5.00
Cash	5.00	4.50

The expected long term return on cash is equal to bank base rates at the Balance Sheet date. The expected return on bonds is determined by reference to UK long dated gilt and bond yields at the Balance Sheet date. The expected rate of return on equities and property have been determined by setting an appropriate risk premium above gilt/bond yields having regard to market conditions at the Balance Sheet date.

	31 December 2006	30 April 2006
	£m	£m
History of experience gains and losses		
Experience adjustments arising on scheme assets	-	2.7
Experience adjustments arising on scheme liabilities	-	(0.1)
Effect of changes in demographic and financial assumptions underlying the present value of the plan liabilities	0.2	(1.9)
Present value of scheme liabilities	(19.4)	(18.7)
Fair value of scheme assets	20.0	19.3
Surplus	0.6	0.6

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20 DEFERRED TAX

An analysis of the deferred tax provision at 30%, is as follows

	Group		Company	
	31 December 2006	30 April 2006	31 December 2006	30 April 2006
	£m	£m	£m	£m
CONTINUING OPERATIONS				
Deferred tax liabilities				
Accelerated capital allowances	-	3 8	-	1 9
Revaluations	11 6	11 6	-	-
Tax on unremitted profits of overseas subsidiaries	-	0 3	-	-
Gaming properties and licences	85 8	85 8	-	-
	97 4	101 5	-	1 9
Deferred tax assets				
Accelerated capital allowances	4 3	-	2 0	-
Share based payments	-	1 3	-	1 3
Short term timing differences	2 1	1 8	0 6	0 1
	6 4	3 1	2 6	1 4
Net deferred tax position	91 0	98 4	(2 6)	0 5

The movement on the deferred tax account is shown below

	Group £m	Company £m
Liability at the beginning of the period	98 4	0 5
Charge/(credit) to income statement- continuing operations		
- share based payments	1 3	1 3
- accelerated capital allowances	(8 1)	(3 9)
- other timing differences	(0 6)	(0 5)
Liability at the end of the period	91 0	(2 6)

Deferred tax assets and liabilities are offset where there is a legally enforceable right of offset and there is an intention to settle the balances net

21 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Group and Company £m
At 30 April 2006	4 5
Charged to the Income Statement	(1 1)
At 31 December 2006	3 4

Provisions relate to outstanding costs and potential claims under the sales agreements for businesses sold

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22 SHARE CAPITAL

	Group and Company	
	31 December 2006	30 April 2006
	£m	£m
Authorised share capital	40 0	40 0
The authorised share capital of the Company is £40,000,000 divided into ordinary shares of 25p each		
Allotted, issued and fully paid		
At 30 April 2006 - 69,910,294 ordinary shares of 25p each	17 5	32 3
Savings-related and executive share options 3,721,152 ordinary shares	0 9	0 4
Reorganisation of share capital following return of surplus funds (8 for 15 shares)	-	(15 2)
At 31 December 2006 - 73,631,446 ordinary shares of 25p each	18 4	17 5

No share options or awards were held by Directors or employees at the end of the period. The recommended cash offer by Genting International Investment (UK) Limited for the entire issued share capital of the Company ('the Offer') was extended to any shares allotted or issued pursuant to the exercise of options or vesting of awards under any share option scheme or long term investment plan operated by the Company. Thus all outstanding share options became exercisable on the offer becoming unconditional on 6 October 2006. The number of shares subject to options and long term incentive awards, the periods in which they were granted and the periods in which they may be exercised are shown in note 23.

23 SHARE BASED PAYMENTS

During the period, the Company operated the following schemes -

1996 Inland Revenue Approved Savings-Related Share Option Scheme (Sharesave)
1996 Inland Revenue Approved Executive Share Option Scheme (ESOS)
1999 Executive Share Option Scheme (ESOS)
Long Term Incentive Plan (LTIP)

The number and weighted average exercise price (WAEP) of share options under the Sharesave and ESOS schemes are as follows -

	31 December 2006	31 December 2006	30 April 2006	30 April 2006
	Number of	WAEP	Number of	WAEP
	options	pence	options	pence
Outstanding at the beginning of the period	3,465,145	462 3	4,443,163	303 8
Granted	366,313	618 5	1,218,534	614 7
Forfeited	(794,769)	598 3	(514,771)	326 1
Exercised	(3,036,689)	445 2	(1,681,781)	227 4
Outstanding at the end of the period	-	-	3,465,145	-
Exercisable at the end of the period	-	-	85,288	266 2

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23 SHARE BASED PAYMENTS (CONTINUED)

Included within these balances are options over shares that have not been recognised in accordance with IFRS2 as the options were granted before 7 November 2002

No options were outstanding at the end of the period. Options outstanding at 30 April 2006 had a WAEP of 446 8p

The estimated fair values of Sharesave and ESOS options were calculated at the date of grant using a Black Scholes pricing model. For ESOS options with a non-market based performance condition, the expense is based on expectations of these conditions being met and is reassessed at each Balance Sheet date. The calculations assume that the EPS performance conditions will be met in full. The estimated fair value of awards granted under the LTIP were calculated using a Monte Carlo model approach which accounts for the market performance conditions. For grants in either the current or preceding period, the pricing models used and inputs into those models are as follows -

	Share Save Black- Scholes	ESOS Black- Scholes	LTIP Monte-Carlo
	2006	2006	2006
Pricing model used			
Weighted average fair value at measurement date (£)	246 0p	144 0p	226 0p
Share price at grant date	795 0p	618 5p	618 5p
Exercise Price	668 0p	618 5p	-
Expected share price volatility (%)	30 25%	29 30%	-
Option life (years)	3/5 years	5 years	3 years
Expected dividend yield (%)	1 98%	1 98%	1 98%
Risk free interest rate (%)	4 29%	4 20%	4 20%
Expected TSR volatility	-	-	31 00%
Expected TSR volatility of comparator index	-	-	15 00%

The expected life of ESOS options has been based on the historical exercise patterns of optionholders. The expected life of the LTIP awards and Sharesave options are determined by the performance period and savings terms respectively. The expected share price volatility is based on the historical volatility of the Company's share price over a period equal in length to the relevant expected life of the option and ending at the date of the grant.

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Capital reserve	Other reserves	Retained earnings	Total	Minority Interests	Total equity
Group	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 May 2005	32.3	67.3	-	38.5	5.3	23.9	50.1	217.4	3.3	220.7
Profit for the year	-	-	-	-	-	-	352.7	352.7	2.8	355.5
Actuarial gain	-	-	-	-	-	-	0.8	0.8	-	0.8
Savings-related and executive share options	0.5	3.5	-	-	-	-	-	4.0	-	4.0
Credit in respect of employee share awards	-	-	-	-	-	-	1.0	1.0	-	1.0
Dividends paid	-	-	-	-	-	-	(93.9)	(93.9)	(2.7)	(96.6)
Return of surplus funds	(15.3)	-	15.3	-	-	-	(247.5)	(247.5)	-	(247.5)
At 30 April 2006	17.5	70.8	15.3	38.5	5.3	23.9	63.2	234.5	3.4	237.9
Profit/(loss) for the year	-	-	-	-	-	-	2.7	2.7	(0.6)	2.1
Actuarial gain	-	-	-	-	-	-	0.2	0.2	-	0.2
Savings-related and executive share options	0.9	12.5	-	-	-	-	-	13.4	-	13.4
Credit in respect of employee share awards	-	-	-	-	-	-	2.6	2.6	-	2.6
Dividends paid	-	-	-	-	-	-	(5.8)	(5.8)	(0.7)	(6.5)
At 31 December 2006	18.4	83.3	15.3	38.5	5.3	23.9	62.9	247.6	2.1	249.7

	Share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Capital reserve	Other reserves	Retained earnings	Total	Minority Interests	Total equity
Company	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 1 May 2005	32.3	67.3	-	0.8	-	23.7	188.3	312.4	-	312.4
Profit for the year	-	-	-	-	-	-	370.3	370.3	-	370.3
Actuarial gain	-	-	-	-	-	-	0.8	0.8	-	0.8
Savings-related and executive share options	0.5	3.5	-	-	-	-	-	4.0	-	4.0
Credit in respect of employee share awards	-	-	-	-	-	-	1.0	1.0	-	1.0
Dividends paid	-	-	-	-	-	-	(93.9)	(93.9)	-	(93.9)
Return of surplus funds	(15.3)	-	15.3	-	-	-	(247.5)	(247.5)	-	(247.5)
At 30 April 2006	17.5	70.8	15.3	0.8	-	23.7	219.0	347.1	-	347.1
Loss for the year	-	-	-	-	-	-	(17.1)	(17.1)	-	(17.1)
Actuarial gain	-	-	-	-	-	-	0.2	0.2	-	0.2
Savings-related and executive share options	0.9	12.5	-	-	-	-	-	13.4	-	13.4
Credit in respect of employee share awards	-	-	-	-	-	-	2.6	2.6	-	2.6
Dividends paid	-	-	-	-	-	-	(5.8)	(5.8)	-	(5.8)
At 31 December 2006	18.4	83.3	15.3	0.8	-	23.7	198.9	340.4	-	340.4

Goodwill in aggregate of £0.6m (30 April 2006: £0.6m) has been charged against reserves in respect of years prior to 2 May 1999.

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

25 CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the accounts at 31 December 2006 amounted to £2.2m (30 April 2006 £7.5m)

26 OPERATING LEASE COMMITMENTS

The Group has a number of lease agreements which qualify as non-cancellable operating lease agreements. These relate primarily to future rentals payable on land and buildings of casinos and rental of gaming machines and general equipment within the casinos.

Lease terms

Casino land and buildings leases are typically between 25 and 35 years, however leases range from 10 to 55 years. Other leases are typically 3 years.

Terms of renewal

The agreements are not terminated automatically after expiry of the lease term. In certain cases lease extension options have been agreed upon, whilst in other cases there will be an opportunity to negotiate lease extensions with the lessor.

Restrictions

There are no restrictions imposed upon the Group concerning dividends, additional debt or further leasing under any of the existing lease arrangements.

Sublease

The Group does sublease areas of leased properties and receives sublease payments from third parties.

	31 December 2006	31 December 2006	30 April 2006	30 April 2006
	Land and buildings	Plant and machinery	Land and buildings	Plant and machinery
	£m	£m	£m	£m
Future minimum rentals payable under non-cancellable operating leases are as follows				
Within one year	7.0	3.2	6.4	2.8
After one year but not more than five years	25.5	-	24.0	-
More than five years	71.4	-	65.1	-
Total	103.9	3.2	95.5	2.8

	31 December 2006	30 April 2006
	£m	£m
Lease and sublease payments recognised as an expense for the period	6.0	10.1

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27 ACQUISITIONS

The Group purchased the Harbour House Casino Limited on 19 June 2006 for a total consideration of £6.0m. The transaction has been accounted for by the purchase method of accounting. 100% of the voting shares were acquired in each case.

All intangible assets were recognised at their respective fair values.

Harbour House Casino Limited Acquisition

	Acquiree's carrying amount before combination	Fair value adjustments	Fair value
	£m	£m	£m
Licences	0.1	5.6	5.7
Property, plant and equipment	0.3	0.1	0.4
Trade receivables	-	-	-
Cash and cash equivalents	0.2	-	0.2
	0.6	5.7	6.3
Trade and other payables *	(0.3)	-	(0.3)
Bank overdrafts and loans *	-	-	-
Current tax liability	-	-	-
Deferred tax liability	-	-	-
	(0.3)	-	(0.3)
Net assets acquired			6.0
Goodwill			-
Consideration			6.0

* After adjusting for debts cleared post acquisition

Consideration

	£m
Cash	5.9
Costs associated with the acquisition	0.1
	6.0

The outflow of cash and cash equivalents is as follows

	£m
Cash consideration (including costs)	6.0
Net cash and cash equivalents acquired	(0.2)
	5.8

The intangible assets acquired as part of the acquisition relate to the fair value of the gaming licences.

From the date of the acquisition on 19 June 2006 to 31 December 2006 the acquisitions have contributed £0.1m to profit before tax.

If the acquisition had been made at the beginning of the period, the results of the operations would have been as follows

	£m
Revenue	1.2
Profit	0.1

GENTING STANLEY PLC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

28 RELATED PARTY TRANSACTIONS

The Company has a related party relationship with its subsidiaries (see note 11) and with its Directors. During the financial year the Company entered into transactions, in the ordinary course of business, with related parties as follows

	31 December 2006	30 April 2006
	£m	£m
Transactions with Group undertakings		
Amounts due from Group undertakings at the beginning of the period	129.5	32.3
Funds borrowed	(9.5)	(14.6)
Dividends receivable	-	111.8
Group relief	10.8	-
Amounts due from Group undertakings at the end of the period	130.8	129.5

In the prior period, on 10 March 2006, the Group disposed of its 50% interest in Coastbright Limited, a subsidiary of the Genting Group, which operates Maxims casino in London. It was accounted for as an associate due to the respective levels of Board representation and as Genting control the day to day operations of the casino.

29 EVENTS AFTER THE BALANCE SHEET DATE

Changes to the UK Gaming Duty Bands take effect from 1st April 2007. The 2.5% starting rate of gaming duty is abolished. The next band of 12.5% is increased to 15% and the new rate of 50% is introduced on gross yield from gaming in excess of £10m per accounting period of six months for each casino. These changes have been imposed without prior indication or consultation with the UK gaming industry and will have a negative effect on the profit performance of the Group.

The main rate of corporation tax will become 28% from 30% with effect from 1st April 2008 (31 December 2007: 30%).

On 22nd March 2007, Stanley Leisure completed the disposal of the International Betting Operation. The disposal takes effect from 1 January 2007. Stanley Leisure's 50 per cent interest was sold to its existing partner for a basic consideration of £1m. In addition Stanley Leisure will be entitled to a share of the after tax profits over the next three years, subject to a maximum aggregate share of £5m. For 2007, the share of profits will be one-third followed by 25 per cent and 20 per cent of after tax profits respectively for 2008 and 2009. The consideration was determined on a willing buyer-willing seller basis.

On 1 July 2007 the Company changed its name from Stanley Leisure plc to Genting Stanley plc.

30 ULTIMATE CONTROLLING PARTY

The Company is a wholly owned indirect subsidiary of Genting International plc, a company incorporated and registered in the Isle of Man, and listed on the Main Board of the Singapore Exchange Securities Trading Limited.

Copies of the financial statements of Genting International plc can be obtained from the Head Office at 1526-1527, Ocean Centre, 5 Canton Road, Tsimshatsui, Kowloon, Hong Kong SAR.

The ultimate holding company is Genting Berhad, a company incorporated in Malaysia and whose shares are listed on the Bursa Malaysia Securities Berhad.

GENTING STANLEY PLC
FIVE YEAR FINANCIAL SUMMARY

	35 weeks ended 31 December 2006	52 weeks ended 30 April 2006	52 weeks ended 1 May 2005	52 weeks ended 2 May 2004	52 weeks ended 4 May 2003
	IFRS	IFRS	IFRS	UK GAAP	UK GAAP
	£m	£m	£m	£m	£m
Revenue					
Continuing operations	161.7	224.8	220.0	273.4	209.2
Discontinued operations	-	25.5	153.9	1,385.4	783.6
	161.7	250.3	373.9	1,658.8	992.8
Profit before interest	2.0	372.4	53.1	48.6	50.7
Continuing operations	2.0	23.5	30.1	18.8	35.0
Discontinued operations	-	348.9	23.0	29.8	15.7
Net interest payable and similar charges	(3.8)	(4.4)	(13.8)	(13.2)	(11.2)
(Loss)/profit before tax	(1.8)	368.0	39.3	35.4	39.5
Tax credit/(charge)	3.9	(12.5)	(11.7)	(13.2)	(10.3)
Profit after tax	2.1	355.5	27.6	22.2	29.2