

Registered number: 1870499

Interlingua Group Limited

Annual Report and Financial Statements

31 December 2017



ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2017

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Interlingua Group Limited

Registered No. 1870499

OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

Automated Language Processing Services Limited
Chris Coker

AUDITOR

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

SOLICITORS

DLA Piper UK LLP
3 Noble Street
London
EC2V 7GG

REGISTERED OFFICE

New Globe House
Vanwall Business Park
Vanwall Road
Maidenhead
Berkshire
SL6 4UB

Interlingua Group Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 December 2017.

RESULTS AND DIVIDENDS

The profit for the year attributable to shareholders amounts to £nil (2016: £nil). The directors do not recommend the payment of a dividend (2016: £ nil).

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity is that of a holding company. The directors continually assess the performance of the company and the financing structure of the entity.

The directors have considered and reviewed business risks relating to Interlingua Group Limited. At this time, they do not consider that there are no risks to the solvency of Interlingua Group Limited. The recoverability of current assets and the future prospects of its subsidiaries are linked to the future prospects of the SDL PLC Group. For a review of business risks faced by the SDL PLC group, of which the company and its subsidiaries form an integral part, reference may be made to the financial statements of SDL PLC.

EVENTS SINCE THE BALANCE SHEET DATE

There have been no significant events since the balance sheet date.

DIRECTORS AND THEIR INTERESTS

The directors who held office during the year and up to the date of this report were as follows:

Automated Language Processing Services (UK) Limited
Mark Grant (resigned 12 May 2017)
Chris Coker (appointed 12 May 2017)

The directors are not required to retire by rotation.

None of the directors had any declarable interests in the share capital of the company at 31 December 2017. Director's interests in the long term incentive plans of SDL PLC at the year-end are set out below.

Interests in Retention Share Plan

	Exercisable	At 31 December 2017 Number	At 31 December 2016 Number
Chris Coker	27/04/2016-27/04/2020	-	13,173

Interests in long-term incentive plan shares of SDL PLC:

	Exercisable	At 31 December 2017 Number	At 31 December 2016 Number
Chris Coker	07/04/2017-07/04/2024	-	10,195
	08/06/2019-08/06/2026	15,036	15,036
	18/04/2020-18/04/2027	11,190	-

DIRECTORS' REPORT

Director's interests in SDL Share Option Scheme of SDL PLC were:

	Exercisable	2017 No.	2017 Exercise Price	2016 No.	2016 Exercise Price
Chris Coker	17/04/2018- 17/04/2025	10,000	444.75p	10,000	444.75p

The vesting of the director's interests in the shares of SDL PLC is subject to performance conditions as set out in SDL PLC's financial statements.

DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISION

During the year, and up to the date of approval of the financial statements, the company had in place third party indemnity provisions for the benefit of all the directors of the company.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditor in connection with preparing their report) of which the company's auditor is unaware.

Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

GOING CONCERN

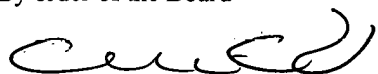
The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

In the opinion of the directors, the remaining investments are worth not less than the value at which they are included in the balance sheet.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



Chris Coker
Director
26 September 2018

Company registration number: 1870499

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERLINGUA GROUP LIMITED

Opinion

We have audited the financial statements of Interlingua Group Limited ("the company") for the year ended 31 December 2017 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERLINGUA GROUP LIMITED

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

S. Richardson

Simon Richardson (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

26 September 2018

Interlingua Group Limited

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME for the year ended 31 December 2017

	Notes	2017 £	2016 £
Dividend received	2	-	-
PROFIT BEFORE TAXATION		-	-
 Tax on profit		-	-
PROFIT FOR THE FINANCIAL YEAR		-	-
 Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		-	-

The notes on pages 10 to 13 form an integral part of these financial statements

Interlingua Group Limited

BALANCE SHEET

for the year ended 31 December 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Investments	3	4,962	4,962
CURRENT ASSETS			
Debtors	4	6,038	6,038
NET ASSETS		<u>11,000</u>	<u>11,000</u>
CAPITAL AND RESERVES			
Called up share capital	5	11,000	11,000
Profit and loss account		-	-
TOTAL SHAREHOLDERS' FUNDS		<u>11,000</u>	<u>11,000</u>

The notes on pages 10 to 13 form an integral part of these financial statements

Approved by the board of directors on 26 September 2018.



Chris Coker
Director

Company registration number: 1870499

Interlingua Group Limited

STATEMENT OF CHANGES IN EQUITY at 31 December 2017

	Called up share capital	Profit & loss account	Total equity
	£	£	£
Balance at 1 January 2016	11,000	-	11,000
Total comprehensive income for the year	-	-	-
Balance at 31 December 2016	11,000	-	11,000
Balance at 1 January 2017	11,000	-	11,000
Total comprehensive income for the year	-	-	-
Balance at 31 December 2017	11,000	-	11,000

The notes on pages 10 to 13 form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2017

1. ACCOUNTING POLICIES

Interlingua Group Ltd is a company incorporated, domiciled and registered in the UK.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and tangible fixed assets;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs; and
- disclosures in respect of the compensation of key management personnel.

The Company's ultimate parent undertaking, SDL PLC, includes the Company in its consolidated financial statements. The consolidated financial statements of SDL PLC are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Company Secretary's office, New Globe House, Vanwall Business Park, Vanwall Road, Maidenhead, SL6 4UB.

As the consolidated financial statements of SDL PLC include the equivalent disclosures, the Company has also taken the exemptions available under FRS 101 in respect of the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
at 31 December 2017

1. ACCOUNTING POLICIES (continued)

Going concern

The directors consider that the Company has sufficient available financial resources to operate for the foreseeable future. As a consequence, the directors have adopted the going concern assumption as the basis for the preparation of the Company's financial statements.

Financial instruments

Short-term trade and other debtors and trade and other creditors are treated as financial assets or liabilities. Trade and other debtors are recognised initially at fair value and are provided for where management consider an element of the balance to be irrecoverable.

Consolidated accounts

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

2. OPERATING PROFIT

The Company received no dividends (2016: £nil). Auditor's remuneration was borne by another member of the corporate group.

The non corporate director and the corporate director's representatives are also directors or employees of SDL PLC. Their services to the company do not occupy a significant amount of their time. As such the directors do not consider that they received any remuneration for their services to the company for the years ended 31 December 2017 and 31 December 2016. The company employed no people during the year (2016: nil).

Interlingua Group Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2017

3. FIXED ASSET INVESTMENT

	2017	2016
	£	£
<i>Cost</i>		
At 1 January	1,254,164	1,254,164
At 31 December	1,254,164	1,254,164
<i>Provision for impairment</i>		
At 1 January	1,249,202	1,249,202
At 31 December	1,249,202	1,249,202
<i>Net book value</i>		
At 31 December	4,962	4,962

4. DEBTORS

	2017	2016
	£	£
Amounts owed by group undertakings	6,038	6,038
	6,038	6,038

All amounts owed by group companies are interest free, unsecured and repayable on demand.

5. SHARE CAPITAL

	No.	2017	2016
		£	£
Allotted, called up and fully paid			
Ordinary Shares of 10p each	110,000	11,000	11,000
		11,000	11,000

Interlingua Group Limited

NOTES TO THE FINANCIAL STATEMENTS

at 31 December 2017

6. ULTIMATE PARENT COMPANY

The Company is a subsidiary undertaking of Automated Language Processing Services Ltd. The ultimate controlling party is SDL PLC.

The largest group in which the results of the Company are consolidated is that headed by SDL PLC, incorporated in England, registered at New Globe House, Vanwall Business Park, Maidenhead, Berkshire, SL6 4UB. The consolidated financial statements of the group are available to the public and may be obtained from the group's website, sdl.com, or from New Globe House, Vanwall Business Park, Vanwall Road, Maidenhead, Berkshire, SL6 4UB.

7. SUBSIDIARY UNDERTAKINGS

The company's subsidiary undertakings at 31 December 2017 are shown below. The subsidiary undertakings are wholly owned and prepare accounts to 31 December.

Subsidiary	Registered address	Activity	Country of incorporation, registration and operation	Portion of ordinary shares and voting rights held
SDL Multi-Lingual Solutions (Singapore) Pte Ltd	138, Cecil Street, #15-00 Cecil Court, Singapore 069538	Language Services	Singapore	100%
Alpnet UK Ltd	New Globe House, Vanwall Business Park, Vanwall Road, Maidenhead, Berkshire, SL6 4UB.	Holding Company	England & Wales	100%
Computype Ltd (England)	New Globe House, Vanwall Business Park, Vanwall Road, Maidenhead, Berkshire, SL6 4UB.	Holding Company	England & Wales	100%