

2184473

# Automated Language Processing Services Limited

## Report and Financial Statements

31 December 2007



# Automated Language Processing Services Limited

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Registered No 2184473

## **Directors**

A N Gordon

I A McFarlane (appointed 18 January 2007)

J Adams

## **Secretary**

J Adams

## **Auditors**

Ernst & Young LLP

Apex Plaza

Reading

Berkshire

RG1 1YE

## **Registered Office**

Globe House

Clivemont Road

Maidenhead

Berks

SL6 7DY

## Directors' report

The directors submit their report and financial statements for the year ended 31 December 2007

### Results and dividends

The profit for the year attributable to shareholders amounts to £Nil (2006 £Nil)

### Principal activities and review of business developments

The company acted as a holding company during the period

The directors have considered and reviewed business risks relating to Automated Language Processing Services Limited. At this time they do not consider that there are any risks solely in relation to Automated Language Processing Services Limited. For a review of business risks within the group, of which the company forms a part, reference may be made to the financial statements of SDL Plc.

On an annual basis the directors review the financial statements. 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.

### Directors and directors' interests

The directors during the year were as follows

A N Gordon  
J Adams

The directors are not required to retire by rotation

The directors have no declarable interest in the shares of the company

### 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 auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information

### Auditors

Ernst & Young LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting

By order of the Board



I A McFarlane      Director

## **Statement of directors' responsibilities in respect of the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **Independent auditors' report**

**to the members of Automated Language Processing Services Limited**

We have audited the company's financial statements for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

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

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you 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 the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

## **Basis of audit opinion**

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

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

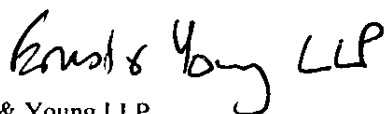
# **Independent auditors' report**

**to the members of Automated Language Processing Services Limited**

## **Opinion**

### **In our opinion**

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of the result for the year 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



Ernst & Young LLP  
Registered auditor  
Reading  
6 October 2008

## Profit and loss account

for the year ended 31 December 2007

	<i>Notes</i>	2007 £	2006 £
<b>Turnover</b>		-	-
Cost of sales		-	-
		<hr/>	<hr/>
<b>Gross profit</b>		-	-
Administration expenses		-	-
		<hr/>	<hr/>
<b>Operating profit</b>	3	-	-
<b>Interest receivable and similar income</b>			
Currency differences on translation of liabilities		-	-
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>		-	-
Taxation	4	-	-
		<hr/>	<hr/>
<b>Loss for the year</b>	9	-	-
		<hr/>	<hr/>

### Statement of total recognised gains and losses

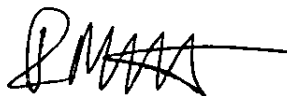
There are no recognised gains or losses other than the profit of £nil for the year ended 31 December 2007 (2006 £NIL)

## Balance sheet

as at 31 December 2007

	Notes	2007 £	2006 £
<b>Investments</b>	5	2,500,000	2,500,000
<b>Creditors</b> amounts falling due within one year	6	(4,166,399)	(4,166,399)
		<u>(1,666,399)</u>	<u>(1,666,399)</u>
<b>Capital and reserves</b>			
Called up share capital	8	2,210,000	2,210,000
Profit and loss account	9	(3,876,399)	(3,876,399)
<b>Equity shareholders' funds</b>	9	<u>(1,666,399)</u>	<u>(1,666,399)</u>

Approved by the Board



I A McFarlane

Director

6 October 2008

## Notes to the financial statements

at 31 December 2007

### 1. Fundamental Accounting Concept

The financial statements have been prepared under the going concern basis, notwithstanding the fact that the balance sheet at 31 December 2007 shows net liabilities of £1,666,399 (2006 £1,666,399). Continuing financial support from the ultimate parent company is required to enable the company to meet its liabilities as they fall due. This support is expected to continue for the foreseeable future and thus the directors believe it is appropriate to prepare the financial statements on the going concern basis. The accounts do not contain any adjustments that would result from the withdrawal of support by the ultimate parent company.

### 2 Accounting Policies

#### Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

#### Exemption from the requirement to prepare group financial statements

In accordance with s228A of the Companies Act 1985, the company is exempt from the obligation to prepare and deliver group financial statements.

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate if the transaction is covered by a forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date or if appropriate at the forward contract rate. All differences are taken to the profit and loss account.

### 3 Operating Profit

Auditors remuneration, in 2007 and 2006, was borne by another member of the corporate group.

No director received any remuneration from the company during this or the previous period.

## Notes to the financial statements

at 31 December 2007

### 4 Taxation

#### (a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2007	2006
	£	£
<i>Current tax</i>		
UK corporation tax	-	-
Prior year adjustment	-	-
	<u>-</u>	<u>-</u>
Total current tax	-	-
	<u>-</u>	<u>-</u>

#### (b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 30% (2006 30%) This is reconciled below

	2007	2006
	£	£
Loss on ordinary activities before taxation	-	-
	<u>-</u>	<u>-</u>
Loss on ordinary activities at UK rate of tax	-	-
Tax losses carried forward	-	-
	<u>-</u>	<u>-</u>
Total current tax (note 4(a))	-	-
	<u>-</u>	<u>-</u>

From financial year 2008, the UK corporation tax rate will reduce from 30% to 28%. This rate change will both affect the amount of future cash tax payments to be made by the company and will also reduce the size of the company's deferred tax asset. Changes to the UK capital allowance regime have also been proposed, the most significant of these changes for the company is the reduction in the rate of capital allowances applicable to plant and machinery expenditure from 25% to 20% per annum on a reducing balance basis from 1 April 2008. The effect on the company of these proposed changes to the UK tax system will be fully reflected in the company's financial statements for the year ending 31 December 2008.

## Notes to the financial statements

at 31 December 2007

### 5. Fixed Asset Investments

Investment in subsidiary undertakings

	<i>Investments</i> £
<i>Cost</i>	
At 31 December 2007 and 31 December 2006	3,655,000
<i>Amounts provided</i>	
At 31 December 2007 and 31 December 2006	1,155,000
<i>Net book value</i>	
At 31 December 2007 and 31 December 2006	2,500,000

The company owns 100% of the issued ordinary share capital of each of the following principal subsidiary undertakings

The following subsidiary undertakings traded during the year

#### *Owned directly*

Interlingua Group Limited (Registered in England)

#### *Owned indirectly*

SDL Multi-Lingual Solutions (Singapore) Pte Limited (Incorporated in Singapore)  
 SDL International Nederland BV (Incorporated in the Netherlands)  
 SDL Nederland BV (Incorporated in the Netherlands)

The following subsidiary undertakings, which are held indirectly, did not trade during the year

Alpnet Hong Kong Limited (Incorporated in Hong Kong)  
 Alpnet UK Limited (Registered in England)  
 Bengbu Alpnet Technology Co Ltd (Incorporated in the Peoples Republic of China)  
 Alpnet Ireland Limited (Incorporated in Ireland)  
 Computype Ltd (Registered in England)

The activities of all companies are the provision of worldwide translation, interpreting, and typesetting for commerce and industry

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

## Notes to the financial statements

at 31 December 2007

### 6. Creditors: amounts falling due within one year

	2007 £	2006 £
Due to parent undertaking	4,111,018	4,111,018
Corporation tax	55,381	55,381
	<u>4,166,399</u>	<u>4,166,399</u>

### 7. Deferred Taxation

The amounts provided for deferred taxation and the amounts not provided are set out below

Company	2007		2006	
	Provided £'000	Unprovided £'000	Provided £'000	Unprovided £'000
Difference between accumulated depreciation and amortisation and capital allowances	-	-	-	(2,322)
Utilised losses	-	-	-	(27,090)
Unrealised exchange gains	-	-	-	-
Other timing differences	-	-	-	(1,283)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(30,695)</u>

The deferred tax asset has not been recognised in the financial statements due to the uncertainty over the availability of suitable future taxable profits against which the asset will reverse

### 8. Called Up Share Capital

	2007 £	2006 £
<i>Authorised</i>		
Ordinary shares of 10p each	2,400,000	2,400,000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of 10p each	<u>2,210,000</u>	<u>2,210,000</u>

## Notes to the financial statements

at 31 December 2007

### 9. Reconciliation Of Shareholders' Funds And Movements On Reserves

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total share- holders' funds £</i>
At 1 January 2006	2,210,000	(3,876,399)	(1,666,399)
Profit for the year	-	-	-
At 31 December 2006	2,210,000	(3,876,399)	(1,666,399)
Profit for the year	-	-	-
At 31 December 2007	2,210,000	(3,876,399)	(1,666,399)

### 10. Ultimate Parent Undertaking

In the opinion of the directors', the ultimate parent undertaking and ultimate controlling party at 31 December 2007 is SDL plc, incorporated in England

The smallest and largest undertaking for which group financial statements, incorporating the results of the company, are prepared is SDL plc

Copies of the consolidated financial statements of SDL plc are available to the public from

Companies House  
Crown Way  
Mandy  
Cardiff  
CF14 3UZ