



ARTHUR ANDERSEN

Shirley Developments Limited

Accounts 31 March 2000

together with directors' and auditors' reports

Registered number: 499521



DIRECTORS

R.J. Crompton

S.R. Combes

SECRETARY

G. Barker

REGISTERED OFFICE

PO Box 162

Crown Royal Park

Shawcross Street

Stockport

Cheshire

SK1 3JW

Directors' report

For the year ended 31 March 2000

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 March 2000.

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which 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 accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

Principal activities and business review

The company is engaged in the commercial introduction into industry of the results of scientific research and development. The directors consider the results for the year and the year end financial position to be satisfactory.

Results and dividends

	£
Retained profit at beginning of year	171,103
Result for the financial year	-
Retained profit at end of year	171,103

The directors do not recommend the payment of a dividend.

Directors' report (continued)

Directors and their interests

The directors who served during the year are as shown below.

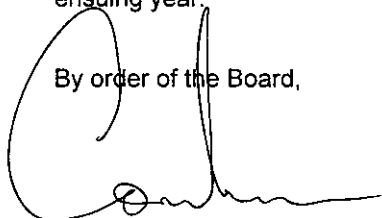
R.J. Crompton
S.R. Combes

The directors' shareholdings in the parent company, SDL International Limited, are set out in the accounts of that company. The directors have no other interests required to be disclosed under Schedule 7 of the Companies Act 1985.

Auditors

The directors will place a resolution before the annual general meeting to reappoint Binder Hamlyn as auditors for the ensuing year.

By order of the Board,

A handwritten signature in black ink, appearing to be 'S.R. Combes', written over the text 'By order of the Board,'.

S.R. Combes
Director

PO Box 162
Crown Royal Park
Shawcross Street
Stockport
Cheshire
SK1 3JW

30 January 2001

Binder Hamlyn

Bank House
9 Charlotte Street
Manchester M1 4EU

Tel 0161 228 6100
Fax 0161 228 6101

www.arthurandersen.com

To the Shareholders of Shirley Developments Limited:

We have audited the accounts on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the company's state of affairs at 31 March 2000 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Binder Hamlyn

Chartered Accountants and Registered Auditors

Bank House
9 Charlotte Street
Manchester
M1 4EU

30 January 2001

Profit and loss account

For the year ended 31 March 2000

	Notes	2000 £	1999 £
Turnover		159,756	152,037
Cost of sales		(159,756)	(152,037)
Gross profit		-	-
Result on ordinary activities for the financial year		-	-
Tax on result on ordinary activities	3	-	-
Result for the financial year	8	-	-

All activity has arisen from continuing operations. The company has no recognised gains or losses other than those included in the profit and loss account.

A statement of movements on reserves is given in note 7.

The accompanying notes are an integral part of this profit and loss account.

Balance sheet

31 March 2000

	Notes	2000 £	1999 £
Current assets			
Debtors	4	180,865	180,865
Creditors: Amounts falling due within one year	5	<u>(9,663)</u>	<u>(9,663)</u>
Net assets		<u>171,202</u>	<u>171,202</u>
Capital and reserves			
Called-up share capital	6	99	99
Profit and loss account	7	<u>171,103</u>	<u>171,103</u>
Equity shareholders' funds	8	<u>171,202</u>	<u>171,202</u>

Signed on behalf of the Board



S.R. Combes
Director

30 January 2001

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

31 March 2000

1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the current year and the preceding year, is set out below.

a) Basis of accounting

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

b) Turnover

Turnover is the amount receivable, excluding value added tax in respect of sales of goods and services rendered during the year.

2 Staff costs

The directors received no remuneration from the company in the year (1999 - £Nil).

3 Tax on result on ordinary activities

There is no corporation tax charge for the year (1999 - £Nil).

4 Debtors

Amounts falling due within one year:

	2000 £	1999 £
Amounts owed by group undertakings	<u>180,865</u>	<u>180,865</u>

5 Creditors: Amounts falling due within one year

	2000 £	1999 £
Other creditors		
- tax and social security	<u>9,663</u>	<u>9,663</u>

Notes to accounts (continued)

6 Called-up share capital

	2000 £	1999 £
<i>Authorised</i>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called-up and fully paid</i>		
99 Ordinary shares of £1 each	<u>99</u>	<u>99</u>

7 Reserves

Of total reserves shown in the balance sheet, the following amounts are regarded as distributable or otherwise:

	2000 £	1999 £
Distributable		
- profit and loss account	<u>171,103</u>	<u>171,103</u>
		Profit and loss account £
Beginning of year		171,103
Loss for the year		<u>-</u>
End of year		<u>171,103</u>

8 Reconciliation of movements in equity shareholders' funds

	2000 £	1999 £
Result for the financial year	-	-
Opening equity shareholders' funds	<u>171,202</u>	<u>171,202</u>
Closing equity shareholders' funds	<u>171,202</u>	<u>171,202</u>

9 Ultimate parent company

The company is a subsidiary undertaking of SDL International Limited.

The only group of which Shirley Developments Limited is a member and for which group accounts are drawn up is that headed by SDL International Limited, whose principal place of business is at PO Box 162, Crown Royal Park, Shawcross Street, Stockport, Cheshire, SK1 3JW.

The consolidated accounts of this group are available to the public and may be obtained from The Registrar of Companies, Companies Registration Office, Crown Way, Maindy, Cardiff, CF4 3UZ.