

Kingswell Data Management Limited
(formerly Guardian Data Management Limited)
Directors' report and financial statements
for the year ended 31 December 2002

Registered number: 2686986



Kingswell Data Management Limited (formerly Guardian Data Management Limited)

Address

Cornwell Business Park
Salthouse Road
Brackmills
Northampton
NN4 7EX

Telephone : 01604 767636
Fax: 01604 767639
Web site: www.kingswell.co.uk

Directors

Keith Tilley
Michael. J. Ruane
Michael K. Muratore
Neal Roberts

Secretary

Anthony Schroeder

Registered office

12-13 Bracknell Beeches
Bracknell
Berkshire
RG12 7BW

Auditors

PricewaterhouseCoopers LLP
Central Business Exchange
Midsummer Boulevard
Central Milton Keynes
MK9 2DF

Bankers

Barclays Bank Plc
8/12 Church Street
Walton-on-Thames
Surrey KT12 2YW

Solicitors

Kimbell & Co.
352 Silbury Court
Silbury Boulevard
Milton Keynes
MK9 2HJ

Kingswell Data Management Limited **(formerly Guardian Data Management Limited)**

Directors' report for the year ended 31 December 2002

The directors present their report and the audited financial statements of Kingswell Data Management Limited (formerly Guardian Data Management Limited) for the year ended 31 December 2002.

Principal activities

The company's principal activity during the period was the supply and support of computer storage, storage management and data management solutions together with associated training and consultancy services.

The principal activity of the company's only trading subsidiary, Kingswell AB, is in note 11 to the financial statements.

Review of the business and future developments

The first half of 2002 was challenging for the company and Kingswell AB with a slow down in the IT industry and downturn in the business of many of their customers. The directors are optimistic about growth in 2003.

The company's ultimate parent undertaking, Guardian iT Limited (formerly Guardian iT plc) was acquired (together with the company and all other companies in the Guardian iT group) by SunGard Data Systems Inc. on 1 July 2002.

On 2 September 2002 the company changed its name from Guardian Data Management Limited to Kingswell Data Management.

Results and dividends

The loss for the year ended 31 December 2002 after taxation amounted to £308,000 (8 months to 31.12.2001: profit £682,000). The directors do not recommend the payment of a dividend (8 months to 31.12.2001: £nil).

Directors and their interests

The directors at the date of this report and/or during the year are given below:

Keith Tilley	- Appointed 18 July 2002
Michael J. Ruane	- Appointed 18 July 2002
Michael K. Muratore	- Appointed 18 July 2002
Neal Roberts	- Appointed 12 April 2002
Peter MacLean	- Resigned 2 August 2002
Michael King	- Resigned 25 January 2002
Graeme Presswell	- Resigned 28 January 2002
Colin Benham	- Resigned 28 January 2002
Anthony Stanford	- Resigned 12 February 2002
Garry Gowns	- Resigned 12 April 2002

According to the register of directors' interests kept by the company under s.325 of the Companies Act 1985:

- (a) no director was at 31 December 2002 interested in shares or debentures of the company or any other body corporate in the same group; and

Kingswell Data Management Limited **(formerly Guardian Data Management Limited)**

Directors' report for the year ended 31 December 2002

Directors and their interests (continued)

- (b) no right to subscribe for shares in or debentures of the company or another body corporate in the same group was during the financial year ended 31 December 2002 granted to, or exercised by, a director or a member of his immediate family.

For these purposes:

- (i) reference to a director is to a person who at 31 December 2002 was a director of the company; and
- (ii) references to a body corporate being in the same group and to a director's "immediate family" are to be construed in accordance with Schedule 7 to the Companies Act 1985.

Certain interests have not been disclosed as they are exempt from disclosure by virtue of the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations 1985.

Payments to suppliers

For the financial year that began on 1 January 2003 it is the company's policy for the terms and conditions for the payment of suppliers to be made known to suppliers when agreeing the terms of each transaction and for the company to settle suppliers' liabilities promptly and in accordance with agreed terms, provided the supplier has performed in accordance with the terms and conditions of supply.

At 31 December 2002 trade creditors amounted to £537,000 (2001: £1,425,000), corresponding to 31 days (2001 : 89 days) purchases when averaged over the year.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently unless otherwise indicated. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 December 2002 and that applicable accounting standards have been followed.

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

Company law also requires the directors to prepare a report containing, amongst other things, a fair review of the development of the business of the company and any subsidiary undertakings during the financial year and of their position at the end of it.

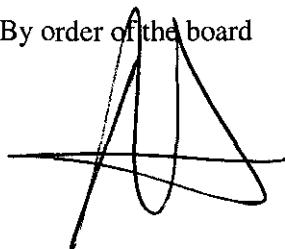
Kingswell Data Management Limited **(formerly Guardian Data Management Limited)**

Directors' report for the year ended 31 December 2002

Auditors

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership from 1 January 2003, *PricewaterhouseCoopers resigned on 24 February 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP as auditors to fill the casual vacancy to hold office until the conclusion of the next general meeting at which accounts are laid before the company.*

By order of the board

A handwritten signature in black ink, appearing to be 'Anthony Schroeder', written over a horizontal line.

Anthony Schroeder
Company Secretary
28 October 2003

Kingswell Data Management Limited **(formerly Guardian Data Management Limited)**

Independent auditors' report to the members of Kingswell Data Management Limited (formerly Guardian Data Management Limited)

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

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom auditing standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions is not disclosed.

Basis of audit opinion

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

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Milton Keynes
23 October 2003

Kingswell Data Management Limited

(formerly Guardian Data Management Limited)

Profit and loss account for the year ended 31 December 2002

	Notes	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
Turnover – continuing operations	3	9,352	8,988
Cost of sales		(6,369)	(5,847)
Gross profit		2,983	3,141
Distribution costs		(2,346)	(1,758)
Administrative expenses:			
- Exceptional item	4	(345)	-
- Other		(564)	(405)
Total administrative expenses		(909)	(405)
Operating (loss)/profit – continuing operations	5	(272)	978
Interest receivable and similar income		6	10
Interest payable and similar charges	8	(7)	(5)
(Loss)/profit on ordinary activities before taxation		(273)	983
Tax on (loss)/profit on ordinary activities	9	(35)	(301)
(Loss)/profit on ordinary activities after taxation and retained (loss)/profit for the financial year	19	(308)	682

The company has no recognised gains and losses other than the (loss)/profit above and therefore no separate statement of total recognised gains and losses has been presented.

There are no material differences between the (loss)/profit on ordinary activities before taxation and the retained (loss)/profit for the year stated above and their historical cost equivalents.

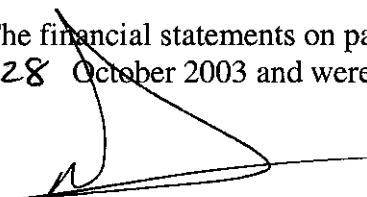
The notes on pages 8 to 18 form an integral part of these financial statements.

Kingswell Data Management Limited (formerly Guardian Data Management Limited)

Balance Sheet at 31 December 2002

	Notes	2002 £'000	2001 £'000
Fixed assets			
Tangible assets	10	329	416
Investments	11	-	-
		329	416
Current assets			
Stocks	12	438	612
Debtors	13	5,132	5,952
Cash at bank and in hand		350	650
		5,920	7,214
Creditors: amounts falling due within one year	14	(3,818)	(4,744)
Net current assets		2,102	2,470
Total assets less current liabilities		2,431	2,886
Creditors: amounts falling due after one year	15	(89)	(235)
Provisions for liabilities and charges	17	-	(1)
Net assets		2,342	2,650
Capital and reserves			
Called up share capital	18	64	64
Profit and loss account	19	2,278	2,586
Equity shareholders' funds	19	2,342	2,650

The financial statements on pages 6 to 18 were approved by the board of directors on
28 October 2003 and were signed on its behalf by:



Neal Roberts
Director

Kingswell Data Management Limited

(formerly Guardian Data Management Limited)

Notes to the financial statements for the year ended 31 December 2002

1 Accounting policies

(1) Accounting convention

The financial statements have been prepared on the going concern basis, under the historical cost convention and are prepared in accordance with the Companies Act 1985 and applicable accounting standards. A summary of the principal accounting policies, which have been consistently applied unless otherwise indicated, are set out below.

(2) Group accounts

These financial statements present information regarding the company as an individual undertaking and not as a group as the directors have taken advantage of the exemption under section 228 of the Companies Act 1985 not to prepare and deliver group financial statements.

(3) Turnover and deferred income

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Product sales are recognised upon delivery to the customer. Service revenue is recognised on a straight line basis over the period of the contract, and amounts invoiced prior to the year end in respect of services to be provided in the following year are included in deferred income.

(4) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life as follows:

Leasehold improvements	-	over the lease term
Plant and machinery	-	4-10 years
Fixtures and fittings	-	5 years
Computer equipment	-	4 years

The carrying values of tangible fixed assets are reviewed for impairment periodically if events or changes in circumstances indicate the carrying value may not be recoverable.

(5) Investments

Investments in subsidiary companies are stated at cost less any provision for permanent impairment of value.

(6) Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Kingswell Data Management Limited

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Notes to the financial statements for the year ended 31 December 2002

(continued)

(7) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax assets are not recognised unless it is more likely than not that there will be sufficient future taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis.

The company has adopted FRS19 "Deferred tax" in these financial statements. There was no effect on either tax on profit on ordinary activities or profit for the financial year. Opening reserves did not require restatement.

(8) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

(9) Leasing and hire purchase commitments

Where assets are financed by lease agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright and the corresponding leasing commitments are shown as obligations under finance leases. The relevant assets are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account on a reducing balance over the period of the lease.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

(10) Pension costs

The company contributes to certain employee's personal pension policies. Contributions are charged to the profit and loss account as they become payable.

Kingswell Data Management Limited

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Notes to the financial statements for the year ended 31 December 2002

(continued)

2 Cash flow statement and related party disclosures

The company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996), as it is a wholly owned subsidiary. The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the SunGard Data Systems Inc group or investees of the SunGard Data Systems Inc group.

3 Turnover

Turnover is attributable to one continuing activity, the supply and support of computer storage, storage management and data management solutions together with associated training and consultancy services.

An analysis of turnover by geographical market is given below:

	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
United Kingdom	9,340	8,986
Rest of Europe	7	2
Other	5	-
	9,352	8,988

4 Exceptional item

	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
Impairment of fixed asset investment	345	-

During the year an impairment review of the carrying value of the investment in Kingswell AB was performed. This resulted in an impairment charge of £345,000 to align the carrying value of the investment with the directors valuation at 31 December 2002.

Kingswell Data Management Limited

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Notes to the financial statements for the year ended 31 December 2002
(continued)

5 Operating (loss)/profit

	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
<hr/> Operating (loss)/profit is stated after charging:		
Auditors' remuneration	18	12
Depreciation on owned fixed assets	130	86
Depreciation of assets held under finance leases	7	7
Hire of plant and machinery	2	2
Operating lease rentals - plant and machinery	152	121
- land and buildings	84	58

6 Directors' emoluments

	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
<hr/> Emoluments (excluding pension contributions)		
	24	341

Pension contributions to directors' private pension schemes of £800 (31.12.2001: £3,987) were paid in respect of one director (31.12.2001: four directors).

K. Tilley, M. J. Ruane, M. K. Muratore and N. Roberts were paid by SunGard Availability Services (UK) Limited, SunGard Data Systems Inc., SunGard Recovery Services LP and SunGard Availability Services (DR) Limited respectively for their services to companies within the SunGard Data Systems Inc. group of companies. Their services to the company were incidental to their services within the Sungard Data Systems Inc. group of companies.

P.MacLean and G.Growns were paid by SunGard Availability Services (DR) Limited for their services to the Guardian iT group of companies. Their services to the company were incidental to their services within the Guardian iT group of companies.

Kingswell Data Management Limited

(formerly Guardian Data Management Limited)

Notes to the financial statements for the year ended 31 December 2002
(continued)

7 Staff costs

	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
Wages and salaries	2,078	1,483
Social security costs	220	169
Other pension costs	40	24
	2,338	1,676

The average weekly number of employees during the period was as follows:

	Number	Number
Administration	7	9
Sales	20	22
Engineering	30	30
	57	61

8 Interest payable and similar charges

	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
Finance charges payable under finance leases	7	5

9 Tax on (loss)/profit on ordinary activities

Analysis of charge in the period:

	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
Current tax: UK corporation tax on (loss)/profits of the period	45	319
Total current tax	45	319
Deferred tax: Origination and reversal of timing differences	(10)	(7)
Prior year adjustment for over provision	-	(11)
Total deferred tax	(10)	(18)
Tax on (loss)/profit on ordinary activities	35	301

Kingswell Data Management Limited
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Notes to the financial statements for the year ended 31 December 2002
(continued)

9 Tax on (loss)/profit on ordinary activities (continued)

The current tax assessed for the period is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	Year ended 31.12.02 £'000	8 month period ended 31.12.01 £'000
(Loss)/profit on ordinary activities before tax	(273)	983
(Loss)/profit on ordinary activities multiplied by the standard UK rate 30%	(82)	295
Effects of:		
Expenses not deductible for tax purposes:		
- impairment of investment	104	2
- other	13	15
Accelerated capital allowances and other timing differences	10	7
Current tax charge for the period	45	319

10 Tangible fixed assets

	Short leasehold improvements £'000	Plant & machinery £'000	Fixtures & fittings £'000	Computer equipment £'000	Total £'000
Cost					
At 1 January 2002	118	24	216	446	804
Additions	-	-	2	77	79
Disposals	-	-	(12)	(71)	(83)
At 31 December 2002	118	24	206	452	800
Depreciation					
At 1 January 2002	25	10	104	249	388
Charge for the year	12	2	38	85	137
Disposals	-	-	(13)	(41)	(54)
At 31 December 2002	37	12	129	293	471
Net book amount					
At 31 December 2002	81	12	77	159	329
At 1 January 2002	93	14	112	197	416

Included in computer equipment are assets purchased under finance leases of £25,323 (31.12.2001: £25,323) which are fully depreciated. Included in fixtures & fittings are assets purchased under finance leases of £37,653 (31.12.2001: £37,653) with accumulated depreciation of £18,827 (31.12.2001: £14,826) giving a net book amount of £18,826 (31.12.2001: £23,011).

Kingswell Data Management Limited

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Notes to the financial statements for the year ended 31 December 2002
(continued)

11 Fixed asset investments

	31.12.02 £'000	31.12.01 £'000
Investment in subsidiary undertakings		
At cost	352	7
Impairment provision	(352)	(7)
Net book amount	-	-
Movement in net book amount during the period:		
At beginning of period	-	7
Capital contribution	345	-
Impairment (note 4)	(345)	(7)
At end of period	-	-

The company owns the share capital of the following companies:

Name of undertaking	Country of incorporation or registration	Description of shares held	Proportion of nominal value of issued shares held
Kingswell AB	Sweden	Ordinary 100 SEK	100%
Kingswell Computer Company Limited	England	Ordinary	100%

The principal business activity of Kingswell AB is the supply, integration and support of computer backup and archiving solutions.

Kingswell Computer Company Limited is a dormant company.

During the year the company transferred £345,000 owed by Kingswell AB from "amounts owed by group undertakings" to "investments in subsidiary undertakings" to reflect a capital contribution made to that subsidiary. However, the directors consider the carrying value of the investment to be impaired, and as such the investment in Kingswell AB has been fully written off (note 4).

12 Stocks

	31.12.02 £'000	31.12.01 £'000
Finished goods and stock for resale	438	612

Kingswell Data Management Limited

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Notes to the financial statements for the year ended 31 December 2002

(continued)

13 Debtors

	31.12.02	31.12.01
	£'000	£'000
Trade debtors	1,968	2,855
Amounts owed by group undertakings	2,391	2,680
Other debtors	16	1
Prepayments and accrued income	748	416
Deferred tax asset (note 17)	9	-
	5,132	5,952

14 Creditors: amounts falling due within one year

	31.12.02	31.12.01
	£'000	£'000
Trade creditors	537	1,425
Obligations under finance leases (note 16)	26	13
Other taxes and social security costs	236	405
Corporation tax	364	783
Other loan (note 15)	-	25
Accruals	260	133
Deferred income	2,395	1,960
	3,818	4,744

15 Creditors: amounts falling due after one year

	31.12.02	31.12.01
	£'000	£'000
Deferred income	87	209
Obligations under finance leases (note 16)	2	5
Other loan	-	21
	89	235
Maturity of loan		
In one year or less	-	25
In more than one year, but not more than two years	-	21
	-	46

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Notes to the financial statements for the year ended 31 December 2002
(continued)

16 Obligations under finance leases

The maturity of these amounts is as follows:

	31.12.02	31.12.01
	£'000	£'000
Amounts payable		
- within one year	30	14
- within two to five years	2	7
	32	21
Less finance charges allocated to future periods	(4)	(3)
	28	18
Finance leases are analysed as follows		
Current obligations	26	13
Non-current obligations	2	5
	28	18

17 Provision for liabilities and charges

Deferred taxation

	£'000	
At 1 January 2002		(1)
Deferred tax credit in profit and loss account (note 9)		10
At 31 December 2002 (note 13)		9
Deferred tax asset/(liability) comprises:	31.12.02	31.12.01
	£'000	£'000
Accelerated capital allowances	9	(1)

18 Called up share capital

	31.12.02	31.12.01
	£'000	£'000
Authorised, allotted, called up and fully paid		
64,000 ordinary shares of £1 each	64	64

Kingswell Data Management Limited **(formerly Guardian Data Management Limited)**

Notes to the financial statements for the year ended 31 December 2002
(continued)

19 Reconciliation of movement in shareholders' funds

	Share capital £'000	Profit & loss account £'000	Total £'000
At 1 January 2002	64	2,586	2,650
Loss for the period	-	(308)	(308)
At 31 December 2002	64	2,278	2,342

20 Pension commitments

The company contributes to certain employee's personal pension policies. Contributions are charged to the profit and loss account as they become due and amounted to £40,424 (31.12.01: £24,430). No contributions due were outstanding at the year end.

21 Financial commitments

At 31 December 2002 the company had annual commitments under non-cancellable operating leases as set out below:

	Land and Buildings		Other	
	31.12.02	31.12.01	31.12.02	31.12.01
	£'000	£'000	£'000	£'000
Operating leases which expire:				
within one year	-	-	21	15
between two and five years	87	87	119	102
	87	87	140	117

22 Contingent liabilities

The company has a VAT bond in favour of HM Customs and Excise for an amount of £40,000 (31.12.01: £40,000).

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Notes to the financial statements for the year ended 31 December 2002

(continued)

23 Immediate and ultimate parent undertaking

The immediate parent undertaking is SunGard Availability Services (DR) Limited (formerly Guardian dr Limited).

The company's ultimate parent undertaking until 1 July 2002 was Guardian iT Limited (formerly Guardian iT plc). On 1 July 2002 SunGard Data Systems Inc, a body corporate incorporated in Delaware, USA, acquired Guardian iT Limited (formerly Guardian iT plc) and all of its subsidiaries, thus becoming the company's ultimate parent undertaking and the parent undertaking of the largest group to prepare consolidated financial statements that include the company. Guardian iT Limited (formerly Guardian iT plc) remains the parent undertaking of the smallest group to prepare consolidated financial statements that include the company.

Copies of SunGard Data Systems Inc consolidated financial statements can be obtained from 680 East Swedesford Road, Wayne, Pennsylvania 19087, USA.

Copies of Guardian iT Limited consolidated financial statements can be obtained from the Company Secretary at 12-13 Bracknell Beeches, Old Bracknell Lane West, Bracknell, Berkshire, RG12 7BW.