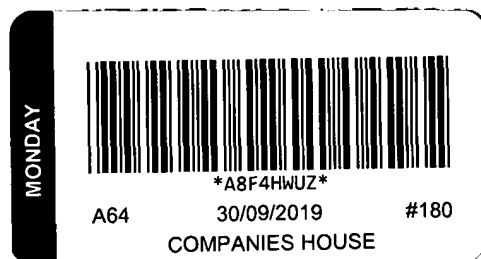


**Annual Report and Financial Statements**  
**for the Year Ended 31 December 2018**  
**for**  
**Sungard Availability Services (UK)**  
**Limited**



**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Contents of the Financial Statements  
for the Year Ended 31 December 2018**

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**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Company Information  
for the Year Ended 31 December 2018**

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**Directors:**

Michael Robinson  
Terrence J Anderson  
Patrick Morley

**Registered office:**

Unit B Heathrow Corporate Park  
Green Lane  
Hounslow  
Middlesex  
TW4 6ER

**Registered number:**

02368123 (England and Wales)

**Independent Auditors:**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
3 Forbury Place  
23 Forbury Road  
Reading  
Berkshire  
RG1 3JH

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Strategic Report  
for the Year Ended 31 December 2018**

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The directors present their strategic report for Sungard Availability Services (UK) Limited (the 'Company') for the year ended 31 December 2018.

**Principal activities**

The principal activities of the company during the year were the delivery of secure, resilient IT infrastructure and organisational availability services through a unique combination of scalable, managed IT production environments and Workplace Recovery.

**Review of business**

The company has decline in revenue during the year due to continuing difficult trading conditions within the UK. Turnover decreased by 7% (decrease 2017: 2%). Operating profit (excluding investment impairment) decreased by 53% (increase 2017: 6%), due to lower revenue. During 2018 the company invested £15.2 million in fixed assets (2017: £16.3 million) which included taking on new computer equipment and continued enhancement of existing data centres, workplace facilities and cloud platforms.

**Strategy**

Our strategy is to expand our position as the provider of choice by responding to our customers evolving needs by providing innovative, cost effective, customised solutions to their complex requirements using our expertise in virtualisation, enterprise public, private and hybrid cloud and advanced information and organisational availability technologies. We will continue to ensure that we retain our extensive customer base through maintaining very high customer satisfaction levels. In pursuing expansion of the business, there is emphasis on fiscal discipline, sustainable revenue growth, improving margins and operating cash flow generation.

**Future outlook**

The company has continued to invest significantly in recent years enhancing existing data centres, broadening the range of managed IT services and expanding the cloud service platform. The Company expects to continue to make these investments to maintain and grow our services.

**Principal risks and uncertainties**

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks are set out below:

*Competition*

The company's greatest source of competition is from in-house dedicated solutions. Although these solutions provide customers with exclusive access to resources and infrastructure, the directors believe that for many customers, building and maintaining an in-house solution is significantly more costly and difficult than subscribing to comparable services from the company. This is because of the company's economies of scale, experience, technology expertise, resource management skills and vendor neutrality.

*Economy*

A slowdown or downturn in the economy may cause the company's business and financial results to suffer for a number of reasons. Customers may react to worsening conditions by reducing their capital expenditures in general or by specifically reducing their IT spending. In addition, customers may curtail or discontinue trading operations, delay or cancel IT projects, or seek to lower their costs by renegotiating vendor contracts. Also, customers with excess IT resources may choose to take their information availability solutions in-house rather than obtain those solutions from us. Moreover, competitors may respond to market conditions by lowering prices and attempting to lure away our customers to lower cost solutions. If any of these circumstances remain in effect for an extended period of time, there could be a material adverse effect on our financial results. Because the company's financial performance tends to lag behind fluctuations in the economy, recovery from any particular downturn in the economy may not occur until after economic conditions have generally improved.

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Strategic Report (continued)  
for the Year Ended 31 December 2018**

**Key performance indicators**

Performance during the year, together with historical trend data is set out in the table below:

	2018	2017	Definition method of calculation and analysis
Growth in sales (%)	-7.00%	-2.10%	Year on year sales growth expressed as a percentage.
Gross Margin (%)	4.30%	8.60%	Gross margin is the ratio of operating profit before investment impairments to sales expressed as a percentage.
Gross Margin including add backs (%)	5.00%	10.00%	Gross margin excluding add backs is the ratio of operating profit before investment impairments and severance payments to sales which is expressed as a percentage
EBITDA less capex	£7.7m	£21.9m	Operating profit before depreciation, amortisation, investment impairments and less capex spend. This is an approximation of the free cash the company generates in the year.
Adjusted EBITDA	£36.6m	£45.3m	Operating profit before depreciation, amortisation, investment impairments, group charges and add backs.
Adjusted EBITDA less capex	£21.5m	£29.0m	Operating profit before depreciation, amortisation, investment impairment, group charges add backs and less capex spend. This is an approximation of free cash that the company generates in the year before any severance payments.

**Financial risk management**

The company's operations expose it to a variety of financial risks that include the effects of changes in interest rates, liquidity risk, credit risk and foreign exchange risk.

Management are responsible for monitoring financial risk management. Policies covering financial risk management are documented in the Sungard Availability Services Capital Group financial policy manual.

*Interest rate cash flow risk and liquidity risk*

The company's ultimate parent undertaking, Sungard Availability Services Capital Inc., manages the interest rate and liquidity risks associated with the whole Sungard Availability Services Capital group, as disclosed in the financial statements of that company, which are available as disclosed in note 22. The company is not financed by bank or shareholder loans.

The company pays and receives interest on intercompany borrowings and lending respectively at a rate of interest determined by the group. No financial instruments were used by the company during the year to manage interest rate costs, and therefore no hedge accounting has been applied.

*Credit risk*

The company requires appropriate credit checks on potential customers before sales are made and the amount of exposure to any individual counterparty is subject to a limit which is reassessed regularly by the company's management.

*Foreign exchange risk*

The company is exposed to movements in foreign exchange rates as a result of transactions with a number of foreign suppliers and customers. The company has no formal policy in place as regards the use of foreign exchange contracts, as the value and volume of foreign currency contracts is considered immaterial however, for any significant exposures the directors would consider on a case-by-case basis whether the use of such instruments is warranted.

**Results and dividends**

The profit for the financial year was £7,559,000 (2017: £12,627,000).

The directors paid an interim dividend during the year of £700 per share (2017: £1,900); they do not recommend the payment of a final dividend (2017: £nil). The total dividends paid during the year amount to £7,000,000 (2017: £19,000,000).

On behalf of the board:

  
.....  
Terrence J. Anderson - Director

Date: 30/09/2019  
.....

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Directors' Report  
for the Year Ended 31 December 2018**

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The directors present their report and the audited financial statements of the company for the year ended 31 December 2018. The company is a private limited company, incorporated in the United Kingdom.

**Incorporation by reference**

Certain Laws and Regulations require that specific information should be included in the Directors' report, the following is incorporated into this Directors' report by reference:

- Principal activities (strategic report page 2)
- Review of the business (strategic report page 2)
- Principal risks and uncertainties (strategic report page 2)
- Financial risk management (strategic report page 3)
- Results and dividends (strategic report page 3)

**Directors**

The changes in directors holding office during the year and up to the date of signing the financial statements are as follows:

- C Quinn – appointed 25 September 2017, resigned 21 February 2018
- S Lynch – appointed 10 November 2017, resigned 31 July 2019
- M Threlfall – appointed 21 February 2018, resigned 31 July 2019
- Michael Robinson – appointed 31 July 2019
- Terrence J Anderson – appointed 31 July 2019
- Patrick Morley – appointed 31 July 2019

**Qualifying third party indemnity provision**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

**Employment policies**

The employment policies of the company embody the principle of equal opportunities for all employees, regardless of gender, religion or ethnicity.

It is the company's policy to give full and fair consideration to applications for employment from people who are disabled having regard to their particular aptitudes and abilities, to continue wherever possible the employment of employees who become disabled (and for arranging appropriate training for them) and to provide equal opportunities for the training, career development and promotion of disabled employees.

The quality and performance of the company's employees are considered vital to the company's success and during the year the company held semi-annual briefings and publishes a regular newsletter, ensuring that significant developments were communicated to employees. The company also maintains an employee advisory board, which meets quarterly and provides an opportunity for the company to consult, where appropriate, with employees on decisions likely to affect their interests. Involvement in the company's performance was encouraged through an annual bonus scheme.

**Disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Directors' Report (continued)  
for the Year Ended 31 December 2018**

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**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 regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 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.

**Directors' confirmations**

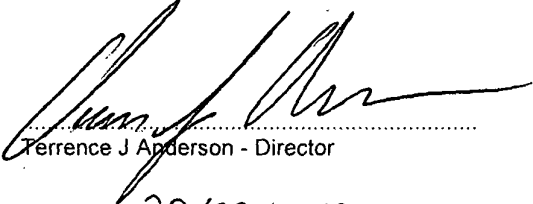
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have 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 auditors are aware of that information.

**Independent Auditors**

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board:



Terrence J Anderson - Director

Date: 30/09/2019

Independent Auditors' Report to the Members of  
Sungard Availability Services (UK)  
Limited

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## Report on the audit of the financial statements

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### Opinion

In our opinion Sungard Availability Services UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2018; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Independent Auditors' Report to the Members of  
Sungard Availability Services (UK)  
Limited (continued)**

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Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

*Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

**Responsibilities for the financial statements and the audit**

*Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

*Auditors' responsibilities for the audit of the financial statements*

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

*Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

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**Other required reporting**

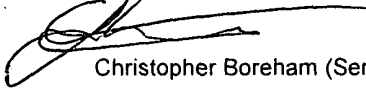
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**Companies Act 2006 exception reporting**

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Christopher Boreham (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading

30 September 2019

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Sungard Availability Services (UK)  
Limited (Registered number: 02368123)

Statement of comprehensive income  
for the Year Ended 31 December 2018

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	Note	2018 £'000	2017 £'000
Turnover	2	175,542	188,737
Cost of sales		<u>(120,359)</u>	<u>(121,407)</u>
Gross profit		55,183	67,330
Administrative expenses		<u>(47,593)</u>	<u>(51,107)</u>
Operating profit	5	7,590	16,223
Income from sale of fixed asset investment	5	1,326	-
Interest receivable and similar income	6	352	130
		<hr/>	<hr/>
Profit before taxation		9,268	16,353
Tax on profit	7	<u>(1,709)</u>	<u>(3,726)</u>
Profit for the financial year		<u>7,559</u>	<u>12,627</u>

All activities relate to continuing operations.

The notes on pages 11 to 24 form an integral part of these financial statements.

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Statement of Financial Position  
31 December 2018**

	Notes	2018 £'000	2017 (restated) £'000
<b>Fixed assets</b>			
Intangible assets	8	-	-
Tangible assets	9	51,970	60,285
Investments	10	<u>3,349</u>	<u>3,349</u>
		<u>55,319</u>	<u>63,634</u>
<b>Current assets</b>			
Tangible assets held for sale	9	2,455	-
Debtors - Amounts falling due within one year	11	65,221	61,287
Cash at bank and in hand		14,058	8,952
Other debtors - Amounts falling due within one year	12	<u>1,206</u>	<u>1,256</u>
		82,940	71,495
<b>Non-current assets</b>			
Debtors - Amounts falling due after more than one year	13	3,079	3,866
Other debtors - Amounts falling due after more than one year	12	<u>759</u>	<u>1,010</u>
		86,778	76,371
<b>Creditors</b>			
Amounts falling due within one year	14	<u>(94,085)</u>	<u>(91,650)</u>
<b>Net current liabilities</b>		<u>(11,145)</u>	<u>(20,155)</u>
<b>Total assets less current liabilities</b>		48,012	48,355
<b>Creditors</b>			
Amounts falling due after more than one year	15	(4,074)	(3,228)
<b>Provisions for liabilities</b>	16	<u>(19,588)</u>	<u>(21,284)</u>
<b>Net assets</b>		<u>24,350</u>	<u>23,843</u>
<b>Capital and reserves</b>			
Called up share capital	17	10	10
Share premium account	18	19,975	19,975
Other reserves	18	725	777
Retained earnings	18	<u>3,640</u>	<u>3,081</u>
<b>Total equity</b>		<u>24,350</u>	<u>23,843</u>

The notes on pages 11 to 24 form an integral part of these financial statements.

The financial statements on pages 8 to 24 were approved by the Board of Directors on 30/09/2019 and were signed on its behalf by:

  
Terrence J Anderson - Director

Sungard Availability Services (UK) Limited  
Registered number: 02368123

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Statement of Changes in Equity  
for the Year Ended 31 December 2018**

	Called up share capital £'000	Retained earnings £'000	Share premium account £'000	Other reserves £'000	Total equity £'000
<b>Balance as previously reported at 1 January 2017</b>	10	7,188	19,975	1,536	28,709
Restatement due to changes in accounting policy	-	2,266	-	-	2,266
<b>Restated balance as at 1 January 2017</b>	10	9,454	19,975	1,536	30,975
Profit for the year	-	12,627	-	-	12,627
Total comprehensive income for the year	-	12,627	-	-	12,627
Dividends paid	-	(19,000)	-	-	(19,000)
Employee share options recharge From parent undertaking	-	-	-	(759)	(759)
<b>Balance at 31 December 2017</b>	<u>10</u>	<u>3,081</u>	<u>19,975</u>	<u>777</u>	<u>23,843</u>
<b>Balance at 1 January 2018</b>	10	3,081	19,975	777	23,843
Profit for the year	-	7,559	-	-	7,559
Total comprehensive income for the year	-	7,559	-	-	7,559
Dividends paid	-	(7,000)	-	-	(7,000)
Employee share options recharge from parent undertaking	-	-	-	(52)	(52)
<b>Balance at 31 December 2018</b>	<u>10</u>	<u>3,640</u>	<u>19,975</u>	<u>725</u>	<u>24,350</u>

The notes on pages 11 to 24 form an integral part of these financial statements.

**Notes to the Financial Statements  
for the Year Ended 31 December 2018**

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**1. Accounting policies**

**General information**

Sungard Availability Services (UK) Limited ('the company') delivers secure, resilient IT infrastructure and organisational availability services through a unique combination of scalable, managed IT production environments and Workplace Recovery.

The company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is Unit B Heathrow Corporate Park, Green Lane, Hounslow, Middlesex, TW4 6ER.

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared on the going concern basis and under the historical cost convention.

The changes in accounting policy happen in 2018 financial year in relation to the principle of commission recognition. The commission asset was recognised on 1 January 2018 in the financial statement by the retrospective revaluation of commission paid on signed long-term deals. The impact on prior year retained earnings is £2,266,000. (Note 1 - Sales commission).

The rest of accounting policies have been applied consistently throughout the year.

**Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.41 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- from disclosing share-based payment arrangements, required under FRS 102 paragraphs 26.18(c), 26.19 to 26.21 and 26.23, concerning its own equity instruments. The Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; and
- from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

The company has also taken advantage of exemption, under the terms of section 33 not to disclose related party transactions with wholly owned subsidiaries within the group.

**Preparation of consolidated financial statements**

The financial statements contain information about Sungard Availability Services (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent, Sungard Availability Services Capital Inc., a company registered in the USA.

**Turnover**

Turnover derives from the company's principal activity and is measured at the fair value of the consideration received or receivable. It excludes value added tax and trade discounts, and represents the value of goods and services provided in respect of the period to which they relate.

Where the company enters into contracts to provide services, turnover is recognised generally on a straight-line basis daily over the life of those contracts. As a result, amounts invoiced prior to the year end in respect of services to be provided in the following year are included in deferred income at the year end and services provided prior to the year end are recognised as accrued income.

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

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**1. Accounting policies (continued)**

**Intangible fixed assets**

Goodwill arising on acquisitions is capitalised and amortised on a straight-line basis (subject to impairment tests) over its estimated useful life of 12.5 years, based on management's assessment of future trading.

If businesses are disposed of, which, on acquisition, resulted in goodwill being written off to reserves, such goodwill will be included in the calculation of the profit or loss on the disposal of that business in accordance with the requirements of section 19 of FRS102.

The company evaluates the carrying value of goodwill in each financial year to determine if there has been impairment in value which would result in the inability to recover the carrying amount. When it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the income statement.

**Tangible fixed assets and depreciation**

Tangible fixed assets are shown at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on a straight-line basis to write down the cost of tangible fixed assets to their estimated residual values over their estimated useful economic lives as follows:

Freehold buildings	-	up to 40 years
Leasehold improvements	-	lesser of the remaining lease term or 10 years
Plant and machinery	-	2 to 10 years
Computer equipment	-	2 to 5 years
Transportable computer centres and motor vehicles	-	5 to 10 years
Freehold land is not depreciated		
Construction in progress is not depreciated		

Where operating software is acquired as an integral part of an acquired asset then it is capitalised and written off over the same period as the appropriate asset. Software purchased from third parties is capitalised and depreciated over its estimated useful life being 2 to 5 years.

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

The asset lives and residual values are assessed as appropriate each year end.

**Taxation**

Tax payable is based on taxable profit for the year, calculated using tax rates enacted at the statement of financial position date. Current tax and deferred tax are recognised in the income statement.

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.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

**Foreign currencies**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling on the statement of financial position date. Exchange differences are included in the income statement in the period in which they arise.

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018

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1. **Accounting policies (continued)**

**Investments**

Investments in subsidiaries and associated undertakings are stated in the statement of financial position of the company at cost, less amounts written off where there has been impairment in value. Impairment reviews are carried out by management on an annual basis.

**Sales commission**

A voluntary change in accounting policy for commission related to long-term deals took place on 1 January 2018. Amounts paid relating to sales commissions are charged to the profit and loss account when incurred for short term deals and commission not directly attributable to sales contracts. Amounts paid relating to sales commissions for long term contracts are capitalised and amortised to the profit and loss account over the life of the relevant contract.

Data capitalised at 1 January 2018 was retrospectively revalued based on commission paid on long-term deals in financial years 2015 - 2017.

New accounting commission rule is in line with group worldwide accounting policy and allows company to align timing of commission expenses and related revenue recognition in profit and loss accounts.

The effect of changes in accounting policies disclosed for current and prior periods in Note 12 – Other debtors.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

**Financial instruments**

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

**Financial assets**

Basic financial assets, including trade and other debtors and amounts due from parent and subsidiary undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit and loss.

**Financial liabilities**

Basic financial liabilities, including trade and other payables and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classed as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

**Leasehold improvements**

The company recognises the anticipated cost of significant re-instatement of leasehold properties at the end of the lease term in accordance with Section 21 of FRS 102 'Provisions and contingencies'. This anticipated cost is capitalised on a present value basis within leasehold improvements. This is depreciated on a straight line basis over the lesser of the remaining lease term or 10 years.

**Pension costs**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs, which represent the contributions payable during the year, are written off directly to the income statement as incurred.

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018

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1. Accounting policies (continued)

**Leases**

Costs in respect of operating leases are charged to the income statement on a straight-line basis over the term of the lease. Management believes this is representative of the time pattern of the benefit and payments to the lessor are not structured to increase in line with expected general inflation.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

**Lease incentives**

Benefits received and receivable as an incentive to sign an operating lease are spread on a straight line basis over the non-cancellable lease term. Accordingly any incentive received to sign a lease is included in accruals and will be credited to income statement over the appropriate period.

**Share based payments**

The company's parent undertaking, Sungard Availability Services Capital Inc., operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest. The company recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

**Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are addressed below.

**(i) Provisions**

**Onerous lease**

The company holds a provision for vacant properties. The provision is assessed by management and reviewed by the directors. Any movement in the provision is charged to the income statement.

**Property provision**

The company holds a provision for anticipated future reinstatement costs associated with bringing several of the company's facilities back to original use at the end of the lease. Any movement in the provision is charged to the income statement on a straight-line basis to the end of the lease term and is not discounted.

**(ii) Impairment of debtors**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**(iii) Useful economic life of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values are re-assessed annually.

**(iv) Impairment of investments**

The company considers whether investments are impaired. Refer to note 10 for details of the value in use calculation.

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**2. Turnover**

The turnover and profit before taxation are attributable to the principal activities of the company.

An analysis of turnover by geographical market is given below:

	2018 £'000	2017 £'000
United Kingdom	170,076	183,153
Europe	3,223	3,350
North America	2,036	2,073
Middle East	170	156
Other	<u>37</u>	<u>5</u>
	<u>175,542</u>	<u>188,737</u>

The company generated its turnover and profit on ordinary activities before taxation from one class of business, which predominantly arises in the United Kingdom.

**3. Staff costs**

The average number of persons by month employed by the company (including directors) during the year, analysed by category, was as follows:

	2018 Number	2017 Number
Management	10	9
Sales and administration	106	118
Operations	<u>335</u>	<u>373</u>
	<u>451</u>	<u>500</u>

The aggregate payroll costs of these persons were as follows:

	2018 £'000	2017 £'000
Wages and salaries	31,224	35,427
Social security costs	3,476	3,827
Other pension costs (Note 20)	1,288	1,432
Cost of employee share schemes	<u>193</u>	<u>(325)</u>
	<u>36,181</u>	<u>40,361</u>

**4. Directors' emoluments**

	2018 £'000	2017 £'000
Aggregate emoluments	338	2,252
Company contributions to defined contribution pension scheme	<u>10</u>	<u>29</u>
	<u>348</u>	<u>2,281</u>

Highest paid director

	2018 £'000	2017 £'000
Aggregate emoluments	267	2,121
Company contributions to defined contribution pension scheme	<u>8</u>	<u>25</u>
	<u>275</u>	<u>2,146</u>

**Sungard Availability Services (UK)  
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**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**4. Directors' emoluments (continued)**

Key management personnel are considered to be the Directors of the business.

	2018 Number	2017 Number
Retirement benefits are accruing to the following number of directors under money purchase schemes	<u>1</u>	<u>2</u>

S Lynch is paid by Sungard Availability Services LP for her services to the Sungard Availability Services group of companies, and her services as director of the company were incidental to her other services with the Sungard Availability Services group. Her emoluments are included in the financial statements of Sungard Availability Services LP.

No directors (2017: nil) exercised share options in the ultimate parent undertaking in the year.

**5. Operating profit**

The operating profit is stated after charging/(crediting):

	2018 £'000	2017 £'000
Depreciation (Note 9)	21,073	21,996
Staff costs (Note 3)	36,181	40,361
Impairment of trade debtors	(216)	(695)
Net foreign exchange gain	(762)	(94)
Fees payable for the audit	215	205
Fees payable for other non audit services	99	59
Gain on disposal of fixed assets	(5)	(5)
Restructuring costs	1,115	2,842
Restructuring lease costs (Note 16)	2,150	-
Operating lease charges	<u>28,644</u>	<u>36,671</u>

The parent entity "Sungard Availability Services L.P. disposed Business Continuity Software product on a worldwide basis in May 2018. The income from this sale represents the company's proportion of the global proceed.

**6. Interest receivable and similar income**

	2018 £'000	2017 £'000
Bank interest	47	41
Interest on amounts owed by group undertakings	302	89
Corporation tax repayment interest	<u>3</u>	<u>-</u>
	<u>352</u>	<u>130</u>

**Sungard Availability Services (UK)  
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**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**7. Tax on profit**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2018 £'000	2017 £'000
<b>Current tax:</b>		
UK corporation tax	2,276	4,201
Adjustments in respect of prior year	<u>(59)</u>	<u>79</u>
Total current tax	2,217	4,280
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(547)	(518)
Adjustments in respect of prior year	<u>39</u>	<u>(36)</u>
Total deferred tax (Note 12)	(508)	(554)
<b>Tax on profit</b>	<u><u>1,709</u></u>	<u><u>3,726</u></u>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is the same (2017: higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	2018 £'000	2017 £'000
Profit before tax	<u>9,268</u>	<u>16,353</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.00% (2017 – 19.25%)	1,761	3,148
Effects of:		
Expenses not deductible for tax purposes	(112)	(307)
Expenses not deductible for tax purposes	296	14
Depreciation in excess of capital allowances	450	592
Adjustments to tax charge in respect of previous periods	(59)	79
Adjustment to tax charge in respect of previous periods - deferred tax	39	(36)
Timing differences	(720)	314
Adjustment tax to average rate	64	68
Non taxable FRS 20 credit	<u>(10)</u>	<u>(146)</u>
Total tax charge	<u><u>1,709</u></u>	<u><u>3,726</u></u>

The profits for the year ended 31 December 2018 are taxed at 19.00% with the profits for the year ended 31 December 2017 taxed at 19.25%.

Changes to the UK corporation tax system was announced in the 2016 Finance Act. This includes legislation to further reduce the main rate to 17% from 1 April 2020 instead of the 18% previously announced. This was substantively enacted on 15 September 2016. As such, the deferred tax balances at 31 December 2018 have been calculated at a rate of 17% (2017: 17%).

The profits for the year ended 31 December 2018 are taxed at 19.00% with the profits for the year ended 31 December 2017 taxed at 19.25%.

**Sungard Availability Services (UK)  
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**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**8. Intangible assets**

	Goodwill £'000
<b>Cost</b>	
At 1 January 2018 and 31 December 2018	112,270
<b>Amortisation</b>	
At 1 January 2018	(112,270)
Amortisation for year	-
At 31 December 2018	(112,270)
<b>Net book value</b>	
At 31 December 2018	-
At 31 December 2017	-

Goodwill related to the purchase of the businesses and undertaking carried on by Sungard Availability Services (DR) Limited (including the business of iXguardian Limited and Televault Limited) and the properties, assets and rights relating to the business and undertaking owned by Sungard Availability Services (DR) Limited.

**9. Tangible assets**

	Freehold land and buildings	Leasehold improve- ments	Plant and machinery	Computer equipment	Transport -able computer centres and vehicles	Construction in progress	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>At 31 December 2017</b>							
Cost	6,858	202,452	18,414	151,246	427	-	379,397
Accumulated depreciation	(4,608)	(171,510)	(17,475)	(125,092)	(427)	-	(319,112)
<b>Net book amount</b>	2,250	30,942	939	26,154	-	-	60,285
<b>Year ended 31 December 2018</b>							
Opening net book amount	2,250	30,942	939	26,154	-	-	60,285
Additions	-	4,855	571	8,387	-	1,413	15,226
Disposals	(6,798)	(4,573)	(658)	(5,194)	(18)	-	(17,241)
Depreciation	(97)	(10,112)	(384)	(10,480)	-	-	(21,073)
Elimination on disposal	4,645	4,304	658	5,148	18	-	14,773
<b>Net book amount</b>	-	25,416	1,126	24,015	-	1,413	51,970
<b>At 31 December 2018</b>							
Cost	60	202,734	18,327	154,440	409	1,413	377,383
Accumulated depreciation	(60)	(177,318)	(17,201)	(130,424)	(409)	-	(325,412)
<b>Net book amount</b>	-	25,416	1,126	24,015	-	1,413	51,970

**Sungard Availability Services (UK)  
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**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**9. Tangible assets (continued)**

Included in freehold land and buildings is freehold land of £nil (2017: £1,680,000) on which no depreciation is charged.

Leasehold improvements include an asset with a cost of £17,121,000 (2017: £20,980,000) relating to the anticipated future reinstatement costs associated with bringing several of the company's facilities back to original use at the end of their lease life. This is being charged to the income statement on a straight-line basis to the end of the lease term.

Assets capitalised and held under finance leases are as follows:

	Leasehold improve- ments £'000	Plant and machinery £'000	Computer equipment £'000	Total £'000
<b>2018</b>				
Cost	-	-	-	-
Disposals	-	-	-	-
Reclassification	-	-	-	-
<b>Net book value</b>	-	-	-	-
<b>2017</b>				
Cost	2,153	1,205	7,258	10,616
Disposals	(209)	(1,205)	(2,534)	(3,948)
Reclassification	(1,944)	-	(4,724)	(6,668)
<b>Net book value</b>	-	-	-	-

Capital expenditure authorised and contracted for but not provided in the financial statements amounts to:

	2018 £'000	2017 £'000
Tangible assets	<u>1,591</u>	<u>4,668</u>

Poole property related assets were reclassified from fixed assets to assets held for sales at the end of Dec-18 for £2,455,000 (Note 23).

	Freehold land and buildings £'000	Leasehold improve- ments £'000	Plant and machinery £'000	Computer equipment £'000	Transport- able computer centre £'000	Total £'000
<b>At 31 December 2018</b>						
Cost	(6,797)	(362)	(659)	(1,255)	(190)	(9,263)
Accumulated depreciation	4,644	94	659	1,247	164	6,808
<b>Net book amount</b>	<b>(2,153)</b>	<b>(268)</b>	<b>-</b>	<b>(8)</b>	<b>(26)</b>	<b>(2,455)</b>

**Sungard Availability Services (UK)  
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**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**10. Investments**

	Shares in subsidiaries
<b>Cost</b>	<b>£'000</b>
At 1 January 2018	8,419
At 31 December 2018	8,419
<b>Accumulated impairment</b>	
At 1 January 2018	(5,070)
Impairment in the year	-
At 31 December 2018	(5,070)
<b>Net book value</b>	
At 31 December 2018	3,349
At 31 December 2017	3,349

The net book value brought forward as at 1 January 2018 of £3,349,000 includes an impairment brought forward of £5,070,000 (2017: £5,070,000) which has been recorded in the investment in Sungard Availability Services (Ireland) Limited. This arose due to the trading loss the company incurred in 2013 while it invested in new products.

The value in use relating to the impairment calculations was derived from discounted cash flow projections covering the period up to 2029, as this is considered to be the period over which economic benefits from the investment can reasonably be expected to accrue. The discount rate used was 10.00% on a post-tax basis, being the expected risk adjusted weighted average cost of capital.

The directors believe that the carrying value of the other investments is supported by their value in use.

<b>Subsidiary undertakings</b>	<b>Country of Incorporation</b>	<b>Principal activity</b>	<b>Class and % of nominal value of that class held</b>
Sungard Availability Services (Ireland) Limited	Ireland	Managed IT services	Ordinary shares 100.00%
Sungard Availability Services (India) Private Limited	India	Business continuity and disaster recovery	Ordinary shares 100.00%
Sungard Availability Services (Poland) Sp.z.o.o.	Poland	Business continuity and disaster recovery	Ordinary shares 100.00%

**11. Debtors: amounts falling due within one year**

	2018	2017
	£'000	£'000
Trade debtors	35,598	38,049
Amounts owed by group undertakings	9,345	9,367
Corporation tax	219	-
Deferred tax asset	5,228	4,720
Prepayments and accrued income	14,831	9,151
	65,221	61,287

Included in the amounts owed by group undertakings is an intercompany loan to Sungard Availability Services L.P. The balance outstanding of £8,755,000 (2017: £8,500,000) is repayable on or before 1 January 2027 and interest is charged 200 basis points above 12-month EUR LIBOR per annum. Trade debtors are stated after provisions of £216,000 (2017: £677,000).

**Sungard Availability Services (UK)  
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**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**11. Debtors: amounts falling due within one year (continued)**

**Deferred tax**

The movement in the deferred tax asset during the year was as follows:

	2018	2017
	£'000	£'000
At 1 January	4,720	4,166
Movement (Note 7)	<u>508</u>	<u>554</u>
At 31 December	<u>5,228</u>	<u>4,720</u>

	2018	2017
	Amount recognised £'000	Amount recognised £'000
Difference between depreciation and capital allowances	5,228	4,677
Other timing differences	<u>-</u>	<u>43</u>
	<u>5,228</u>	<u>4,720</u>

**12. Other Debtors**

	2018	2017 (restated)
	£'000	£'000
Commission asset recognised at 1 January	2,266	2,266
Commission asset recognised during the year	1,339	1,241
Commission asset amortised during the year	<u>(1,640)</u>	<u>(1,241)</u>
Commission asset recognised at 31 January	<u>1,965</u>	<u>2,266</u>
Commission assets – falling due within one year	1,206	1,256
Commission assets – falling due after more than one year	759	1,010

**13. Debtors: amounts falling due after more than one year**

	2018	2017
	£'000	£'000
Prepayments and accrued income	<u>3,079</u>	<u>3,866</u>

**14. Creditors: amounts falling due within one year**

	2018	2017
	£'000	£'000
Trade creditors	17,377	9,415
Amounts owed to group undertakings	1,459	5,226
Corporation tax	-	901
Other taxation and social security	3,376	3,899
Accruals and deferred income	<u>71,873</u>	<u>72,209</u>
	<u>94,085</u>	<u>91,650</u>

All amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**Sungard Availability Services (UK)  
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**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**15. Creditors: amounts falling due after one year**

	2018	2017
	£'000	£'000
Deferred revenue	<u>4,074</u>	<u>3,228</u>
	<u>4,074</u>	<u>3,228</u>

**16. Provisions for liabilities**

	Onerous lease	Property provision	Total
	£'000	£'000	£'000
At 1 January 2018	118	21,166	21,284
Decrease in the year	(57)	(4,382)	(4,439)
Increase in the year	<u>2,150</u>	<u>593</u>	<u>2,743</u>
At 31 December 2018	<u>2,211</u>	<u>17,377</u>	<u>19,588</u>

**Onerous lease**

In 2002 and 2003 a business subsequently acquired by the company rationalised its property portfolio, resulting in vacant properties in the UK. A provision was made for the residual lease term. This provision was independently assessed by an independent expert in 2005. A further review of the property portfolio was carried out in 2011, this led to exiting of two properties and generated an increase in the property provision. The revised provision is not discounted.

In 2018 the Company reviewed its property portfolio and as part of this identified vacant space that was not in use. A provision was made for the residual lease term and a restructuring obligation for three properties was booked through profit and loss in the year for £2,150,000 (2017: nil).

**Maturity of onerous lease provision:**

	2018	2017
	£'000	£'000
Within one year	811	118
Due in more than one year but not more than five years	1,400	-
Over five years	-	-
	<u>2,211</u>	<u>118</u>

**Property provision**

Leasehold improvements include an asset with a cost of £17,377,000 (2017: £21,166,000) relating to the anticipated future reinstatement costs associated with bringing several of the company's facilities back to original use at the end of their lease life. During the year a number of the company's properties were reassessed generating an increase in the amount provided. This is charged to the income statement on a straight-line basis to the end of the lease term and has not been discounted. Property provisions were released in the current year, following lease contracts renewal changes in 2018.

**Maturity profile of provision:**

	2018	2017
	£'000	£'000
Within one year	834	1,891
Due in more than one year but not more than five years	8,256	14,443
Over five years	<u>8,287</u>	<u>4,832</u>
	<u>17,377</u>	<u>21,166</u>

**Sungard Availability Services (UK)  
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**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

**17. Called up share capital**

Ordinary shares of £1 each	2018 No.	2018 £'000	2017 No.	2017 £'000
Allotted and fully paid:				
At 1 January	10,001	10	10,001	10
Issued during the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December	<u>10,001</u>	<u>10</u>	<u>10,001</u>	<u>10</u>

All of the company's issued share capital consists of equity interest.

**18. Reserves**

	Retained earnings £'000	Share premium account £'000	Other reserves £'000	Totals £'000
At 1 January 2018	3,081	19,975	777	23,833
Employee share options recharge from parent undertaking	-	-	(52)	(52)
Profit for the year	7,559	-	-	7,559
Dividends paid	<u>(7,000)</u>	<u>-</u>	<u>-</u>	<u>(7,000)</u>
At 31 December 2018	<u>3,640</u>	<u>19,975</u>	<u>725</u>	<u>24,340</u>

Other reserves represent the non cash benefit of employee share option charges.

**19. Dividends**

	2018 £'000	2017 £'000
Interim paid of £700 per share (2017: £1,910 per share)	<u>7,000</u>	<u>19,000</u>
	<u>7,000</u>	<u>19,000</u>

**20. Pension commitments**

The company operates a defined contribution pension scheme. The pension cost for the year of £1,288,000 (2017: £1,432,000) represents contributions paid by the company to the scheme. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**21. Financial commitments**

The total of future minimum lease payments under non-cancellable operating leases are as follows:

	2018		2017	
	Land and Buildings £'000	Other £'000	Land and Buildings £'000	Other £'000
Not later than one year	31,309	738	27,533	1,605
Later than one and not later than five years	103,002	261	104,927	934
Later than five years	<u>64,114</u>	<u>-</u>	<u>91,351</u>	<u>-</u>
	<u>198,425</u>	<u>999</u>	<u>223,811</u>	<u>2,539</u>

**Sungard Availability Services (UK)  
Limited (Registered number: 02368123)**

**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2018**

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**22. Ultimate controlling party**

The immediate parent undertaking is Sungard Availability Services Holdings Inc., a body incorporated in Delaware, USA. Sungard Availability Services Capital Inc., a body incorporated in Delaware, USA, is the company's ultimate parent company and controlling party. Sungard Availability Services Capital Inc. is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2018 and the consolidated financial statements are available from:

Sungard Availability Services Capital Inc.  
680 East Swedesford Road  
Wayne  
Pennsylvania 19087  
USA

**23. Post balance sheet events**

Poole property related assets were reclassified from fixed assets to assets held for sales at the end of Dec-18. Poole property was sold in Jan-2019 for £5,000,000 with a net gain on disposal £2,377,000.

The company paid €3,500,000 as capital contribution to its subsidiary Sungard Availability Services (Ireland) Ltd to expand cloud facilities in Ireland as per board resolution signed on 26 July 2019.