

Registered number: 03852234

**Brocade One (UK) Limited**

Directors' report and financial statements

For the year ended 30 April 2012

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**Company information**

<b>Directors</b>	Jean Samuel Furter Kevin L McKenna Charles William Read
<b>Secretary</b>	Olswang Cossec Limited
<b>Company number</b>	03852234
<b>Registered Office</b>	Olswang Law Firm 90 High Holborn London WC1 V6XX
<b>Auditors</b>	Littlejohn LLP 1 Westferry Circus Canary Wharf London E14 4HD
<b>Business address</b>	One The Braccans London Road Bracknell Berkshire RG12 2XH
<b>Bankers</b>	Bank of America NA 26 Elmfield Road Bromley Kent BR1 1WA

Brocade One (UK) Limited

Directors' report and financial statements  
For the year ended 30 April 2012

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### **Directors' report**

The Directors present their annual report and the audited financial statements for year ended 30 April 2012

### **Principal activities**

The principal activity of the Company is the provision of marketing and support service for routing solutions designed for wired and wireless area network (LANs), metropolitan area networks (MANs), wide area networks (WANs), in addition to other infrastructure products for both enterprise networks and the Internet

### **Review of the Business**

Effectively from 1 May 2009, the Company reduced its trading activity significantly

The balance sheet shows that the Company's financial position at the year end, in net assets, has remained relatively constant

### **Future Developments**

The Directors consider that the company will operate at its current level for the foreseeable future

### **Financial Risk Management**

The ultimate parent undertaking is Brocade Communications Systems Inc, which has in place a risk management programme that seeks to limit the adverse effects on the financial performance of all subsidiaries within the group. The policies set by the Board of Directors of the ultimate parent undertaking are implemented by the Company's finance function

The nature of the Company's operations in the UK is such that there is no exposure price risk, credit risk, liquidity risk and cash flow risk

### **Results and dividend**

The results for the period, after taxation, amounted to a profit of £8,447 (2011 loss of £5,645)

The Directors do not recommend payment of a final dividend (2011 Nil)

### **Change of Name**

The Company changed its name from "Foundry Networks (UK) Limited" to "Brocade One (UK) Limited" on 30 June 2010

**Directors' report** (continued)

**Directors**

The Directors who served during the period were

Jean Samuel Furter

Kevin L McKenna

Charles William Read

**Provision of information to auditors**

So far as each of the Directors is aware at the time the report is approved

- there is no relevant audit information of which the Company's auditors are unaware, and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

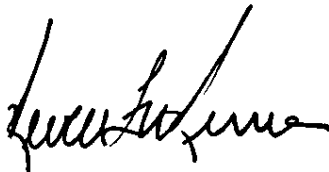
**Auditors**

Littlejohn LLP has signified its willingness to continue in office as auditors

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

By order of the board

Kevin L McKenna  
Director



Date

JAN/29/2013

**Statement of Directors' Responsibilities for the year ended 30 April 2012**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BROCADE ONE (UK) LIMITED**

We have audited the financial statements of Brocade One (UK) Limited for the year ended 30 April 2012, set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS**

As explained more fully in the Statement of Director's responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Director, and the overall presentation of the financial statements.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 April 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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



Eric Hindson (Senior statutory auditor)

For and on behalf of  
**LITTLEJOHN LLP**  
Statutory auditor

1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

Date **29 JANUARY 2013**



**Profit and loss account  
for the year ended 30 April 2012**

	<i>Note</i>	<b>Year ending 30 April 2012</b>	Year ending 30 April 2011
		<b>£</b>	<b>£</b>
<b>Turnover</b>	2	<b>5,827</b>	5,827
Administrative expenses		<b>(3,707)</b>	(11,555)
<b>Operating profit/(loss)</b>		<b>2,120</b>	(5,728)
Other interest receivable and similar income	4	<b>3,833</b>	9,130
<b>Profit on ordinary activities before taxation</b>	3	<b>5,953</b>	3,402
Tax on profit on ordinary activities	6	<b>2,494</b>	(9,047)
<b>Profit/(Loss) on ordinary activities after taxation</b>	14	<b>8,447</b>	(5,645)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

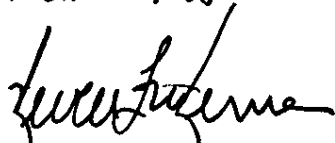
The notes on pages 8 to 13 form part of these financial statements

**Registered No. 03852234**  
**Balance sheet**  
**As at 30 April 2012**

	<i>Note</i>	<b>Year ended 30 April 2012</b>		<b>Year ended 30 April 2011</b>	
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	7		-		-
<b>Current assets</b>					
Debtors	8	<b>1,087,019</b>		1,092,104	
Cash at bank and in hand		<b>2,544,682</b>		2,565,937	
		<b>3,631,701</b>		3,658,041	
<b>Creditors: amounts falling due within one year</b>	9	<b>(12,127)</b>		(41,087)	
<b>Net current assets</b>			<b>3,619,574</b>		3,616,954
<b>Creditors: amount falling due after 1 year</b>	10		<b>(5,826)</b>		(11,653)
<b>Total assets less current liabilities</b>			<b>3,613,748</b>		3,605,301
<b>Capital and reserves</b>					
Called up share capital	12		<b>1</b>		1
Other equity reserves	13		<b>1,113,132</b>		1,113,132
Profit and loss account	13		<b>2,500,615</b>		2,492,168
<b>Equity shareholders' funds</b>	14		<b>3,613,748</b>		3,605,301

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006

These financial statements were approved and authorised for issue by the board of Directors on 29 JANUARY 2012 and were signed on its behalf by



**Kevin L McKenna**  
Director

The notes on pages 8 to 13 form part of these financial statements

**Notes**  
**(forming part of the financial statements)****1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

**1.1 Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

**1.2 Cash Flow**

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group, whose consolidated accounts are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

**1.3 Going Concern**

The Company has incurred net profit of £8,447 after tax for the year ended 30 April 2012. The Directors do not foresee any circumstances that will impact on the Company's ability to operate as a going concern for the foreseeable future as the Company is holding cash in excess of £2.5 million at the year end and is not expecting a significant change in the Company's activity level.

**1.4 Tangible Fixed assets and depreciation**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost less residual value over its expected useful life of that asset as follows:

Computer hardware and office equipment	- 2 years straight line
Leasehold property	- 5 years straight line

**1.5 Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

**1.6 Retirement benefits**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

**Notes (continued)****1 Accounting policies (continued)****1.7 Operating Leases**

When the Company has substantially all the risks and rewards of ownership of an asset subject to lease, the lease is treated as a financial lease with the equivalent of cost recorded as a fixed asset and a liability. Depreciation is provided in line with the company accounting policy for the underlying assets. Finance charges, included in interest, are allocated over each lease to produce a constant rate of charge on the outstanding obligations.

Other leases are classified as operating leases and lease payments are charged to the profit and loss account in the period during which they are payable.

**2 Turnover**

Turnover relates to income from fellow group companies in the period.

**3 Profit on ordinary activities before taxation**

	<b>Year ending 30 April 2012</b>	Year ending 30 April 2011
	£	£
<b><i>Profit on ordinary activities before taxation is stated after charging:</i></b>		
Foreign currency loss	<b>3,755</b>	285
Depreciation – owned assets	-	10,879
Auditors' Fees	<b>3,800</b>	5,000
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**4 Other interest receivable and similar income**

	<b>Year ending 30 April 2012</b>	Year ending 30 April 2011
	£	£
Other Interest Receivable	<b>3,833</b>	9,130
	<hr/> <hr/>	<hr/> <hr/>
	<b>3,833</b>	9,130

**Notes (continued)****5 Remuneration of Directors**

The Directors were not remunerated for their services to the Company, nor was the Company recharged by the parent undertaking for the Directors' services, in either financial period. No retirement benefits are accruing to any Director under the Company's defined contribution pension scheme (2011: £nil).

**6 Taxation***Analysis of tax charge in year*

	Year ending 30 April 2012	Year ending 30 April 2011
Tax on profit on ordinary activities	<b>(2,494)</b>	9,047

*Factors affecting the tax charge for the current period*

The current tax charge for the period is lower (2011: higher) than the standard rate of corporation tax in the UK of 26% (2011: 28%). The differences are explained below.

	Year ending 30 April 2012 £	Year ending 30 April 2011 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	<b>5,953</b>	3,402
Current tax at 26% (2011: 28%)	<b>1,548</b>	953
<i>Effects of</i>		
Capital allowances in excess of depreciation	<b>(1,715)</b>	2,653
Adjustment to tax charge in respect of prior periods	<b>(2,327)</b>	5,441
Total current tax charge (see above)	<b>(2,494)</b>	9,047

*Factors that may affect future tax charges*

The future tax charge will be affected by the availability of capital allowances in excess of depreciation.

**Notes (continued)****7 Tangible fixed assets**

	<b>Computer hardware £</b>	<b>Leasehold property £</b>	<b>Office equipment £</b>	<b>Total £</b>
<b>Cost</b>				
As at 1 May 2011	11,250	-	-	11,250
Additions	-	-	-	-
Disposal				
As at 30 April 2012	11,250	-	-	11,250
<b>Depreciation</b>				
As at 1 May 2011	11,250	-		11,250
Charge for the period				
As at 30 April 2012	11,250	-		11,250
<b>Net book value</b>				
<b>As at 30 April 2012</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
As at 30 April 2011	-	-	-	-

**8 Debtors**

	<b>Year ending 30 April 2012 £</b>	<b>Year ending 30 April 2011 £</b>
VAT recoverable	60	1,390
Amounts owed by group undertakings	1,086,959	1,090,714
	<b>1,087,019</b>	1,092,104

Amounts due from group companies are unsecured, interest free and have no fixed date for repayment

**Notes (continued)****9 Creditors: amounts falling due within one year**

	<b>Year ending 30 April 2012</b>	Year ending 30 April 2011
	£	£
Other taxes and social security costs	-	11,912
Accruals and deferred income	<b>12,127</b>	14,427
Amounts owed to group undertakings	-	14,748
	<b>12,127</b>	41,087

**10 Creditors: amounts falling due after one year**

	<b>Year ending 30 April 2012</b>	Year ending 30 April 2011
	£	£
Accruals and deferred income	<b>5,826</b>	11,653

**11 Pension costs**

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £Nil (2011: £Nil).

**12 Called up share capital**

	<b>Year ending 30 April 2012</b>	Year ending 30 April 2011
	£	£
<b>Authorised</b> 2,000 Ordinary shares of £0.05 each	<b>100</b>	100
<b>Allotted, called up and fully paid</b> 20 Ordinary shares of £0.05 each	<b>1</b>	1

**13 Reserves**

	<b>Other equity reserves</b>	<b>Profit and Loss Account</b>
	£	£
At 1 May 2011	<b>1,113,132</b>	<b>2,492,168</b>
Profit for the period	-	<b>8,447</b>
<b>At 30 April 2012</b>	<b>1,113,132</b>	<b>2,500,615</b>

**Notes (continued)****14 Reconciliation of movement in shareholder's funds**

	<b>Year ending 30 April 2011</b>	Year ending 30 April 2011
	<b>£</b>	£
Profit/(Loss) for the financial period	<b>8,447</b>	(5,645)
Opening shareholder's funds	<b>3,605,301</b>	3,610,946
<b>Closing shareholder's funds</b>	<b>3,613,748</b>	3,605,301

**15 Ultimate Parent Undertaking and Controlling Party**

The Company is a subsidiary undertaking of Foundry Networks, LLC, incorporated in the United States of America. Foundry Networks, LLC, was acquired by Brocade Communications Systems, Inc, on 18 December 2008. Foundry Networks, LLC, will continue trading as a wholly owned subsidiary of Brocade Communications Systems, Inc, which is the ultimate controlling party.

The largest and smallest group in which the results of the Company are consolidated is that headed by Brocade Communications Systems, Inc, incorporated in the United States of America. The consolidated accounts of this company are available to the public and may be obtained from Brocade Communications Systems, Inc, 1745 Technology Drive San Jose, CA 95110, USA. No other group accounts include the results of the Company.

**16 Related Party Transactions**

Brocade One (UK) Limited, a wholly owned subsidiary of Brocade Communications Systems, Inc, has taken advantage of the exemption available under Financial Reporting Standard No 8 not to disclose transactions with other members of the group provided that any subsidiary undertaking which is a party to the transaction is a wholly owned by a member of that group.