

**Strategic Report, Report of the Director and  
Financial Statements for the Year Ended 30 April 2015  
for  
BLUECOAT SYSTEMS LIMITED**

**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

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for the Year Ended 30 April 2015**

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**BLUECOAT SYSTEMS LIMITED**

**Company  
Information  
for the Year Ended 30 April 2015**

**DIRECTOR:** J Dildine

**SECRETARY:** K L Ball

**REGISTERED OFFICE:** 250 Fowler Avenue  
Farnborough  
Hampshire  
GU14 7JP

**REGISTERED NUMBER:** 03580311

**AUDITORS:** Churchmill Partnership Ltd  
Brook House  
Mint Street  
Godalming  
Surrey  
GU7 1HE



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Strategic Report  
for the Year Ended 30 April 2015**

The director presents his strategic report for the year ended 30 April 2015.

Blue Coat Systems Ltd supports the marketing and sales activities of the parent company, Blue Coat Systems International SARL, a company registered in Switzerland. The company's ultimate parent company is Batman Holdings Inc.

Bain Capital, one of the world's foremost private investment firms, acquired Blue Coat Systems Inc from Thoma Bravo LLC on 22 May 2015. Blue Coat Systems is a provider of security and networking solutions.

**REVIEW OF BUSINESS**

Blue Coat Systems Inc acquired Perspecsys Inc, a leader in enterprise cloud data protection solutions, on 30 July 2015. Six employees were transferred to Blue Coat Systems Limited on 16 September 2015. In November 2015 Blue Coat Systems Inc agreed to acquire Elastica Inc. We believe two employees will transfer to Blue Coat Systems Limited in the new year. At the end of the financial year, there were 86 employees in service, an increase of 4 employees in comparison to last year.

The performance and business model has remained unchanged and Blue Coat Systems Limited still runs on a cost plus pricing strategy and is supported by the parent company, Blue Coat Systems International SARL. The 'Markup' is consistent with Blue Coat policy and as determined by the transfer pricing study. During the financial year, there were no changes to the capital structure and the share capital remains at the amount of 1,000 GBP. The turnover at the end of year was 13,476,275 GBP which was down by 122,452 GBP compared to last year. Blue Coat Systems ends the financial year with a profit of 482,473, an increase to the previous year of 29,317 GBP.

Blue Coat Systems continues to be part of the Waste Electrical and Electronic Equipment Directive (WEEE Directive) and reports the required information every quarter.

There have been no significant events since the closure of the financial year that could substantially influence the results and financial position of the company.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal identifiable potential risk and/or uncertainty faced by the company would be the failure to effectively support the marketing and sales activity of the group of which it is a member.

**ON BEHALF OF THE BOARD:**



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Report of the Director  
for the Year Ended 30 April 2015**

The director presents his report with the financial statements of the company for the year ended 30 April 2015.

**DIVIDENDS**

The profit and loss account is set out on page 7 and shows a profit for the year (2014 - profit for the year).

The directors do not recommend the payment of a dividend (2014 - £nil).

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

J Dildine has held office during the whole of the period from 1 May 2014 to the date of this report.

Other changes in directors holding office are as follows:

D Murphy - resigned 14 January 2015

**DISCLOSURE IN THE STRATEGIC REPORT**

In accordance with s414C (11) of the Companies Act 2006, the directors' have chosen to disclose information required by Schedule 7 of the "Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008" in the Strategic Report on page 2.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; state whether applicable accounting standards have been followed, subject to any
- material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to
- presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

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**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Report of the Director  
for the Year Ended 30 April 2015**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is 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 he 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.

**ON BEHALF OF THE BOARD:**

K L Ball - Secretary

21 December 2015



**Report of the Independent Auditors to the Members of  
Bluecoat Systems  
Limited**

We have audited the financial statements of Bluecoat Systems Limited for the year ended 30 April 2015 on pages seven to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 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 a Report of the Auditors 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 set out on page three, the director is 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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**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 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.



**Report of the Independent Auditors to the Members of  
Bluecoat Systems  
Limited**

**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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

N L Speller (Senior Statutory Auditor)  
for and on behalf of Churchmill Partnership Ltd  
Brook House  
Mint Street  
Godalming  
Surrey  
GU7 1HE

23 December 2015



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Profit and Loss  
Account  
for the Year Ended 30 April 2015**

	Notes	30.4.15 £	30.4.14 £
<b>TURNOVER</b>		<b>13,476,275</b>	13,598,727
Cost of sales		<u>209,861</u>	<u>121,032</u>
<b>GROSS PROFIT</b>		<b>13,266,414</b>	13,477,695
Administrative expenses		<u>12,650,390</u>	<u>12,860,150</u>
<b>OPERATING PROFIT</b>	4	<b>616,024</b>	617,545
Interest receivable and similar income		<u>220</u>	<u>553</u>
		<b>616,244</b>	618,098
Interest payable and similar charges	5	-	185
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>616,244</b>	617,913
Tax on profit on ordinary activities	6	<u>133,771</u>	<u>164,757</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>482,473</u></b>	<b><u>453,156</u></b>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current year or previous year.



BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)

Balance  
Sheet  
30 April 2015

	Notes	30.4.15		30.4.14	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	7		74,287		99,048
Tangible assets	8		342,753		304,742
Investments	9		<u>1</u>		<u>1</u>
			<b>417,041</b>		<b>403,791</b>
<b>CURRENT ASSETS</b>					
Debtors	10	3,503,380		2,205,179	
Cash at bank		<u>384,145</u>		<u>1,151,276</u>	
		<b>3,887,525</b>		<b>3,356,455</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>882,099</u>		<u>828,599</u>	
<b>NET CURRENT ASSETS</b>			<b><u>3,005,426</u></b>		<b><u>2,527,856</u></b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>3,422,467</b>		<b>2,931,647</b>
<b>PROVISIONS FOR LIABILITIES</b>	13		<u>8,347</u>		<u>-</u>
<b>NET ASSETS</b>			<b><u><u>3,414,120</u></u></b>		<b><u><u>2,931,647</u></u></b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		1,000		1,000
Profit and loss account	15		<u>3,413,120</u>		<u>2,930,647</u>
<b>SHAREHOLDERS' FUNDS</b>	19		<b><u><u>3,414,120</u></u></b>		<b><u><u>2,931,647</u></u></b>

The financial statements were approved by the director on 21 December 2015 and were signed by:

J Dildine - Director



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Notes to the Financial Statements  
for the Year Ended 30 April 2015**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The directors have prepared the accounts on a going concern basis, which assumes that the company will achieve sufficient financial resources, in order to meet its short and medium term liability requirements. The company relies on the support of its parent company, Blue Coat Systems International SARL who have confirmed that they will continue to do this for the foreseeable future.

**Accounting convention**

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

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8 Related Party Disclosures, not to disclose any transactions with members of the group headed by Batman Holdings Inc, a company incorporated in the United States of America, on the grounds that 100% of the voting rights in the company are controlled within that group and the company is included in these consolidated financial statements, which are publicly available.

**Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2013, is being amortised evenly over its estimated useful life of five years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- Over the period of the lease
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. The recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are not discounted.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2015**

**1. ACCOUNTING POLICIES - continued**

**Pension costs and other post-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. Differences between contributions payable in the year end contributions actually paid are shown in either accruals or prepayments in the balance sheet.

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on a straight line basis over the lease term.

**Cashflow statement**

In accordance with Financial Reporting Standard 1 (revised) Blue Coat Systems Limited has not prepared a cashflow statement as it is a wholly owned subsidiary and it's ultimate parent company, which is incorporated in USA has prepared consolidated financial statements which are publicly available in which the cashflows of the company are included.

**2. STAFF COSTS**

	<b>30.4.15</b>	30.4.14
	£	£
Wages and salaries	<b>8,187,340</b>	8,289,418
Social security costs	<b>1,016,172</b>	1,003,019
Other pension costs	<b>425,920</b>	390,535
	<b><u>9,629,432</u></b>	<u>9,682,972</u>

The average monthly number of employees during the year was as follows:

	<b>30.4.15</b>	30.4.14
Sales & marketing	<b>40</b>	38
Technical support	<b>27</b>	29
Finance & administration	<b>16</b>	12
Research & development	<b>3</b>	3
	<b><u>86</u></b>	<u>82</u>

**3. DIRECTORS' EMOLUMENTS**

There are no UK based directors this year (2014 - none) and therefore no emoluments payable from the UK company.



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2015**

**4. OPERATING PROFIT**

The operating profit is stated after charging:

	<b>30.04.15</b>	30.04.14
	£	£
Depreciation - owned assets	<b>180,614</b>	109,342
Auditors' remuneration	<b>7,700</b>	7,700
Auditors' remuneration - non audit fees	<b>3,280</b>	3,280
Foreign exchange loss	<b>18,662</b>	10,951
Operating leases - land and buildings	<b><u>195,863</u></b>	<u>195,863</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>30.4.15</b>	30.4.14
	£	£
Bank interest	<u>-</u>	<u>185</u>

**6. TAXATION**

**Analysis of the tax charge**

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

	<b>30.4.15</b>	30.4.14
	£	£
Current tax:		
UK corporation tax	<b>123,554</b>	122,891
Corporation tax adjustments	<u>-</u>	<u>573</u>
Total current tax	<b><u>123,554</u></b>	<u>123,464</u>
Deferred tax:		
Origination and reversal of timing differences	<b><u>10,217</u></b>	<u>41,293</u>
Tax on profit on ordinary activities	<b><u>133,771</u></b>	<u>164,757</u>



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2015**

**6. TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	<b>30.4.15</b>	30.4.14
	£	£
Profit on ordinary activities before tax	<b><u>616,244</u></b>	<u>617,913</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.920% (2014 - 22.830%)	<b>128,918</b>	141,070
Effects of:		
Expenses not deductible for tax purposes	<b>13,180</b>	8,846
Capital allowances in excess of depreciation	<b>(32,431)</b>	(50,876)
Adjustments to tax charge in respect of previous periods	-	573
Other timing differences	<b><u>13,887</u></b>	<u>23,851</u>
Current tax charge	<b><u>123,554</u></b>	<u>123,464</u>

**7. INTANGIBLE FIXED ASSETS**

	<b>Goodwill</b>
	£
<b>COST</b>	
At 1 May 2014 and 30 April 2015	<b><u>123,809</u></b>
<b>AMORTISATION</b>	
At 1 May 2014	<b>24,761</b>
Amortisation for year	<b><u>24,761</u></b>
At 30 April 2015	<b><u>49,522</u></b>
<b>NET BOOK VALUE</b>	
At 30 April 2015	<b><u>74,287</u></b>
At 30 April 2014	<b><u>99,048</u></b>



BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)

Notes to the Financial Statements - continued  
for the Year Ended 30 April 2015

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 May 2014	54,982	390,592	606,901	1,052,475
Additions	-	9,768	208,857	218,625
At 30 April 2015	<u>54,982</u>	<u>400,360</u>	<u>815,758</u>	<u>1,271,100</u>
<b>DEPRECIATION</b>				
At 1 May 2014	54,981	383,253	309,499	747,733
Charge for year	-	6,103	174,511	180,614
At 30 April 2015	<u>54,981</u>	<u>389,356</u>	<u>484,010</u>	<u>928,347</u>
<b>NET BOOK VALUE</b>				
At 30 April 2015	<u>1</u>	<u>11,004</u>	<u>331,748</u>	<u>342,753</u>
At 30 April 2014	<u>1</u>	<u>7,339</u>	<u>297,402</u>	<u>304,742</u>

9. FIXED ASSET INVESTMENTS

	Unlisted investments £
<b>COST</b>	
At 1 May 2014 and 30 April 2015	<u>1</u>
<b>NET BOOK VALUE</b>	
At 30 April 2015	<u>1</u>
At 30 April 2014	<u>1</u>

10. DEBTORS

	30.4.15 £	30.4.14 £
Amounts falling due within one year:		
Other debtors	147	15,133
Tax	16,121	42,399
Deferred tax asset	-	1,870
Amounts due from group undertakings	3,282,731	1,931,045
Prepayments	76,526	86,877
	<u>3,375,525</u>	<u>2,077,324</u>



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2015**

10.	<b>DEBTORS - continued</b>	<b>30.4.15</b>	30.4.14
		£	£
	Amounts falling due after more than one year:		
	Other debtors	<u>127,855</u>	<u>127,855</u>
	Aggregate amounts	<u>3,503,380</u>	<u>2,205,179</u>
11.	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>30.4.15</b>	30.4.14
		£	£
	Trade creditors	<b>234,825</b>	181,650
	Social security and other taxes	<b>256,383</b>	135,277
	Accrued expenses	<u>390,891</u>	<u>511,672</u>
		<u>882,099</u>	<u>828,599</u>
12.	<b>OPERATING LEASE COMMITMENTS</b>		
	The following operating lease payments are committed to be paid within one year:		
		<b>Land and buildings</b>	
		<b>30.4.15</b>	30.4.14
		£	£
	Expiring:		
	Between one and five years	<u>217,626</u>	<u>217,626</u>
13.	<b>PROVISIONS FOR LIABILITIES</b>	<b>30.4.15</b>	
		£	
	Deferred tax	<u>8,347</u>	
			<b>Deferred tax</b>
			£
	Balance at 1 May 2014		(1,870)
	Charge to Profit and Loss Account during year		<u>10,217</u>
	Balance at 30 April 2015		<u>8,347</u>



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2015**

**14. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	<b>30.4.15</b>	30.4.14
1,000	Ordinary	£1	<u>£ 1,000</u>	<u>£ 1,000</u>

**15. RESERVES**

	<b>Profit and loss account</b>
	<b>£</b>
At 1 May 2014	<b>2,930,647</b>
Profit for the year	<b><u>482,473</u></b>
At 30 April 2015	<b><u>3,413,120</u></b>

**16. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £425,920 (2014 - £390,535).

**17. ULTIMATE PARENT COMPANY**

The company's parent company is Blue Coat Systems International SARL, a company registered in Switzerland.

The company's ultimate parent company is Batman Holdings Inc a company registered in the United States of America.

Bain Capital acquired Blue Coat Systems Inc from Thoma Bravo LLC (the previous ultimate parent company) on 22 May 2015. Blue Coat Systems Inc is the smallest group undertaking to prepare consolidated financial statements including the company. Copies of the financial statement's can be obtained through the Blue Coat Systems Inc website, [www.bluecoat.com](http://www.bluecoat.com).



**BLUECOAT SYSTEMS LIMITED (REGISTERED NUMBER: 03580311)**

**Notes to the Financial Statements - continued  
for the Year Ended 30 April 2015**

**18. POST BALANCE SHEET EVENTS**

Bain Capital acquired Blue Coat Systems Inc from Thoma Bravo LLC (the previous ultimate parent company) on 22 May 2015.

Blue Coat Systems Inc acquired Perspecsys Inc, a leader in enterprise cloud data protection solutions, on 30 July 2015.

In November 2015 Blue Coat Systems Inc agreed to purchase Elastica Inc.

**19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>30.4.15</b>	30.4.14
	£	£
Profit for the financial year	<b>482,473</b>	453,156
Prior year adjustment		
Movement on other reserves		
<b>Net addition to shareholders' funds</b>	<b><u>482,473</u></b>	<u>453,156</u>
Opening shareholders' funds	<b><u>2,931,647</u></b>	<u>2,478,491</u>
<b>Closing shareholders' funds</b>	<b><u><u>3,414,120</u></u></b>	<u><u>2,931,647</u></u>



