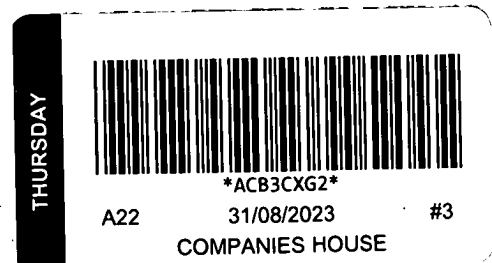


# Webroot Services Limited

## Directors' report and financial statements for the year ended 31 December 2022

Registered Number: 04597759



**WEBROOT SERVICES LIMITED**

**DIRECTORS REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**WEBROOT SERVICES LIMITED**

**COMPANY INFORMATION**

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**DIRECTORS**

Gordon Davies (Canada)  
(resigned 1<sup>st</sup> July 2022)  
Micheal Acedo (Canada)  
(appointed 1<sup>st</sup> July 2022)  
Madhu Ranganathan (United States)  
Christian Waida (United Kingdom)  
Oliver Gallienne (United Kingdom)  
(resigned 23<sup>rd</sup> February 2022)  
Mark Wilkinson (United Kingdom)  
(appointed 1<sup>st</sup> April 2022)

**BANKERS**

Wells Fargo Bank  
London Branch  
1 Plantation Place  
30 Fenchurch Street  
London EC3M 3BD  
United Kingdom

**REGISTERED OFFICE**

420 Thames Valley Park Drive  
Thames Valley Park  
Reading, Berkshire  
RG6 1PT  
United Kingdom

**REGISTERED NUMBER**

04597759

**AUDITOR**

KPMG  
Chartered accountants  
85 South Mall  
Cork

## **WEBROOT SERVICES LIMITED**

### **STRATEGIC REPORT**

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#### **PRINCIPAL ACTIVITY**

The principal activity of Webroot Services Limited (the "Company") was to provide development, sales and support services in the EMEA region on behalf of their parent Webroot International Limited and ultimate parent Open Text Corporation ("OpenText"). On 1 January 2022 the Company sold its business and assets to Open Text UK Limited. These financial statements are available from our registered office, which has been noted on page 2 of these financial statements.

#### **BUSINESS REVIEW**

The results for the financial year are shown in the Income Statement on page 12. During the financial period under review, the Company recognised revenue of £NIL (2021 – £3,986,664) and recorded a profit before tax of £7,413,261 (2021 – £258,162). The tax due for the financial period was £NIL (2021 – £45,866) and the profit for the financial period after tax was £7,413,261 (2021 – £1,765,494) which has been credited to reserves.

The Statement of Financial Position is set out on page 13. The Company's net asset position for the year ended 31 December 2022 amounted to £14,000,449.

The directors do not recommend the payment of a dividend.

## WEBROOT SERVICES LIMITED

### STRATEGIC REPORT (Continued)

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#### SECTION 172(1) STATEMENT

At OpenText, being a good corporate citizen and investing in the communities is an important part of the way we do business. In an age of information disruptions, we see opportunity to use technology for the greater good. OpenText has established high standards of ethics, integrity, and corporate citizenship which are described in our 2022 Corporate Citizenship Report found at our website <https://www.opentext.com> where we discuss how OpenText is helping build a better world.

OpenText's customer base consists of enterprise companies, public sector agencies, mid-market companies and with the acquisition of Carbonite, a significant number of SMB and direct consumers as well. Being responsible for critical information infrastructure, it has been OpenText's job to ensure its customers' systems and processes can handle the changing reality of today, while continuing to develop solutions to address the problems of tomorrow. OpenText's customers enjoy choice and flexibility in their path to digital transformation with solutions that can be run on-premises, hybrid, cloud, or as a managed service. With a focus on world-class Information Management technologies and services, OpenText continues to innovate and provide customers with the capabilities they need to build resilient businesses and become tomorrow's disruptors.

On behalf of the Board



Madhu Ranganathan  
Director

Date: 18 August 2023

## **WEBROOT SERVICES LIMITED**

### **DIRECTORS' REPORT**

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#### **DIRECTORS AND THEIR INTERESTS**

The directors of the Company at 31 December 2022 are listed on page 2 and, unless otherwise stated, have served throughout the period.

None of the directors have any interest in the share capital of the Company or group companies at the beginning, or date of appointment, if later, or end of the financial year.

#### **EVENTS SINCE THE STATEMENT OF FINANCIAL POSITION DATE AND FUTURE DEVELOPMENTS**

There were no events which occurred after the financial position date which require disclosure.

#### **DONATIONS**

Charitable donations of £Nil were paid in the year (2021: £Nil). No political donations were made in the period (2021: £Nil).

#### **CREDITORS PAYMENT POLICY**

It is the Company's normal practice to agree terms of transactions, including payment terms, with suppliers, to ensure that suppliers are made aware of payment and abide by the terms of payment.

#### **GOING CONCERN**

On 1 January 2022, the Company sold its business and assets to Open Text UK Limited for a consideration of £14,400,449. These financial statements are prepared on a wind-up basis of accounting where all assets are stated at their recoverable amounts. Additionally, full provision has been made for the operating profits expected to be incurred up to the date the Company ceased to trade (31 December 2021), and for the estimated cost of wind-up to be borne by the Company.

#### **DISCLOSURE OF INFORMATION TO THE AUDITOR**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

**WEBROOT SERVICES LIMITED**

**DIRECTORS' REPORT (Continued)**

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**AUDITOR**

The Directors appointed KPMG, Chartered Accountants, for the year ending 31 December 2022 and intend KPMG to continue in office in accordance with Section 487 of the Companies Act 2006 until the Company is struck off.

On behalf of the Board



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Madhu Ranganathan  
Director

Date: 18 August 2023

## WEBROOT SERVICES LIMITED

### DIRECTORS' RESPONSIBILITY STATEMENT

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#### STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 assets, liabilities and financial position of the Company and of its profit or loss for that year.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2006.

On behalf of the Board



Madhu Ranganathan  
Director

Date: 18 August 2023





KPMG

Audit  
85 South Mall  
Cork  
T12 A3XN  
Ireland

## Independent auditor's report to the members of Webroot Services Limited

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Webroot Services Limited ('the Company') for the year ended 31 December 2022 set out on pages 12 to 28, which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of matter – non-going concern basis of preparation**

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements are not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

#### **Detecting irregularities including fraud**

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board meeting minutes.



## Independent auditor's report to the members of Webroot Services Limited

*(continued)*

### **Report on the audit of the financial statements** *(continued)*

#### ***Detecting irregularities including fraud*** *(continued)*

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

#### ***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of 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 as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.



## Independent auditor's report to the members of Webroot Services Limited (continued)

### **Report on the audit of the financial statements (continued)**

#### ***Opinions on other matters prescribed by the Companies Act 2006***

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

#### ***Matters on which we are required to report by exception***

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

### **Respective responsibilities and restrictions on use**

#### ***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 8, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### ***Auditor's 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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 fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).



## Independent auditor's report to the members of Webroot Services Limited

(continued)

### Respective responsibilities and restrictions on use (continued)

#### *The purpose of our audit work and to whom we owe our responsibilities*

Our 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 an auditor's 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.

*Brian MacSweeney*

18 August 2023

Brian MacSweeney, Senior Statutory Auditor

for and on behalf of

KPMG

Statutory Auditor

85 South Mall

Cork

Ireland

**WEBROOT SERVICES LIMITED**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>TURNOVER – discontinued operations</b>	<b>4</b>	-	3,986,664
Cost of sales		-	(556,930)
<b>GROSS PROFIT – discontinued operations</b>		-	3,429,734
Administrative expenses		-	(3,171,727)
<b>OPERATING PROFIT</b>	<b>5</b>	-	258,007
Interest receivable and similar income	8	-	155
Other operating income	9	7,413,261	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION – discontinued operations</b>		7,413,261	258,162
Taxation	11	-	(45,866)
<b>PROFIT FOR THE YEAR/PERIOD</b>		<b>7,413,261</b>	<b>212,296</b>
Impact of decision to cease trading	6	-	1,553,198
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD</b>		<b>7,413,261</b>	<b>1,765,494</b>

The company had no recognised gains or losses in the financial year or the preceding financial year, other than those dealt with in the profit and loss account. Accordingly, no statement of recognised gains and losses has been presented.

**WEBROOT SERVICES LIMITED**

**STATEMENT OF FINANCIAL POSITION  
AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>CURRENT ASSETS</b>			
Tangible assets	13	-	118,586
Investments	14	-	1,622,828
Debtors	15	14,000,449	1,921,251
Cash at hand and in bank		-	5,818,304
		<u>14,000,449</u>	<u>9,480,969</u>
<b>CREDITORS: amounts falling due within one year</b>	16	-	(2,893,781)
<b>NET CURRENT ASSETS</b>		<u>14,000,449</u>	<u>6,587,188</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>14,000,449</u>	<u>6,587,188</u>
<b>NET ASSETS</b>		<u>14,000,449</u>	<u>6,587,188</u>
<b>CAPITAL AND RESERVES</b>			
Issued and called up share capital	17	1,140	1,140
Other reserves		2,825,134	2,825,134
Profit and loss account		<u>11,174,175</u>	<u>3,760,914</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>14,000,449</u>	<u>6,587,188</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Madhu Ranganathan  
Director

Date: 18 August 2023

**WEBROOT SERVICES LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Profit and Loss Account £	Other Reserves £	Total £
<b>As at 1 January 2021</b>	1,140	1,995,420	2,673,862	4,670,422
Profit for the financial period	-	1,765,494	-	1,765,494
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	1,765,494	-	1,765,494
Share-based payments <i>[Note 12]</i>	-	-	151,272	151,272
<b>As at 31 December 2021</b>	1,140	3,760,914	2,825,134	6,587,188
Profit for the financial year	-	7,413,261	-	7,413,261
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	7,413,261	-	7,413,261
<b>As at 31 December 2022</b>	<u>1,140</u>	<u>11,174,175</u>	<u>2,825,134</u>	<u>14,000,449</u>

## WEBROOT SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1. GENERAL INFORMATION AND BASIS OF PREPARATION

Webroot Services Limited is a company incorporated in England and Wales under the UK Companies Act. The address of the registered office is given on page 2. The nature of the Company's operations are set out in the strategic report on pages 3 to 5.

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland' issued by the Financial Reporting Council.

The functional currency of Webroot Services Limited is considered to be GBP because that is currency of the primary economic environment in which it operates.

The Company has taken advantage of the disclosure exemptions under FRS 102 from the following:

- presenting a reconciliation of the number of shares outstanding at the beginning and end of the period [FRS 102 para 4.12(a)(iv)];
- the requirement to present a statement of cash flows [section 7 of FRS 102 and para 3.17(d) as qualifying entity]
- the requirement of section 26 share based payments paragraphs 26.18(b), 26.19 to 26.21 and 26.23, as a qualifying entity that is a subsidiary, and the share based payment arrangement concerns equity instruments of another group entity, Webroot Inc., Webroot Global Holdings Limited, immediate parent undertaking, consolidated financial statements are available at Block A, 1 Georges Quay Plaza, Georges Quay, Dublin 2, Ireland presents equivalent disclosures;
- disclosure of key transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member [FRS 102 para 33.1A]

#### *Going concern*

The financial statements are prepared in accordance with FRS 102 as applied in a non-going concern context.

On 1 January 2022, the Company sold its business and assets to Open Text UK Limited for a consideration of £14,400,449. These financial statements are prepared on a wind-up basis of accounting where all assets are stated at their recoverable amounts. Additionally, full provision has been made for the operating results incurred up to the date the Company ceased to trade (31 December 2021), and for the estimated cost of wind-up to be borne by the Company.



## WEBROOT SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2. ACCOUNTING POLICIES

(a) *Group financial statements*

These financial statements present information about the Company as an individual undertaking and not about its group. Webroot Services Limited meets the definition of a qualifying entity under FRS 102 and therefore the Company has availed of the exemption from the requirement to prepare group financial statements as the Company's accounts are consolidated in the financial statements of its ultimate parent, OpenText, which are available at 275 Frank Tompa Drive, Waterloo, Ontario, Canada. Consolidated financial statements can be obtained from [www.opentext.com](http://www.opentext.com).

(b) *Turnover*

The Company was engaged in the provision of development, sales and support services in the EMEA region on behalf of its parent undertaking, Webroot International Limited. The Company is remunerated for these services on a cost plus margin basis.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Turnover is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes.

(c) *Tangible fixed assets*

Tangible fixed assets are stated at their estimated recoverable amounts, being the higher of their fair value less costs to sell and their value in use. In 2020 and in prior years these assets were stated at costless accumulated depreciation and accumulated impairment losses.

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

Fixtures and fittings	–	20% straight line
Computer equipment	–	33% straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

(d) *Short-term debtors and creditors*

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

(e) *Investments in subsidiaries*

All investments are stated at their estimated recoverable amounts, with those that are expected to be realised within one year of the reporting date being classified as current assets. Investments in subsidiaries held as fixed assets are shown at cost less provision for impairment. The carrying values of investments are reviewed for impairment annually and where events or changes in circumstances indicate the carrying value may not be recoverable.

**WEBROOT SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**(f) *Impairments***

Assets, other than those measured at fair value, are assessed for indicators of impairment at each statement of financial position date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

***Non-financial assets***

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

***Financial assets***

If at the end of the reporting period, there is objective evidence of impairment (including observable data about loss events), the Company recognises an impairment loss in profit or loss immediately.

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**(g) *Cash and cash equivalents***

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less.

**WEBROOT SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. ACCOUNTING POLICIES (CONTINUED)**

*(h) Taxation*

Current tax, including UK corporation tax and foreign tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the statement of financial position date.

Provision is made for all taxation liabilities that are expected to arise in the period up to when the Company ceased trading. In 2021 (and prior years) the charge for taxation was based on the profit for the year.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the Company and the Company intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

*(i) Operating lease agreements*

Property rentals and operating leases of other assets are accounted for by charging rentals against profits as payments accrue.

*(j) Foreign currencies*

The presentational and functional currency is GBP.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the statement of financial position date.

Exchange gains and losses are recognised in the profit and loss account.

**WEBROOT SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. ACCOUNTING POLICIES (CONTINUED)**

*(k) Off-setting*

Financial asset and liabilities are presented as their net amount in the statement of financial position where there is a legally enforceable right to do so and an intention to settle these on a net basis or to realise the asset and settle the liability simultaneously.

*(l) Share based payments*

The Group issues equity-settled share options to certain employees within the Company. Equity-settled share based payment transactions are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured by use of the Black Scholes pricing model which is considered by management to be the most appropriate method of valuation. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

*(m) Defined contribution scheme*

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

Employee terminations are accounted for when it is probable that they will be incurred and the amount can be reliably measured.

*(n) Provisions*

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

*(o) Property obligations*

A provision for the present value of future property reinstatement costs is recognised where there is an obligation to return the leased property to its original condition at the end of an operating lease. Where a leased property is no longer expected to be fully occupied or where the costs exceed the future expected benefits, an onerous lease provision will be recognised.

*(p) Provision for wind-up*

As explained in note 1 of the financial statements, the Company ceased to trade on 31 December 2021 and provision is made for the full impact of the wind-up of the Company.

## WEBROOT SERVICES LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

#### 4. TURNOVER

The total turnover of the Company for the year has been derived from its principal activity.

The total turnover of the Company for the year has been derived from providing development, sales and support services to the group. The Company is recharging development costs to the group on a cost plus basis.

	2022	2021
	£	£
Management charge receivable	-	3,986,664

Services are rendered under intercompany service agreements. Turnover is recognised in respect of these agreements on delivery of service.

**WEBROOT SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022****5. OPERATING PROFIT**

This is stated after charging:

	2022 £	2021 £
Other non-audit services	-	4,600
Depreciation of owned tangible fixed assets	-	103,506
Operating lease charges	-	(502,779)

(a) Auditor's remuneration for audit services for both periods is charged directly to the parent entity, Webroot International Limited.

**6. PROVISION TO ADJUST FOR THE FINANCIAL IMPACT OF DECISION TO CEASE TRADING**

	2022 £	2021 £
Adjustments of asset carrying values to recoverable amounts:		
Investments	-	1,553,198
Total provision recorded in profit or loss	-	1,553,198

The adjustment to the asset carrying values was recorded against the asset with the corresponding amount recorded in the provision expense in the profit and loss account.

**7. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2022 £	2021 £
Interest received from cash on deposit	-	155

**WEBROOT SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022****8. STAFF COSTS**

	2022 £	2021 £
Wages and salaries	-	3,061,711
Commission	-	33,754
Social security costs	-	435,366
Pension costs	-	167,424
Staff training	-	5,324
Share-based payments	-	172,472
Other staff costs	-	125,746
	-	4,001,797

The number of persons employed by the Company during the year, analysed by category, was as follows:

Sales and distribution	-	3
Administration	-	44
	-	47

**9. OTHER OPERATING INCOME**

	2022 £	2021 £
Impact of decision to cease trading	7,413,261	-

**10. DIRECTORS' REMUNERATION**

	2022 £	2021 £
Aggregate emoluments paid to or received by directors in respect of qualifying services	-	-

**WEBROOT SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**11. TAXATION**

*a) Tax on profit on ordinary activities:*

The tax charge is made up as follows:

	2022 £	2021 £
<i>Current tax:</i>		
UK corporation tax	-	45,939
Total current tax	-	45,939
<i>Deferred tax:</i>		
Origination and reversal of timing differences	-	31,848
Adjustments in respect of prior period	-	26,291
Effect of changes in tax rates	-	(58,212)
Total deferred tax	-	(73)
Total tax charge	-	45,866

*b) Factors affecting the total tax charge*

The tax assessed for the year is different than the standard rate of corporation tax in the UK. The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before taxation	-	258,162
Profit on ordinary activities multiplied by the apportioned standard rate of 19.00% (2021: 19.00%)	-	49,051
Effects of:		
Expenses/(income) not deductible/(chargeable) for tax purposes, net	-	2,412
Adjustment related to prior year	-	26,291
Share options	-	26,324
Tax rate changes	-	(58,212)
Total charge for year/period	-	45,866



**WEBROOT SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022****11. TAXATION (CONTINUED)***c) Deferred tax*

The deferred tax included in the statement of financial position is as follows:

	2022 £	2021 £
Included in debtors (within one year)	-	242,548
Included in debtors (after more than one year)	-	-
	<u>-</u>	<u>242,548</u>
Fixed assets	-	242,548
Other	-	-
	<u>-</u>	<u>-</u>
Provision for deferred tax	<u>-</u>	<u>242,548</u>

**12. SHARE OPTION SCHEME**

OpenText operates an equity award plan which was available to the employees of Webroot Services Limited before the Company ceased trading. The 2004 Stock Option Plan provides for the issuance of stock options to executive officers. The dollar value of the target award is converted to a number of options using a Black Scholes model. The exercise price is equal to the closing price of our Common Shares on the trading day preceding the date of grant.

Vesting is typically 25% on each of the first four anniversaries of grant date. Options expire seven years after the grant date. Once vested, participants may exercise options for Common Shares of Open Text Corporation.

During fiscal year 2021, a number of RSUs and PSU's were granted under the 2004 Plan which generally vest over a three-year period. Certain awards provide for accelerated vesting if there is a change of control.

**WEBROOT SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. TANGIBLE FIXED ASSETS**

	Furniture, fittings and equipment £	Total £
<i>Cost:</i>		
At 1 January 2022	1,353,538	1,353,538
Additions	-	-
Disposals	1,353,538	1,353,538
	<u>-</u>	<u>-</u>
At 31 December 2022	-	-
<i>Depreciation:</i>		
At 1 January 2022	1,234,952	1,234,952
Charge for the year	-	-
Disposals	1,234,952	1,234,952
	<u>-</u>	<u>-</u>
At 31 December 2022	-	-
<i>Net book value:</i>		
At 31 December 2022	<u>-</u>	<u>-</u>
At 31 December 2021	<u>118,586</u>	<u>118,586</u>

In the opinion of the directors, the recoverable value to the Company of these tangible fixed assets is not less than their carrying value, as shown above. There are no title restrictions on these assets.

**14. INVESTMENTS IN SUBSIDIARIES**

	Subsidiary undertaking £
<i>Cost:</i>	
At 1 January 2022	1,622,828
Additions	-
Disposals	1,622,828
	<u>-</u>
At 31 December 2022	-
Adjustments to carrying value to recoverable amount receivable	<u>-</u>
<i>Net book value:</i>	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>1,622,828</u>

**WEBROOT SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022****15. DEBTORS**

	2022 £	2021 £
<i>Current:</i>		
Amounts owed by parent (a)	14,000,449	1,573,256
Deferred tax asset (note 12)	-	242,548
Prepayments and other assets	-	105,447
	<u>14,000,449</u>	<u>1,921,251</u>

(a) These balances are unsecured, carry no interest and are receivable upon demand.

**16. CREDITORS**

*Amounts falling due within one year:*

	2022 £	2021 £
Trade creditors	-	-
Corporation tax	-	45,939
Other taxes and social security costs	-	13,741
Accruals	-	186,141
Amounts owed to group undertaking (a)	-	2,647,960
	<u>-</u>	<u>2,893,781</u>

(a) Included within creditors are amounts owned to group undertakings. These relate to intercompany agreements for the provision of sales and support services.

**WEBROOT SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**17. ISSUED AND CALLED UP SHARE CAPITAL**

	31 December 2022		31 December 2021	
	No	£	No	£
<i>Authorised:</i>				
Ordinary shares of 1p each	<u>113,984</u>	<u>1,140</u>	<u>113,984</u>	<u>1,140</u>
	2020		2019	
	No	£	No	£
<i>Allotted, called up and fully paid:</i>				
Ordinary shares of 1p each	<u>113,984</u>	<u>1,140</u>	<u>113,984</u>	<u>1,140</u>
	2020		2019	
	No	£	No	£
<i>Presented as follows:</i>				
Ordinary shares of 1p each	<u>113,984</u>	<u>1,140</u>	<u>113,984</u>	<u>1,140</u>

**18. PENSIONS**

Before the Company ceased trading, the Company operated a defined contribution pension scheme. The assets of the scheme were held separately from those of the Company in an independently administered fund. The pension cost charge for the year represented contributions payable by the Company to the fund and amounted to £NIL (2021: £167,424).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**19. RELATED PARTY TRANSACTIONS**

*Transactions between group undertakings*

The Company has availed of the exemption provisions available under FRS 102, Section 33.1A – Related Party Disclosures to omit disclosures of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

*Transactions with key management personnel*

*Directors' remuneration*

Key management personnel of the Company are those employees who have authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director of the Company. The directors who are deemed to be key management personnel, are related parties of the Company as defined by Section 33 *Related party disclosures*. Details of directors' remuneration are disclosed in note 9 to these financial statements.

*Directors' interests in share capital*

None of the directors have any interest in the share capital of the Company at the beginning, or date of appointment, if later, or end of the financial year. The directors of the Company hold options in the ultimate parent as a result of their employment in the ultimate parent undertaking.

**20. PARENT UNDERTAKING, ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTIES**

On 1 January 2022, Webroot International Limited sold its 100% interest in the Company to Open Text UK Limited, a private company limited by shares incorporated under the laws of England and Wales. Open Text UK Limited became the immediate parent undertaking.

The ultimate parent undertaking is Open Text Corporation, a company incorporated in Canada. Open Text Corporation is the largest group for which group financial statements are produced.

The group consolidated financial statements of Open Text Corporation are available at 275 Frank Tompa Drive, Waterloo, Ontario, Canada. Consolidated financial statements can be obtained from [www.opentext.com](http://www.opentext.com).

**21. IMPORTANT EVENTS SINCE THE STATEMENT OF FINANCIAL POSITION DATE**

There were no events which occurred after the financial position date which require disclosure.

**22. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved and authorised by the Board of Directors for issue on 18 August 2023.