

**NetIQ Limited**

**Directors' Report and Financial Statements**

**Year Ended 31 March 2019**



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## DIRECTORS AND OTHER INFORMATION

### Board of directors

Graham Norton  
Darren Curtis

### Solicitors

Travers Smith  
10 Snow Hill  
London EC1A 2AL  
United Kingdom

### Company secretary

Jane Smithard

### Registered office

The Lawn  
22 - 30 Old Bath Road  
Newbury  
Berkshire  
England  
RG14 1QN

**Company registration number:** 03498397

### Auditors

KPMG Ireland  
Chartered Accountants  
1 Stokes Place  
St Stephen's Green  
Dublin 2

## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements of NetIQ Limited ("the company") for the year ended 31 March 2019.

### **Principal activities and business review**

The company ceased trading on 30 September 2008. The company is incorporated in the UK. It is a wholly owned subsidiary of Attachmate Sales UK Limited whose ultimate parent company is Micro Focus International plc, a company incorporated in the United Kingdom.

### **Small company provisions**

In accordance with the provisions available to small companies within the Companies Act 2006, the directors have taken advantage of the exemption not to prepare a strategic report.

### **Results**

The results for the year are set out in the company profit and loss account on page 8.

### **Dividends**

No dividend was paid during the year (2018: £nil). No final dividend is proposed (2018: £nil).

### **Future developments**

There are no future developments planned as it is expected that the directors will resolve within 12 months of the date of approval of the financial statements to wind-up the Company, therefore these financial statements are prepared on a wind-up basis.

### **Principal risks and uncertainties**

The company is no longer trading and is therefore exposed to limited risks and uncertainties.

### **Key performance indicators ("KPI's")**

The company is not assessed on key performance indicators, as it remains a non-trading entity.

### **Financial risk management**

The company's financial instruments consist of amounts due from group undertakings. The fair value of financial instruments is substantially identical to the carrying values reflected on the balance sheet. We manage this risk by monitoring the financial statements of group undertakings for events or circumstances that indicate that the carrying value may not be recoverable.

### **Directors' and secretary's interests**

The directors who served the company during the year are listed on page 2.

The directors, their spouses and minor children do not have any interest in the share capital of the company.

### **Directors' indemnities**

The ultimate parent undertaking, Micro Focus International plc, maintains liability insurance for the company's directors and officers. Throughout the year to 31 March 2019 and at the date of approval of the financial statements, Micro Focus International plc has also provided an indemnity for the company's directors and the secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

### **Disclosure of information to auditors**

Each of the persons who is a director at the date of approval of this report confirms that so far as the directors are 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 directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Political and charitable donations**

The company did not make any political or charitable donations during the year.

### **Employees**

The company does not have any employees.

### **Branches**

The company does not have any branches outside of the UK.

## **DIRECTORS' REPORT**

### **Research and development**

The company did not engage in any research and development activities during the year.

### **Events since the end of the financial year**

Please refer to note 12 for details of events since the end of the financial year.

### **Auditor**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Chartered Accountants, will continue in office until the company is wound up.

### **On behalf of the board**



Graham Norton  
Company Director

## 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 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including 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 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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;
- As explained in Note 3, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 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, 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.

On behalf of the board



Graham Norton  
Company Director



**KPMG**  
**Audit**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03  
Ireland

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Net IQ Limited

### 1. Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Net IQ Limited ("the company") for the year ended 31 March 2019 set out on pages 8 to 15 which comprise the profit and loss account and other comprehensive income, the balance sheet and the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1. 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 accompanying financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its result for the year then ended;
- have been properly prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- 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 3 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.

#### **Other Information**

The directors are responsible for other information presented in the annual report together with the financial statements. The other information comprises the information included in the strategic and directors' report. 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.

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in the directors' report for the financial year is consistent with the financial statements; and
- in our opinion the directors' report has 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 or

We have nothing to report in regard to these matters.

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

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

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; and 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 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 or error, and to issue an auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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).

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

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 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.

**Patricia Carroll**  
**for and on behalf of**  
**KPMG**

**Chartered Accountants, Statutory Audit Firm**  
1 Stokes Place  
St. Stephens Green  
Dublin 2  
Ireland

5 December 2019



**PROFIT AND LOSS ACCOUNT**  
**For the Year Ended 31 March 2019**

	Notes	2019 Stg£	2018 Stg£
Turnover		-	-
<b>Profit on ordinary activities before taxation</b>	<b>5</b>	-	-
Tax on profit on ordinary activities		-	-
<b>Profit for the financial year</b>		-	-

**STATEMENT OF COMPREHENSIVE INCOME**  
**For the Year Ended 31 March 2019**

	Notes	2019 Stg£	2018 Stg£
Profit for the financial year		-	-
Other comprehensive income for the financial year, net of tax		-	-
<b>Total comprehensive income for the financial year</b>		-	-

**BALANCE SHEET**  
**As at 31 March 2019**

	Notes	2019 Stg£	2018 Stg£
<b>Current assets</b>			
Debtors (all falling due within one year)	7	<u>16,200</u>	<u>16,200</u>
<b>Total assets</b>		<u>16,200</u>	<u>16,200</u>
<b>Capital and reserves</b>			
Called-up equity share capital	9	16,200	16,200
Profit and loss account		<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>16,200</u>	<u>16,200</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 11 to 15 are an integral part of these financial statements.

The financial statements were approved by the board of directors on 4 December 2019 and were signed on its behalf by:

  
Graham Norton  
Company Director

Company registered number: 03498397

**STATEMENT OF CHANGES IN EQUITY**  
**For the Financial Year Ended 31 March 2019**

	Profit and loss account Stg£	Called-up share capital Stg£	Total Stg£
<b>Balance as at 1 April 2017</b>	-	16,200	16,200
Profit for the financial year	-	-	-
Other comprehensive income for the financial year	-	-	-
<b>Total comprehensive income for the financial year</b>	-	-	-
<b>Total transactions recognised directly in equity</b>	-	-	-
<b>Balance as at 31 March 2018</b>	-	16,200	16,200
<b>Balance as at 1 April 2018</b>	-	16,200	16,200
Profit for the financial year	-	-	-
Other comprehensive income for the financial year	-	-	-
<b>Total comprehensive income for the financial year</b>	-	-	-
<b>Total transactions recognised directly in equity</b>	-	-	-
<b>Balance as at 31 March 2019</b>	-	16,200	16,200

## NOTES TO THE FINANCIAL STATEMENTS

### 1 General information

NetIQ Limited ('the company') acts as a non-trading entity within the Micro Focus International plc group ('Group').

NetIQ Limited is incorporated as a private limited company in the United Kingdom. The address of its registered office is The Lawn, 22 - 30 Old Bath Road, Newbury, Berkshire, RG14 1QN. The registered number is 03498397.

The company is a wholly owned subsidiary of Attachmate Sales UK Limited, a company incorporated in the United Kingdom. The company's ultimate parent company is Micro Focus International plc, a company incorporated in the United Kingdom.

The smallest and largest group into which the results of the company are incorporated is that headed up by Micro Focus International plc, Inc., a company incorporated in the United Kingdom, with a registered office at The Lawn, 22 - 30 Old Bath Road, Newbury, Berkshire, RG14 1QN.

These financial statements are the company's separate financial statements.

### 2 Statement of compliance

The entity financial statements have been prepared on a non - going concern basis and in accordance with UK GAAP (accounting standards issued by the Financial Reporting Council of the UK and the Companies Act 2006). The entity financial statements comply with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

### 3 Summary of significant accounting policies

These financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. These policies have been consistently applied to all financial years presented, unless otherwise stated.

#### Basis of preparation

The entity financial statements have been prepared under the historical cost basis.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

#### Going concern

Company Law requires the directors to prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue in business. It is expected that the Company will be wound-up within 12 months from the date of signing of the financial statements and as such the financial statements have been prepared on a wind-up basis of accounting where all assets are stated at their estimated recoverable amounts and any costs of wind-up will be borne by other related entities. The comparative numbers relating to the year ended 31 March 2018 were prepared on a going concern basis as they had been formally approved by the directors prior to the date of the decision to wind up the company.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 3 Summary of significant accounting policies - continued

#### **Disclosure exemptions for qualifying entities under FRS 102**

FRS 102 allows a qualifying entity certain disclosure exemptions. The company is a qualifying entity and has availed of the following exemptions in preparing these financial statements:

- Exemption from the requirements of Section 7 of FRS 102 and FRS 102 paragraph 3.17(d) to present a statement of cash flows
- Exemption from the disclosure requirements of paragraphs 1.12(e) and 33.7 regarding key management compensation
- Exemption from the financial instrument disclosure requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29A of FRS 102

#### **Foreign and functional currency**

##### *(i) Functional and presentation currency*

The company's functional and presentation currency is Sterling, denominated by the symbol "£".

##### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the end of each financial year foreign currency monetary items are translated to sterling using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'interest receivable and similar income' or 'interest payable and similar charges' as appropriate. All other foreign exchange gains and losses are presented in the profit and loss account within 'other expensing expenses'.

#### **Taxation**

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the profit and loss account or equity in line with the transaction or other event that resulted in the income tax expense.

Current and deferred tax assets and liabilities are not discounted.

##### *(i) Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year.

The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. A current tax liability is recognised where appropriate and measured on the basis of amounts expected to be paid to the tax authorities.

##### *(ii) Deferred tax*

Deferred tax is recognised in respect of timing differences, which are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in financial years different from those in which they are recognised in financial statements.

## NOTES TO THE FINANCIAL STATEMENTS - continued

## 3 Summary of significant accounting policies - continued

**Taxation***(ii) Deferred tax - continued*

Deferred tax is recognised on all timing differences at the end of each financial year with certain exceptions. Unrelieved tax losses and other deferred tax assets are recognised only when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the end of each financial year end and that are expected to apply to the reversal of the timing difference.

**Share capital presented as equity**

Equity shares issued are recognised at the proceeds received and presented as share capital and share premium. Incremental costs directly attributable to the issue of new equity shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Distributions to equity shareholders**

Dividends and other distributions to the company's equity shareholders are recognised as a liability in the financial statements in the financial year in which the dividends and other distributions are approved by the company's shareholders.

## 4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements 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.

*(a) Critical judgement in applying the entity's accounting policies*

There have been no critical judgements made in applying the company's accounting policies.

*(b) Critical accounting estimates and assumptions*

The directors have not made estimates and assumptions concerning the future, in the process of preparing the entity financial statements.

## 5 Operating profit

2019	2018
Stg£	Stg£

The result in ordinary activities before taxation is stated after charging:

Foreign exchange losses/(gains)	-	-
Auditor's remuneration	-	-

The auditors' remuneration is borne by Micro Focus Software (Ireland) Limited, a fellow subsidiary undertaking of Micro Focus International Plc for which no recharge is made.

## NOTES TO THE FINANCIAL STATEMENTS - continued

**6 Directors' emoluments and employees**

The directors received no emoluments in respect of their services to the company during the year (2018: nil). The directors are paid by other group companies and no re-charge is made in respect of this expense. The average monthly number of directors during the year was 2 (2018: 2). There were no other employees during the year (2018: nil).

**7 Debtors**

	2019 Stg£	2018 Stg£
Amounts owed by group undertakings	<u>16,200</u>	<u>16,200</u>

Amounts owing from group undertakings are falling due within one year, are unsecured, interest free and are repayable on demand.

Amounts owed by group undertakings are after provision for impairment of £nil (2018: £nil).

**8 Related party transactions**

Net IQ Limited is wholly owned within the Micro Focus International plc group. Transactions with Micro Focus International plc and with other wholly owned subsidiary companies of Micro Focus International plc are not disclosed as the company has taken advantage of the exemption available under FRS 102 section 33.1A from disclosing such transactions.

**9 Share capital**

	2019 Stg£	2018 Stg£
<b>Authorised</b>		
16,200 ordinary shares of Stg£1 each	<u>16,200</u>	<u>16,200</u>

	2019 Number	2019 Stg£	2018 Number	2018 Stg£
<b>Allotted, called up and fully paid</b>				
Ordinary shares of Stg£1 each	<u>16,200</u>	<u>16,200</u>	<u>16,200</u>	<u>16,200</u>

There is a single class of equity shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

**10 Contingent liabilities**

The company has no contingent liabilities as at 31. March 2019 (2018: £nil).

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 11 Capital and other commitments

The company had no capital commitments as at 31 March 2019 (2018: £nil).

### 12 Events since the end of the financial year

There have been no subsequent events since year end requiring adjustment or disclosure in the financial statements.