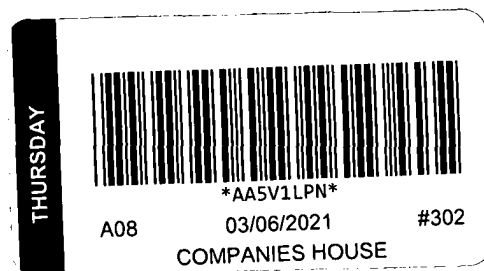


Keyloop (UK) Limited
formerly trading as CDK Global (UK) Limited
Annual Report and Financial Statements
For the year ended 30 June 2020



Keyloop (UK) Limited

Annual Report and Financial Statements

Year ended 30 June 2020

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Keyloop (UK) Limited

Officers and Professional Advisers

The Board of Directors L D Goodman (appointed on 20 September 2019)
R W J Alexander (appointed on 1 March 2021)
N Packham (resigned on 1 March 2021)
L J Brunz (resigned on 1 March 2021)
A J E Thomson (resigned on 20 September 2019)

Registered office Cygnet Way
Charnham Park
Hungerford
Berkshire
RG17 0YL

Independent auditors Deloitte LLP
Abbots House
Abbey Street
Reading
United Kingdom
RG1 3BD

Keyloop (UK) Limited

Strategic Report

Year ended 30 June 2020

The Directors present their Strategic Report of Keyloop (UK) Limited (the "Company") for the year ended 30 June 2020 (referred to as "2020" and "year" throughout the Financial Statements) detailing the main factors impacting upon the business during the year and a review of progress. The Company changed its name from CDK Global (UK) Limited to Keyloop (UK) Limited on 4 March 2021.

Principal activities and business review

The principal activity of Keyloop (UK) Limited continues to be that of the supply, installation and support of computer software and hardware together with related service activities. The Directors are not aware, at the date of this report, of any likely changes in the Company's activities in the forthcoming year.

The Company continues to invest in research and development which has resulted in a number of updates to the Company's existing products. The Directors regard such investment as necessary for the continued success in the medium to long-term future of the business.

As shown in the Company's Profit and Loss Account on page 18, the Company's sales on continuing operations of £88,506,000 (2019: £87,542,000) have increased by 1.1% since the prior year.

The Company achieved an operating margin from continuing operations after direct costs of 24% (2019: 44%).

The Balance Sheet on page 20 shows the Company's financial position at the year-end.

The Company's cash levels have decreased by £26,723,000 from £46,613,000 at the end of June 2019 to £19,890,000 at the end of the current financial year. The cash level has decreased significantly in comparison with the prior year due to the intercompany loan to US in the amount of £58.5m which was paid in April 2020. The intercompany loan to US was subsequently fully repaid in July 2020. Various ratios are used by the Directors as key performance indicators of their control over the Balance Sheet. These being the Acid-Test, Return on Capital Employed (ROCE) and Return on Assets (ROA).

- Acid-Test has increased from 2.12 at the end of June 2019 to 3.00 at the end of June 2020 (calculated as current assets excluding stock/current liabilities).
- ROCE has decreased from 73% in June 2019 to 26% for June 2020 (calculated as operating profit/prior year net assets).
- ROA has decreased from 30% for June 2019 to 13% for June 2020 (calculated as profit after tax/ prior year total assets).

ROCE has decreased significantly in comparison with the prior year due to the fact that the total value of net assets has increased and due to the fact that the operating profit has decreased. The value of net assets has increased due to an increase in Debtors which has been driven by an increase in new Loans to Group undertakings. Operating profit has decreased as a result of lower income from group undertakings in connection with Autoline product and its profitability in sister companies in combination with one-off goodwill gesture credit notes provided to loyal customers.

ROA has decreased significantly in comparison with the prior year due to the fact that the value of total assets has increased and due to the fact that profit after tax has decreased. The value of total assets has increased due to an increase in Debtors which has been driven by an increase in new Loans to Group undertakings. Profit after tax has decreased as both the cost of sales and other operating expenses have increased.

The Company continues to consider, manage and review the impact it has on local communities as part of the delivery of long-term sustainable business performance. Through the Company charities committee, the Company continues to support charities nominated by Company employees and which usually have a personal connection with employees or the local community. The Company continues to seek to reduce its impact on the environment. The Company has taken various carbon reducing initiatives and embarked on obtaining ISO14001 compliance.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

Principal risks and uncertainties

The Company operates in a highly competitive market which is a continuing risk to the Company and could result in losing sales to its key competitors. The Company manages this risk by providing value added services to its customers, having fast response times to customer queries and maintaining strong relationships with its customers.

The Company's sales to its non-UK customers are denominated in Sterling, Euro and US Dollars and therefore the Company is exposed to movement in the Euro to Sterling and US Dollar to Sterling exchange rates. The Company also sources products in Euros and beyond so therefore minimises the risk of exchange rate fluctuations by operating currency bank accounts in Euro and US Dollars.

Keyloop (UK) Limited**Strategic Report (continued)****Year ended 30 June 2020****Principal risks and uncertainties facing the business (continued)**

At the current point in time, the effect of COVID-19 is not having a material effect on the financial statements of the company.

The current risk profile related to the virus is as follows:

- A number of temporary practices have been put in place to help ‘flatten the curve’ of the outbreak, which include:
 - Stopping all domestic and international travel, unless considered essential to meeting customer delivery obligations (and are agreed as appropriate with the customer);
 - Allowing all employees who are able to work remotely effectively to do so; and
 - Ensuring all offices and facilities that remain open are cleaned more frequently and thoroughly, with soap and hand sanitisers available
- Employees continue to work remotely where this is possible;
- Focus on minimising variable spend, which includes (but is not limited to) temporary contract resource, marketing and travel & subsistence;
- Supply chain disruption that could negatively affect the ability to fulfil commitments to customers has currently been minimal, and the procurement team have worked to strategically secure additional inventory.

From a customer perspective, cancellation requests will follow the extant contractual process. However, as noted above, in order to support loyal customers during a time of challenging trading, the business has initiated a goodwill discount for April and will continue to assess the ongoing need.

There have been no requests thus far from vendors to change contractual or payment terms. The procurement teams in the business have been proactively engaging with vendors to negotiate payment terms and discount opportunities.

The significant doubt associated with the current uncertainties related to the COVID-19 virus currently does not result in a material uncertainty related to such events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern.

The entity’s ability to continue as a going concern is also confirmed by the respective letter of support which has been provided by its ultimate new parent undertaking and controlling party, Concorde TopCo Limited.

The Directors continue to monitor the potential effect of the COVID-19 outbreak on the ability for the Company to operate as planned. At the current time, no significant risks or concerns have been identified, but the longer term impact on our trade is unclear.

Overall, due to COVID-19, UK market has suffered a decrease of 29.4% in 2020. Market outlook has been downgraded to 1.83 million registrations in 2021 as showroom closures continue to stall orders. Year-on-year change of total new car registrations has decreased by 35.5%. In spite of the above mentioned, the Company thus far has not seen significant increases in contract cancellation requests or deterioration in collections activity. Nearly 90% of revenues are obtained from recurring subscriptions, hence minimising material volatility.

UK exit from European Union

In December 2020, the UK concluded negotiations for the terms of its exit from the European Union (“Brexit”). From 1 January, 2021, trade in goods became more burdensome, and while tariffs and quotas will not be imposed, new customs and regulatory checks will come into force, slowing down imports and exports of goods between the UK and the European Union. Negative effect on trade in services is expected, since there will no longer be automatic recognition of professional qualifications and licenses. There will also be an end to freedom of movement and the reintroduction of temporary visas for work-related purposes. These changes to the trading relationship between the UK and the European Union may result in increased cost of goods and services imported into and exported from the UK. Additional currency volatility could drive a weaker British pound, increasing the cost of goods and services imported into the UK.

CDK Global (International) Management, further referred to as CDKI Management, has assessed the potential impact of Brexit at December 2020, noting the following:

Keyloop (UK) Limited**Strategic Report (continued)****Year ended 30 June 2020**

UK exit from European Union (continued)

- CDKI's business primarily involves the transfer of services to customers, and as such, key changes relating to the physical movements of goods and people between the UK and the EU are not applicable to CDKI;
- CDKI's business is generally transacted between group companies in each jurisdiction and customers within the same jurisdiction, which further minimizes the exposure to cross-border transactions. For example, in excess of 99% of recurring billings and c. 92% of CDK UK one-time billings are to counterparties in the UK, and 84% of vendor invoices are from UK vendors, with the majority of non-UK invoices arising through intercompany. This minimizes the impact of cross-border transactions within CDKI;
- CDK UK provides hosting from UK data centres to customers located in EU countries, but has concluded Model Clause agreements with each CDK European legal entity, governing how data will be managed, in line with European Commission requirements. While new European Commission recommendations relating to the Model Clause agreements were recently issued, and the Brexit agreement does not address the longer term resolution of how data privacy between the UK and the EU will be governed, hosting activity can continue unchanged for the first half of 2021. Thereafter, CDK may be able to continue hosting from the UK as it does now; choose to set up separate data centres in Europe; or outsource hosting to a third party provider, such as AWS. There are potential cost implications of changing the current hosting model, but these are dependent on the final outcome of negotiations between the parties, which is as yet unknown.
- Year to date in FY21 CDKI has not seen any tangible impacts resulting from uncertainty related to Brexit, in terms of sales, revenues or cash collections from customers, nor any significant additional costs of preparing for compliance with new regulations post-Brexit. Based on draft February FY21 close numbers at the date of this memo, CDKI is significantly ahead of YTD FY21 Plan on EBITDA;
- There are no tax implications of Brexit that would materially impact the CDKI business;
- There is some uncertainty heading into the second half of FY21, as companies start to operate under the new model. Our customers may be impacted adversely by the changes, particularly in relation to delays in the import and export of motor vehicles, and parts, which may in turn impact our cash collections, sales and revenues. Overall, however any potential revenue shortfalls in H2, FY21 are expected to be more than offset by cost savings due to significantly reduced travel and other costs resulting from COVID.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including cash flow risk, credit risk and price risk. The Company policies as governed and approved by the Board of Directors are used to manage these risks. The Company does not use derivative financial instruments.

Cash flow risk

The Company's activities expose it to the financial risks of changes in foreign currency exchange rates. The Company uses foreign currency bank accounts to limit exposure.

Credit risk

The Company's principal financial assets are bank balances, trade and other receivables and investments.

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the Balance Sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The Company has no significant concentration of credit risk, with exposure spread over a large number of counter parties and customers.

Price risk

The Company is exposed to commodity price risk. The Company does not manage its exposure to commodity price risk due to cost benefit considerations. The Company mitigates the risk by maintaining a wide customer base.

Future prospects

The Directors intend to take advantage of their position in the United Kingdom market place and open up further sales opportunities by providing value added services to new and existing customers, and also to capture additional market share by winning new customers and building manufacturer relationships in the automotive retail market.

Keyloop (UK) Limited**Strategic Report (continued)****Year ended 30 June 2020****Section 172**

The Directors of Keyloop (UK) Limited (Company) and those of all UK companies must act in accordance with a set of general duties. These duties are detailed in Section 172 of the UK Companies Act 2006, which is summarised as follows:

A Director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole, and in doing so have regard, (amongst other matters), to:

- the likely consequences of any decisions in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct;
- the need to act fairly as between shareholders of the company.

The Company is part of a wider group of subsidiaries of CDK Global, Inc., (CDK) a public company listed on NASDAQ. In large and complex organisations such as CDK Global, the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Company. The Directors recognise that such delegation needs to be part of a robust governance structure which covers the values and the behaviours expected of employees; the standards they must adhere to; how the Company engages with stakeholders and how the Directors ensure its governance system and controls continue to be robust.

The following summarises how the Directors had regard to the respective elements of Section 172 factors set out above in the fulfilment of their duties during the fiscal year.

Long term consequences of decisions

At a meeting of approximately 100 members of the senior management, business short and medium term objectives were discussed and identified. These were categorised into strategy for the Company as a whole, commercial activities and product strategy. All of these are underpinned by strategic workforce initiatives such as employee engagement, talent development, growth and retention and operational excellence and improved capabilities. During the fiscal year, the Company also executed a restructuring project of its staff resulting in a lower cost base and a leaner structure of the Company's business going forward.

Shareholder relationships

At 30 June 2020, the ultimate shareholder relationship was with CDK Global, Inc. a US public company. There were frequent interactions between the Company both on a business level and functionally. The President of CDK's international business (CDKI) was an officer of CDK and a member of CDK's executive leadership team (ELT). The President of CDK's international business (CDKI) is an officer of CDK and a member of CDK's executive leadership team (ELT). In addition to a range of meetings on a wide range of business topics the ELT hold regular monthly meetings ensuring good communication to ensure that CDK's interests (and ultimately its shareholders) are discussed and then communicated into the Company. In addition, a number of the Company's functional leaders, notably HR, Finance, Legal and Compliance all report directly to members of CDK's ELT. This enables CDK's interests to be further communicated to the Company. The senior management team of the Company meet at least on a monthly basis which enables shareholder interests to be taken into account when taking decisions.

Dividends policy across CDK is ultimately determined following engagement between the CDKI finance team and CDK ELT. In determining the level of dividend payable account is taken of the working capital needs of the Company, future expenditure and investment and the desired return ultimately to shareholders of CDK.

Keyloop (UK) Limited**Strategic Report (continued)****Year ended 30 June 2020**

The interest of Company employees

This fiscal year proved to be a very challenging and demanding one not only for the companies around the world themselves, but also for their staff. The COVID-19 pandemic provided a number of challenges for the health and safety of the Company's employees. The Company reacted quickly moving all employees to work from home during the initial COVID-19 peak and then introducing flexible measures to enable the Company to prioritise employee safety as they moved in and out of periods of lock-down. All company premises were adapted for safer working and access controls managed to ensure the health and safety for those employees needing to work from one of the Company's offices. These measures were supported by additional virtual training for managers and sessions for employees to support their wellbeing. Additional two way communication channels and contact points were increased through the peak of the COVID impact also; the frequent and transparent communication being highly valued by employees. The Company was able to keep its business functioning and there was no need to resort to the government support furlough scheme.

In addition, the Board emphasised the importance of professional as well as personal development of its staff. To that end, general and technical e-learning platforms were provided to the Company's staff, enabling career focused learning paths to be developed. Specific functional development solutions were created for critical job families. More focus was also put on the retention and development of top talent.

In addition, the Company conducts regular employee engagement surveys. These are analysed and then discussed at senior management level and ultimately considered by the Board when making decisions.

Business relationships*Customers*

During the challenging times of COVID-19 global pandemic the Directors focused on the Company's relationships with key stakeholders. Due to the prudent and careful management of the Company's liquidity, the Board was able to approve a one-time credit of approximately 25% against April 2020 recurring revenues for eligible customers as a goodwill gesture. The business also put in place measures to be able to better support customers remotely and to carry out remote implementations. Appreciating the importance of the long-term relationships with UK customers, senior members of management engaged even more actively with major customers particularly during the lock-downs imposed by the government.

Close customer engagement is an ongoing activity of the Company. While this has generally been conducted by senior management and key account managers, a Customer Success team was created during the year to support dialogue with customers and to take feedback with a view to enhancing Company products and services to its customers.

The Company participates in and sponsors a number of industry events further enabling near and longer terms relationships to be built and maintained with customers.

A number of customers facing roles participate on the Company senior management team. Customer matters are discussed at each regular meetings of the senior management team. Additional monthly meetings are held to identify and discuss significant new or developing customer relationships. This enables a good flow of information to the Board enabling customer issues to be taken into account when making decisions.

Keyloop (UK) Limited**Strategic Report (continued)****Year ended 30 June 2020**

Business relationships (continued)*Vendors*

In line with the approach taken by the Company in response to the pandemic, the Company worked closely with suppliers to see if there were ways in which the challenges of the pandemic could be shared. This resulted in a number of suppliers offering payment holidays and / or extended payment terms. While not material to the overall operations of the Company, this dialogue served to develop relationships further between the Company and its suppliers. The Company continued to ensure, wherever possible, that suppliers embrace the Company's ethical standards seeking to include the Company's Supplier Code of Business Conduct & Ethics in its contracts with suppliers. The procurement function is represented on the Company senior management through the finance and legal teams. Vendor issues, concerns and considerations feature as a regular topic in this forum. This enables a good flow of information that allows the Board to take vendor issues into consideration in its decision making.

A significant number of vendor relationships applicable to the Company have been created through CDK's procurement function based in the US. While this reduces the proximity between the Company directly and global vendors, there is a close functional relationship between with CDK's procurement team that ensures good dialogue and interaction between the Company and vendors.

For the sake of consistency, effectiveness and cost, the Company seeks to create longer term relationships with its vendors. The Company acknowledges that many of its customers are of long tenure and a key to maintaining such relationships is the underlying stability of the Company's own supply chain. Many such vendors underpin the products and services provided by the Company to its customers.

Impact on community and environment

The Company continues to consider, manage and review the impact it has on local communities as part of the delivery of long-term sustainable business performance. Through the Company charities committee, the Company continues to support charities nominated by Company employees and which usually have a personal connection with employees or the local community. The Company continues to seek to reduce its impact on the environment. The Company has taken various carbon reducing initiatives and embarked on obtaining ISO14001 compliance.

Reputation for high standards of business conduct

The Company has been a successful member of the international business community since the 1970's. One of the main reasons for that is that the Company has been able to maintain its reputation for high standards of business conduct. The business is underpinned by its corporate values which are designed to ensure that the Company's high standards are maintained:

Stay Curious – we improve through always learning;

Own IT – we see things through for our colleagues, customers and company;

Be Open – we're transparent with each other; and

Create Possibilities -we're excited by what we can achieve together.

These values inform the Company's decision-making and help to define its culture.

Responsible business conduct is fundamental to the long-term success of the Company. The Company seeks to deal with its customers in a consistent, fair and transparent manner. Responsible behaviour is also fundamental to how the Company does business. Throughout the year further mandatory training on the Company's Code of Business Conduct & Ethics and the Company's policy on Anti-Bribery & Corruption is carried out. Supporting these policies is a hotline by which employees can speak up if they have questions or concerns.

Keyloop (UK) Limited

Strategic Report (continued)

Year ended 30 June 2020

Acting fairly between members of the Company

While the Directors understand their duty to act fairly between different shareholders as required by UK company law, they acknowledge that there is a single shareholder of the Company. The Directors remain transparent in all matters with its immediate shareholder and indirect parent companies.

Change of ownership

Francisco Partners acquired the international division of CDK Global with effect from 1 March 2021 which included the Company. Since that date the international division of CDK Global has been rebranded as Keyloop and the Company itself has been renamed Keyloop (UK) Limited. Francisco Partners has appointed a new chief executive officer who is currently working with senior management to put in place a new operating model for the business. At this point, there has been no material change in the way the Company operates but consideration will be given to each of the elements of Section 172 of the Companies Act as the business evolves under the ownership of Francisco Partners.

The Strategic Report was approved by the Board of Directors on 14.05.2021 and signed on their behalf by:

Leon Daniel Goodman

L.D Goodman
Director

Cygnets Way
Charnham Park
Hungerford
Berkshire
RG17 0YL

Keyloop (UK) Limited**Directors' Report****Year ended 30 June 2020**

The Directors present their report and the audited Financial Statements of the Company for the year ended 30 June 2020. The comparatives are for the year ended 30 June 2019. On 4 March 2021, there was a resolution to change the name of the Company from CDK Global (UK) Limited to Keyloop (UK) Limited.

Going concern

Keyloop (UK) Limited has made a profit for the financial year of £20,833,000 (2019: £33,145,000), the Company has continued to trade profitably. At the year-end the Company has a cash balance of £19,890,000 (2019: £46,613,000), net current assets of £104,553,000 (2019: £72,839,000).

The Directors have considered the Company's forecasts and factors likely to affect its future development, performance and position and believe that the Company is well placed to manage its business risks successfully.

At the current point in time, the effect of COVID-19 is not having a material effect on the financial statements of the company.

The current risk profile related to the virus is as follows:

- A number of temporary practices have been put in place to help 'flatten the curve' of the outbreak, which include:
 - Stopping all domestic and international travel, unless considered essential to meeting customer delivery obligations (and are agreed as appropriate with the customer);
 - Allowing all employees who are able to work remotely effectively to do so; and
 - Ensuring all offices and facilities that remain open are cleaned more frequently and thoroughly, with soap and hand sanitisers available
- Employees continue to work remotely where this is possible;
- Focus on minimizing variable spend, which includes (but is not limited to) temporary contract resource, marketing and travel & subsistence;
- Supply chain disruption that could negatively affect the ability to fulfil commitments to customers has currently been minimal, and the procurement team have worked to strategically secure additional inventory.

From a customer perspective, cancellation requests will follow the extant contractual process. However, as noted above, in order to support loyal customers during a time of challenging trading, the business has initiated a goodwill discount for April and will continue to assess the ongoing need.

There have been no requests thus far from vendors to change contractual or payment terms. The procurement teams in the business have been proactively engaging with vendors to negotiate payment terms and discount opportunities.

The significant doubt associated with the current uncertainties related to the COVID-19 virus currently does not result in a material uncertainty related to such events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

The entity's ability to continue as a going concern is also confirmed by the respective letter of support which has been provided by its ultimate new parent undertaking and controlling party, Concorde TopCo Limited. Concorde Topco Limited has access to external funds via its subsidiaries. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

The Directors continue to monitor the potential effect of the COVID-19 outbreak on the ability for the Company to operate as planned. At the current time, no significant risks or concerns have been identified, but the longer term impact on our trade is unclear.

As a consequence, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

Results and dividends

The profit for the financial year amounted to £20,833,000 (2019: £33,145,000). The Directors do not recommend the payment of dividend (2019: £nil), and the Directors propose that the remaining profit for the year is transferred to reserves.

Interim dividend in the amount of £28m was paid out to CDK Global (Nederland) BV on 10 December 2020. Dividend in the amount of £81m was paid out to CDK Global (Nederland) BV on 31 July 2020.

Keyloop (UK) Limited

Directors' Report (continued)

Year ended 30 June 2020

Research and development activities

Details of future prospects of can be found in the Strategic Report on page 3 and form part of this report by cross-reference.

Fixed assets

Acquisitions and disposals of tangible fixed assets during the year are recorded in note 9.

Financial risk management objectives and policies

Details on financial risk management objectives and policies can be found in the Strategic Report on page 5 and form part of this report by cross-reference.

Donations

During the year the Company made charitable donations amounting to £38,594 (2019: £15,361).

Political Contributions

The Company made no political donations or incurred any political expenditure during the year.

Directors

The Directors who served the Company during the year and up to the date of signing the Financial Statements are listed on page 2.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities.

Wherever possible, arrangements are made for the continued employment of persons who become disabled during service and for the appropriate training, career development and promotion of disabled persons.

Keyloop (UK) Limited

Directors' Report (continued)

Year ended 30 June 2020

Locations

The Company had operations in the following locations worldwide during the year:

Country	Location
United Kingdom	Hungerford
United Kingdom	Glasgow
United Kingdom	Bristol
United Kingdom	Telford
United Kingdom	Omagh
South Africa	Johannesburg - branch

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the year and remain in force at the date of this report.

Keyloop (UK) Limited**Directors' Report (continued)****Year ended 30 June 2020****Events after the reporting period**

Francisco Partners acquired the international division of CDK Global with effect from 1 March 2021 which included the Company. Since that date the international division of CDK Global has been rebranded as Keyloop and the Company itself has been renamed Keyloop (UK) Limited. Francisco Partners has appointed a new chief executive officer who is currently working with senior management to put in place a new operating model for the business. At this point, there has been no material change in the way the Company operates but consideration will be given to each of the elements of Section 172 of the Companies Act as the business evolves under the ownership of Francisco Partners.

Interim dividend in the amount of £28m was paid out to CDK Global (Nederland) BV on 10 December 2020. Dividend in the amount of £81m was paid out to CDK Global (Nederland) BV on 31 July 2020.

The unsecured loan with CDK Global Holdings (UK) Limited in the amount of £8m was repaid on 27 August 2020.

Indication of future developments

Details of future prospects of can be found in the Strategic Report on page 5 and form part of this report by cross-reference.

Disclosure of information to the auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

Section 172

Section 172 is included in Strategic report from page 6 to 9.

Energy & Carbon Reporting

Keyloop (UK) Limited has considered the Streamlined Energy and Carbon Reporting (SECR) requirements. We have reported on the underlying energy use during the financial year. The majority of purchased electricity results from heating or cooling in the office, lighting and use of computers. No gas service is required. Deloitte UK have been provided with the requested SECR reporting.

Energy Consumption and Greenhouse Gas Emissions

Financial year: 1 July 2019 to 30 June 2020

Energy Consumption (kWh)	kWh
Electricity	2,728,107
Natural Gas	149,408
Diesel	5,554
Fuel for Business Travel	2,390,378
Total:	5,273,447

Keyloop (UK) Limited**Directors' Report (continued)****Year ended 30 June 2020****Energy & Carbon Reporting (continued)***Energy Consumption and Greenhouse Gas Emissions*

Greenhouse Gas Emissions (tCO ₂ e)	tCO ₂ e
Electricity	649
Natural Gas	30
Diesel	1
Fuel for Business Travel	594
Refrigerant gas	50
Total:	1,324

Intensity Metric	Emissions Per Sales (tCO ₂ e/£)
Scope 1	0.06
Scope 2	0.11
Scope 3	0.06
Total:	0.23

Methodology

This energy and carbon report has been prepared by Energy & Technical Services Ltd in line with the Greenhouse Gas Protocol Corporate Standard. The boundaries of the energy and carbon footprint are based on a financial control approach, and are the same as the boundaries for financial reporting. The reporting year is 1 July 2019 to 30 June 2020.

The energy footprint includes all electricity, gas and diesel (for back-up generators) consumed at CDK Global (UK) Ltd offices and is based on billing data or meter readings. The transport energy is a sum of the fuel used for business travel in both company-owned vehicles and employee-owned vehicles, and is based on mileage claims data. Employee commuting and personal travel is excluded from scope.

The carbon footprint includes Scope 1 (direct) emissions from the combustion of gas and diesel in offices; fuel used in company cars, and fugitive emissions of refrigerant gas from air-conditioning units. The Scope 2 (indirect) emissions arise from the production of purchased electricity. Scope 3 emissions arise from fuel used in employee-owned vehicles. Energy conversion and emissions factors have been based on the UK Government Conversion Factors for Company Reporting of Greenhouse Gas Emissions. Fugitive emissions have been estimated based on the Simplified Material Balance method.

The Directors' Report was approved by the Board of Directors on 14.05.2021 and signed on their behalf by:

Leon Daniel Goodman

L D Goodman
Director

Cygnets Way
Charnham Park
Hungerford
Berkshire
RG17 0YL

Keyloop (UK) Limited

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

Year ended 30 June 2020

The Directors are responsible for preparing the Strategic Report, 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; 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 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.

Keyloop (UK) Limited

Independent Auditor's Report to the Members of Keyloop (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Keyloop (UK) Limited (the 'Company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the '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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Keyloop (UK) Limited

Independent Auditor's Report to the Members of Keyloop (UK) Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

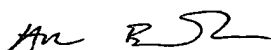
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 respect of these matters.

Use of our report

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.



Alexander Butterworth ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom
14.05.2021

Keyloop (UK) Limited**Profit and Loss Account****Year ended 30 June 2020**

	<i>Note</i>	2020 £'000	2019 £'000
Turnover	3	88,506	87,542
Cost of sales		(40,077)	(32,896)
Gross profit		48,429	54,646
Other operating expenses		(26,635)	(15,901)
Operating profit	4	21,794	38,745
Interest receivable and similar income	6	1,302	1,063
Interest payable and similar expenses		(1)	-
Profit before taxation		23,095	39,808
Tax on profit	7	(2,262)	(6,663)
Profit for the financial year		20,833	33,145

The notes on pages 22 to 37 form an integral part of these Financial Statements.

All of the activities of the Company are classed as continuing for the current and prior years.

There are no material differences between the profit before taxation and the profit for the financial year stated above and their historical cost equivalents for the current and prior years.

Keyloop (UK) Limited**Statement of Other Comprehensive Income****Year ended 30 June 2020**

	2020	2019
	£'000	£'000
Profit for the financial year	20,833	33,145
Other comprehensive income/(expense)		
Currency translation difference on foreign currency net investments	(947)	(465)
Other comprehensive (expense) for the year, net of income tax	(947)	(465)
Total comprehensive income for the year	19,886	32,680

Keyloop (UK) Limited**Balance Sheet****As at 30 June 2020**

	<i>Note</i>	2020 £'000	2019 £'000
Fixed assets			
Intangible assets	8	58	-
Tangible assets	9	5,481	6,316
Investments	10	1,441	1,441
		<u>6,980</u>	<u>7,757</u>
Non-current assets	11	-	5,688
Current assets			
Stocks	12	134	656
Debtors	13	136,499	89,973
Cash at bank and in hand		19,890	46,613
		<u>156,523</u>	<u>137,242</u>
Creditors: amounts falling due within one year	14	(51,970)	(64,403)
Net current assets		<u>104,553</u>	<u>72,839</u>
Total assets less current liabilities		111,533	86,284
Creditors: amounts falling due after more than one year	15	(876)	(902)
Net assets		<u>110,657</u>	<u>85,382</u>
Capital and reserves			
Called up share capital	16	172	172
Share premium account	16	19	19
Profit and loss account	16	110,466	85,191
Shareholders' funds		<u>110,657</u>	<u>85,382</u>

The notes on pages 22 to 37 form an integral part of these Financial Statements.

The Financial Statements were approved by the Board of Directors on 14.05.2021 and signed on their behalf by:

Leon Daniel Goodman

L D Goodman
Director

Company Registration Number: 01281651

Keyloop (UK) Limited**Statement of Changes in Equity****Year ended 30 June 2020**

	Called up share capital	Share Premium account	Profit and loss account	Total equity
	£'000	£'000	£'000	£'000
Balance at 30 June 2018	172	19	52,536	52,727
Total comprehensive income for the year				
Profit for the financial year	-	-	33,145	33,145
Currency translation difference on foreign currency net investments	-	-	(465)	(465)
Total comprehensive income for the year	-	-	32,680	32,680
Transactions with owners, recorded directly in equity				
Dividends	-	-	-	-
Equity-settled share based payment transactions	-	-	(25)	(25)
Total contributions by and distributions to owners	-	-	(25)	(25)
Balance at 30 June 2019	172	19	85,191	85,382
Total comprehensive income for the year				
Profit for the financial year	-	-	20,833	20,833
Currency translation difference on foreign currency net investments	-	-	(947)	(947)
Total comprehensive income for the year	-	-	19,886	19,886
Transactions with owners, recorded directly in equity				
Dividends	-	-	5,389	5,389
Equity-settled share based payment transactions	-	-	-	-
Total contributions by and distributions to owners	-	-	5,389	5,389
Balance at 30 June 2020	172	19	110,466	110,657

Keyloop (UK) Limited

Notes to the Financial Statements

Year ended 30 June 2020

1. Accounting policies

Keyloop (UK) Limited (the "Company") is a private Company limited by shares and incorporated and domiciled and registered in England and Wales in the UK. The address of its registered office and registered number is given on page 2.

The Company is exempt by virtue of Section 401 of the Companies Act 2006 from the requirement to prepare group Financial Statements. These Financial Statements present information about the Company as an individual undertaking and not about its group.

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these Financial Statements is sterling. All amounts in the Financial Statements have been rounded to the nearest £1,000.

At 30 June 2020, the Company's ultimate parent undertaking, CDK Global Inc., included the Company in its consolidated Financial Statements. The consolidated Financial Statements of CDK Global, Inc are available to the public and may be requested from CDK Global, Inc 1950 Hassell Road, Hoffman Estates, Illinois, 60169, United States of America.

In these Financial Statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of CDK Global, Inc., the ultimate parent undertaking at 30 June 2020, included the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the Financial Statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

Basis of preparation

These Financial Statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Going concern

Keyloop (UK) Limited has made a profit for the financial year of £20,833,000 (2019: £33,145,000), the Company has continued to trade profitably. At the year-end the Company has a cash balance of £19,890,000 (2019: £46,613,000), net current assets of £104,553,000 (2019: £72,839,000).

The Directors have considered the Company's forecasts and factors likely to affect its future development, performance and position and believe that the Company is well placed to manage its business risks successfully.

The entity's ability to continue as a going concern is also confirmed by the respective letter of support which has been provided by its ultimate new parent undertaking and controlling party, Concorde TopCo Limited. Concorde Topco Limited has access to external funds via its subsidiaries. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

The Directors continue to monitor the potential effect of the COVID-19 outbreak on the ability for the Company to operate as planned. Although, the Company itself is not a trading entity, its subsidiaries are, and COVID-19 could therefore have a potential impact on their performances which could result in a reduced dividend income, however, at the current time, no material uncertainty has been identified as a result of impact analysis undertaken.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020**

1. Accounting policies (continued)**Foreign currency**

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the Profit and Loss Account.

Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these Financial Statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. Transaction costs are allocated between the debt component and the equity component on the basis of their relative fair values.

Basic financial instruments*Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example, if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest bearing loans classified as basic financial instruments

Interest-bearing loans are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing loans are stated at amortised cost using the effective interest method, less impairment losses.

Investments in subsidiaries

These are separate Financial Statements of the Company. Investments in subsidiaries are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****1. Accounting policies (continued)****Other financial instruments***Financial instruments not considered to be Basic financial instruments (Other financial instruments)*

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment.

Intangible assets and goodwill*Goodwill*

Goodwill arising on the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which is 10 years. Provision is made for any impairment.

Other intangible assets

Intellectual property rights are included at cost and amortised in equal annual instalments over a period of 3-5 years which is their estimated useful economic life. Provision is made for any impairment. Client lists are included at cost and amortised in equal annual instalments over a period of 10 years which is their estimated useful economic life. Provision is made for any impairment.

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

Tangible assets

Tangible assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	50 years
Leasehold land and buildings	over the length of the lease
Computers and other equipment	2-7 years
Motor vehicles	4 years
Plant and machinery	3-7 years
Office equipment, fixtures and fittings	3-7 years

Residual value is calculated on prices prevailing at the date of acquisition.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost represents the net purchase price of stock less trade discounts and allowances. Provision is made for obsolete, slow-moving or defective items where appropriate. An entity uses two cost formulas. For the spare stock, it uses the weighted average cost formula. For the sales stock, it uses the FIFO (first in first out) cost formula.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020**

1. Accounting policies (continued)**Impairment***Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through the Profit and Loss Account is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the Profit and Loss Account. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Profit and Loss Account.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Employee benefits*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Profit and Loss Account in the periods during which services are rendered by employees.

Share-based payments

The CDK group issues equity-settled and cash-settled share-based payments to certain employees.

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured based on a binomial option pricing model, taking into account the terms and conditions upon which the awards were granted.

Share-based payment transactions in which the Company receives goods or services by incurring a liability to transfer cash or other assets that is based on the price of the Company's equity instruments are accounted for as cash-settled share-based payments.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020**

1. Accounting policies (continued)**Turnover**

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Maintenance income is credited to revenue over the period of the maintenance agreement.

For any contract that contains bundled elements of consultancy, maintenance and license and implementation fees:

- Consultancy fees are deferred to the Balance Sheet to be recognised on an as and when utilised basis;
- maintenance fees are deferred to the Balance Sheet and recognised rateably on a straight-line basis over the length of the maintenance contract; and
- license and implementation fees are recognised upfront for perpetual licenses, or for any fixed length term licenses they are recognised rateably over the period of the license term. For licenses sold only under a hosting arrangement revenue is recognised rateably over the period of the hosting contract and associated direct costs are deferred and expressed proportionately over the same period.

Income from group undertakings

Income from group undertakings is generated under Royalty , Franchise, Hosting and Commercial Operating License agreements in connection with the Autoline product.

Expenses*Operating leases*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the Profit and Loss Account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in the Profit and Loss Account over the term of the lease as an integral part of the total lease expense.

Research and development

Expenditure on research and development activities is recognised in the Profit and Loss Account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the Profit and Loss Account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

Interest receivable and interest payables

Interest payable and similar expenses include interest payable.

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****1. Accounting policies (continued)****Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or profit for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial Statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the Balance Sheet date. Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Accounting estimates and judgements

The preparation of Financial Statements in accordance with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of income and expense during the year. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those 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.

Management have not identified any critical accounting judgements, nor any key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Turnover

The turnover is attributable to the one principal activity of the Company.

An analysis of turnover by destination is given below:

	2020 £'000	2019 £'000
United Kingdom	74,663	72,533
Rest of Europe	2,078	2,976
South Africa	8,726	10,682
Rest of World	3,039	1,351
	<u>88,506</u>	<u>87,542</u>

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****3. Turnover (continued)**

	2020 £'000	2019 £'000
The sale of goods	2,671	6,538
The rendering of services	85,835	81,004
	<u>88,506</u>	<u>87,542</u>
	2020 £'000	2019 £'000
General & Admin Revenue	95	-
One Time Revenue (implementation, consulting fees, perpetual licenses)	7,898	11,849
Recurring Revenue (term licenses, maintenance fees)	77,842	69,155
	<u>85,835</u>	<u>81,004</u>

4. Expenses and auditor's remuneration

	2020 £'000	2019 £'000
<i>Included in profit/loss are the following</i>		
Research and development expenditure	11,913	11,221
Amortisation of intangible assets	13	65
Depreciation of tangible assets	3,455	4,991
Exchange (gain) / loss	1,619	315
	<u>117</u>	<u>144</u>
	2020 £'000	2019 £'000
Auditor's remuneration		
Audit of these Financial Statements	117	144

There were no amounts receivable by Company's auditor in respect of non-audit services (2019: nil).

5. Directors and employees

	2020 £'000	2019 £'000
Staff costs during the year were as follows		
Wages and salaries	38,843	34,833
Social security costs	3,679	3,228
Share based payments charge (note 17)	-	619
Contributions to defined Contribution plans (note 19)	3,364	3,216
	<u>45,886</u>	<u>41,896</u>

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****5. Directors and employees (continued)**

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

	2020	2019
	No.	No.
Administration	60	61
Sales	591	577
	651	638

Remuneration in respect of Directors of the Company was payable as follows:

	2020	2019
	£'000	£'000
Emoluments	822	626
Amounts receivable (other than shares and share options) under long-term incentive schemes	306	608
Company contributions to money purchase pension schemes	36	25
	1,164	1,259

The Directors are Directors of the holding company, CDK Global Holdings (UK) Limited, and are also Directors of Keyloop (UK) Limited. The Directors received total remuneration of £1,164 (2019: £1,259). (It is not practicable to allocate this between their services as Directors of CDK Global Holdings (UK) Limited and Keyloop (UK) Limited).

One of the Directors emoluments are also paid by the parent company, CDK Global, Inc, as the Directors of the Company are also Directors or officers of other companies within the CDK Global, Inc. Group. The amounts allocated in respect of their services to the Company is £nil (2019: £nil).

The number of Directors accruing benefits under defined contribution schemes were 4 (2019: 2). The number of Directors in respect of whose qualifying services shares were receivable under long-term incentive schemes were 4 (2019: 2). The number of Directors that exercised share options during the year was nil (2019: nil).

	2020	2019
	£'000	£'000
Remuneration of the highest paid Director		
Emoluments	401	377
Amounts receivable (other than shares and share options) under long-term incentive schemes	164	271
Company Contribution to managed purchase schemes	5	14
	570	662

Shares were receivable by the highest paid Director under long-term incentive schemes during the year.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****6. Interest receivable and similar income**

	2020 £'000	2019 £'000
Interest receivable from group undertakings	978	528
Bank interest received	324	535
	<u>1,302</u>	<u>1,063</u>

Interest receivable from group undertakings

	2020 £'000	2019 £'000
Parent Company	811	435
Subsidiary of the same Parent Company	60	79
Ultimate Parent Company	107	14
	<u>978</u>	<u>528</u>

7. Taxation**Total tax expense recognised in the Profit and Loss Account**

	2020 £'000	2019 £'000
<i>Current tax</i>		
UK corporation tax	2,109	5,645
Overseas tax	1,064	1,556
Adjustments in respect of prior years	(3)	(335)
Total current tax	<u>3,170</u>	<u>6,866</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(657)	(203)
Adjustments in respect of prior years	(25)	-
Effect of change in tax rate	(226)	-
Total deferred tax	<u>(908)</u>	<u>(203)</u>
Total tax	<u>2,262</u>	<u>6,663</u>

The current tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2019: 19%), the differences are explained below.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****7. Taxation (continued)****Reconciliation of effective tax rate**

	2020 £'000	2019 £'000
Profit for the year	20,833	33,145
Total tax expense	2,262	6,663
Profit excluding tax	23,095	39,808
Tax using the UK corporation tax rate of 19.00% (2019: 19.00%)	4,388	7,563
Expenses not deductible for tax purposes	57	21
Irrecoverable overseas tax	664	353
Group relief claimed free of charge	(2,538)	(972)
Prior year adjustments	(28)	(335)
Rate change impact	(226)	24
Fixed asset differences	1	11
R&D expenditure credits	(56)	-
Chargeable gains	-	2
Permanent other differences	-	(4)
Total tax expense	2,262	6,663

Deferred tax

	2020 £'000	2019 £'000
Opening balance (note 11; 13)	1,894	1,691
Credit to Profit and Loss Account	908	203
Closing balance (note 11; 13)	2,802	1,894

Analysis of deferred tax asset

	2020 £'000	2019 £'000
Depreciation in excess of capital allowances	2,425	1,574
Short-term timing differences	377	320
Closing balance	2,802	1,894

Factors that may affect future tax charges

A UK corporation rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. The UK deferred tax asset as at 30 June 2020 has been calculated based on this rate.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****8. Intangible assets**

	Purchased Software £'000	Intellectual property rights £'000	Goodwill £'000	Client list £'000	Total £'000
Cost					
Balance at 1 July 2019	-	343	3,421	1,971	5,735
Additions	71	-	-	-	71
Balance at 30 June 2020	71	343	3,421	1,971	5,806
Amortisation					
Balance at 1 July 2019	-	343	3,421	1,971	5,735
Amortisation for the year	13	-	-	-	13
Balance at 30 June 2020	13	343	3,421	1,971	5,748
Net book value					
At 30 June 2020	58	-	-	-	58
At 30 June 2019	-	-	-	-	-

The Client list at 30 June 2018 arose from the purchase of the customer base of The Porchester Corporation (Singapore) and Esseitalia (Italy) and the purchase of the client list of Automaster (UK) Limited.

9. Tangible assets

	Freehold, leasehold and improvements £'000	Computers and other equipment £'000	Plant and machinery £'000	Office equipment, fixtures and fittings £'000	Total £'000
Cost					
Balance at 1 July 2019	4,895	25,286	255	385	30,821
Additions	183	2,851	-	-	3,034
Disposals	(337)	(7)	(67)	(83)	(494)
Transfer	281	(1,221)	56	(69)	(953)
Balance at 30 June 2020	5,022	26,909	244	233	32,408
Depreciation					
Balance at 1 July 2019	3,090	21,225	121	69	24,505
Depreciation for the year	402	2,952	56	48	3,458
Transfer	74	(1,102)	(4)	(4)	(1,036)
Balance at 30 June 2020	3,566	23,075	173	113	26,927
Net book value					
At 30 June 2020	1,456	3,834	71	120	5,481
At 30 June 2019	1,805	4,061	134	316	6,316

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****9. Tangible assets (continued)**

The cost of freehold amounts to £75,000, which is not depreciated.

The cost of buildings amounts to £333,548 with year-end depreciation of £146,630.

The remaining amount of £1,194,111 is short leasehold.

10. Investments

	Shares in group undertakings £'000	Total £'000
Cost		
At beginning of year	1,441	1,441
At end of year	1,441	1,441
Net book value		
At 30 June 2020	1,441	1,441
At 30 June 2019	1,441	1,441

Keyloop (UK) Ltd has the following subsidiary undertakings all directly held:

Subsidiary undertaking	Country of incorporation	Class of share held	2020 % held	2019 % held
CDK Automotive Systems (Ireland) Limited	Ireland	Ordinary	100%	100%
CDK Global (South East Asia) Pte. Limited	Singapore	Ordinary	100%	100%

The registered office address of CDK Automotive Systems (Ireland) Limited is Ground Floor 3091, Block 3090-3094, Lake Drive, Citywest, Dublin 24, Ireland.

The registered office address of CDK Global (South East Asia) Pte. Limited is 150 Beach Road #20-07/08 Gateway West Singapore 189720.

11. Non-current assets

	2020 £'000	2019 £'000
Loans to group undertakings	-	4,086
Deferred tax (note 7)	-	1,573
Other non-current debtors	-	29
	-	5,688

The loan to group undertaking represented the outstanding balances on a loan to CDK Global (France) SAS on which interest was earned at 2% p.a. The loan is now matured.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****12. Stocks**

	2020 £'000	2019 £'000
Goods for resale	134	656

There is no material difference between the Balance Sheet value of goods for resale and their replacement cost.

During the year £671,328 (2019: £754,553) was charged to cost of sales from stocks.

13. Debtors

	2020 £'000	2019 £'000
Trade debtors	16,164	19,248
Amounts owed by other group undertakings	17,957	32,996
Amounts owed by the immediate parent Company	-	1,732
Loans to group undertakings	93,834	32,435
Other debtors	1,858	9
Deferred tax (note 7)	2,802	321
Other tax debtor	2,308	1,065
Prepayments and accrued income	1,576	2,167
	<u>136,499</u>	<u>89,973</u>

Amounts due from group undertakings are non-interest bearing and are repayable on demand. Amounts due from group undertakings are related to Royalties, Hosting and Commercial Operating License Agreements, as well as centrally incurred operating expenses.

The loan to group undertakings represents the outstanding balances on the loans to:

CDK Global (France) SAS	4,202
CDK Global Holdings (UK) Limited	8,000
CDK Global (Nederland) B.V.	23,628
CDK Global, LLC	58,004
	<u>93,834</u>

The loan to CDK Global (France) SAS was partially repaid in February 2021. The current outstanding balance is £2,646m. The loan to CDK Global Holdings (UK) Limited was fully repaid in August 2020. The loan to CDK Global (Nederland) B.V. was fully repaid in July 2020. The loan to CDK Global, LLC was fully repaid in July 2020.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****14. Creditors: amounts falling due within one year**

	2020	2019
	£'000	£'000
Payments received on account for contract work	717	2,515
Trade creditors	2,230	1,535
Amounts owed to group undertakings	14,881	21,557
Amounts owed to the immediate parent company	-	325
Other creditors	1,005	1,230
Other taxation and social security	2,181	1,200
Accruals and deferred income	30,956	32,671
Corporation tax	-	3,370
	<u>51,970</u>	<u>64,403</u>

Amounts due to group undertakings are non-interest bearing and are repayable on demand. Amounts owed to group undertakings are related to Royalties and Management fees for services incurred by CDK Global (UK) Limited, procured or provided by group undertakings.

There are no disclosures to be made with respect to securities given to creditors.

15. Creditors: amounts falling due after more than one year

	2020	2019
	£'000	£'000
Other creditors	876	902
	<u>876</u>	<u>902</u>

There are no creditor amounts falling due after more than 5 years.

16. Capital and reserves

Share capital	2020	2019
	£'000	£'000
Allotted, called up and fully paid:		
171,800 (2019: 171,800) Ordinary shares of £1 each at 1 July and at 30 June	172	172
	<u>172</u>	<u>172</u>

The Company's other reserves are the profit and loss account, representing cumulative profits or losses and capital contributions, net of dividends paid and other adjustments. The share premium account represents the excess paid over the nominal share price.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020****17. Share based payments***Share options*

Keyloop (UK) Limited operates a share option scheme for certain employees of the Company. The Company granted 2,097 (2019: nil) equity settled options during the year, vesting from 2 to 4 years with a contractual life of 10 years. During the year nil options (2019: nil) were forfeited.

Restricted stock units

Keyloop (UK) Limited also operates a Restricted Share Unit (RSU) scheme for certain employees of the Company. The Company granted 22,924 (2019: 15,766) equity settled options during the year, vesting over a 2 year period and with a contractual life of 2 years.

18. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2020		2019	
	Property £'000	Other £'000	Property £'000	Other £'000
Less than one year	670	441	720	342
Between one and five years	1,449	782	2,453	284
More than five years	193	-	363	-
	<u>2,312</u>	<u>1,223</u>	<u>3,536</u>	<u>626</u>

During the year £565,990 (2019: £803,161) was recognised as an expense in the Profit and Loss Account in respect of property leases, and £551,622 (2019: £585,980) in respect of other leases.

19. Pension schemes

The Company operates defined contribution pension schemes on behalf of the Directors and employees, the assets of which are held separately from those of the Company in independently administered funds. Pension costs charged to the Profit and Loss Account in the year amounted to £3,364,000 (2019: £3,216,000). At 30 June 2020 unpaid contributions were in total £326,000 (2019: £356,000).

20. Capital commitments

There are no capital commitments in the current year or preceding year (2019: none).

21. Related party transactions

The Company has taken advantage of the exemptions from disclosure of related party transactions available in FRS 102.33.1A to disclose transactions with wholly owned subsidiaries of companies with publicly available Financial Statements.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****Year ended 30 June 2020**

22. Immediate and ultimate parent company

The Company's immediate parent undertaking is CDK Global Investments BV, a company incorporated under the laws of Netherlands.

At 30 June 2020, the Company's ultimate parent undertaking and controlling party was CDK Global, Inc., a company incorporated in the United States of America whose Financial Statements are available at its registered office from 1950 Hassell Road, Hoffman Estates, Illinois, 60169, United States of America.

At 30 June 2020, the largest and smallest Group in which the results of the Company were consolidated was that headed by CDK Global, Inc., 1950 Hassell Road, Hoffman Estates, Illinois, 60169, United States of America.

Upon completion of the sale of CDK Global International on March 1, 2021 to Francisco Partners, new owner of CDK Global International, the ownership structure of the company has changed to the following one: The Company's new immediate parent undertaking is still for the time being CDK Global Nederland BV, a company incorporated under the laws of the Netherlands. The Company's ultimate new parent undertaking and controlling party is Francisco Partners, a company incorporated in the United States of America whose Financial Statements are available at its registered office on One Letterman Drive, Building C - Suite 410, San Francisco, CA 94129, United States of America.

23. Post Balance Sheet event

Francisco Partners acquired the international division of CDK Global with effect from 1 March 2021 which included the Company. Since that date the international division of CDK Global has been rebranded as Keyloop and the Company itself has been renamed Keyloop (UK) Limited. Francisco Partners has appointed a new chief executive officer who is currently working with senior management to put in place a new operating model for the business. At this point, there has been no material change in the way the Company operates but consideration will be given to each of the elements of Section 172 of the Companies Act as the business evolves under the ownership of Francisco Partners.

Interim dividend in the amount of £28m was paid out to CDK Global (Nederland) BV on 10 December 2020. Dividend in the amount of £81m was paid out to CDK Global (Nederland) BV on 31 July 2020.

The unsecured loan with CDK Global Holdings (UK) Limited in the amount of £8m was repaid on 27 August 2020.