

Company Registration No. 04421929 (England and Wales)

**AUTOGARD HOLDINGS LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2022**

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# AUTOGARD HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	M C Waddell G Basu
<b>Secretary</b>	J S Greving
<b>Company number</b>	04421929
<b>Registered office</b>	c/o Curtis, Mallet-Prevost, Colt & Mosle LLP 99 Gresham Street London EC2V 7NG England
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants 2nd Floor 1 The Square Temple Quay Bristol BS1 6DG

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# AUTOGARD HOLDINGS LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present the Strategic Report for the year ended 31 December 2022.

#### Review of the business

The company continued to incur interest and exchange movements on its intercompany loans. The company ended the year with net assets of £13.7m (2021: £13.9m).

#### Key performance indicators

Given the nature of the company's activities, which are limited to administrative expenses incurred as a holding company and transactions with other group companies in connection with intercompany loans, an analysis using key performance indicators is not considered necessary for an understanding of the performance and financial position of the company.

#### Principal risks and uncertainties

In the opinion of the directors, given that the company's activity relates to a stable customer base, the company faces no significant risks and uncertainties other than in relation to its investments in subsidiaries and its intercompany loans.

#### UK Governance Code and s.172 reporting

The directors, in accordance with their duties in law, act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members whilst having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

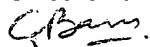
The long-term impact of any decisions is considered at board and management meetings involving the directors. This includes specific consideration of the current and future performance of trading subsidiaries, which impacts the ability of the company to repay its creditors as they fall due and taking account of the strategy of the wider group.

To the extent the company, as an intermediate holding company, has key relationships with suppliers, customers, and other external stakeholders, particularly those in its trading subsidiaries, the directors ensure that all relationships are maintained in the most appropriate manner to promote the interests of the company and its stakeholders. The interests of the company's employees are considered in the continuing investment in training and development for all.

The company monitors its impact on the environment, however the company itself generates minimal emissions or wastage given the company's primary activity is that of a holding company, with no direct turnover.

The directors demonstrate their fairness in their treatment of the members by following the rules laid out in the Articles of Association.

On behalf of the board



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G Basu

Director

Date: 28/09/23  
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# AUTOGARD HOLDINGS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their annual report and financial statements for the year ended 31 December 2022.

#### Principal activities

The principal activity of the company during the period was the management and controlling of investments and the provision of management services to other group companies.

#### Results and dividends

The results for the year are set out on page 7. No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

M C Waddell

D A Turtenwald

G Basu

(Resigned 27 May 2022)

(Appointed 4 July 2022)

#### Directors' insurance

The group of which the company is a member maintains professional indemnity insurance covering directors, officers and senior managerial staff.

#### Post reporting date events

On 24 August 2023 Autogard Holdings Limited carried out a share reduction. The issued share capital of the company was reduced from £21,979,757 to £13,979,757 by cancelling and extinguishing 8,000,000 of the issued Ordinary shares of £1 each in the company, each of which was fully paid up, and the amount by which the share capital was so reduced and repaid to the holder of those shares.

This was funded by a £250k loan from a group company and dividends from subsidiaries of Autogard Holdings Limited totalling £7.75m.

#### Future developments

There are no plans to change the nature of the company's activities for the foreseeable future.

#### Auditor

RSM UK Audit LLP has indicated its willingness to continue in office. A resolution to reappoint RSM UK Audit LLP as auditor will be proposed at the annual general meeting.


#### Energy and carbon reporting

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

  
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G Basu

Director

28/09/23

Date: .....

# **AUTOGARD HOLDINGS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOGARD HOLDINGS LIMITED**

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## **Opinion**

We have audited the financial statements of Autogard Holdings Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

## **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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOGARD HOLDINGS LIMITED (CONTINUED)**

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

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 material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 3, 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUTOGARD HOLDINGS LIMITED (CONTINUED)

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, and reviewing tax computations prepared by tax specialists.

The audit engagement team identified the risk of management override of controls as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditors-responsibilities> This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

*TR Morgan*

Thomas Morgan (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
2nd Floor  
1 The Square  
Temple Quay  
Bristol  
BS1 6DG

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# AUTOGARD HOLDINGS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

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	Notes	2022 £	2021 £
Administrative expenses		(732)	(34,806)
Interest payable to group undertakings		(296,250)	(187,953)
Impairment of investments	2	-	(12,100,000)
		<hr/>	<hr/>
<b>Loss before taxation</b>	4	(296,982)	(12,322,759)
Tax on loss	5	54,632	35,860
		<hr/>	<hr/>
<b>Loss for the financial year</b>		<u>(242,350)</u>	<u>(12,286,899)</u>

**AUTOGARD HOLDINGS LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investments	7	23,798,666		23,798,666	
<b>Current assets</b>					
Debtors	8	121,780		221,926	
Cash at bank and in hand		43,246		256,188	
		<u>165,026</u>		<u>478,114</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(5,667,063)</u>		<u>(2,736,969)</u>	
<b>Net current liabilities</b>		<u>(5,502,037)</u>		<u>(2,258,855)</u>	
<b>Total assets less current liabilities</b>		18,296,629		21,539,811	
<b>Creditors: amounts falling due after more than one year</b>	10	(4,600,000)		(7,600,832)	
<b>Net assets</b>		<u>13,696,629</u>		<u>13,938,979</u>	
<b>Capital and reserves</b>					
Called up share capital	12	21,979,757		21,979,757	
Share premium account	13	335,824		335,824	
Capital contribution reserve	13	3,260,000		3,260,000	
Profit and loss reserves	13	<u>(11,878,952)</u>		<u>(11,636,602)</u>	
<b>Total equity</b>		<u>13,696,629</u>		<u>13,938,979</u>	

The financial statements were approved by the board of directors and authorised for issue on 28/09/23 and are signed on its behalf by:



G Basu  
Director

# AUTOGARD HOLDINGS LIMITED

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

	Share capital £	Share premium account £	Capital contribution reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2021</b>	21,979,757	335,824	3,260,000	650,297	26,225,878
<b>Year ended 31 December 2021:</b>					
Loss and total comprehensive income for the year	-	-	-	(12,286,899)	(12,286,899)
<b>Balance at 31 December 2021</b>	21,979,757	335,824	3,260,000	(11,636,602)	13,938,979
<b>Year ended 31 December 2022:</b>					
Loss and total comprehensive income for the year	-	-	-	(242,350)	(242,350)
<b>Balance at 31 December 2022</b>	21,979,757	335,824	3,260,000	(11,878,952)	13,696,629

# AUTOGARD HOLDINGS LIMITED

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

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### 1 Accounting policies

#### Company information

Autogard Holdings Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is c/o Curtis, Mallet-Prevost, Colt & Mosle LLP, 99 Gresham Street, London, England, EC2V 7NG.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Reduced disclosures

The company is a qualifying entity under the FRS 102 Reduced Disclosure Framework and has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' - Presentation of a Statement of Cash Flow and related notes and disclosures.
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values, details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Regal Rexnord Corporation, incorporated in the USA. The consolidated financial statements of Regal Rexnord Corporation are filed at Companies House together with the financial statements of the company's parent, Rexnord Industries (UK) Limited, and can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

#### Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 401 of the Companies Act 2006 as it is a subsidiary undertaking of Regal Rexnord Corporation, a company incorporated in the USA, and is included in the consolidated accounts of that company.

#### Going concern

These financial statements have been prepared on a going concern basis on the grounds that the directors consider that the company has sufficient cash resources to enable the company to continue to meet its liabilities as they fall due.

The company has received confirmation that loans will not be withdrawn unless the company has the means to meet liabilities as they fall due. As such the directors consider the company can meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

# AUTOGARD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies (Continued)

##### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost net of depreciation and any provision for impairment. Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and machinery	3-10 years straight line
Computer equipment	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

##### **Fixed asset investments**

Fixed asset investments, reflecting investments in subsidiaries, are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

##### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

##### **Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Basic financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Basic financial liabilities, including trade and other creditors and amounts due to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

# AUTOGARD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies (Continued)

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

##### Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income or equity.

Current tax is based on taxable profit for the period. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are not taxable or deductible, or that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset if, and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

##### Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### Retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

##### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

# AUTOGARD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the opinion of the directors, there are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities other than in relation to the company's investments in subsidiaries.

#### Carrying value of investments in subsidiaries

The directors consider the carrying value of the company's investments in subsidiaries on an annual basis, taking into account the subsidiaries' results for the period, financial position at the reporting date, and expectations of future performance, which requires estimates in respect of the future cash flows and an appropriate discount rate. The key inputs to the carrying value calculations are the discount rate of 15.5% p.a. and the residual value growth of 3% p.a. applied for the 4th year onwards. Where evidence of impairment exists, the carrying value is adjusted accordingly.

The carrying value of investments in subsidiaries is disclosed in note 7.

A 1.0% p.a. increase in the discount rate would result in an impairment of £0.2m. A 0.5% p.a. decrease in the residual growth rate would result in no impairment.

During the year, an impairment charge of £nil (2021: £12.1m) was recognised against the carrying value of the company's investment in its subsidiary, Rexnord Tollok S.R.L (see note 7).

#### 3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Number of administrative staff	-	1

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	-	19,613
Social security costs	-	4,752
Pension costs	-	1,501
	-	25,866

# AUTOGARD HOLDINGS LIMITED

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

### 4 Operating loss

	2022 £	2021 £
Operating loss for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	203	1,393
Depreciation of owned tangible fixed assets	-	149
	<u>203</u>	<u>1,393</u>

Auditor's remuneration of £4,300 (2021: £3,750) for audit services, £3,500 (2021: £3,200) for tax compliance services and £2,025 (2021: £1,695) for other services was borne by another group company.

### 5 Taxation

	2022 £	2021 £
<b>Current tax</b>		
Group tax relief	(54,632)	(67,148)
	<u>(54,632)</u>	<u>(67,148)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	31,171
Adjustment in respect of prior periods	-	117
	<u>-</u>	<u>31,288</u>
Total deferred tax	-	31,288
	<u>-</u>	<u>31,288</u>
Total tax credit	(54,632)	(35,860)
	<u>(54,632)</u>	<u>(35,860)</u>

The total tax credit for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2022 £	2021 £
Loss before taxation	(296,982)	(12,322,759)
	<u>(296,982)</u>	<u>(12,322,759)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(56,427)	(2,341,324)
Tax effect of expenses that are not deductible in determining taxable profit	-	2,310,838
Change in unrecognised deferred tax assets	(96)	(5,491)
Other permanent differences	1,891	-
Deferred tax adjustments in respect of prior years	-	117
	<u>(54,632)</u>	<u>(35,860)</u>
Taxation credit for the year	(54,632)	(35,860)
	<u>(54,632)</u>	<u>(35,860)</u>

In the current period, £54,632 (2021: £67,148) was received for the surrender of £287,535 of losses under a group relief scheme.

The company has an unrecognised deferred tax asset of £230,840 (2021: £228,946) in respect of tax losses and other deductions. The deferred tax asset has not been recognised due to uncertainty over the timing of future profits against which the losses could be relieved.

# AUTOGARD HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 6 Tangible fixed assets

	Plant and machinery £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2022 and 31 December 2022	147,870	3,032	150,902
<b>Depreciation and impairment</b>			
At 1 January 2022 and 31 December 2022	147,870	3,032	150,902
<b>Carrying amount</b>			
At 31 December 2022	-	-	-
At 31 December 2021	-	-	-

#### 7 Fixed asset investments

	2022 £	2021 £
Investments in subsidiaries	23,798,666	23,798,666

##### Directly-held subsidiaries

Investments in subsidiaries reflect the company's interests in the entire issued ordinary share capital of Rexnord Tollok S.R.L. and British Autogard Limited. The principal activity of both of these companies is the manufacture, distribution and sale of power transmission products.

Rexnord Tollok S.R.L. is incorporated in Italy. Its registered office is Viale Adriatico, 9, 44020 Masi Torello (Ferrara), Italy. British Autogard Limited is incorporated in the United Kingdom and registered in England and Wales. Its registered office is c/o Curtis, Mallet-Prevost, Colt & Mosle LLP, 99 Gresham Street, London EC2V 7NG.

##### Indirectly-held subsidiaries

British Autogard Limited holds the entire issued ordinary share capital of Centa Transmission Limited. The company is non-trading. Centa Transmissions Limited entered liquidation on 31 January 2023.

Centa Transmissions Limited is incorporated in the United Kingdom and registered in England and Wales. The registered office is 2nd floor, 110 Cannon Street, London EC4N 6EU.

# AUTOGARD HOLDINGS LIMITED

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

### 7 Fixed asset investments (Continued)

#### Movements in fixed asset investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 January 2022 & 31 December 2022	39,898,666
<b>Impairment</b>	
At 1 January 2022 & 31 December 2022	16,100,000
<b>Carrying amount</b>	
At 31 December 2022	23,798,666
At 31 December 2021	23,798,666

### 8 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	121,780	215,436
Other debtors	-	6,490
	<u>121,780</u>	<u>221,926</u>

### 9 Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	5,667,063	2,721,969
Accruals and deferred income	-	15,000
	<u>5,667,063</u>	<u>2,736,969</u>

Included with amounts owed to group undertakings, is a loan of £3m which bears interest at 3% and is due for repayment in February 2023.

### 10 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Amounts owed to group undertakings	<u>4,600,000</u>	<u>7,600,832</u>

Amounts owed to group undertakings reflect loans from fellow subsidiary undertakings being a loan of £4.6m which bears interest at 2% and is due for repayment in October 2026.

# AUTOGARD HOLDINGS LIMITED

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

### 11 Retirement benefit schemes

	2022	2021
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	-	1,501

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently-administered fund. At the year end, contributions of £nil (2021: £nil) were outstanding and are included in other creditors.

### 12 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
<b>Ordinary share capital Issued and fully paid</b>				
Ordinary shares of £1 each	21,979,757	21,979,757	21,979,757	21,979,757

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

### 13 Reserves

#### Share premium

The share premium account reflects consideration received for shares issued above their nominal value net of transaction costs.

#### Capital contribution reserve

The capital contribution reserve reflects a capital contribution made by the parent company Rexnord Industries (UK) Limited on 22 March 2019.

#### Profit and loss reserves

Profit and loss reserves reflect cumulative profit and losses net of distributions to members and adjustments in relation to reductions in share capital.

### 14 Events after the reporting date

On 24 August 2023 Autogard Holdings Limited carried out a share reduction. The issued share capital of the company was reduced from £21,979,757 to £13,979,757 by cancelling and extinguishing 8,000,000 of the issued Ordinary shares of £1 each in the company, each of which was fully paid up, and the amount by which the share capital was so reduced and repaid to the holder of those shares.

This was funded by a £250k loan from a group company and dividends from subsidiaries of Autogard Holdings Limited totalling £7.75m.

### 15 Related party transactions

The company has taken advantage of the exemption in Section 33 of FRS 102 and has not disclosed details of transactions with other wholly-owned entities in the group headed by Regal Rexnord Corporation.

# **AUTOGARD HOLDINGS LIMITED**

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

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### **16 Ultimate controlling party**

The immediate parent company is Rexnord Industries (UK) Limited, a company incorporated in the United Kingdom and registered in England and Wales. The ultimate parent company is Regal Rexnord Corporation, a company incorporated in the USA. Regal Rexnord Corporation heads the largest and smallest group in which the results of the company are consolidated. The consolidated financial statements of Regal Rexnord Corporation are filed at Companies House together with the financial statements of the immediate parent company, and can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

In the opinion of the directors there is no overall controlling party.