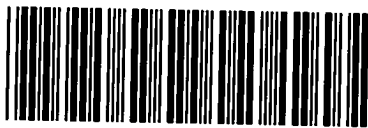


Company Registration No. 07528607 (England and Wales)

REXNORD INDUSTRIES (UK) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023

TUESDAY



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08/04/2025

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COMPANIES HOUSE

REXNORD INDUSTRIES (UK) LIMITED

COMPANY INFORMATION

Director	J S Greving
Secretary	J S Greving
Company number	07528607
Registered office	C/O Company Secretarial Department 280 Bishopsgate London EC2M 4AG United Kingdom
Auditor	RSM UK Audit LLP Chartered Accountants 2nd Floor 1 The Square Temple Quay Bristol BS1 6DG

REXNORD INDUSTRIES (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The director presents the strategic report for the year ended 31 December 2023.

Review of the business

The company ended the year with net assets of £14.4m (2022 as restated: £54.2m). During the year the company impaired its investments by £30.2m (2022: £1.5m).

Key performance indicators

Given the nature of the company's activities, which are limited to 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 director, given that the company's activity is that of a holding company, 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 director, in accordance with their duties in law, acts 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 director. 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 director ensures that all relationships are maintained in the most appropriate manner to promote the interests of the company and its stakeholders.

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 employees or turnover.

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

On behalf of the board



.....
J S Greving
Director

Date: 04/04/25
.....

REXNORD INDUSTRIES (UK) LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The director presents his report and financial statements for the year ended 31 December 2023.

Principal activities

The principal activity of the company during the year was that of an intermediate holding company.

Results and dividends

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

Director

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

J S Greving

Director's insurance

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

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 he ought to have taken as a director in order to make himself aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
J S Greving

Director

Date: 04/04/25
.....

REXNORD INDUSTRIES (UK) LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REXNORD INDUSTRIES (UK) LIMITED

Opinion

We have audited the financial statements of Rexnord Industries (UK) Limited (the 'company') for the year ended 31 December 2023 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 2023 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 director's 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 director 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 director is 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REXNORD INDUSTRIES (UK) LIMITED (CONTINUED)

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

Responsibilities of director

As explained more fully in the director's responsibilities statement set out on page 3, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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 REXNORD INDUSTRIES (UK) LIMITED (CONTINUED)

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 him 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.

T R 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

04/04/25
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REXNORD INDUSTRIES (UK) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2022
	Notes	£	as restated £
Impairment of investments	7	(30,198,000)	(1,500,000)
Income from shares in group undertakings	5	900,000	-
Other interest receivable and similar income	5	-	35,207
Loss before taxation		(29,298,000)	(1,464,793)
Tax on loss		(3,345)	-
Loss for the financial year		(29,301,345)	(1,464,793)

REXNORD INDUSTRIES (UK) LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2023**

		2023		2022	
				as restated	
	Notes	£	£	£	£
Fixed assets					
Investments	7		14,271,639		54,069,639
Current assets					
Debtors	8	150,000		150,000	
Cash at bank and in hand		5,673		5,673	
		<u>155,673</u>		<u>155,673</u>	
Creditors: amounts falling due within one year	9	<u>(3,345)</u>		<u>-</u>	
Net current assets			<u>152,328</u>		<u>155,673</u>
Total assets less current liabilities			<u>14,423,967</u>		<u>54,225,312</u>
Capital and reserves					
Called up share capital	10		30,167,632		40,667,632
Share premium account	11		2,971,000		2,971,000
Capital redemption reserve	11		1		1
Capital contribution reserve	11		3,260,000		3,260,000
Profit and loss reserves	11		(21,974,666)		7,326,679
Total equity			<u>14,423,967</u>		<u>54,225,312</u>

The financial statements were approved and signed by the director and authorised for issue on 04/04/25



 J S Greving
 Director

REXNORD INDUSTRIES (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital £	Share premium account £	Capital redemption reserve £	Capital contribution reserve £	Profit and loss reserves £	Total £
As restated for the period ended 31 December 2022:						
Balance at 1 January 2022	40,667,632	2,971,000	1	3,260,000	8,791,472	55,690,105
Year ended 31 December 2022:						
Loss and total comprehensive income for the year	-	-	-	-	(1,464,793)	(1,464,793)
Balance at 31 December 2022	40,667,632	2,971,000	1	3,260,000	7,326,679	54,225,312
Year ended 31 December 2023:						
Loss and total comprehensive income for the year	-	-	-	-	(29,301,345)	(29,301,345)
Reduction of shares 10	(10,500,000)	-	-	-	-	(10,500,000)
Balance at 31 December 2023	30,167,632	2,971,000	1	3,260,000	(21,974,666)	14,423,967

REXNORD INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Rexnord Industries (UK) Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is C/O Company Secretarial Department, 280 Bishopsgate, London, United Kingdom, EC2M 4AG.

The company's principal activities and nature of its operations are disclosed in the Director's 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, 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

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

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 reflect cash in hand and deposits held at call with banks.

REXNORD INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

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 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 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.

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.

REXNORD INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

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.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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 director, 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 investment in subsidiaries.

Carrying value of investments in subsidiaries

The director considers the carrying value of the company's investments in trading 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 14.7% 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. Where subsidiaries are not trading the value is assessed using a net realisable basis. The carrying value of investments in subsidiaries is disclosed in note 7.

During the previous year, an impairment charge of £1.5m was recognised against the carrying value of the company's investment in its subsidiaries (see note 7). Following a reassessment of investments for impairment the company has concluded that its investment in Micro Precision Gear Technology Limited has seen a reversal of this impairment booked in the prior year. This has led to a release of £1.5m during the year ended 31 December 2023.

In the prior year, the company recognised an impairment provision against their investment balance amounting to £11.9m. During the current year, it was noted that certain input to the impairment calculation model was found to be inaccurate which resulted to over provisioning of an impairment of the same amount. As a result, a prior period adjustment has been posted to restate the comparative amounts. Further information is disclosed in note 3.

In the current year, an impairment of £31.7m has been recognised in relation to the company's investment in Autogard Holdings Limited.

REXNORD INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Prior period adjustment

In the prior year, the company recognised an impairment provision against their investment balance amounting to £11.9m. During the current year, it was noted that certain input to the impairment calculation model was found to be inaccurate which resulted to over provisioning of impairment of the same amount.

As a result, a prior year adjustment is required to restate the comparative amounts, with the impact summarised as follows:

Changes to the statement of financial position

	As previously reported £	Adjustment £	As restated at 31 Dec 2022 £
Fixed assets			
Investments	42,169,639	11,900,000	54,069,639
Total assets less current liabilities	42,325,312	11,900,000	54,225,312
Capital and reserves			
Profit and loss	(4,573,321)	11,900,000	7,326,679
Total equity	42,325,312	11,900,000	54,225,312

Changes to the income statement

	As previously reported £	Adjustment £	As restated £
Period ended 31 December 2022			
Impairment of investments	(13,400,000)	11,900,000	(1,500,000)
Loss before taxation	(13,364,793)	11,900,000	(1,464,793)
Loss for the financial period	(13,364,793)	11,900,000	(1,464,793)

4 Profit before taxation

Auditor's remuneration of £5,100 (2022: £4,350) for audit services was borne by another group company.

There were no employees during the current year and previous period apart from the director. The director's remuneration and pension contributions in the current year and previous period were borne by another group company.

5 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Other interest income	-	35,207
Income from fixed asset investments		
Income from shares in group undertakings	900,000	-
Total income	900,000	35,207

REXNORD INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Taxation

	2023	2022
	£	£
Current tax		
Adjustments in respect of prior periods	3,345	-

The total tax charge 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:

	2023	2022
	£	as restated £
Loss before taxation	(29,298,000)	(1,464,793)
Expected tax credit based on the standard rate of corporation tax in the UK of 23.52% (2022: 19.00%)	(6,891,065)	(278,311)
Tax effect of expenses that are not deductible in determining taxable profit	7,455,559	285,000
Tax effect of income not taxable in determining taxable profit	(564,494)	-
Adjustments in respect of prior years	3,345	-
Remeasurement of deferred tax for changes in tax rates	-	1,056
Movement in deferred tax not recognised	-	(4,401)
Use of brought forward losses	-	(3,345)
Rounding	-	1
Taxation charge for the year	3,345	-

The company has losses carried forward of £1,284,268 (2022: £1,284,268) but, on the grounds that the company is not expected to be profitable in the immediately foreseeable future, no deferred tax asset has yet been recognised.

7 Fixed asset investments

	2023	2022
	£	as restated £
Investments in subsidiaries	14,271,639	54,069,639

REXNORD INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Fixed asset investments (Continued)

Directly-held subsidiaries

Investments in subsidiaries reflect the company's interests in the entire issued ordinary share capital of Autogard Holdings Limited and Micro Precision Gear Technology Limited. The principal activity of Autogard Holdings Limited is the management of investments and provision of management services. The principal activity of Micro Precision Gear Technology Limited is the manufacture, distribution and sale of power transmission products.

Autogard Holdings Limited and Micro Precision Gear Technology Limited are incorporated in the United Kingdom and registered in England and Wales. The registered office of both companies is C/O Company Secretarial Department, 280 Bishopsgate, London EC2M 4AG.

Indirectly-held subsidiaries

Autogard Holdings Limited holds the entire issued ordinary share capital of Rexnord Tollok S.R.L. and British Autogard Limited. The principal activity of these companies is the manufacture, distribution and sale of power transmission products.

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.

Rexnord Tollok S.R.L. is incorporated in Italy. Its registered office is Viale Adriatico, 9, 44020 Masi Torello (Ferrara), Italy. British Autogard Limited and Centa Transmissions Limited are incorporated in the United Kingdom and registered in England and Wales. The registered office of British Autogard is C/O Company Secretarial Department, 280 Bishopsgate, London EC2M 4AG, and the registered office of Centa Transmission Limited is 2nd floor, 110 Cannon Street, London EC4N 6EU.

REXNORD INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

7 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2023	55,569,639
Capital redemption	(9,600,000)
At 31 December 2023	45,969,639
Impairment	
At 1 January 2023 as restated	1,500,000
Impairment losses	31,698,000
Impairment loss reversals	(1,500,000)
At 31 December 2023	31,698,000
Carrying amount	
At 31 December 2023	14,271,639
At 31 December 2022	54,069,639

Following a reassessment of investments for impairment the company has concluded that its investment in Micro Precision Gear Technology Limited has seen a reversal of the impairment booked in prior years. This has led to a release of £1.5m (2022: £nil).

An impairment of £31.7m has been recognised in the year in relation to the company's investment in Autogard Holdings Limited.

In the prior year an impairment of £11.9m was incorrectly recognised against the company's cost of investment. This was an error and as such this impairment has been restated in the prior year comparatives.

8 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Amounts owed by group undertakings	150,000	150,000

No interest is charged on amounts owed by group undertakings.

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Corporation tax	3,345	-

REXNORD INDUSTRIES (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	30,167,632	40,667,632	30,167,632	40,667,632

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.

On 5 October 2023 Rexnord Industries (UK) Limited carried out a share reduction. The issued share capital of the company was reduced from £40,667,632 to £30,167,632 by cancelling and extinguishing 10,500,000 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 dividends and share capital reductions from subsidiaries of Rexnord Industries (UK) Limited totalling £10.5m.

11 Reserves

Share premium

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

Capital redemption reserve

The capital redemption reserve reflects the nominal value of shares previously repurchased and cancelled.

Capital contribution reserve

The capital contribution reserve reflects a capital contribution made by the immediate parent company Rexnord Industries LLC on 22 March 2019.

Profit and loss reserves

Profit and loss reserves reflect cumulative profit and losses net of distributions to members.

12 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.

13 Ultimate controlling party

The immediate parent company is Rexnord Industries LLC, a company incorporated in the United States of America. 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 director there is no overall controlling party.