

**RENTOKIL INITIAL UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
**REGISTERED NUMBER 301044**

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**RENTOKIL INITIAL UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 2022**

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**RENTOKIL INITIAL UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**31 DECEMBER 2022**

**COMPANY INFORMATION**

**DIRECTORS:**

J K Hampson  
P P Wood  
G E Harris  
R E Canham (Appointed 04 April 2022)

**COMPANY SECRETARY:**

C Stead

**REGISTERED OFFICE:**

Compass House  
Manor Royal  
Crawley  
West Sussex  
RH10 9PY  
United Kingdom

**INDEPENDENT AUDITORS:**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
7 More London Riverside  
London  
SE1 2RT

## **STRATEGIC REPORT**

### **Introduction**

The directors present their annual report, together with the audited financial statements of Rentokil Initial UK Limited ("the Company") for the year ended 31 December 2022.

### **Principal activities**

The Company is a subsidiary within the Rentokil Initial plc group ("the Group") and its principal activity is the provision of business services to external customers. These services include Pest Control management and prevention, Hygiene services and Medical waste services. The Company also manufactures products for internal sale to other Rentokil Initial plc group companies.

### **Business Review**

The directors are satisfied with the Company's financial position at the year end, having net assets of £262,073,000 (2021: £211,569,000) and its prospects for future development. The Company made a profit after taxation for the year ended 31 December 2022 of £50,504,000 (2021: £58,812,000).

Gross margin decreased in comparison to 2021 by 1.29% and represents a figure of 40.11%. This decrease is largely due to the challenging macroeconomic environment seen in the UK during the year.

Operating Profit decreased by £6,866,000, this was largely due to an increase in one off costs in 2022 which are expected to be non repeat costs going into 2023.

A continued improvement during the year was seen on debtor days, with them falling by 6 days.

### **Principal risks and uncertainties**

The directors of Rentokil Initial plc manage the risks of the Group at a group level, rather than at an individual business unit level. For this reason, the Company's directors believe that a discussion of the Company's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's 2022 Annual Report, which does not form part of this report. Below are the key risks & uncertainties as discussed in the Group's 2022 Annual Report that the directors the Company continuously review at a business level in conjunction with Group:

- Failure to grow the Company profitability in a changing macro-economic environment
- Failure to mitigate against financial market risks
- Breaches of laws or regulations
- Fraud, financial crime and loss or unintended release of personal data
- Safety, health and the environment
- Failure to deliver consistently high levels of service to the satisfaction of our customers

In response to these threats, management has continuously reviewed risks to ensure that performance is maximised and that cash collection procedures are optimised to ensure the liquidity of the entity. At the time of signing the financial statements, volumes have continued to improve and cash collections have remained strong through the year. Management believes that the actions of the Company have been extensive and successful to protect the investments.

### **Key Performance Indicators**

The Group manages its operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the division of Rentokil Initial plc, which includes the Company, is discussed in the Group's 2022 Annual Report which does not form part of this report.

**STRATEGIC REPORT (Continued)**

**Directors' statement of compliance with duty to promote the success of the Company**


Section 172(1) of the Companies Act 2006 ("section 172") requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole but having regard to a range of different matters including wider stakeholders. In discharging their section 172 duties the directors of the Company do this, although at times some factors may have been more relevant than others, and the interests of some stakeholders will have been more relevant than others.

In addition, the directors also have regard to other factors which they consider relevant to the decision being made. Whilst the directors of the Company retain responsibility for the operations and interests of the Company, those factors include for example the interests of the wider Rentokil Initial group under the Company's ultimate parent Rentokil Initial plc and the Company's relationship with its lenders. By considering the Company's purpose, vision and values together with its strategic priorities (which are aligned with those of the Rentokil Initial group as a whole) and having a process in place for decision-making, the directors aim to make sure that their decisions are consistent and appropriate in all circumstances, including with regards to the wider matters contemplated under section 172.

Authority for day-to-day management of the Company is delegated to executives who then engage management in setting, approving and overseeing execution of the business strategy and related policies. Board meetings are now held on a quarterly basis and when required where the directors consider the Company's activities and make decisions, as appropriate. As a part of those meetings the directors, where relevant, receive information on section 172 matters when making decisions. Principal decisions taken during 2022 include capital allocation, funding (including inter-company arrangements and funding of the Company's subsidiaries), M&A activity, granting powers of attorney and the review and approval of the Company's modern slavery statement and the 2022 report. In making such decisions, the directors of the Company considered a range of factors. For example, when reviewing financing options, factors included the long-term viability of the Company; its expected cash flow and financing requirements; the ongoing need for strategic investment in the business; the expected funding needs of the Company's subsidiaries and the supply of long-term equity capital to the Company.

The Company's principal activity is the provision of business services and the manufacturing of products for sale to the other Rentokil Initial plc Group companies. Further information on the Company's engagement with its employees, customers and suppliers can be found in the Directors' Report.

On behalf of the board



Grace Harris (Sep 26, 2023 17:10 GMT+1)

G E Harris  
Director  
Compass House  
Manor Royal  
Crawley  
West Sussex  
RH10 9PY  
Company number 301044  
26 September 2023

## **DIRECTORS' REPORT**

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

### **Statement of Directors' responsibilities in respect of the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Results and dividends**

The operating profit of £62,407,000 (2021: £69,273,000) has decreased in the year due to the impact of a challenging macro-economic environment. The profit for the year, after taxation, amounted to £50,504,000 (2021: £58,812,000). An interim dividend of £nil was paid during the year (2021: £nil). The directors do not recommend the payment of a final dividend for 2022 (2021: £nil).

### **Charitable and Political Donations**

The Company made a charitable donation of stock with a net realisable value of £219,198 during the year (2021: £22,344). No political donations were made during the year (2021: £nil).

## **DIRECTORS' REPORT (Continued)**

### **Directors**

The directors of the Company who were in office during the year and up to the date of signing the financial statements, unless otherwise stated, were

D P F Fagan (Resigned 30 March 2022)

J K Hampson

P P Wood

G E Harris

R E Canham (Appointed 04 April 2022)

### **Engagement with employees**

The Company attaches considerable importance to engaging and communicating with its employees. Internal communications take place at a group, divisional, company, business and team level in order to ensure that colleagues receive accurate information in a timely manner, and a variety of structures exist for two-way communications at all levels. At a corporate level the Group intranet is used to announce Company news with the support of direct email communication from the Company's executive team and functional leaders. This is supplemented by a periodic electronic magazine, The Right Way, for employees. Details on methods of engagement deployed by the Group as a whole can be found in the Rentokil Initial plc 2022 Annual Report and 2022 Responsible Business Report, both of which are available on its website at [www.rentokil-initial.com](http://www.rentokil-initial.com).

Applications for employment by disabled persons are always fully considered, taking into account the aptitudes of the applicants. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate re-training is made available. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to those of other employees.

### **Engagement with suppliers, customers and others**

The Company recognises the importance of engaging effectively and fostering successful business relationships with suppliers, customers and others. A comprehensive set of policies and procedures is in place to ensure high standards of professional business conduct, including adherence to the Rentokil Initial Code of Conduct. The directors have regard for such relationships when making decisions. Details of the regard directors have had to these business relationships among other matters can be found in the section 172(1) statement on page 2 and 3. Further detail on engagement with suppliers, customers and others at a Rentokil Initial group level can be found in the Rentokil Initial plc 2022 Annual Report and 2022 Responsible Business Report at [www.rentokil-initial.com](http://www.rentokil-initial.com).

### **Post balance sheet events**

On March 31<sup>st</sup> 2023 the Company purchased 100% of the share capital of multiple entities trading as "Urban Planters". On 31<sup>st</sup> August 2023 the Company purchased 100% of the share capital of Duct Clean Services Ltd. Further detail can be found in note 24.

### **Independent Auditors**

In accordance with section 487 of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed reappointed as the Company's auditors and will therefore continue in office.

### **Future developments**

The Company's main activities are the provision of business services to external customers and the manufacturing of products for internal sale to other Rentokil Initial plc group companies. The directors do not intend, at the date of this report, that there will be any major changes in the Company's activities in the next year, but they are continually monitoring innovations.

### **Financial Risk Management**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company actively maintains its cash balance and other liquid assets to ensure that adequate resources are available to the Company to meet its funding requirements on a day-to-day basis and that financial risk arising from the Company's underlying operations are effectively identified and managed.

**DIRECTORS' REPORT (Continued)**

**Financial Risk Management (Continued)**

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its contractual obligations. The directors do not consider the Company is exposed to significant credit risk as a result of holding cash. Further, credit risk for debtors is considered as low since they are usually collected within the prescribed time and the customer base is large and diverse.

**Corporate Governance**

The Company is part of Rentokil Initial plc group of companies and adheres to the broader governance of the Group and its policies. Rentokil Initial plc is a listed company and therefore complies with the UK Corporate Governance code. Further detail on corporate governance at a Rentokil Initial group level can be found in the Rentokil Initial plc 2022 Annual Report at [www.rentokil-initial.com](http://www.rentokil-initial.com).

No formal corporate governance code has been adopted in 2022, as codes such as the Wates Principles or the UK Corporate Governance Code are not considered appropriate for the Company to adopt at this time. However, the directors have applied the following important governance activities throughout the year and will continue to monitor the appropriateness of any formal corporate governance code:

- The entity maintains a strong board with clearly defined roles and responsibilities and a range of complementary experiences and skills. The board is also comprised of directors from both the executive branch and also independent of the operations.
- Any new appointees to the board are required to pass a rigorous and transparent procedure. Board members are further expected to dedicate sufficient time maintaining appropriate skills and knowledge to discharge their duties appropriately.
- The board understands its responsibility in ensuring that the financial statements present a fair, balanced and understandable assessment of the Company's position and prospects. All key risks are properly disclosed and described within the Group's 2022 annual report and financial statements and appropriate and robust internal control mechanisms are in place. In particular a robust and independent external audit function, a strong internal audit function that reports to senior management not directly responsible for the entity, a functional reporting structure which encourages accurate reporting through key disciplines (such as finance), and a strong local control environment which is monitored through a quarterly governance review. The Company's auditors are appointed at a Group level and are appointed through a transparent and robust tender and review process.
- Directors' remuneration is linked to long-term success and sustainability of the Company. Appropriate metrics are maintained and reported to ensure that the management are focused on the quality of the earnings delivered. No director is involved in the decisions regarding their own remuneration.
- The only shareholder in relation to the Company is the parent company; as such the requirement to communicate with investors is minimal. Details of the Company's engagement with other stakeholders such as employees, suppliers and customers are included in this Directors' Report and can be found on page 5.

This report was approved by the board and signed by order of the board.



Catherine Stead  
Company Secretary  
Compass House  
Manor Royal  
Crawley  
West Sussex  
RH10 9PY  
Registered number 301044  
26 September 2023



**RENTOKIL INITIAL UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENTOKIL INITIAL UK LIMITED**

**Report on the audit of the financial statements**

**Opinion**

In our opinion, Rentokil Initial UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; Statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

**Conclusions relating to going concern**

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

**RENTOKIL INITIAL UK LIMITED**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENTOKIL INITIAL UK LIMITED (Continued)**

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

**Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

**Responsibilities for the financial statements and the audit**

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

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

**Auditors' 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 auditors' 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENTOKIL INITIAL UK LIMITED (Continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations and adherence to data protection requirements, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and tax regulation (including Corporate tax, VAT and PAYE). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate the financial performance of the Company and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit procedures to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Review of corporate tax calculations and VAT and PAYE filings for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or

**RENTOKIL INITIAL UK LIMITED**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RENTOKIL INITIAL UK LIMITED (Continued)**

- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Simon Bailey (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
27 September 2023

**RENTOKIL INITIAL UK LIMITED**  
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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	<u>2022</u> £'000	<u>2021</u> £'000
Revenue	2	308,988	300,579
Cost of sales		(185,029)	(175,969)
<b>GROSS PROFIT</b>		123,959	124,610
Administrative expenses		(61,552)	(55,337)
<b>OPERATING PROFIT</b>	3	62,407	69,273
Income from shares in group undertakings		-	39,566
Impairment loss on investments	12	-	(35,693)
<b>PROFIT BEFORE INTEREST</b>		62,407	73,146
Interest receivable and similar income	5	22	-
Interest payable and similar expenses	6	(992)	(984)
<b>PROFIT BEFORE TAXATION</b>		61,437	72,162
Tax on profit	8	(10,933)	(13,350)
<b>PROFIT FOR THE YEAR</b>		50,504	58,812

The results of the year are wholly attributable to the continuing operations of the Company. There was no other comprehensive income for 2022 (2021: £nil).

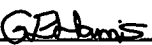
The notes on pages 14 to 38 form part of the financial statements.

**RENTOKIL INITIAL UK LIMITED**  
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**BALANCE SHEET AS AT 31 DECEMBER 2022**

	Note	<u>2022</u> £'000	<u>2021</u> £'000
<b>FIXED ASSETS</b>			
Contract costs		9,393	6,722
Intangible assets	9	22,441	26,679
Tangible assets	10	22,130	22,164
Right of use assets	11	26,149	24,538
Investments	12	105,191	93,429
		185,304	173,532
<b>CURRENT ASSETS</b>			
Stocks	14	16,990	18,094
Debtors	15	337,404	288,540
Cash and cash equivalents		29,726	30,302
		384,120	336,936
Creditors - Amounts falling due within one year	17	(287,950)	(281,166)
<b>NET CURRENT ASSETS</b>		96,170	55,770
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		281,474	229,302
Creditors – amounts falling due after more than one year	18	(18,722)	(16,617)
Provisions for Liabilities	19	(679)	(1,116)
<b>NET ASSETS</b>		<b>262,073</b>	<b>211,569</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	1,055	1,055
Share premium account		50,313	50,313
Profit and loss account		210,705	160,201
<b>TOTAL EQUITY</b>		<b>262,073</b>	<b>211,569</b>

The financial statements on pages 11 to 38 were approved by the board on 26 September 2023 and were signed on its behalf by:

  
 Grace Harris (Sep 26, 2023 17:10 GMT+1)

G E Harris  
 Director  
 Company number 301044

The notes on pages 14 to 38 form part of the financial statements.

**RENTOKIL INITIAL UK LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>Called up Share Capital £'000</b>	<b>Share Premium £'000</b>	<b>Profit and Loss Account £'000</b>	<b>Total £'000</b>
<b>At 1 January 2021</b>	1,055	50,313	101,389	152,757
Profit for the year	-	-	58,812	58,812
<b>At 31 December 2021</b>	<b>1,055</b>	<b>50,313</b>	<b>160,201</b>	<b>211,569</b>

	<b>Called up Share Capital £'000</b>	<b>Share Premium £'000</b>	<b>Profit and Loss Account £'000</b>	<b>Total £'000</b>
<b>At 1 January 2022</b>	1,055	50,313	160,201	211,569
Profit for the year	-	-	50,504	50,504
<b>At 31 December 2022</b>	<b>1,055</b>	<b>50,313</b>	<b>210,705</b>	<b>262,073</b>

The notes on pages 14 to 38 form part of the financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. GENERAL INFORMATION AND ACCOUNTING POLICIES**

Rentokil Initial UK Limited is a private company limited by shares incorporated in England and Wales and domiciled in the United Kingdom. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. The Company is a wholly owned subsidiary of Rentokil Initial plc Group ("the Group") and operates as part of the Group's central division.

The Company is exempt, by virtue of section 400 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.

#### **Basis of preparation**

The financial statements have been prepared under the historic cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and Companies Act 2006 as applicable to companies using FRS 101.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The presentation currency used is sterling and amounts have been presented in round thousands (£'000).

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and there have been no significant changes in the accounting policies. 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 at the end of note 1.

#### **Financial reporting standard 101 – reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- The requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payments
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraph 118 of IFRS 15
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets
- Information relating to new IFRS standards which have been issued but which are not yet effective, including an assessment of the possible impact that it will have when it is adopted for the first time (IAS 8.30-31)



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Financial reporting standard 101 – reduced disclosure exemptions (Continued)**

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

**Going concern**

These financial statements have been prepared on the going concern basis which the directors consider appropriate for the following reasons.

The directors have performed a going concern assessment for a period of at least 12 months from the date of approval of these financial statements which indicates that the Company will have sufficient funds through its cash balance and operating cash to meet its liabilities as they fall due for that period. As at the balance sheet date the net asset position was £262,073,000 (2021: £211,569,000) and cash balance of the Company was £29,726,000 (2021: £30,302,000).

Consequently, the directors are confident that the Company will have sufficient funds to continue in operational existence and to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements; thus they continue to adopt the going concern basis in preparing the annual financial statements.

**Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

**Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

***Financial assets***

The Company classifies its financial assets as loans, receivables and cash and they are measured at amortised cost. The Company has not classified any of its financial assets as fair value through profit and loss or held to maturity.

***Loans and other receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Short-term debtors are measured at transaction price, less any impairment.

***Cash and cash equivalent***

Cash and cash equivalent is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Financial instruments (continued)**

***Trade receivables***

The Company's trade receivables are recognised at the transaction price less provision for impairment. The amount of the provision is recognised in the income statement and movements on provisions for impaired trade receivables are recognised within operating expenses in the income statement. Amounts are generally charged to the provision for impairment of trade receivables when there is no expectation of recovering additional cash. Expected credit loss (ECL) calculations are performed quarterly and are used to help calculate the provision. ECL calculations are a probability weighted estimate of credit losses and are performed at country level. Credit risk factors that are considered as part of ECL calculations may include but are not limited to: payment history, customer size, customer type (national/residential/commercial/government), age of debt, industry strength, economy, product or service provided. There is limited concentration of credit risk with respect to trade receivables due to the Group's customer base being large and diverse. The amount of credit risk with respect to customers is represented by the carrying amount on the balance sheet. The Company policy is that credit facilities for new customers are approved by designated managers at regional level. Credit limits are set with reference to trading history and reports from credit rating agencies where they are available. Where this is not feasible the Company may request payment in advance of work being carried out, or settlement by credit card on completion of the work. There are no trade receivables that would otherwise be past due or impaired whose terms have been renegotiated.

***Financial liabilities***

The Company recognises its financial liabilities at amortised cost.

***Amortised cost***

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Balance Sheet.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**Revenue recognition**

Revenue represents the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled. All revenue is considered revenue from contracts with customers as defined by IFRS 15, including job work and sale of goods. Under IFRS 15, revenue is recognised when a customer obtains control of goods or services in line with identifiable performance obligations. In the majority of cases the Company considers that the contracts it enters into are contracts for bundled services which are accounted for as a single performance obligation. Accordingly the majority of revenue across the Company is recognised on an output basis evenly over the course of the contract because the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs. Job work is short-term contract revenue whereby the period of service is typically less than one month in duration. The performance obligations linked to this revenue type are individual to each job due to their nature, with revenue being recognised at a point in time on completion. Where consumables are supplied separately from the service contract, revenue is recognised at the point the goods transfer. The transaction price reported for all contracts is the price agreed in the contract and there are no material elements of variable consideration, financing component or non-cash consideration.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Revenue recognition (continued)**

The Company applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations because the Company has a right to consideration from customers in an amount that corresponds directly with the value to the customer of the performance obligations completed to date. There are no circumstances in which the Company acts as an agent.

Disaggregation of revenue into major types of revenue stream is shown in Note 2 Revenue.

The Company makes a charge against revenue for credit notes not yet issued at the balance sheet date.

***Performance obligations***

***Revenue recognised over time – contract service revenue***

These are mainly full service contracts, inclusive of equipment, maintenance and consumables as required. The inclusive service is treated as a single performance obligation.

***Pest Control:*** the Company offers a range of services with by far the most common being General Pest Maintenance Contracts. Under this type of contract the Company promises to provide a pest control service for the duration of the contract. In order to fulfil this promise equipment is supplied (such as bait boxes) and a technician maintains and monitors the equipment at a set number of visits per year, plus any additional call-outs as required; so there is a stand-ready element to the service as well as an ongoing service. The Company considers that this type of contract is a bundled service as the goods and services are not distinct in the context of the contract; equipment is not supplied without service.

***Hygiene:*** the Company offers a similar type of service to Pest Control, providing washroom equipment, consumables and a technician to service the washroom. This type of contract will include a set number of visits. Dispensers are replenished by the technician. Management considers that the supply of goods and services are not distinct in the context of the contract. Dispensers and other equipment would not be supplied without providing the full service; the equipment is controlled by the Company and ownership does not transfer.

***Protect & Enhance:*** contracts in this business category mainly relate to Ambius (interior landscaping). In Ambius the major types of contract are for supply and maintenance of interior plants. Maintenance is only offered for plants that were supplied by the Company and therefore the services are not distinct in the context of the contract. The assets are positioned and situated by our technicians and the customer is not permitted to relocate them. At the end of the contract any assets on the customer's site are recovered.

***Revenue recognised at a point in time – job work***

These services are short-term in nature and only an immaterial amount would straddle an accounting period end. There is usually only one performance obligation with revenue recognised at the point of completion of the work.

***Pest Control:*** an example of this type of revenue in the Pest Control category is bird-proofing which is a one-off installation that, depending on the size of the site, may take between a few days and several weeks to complete. There is a single performance obligation (to install bird-proofing) and the customer is billed, and revenue recognised, at certain stages of completion within the job.

***Hygiene:*** this type of revenue is generated by our Specialist Hygiene team who perform specialist cleaning services such as graffiti removal, deep cleaning of kitchens and washrooms, trauma cleaning, flood or fire damage cleaning. These are usually short-term jobs (under one week) and usually there is a single performance obligation with revenue recognised on completion of the job.

***Protect & Enhance:*** this type of revenue is generated in our Ambius business and includes work such as Christmas installations (trees and decorations). There is usually a single performance obligation with revenue recognised at a point in time.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

*Performance obligations (continued)*

*Revenue recognised at a point in time – sale of goods*

Sale of products and consumables relates mainly to the pest control distribution businesses which sell pest control products to retailers and the pest control industry. In the Hygiene business there are some sales of consumables to customers. In all cases, revenue is recognised at the point in time that ownership transfers to the customer.

*Contract costs*

Contract costs are mainly incremental costs of obtaining contracts (primarily sales commissions directly related to contracts obtained), and to a lesser extent costs to fulfil contracts which are not within the scope of other standards (mainly incremental costs of putting resources in place to fulfil contracts). It is anticipated that these costs are recoverable over the life of the contract to which they relate. Accordingly, the Company capitalises them as contract costs and amortises them over the expected life of the contracts. The expected length of contracts across the Company and associated amortisation periods are between three and six years. The contract costs recognised in the balance sheet at the year end amounted to £9,393,000 (2021: £6,722,000).

Applying the practical expedient in paragraph 94 of IFRS 15, the Company recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Company otherwise would have recognised is one year or less.

*Contract assets*

Contract assets relate to the Company's right to consideration for performance obligations satisfied but where the customer has yet to be invoiced. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer. All opening balances have been invoiced in the year.

*Contract liabilities*

Contract liabilities relate to advance consideration received from customers where the performance obligations have yet to be satisfied. All opening balances have subsequently been satisfied in the year. In most business categories where revenue is recognised over time customers are invoiced in advance or simultaneously with performance obligations being satisfied.

**Tax**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Tax (continued)**

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units. It is not amortised but is tested annually for impairment.

**Other intangible assets**

The following are the main categories of intangible assets with finite useful lives:

**(a) Customer lists and relationships**

Customer lists and relationships are acquired as part of business combinations. No value is attributed to internally generated customer lists or relationships.

**(b) Brands**

Brands are acquired as part of business combinations. No value is attributed to internally generated brands as expenditure incurred to develop, maintain and renew brands internally is recognised as an expense in the period incurred.

**(c) Computer software**

Costs that are directly associated with the production of identifiable and unique software products that are controlled by the Company (including employee costs and external software development costs) are recognised as intangible assets if they are expected to generate economic benefits beyond one year, in excess of their cost. Purchased computer software is initially recognised based on the costs incurred to acquire and bring it into use. Costs associated with maintaining computer software are recognised as an expense in the period in which they are incurred.

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

**Amortisation**

Amortisation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Customer lists	5-15 years
Brands and other	2-15 years
Computer software	3-5 years

**Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Provision for depreciation of all tangible fixed assets of the company is made in equal annual instalments over their estimated useful lives, principally over the following periods:

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Tangible fixed assets (continued)**

Vehicles	4 years
Leasehold land and buildings	Shorter of lease term or estimated useful life
Freehold land and buildings	100 years
Plant and equipment including service contract equipment	3-10 years
Office equipment	5-10 years

**Stocks and work in progress**

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method and it includes all direct expenditure and related overheads incurred to the balance sheet date. Net realisable value is the estimated selling price less applicable variable selling expenses.

**Leases**

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Leases (continued)**

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

**Pensions**

The employees are eligible to be members of the defined contribution pension scheme operated by the Group in the United Kingdom.

The funds of the schemes are administered by trustees and are completely separate from the funds of the Company and of the Group. Information relating to the schemes is contained in the Financial Statements of Rentokil Initial plc.

Contributions made to the scheme during the year have been accounted by the Company with the charge to the profit and loss account being equal to the contributions payable to the Scheme in the accounting period.

**Provisions**

The Company has Warranty/guarantee provisions and dilapidations provisions.

Provisions are recognised when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount is capable of being reliably estimated. If such an obligation is not capable of being reliably estimated, it is classified as a contingent liability.

Provisions are charged as an expense to the profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

When the effect of the time value of money is material, provision amounts are calculated on the present value of the expenditure expected to be required to settle the obligation. The present value is calculated using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The Company holds provision for costs relating to dilapidations on properties it no longer occupies such as security, utilities and insurance. The majority of these contracts end within the next 12 months. On adoption of IFRS 16 Leases, all rental costs were transferred to lease liabilities.

The Company also has a provision for warranties. Provision is made for the estimated future costs of meeting claims under these warranties.

**Business combinations**

Transactions under common control are accounted for using book value accounting. The value of the net assets acquired is transferred at book value with any difference between the consideration paid and net assets acquired recorded as a dividend received or additional investment in subsidiary accordingly. Where the carrying value of the investment cannot be increased over its current carrying amount, the balance is recorded as a debit to equity in the form of a reserve.

Transactions to acquire the trade and assets of a business that is not already under common control are accounted for under IFRS 3. The value of the net assets acquired is transferred at fair value with any differences between consideration paid and net assets acquired being accounted for as goodwill.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**1. ACCOUNTING POLICIES (CONTINUED)**

**Judgments in applying accounting policies and key sources of estimation uncertainty**

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The only estimate and assumptions that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below.

**(a) Impairment of investments**

The Company is required to test for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. An impairment test was carried out in 2022, no impairments were identified with £nil being recognised in the profit and loss account (2021: £35,693,000).

**(b) Provisions**

The Company has provisions for bad debt. ECL calculations reflect management's estimate of the increased risk that some customers will be unable to settle their debts.

The Company also holds a provision for certain inventory which was bought at a higher price than usual due to the COVID 19 impact. A judgement was made regarding this inventory to determine net realisable value.

**(c) IFRS 16 length of each lease:** Judgement is involvement in determining whether to include options to extend and/or termination options when calculating the lease liability.

**(d) Revenue recognition**

The Company makes a charge against revenue for credit notes not yet issued at the balance sheet date. Refer to revenue recognition accounting policies in pages 16-18 for more detail.



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**2. REVENUE**

<b>Revenue</b>	<b><u>2022</u></b> <b>£'000</b>	<b><u>2021</u></b> <b>£'000</b>
<b>Business analysis – continuing operations</b>		
Business Services	267,443	262,185
Manufacturing and supply	41,545	38,394
<b>Total operations</b>	<b>308,988</b>	<b>300,579</b>

Revenues are primarily generated in the United Kingdom. All revenue types are in scope of IFRS 15 Revenue from Contracts with Customers. The Company has £9,393,000 (2021: £6,722,000) of assets as at the reporting date in relation to contract costs. These relate to the costs of obtaining contracts with customers. Contract costs are amortised when the related revenues are recognised. In the current year, the amount of amortisation was £477,000 (2021: £1,691,000) and the impairment loss recognised was £nil (2021: £nil).

**3. OPERATING PROFIT**

Operating profit is stated after charging/(crediting):

	<b><u>2022</u></b> <b>£'000</b>	<b><u>2021</u></b> <b>£'000</b>
Employee costs	106,589	105,931
Direct materials and services	46,508	39,364
Cost of inventories	18,132	20,863
Vehicle costs	14,071	8,358
Property costs	5,432	4,795
IFRS 16 depreciation (note 11)	10,283	10,104
Contract costs amortisation	477	1,691
Depreciation, amortisation and impairment	15,344	13,925
One off items	5,045	(481)
Auditors' remuneration – audit fees	288	252
Other operating expenses	24,412	26,504
	<b>246,581</b>	<b>231,306</b>
<b>Employee costs:</b>		
Wages and salaries	94,078	94,907
Social security costs	9,209	7,879
Other Pension Costs	3,302	3,145
	<b>106,589</b>	<b>105,931</b>

There are no other non-audit fees payable to PricewaterhouseCoopers LLP in respect of the current or prior year.

One off items relates to cost incurred in relation to restructuring activities in the previous year and adjustments for timing differences in revenue recognition in the current year.

**4. EMPLOYEES**

	<b><u>2022</u></b> <b>Number</b>	<b><u>2021</u></b> <b>Number</b>
The monthly average number of employees during the year was:		
Service and sales	2,549	2,550
Administration	624	627
	<b>3,173</b>	<b>3,177</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<u>2022</u> £'000	<u>2021</u> £'000
Intergroup interest receivable	12	-
Bank interest receivable	-	-
Gain on exchange	10	-
	<u>22</u>	<u>-</u>

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	<u>2022</u> £'000	<u>2021</u> £'000
IFRS 16 Interest payable	817	816
Interest payable on bank overdraft	124	15
Loss on exchange	51	153
	<u>992</u>	<u>984</u>

**7. DIRECTORS' REMUNERATION**

The Company directors are also directors of fellow group subsidiaries. The remuneration stated is the best estimated allocation of Grace Harris and Phill Wood's remuneration for relevant services for the Company during 2022.

Daragh Fagan was a director of Rentokil Initial 1927 plc and provided his services primarily to that company. As such his remuneration was paid by and disclosed in the financial statements of Rentokil Initial 1927 plc for the relevant period served.

Kris Hampson and Rachel Canham are directors of Rentokil Initial 1927 plc and provide their services primarily to that company. As such their remuneration was paid by and disclosed in the financial statements of Rentokil Initial 1927 plc.

These disclosures therefore exclude these directors as their services to the Company were not considered sufficiently material for inclusion.

	<u>2022</u> £'000	<u>2021</u> £'000
Directors' emoluments in respect of qualifying services	570	788
Gains from the exercise of share options	-	2
Company contributions to defined contribution scheme	9	8
	<u>579</u>	<u>798</u>

The highest paid Director received remuneration of £453,400 (2021: £640,600) for relevant services provided to the Company during 2022.

No Company contributions were paid to a defined contribution pension scheme in respect of the highest paid Director (2021: £nil). £28,800 was paid in lieu of this as instalments, which has been disclosed as part of the Directors' emoluments (2021: £32,200).

During the year two directors received shares under the Rentokil Initial plc Performance Share Plan (2021: 2) and no directors exercised awards (2021: 1). Full details of the Rentokil Initial plc Performance Share Plan can be found in the annual report for Rentokil Initial plc, a copy of which can be obtained from the address given in note 23.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**8. TAX ON PROFIT**

	<u>2022</u> £'000	<u>2021</u> £'000
<b>Current Tax:</b>		
UK corporation tax on profits of the year	8,589	9,692
Adjustment in respect of previous years	(319)	2,964
<b>Tax on profit</b>	<b>8,270</b>	<b>12,656</b>
<b>Deferred Tax:</b>		
- Origination/reversal of timing difference	2,495	3,079
- Adjustment in respect of prior years	168	(2,385)
<b>Tax on profit</b>	<b>10,933</b>	<b>13,350</b>

The total tax charge for the year is lower (2021: lower) than the standard rate of corporation tax in the UK 19.00% (2021: 19.00%). The differences are explained below:

	<u>2022</u> £'000	<u>2021</u> £'000
Profit before tax	61,437	72,162
Profit before tax multiplied by the standard rate of corporation tax in the UK at 19.00% (2021: 19.00%)	11,673	13,711
Effects of:		
Disallowable expenses	110	6,897
Impact of capital allowances super deduction	(551)	(342)
Share based payments	(148)	(60)
Income not taxed	-	(7,518)
Deferred tax current year rate differential	-	83
Adjustment in respect of prior years	(151)	579
<b>Total tax charge for the year</b>	<b>10,933</b>	<b>13,350</b>

Included within disallowed expenses in 2021 are permanent tax differences from impairment in investment.

Included in the Finance Bill 2021, which was substantially enacted on 24 May 2021, is an increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023). The UK deferred tax asset at 31 December 2022 has been calculated based on the corporation tax rate that is expected to apply when the asset is realised.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**9. INTANGIBLE ASSETS**

	<u>Goodwill</u> £'000	<u>Customer Lists</u> £'000	<u>Computer Software</u> £'000	<u>Brands and other</u> £'000	<u>Total</u> £'000
<b><u>Cost</u></b>					
At 1 January 2022	12,209	36,577	8,058	1,959	58,803
Additions	19	111	227	-	357
Disposals	-	-	(333)	-	(333)
At 31 December 2022	12,228	36,688	7,952	1,959	58,827
<b><u>Accumulated amortisation</u></b>					
At 1 January 2022	-	24,149	6,968	1,007	32,124
Amortised in the year	-	4,023	475	97	4,595
Disposals	-	-	(333)	-	(333)
At 31 December 2022	-	28,172	7,110	1,104	36,386
<b><u>Net Book Value</u></b>					
At 31 December 2021	12,209	12,428	1,090	952	26,679
At 31 December 2022	12,228	8,516	842	855	22,441

Goodwill is stated at cost less any accumulated impairment losses. It is not amortised but is tested annually for impairment. Amortisation charge is included in administrative expenses.

The addition to goodwill relates to an acquisition of customer lists during the year.

**10. TANGIBLE ASSETS**

	<u>Freehold and leasehold land &amp; buildings</u> £'000	<u>Vehicles and office equipment</u> £'000	<u>Plant and equipment incl. service contract equipment</u> £'000	<u>Total</u> £'000
<b><u>Cost</u></b>				
At 1 January 2022	3,431	7,661	50,570	61,662
Additions	47	492	12,586	13,125
Disposals*	-	(63)	(15,002)	(15,065)
At 31 December 2022	3,478	8,090	48,154	59,722
<b><u>Accumulated depreciation</u></b>				
At 1 January 2022	989	6,386	32,123	39,498
Depreciation for the year	162	535	10,052	10,749
Disposals	-	(63)	(12,592)	(12,655)
At 31 December 2022	1,151	6,858	29,583	37,592
<b><u>Net Book Value</u></b>				
At 31 December 2021	2,442	1,275	18,447	22,164
At 31 December 2022	2,327	1,232	18,571	22,130

\*An exercise has been performed during the year to write off fully depreciated assets with a net book value of £nil which are no longer in use.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**11. LEASES**

The Company leases land and buildings, vehicles and other equipment. The lease durations vary from lease to lease according to the asset leased. Some of the Company's leases have extension and termination options attached to them. Lease extension options and lease termination options are only included in the calculation of the lease liability if there is reasonable certainty that they will be exercised. Judgement is required to determine the level of certainty.

A breakdown of the right-of-use (ROU) assets is shown below:

	<u>Land and Buildings</u>	<u>Plant and Equipment</u>	<u>Motor Vehicles</u>	<u>Total 2022</u>	<u>Total 2021</u>
	£'000	£'000	£'000	£'000	£'000
Net book value					
At 1 January	5,467	73	18,998	24,538	25,134
Depreciation charge	(2,075)	(39)	(8,169)	(10,283)	(10,104)
Additions	4,362	-	7,485	11,847	9,492
Disposals	37	-	10	47	16
At 31 December	7,791	34	18,324	26,149	24,538

Analysis of the lease liabilities is shown below:

	<u>2022</u>	<u>2021</u>
	£'000	£'000
Lease liabilities under IFRS 16		
At 1 January	25,677	27,800
Cash outflow	(11,279)	(10,894)
Interest	817	816
Additions	12,291	8,637
Disposals	(442)	(682)
At 31 December	27,064	25,677

	<u>2022</u>	<u>2021</u>
	£'000	£'000
Analysed as follows:		
Non-current	18,722	16,617
Current	8,342	9,060
Total	27,064	25,677

Lease liabilities are payable as follows:

	<u>Future minimum lease payments</u>	<u>Future minimum lease payments</u>
	<u>2022</u>	<u>2021</u>
	£'000	£'000
Lease liabilities under IFRS 16		
Less than one year	9,141	9,702
Between one and five years	17,854	16,477
More than five years	2,198	746
Future minimum payments	29,193	26,925
Effect of discounting	(2,129)	(1,248)
Carrying value	27,064	25,677

Fair value is considered to be equal to carrying value for all lease liabilities.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**12. INVESTMENTS**

Investments held as fixed assets are stated at cost less provisions for any impairment. In the opinion of the directors the value of the individual investments is not less than that shown in the balance sheet and is supported by either net assets or discounted cash flows of the individual investments.

	<u><b>2022</b></u> <b>£'000</b>	<u><b>2021</b></u> <b>£'000</b>
At 1 January	93,429	129,122
Additions	11,762	-
Impairment charge	-	(35,693)
At 31 December	105,191	93,429

For full list of subsidiary undertakings please see Note 25.

During the year the Company increased it's investment in Rentokil Pest LLC (Dubai) by £11,762,000.

The total impairment charge recognised in the profit and loss account of £nil (2021: £35,693,000). Prior year consisted of two full impairments of investments which had ceased trading and the final dividends were received by the Company of £35,693,000.

**13. BUSINESS COMBINATIONS**

During the year the Company made no trade and asset acquisitions.

**14. STOCKS**

	<u><b>2022</b></u> <b>£'000</b>	<u><b>2021</b></u> <b>£'000</b>
Raw materials	1,482	1,004
Work in progress	73	67
Finished goods	15,435	17,023
	16,990	18,094

There is no material difference between the replacement value of stocks and the above amounts.

A provision for obsolete stock is included in finished goods of £5,897,000 (2021: £3,922,000) in order to determine net realisable value of stock held.

There was a write down of inventory to net realisable value of £908,578 recognised as an expense (2021: £22,344). There was no reversal of write down in the year (2021: £nil).

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**15. DEBTORS**

	<u>2022</u> £'000	<u>2021</u> £'000
<b>Amounts falling due within one year</b>		
Trade debtors	46,479	50,169
Less: provision for impairment of trade debtors	(848)	(1,489)
Trade debtors - net	45,631	48,680
Amounts owed by group undertakings	285,495	232,215
Other debtors	1,194	529
Prepayments and contract assets	5,082	4,451
	337,402	285,875
<b>Amounts falling due in more than one year</b>		
Deferred tax asset	2	2,665
	337,404	288,540

Contract assets represent revenue that has been recognised for performance obligations where satisfied but where the customer has yet to be invoiced.

Amounts owed by group undertakings are non-interest bearing loans (2021: non-interest bearing). Non-interest bearing loans are unsecured and are payable on demand.

**16. DEFERRED TAX**

<b>Deferred tax asset</b>	<u>2022</u> £'000	<u>2021</u> £'000
At 1 January	2,665	3,359
Profit and loss		
– current year (see note 8)	(2,495)	(3,079)
– prior year (see note 8)	(168)	2,385
At 31 December	2	2,665
<b>Deferred tax comprises:</b>	<u>2022</u> £'000	<u>2021</u> £'000
Excess of depreciation over capital allowances	(875)	(223)
Contract costs	-	-
Other timing differences	877	2,888
	2	2,665

The UK deferred tax asset at 31 December 2022 has been calculated based on the corporation tax rate that is expected to apply when the asset is realised.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**17. CREDITORS: Amounts falling due within one year**

	<u>2022</u> £'000	<u>2021</u> £'000
Bank overdraft	-	211
Trade creditors	14,504	7,063
Lease liabilities	8,342	9,060
Amounts due to group undertakings	179,554	169,020
Other tax and social security	10,218	10,175
Corporation tax due on current year taxable profits	8,588	9,769
Other creditors	4,168	3,601
Credit note provision	3,338	12,739
Accruals and contract liabilities	58,993	59,392
Contingent consideration	245	136
	<u>287,950</u>	<u>281,166</u>

Amounts owed to group undertakings are non-interest bearing, unsecured and are repayable on demand. Contingent consideration is payable within one year with valuation based on working capital, revenue and customer retention metrics.

**18. CREDITORS: Amounts falling due after more than one year**

	<u>2022</u> £'000	<u>2021</u> £'000
Lease liabilities	18,722	16,617
	<u>18,722</u>	<u>16,617</u>

**19. PROVISIONS FOR LIABILITIES**

	<b>Warranty/ guarantee claims provisions £'000</b>	<b>Dilapidations provisions £'000</b>	<b>Total £'000</b>
At 1 January 2022	217	899	1,116
Utilised in year	-	(437)	(437)
At 31 December 2022	<u>217</u>	<u>462</u>	<u>679</u>

**Warranty/guarantee claims provision**

Some service work is carried out under warranty. Provision is made for the estimated future costs of meeting claims under these warranties. These provisions are expected to be substantially utilised within the next five years.

**Dilapidations provision**

The Company has a property which is no longer utilised, with a lease end date of October 2022. The provision is held for outstanding fees not received by the balance sheet date in relation to dilapidations.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**20. CALLED UP SHARE CAPITAL**

	<u>2022</u> £'000	<u>2021</u> £'000
1,055,000 (2021: 1,055,000) allotted and fully paid ordinary shares of £1 each	1,055	1,055

**21. PENSION COMMITMENTS**

Employees of the Company are members of a defined contribution scheme therefore all contributions paid by the Company are accounted for with the charge to the profit and loss account being equal to the contributions payable to the Scheme in the accounting year. The pension cost charge represents contributions payable by the Company to the fund and amounted to £3,302,000 (2021: £3,145,000). Contributions totalling £nil (2021: £nil) were payable to the fund at the balance sheet date.

**22. CONTINGENT LIABILITIES**

The Company has liabilities relating to third parties, tax and litigation. The possibility of any significant loss in addition to the amounts already provided for in respect of these items is considered remote.

The Company has guaranteed bank and other borrowings of Group companies.

**23. ULTIMATE PARENT COMPANY**

The Company's immediate parent company is Rentokil Initial (1896) Limited. The Company's ultimate parent company is Rentokil Initial plc, which forms the only group into which the financial statements of the company are consolidated. The consolidated financial statements of Rentokil Initial plc are available from Compass House, Manor Royal, Crawley, West Sussex, RH10 9PY.

**24. EVENTS AFTER THE BALANCE SHEET DATE**

No adjusting post-balance sheet events have taken place. Two non-adjusting event took place during the year (2021: nil).

On 31 March 2023 the Company purchased 100% of the share capital for the following legal entities trading as "Urban Planters"; The Palfreymans Ltd, Urban Planters Franchise Limited, Tropical Innovation Limited, Newman's Plants Limited, Contemporary Plants Design Limited, Paul Lomax Limited, Prime Projects International Ltd, Saaman Limited, Manor Planting Ltd, Interior Contracts (UK) Ltd, Kent Tropical Interiors Ltd, Tropical Ambience Limited and Nature at Work Limited.

Consideration payable is subject to finalisation and therefore has not been disclosed in these accounts.

A provisional value of net assets acquired from this purchase has been estimated at £6,800,000 based on the latest available year ended March/December 2022 financial statements. This balance is subject to change pending the final completion of the transaction and finalisation of the balances as at the acquisition date.

On 31 August 2023 the Company purchased 100% of the share capital of Duct Clean Services Ltd for the consideration of £2,400,000.

A provisional value of net assets acquired from this purchase has been estimated at £250,000. This balance is subject to change pending the final completion of the transaction and finalisation of the balances as at the acquisition date.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25. RELATED UNDERTAKINGS (SUBSIDIARIES AND OTHER ASSOCIATED UNDERTAKINGS)**

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
<b><u>United Kingdom</u></b>		
<b>Compass House, Manor Royal, Crawley, West Sussex, RH10 9PY</b>		
Anzak Landscapes Limited (dissolved 01 February 2022)	Ordinary	100%
BET Environmental Services Limited	Ordinary	100%
CHL Legacy Limited	Ordinary	100%
Castlefield House Limited	Ordinary	100%
Enviro-Fresh Limited	Ordinary	100%
Environmental Contract Services Limited	Ordinary	100%
Euroguard Technical Services Limited	Ordinary	100%
Initial Medical Services Limited	Ordinary	100%
Peter Cox Limited	Ordinary	100%
Prokill (UK) Limited	Ordinary	100%
Prokill Limited	Ordinary-A	100%
	Ordinary-B	100%
	Ordinary-C	100%
	Ordinary-D	100%
Pest Protection Services (East) Limited (dissolved 11 January 2022)	Ordinary	100%
Rapid Washrooms Limited	Ordinary-A	100%
	Ordinary-B	100%
	Ordinary-C	100%
Rentokil Initial Asia Pacific Limited	Ordinary	81.43%
Rentokil Initial Investments South Africa	Ordinary	81.43%
Rentokil Initial Services Limited	Ordinary	100%
Rentokil Limited	Ordinary	81.43%
Rentokil Overseas Holdings Limited	Ordinary	100%
Rentokil Property Care Limited	Ordinary	100%
BPS Offshore Services Limited	Ordinary	81.43%
Stratton House Leasing Limited	Ordinary	81.43%

**The Ca'd'oro 45 Gordon Street Glasgow Scotland G1 3PE**

Wise Property Care Limited	Ordinary	100%
Pest Protection Services (Scotland) Limited	Ordinary-A	100%

**Australia**

**Unit A1, Lidcombe Business Park, 3-29 Birnie Avenue 2141 Australia**

Cannon Hygiene Australia Pty Limited	Ordinary	81.43%
Knock Out Pest Control Pty Limited	Ordinary	81.43%
Pest Away Australia Pty Limited	Ordinary	81.43%
Rentokil Australia Pty Limited	Ordinary	81.43%
Rentokil Initial Asia Pacific Pty Limited	Ordinary	81.43%
Rentokil Initial Pty Limited	Ordinary	81.43%
Rentokil Pest Control (QLD) Pty Limited	Ordinary	81.43%
Rentokil Pty Limited	Ordinary	81.43%
Green Fingers Plant Hire Pty Limited	Ordinary	81.43%
Rentokil Pest Holdings Pty Limited	Ordinary	81.43%

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25. RELATED UNDERTAKINGS (SUBSIDIARIES AND OTHER ASSOCIATED UNDERTAKINGS)**

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
<b><u>Austria</u></b>		
<b>Brown-Boveri-Straße 8/2/8, 2351, Wiener Neudorf, Austria</b>		
Varmintex GmbH	Ordinary	81.43%
<b>Fehringer Strabe 45, 8280 Furstenfeld, Austria</b>		
Rentokil Initial GmbH	Ordinary	81.43%
<b><u>Belgium</u></b>		
<b>Brandekensweg 2, Schelle, 2627, Belgium</b>		
Ambius N.V.	Ordinary	81.41%
Rentokil N.V.	Ordinary	81.42%
Initial Belux NV	Ordinary	81.61%
<b><u>Canada</u></b>		
<b>8699 Escarpment Way, Milton, ON L9T 0J5, Canada</b>		
Residex Canada Inc.	Common	81.43%
<b>3325 North Service Road, Burlington, ON L7N 3G2, Canada</b>		
Direct Line Sales Ltd	Class A and B	81.43%
<b>Suite 900, 1959 Upper Water Street, Halifax NS B3J 2X2, Canada</b>		
Rentokil Canada Corporation	Class A and B	81.43%
<b>1600 – 925 West Georgia Street, Vancouver BC V6C 3L2, Canada</b>		
0925322 B.C. Ltd.	Common and Preference	100%
<b><u>Czech Republic</u></b>		
<b>Praha 2, Vyšehradská 1349/2, Prague, PSČ 12800, Czech Republic</b>		
Rentokil Initial, s.r.o.	Ordinary	81.43%
<b><u>Denmark</u></b>		
<b>Paul Bergsøes Vej 22, 2600 Glostrup, Denmark</b>		
Rentokil Initial A/S	Ordinary	81.43%
<b><u>Eswatini</u></b>		
<b>Umkhiwa House Lot 195, Karl Grant Street, Mbabane, Eswatini</b>		
RI Swaziland (Pty) Ltd	Ordinary	81.43%
<b><u>Finland</u></b>		
<b>Tikkurilantie 10 Vantaa, Finland, 01380, Finland</b>		
Rentokil Initial Oy	Ordinary	81.43%
<b><u>France</u></b>		
<b>6 Rue Livio, 67100 Strasbourg, France</b>		
CAFI SAS (Dissolved 31 December 2022)	Ordinary	81.43%
CAWE FTB Group SAS	Ordinary	81.43%

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25. RELATED UNDERTAKINGS (SUBSIDIARIES AND OTHER ASSOCIATED UNDERTAKINGS) (Continued)**

Name	Class of shares	Holding
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**France (Continued)**

**13-27 avenue Jean Moulin, 93240, Stains, France**

Ambius SAS	Ordinary	81.43%
Rentokil Initial Environmental Services SAS	Ordinary	81.43%
Rentokil Initial SAS	Ordinary	81.43%

**145, rue de Billancourt, 92100 Boulogne Billancourt, France**

Initial SAS	Ordinary	81.43%
Initial Hygiene Services SAS	Ordinary	81.43%
Rentokil Initial Holdings (France) SA	Ordinary	81.43%
SCI Gravigny	Ordinary	81.43%
SCI Vargan	Ordinary	81.43%

**ZA Bertoire II 14, avenue René Dumont , 13410, LAMBESC, France**

ABAIPRO	Ordinary	100%
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**ZAC des Epineaux 7, avenue Louis Blériot 95740 FRÉPILLON, France**

Technivap SAS	Ordinary	81.43%
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**Greece**

**7 Aristotelous Street, Tavros, Athens 177 78, Greece**

Rentokil Initial Hellas EPE	Ordinary	78.25%
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**Hong Kong**

**23/F Westin Centre, 26 Hung To Rd, Kwun Tong, Hong Kong**

Rentokil Hong Kong Investment Limited	Ordinary	81.43%
Rentokil Initial Hong Kong Limited	Ordinary	81.43%

**India**

**Villa No.3, Crescent Village, Candolim, Goa, 403515, India**

PCI Pest Control Private Limited	Ordinary	46.41%
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**2nd floor, Narayani, Ambabai Temple Compound, Aarey Road, Goregaon West Mumbai , Mumbai City, MH 400104 IN, India**

Rentokil Initial Hygiene India Private Limited	Ordinary	81.43%
Corporate Millennium Hygiene Solutions Private	Ordinary	81.43%

**Israel**

**13 Hadid 7313500 , Israel**

Eitan Amichai Pest Management IPM Ltd	Ordinary and Management	100%
Yarokologi Ltd	Ordinary	100%

**Italy**

**Via Laurentina km. 26,500, 157 a/c, 00071, Pomezia, Italy**

Rentokil Initial Italia SpA	Ordinary	81.43%
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25. RELATED UNDERTAKINGS (SUBSIDIARIES AND OTHER ASSOCIATED UNDERTAKINGS) (Continued)**

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
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**Lebanon**

**Boecker Building, Plot no. 3309, Ain El Remmaneh, Beirut, Lebanon**

Boecker International SAL (Offshore)	Ordinary	81.43%
Boecker Public Health s.a.l	Ordinary	81.43%
Boecker World (Holding) s.a.l.	Ordinary	100%

**Luxembourg**

**Rue de la Chapelle 47, 4967 Clemency, Luxembourg**

R-Control Désinfections SA	Ordinary	81.42%
Rentokil Luxembourg Sàrl	Ordinary	81.42%

**Macau**

**Rua Pescadores, Numero de policia 354 Ander 5, Moradia H, Edif Ind Nam Fung, Macau**

Rentokil Initial Hong Kong Limited - Macau	Ordinary	100%
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**Maldives**

**No. 6-A, Faamudheyridge Building, Orchid Magu, Repu, Male', Maldives**

Rentokil Initial Maldives (Pvt) Ltd	Ordinary	49.96%
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**Mozambique**

**Avenida da Namaacha, kilometro 6, Residencial Mutateia, Cidade da Matola, Mozambique**

Rentokil Initial Mozambique Limitada	Ordinary	81.43%
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**Netherlands**

**Impact 6, 6921 RZ Duiven, Netherlands**

Ambius BV	Ordinary	81.43%
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**Oude Middenweg 75, 2491 AC Den Haag 1191 BN Ouderkerk, Den Haag, Netherlands**

BET Finance BV	Ordinary	81.43%
BET (Properties) BV	Ordinary	81.43%
BV Rentokil Funding	Ordinary	81.43%
Rentokil Initial International BV	Ordinary	81.43%
Rentokil Initial Overseas (Holdings) BV	Ordinary	81.43%

**Ravenswade 54-S, 3439, Nieuwegein, LD, Netherlands**

Rentokil Initial BV	Ordinary	81.43%
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**Frontstraat 1a, 5405 AK, Uden, Netherlands**

Holland Reconditioning BV	Ordinary	81.43%
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**Norway**

**Frysjaeveien 40, Postboks 24 Okern, Oslo 0508, Norway**

Rentokil Initial Norge AS	Ordinary	81.43%
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**Sanitetsveien 17, Skjetten, Lillestrøm, 2013, Norway**

Nokas Skadedyrkontroll AS	Ordinary	81.43%
Skadedyrbutikken AS	Ordinary	81.43%

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25. RELATED UNDERTAKINGS (SUBSIDIARIES AND OTHER ASSOCIATED UNDERTAKINGS) (Continued)**

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
<b><u>Pakistan</u></b>		
<b>S-2 Commercial, 2nd Floor, Lalik Jan Chowk, Phase II, Lahore, Cantonment, Punjab, Pakistan</b>		
C-Shine Sustainable Solutions (Private) Limited	Ordinary	70%
<b><u>People's Republic of China</u></b>		
<b>Room 103, Building 2, Yuzhongxili#42, Beijing, China</b>		
Rentokil Initial China Limited	Ordinary	81.43%
<b>East 2nd Floor, No. 460 Wenyi West Road, Xihu District, China</b>		
Hangzhou Research Institute of Profume Fumigation Co. Ltd.	Ordinary	80%
<b><u>Portugal</u></b>		
<b>EN 115, Km 78,67, 2664-502, São Julião do Tojal, Portugal</b>		
Rentokil Initial Portugal – Serviços de Protecção Ambiental Lda	Ordinary	81.41%
<b><u>Republic of Ireland</u></b>		
<b>Hazel House, Millennium Park, Naas, County Kildare W91PXP3, Ireland</b>		
Rentokil Initial Holdings (Ireland) Limited	Ordinary	81.43%
<b><u>Saudi Arabia</u></b>		
<b>PO Box 30164, Office No. 401, 4th Floor, Al Tamimi Building, Al Khobar, North Al Khobar 31952, Saudi Arabia</b>		
Rentokil Saudi Arabia Limited O.P.C	Ordinary	81.43%
<b>King Abdul Azizi Road, Suliemaniyah, Riyadh, 12243, Saudi Arabia</b>		
BET Trading	Ordinary	75%
<b>4477 King Abdul Aziz Road, Suleimaniya, Unit 2 Riyadh KSA, Saudi Arabia</b>		
Boecker Public Health Saudia Company Limited	Ordinary	100%
<b><u>Singapore</u></b>		
<b>No. 16 &amp; 18 Jalan Mesin, 368815 Singapore</b>		
Rentokil Initial Asia Pacific Management Pte Limited	Ordinary	81.43%
Rentokil Initial Singapore Private Limited	Ordinary	81.43%
<b><u>Sri Lanka</u></b>		
<b>No. 307, Negombo Road, Peliyagoda, Sri Lanka</b>		
Rentokil Initial Ceylon (Private) Limited	Ordinary	81.43%
<b><u>Slovakia</u></b>		
<b>Kopcianska 10, Bratislava, 851 01, Slovakia</b>		
Rentokil Initial s.r.o.	Ordinary	69.21%
<b><u>South Africa</u></b>		
<b>2 Stignant Road, Claremont 7708, South Africa</b>		
Newshelf 1232 (Pty) Ltd	Ordinary	25%
Rentokil Initial (Dikapi) JV Pty Limited	Ordinary	36.03%
Rentokil Initial (Proprietary) Limited	Ordinary	61.07%

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25. RELATED UNDERTAKINGS (SUBSIDIARIES AND OTHER ASSOCIATED UNDERTAKINGS) (Continued)**

Name	Class of shares	Holding
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**South Africa (Continued)**

**Unit D12 Connaught Park, Riley Road, Beaconvale, Parow, 7000, South Africa**

Cannon Hygiene (SA) Proprietary Limited	Ordinary	81.43%
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**Sweden**

**Avestagatan 61, 163 53 Spånga, Sweden**

Ambius AB	Ordinary	81.43%
Rentokil AB	Ordinary	81.43%
Sweden Recycling AB	Ordinary	81.43%
Rent a Plant Interessenter AB	Ordinary	81.43%

**Switzerland**

**Hauptstrasse 3, 4625 Oberbuchsiten, Oberbuchsiten, Switzerland**

Rentokil Schweiz AG	Ordinary	81.43%
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**Taiwan**

**7F, No.56, Lane 258, Rueiguang Rd, Neihu District, Taipei, 114 Taiwan**

Initial Hygiene Co Limited	Ordinary	100%
Rentokil Ding Sharn Co Limited	Ordinary	100%
Rentokil Initial Singapore Private Limited (Taiwan Branch)	Ordinary	81.43%

**Thailand**

**160 Vibhavadi Rangsit Road, Khwaeng Dindaeng, Khet Dindaeng, Bangkok 10400, Thailand**

Rentokil Initial (Thailand) Limited	Ordinary	100%
Cannon Pest Management Co. Limited	Ordinary	100%

**Tunisia**

**Zone Industrielle route de Moknine, 5080 Teboulba, Tunisia**

CAP Tunis	Ordinary	100%
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**United Arab Emirates**

**Al Shafar Tower 1, 14th floor,, office No. 1401, TECOM, Al Barsha Heights, Dubai, United Arab Emirates**

Boecker Public Health Pest Control Equipment Trading L.L.C.	Ordinary	100%
Boecker Pest Control L.L.C.	Ordinary	100%
Boecker Food Safety L.L.C.	Ordinary	100%
Rentokil Initial Pest Control LLC	Ordinary	100%

**Al Suhyeen, Rolla, Office 205, Sharjah, United Arab Emirates**

Specialist Int. Pest Control LLC	Ordinary	100%
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**401 Oud Metha Offices, PO Box 115780, Dubai Healthcare City, Bur Dubai, United Arab Emirates**

National Pest Control LLC	Ordinary	100%
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**Al Hail Industrial, Shop #2, Fujairah, United Arab Emirates**

Boecker Pest Control L.L.C. - Fujairah	Ordinary	100%
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**RENTOKIL INITIAL UK LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**25. RELATED UNDERTAKINGS (SUBSIDIARIES AND OTHER ASSOCIATED UNDERTAKINGS) (Continued)**

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
<b><u>United States</u></b>		
<b>PO Box 4510, 10 Free Street, Portland, ME 04112, United States</b>		
Asiatic Investments Inc	Ordinary	100%

**Associated Undertakings:**

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>
<b><u>France</u></b>		
<b>41 Avenue de La Porte de Villiers, 92200 Neuilly-Sur-Seine, France</b>		
SCI Pierre Brossolette	Ordinary	26.25%

**Japan**

**Kyoritsu Seiyaku Building, 1-5-10 Kudan, Minami Chiyoda-Ku, Tokyo, Japan**

Nippon Calmic Limited	Ordinary	49%
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