

Registered number: 01525891

RENTOKIL PROPERTY HOLDINGS LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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RENTOKIL PROPERTY HOLDINGS LIMITED

COMPANY INFORMATION

Directors	D P F Fagan (resigned 30 March 2022) J K Hampson R E Canham (appointed 4 April 2022)
Company secretary	C J Stead
Registered number	01525891
Registered office	Compass House Manor Royal Crawley West Sussex RH10 9PY

RENTOKIL PROPERTY HOLDINGS LIMITED

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RENTOKIL PROPERTY HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements 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.

RENTOKIL PROPERTY HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Directors

The directors who served during the financial year were:

D P F Fagan (resigned 30 March 2022)
J K Hampson
R E Canham (appointed 4 April 2022)

Audit exemption

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



C J Stead
Secretary

Date: 07-Sep-2023

RENTOKIL PROPERTY HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Other income		1	-
Administrative expenses		(5)	-
Operating loss	5	(4)	-
Interest payable and expenses	7	-	(1)
Loss before tax		(4)	(1)
Tax on loss	8	-	-
Loss for the financial year		(4)	(1)

There was no other comprehensive income for 2022 (2021: £nil).

The notes on pages 6 to 13 form part of these financial statements.

RENTOKIL PROPERTY HOLDINGS LIMITED
REGISTERED NUMBER: 01525891

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 £000	2021 £000
Debtors: amounts falling due within one year	9	1	6
Cash at bank and in hand	10	<u>3,832</u>	<u>3,922</u>
		3,833	3,928
Creditors: amounts falling due within one year	11	-	(35)
Other provisions	12	(18)	(74)
Net assets		<u>3,815</u>	<u>3,819</u>
Capital and reserves			
Profit and loss account		<u>3,815</u>	<u>3,819</u>
		<u>3,815</u>	<u>3,819</u>

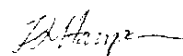
The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



J K Hampson
Director

Date: 07-Sep-2023

The notes on pages 6 to 13 form part of these financial statements.

RENTOKIL PROPERTY HOLDINGS LIMITED

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

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2021	-	3,820	3,820
Comprehensive income for the year			
Loss for the year	-	(1)	(1)
At 1 January 2022	-	3,819	3,819
Comprehensive income for the year			
Loss for the year	-	(4)	(4)
Total comprehensive income for the year	-	(4)	(4)
At 31 December 2022	-	3,815	3,815

The notes on pages 6 to 13 form part of these financial statements.

RENTOKIL PROPERTY HOLDINGS LIMITED

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

1. General information

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

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

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

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

- 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;
- 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

2.3 Going concern

After making due enquires, the directors have a reasonable expectation that the Company has adequate resources to continue operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the accounts.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

RENTOKIL PROPERTY HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Taxation

Tax is recognised in profit or loss 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.

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.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Creditors

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.

RENTOKIL PROPERTY HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss 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.

2.11 Onerous contracts

Where the unavoidable costs of a contract exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the contract.

2.12 Leases

The Company as a lessee

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 included in 'Creditors' on the Balance Sheet.

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 remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

RENTOKIL PROPERTY HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.13 Leases (continued)

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 loss as described in note.

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.

3. 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. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Provisions for liabilities is no longer considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

RENTOKIL PROPERTY HOLDINGS LIMITED

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

4. Leases

Company as a lessee

The Company previously held one lease on land and buildings, which is onerous, and expired during 2022. On 31 December 2022 the lease commitments were £nil.

Lease liabilities are due as follows:

	2022	2021
	£000	£000
Not later than one year	-	35
Between one year and five years	-	-
	<u>-</u>	<u>35</u>

Contractual undiscounted cash flows are due as follows:

	2022	2021
	£000	£000
Not later than one year	-	35
Between one year and five years	-	-
	<u>-</u>	<u>35</u>

The following amounts in respect of leases, where the Company is a lessee, have been recognised in profit or loss:

	2022	2021
	£000	£000
Interest expense on lease liabilities	<u>-</u>	<u>1</u>

5. Operating profit

Operating profit is stated after charging:

	2022	2021
	£000	£000
Administrative expenses	<u>(5)</u>	<u>-</u>
	<u>(5)</u>	<u>-</u>

RENTOKIL PROPERTY HOLDINGS LIMITED

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

6. Employees and directors

The Company has no employees (2021: nil). The directors received no emoluments or fees in respect of qualifying services to the Company, nor did they have any retirement benefits accruing to them under defined benefit pension schemes (2021: £nil).

7. Interest payable and similar expenses

	2022	2021
	£000	£000
Interest on lease liabilities	-	1
	<u>-</u>	<u>1</u>

8. Taxation

	2022	2021
	£000	£000
Total current tax	<u>-</u>	<u>-</u>
Total deferred tax	<u>-</u>	<u>-</u>
 Taxation on profit on ordinary activities	 <u>-</u>	 <u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is more than (2021 – *the same*) as the standard rate of corporation tax in the UK of 19.00% (2021 - 19.00%). A reconciliation is shown below:

RENTOKIL PROPERTY HOLDINGS LIMITED

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

8. Taxation (continued)

	2022	<i>2021</i>
	£000	<i>£000</i>
Loss on ordinary activities before tax	<u>(4)</u>	<u>(1)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 – 19%)	<u>(1)</u>	<u>-</u>
Effects of		
Changes in provisions leading to a decrease in the tax charge	<u>(17)</u>	<u>(12)</u>
Group relief	<u>18</u>	<u>12</u>
Total tax charge for the year	<u><u>-</u></u>	<u><u>-</u></u>

Factors that may affect future tax charges

As part of the Finance Bill 2021, there was a proposed increase to the UK corporation tax rate from 19% to 25% (effective 1 April 2023). This was substantively enacted on 24 May 2021.

9. Debtors

	2022	<i>2021</i>
	£000	<i>£000</i>
Other debtors	<u>1</u>	<u>6</u>
	<u><u>1</u></u>	<u><u>6</u></u>

10. Cash and cash equivalents

	2022	<i>2021</i>
	£000	<i>£000</i>
Cash at bank and in hand	<u>3,832</u>	<u>3,922</u>
	<u><u>3,832</u></u>	<u><u>3,922</u></u>

11. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£000	<i>£000</i>
Obligations under IFRS 16 leases	<u>-</u>	<u>35</u>
	<u><u>-</u></u>	<u><u>35</u></u>

RENTOKIL PROPERTY HOLDINGS LIMITED

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

12. Provisions

	2022	2021
	£000	£000
Opening balance	74	96
Utilised in the year	<u>(56)</u>	<u>(22)</u>
Closing Balance	<u>18</u>	<u>74</u>

13. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
101 (2021 - 101) ordinary shares of £1 each	<u>101</u>	<u>101</u>
	<u>101</u>	<u>101</u>

14. Controlling party

The Company's immediate parent company is Rentokil Initial (1993) 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 Rentokil Initial plc, Compass House, Manor Royal, Crawley, West Sussex RH10 9PY.

15. Post balance sheet events.

An interim dividend of £37,623.76 per share was declared on 23 August 2023 amounting to £3,800,000.