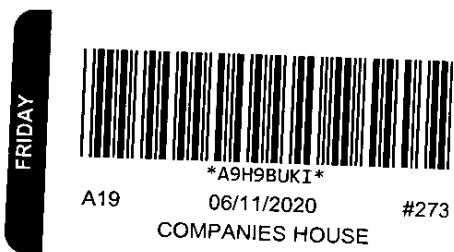


ANNUAL REPORT AND FINANCIAL STATEMENTS

EUROGUARD TECHNICAL SERVICES LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

REGISTERED NUMBER 04513916



EUROGUARD TECHNICAL SERVICES LIMITED

CONTENTS

	Page
Directors and Officers	1
Strategic Report	2
Directors' Report	3
Statement of Directors' Responsibilities in Respect of the Strategic Report and the Directors' Report and the Financial Statements	4
Profit and Loss Account and Other Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8

EUROGUARD TECHNICAL SERVICES LIMITED

DIRECTORS AND OFFICERS

DIRECTORS:

P P Wood
J K Hampson (resigned 1 October 2020)
D P Fagan
G E Harris (appointed 5 August 2020)

COMPANY SECRETARY:

C Stead

REGISTERED OFFICE:

Riverbank
Meadows Business Park
Blackwater
Camberley
Surrey
GU17 9AB

EUROGUARD TECHNICAL SERVICES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and financial statements for the year ended 31 December 2019. The Company's business activities together with its risks and uncertainties are set out in the business review below.

Principal Activity

Euroguard Technical Services Limited (the 'Company') is a subsidiary within the Rentokil Initial plc group (the 'Group') and its principle activity was the provision of pest control services. The Company has not traded during the year ending 31 December 2019 and the directors of the Company do not foresee that the Company will trade in the future.

Business Review

During the year the Company has not traded and therefore made a profit of £nil (2018: £97,664).

On 23 December 2019, the directors took the decision to pay an interim dividend of £162,292 (2018: £nil) to its parent, Rentokil Initial UK Ltd, in preparation of the Company becoming dormant. The directors do not recommend the payment of a final dividend for 2019 (2018: £nil).

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 Group's risk 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 2019 Annual Report which does not form part of this report.

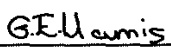
On 29 March 2017 the UK government invoked Article 50 of the Treaty of Lisbon, notifying the European Council of its intention to withdraw from the EU. The UK left the EU on 31 January 2020 and is now in a transition period, before new rules come into place from 1 January 2021. At this stage, there is significant uncertainty about the outcome of the negotiations about the future arrangements between the UK and the EU.

In early 2020 a global pandemic of a new coronavirus, Covid-19, has arisen impacting all areas of operation of Rentokil Initial Plc, of which Euroguard Technical Services Limited is an integral member. Given the uncertainty and the unknown duration of the Covid-19 pandemic and the reduced economic outlook, the directors of Rentokil Initial Plc have assessed the Group's financial position and have modelled its cash flows for the next 18 months. This includes assessing the impact of Covid-19, factoring in severe but plausible downside scenarios on the Group's financial position, which would result in a further reduction in revenue and earnings. Despite these projections the Group will remain within its liquidity headroom and within its banking covenants. While the Group will not be immune to the impact of Covid-19, its strategy has positioned it well to deal with the challenges of Covid-19.

Key Performance Indicators

The Rentokil Initial plc 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 2019 Annual Report which does not form part of this report.

By order of the board


Grace Harris (Nov 3, 2020 11:43 GMT)

G E Harris
Director
Registered Number 04513916
3 November 2020

EUROGUARD TECHNICAL SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Employment Policy

The Company had no employees in the year under review (2018: nil) and so there are no employee costs (2018: £nil).

Directors

The directors who served during the year are shown on page 1.

Going Concern Assumption

Euroguard Technical Services Limited has not traded during 2019 and as such the financial statements have not been prepared on a going concern basis.

Charitable and Political Donations

The Company made no charitable or political donations during the period (2018: £nil).

Auditor

In accordance with section 479A of the Companies Act 2006 relating to subsidiary companies, the Company has opted to take the exemption from audit.

By order of the Board



C Stead
Company Secretary
3 November 2020
Registered Number 04513916
Riverbank
Meadows Business Park
Blackwater
Camberley
Surrey
GU17 9AB

EUROGUARD TECHNICAL SERVICES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT AND THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

EUROGUARD TECHNICAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	<i>Notes</i>	2019 £	2018 £
TURNOVER	2	-	173,032
Cost of sales		-	(80,099)
GROSS PROFIT		=	<u>92,933</u>
Administrative expenses		-	(2,911)
OPERATING PROFIT		=	<u>90,022</u>
PROFIT BEFORE TAXATION		=	<u>90,022</u>
Taxation	6	-	7,642
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		=	<u>97,664</u>

The results of the year are wholly attributable to the continuing operations of the Company.

The notes on pages 10 to 13 form part of these financial statements.

EUROGUARD TECHNICAL SERVICES LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2019

	<i>Notes</i>	2019	2018
		£	£
CURRENT ASSETS			
Stocks		-	-
Debtors	7	100	211,944
Cash at bank and in hand		-	1,851
		<u>100</u>	<u>213,796</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	8	-	(51,403)
NET CURRENT ASSETS		<u>100</u>	<u>162,392</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100</u>	<u>162,392</u>
NET ASSETS		<u>100</u>	<u>162,392</u>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
Profit and loss account		-	162,292
EQUITY SHAREHOLDERS' FUNDS		<u>100</u>	<u>162,392</u>

The notes on pages 10 to 13 form part of these financial statements.


For the year ending 31 December 2019 the Company was entitled to exemption under section 479A of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 3 November 2020 and signed on its behalf by



Grace Harris (Nov 3, 2020 11:44 GMT)

G E Harris
Director
Registered Number 04513916
3 November 2020

EUROGUARD TECHNICAL SERVICES LIMITED

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2019

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2018	100	64,628	64,728
Total comprehensive income for the year	-	97,664	97,664
Dividends	-	-	-
At 31 December 2018	<u>100</u>	<u>162,292</u>	<u>162,392</u>
At 1 January 2019	100	162,292	162,392
Total comprehensive income for the year	-	-	-
Dividends	-	(162,292)	(162,292)
At 31 December 2019	<u>100</u>	<u>=</u>	<u>100</u>

The notes on pages 10 to 13 form part of these financial statements.

EUROGUARD TECHNICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS – YEAR ENDED 31 DECEMBER 2019

1 STATEMENT OF ACCOUNTING POLICIES

Euroguard Technical Services Limited (the “Company”) is a private company limited by shares incorporated in England and Wales and domiciled in the United Kingdom.

Basis of Preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements have been prepared on an historical cost basis. The presentation currency used is sterling.

Disclosure Exemptions Adopted

In preparing these financial statements the Company applies the recognition measurement and disclosure requirements of the International Financial Reporting Standards as adopted by the EU but makes amendments where necessary to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

- a Cash Flow Statement and related notes;
- comparative period reconciliations for tangible assets and intangible assets;
- disclosures in respect of capital management;
- the effect of new but not yet effective IFRSs;
- disclosures in respect of the compensation of Key Management Personnel; and
- disclosure in respect of transactions with other wholly owned members of the group headed by Rentokil Initial plc.

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

Going Concern

The Company has not traded during 2019 and as such the financial statements have not been prepared on a going concern basis.

Turnover

Turnover represents the amounts receivable for the provision of services and supply of goods, excluding Value Added Tax provided in the normal course of business. Turnover is recognised when work has been carried out. Work completed but not invoiced is recognised as accrued income.

Dividends

Dividend distribution to the Company’s shareholders is recognised as a liability in the Group’s financial statements in the period in which the dividends are approved by the Company’s shareholders. Interim dividends are recognised when paid.

EUROGUARD TECHNICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS - YEAR ENDED 31 DECEMBER 2019 (Continued)

1 STATEMENT OF ACCOUNTING POLICIES (Continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. All tax is recognised in the profit and loss account.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

Financial Assets

The Company classifies its financial assets as loans and receivables. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. 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.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

The Company's loans and receivables comprise trade and other receivables, loans from group companies and cash and cash equivalents in the statement of financial position.

Loans to group companies are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method. The carrying amounts of non-interest bearing loans owed by the parent and group undertakings are repayable on demand. Therefore, the carrying value is equal to the fair value of the instruments.

Cash and cash equivalents include cash in hand and call deposits. Bank overdrafts are shown within loans and borrowings in current liabilities on the statement of financial position.

Financial Liabilities

The Company classifies its financial liabilities at amortised cost. Financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method.
- Loans from Group companies are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method. The carrying amounts of non-interest bearing loans owed by the parent and group undertakings are repayable on demand. Therefore, the carrying value is equal to the fair value of the instruments.

EUROGUARD TECHNICAL SERVICES LIMITED
NOTES TO THE ACCOUNTS - YEAR ENDED 31 DECEMBER 2019 (Continued)

2 TURNOVER

All of the Company's turnover for the prior period was derived from its principal activity and is carried out in the UK. The Company has not traded during 2019 and as such has received no turnover in current period.

3 PROFIT BEFORE TAXATION

	2019	2018
	£	£
The profit on ordinary activities before taxation is stated after charging:		
Auditors remuneration – audit fees	-	-

In accordance with section 479A of the Companies Act 2006 relating to subsidiary companies, the Company has opted to take the exemption from audit resulting in no audit fees for current and prior year.

4 STAFF COSTS

The Company has no employees and accordingly there are no employee costs.

5 DIRECTORS REMUNERATION

The Company directors are also directors of fellow group subsidiaries. Kris Hampson and Phill Wood are directors of Rentokil Initial UK Limited and provide their services primarily to that company. As such their remuneration has been paid in full by Rentokil Initial UK Limited and their remuneration has been disclosed in the relevant accounts of the group for which they provided services as directors during 2019, where appropriate. Daragh Fagan is a director of Rentokil Initial 1927 plc and provides his services primarily to that company. As such his remuneration is paid by and disclosed in the accounts of Rentokil Initial 1927 plc. It is not considered practicable to allocate a charge for services provided during 2019 for the directors of this Company due to the limited scale of the Company.

EUROGUARD TECHNICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS - YEAR ENDED 31 DECEMBER 2019 (Continued)

6 TAXATION ON PROFIT

Analysis of charge in period	2019 £	2018 £
UK corporation tax:		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	(7,642)
	=	<u>(7,642)</u>
Deferred tax (note 10)		
Current year	-	-
Prior year	-	-
	=	=
Tax on profit	=	<u>(7,642)</u>

Factors affecting the tax charge for the current period:

It was announced in the UK Budget 2020, that the proposed reduction in UK corporation tax from 19% to 17%, which was due to come into force from 1 April 2020 as enacted in the UK law at the Balance Sheet date, would be cancelled. As a result, the UK tax rate remains at 19%.

	2019 £	2018 £
Current tax reconciliation:		
Profit before tax	-	90,022
Current tax at 19% (2018: 19%)	=	<u>17,104</u>
Effects of:		
Adjustments in respect of prior periods	-	(7,642)
Group relief claimed for nil consideration	-	(17,104)
Total current tax charge (see above)	=	<u>(7,642)</u>

Factors affecting the tax charge for future periods:

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 17% (effective from 1 April 2020) are enacted in UK law at the Balance Sheet date.

7 DEBTORS

	2019 £	2018 £
Trade debtors	-	10,465
Amounts owed by Group companies	100	193,094
Other tax and social security	-	8385
	<u>100</u>	<u>211,944</u>

Amounts owed by Group companies are interest free and repayable on demand.

EUROGUARD TECHNICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS - YEAR ENDED 31 DECEMBER 2019 (Continued)

8 CREDITORS

	2019	2018
	£	£
Accruals and deferred income	-	51,403
	=	<u>51,403</u>

9 DEFERRED TAX ASSET

	2019	2018
	£	£
At 31 December 2018	-	-
Deferred tax credit in profit and loss account – current year	-	-
Deferred tax credit in profit and loss account – prior year	-	-
At 31 December 2019	=	=

10 SHARE CAPITAL

	2019	2018
	£	£
Allotted, called up and fully paid 100 (2018:100) Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

11 DIVIDEND

	<u>2019</u>	<u>2018</u>
	£	£
2019 interim dividend paid (2018: £nil)	162,292	-
	<u>162,292</u>	=

12 ULTIMATE PARENT COMPANY

The Company's immediate parent company is Rentokil Initial UK 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 Riverbank, Meadows Business Park, Blackwater, Camberley, Surrey, GU17 9AB.

13 EVENTS AFTER THE BALANCE SHEET DATE

In early 2020 a global pandemic of a new coronavirus, Covid-19, has arisen impacting all areas of operation of Rentokil Initial Plc, of which Euroguard Technical Services Limited is an integral member. Given the uncertainty and the unknown duration of the Covid-19 pandemic and the reduced economic outlook, the directors of Rentokil Initial Plc have assessed the Group's financial position and have modelled its cash flows for the next 18 months. This includes assessing the impact of Covid-19, factoring in severe but plausible downside scenarios on the Group's financial position, which would result in a further reduction in revenue and earnings. Despite these projections the Group will remain within its liquidity headroom and within its banking covenants.

EUROGUARD TECHNICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS - YEAR ENDED 31 DECEMBER 2019 (Continued)

13 EVENTS AFTER THE BALANCE SHEET DATE (Continued)

While the Group will not be immune to the impact of Covid-19, its strategy has positioned it well to deal with the challenges of Covid-19.

14 CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

The Company adopted IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments from 1 January 2018. There has been no material impact on these financial statements in the comparative period. During 2019 the Company did not trade.

As the Company does not enter into operating leases the adoption of IFRS 16 Leases as at 1 January 2019 have had no impact on these financial statements.