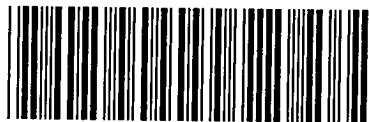


REGISTERED NUMBER: 02755077 (England and Wales)

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2013
for
Regus Management (UK) Limited**

TUESDAY



J3HI873F

JNI

30/09/2014

#46

COMPANIES HOUSE

Regus Management (UK) Limited

Company Information

for the Year Ended 31 December 2013

DIRECTORS:

PDE Gibson
R Morris

REGISTERED OFFICE:

268 Bath Road
Slough
Berkshire
SL1 4DX

REGISTERED NUMBER:

02755077 (England and Wales)

AUDITORS:

KPMG
Chartered Accountants and Statutory Auditor
Stokes House
17-25 College Square East
Belfast
BT1 6DH

Regus Management (UK) Limited (Registered number: 02755077)

Strategic Report

for the Year Ended 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

PRINCIPAL ACTIVITY

The company's principal activity is the provision of management services to the Regus (UK) group of companies.

REVIEW OF BUSINESS

The results for the company show a pre-tax profit of £7,305,000 (2012: £2,700,000 profit) for the year and turnover of £26,219,000 (2012: £25,197,000).

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of risks and uncertainties which could have an impact on the company's long term performance. The company has a risk management structure in place to identify, manage and mitigate business risks. Risk assessment and evaluation is an essential part of the planning, budgeting and forecasting cycle.

The directors have identified that the principal risks and uncertainties affecting the company are an economic downturn in the market and exposure to movements in the property market. Further discussion of these risks and uncertainties, in the context of Regus plc group as a whole, is provided in the group's annual report which does not form part of this report.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The objectives, policies and strategies applied by the company with respect to financial instruments are determined by Regus plc. Exposure to credit, interest rate and currency risk arise in the normal course of business. The principal financial instruments used by the company to finance its operations are cash and loans.

CREDIT RISK

A diversified customer base and requirement for customer deposits and payments in advance on workstation contracts minimises the company's exposure to customer credit risk.

Cash assets, borrowings and derivative financial instruments are only transacted with counterparties of sound credit ratings, and management does not expect any counterparty to fail to meet its obligations.

INTEREST RATE RISK

At 31 December 2013 there was £87,924,000 (2012: £60,265,000) of amounts on loan to parent and fellow subsidiary companies. Surplus cash balances are loaned to group companies at commercial rates of interest in order to achieve maximum interest returns.

FOREIGN CURRENCY RISK

The company's exposure to currency risk at a transactional level is minimal as the majority of day to day transactions are carried out in pounds sterling.

DERIVATIVE FINANCIAL INSTRUMENTS

At 31 December 2013 there were no derivative financial instruments outstanding.

Regus Management (UK) Limited (Registered number: 02755077)

Strategic Report

for the Year Ended 31 December 2013

EMPLOYEES

It is the company's policy to communicate with all employees and to encourage them to take a wider interest in the affairs of the company and the Regus plc group. This is done in a variety of ways including electronic media, in house journals, bulletins and briefing sessions.

The health and safety of employees is of paramount importance. Safety awareness is actively promoted in the working environment and is reviewed from time to time, in the light of good practice and developing legislation.

The company is committed to the principal of equal opportunity in employment, regardless of a person's race, creed, nationality, sex, age, marital status or disability. Employment policies are fair, equitable and consistent with the skills and abilities of the employees and the needs of the company's businesses. These policies ensure that everyone is accorded equal opportunity for recruitment, training and promotion. Where an employee becomes disabled whilst employed by the company every effort is made to allow that person to continue in employment.

The number of employees and their remuneration are set out in note 3 to the financial statements.

BY ORDER OF THE BOARD:



PDE Gibson - Director

23 September 2014

Regus Management (UK) Limited (Registered number: 02755077)

Report of the Directors

for the Year Ended 31 December 2013

The directors present their report with the financial statements of the company for the year ended 31 December 2013.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2013 was £500,000 (year ended 31 December 2012: £nil).

FUTURE DEVELOPMENTS

Looking ahead in 2014 the company will benefit from the Regus Group continuing to drive occupancy improvements through higher enquiries and conversion levels and to pursue attractive low risk growth opportunities.

DIRECTORS

PDE Gibson has held office during the whole of the period from 1 January 2013 to the date of this report.

Other changes in directors holding office are as follows:

R Morris was appointed as a director after 31 December 2013 but prior to the date of this report.

TSJD Regan ceased to be a director after 31 December 2013 but prior to the date of this report.

POLITICAL DONATIONS AND EXPENDITURE

The company made no political contributions in either the year ended 31 December 2013 or the year ended 31 December 2012.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Regus Management (UK) Limited (Registered number: 02755077)

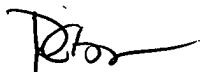
Report of the Directors

for the Year Ended 31 December 2013

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG will therefore continue in office.

BY ORDER OF THE BOARD:

A handwritten signature in black ink, appearing to read 'PDE Gibson', with a long horizontal flourish extending to the right.

PDE Gibson - Director

23 September 2014

Independent Auditors' Report to the Members of Regus Management (UK) Limited

We have audited the financial statements of Regus Management (UK) Limited for the year ended 31 December 2013 which comprise the Profit and Loss account, Balance Sheet and Notes to the Financial Statements. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

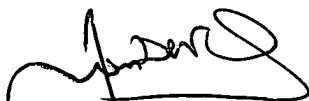
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' Report to the Members of Regus Management (UK) Limited

Matters on which we are required to report by exception

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

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



Jon D'Arcy (Senior Statutory Auditor)
for and on behalf of KPMG
Chartered Accountants and Statutory Auditor
Stokes House
17-25 College Square East
Belfast
BT1 6DH

23 September 2014

Regus Management (UK) Limited (Registered number: 02755077)

Profit and Loss Account

for the Year Ended 31 December 2013

	Notes	2013 £'000	2012 £'000
TURNOVER	2	26,219	25,197
Cost of sales		<u>(641)</u>	<u>395</u>
GROSS PROFIT		26,860	24,802
Administrative expenses		<u>19,895</u>	<u>20,990</u>
OPERATING PROFIT	4	6,965	3,812
Exceptional items	5	<u>197</u>	<u>(1,429)</u>
		7,162	2,383
Interest receivable and similar income	6	146	317
Interest payable and similar charges	7	<u>(3)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		7,305	2,700
Tax on profit on ordinary activities	8	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u>7,305</u>	<u>2,700</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year.

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.

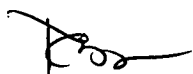
Regus Management (UK) Limited (Registered number: 02755077)

Balance Sheet

31 December 2013

	Notes	2013 £'000	2012 £'000
FIXED ASSETS			
Tangible assets	10	187	305
CURRENT ASSETS			
Debtors	11	95,433	65,645
Cash at bank		665	348
		<u>96,098</u>	<u>65,993</u>
CREDITORS			
Amounts falling due within one year	12	85,784	62,602
NET CURRENT ASSETS		<u>10,314</u>	<u>3,391</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,501</u>	<u>3,696</u>
CAPITAL AND RESERVES			
Called up share capital	14	-	-
Profit and loss account	15	10,501	3,696
SHAREHOLDERS' FUNDS	17	<u>10,501</u>	<u>3,696</u>

These financial statements were approved by the Board of Directors on 23 September 2014 and were signed on its behalf by:



PDE Gibson - Director

The notes on pages 10 to 16 form part of these financial statements

Regus Management (UK) Limited (Registered number: 02755077)

Notes to the Financial Statements

for the Year Ended 31 December 2013

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and comply with UK Generally Accepted Accounting Practice.

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Cash flow statement

In accordance with FRS 1, a cash flow statement has not been prepared on the grounds that the company is a wholly owned subsidiary undertaking of Regus plc and its cash flows are included within the consolidated cash flow statement of that company.

Turnover

Turnover represents the value of management services provided to other companies within the Group and the value of services provided to third parties during the year. Turnover is exclusive of VAT and similar taxes.

Centre income is invoiced two months in advance and is deferred until the month in which the services are provided.

Income for other services supplied to clients is charged and recognised in the month in which the related services are provided.

Services are deemed to have been delivered to customers when, and to the extent that, the company has met its obligations under its services contract.

Tangible fixed assets and depreciation

Depreciation is provided on a straight line basis at rates calculated to write off the cost of fixed assets to estimated residual values over their estimated useful lives at the following rates:

Furniture, telephone & office equipment	- 5 to 10 years
Other fixtures & fittings	- 10 years
Computers	- 3 years

Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Pension costs and other post-retirement benefits

Regus Management (UK) Limited operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Going concern

The company's business activities are set out in the Strategic Report on page 2. The directors believe the company's funding is likely to be sufficient to meet its day to day working capital requirements and that accordingly it is appropriate to prepare these financial statements on a going concern basis.

Related party transactions

As the company is a wholly owned subsidiary of Regus plc, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

Regus Management (UK) Limited (Registered number: 02755077)

Notes to the Financial Statements - continued

for the Year Ended 31 December 2013

1. ACCOUNTING POLICIES - continued

Start-up costs

Start-up costs (including formation costs, costs related to finding property and any other centre opening costs) are charged to the profit and loss account as they are incurred.

Refurbishment

The terms of most building leases require the company to make good dilapidation or other damage occurring during the rental period. Due to the nature of the business, centres are maintained to a high standard. Provisions for dilapidations are only made when the company considers that it is likely that the premises will be vacated by the company and it is known that a dilapidation has occurred.

The above accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

2. TURNOVER

All results are derived from the provision of services to the Regus (UK) group of companies and from the provision of serviced offices and related services in the United Kingdom.

3. STAFF COSTS

	2013	2012
	£'000	£'000
Wages and salaries	21,566	20,502
Social security costs	1,949	1,840
Other pension costs	140	146
	23,655	22,488
Recharged to other UK group companies	(16,370)	(14,244)
Included in administrative expenses	7,285	8,244

The average number of employees during the year was as follows:

	2013	2012
Operations	787	755
Sales	55	94
Administration	18	14
	860	863

Regus Management (UK) Limited recharges payroll costs, in full, to the Regus (UK) group of companies at cost. The average number of persons employed by Regus Management (UK) Limited during the year including directors, analysed by category, was as above.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

4. OPERATING PROFIT

The operating profit is stated after charging:

	2013	2012
	£'000	£'000
Depreciation - owned assets	273	123
Auditors' remuneration: Audit of these financial statements	1	1
Auditors' remuneration: Audit of financial statements of group companies	214	177
Auditors' remuneration: All other services	14	12
Operating leases - other assets	21	21
Management fees	2,547	2,155
	<u>2,547</u>	<u>2,155</u>
	2013	2012
	£	£
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

TSJD Regan did not receive any remuneration in relation to his services to the company. The remaining director is also a director of other subsidiaries of the Regus (UK) group of companies. As it is not practicable to allocate his remuneration between services as director of each of these subsidiaries, details of PDE Gibson's remuneration are disclosed in the accounts of Regus Business Services Limited.

5. EXCEPTIONAL ITEMS

Exceptional items of £562,000 were credited in relation to the settlement of payables and receivables with entities in administration and £365,000 was charged in relation to employee severance costs (2012: £1,429,000 was charged for legal fees associated with the renegotiation of operating leases and the settlement of payables and receivables relating to entities in administration).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2013	2012
	£'000	£'000
Bank interest	-	1
Interest receivable from parent and fellow subsidiary undertakings	146	316
	<u>146</u>	<u>317</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£'000	£'000
Interest payable to parent and fellow subsidiary undertakings	2	-
Other interest payable	1	-
	<u>3</u>	<u>-</u>

8. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2013 nor for the year ended 31 December 2012.

Regus Management (UK) Limited (Registered number: 02755077)

Notes to the Financial Statements - continued for the Year Ended 31 December 2013

8. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	7,305	2,700
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.250% (2012 - 24.500%)	1,698	662
Effects of:		
Expenses not deductible for tax purposes	10	289
Income not taxable for tax purposes	(125)	-
Depreciation in excess of capital allowances	59	28
Utilisation of tax losses	-	(179)
Group relief received not paid for	(1,642)	(800)
Current tax charge	-	-

The company has decelerated capital allowances of £577,000 (2012: £74,000) for which no deferred tax asset has been recognised, on the basis that there is uncertainty with regard to the timing of future taxable profits.

Factors that may affect future and total tax charges

Following the 2013 Budget Statement, the main rate of UK corporation tax was reduced from 24% directly to 23% with effect from 1 April 2013. Thereafter the main rate of UK corporation tax will continue to reduce to 21% from 1 April 2014 and to 20% from 1 April 2015. It is expected that this graduated fall in the main corporation tax rate will result in a reduction of the company's future current tax charge.

9. DIVIDENDS

	2013 £'000	2012 £'000
Final	500	-

Regus Management (UK) Limited (Registered number: 02755077)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST			
At 1 January 2013	344	436	780
Additions	8	147	155
	<hr/>	<hr/>	<hr/>
At 31 December 2013	352	583	935
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2013	168	307	475
Charge for year	90	183	273
	<hr/>	<hr/>	<hr/>
At 31 December 2013	258	490	748
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2013	94	93	187
	<hr/>	<hr/>	<hr/>
At 31 December 2012	176	129	305
	<hr/>	<hr/>	<hr/>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Trade debtors	448	585
Amounts owed by group undertakings	91,129	61,971
Other debtors	750	383
Prepayments and accrued income	3,106	2,706
	<hr/>	<hr/>
	95,433	65,645
	<hr/>	<hr/>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Trade creditors	4,600	3,744
Customer deposits	57,329	38,736
Amounts owed to group undertakings	14,588	13,849
Social security and other taxes	577	637
VAT	4,569	1,986
Other creditors	7	-
Accruals and deferred income	4,114	3,650
	<hr/>	<hr/>
	85,784	62,602
	<hr/>	<hr/>

Regus Management (UK) Limited (Registered number: 02755077)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

13. OPERATING LEASE COMMITMENTS

Annual commitments in respect of property, vehicles, plant and equipment under non-cancellable operating leases are as follows:

	Vehicle, plant & equipment	
	2013	2012
	£'000	£'000
Expiring:		
Within one year	-	10
Between one and five years	-	8
	<u>-</u>	<u>18</u>
	<u>-</u>	<u>18</u>

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2013	2012
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

15. RESERVES

	Profit and loss account
	£'000
At 1 January 2013	3,696
Profit for the year	7,305
Dividends	(500)
	<u>10,501</u>
At 31 December 2013	<u>10,501</u>

16. ULTIMATE PARENT COMPANY

Regus Management (UK) Limited is a wholly owned subsidiary of Umbrella Holdings SARL, a company incorporated in Luxembourg and a subsidiary of Regus plc.

The smallest and largest group in which the results of the company are consolidated is that headed by Regus plc, a company incorporated in Jersey. The consolidated accounts of Regus plc are available to the public and may be obtained from the Company's website www.regus.com or from the Regus plc head office, 26 Boulevard Royal, L-2449 Luxembourg.

Regus Management (UK) Limited (Registered number: 02755077)

Notes to the Financial Statements - continued
for the Year Ended 31 December 2013

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013	2012
	£'000	£'000
Profit for the financial year	7,305	2,700
Dividends	(500)	-
	<hr/>	<hr/>
Net addition to shareholders' funds	6,805	2,700
Opening shareholders' funds	3,696	996
	<hr/>	<hr/>
Closing shareholders' funds	10,501	3,696
	<hr/>	<hr/>