Regus H

Directors' Report and Financial Statements

Registered number 5177178

Year ended 30 November 2015

Directors' Report and Financial Statements

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Report of the Directors

for the year ended 30 November 2015

The directors present their Directors' Report and the financial statements of the company for the year ended 30 November 2015.

Principal activities and business review

The company was formed in 2004 to hold shares in USA based subsidiary undertakings, in particular HQ Global Workplaces and its subsidiaries, which were disposed of to a fellow subsidiary during 2013 as part of a group reorganisation. Funding for the investments is provided from a combination of share capital and dollar based loans made available by a number of other group subsidiaries. Profits and losses arise from interest payable and from foreign currency translation gains and losses.

Results and dividends

The loss for the year ended 30 November 2015 was £275,006 (2014 loss: £239,328). The directors do not recommend payment of a dividend (2014: £nil).

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 designed to identify, manage and mitigate business risks. Risk assessment and evaluation is an essential part of the annual 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 the Regus plc group as a whole, is provided in the group's annual report which does not form part of this report.

Directors

The directors shown below held office during the whole of the period from 1 December 2014 to the date of this report.

RJG Lobo
TSJD Regan

Political contributions and charitable donations

The company made no political or charitable contributions in 2015 (2014: £nil).

Future developments

The directors do not envisage any significant change in the activity of the company in the foreseeable future.

Small company exemption

In preparing the Directors' Report, the directors have taken the small companies exemption under section 414B of the Companies Act 2006 not to prepare Strategic Report.

Report of the Directors *(continued)*

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as each is aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors, KPMG, will be deemed to be reappointed and therefore continue in office.

By order of the board

T Regan
Director

268 Bath Road
Slough
Berkshire
SL14DX
26 July 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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
- 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 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.

By order of the board

T Regan
Director

268 Bath Road
Slough
Berkshire
SL14DX
26 July 2016

KPMG
Audit
Stokes House
17-25 College Square East
Belfast BT1 6DH
Northern Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REGUS H

We have audited the financial statements of Regus H for the year ended 30 November 2015 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

3 We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirements to prepare a Strategic Report.

We have nothing to report in respect of the above responsibilities.

KPMG
Audit
Stokes House
17-25 College Square East
Belfast BT1 6DH
Northern Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REGUS H (continued)

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) 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 Annual Report 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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tom McEvoy

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

26 July 2016

Profit and loss account and other comprehensive income

for the year ended 30 November 2015

	Note	2015	2014
		£000	£000
Administration expenses		**(275)**	(239)
Operating Loss	*2*	**(275)**	(239)
Loss on ordinary activities before taxation		**(275)**	(239)
Tax on loss	*4*	**-**	-
Loss for the financial year		**(275)**	(239)
Other Comprehensive Income		-	-
Total Comprehensive Loss for the year		(275)	(239)

All amounts are derived from continuing activities.

The notes on pages 9 to 12 form part of these financial statements.

Balance sheet
at 30 November 2015

	Note	**2015** **£000**	2014 £000
Current assets			
Debtors: amounts falling due within one year	*6*	**6,113**	6,113
Cash at bank and in hand		**-**	2
		6,113	6,115
Creditors: amounts falling due within one year	*7*	**(6,310)**	(6,037)
Net current (liabilities)/assets		**(197)**	78
Capital and reserves			
Called up share capital	*8*	**-**	-
Profit and loss account		**(197)**	78
Equity shareholder's (deficit)/funds		**(197)**	78

The notes on pages 9 to 12 form part of these financial statements.

These financial statements were approved by the board of directors on 26 July 2016 and were signed on its behalf by:

Tim Regan
Director
Registered Number 5177178

Statement of changes in equity
at 30 November 2015

	Called up Share capital £000	Profit and loss account £000	Shareholders' funds £000
Balance at 1 December 2013	-	317	317
Total comprehensive income for the period			
Profit or loss	-	(239)	(239)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(239)	(239)
Balance at 30 November 2014	**-**	**78**	**78**

	Called up Share capital £000	Profit and loss account £000	Shareholders' deficit £000
Balance at 1 December 2014	-	78	78
Total comprehensive income for the period			
Profit or loss	-	(275)	(275)
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(275)	(275)
Balance at 30 November 2015	**-**	**(197)**	**(197)**

The notes on pages 9 to 12 form part of these financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

Regus H (the "Company") is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") as issued in September 2015.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") but makes the amendment where necessary, in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemption has been taken.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position and financial performance is provided in note 11.

The Company's ultimate parent undertaking, Regus plc includes the Company in its consolidated financial statements. The consolidated financial statements of Regus plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the Company's website www.regus.com or from Regus plc head office, 26 Boulevard Royal, L-2449 Luxembourg.

FRS 101 – Reduced Disclosure Exemptions
In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosure in respect of capital management;
- Disclosure in respect of compensation of Key Management Personnel;
- Disclosure of transactions with a management entity that provides key management personnel services to the Company; and
- The effects of new but not yet effective IFRS's.

As the consolidated financial statements of Regus plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair value measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures

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

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in the financial statements and in preparing an opening FRS 101 IFRS balance sheet at 1 December 2013 for the purpose of the transition to FRS 101.

Management have assessed that there are no estimates or judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognised in the financial statements.

Notes *(continued)*

Measurement Convention
The financial statements are prepared on the historical cost basis.

Going concern
The company's principal activity and future developments of the company are set out in the Report of the Directors on page 1. 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.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other income.

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 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 following temporary differences are not provided for: initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future. 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.

A deferred tax asset is recognised only to the extent that it is probable future taxable profits will be available against which the temporary difference can be utilised.

Non-derivative financial instruments

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Notes (continued)

2 Operating loss

	2015	2014
	£000	£000
Operating profit is stated after charging		
Loss on foreign currencies	**(275)**	(239)

Auditor's remuneration of £1,000 (2014: £1,000) is borne by Regus Group Services Limited without recharge in 2015.

3 Directors emoluments

The directors' fees were borne by Regus Group Services Limited without recharge, in both 2015 and 2014.

4 Tax on loss on ordinary activities

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

The company is resident in the UK for tax purposes. There is no tax charge for the year (2014: £nil).

Reconciliation of effective tax rate

The current tax charge differs from the amount obtained by the application of the standard rate of corporation tax in the UK to the Company's accounting profit before taxation for the following reasons:

	2015	2014
	£000	£000
Loss on ordinary activities before tax	**(275)**	(239)
Current tax at 20.25% (2014: 21.5%)	**(56)**	(52)
Effects of:		
Non-deductible exchange differences	**56**	52
Total tax expense	**-**	-

Factors affecting future tax charges:

Following the 2016 Budget Statement, the main rate of UK corporation tax was reduced to 20% from 1 April 2015 and will reduce to 19% from 1 April 2017 and 17% from 1 April 2020. It is expected that this graduated fall in the main corporation tax rate will result in a reduction of the company's future tax charge and the value of the deferred tax asset which has not been recognised.

5 Number of employees

There were no employees during the year apart from the directors.

Notes (continued)

6 Debtors: amounts falling due within one year

	2015 £000	2014 £000
Amounts owed by group undertakings	**6,113**	6,113

7 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Amounts owed to group undertakings	**6,310**	6,037

8 Share capital

	2015 £	2014 £
Allotted, called up and fully paid		
100 ordinary shares of £1	**100**	100

9 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Regus plc, a company incorporated in Jersey with its place of central administration (head office) in Luxembourg and accordingly being registered as a société anonyme. The immediate parent undertaking is Regus H Holdings, a company incorporated in the United Kingdom.

The 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.

10 Events after the reporting period

There were no events since the balance sheet date that would require adjustment or disclosure in the financial statements.

11 Explanation of transition to FRS 101 from old UK GAAP

In the transition to FRS101 from old UK GAAP, the company has made no measurement and recognition adjustments.