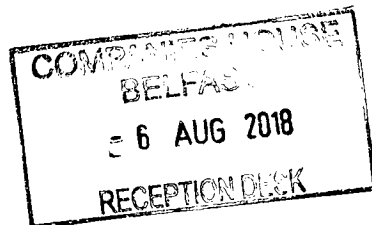


Regus Centres Limited

Directors' Report and Financial Statements

Registered number 05774251

31 December 2017



Directors' report and financial statements

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Directors' report

for the year ended 31 December 2017

The Directors present their Directors' report and the financial statements of the Company for the year ended 31 December 2017.

Principal activities

Historically, the company was engaged in the provision of financing to fellow subsidiary undertakings of Regus Group Ltd. On 6 July 2011 the company ceased to trade. As a result, the financial statements have not been prepared on a going concern basis. The effect of this is explained in note 1.

Results and dividends

The loss for the financial year was £590,671 (2016: loss £605,270). The directors do not recommend the payment of a dividend (2016: £nil).

Principal risks and uncertainties

Historically, there were a number of risks and uncertainties which could have impacted the company's long term performance. The company had a risk management structure in place designed to identify, manage and mitigate business risks. Risk assessment and evaluation were an essential part of the annual planning, budgeting and forecasting cycle.

The directors had identified that the principal risks and uncertainties affecting the company were 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 IWG plc group as a whole, is provided in the group's annual report which does not form part of this report.

These risks and uncertainties are no longer considered relevant as the company has ceased to trade.

Directors

The Directors shown below have held office during the period from 1 January 2017 to the date of this report.

RJG Lobo (*resigned 23 January 2017*)
TSJD Regan
SJ Wetherall (*appointed 23 January 2017*)

Political contributions

The Company made no political contributions in 2017 (2016: £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 a Strategic Report.

Directors' report

for the year ended 31 December 2017

Disclosure of information to auditors

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

TSJD Regan
Director



31/7/18

Regus 6th Floor
2 Kingdom Street
London
W2 6BD

2018

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 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 assets, liabilities and financial position of the Company and of its profit or loss for that year. 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss 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. The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2006

By order of the Board

TSJD Regan
Director


31/7/18

Regus 6th Floor
2 Kingdom Street
London
W2 6BD

2018



KPMG
Audit
The Soloist Building
1 Lanyon Place
Belfast BT1 3LP
Northern Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REGUS CENTRES LIMITED

1 Report on the audit of the financial statements

Opinion

We have audited the financial statements of Regus Centres Limited ('the Company') for the year ended 31 December 2017, which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 101 *Reduced Disclosure Framework*. These financial statements have not been prepared on the going concern basis for the reason set out in note 1.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 101 *Reduced Disclosure Framework*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information;

- we have not identified material misstatements in the Directors' Report;
- in our opinion, the information given in the Directors' Report is consistent with the financial statements;
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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 requirement to prepare a strategic report.

We have nothing to report on these matters/in regard to these matters.



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

2 Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement 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 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.

Auditor's 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 auditor's 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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

The purpose of our audit work and to whom we owe our responsibilities

Our 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 (Senior Statutory Auditor)
for and on behalf of KPMG Statutory Auditor
The Soloist Building
1 Lanyon Place
Belfast
BT1 3LP

2 August 2018

Profit and loss account and other comprehensive income
for the year ended 31 December 2016

	<i>Note</i>	2017 £000	2016 £000
Provision for loss on intercompany loan receivable		(18)	(18)
Loss on ordinary activities before interest and taxation		(18)	(18)
Interest receivable and similar income		18	18
Interest payable and similar charges		(591)	(605)
Loss on ordinary activities before taxation		(591)	(605)
Tax on loss on ordinary activities	5	-	-
Loss for the financial year		(591)	(605)
Other Comprehensive Income		-	-
Total comprehensive loss for the financial year		(591)	(605)

All amounts are derived from discontinued operations.

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

Balance sheet
at 31 December 2017

	<i>Note</i>	2017 £000	2016 £000
Creditors: amounts falling due within one year	6	(18,135)	(17,544)
Net current liabilities		(18,135)	(17,544)
Capital and reserves			
Called up share capital	7	1,180	1,180
Share premium account		116,830	116,830
Capital reserve		9,455	9,455
Profit and loss account		(145,600)	(145,009)
Equity shareholder's deficit		(18,135)	(17,544)

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

These financial statements were approved by the Board of Directors on the
were signed on its behalf by:

31/7/2018 2018 and



TSJD Regan
Director

Registered number 05774251

Statement of Changes in Equity
at 31 December 2017

	Called up Share capital £000	Share Premium £000	Capital reserve £000	Profit and loss account £000	Shareholder's funds £000
Balance at 1 January 2016	1,180	116,830	9,455	(144,404)	(16,939)
Total comprehensive income for the period					
Profit or loss account	-	-	-	(605)	(605)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(605)	(605)
Balance at 31 December 2016	1,180	116,830	9,455	(145,009)	(17,544)
	Called up Share capital £000	Share Premium £000	Capital reserve £000	Profit and loss account £000	Shareholder's funds £000
Balance at 1 January 2017	1,180	116,830	9,455	(145,009)	(17,544)
Total comprehensive income for the period					
Profit or loss account	-	-	-	(591)	(591)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(591)	(591)
Balance at 31 December 2017	1,180	116,830	9,455	(145,600)	(18,135)

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

Notes *(forming part of the financial statements)*

1 Accounting policies

Basis of preparation and going concern

Regus Centres Limited (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").

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.

The Company's ultimate parent undertaking, IWG plc includes the Company in its consolidated financial statements. The consolidated financial statements of IWG 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.iwgplc.com or from IWG plc head office, Dammstrasse 19, Zug CH - 6300 Switzerland.

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;
- 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 IWG 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

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.

The accounting policies set out below have been applied consistently to all periods presented in the financial statements.

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 Directors' report on page 1. During a previous year, the company ceased to trade and the likelihood is that the Directors will seek to wind up the company in the foreseeable future. As such the financial statements have been prepared on a break up basis, which is consistent with the prior year.

Notes *(continued)*

1 Accounting policies (continued)

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.

2 Auditor's remuneration

Auditor's remuneration of £1,500 (2016: £1,500) is borne by Regus Group Services Limited without recharge.

3 Directors emoluments

The Directors' fees were borne by Regus Group Services Limited without recharge.

4 Employees

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

Notes (continued)

5 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 (2016: £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:

	2017 £000	2016 £000
Loss on ordinary activities before tax	(591)	(605)
Current tax at 19.25% (2016: 20.00%)	(114)	(121)
<i>Effects of:</i>		
Provisions against intercompany balances	4	4
Other timing differences	110	-
Group relief surrendered for no payment	-	117
Total tax expense	-	-

Factors affecting future tax charges:

Reduction in the UK Corporation tax rate to 18% (effective 1 April 2020) was enacted on 26 October 2015. Finance Bill 2016 further reduced the 18% rate to 17% from 1 April 2020, following enactment on 15 September 2016. It is expected that this graduated fall in the main corporation tax rate will result in a reduction of the company's future tax charges.

6 Creditors: amounts falling due within one year

	2017 £000	2016 £000
Amount owed to parent and group undertakings	18,135	17,544

7 Share capital

	2017 £000	2016 £000
<i>Allotted, called up and fully paid</i>		
118,010,000 ordinary shares of £0.01 each	1,180	1,180

Notes (continued)

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

The Company is a subsidiary undertaking of IWG plc, a company incorporated in Jersey with its place of central administration (head office) in Switzerland. The immediate parent undertaking is Regus Group Limited, a company incorporated in the United Kingdom.

The largest group in which the results of the Company are consolidated is that headed by IWG plc, a company incorporated in Jersey. The smallest group in which they are consolidated is that headed by Regus plc incorporated in Jersey and registered and domiciled in Luxembourg. No other group financial statements include the results of the Company. The consolidated accounts of IWG plc and Regus plc are available to the public and may be obtained from their respective websites, www.iwgplc.com and www.regus.com.

9 Events after the reporting period

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