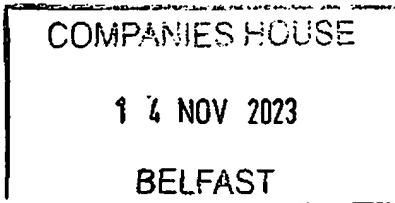


Company Registration No. 05826371 (England and Wales)



Regus G Limited
Annual Report and Financial Statements
For the Year Ended 31 December 2022

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COMPANIES HOUSE

REGUS G LIMITED

COMPANY INFORMATION

DIRECTOR

R Morris
J Prasad-Smith

COMPANY NUMBER

05826371 (England and Wales)

REGISTERED OFFICE

6th Floor
2 Kingdom Street
London
W2 6BD

AUDITORS

KPMG
Chartered Accountants and Statutory Auditor
The Soloist Building
1 Lanyon Place
Belfast
BT1 3LP

REGUS G LIMITED

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REGUS G LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The director presents his report with the financial statements of the Company for year ended 31 December 2022.

RESULTS AND DIVIDENDS

The results for the year are set out on page 7.

No dividends were paid or proposed for the year ended 31 December 2022 or the year ended 31 December 2021.

FUTURE DEVELOPMENTS

The current economic environment is challenging and the Company has reported an operating loss for the year. The directors consider that the outlook presents significant challenges in terms of sales volume and pricing, as well as costs. Additionally, as at 31 December 2022 the Company had net current liabilities of £1,177,000. The Company is dependent for its working capital on funds provided to it by IWG plc, the Company's ultimate Parent. The directors are not aware of any current intention of IWG plc and related entities to seek repayment for any intercompany balances currently made available to the Company. The directors consider that this should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. The directors have concluded that these circumstances represent a material uncertainty which casts significant doubt upon the Company's ability to continue as a going concern. Nevertheless, after making enquiries, the directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual report and financial statements.

DIRECTORS

The directors who held office during the year and up to the date of signature of the financial statements was as follows:

R Morris

S Loh

J Prasad-Smith

(Resigned 12 May 2023)

(Appointed 3 July 2023 and resigned 31 October 2023)

POLITICAL CONTRIBUTIONS

The Company made no political contributions in the year ended 31 December 2022 or the year ended 31 December 2021.

EVENTS SINCE THE END OF THE YEAR

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

SMALL COMPANIES EXEMPTION

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

REGUS G LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with FRS 101 Reduced Disclosure Framework. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of its profit or loss for that period. In preparing these financial statements, the director is required to:

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

STATEMENT OF DISCLOSURE TO AUDITOR

The directors who held office at the date of approval of the Director's 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 in order 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 auditor will be deemed to be re-appointed and KPMG will therefore continue in office.

On behalf of the board



R Morris
Director

7 November 2023



KPMG

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

Independent Auditor's Report to the Members of Regus G Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Regus G Limited ('the Company') for the year ended December 31, 2022 set out on pages 7 to 16, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, 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.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at December 31, 2022 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework issued by the UK's Financial Reporting Council; and
- the financial statements have been 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.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which indicates that the Company's ability to continue as a going concern is dependent on the Company's ultimate parent undertaking and other group entities continuing to provide financial support, for which support is not formalised.

As stated in note 1, these events or conditions, along with the other matters explained in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease their operations, and as they have concluded that the Company's financial position means that this is realistic. As set out in note 1 in the financial statements, they have also concluded that there is a material uncertainty that could cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").



In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery and employment law.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.



In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. The financial statements and our auditor's report thereon do not comprise part of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- 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 have 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; and
- 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 in these respects.



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 2, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; 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; 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 they 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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.

8 November 2023

Phillip Marshall (Senior Statutory Auditor)

for and on behalf of

KPMG, Statutory Auditor
The Soloist Building
1 Lanyon Place
Belfast
BT1 3LP

REGUS G LIMITED

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £'000	2021 £'000
TURNOVER	2	-	1,050
Cost of sales		-	(1,270)
GROSS PROFIT/(LOSS)		-	(220)
Administrative expenses		(50)	(244)
OPERATING LOSS	5	(50)	(464)
Interest payable and similar expenses	4	(40)	(92)
LOSS BEFORE TAXATION		(90)	(556)
Tax on loss	6	-	-
LOSS FOR THE FINANCIAL YEAR		(90)	(556)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		(90)	(556)

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

REGUS G LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £'000	2021 £'000
CURRENT ASSETS			
Debtors	7	238	698
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	8	1,415	1,785
NET CURRENT LIABILITIES		(1,177)	(1,087)
TOTAL ASSETS LESS CURRENT LIABILITIES		(1,177)	(1,087)
NET LIABILITIES		(1,177)	(1,087)
CAPITAL AND RESERVES			
Share capital	9	-	-
Profit and loss reserves		(1,177)	(1,087)
SHAREHOLDER DEFICIT		(1,177)	(1,087)

The financial statements were approved by the board of directors and authorised for issue on 7 November 2023 and are signed on its behalf by:



R Morris
Director

Company Registration No. 05826371 (England and Wales)

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

REGUS G LIMITED

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

	Share capital £'000	Profit and loss reserves £'000	Total £'000
Balance at 1 January 2021	-	(531)	(531)
Changes in equity			
Total comprehensive expense for the year	-	(556)	(556)
Balance at 31 December 2021	-	(1,087)	(1,087)
Changes in equity			
Total comprehensive expense for the year	-	(90)	(90)
Balance at 31 December 2022	-	(1,177)	(1,177)

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

REGUS G LIMITED

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

1 ACCOUNTING POLICIES

Company information

Regus G Limited is a private company incorporated, domiciled and registered in England and Wales, in the UK. The registered office is 6th Floor, 2 Kingdom Street, London, W2 6BD and the company registration number is 05826371 (England and Wales).

Basis of preparation

The 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 UK-adopted international accounting standards ("UK-adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions 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 as adopted by the EU and are available to the public and may be obtained from the Company's website www.iwgplc.com or from the IWG plc registered office, 22 Grenville Street, St Helier, Jersey, JE4 8PX.

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 or parents and other group companies;
- Disclosures in respect of capital management;
- Disclosures in respect of the compensation of Key Management Personnel;
- Disclosure of transactions with a management entity that provides key management personnel services to the Company;
- The effects of new but not yet effective IFRSs;
- Certain disclosures regarding revenue; and
- Certain disclosures regarding leases.

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.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Impact of key estimates and judgements

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.

Measurement convention

The financial statements are prepared on the historical basis.

REGUS G LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

(Continued)

Changes in accounting policies

In the current year, the Company has applied a number of amendments to UK-adopted IFRS that are effective for an accounting period that begins on or after 1 January 2022:

- Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Reference to the Conceptual Framework – Amendments to IFRS 3

The adoption of the above did not have a material effect on these financial statements.

Going concern

As described in the Directors' Report on page 1, the current economic environment is challenging and the Company has reported an operating loss for the year. The directors consider that the outlook presents significant challenges in terms of sales volume and pricing, as well as costs. Additionally, as at 31 December 2022 the Company had net current liabilities of £1,177,000. The Company is dependent for its working capital on funds provided to it by IWG plc, the Company's ultimate Parent. The directors are not aware of any current intention of IWG plc and related entities to seek repayment for any intercompany balances currently made available to the Company. The directors consider that this should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The directors have concluded that these circumstances represent a material uncertainty which casts significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries, the directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resource to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual report and financial statements. The financial statements are prepared on the going concern basis and do not include any adjustments that would be necessary if this basis were inappropriate.

Turnover

Workstations

The Company recognises workstation revenue when it transfers services to a customer. It is measured based on the consideration specified in a contract with a customer. Services transfer to the customer equally over the contract period based on the time elapsed. Where discounted periods are granted to customers, service income is spread on a straight-line basis over the duration of the customer contract. Invoices are generally issued in advance, on a monthly basis with normal credit terms of 15 days, and initially recognised as deferred revenue.

Workstation revenue is recognised over time as the services are provided. Amounts invoiced in advance are accounted for as deferred revenue and recognised as revenue upon provision of the service.

Customer service income

Service income (including the rental of meeting rooms) is recognised over time as the services are delivered or at a point in time depending on contractual obligations. Invoices are generally issued when the service is provided and subject to immediate settlement. In circumstances where the Company acts as an agent for the sale and purchase of goods to customers, only the commission fee earned is recognised as revenue.

Expenses

Net finance expense

Interest charges and income are accounted for in the income statement on an accruals basis.

REGUS G LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

(Continued)

Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement – financial assets

Financial assets are classified as subsequently measured at amortised cost, fair value through the profit or loss or fair value through other comprehensive income (OCI). The classification depends on the nature and purpose of the financial assets and is determined on initial recognition.

Financial assets (including trade and other receivables) are measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.

Financial assets (including trade and other receivables) are measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent measurement and gains and losses

Financial assets at amortised cost - these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest bearing borrowings and other financial liabilities

Financial liabilities, including interest bearing borrowings, are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, financial liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest rate method.

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or expired.

Financial liabilities are classified as financial liabilities at fair value through profit or loss where the liability is either held for trading or is designated as held at fair value through profit or loss on initial recognition. Financial liabilities at fair value through profit or loss are stated at fair value with any resultant gain or loss recognised in the income statement. The Company has not designated any financial liabilities at fair value through the profit or loss and it has no current intention to do so.

REGUS G LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

(Continued)

Financial instruments (continued)

Impairment – financial assets

IFRS 9 requires the Company to record expected credit losses (ECLs) on all of its financial instruments held at amortised cost, either on a 12-month or lifetime basis. The Company applied the simplified approach to trade receivables and recorded the lifetime expected losses.

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: the 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 the 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.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

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.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

REGUS G LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 TURNOVER

All results are derived from the provision of serviced offices and related services in the United Kingdom.

3 EMPLOYEES AND DIRECTORS

IW Group Services (UK) Limited recharges the payroll costs to Regus G Limited at cost. No employees are directly employed by the Company (2021: Nil).

Details of R Morris's and S Loh's remuneration are disclosed in the accounts of IW Group Services (UK) Limited.

4 INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £'000	2021 £'000
Interest on lease liabilities	-	50
Interest payable to group undertakings	40	42
	<u>40</u>	<u>92</u>

5 EXPENSES AND AUDITOR'S REMUNERATION

	2022 £'000	2021 £'000
Included in the loss are the following:		
Depreciation	-	658
Lease expense on short-term leases	-	133
	<u>-</u>	<u>791</u>

Amounts paid to the Company's auditor in respect of services to the Company of £1K (2021: £1K) have been paid for by IW Group Services (UK) Limited. Details of auditor's remuneration are disclosed in the accounts of IW Group Services (UK) Limited.

REGUS G LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 TAXATION

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Reconciliation of effective tax rate	2022 £'000	2021 £'000
Loss before taxation	(90)	(556)
Tax using the UK corporation tax rate of 19%	(17)	(106)
Effects of:		
Expenses not deductible in determining taxable profit	(12)	10
Group relief at nil consideration	26	88
Disallowed interest	3	8
Taxation charge for the year	-	-

Factors that may affect future and total tax charges

Following Finance Act 2021, the corporation tax rate will increase from 19% to 25% with effect from 1 April 2023. Accordingly deferred tax has been provided at 25% (2021: 19%), the rate expected to apply when timing differences reverse in the future.

The Company has decelerated capital allowances of £112,000 (2021: £112,000) 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.

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £'000	2021 £'000
Trade debtors	-	441
Amounts owed by fellow group undertakings	82	257
Prepayments and accrued income	156	-
	238	698

Amounts owed by fellow group undertakings are repayable on demand and unsecured.

REGUS G LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £'000	2021 £'000
Trade creditors	-	265
Amounts owed to fellow group undertakings	1,415	902
Accruals and deferred income	-	49
Lease liabilities	-	569
	<u>1,415</u>	<u>1,785</u>

Amounts owed to fellow group undertakings includes intercompany loans which are repayable on demand and are guaranteed by floating charges over the Company's property, assets, book debt, credit balances, interest in all shares, stocks, debentures, bonds, warrants, coupons or other securities and investments.

9 SHARE CAPITAL

Allotted, issued and fully paid:	2022 £	2021 £
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

10 ULTIMATE PARENT COMPANY

The Company is a wholly owned subsidiary of IWG Group Holdings S.A.R.L, a company incorporated and registered in Luxembourg.

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 IWG Enterprise Sarl incorporated, registered and domiciled in Luxembourg. The consolidated accounts of IWG plc are available to the public and may be obtained from the website www.iwgplc.com.

11 EVENTS AFTER THE REPORTING PERIOD

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