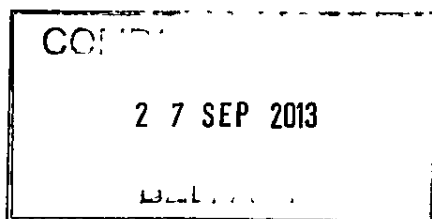


**REGISTERED NUMBER: 07170213 (England and Wales)**

**Report of the Directors and  
Financial Statements for the Year Ended 31 December 2012  
for  
Birmingham Watling Street Centre Limited**



FRIDAY



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27/09/2013  
COMPANIES HOUSE

**Contents of the Financial Statements**  
*for the Year Ended 31 December 2012*

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2 to 3</b>
<b>Independent Auditors' Report</b>	<b>4 to 5</b>
<b>Profit and Loss Account</b>	<b>6</b>
<b>Balance Sheet</b>	<b>7</b>
<b>Notes to the Financial Statements</b>	<b>8 to 13</b>

# **Birmingham Watling Street Centre Limited**

## **Company Information** *for the Year Ended 31 December 2012*

**DIRECTORS:**

TSJD Regan  
PDE Gibson

**REGISTERED OFFICE:**

268 Bath Road  
Slough  
Berkshire  
SL1 4DX

**REGISTERED NUMBER:**

07170213 (England and Wales)

**AUDITORS:**

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

## **Birmingham Watling Street Centre Limited (Registered number: 07170213)**

### **Report of the Directors**

*for the Year Ended 31 December 2012*

The directors present their report with the financial statements of the company for the year ended 31 December 2012

#### **PRINCIPAL ACTIVITY**

The company's principal activity is the provision of serviced offices and related services

#### **REVIEW OF BUSINESS**

On 1 September 2012, the company entered into a Business Asset Sale and Purchase Agreement with Regus PLP (UK) Limited to buy certain Business Assets of a business centre at Watling Street, Birmingham for a cash consideration of £3,000. All results reflect the activities of the company for the 4 month period from 1 September 2012 to 31 December 2012.

The results for the company show a pre-tax profit of £12,000 (2011 £- loss) for the year and turnover of £144,000 (2011 £-).

#### **DIVIDENDS**

No dividends were paid or proposed for either the year ended 31 December 2012 or the year ended 31 December 2011.

#### **DIRECTORS**

The directors who have held office during the period from 1 January 2012 to the date of this report are as follows:

N Benbow - resigned 26 January 2012

N McIntyre - resigned 26 January 2012

MLJ Dixon - appointed 26 January 2012 - resigned 16 April 2012

TSJD Regan - appointed 26 January 2012

PDE Gibson - appointed 26 January 2012

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

The company made no political or charitable contributions in either 2012 or 2011.

#### **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,
- 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.

**Birmingham Watling Street Centre Limited (Registered number: 07170213)**

**Report of the Directors**  
*for the Year Ended 31 December 2012*

**AUDITORS**

KPMG were appointed as auditors during the year 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:**



TSJD Regan - Director

16 September 2013

## **Independent Auditors' Report to the Members of Birmingham Watling Street Centre Limited**

We have audited the financial statements of Birmingham Watling Street Centre Limited for the year ended 31 December 2012 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 a 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 two, 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 Report of the Directors to identify material inconsistencies with the audited financial statements. 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 2012 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**

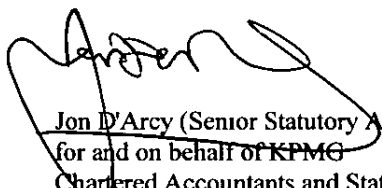
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent Auditors' Report to the Members of Birmingham Watling Street Centre 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

16 September 2013

**Birmingham Watling Street Centre Limited (Registered number: 07170213)**

**Profit and Loss Account**  
*for the Year Ended 31 December 2012*

	Notes	2012 £'000	2011 £'000
<b>TURNOVER</b>	2	<b>144</b>	-
Cost of sales		<u>101</u>	<u>-</u>
<b>GROSS PROFIT</b>		<b>43</b>	-
Administrative expenses		<u>32</u>	<u>-</u>
<b>OPERATING PROFIT</b>	4	<b>11</b>	-
Interest receivable and similar income	5	3	-
Interest payable and similar charges	6	<u>(2)</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>12</b>	-
Tax on profit on ordinary activities	7	<u>-</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><b>12</b></u>	<u><b>-</b></u>

**CONTINUING OPERATIONS**

All of the current period results have arisen from acquired operations

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the current 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



**Birmingham Watling Street Centre Limited (Registered number: 07170213)**

**Balance Sheet**

**31 December 2012**

	Notes	2012 £'000	2011 £'000	2011 £'000	£'000
<b>FIXED ASSETS</b>					
Intangible assets	8		17		-
<b>CURRENT ASSETS</b>					
Debtors	9	93		-	
<b>CREDITORS</b>					
Amounts falling due within one year	10	98		-	
<b>NET CURRENT LIABILITIES</b>			(5)		-
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			12		-
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		-		-
Profit and loss account	13		12		-
<b>SHAREHOLDERS' FUNDS</b>	15		12		-

These financial statements were approved by the Board of Directors on 16 September 2013 and were signed on its behalf by



PDE Gibson - Director

The notes on pages 8 to 13 form part of these financial statements

**Notes to the Financial Statements**  
*for the Year Ended 31 December 2012*

**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

**Cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

**Turnover**

Turnover represents the value of services provided to third parties in the year and 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

**Goodwill**

All business combinations are accounted for using the purchase method

Goodwill represents the difference between the cost of acquisition over the share of the fair value of identifiable net assets required

Goodwill is amortised to nil on a straight-line basis over its estimated useful life of 1 year

**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

**Leases**

**Building Leases**

Building leases are all accounted for as operating leases because substantially all the risks and rewards of ownership remain with the lessor

Any incentives or rent free periods on conventional leases and the conventional element of leases, which are partly conventional and partly conditional on profitability, are spread on a straight line basis over the period to the date of the first market rent review or first break point in the lease, whichever is sooner, so that the amounts charged to the profit and loss account are the same each year over that period

**Going concern**

The company's business activities are set out in the Report of the Directors 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

**Birmingham Watling Street Centre Limited (Registered number: 07170213)**

**Notes to the Financial Statements - continued**

*for the Year Ended 31 December 2012*

**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 serviced offices and related services in the United Kingdom.

**3 STAFF COSTS**

	2012 £'000	2011 £'000
Wages and salaries	18	-
Social security costs	1	-
	<u>19</u>	<u>-</u>

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

	2012	2011
Operations	<u>3</u>	<u>-</u>

Regus Management (UK) Limited recharges the payroll costs to Birmingham Watling Street Centre Limited at cost.

**4 OPERATING PROFIT**

The operating profit is stated after charging

	2012 £'000	2011 £'000
Goodwill amortisation	8	-
Operating leases - other assets	<u>34</u>	<u>-</u>

	2012 £	2011 £
Directors' remuneration	<u>-</u>	<u>-</u>

**Notes to the Financial Statements - continued**  
*for the Year Ended 31 December 2012*

**4 OPERATING PROFIT - continued**

Amounts paid to the company's auditor in respect of services to the company have been paid for by Regus Management (UK) Limited. Details of auditor's remuneration are disclosed in the accounts of Regus Management (UK) Limited.

MLJ Dixon is a director of Regus plc and his remuneration is disclosed in the accounts of that company. TSJD Regan, N Benbow and N McIntyre did not receive any remuneration in relation to their services to the company. PDE Gibson 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 his remuneration are disclosed in the accounts of Regus Business Services Limited.

**5 INTEREST RECEIVABLE AND SIMILAR INCOME**

	2012 £'000	2011 £'000
Interest receivable from parent and fellow subsidiary undertakings	<u>3</u>	<u>-</u>

**6 INTEREST PAYABLE AND SIMILAR CHARGES**

	2012 £'000	2011 £'000
Interest payable to parent and fellow subsidiary undertakings	<u>2</u>	<u>-</u>

**7 TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2012 nor for the year ended 31 December 2011.

**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.

	2012 £'000
Profit on ordinary activities before tax	<u>12</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.500%	3
Effects of	
Expenses not deductible for tax purposes	(2)
Group relief received not paid for	<u>(1)</u>
Current tax charge	<u>-</u>

**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% to 23% with effect from the 1 April 2013. Thereafter the main rate of UK corporation tax will continue to reduce each year to 20% by 1 April 2015. It is expected that this gradual fall in the main corporation tax rate will result in a reduction of the company's future current tax charge.

**Birmingham Watling Street Centre Limited (Registered number: 07170213)**

**Notes to the Financial Statements - continued**  
*for the Year Ended 31 December 2012*

**8 INTANGIBLE FIXED ASSETS**

	<b>Goodwill £'000</b>
<b>COST</b>	
Additions	<u>25</u>
At 31 December 2012	<u>25</u>
<b>AMORTISATION</b>	
Amortisation for year	<u>8</u>
At 31 December 2012	<u>8</u>
<b>NET BOOK VALUE</b>	
At 31 December 2012	<u><u>17</u></u>

The recognised goodwill relates to 10 percent of the outstanding contracted revenue on client contracts transferred as part of the acquisition of certain business assets of a business centre at Watling Street, Birmingham during the year

**9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2012 £'000</b>	<b>2011 £'000</b>
Trade debtors	52	-
Amounts owed by group undertakings	24	-
Prepayments and accrued income	17	-
	<u>93</u>	<u>-</u>

**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2012 £'000</b>	<b>2011 £'000</b>
Trade creditors	4	-
Amounts owed to group undertakings	14	-
Accruals and deferred income	80	-
	<u>98</u>	<u>-</u>

**Birmingham Watling Street Centre Limited (Registered number: 07170213)**

**Notes to the Financial Statements - continued**  
*for the Year Ended 31 December 2012*

**11 OPERATING LEASE COMMITMENTS**

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

	<b>Vehicle, plant &amp; equipment</b>	
	<b>2012 £'000</b>	<b>2011 £'000</b>
Expiring		
Within one year	9	-
Between one and five years	20	-
	<u>29</u>	<u>-</u>

**12 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			<b>2012</b>	<b>2011</b>
Number	Class	Nominal value £1	<b>£</b>	<b>£</b>
2	Ordinary		<u>2</u>	<u>2</u>

**13 RESERVES**

	<b>Profit and loss account £'000</b>
Profit for the year	<u>12</u>
At 31 December 2012	<u>12</u>

**14 ULTIMATE PARENT COMPANY**

Birmingham Watling Street Centre Limited is a wholly owned subsidiary of Regus Estates (UK) Limited, a company incorporated in Great Britain and registered in England and Wales

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](http://www.regus.com) or from the Regus plc head office, 26 Boulevard Royal, L-2449 Luxembourg

**Birmingham Watling Street Centre Limited (Registered number: 07170213)**

**Notes to the Financial Statements - continued**  
*for the Year Ended 31 December 2012*

**15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>
Profit for the financial year	<b>12</b>	-
<b>Net addition to shareholders' funds</b>	<b>12</b>	-
Opening shareholders' funds	-	-
<b>Closing shareholders' funds</b>	<b>12</b>	-