Butterworths Limited

Report and Financial Statements

For the year ended 31 December 2015
OFFICERS AND PROFESSIONAL ADVISERS

Directors
W-F Thompson
C Fleck

Secretary
RIB Secretaries Limited

Registered Office
Lexis House
30 Farringdon Street
London
EC4A 4HH

Auditor
Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
The Directors present their strategic report for the year ended 31 December 2015.

BUSINESS REVIEW

The company acts as a service company providing a payroll service for LexisNexis divisions. The directors do not anticipate any major changes in activity in the foreseeable future.

The Company's key financial and other performance indicators during the year were as follows:

The results of the company for the year, as set out on pages 8 to 12, show a profit after taxation of £ nil (2014: £ nil). The shareholders' funds of the company total £2 (2014: £2).

The company employed 1,123 people (2014: 1,011 people). The full cost is charged over to various LexisNexis departments generating income of £72,393,660 (2014: £75,263,874).

The staff complement includes part time staff, full time staff and directors across the various departments within LexisNexis.

KEY PERFORMANCE INDICATORS

The directors consider there to be no additional key performance indicators other than those on the primary financial statements.

FINANCIAL RISK MANAGEMENT

Due to the fact the company has solely carried on the activities of a holding company during the year, and has no plans to change within the foreseeable future, the company does not consider it necessary to adopt a financial risks policy as information regarding credit, liquidity and market risks is not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

PRINCIPAL RISKS AND UNCERTAINTIES

The company has identified and evaluated its major risks, the controls in place to manage those risks and the level of residual risk accepted. Risk management and control procedures are embedded into the operations of the business and include the monitoring of progress in areas for improvement that come to management and board attention.

The Strategic Report has been approved by the Board.

By Order of the Board
1-3 Strand
London WC2N 5JR

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C Fleck
Director

26 September 2016
DIRECTORS' REPORT

The directors present their annual report on the affairs of the company together with the audited financial statements and supporting notes and the auditor's report for the year ended 31 December 2015.

Details of the Company's principal activities, results, developments and principal risks in the year are included in the Strategic Report.

Trading results and dividends
The profit on ordinary activities after tax for the financial year was £ nil (2014: £ nil). During the year the company did not pay a dividend (2014: nil).

Employee relations
The company is fully committed to the concept of employee involvement and participation. Where appropriate, major announcements are communicated to employees through internal briefings. Information on performance, development, organisational changes and other matters of interest is communicated through briefings and electronic bulletins. The company is an equal opportunity employer. It does not discriminate on the grounds of race, sex, religion, physical handicap or marital status in its recruitment or employment policies. All judgements about people for the purpose of recruitment, development and promotion are made solely on the basis of their ability and potential in relation to the needs of the job.

Disabled persons
It is the policy of the company to consider the skills and aptitudes of disabled persons fully and fairly at all times in recruitment, career development, training and promotion. In pursuing this policy, and having special concern for employees who become disabled, all practical measures are taken to ensure that disabled persons are placed in jobs suited to their individual circumstances.

Going concern
The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.
Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

Directors
The directors who served during the year and those holding office are shown on page 1. Directors' indemnity insurance has been taken out by the company on the directors' behalf.

Auditor
Each of the persons who is a director at the date of approval of this report confirms that:
• so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
• the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.
DIRECTORS' REPORT

Deloitte LLP were appointed as the auditor for the company for the 2015 financial year.

In 2015, the Audit Committees of RELX PLC and RELX NV in conjunction with the Audit Committee of the ultimate parent entity RELX Group plc, held a competitive audit tender process for rotation of the Group audit firm in respect of the 2016 financial year. Following the conclusion of the audit tender process, the Audit Committees recommended to the Board of the ultimate parent company that resolutions be proposed for the appointment of Ernst & Young LLP as external auditors for the 2016 financial year at their forthcoming Annual General Meetings. Appropriate arrangements have been put in place that deem the chosen auditor be appointed as auditor in the absence of an Annual General Meeting.

By Order of the Board
1-3 Strand
London WC2N 5JR

C Fleck
Director
26 September 2016
STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 the directors have elected to prepare the financial statements in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. 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 estimates that are reasonable and prudent;
- state whether applicable FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' 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 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF BUTTERWORTHS LIMITED

We have audited the financial statements of Butterworths Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 “Reduced Disclosure Framework”.

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors’ Responsibilities Statement, 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 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.

Opinion on financial statements

In our opinion the financial statements:

• give a true and fair view of the company’s affairs as at 31 December 2015 and of its affairs for the year then ended;
• have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 101 “Reduced Disclosure Framework”; 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, based on the work undertaken in the course of the audit:

• the information given in the Strategic Report and the Directors’ Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
• the Strategic Report and the Directors’ Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors’ Report.
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF BUTTERWORTHS 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.

Jim Brown
(Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

26 September 2016
## Statement of Comprehensive Income

For the year ended 31 December 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>72,393,660</td>
<td>75,263,874</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(72,393,660)</td>
<td>(75,263,874)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net profit for the year</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other comprehensive (loss)/income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

There are no recognised gains or losses or movements in shareholders' funds in either the current or previous financial years other than as stated in the profit and loss account.

All results relate to continuing operations.

The notes on pages 10 to 12 form part of these accounts.
### Statement of Financial Position

As at 31 December 2015

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Current assets</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Total assets</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital and reserves</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Share capital</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Total equity</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

The notes on pages 10 to 12 form part of these accounts.

The financial statements of Butterworths Limited, registered number 02826955, were approved by the Board of Directors and authorised for issue on 31 March 2016. They were signed on its behalf by:

C Fleck  
Director  
26 September 2016
1. **Accounting policies**

**Basis of preparation**

Butterworths Limited (the “company”) is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company’s operations and its principal activities are set out in the strategic report on page 2.

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2015 the company has changed its accounting framework from UK GAAP to FRS 101 as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) ‘Reduced Disclosure Framework’ as issued by the Financial Reporting Council, incorporating the Amendments to FRS 101 issued by the FRC in July 2015 and the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 prior to their mandatory effective date of accounting periods beginning on or after 1 January 2016. The prior year financial statements were re-stated for material adjustments on adoption of FRS 101 in the current year.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties, financial instruments and investment property that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

The Company’s financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard. Where relevant, equivalent disclosures have been given in the consolidated financial statements of RELX Group plc. The Annual Report and financial statements of RELX Group plc are available to the public and can be obtained as set out in note 8.

The principal accounting policies adopted are set out below.

**Going concern**

This entity principally provides services to its subsidiaries and other companies in the RELX Group plc group. Management has assessed the relevant factors surrounding going concern, including financing available from other companies in the RELX Group plc group, and considers the basis of accounting preparation appropriate.

**Pensions**

The Reed Elsevier Pension Scheme (a defined benefit scheme) is administered on a RELX Group plc basis and total contributions are assessed by a qualified actuary, based on the cost of providing pensions across all participating RELX Group plc companies. Costs are not determined separately for each participating company, hence contributions are charged to the profit and loss account in the period on the basis of amounts payable.

The expense in respect of the RELX Group plc Group Personal Pension Plan, a defined contribution scheme, is charged to the profit and loss as incurred.

**Standards and amendments effective for the year**

The interpretations and amendments to IFRS effective for 2015 have not had a significant impact on the accounting policies or reporting.
2. Revenue

Revenue represents costs recharged to RELX (UK) Limited.

3. Operating expenses

Operating expenses comprises:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service fee expense</td>
<td>(72,393,660)</td>
<td>(75,263,874)</td>
</tr>
</tbody>
</table>

Fees payable to the company’s auditor for the audit of the company’s annual accounts of £2,131 (2014: £1,000) were borne by the company’s immediate parent undertaking, RELX (UK) plc, in both the current and preceding year.

4. Personnel

Staff costs:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>65,218,001</td>
<td>67,420,919</td>
</tr>
<tr>
<td>Social security costs</td>
<td>7,175,659</td>
<td>7,842,955</td>
</tr>
<tr>
<td></td>
<td>72,393,660</td>
<td>75,263,874</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff numbers by function were:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>39</td>
<td>32</td>
</tr>
<tr>
<td>Customer Service</td>
<td>70</td>
<td>63</td>
</tr>
<tr>
<td>Editorial</td>
<td>602</td>
<td>568</td>
</tr>
<tr>
<td>Finance</td>
<td>28</td>
<td>32</td>
</tr>
<tr>
<td>Systems and Production</td>
<td>41</td>
<td>43</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>263</td>
<td>237</td>
</tr>
<tr>
<td>Business Development</td>
<td>80</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>1,123</td>
<td>1,011</td>
</tr>
</tbody>
</table>

None of the directors received any emoluments in respect of services to the company during the year (2014: nil)

5. Trade and other receivables

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>
NOTES TO THE ACCOUNTS
For the year ended 31 December 2015

6. Called up share capital

Ordinary shares of £1 each

<table>
<thead>
<tr>
<th>Authorised</th>
<th>Called up, issued and fully paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Item</td>
</tr>
<tr>
<td>At 1 January and 31 December 2015</td>
<td>100</td>
</tr>
</tbody>
</table>

7. Consolidated group accounts

The company is not required to prepare consolidated group accounts under §400 of the Companies Act 2006 because its parent undertaking is established under the law of a member State of the European Union and the ultimate parent undertaking prepares consolidated group accounts. Accordingly these financial statements present information about this company as an individual undertaking and not as a group.

8. Ultimate parent company

The company's ultimate and immediate parent undertaking and controlling entity is RELX UK plc, a company incorporated in Great Britain. The smallest and largest group into which the accounts of the company for the year ended 31 December 2015 are consolidated is RELX Group plc. Copies of the consolidated accounts of RELX Group plc may be obtained from its registered office at 1-3 Strand, London, WC2N 5JR. RELX Group plc is jointly owned by RELX PLC (a company incorporated in Great Britain) and RELX NV (a company incorporated in the Netherlands).

9. Related party transactions

The company is exempt under the terms of FRS 101 paragraph 8(k) from disclosing related party transactions with entities that are part of RELX Group plc. There were no other related party transactions in the current or prior year.

10. Explanation of transition to FRS 101

This is the first year that the company has presented its financial statements under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. The last financial statements under a previous GAAP were for the year ended 31 December 2014 and the date of transition to FRS 101 was therefore 1 January 2015. As a consequence of adopting FRS 101, there are no material adjustments to accounting policies to comply with that standard.