

REED EXHIBITIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



REED EXHIBITIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS 2018

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REED EXHIBITIONS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

Directors

A D S Bowden
K Bayazit Besson
M R Tiley-Hill
D G Johnson
R J N Mortimore

Resigned

15 February 2019

Company secretary

J M Poole

Registered office

Gateway House
28 The Quadrant
Richmond
Surrey
TW9 1DN
United Kingdom

Auditor

Ernst & Young LLP
1 More London Place
London
SE1 2AF
United Kingdom

REED EXHIBITIONS LIMITED
STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2018.

The Company was a wholly owned subsidiary of RELX PLC throughout the year and is a part of the exhibitions division, accordingly consolidated group financial statements have not been prepared.

BUSINESS REVIEW

The Company's principal activity during the year was organising international events which are relevant to industry needs. The events encompass a range of sectors. They include cosmetics, energy and alternative energy, jewellery, transport and travel.

During the year the Company acquired Gamer Network Limited, a leading gaming events organiser, online magazine and advertising business in the UK which expands the portfolio of events and online magazines to the business to consumer ("B2C") sector. The acquisition is reflected in investments in note 11.

The Company undertook a group reorganisation to simplify the company structure. As a result of this, the Company dissolved a number of dormant subsidiaries in the year

There have not been any further changes in the Company's business activities in the year under review. The Company considers active portfolio management key to delivering growth through new event launches, acquisitions and organic growth.

The Company continues to recognise technology and analytics as a core enabler and is committed to developing its technology platforms to ensure the rapid deployment of innovation and best practices. The Company is continuously developing its digital products to increase the value of its events through greater customer satisfaction.

Capital expenditure was £19m (2017: £18m) in respect of capitalised development costs. This reflects the investment in the IT global business system and related infrastructure.

The Company organised 30 events worldwide (2017: 21).

As shown in the Company's Statement of Comprehensive Income, turnover has increased by 11% (2017: 8%) primarily due to the purchase of the Gamer Events Limited, events which are on a bi-annual basis and the effects of changes in foreign exchange rates. Gross profit increased by 6%.

Profit before tax decreased approximately by £11m (2017: increased £6m). This is mainly due to lower dividends received from subsidiaries of £1m (2017: £24m) and finance costs for forward exchange contracts decreasing by £1m (2017: decrease by £8m).

The Company's financial position at the end of the year showed net assets of £46,708,000 (2017: £31,820,000). The primary movement in net assets relates the acquisition of Gamer Network.

POST BALANCE SHEET EVENT

On 18 February 2019, the Company acquired Mack Brooks Exhibitions Limited, whose principal activities are that of organising events, publishing journals, event guides and reports. The acquisition is in line with the Company's organic growth strategy supported by the acquisition of targeted event portfolios.

The recent onset of Covid-19 (Coronavirus) will have an impact on our business in 2020 and will require us to either postpone or cancel certain events. The full impact cannot be determined at this stage.

REED EXHIBITIONS LIMITED
STRATEGIC REPORT

STRATEGY

The strategy of the businesses of RELX PLC is determined on a divisional basis. For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Exhibitions division of RELX PLC, which includes this Company, is discussed in the RELX Annual Reports and Financial Statements 2018 (available on www.relx.com) which does not form part of this report.

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 major risks identified include: general economic and market conditions; including epidemics; changes in law and legal interpretations affecting our intellectual property rights; the availability of third party content and data; demand for our products and services; competitive factors in the industry in which the Company operates; the realisation of anticipated benefits from acquisitions; technology failure, data security; supply chain dependencies and availability of appropriately skilled talent; breach of generally accepted ethical business standards and failure to manage our environmental impact.

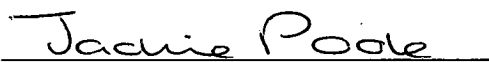
The Company takes out forward exchange contracts with affiliated companies to match the anticipated timing of foreign currency payments and receipts. Forward exchange contracts are not entered into on a speculative basis. The Company is financed by other companies in the RELX PLC group and has no third party debt (after taking account of cash pooling and intercompany arrangements). It therefore has no material interest rate exposure.

The major strategic risks facing the Company are considered by the Board. Litigation and other legal and regulatory matters are managed by legal department.

Important specific risks affecting RELX PLC are discussed in the RELX Annual Reports and Financial Statements 2018 (available on www.relx.com) which does not form part of this report.

The Strategic Report has been approved by the Board.

By Order of the Board
Gateway House
28 The Quadrant
Richmond, Surrey, TW9 1DN



J M Poole
Company Secretary
9 March 2020

REED EXHIBITIONS LIMITED
DIRECTORS' REPORT

The directors present their annual report on the affairs of the Company together with the audited financial statements and supporting notes for the year ended 31 December 2018.

Trading results and dividends

The profit before tax for the year was £24,999,000 (2017: profit of £36,039,000), including £1,178,000 (2017: £24,331,000) of dividends received from the accumulated reserves of subsidiary undertakings and participating interests. The profit after tax for the financial year was £16,187,000 (2017: profit of £31,742,000). Total comprehensive income of £16,187,000 (2017: £31,742,000) has been taken to reserves. The Company did not pay any dividends during the year (2017: £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 RELX PLC's Save As You Earn Share Option Scheme enables employees to participate in the future prosperity of the Company. 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.

Environmental policy

The Company is aware of its environmental responsibilities and is developing strategies to minimise waste and maximise recycling. These policies cover not only the office environment, but also recycling of materials after events have closed.

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 report and 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.

During the year directors' indemnity insurance has been taken out by the Company on the directors' behalf and remains in force at the date of this report.

REED EXHIBITIONS LIMITED
DIRECTORS' REPORT

Auditor

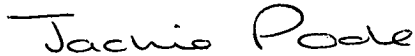
Each of the persons who is a director at the date of approval of this report confirms that:

- 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.

Pursuant to s485 of the Companies Act 2006 the auditor is deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

By Order of the Board
Gateway House
28 The Quadrant
Richmond, Surrey, TW9 1DN



J M Poole
Company Secretary
9 March 2020

REED EXHIBITIONS LIMITED
DIRECTORS' RESPONSIBILITIES STATEMENT

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 United Kingdom Generally Accepted Accounting Practice including FRS 101 "*Reduced Disclosure Framework*", (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 estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards 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. More detail is given in Note 1 to the financial statements.

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
REED EXHIBITIONS LIMITED**

We have audited the financial statements of Reed Exhibitions Limited for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, and the related notes 1 to 23, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 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.

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 below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report set out on pages 2 to 6, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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 directors' report have been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
REED EXHIBITIONS LIMITED (continued)**

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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 the directors 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 further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Michael Rudberg (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London, United Kingdom
9 March 2020

REED EXHIBITIONS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £'000	<i>Restated</i> 2017 £'000
Revenue	2	133,668	120,053
Cost of sales		(39,964)	(32,002)
Gross profit		93,704	88,051
Selling and distribution costs		(23,507)	(18,882)
Administration and other expenses		(83,729)	(74,438)
Other operating income		37,385	21,766
Income from shares in group undertakings		1,178	24,331
Operating profit	3	25,031	40,828
Finance income	4	393	41
Finance costs	4	(425)	(1,558)
		(32)	(1,517)
Impairment of investment in subsidiaries		-	(3,272)
Profit before tax		24,999	36,039
Tax expense	7	(8,812)	(4,297)
Net profit for the year		16,187	31,742

All results relate to continuing operations.


The notes on pages 12 to 28 form part of these financial statements.

REED EXHIBITIONS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £'000	<i>Restated</i> 2017 £'000
Non-current assets			
Goodwill and intangible assets	10	127,205	118,910
Property, plant and equipment	13	3,281	1,595
Right-of-use assets (leases)	17	4,074	5,281
Investments in subsidiary undertakings	11	82,018	61,223
Other investments	12	412	412
Deferred tax asset	7	5,264	-
		<u>222,254</u>	<u>187,421</u>
Current assets			
Trade and other receivables	14	50,449	54,227
Cash and cash equivalents		691	806
		<u>51,140</u>	<u>55,033</u>
Total assets		<u>273,394</u>	<u>242,454</u>
Current liabilities			
Trade and other payables	15	221,455	204,243
Borrowings	16	1,626	990
		<u>223,081</u>	<u>205,233</u>
Non-current liabilities			
Borrowings – lease liabilities	16	3,605	5,401
Total liabilities		<u>226,686</u>	<u>210,634</u>
Net assets		<u>46,708</u>	<u>31,820</u>
Capital and reserves			
Called up share capital	18	539	539
Share premium	18	8,035	8,035
Other reserves		38,134	23,246
Total equity		<u>46,708</u>	<u>31,820</u>

The notes on pages 12 to 28 form part of these financial statements.

The financial statements of Reed Exhibitions Limited, registered number 00678540, were approved by the Board of Directors and authorised for issue on 9 March 2020. They were signed on its behalf by:



 A D S Bowden
 Director

REED EXHIBITIONS LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2018

	Note	Called up share capital £'000	Share premium £'000	Other reserves £'000	Total equity £'000
Balance at 1 January 2017 <i>(restated)</i>		539	8,035	(12,226)	(3,652)
Profit for the year <i>(restated)</i>		-	-	31,742	31,742
Share based payment		-	-	2,314	2,314
Tax on share based payment		-	-	872	872
Net designated cashflow derivative reserve		-	-	544	544
Balance at 1 January 2018		539	8,035	23,246	31,820
Profit for the year		-	-	16,187	16,187
Share based payment		-	-	2,280	2,280
Tax on share based payment		-	-	85	85
Net designated cashflow derivative reserve		-	-	(3,664)	(3,664)
Balance at 31 December 2018		539	8,035	38,134	46,708

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

Basis of preparation

Reed Exhibitions Limited (the “Company”) is a company incorporated in the England and Wales 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 pages 2 to 3.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments 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.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group financial statements of RELX PLC. Details of the parent in whose consolidated financial statements the Company is included are shown in note 21 to the financial statements.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions. Where relevant, equivalent disclosures have been given in the group financial statements of RELX PLC. The group financial statements of RELX PLC are available to the public and can be obtained as set out in note 21.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of IFRS 2 - *Share-based Payments*, leasing transactions that are within the scope of IFRS 16 - *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 - *Inventories* or value in use in IAS 36 – *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

The principal accounting policies adopted are set out below.

Going concern

The business activities, together with the factors surrounding going concern are set out in the strategic report. Management has assessed the relevant factors and considers the basis of accounting preparation appropriate. The directors have received written confirmation that the ultimate parent company of this entity is fully prepared and able to support the Company as necessary for the foreseeable future that is a period of at least 12 months from the date of signing these financial statements. Consequently, the directors have concluded that it is appropriate to prepare these accounts on a going concern basis.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

Translation of foreign currencies into sterling

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transaction. Non-monetary assets and liabilities that are measured at historical cost in foreign currencies are translated using the exchange rate at the date of the transaction. At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rate prevailing on the statement of financial position date. Exchange differences arising are recorded in the income statement.

Revenue

Revenue represents the value of exhibition services sold and is recognised on occurrence of the event, excluding customer sales taxes.

Share based remuneration

The fair value of share based remuneration is determined at the date of grant and recognised as an expense in the income statement on a straight-line basis over the vesting period, taking account of the estimated number of shares that are expected to vest. Market based performance criteria are taken into account when determining the fair value at the date of grant. Non-market based performance criteria are taken into account when estimating the number of shares expected to vest. The fair value of share based remuneration is determined by use of a binomial or Monte Carlo simulation model as appropriate. All of the Company's share based remuneration is equity settled by shares in the ultimate holding company, RELX PLC and is accounted for as if equity settled by the Company.

Taxation

Tax expense comprises current and deferred tax. Current and deferred tax are charged or credited in the income statement except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, outside the income statement (either in other comprehensive income, directly in equity, or through a business combination), in which case the tax appears in the same statement as the transaction that gave rise to it.

Current tax is the amount of corporate income taxes expected to be payable or recoverable based on the profit for the period as adjusted for items that are not taxable or not deductible, and is calculated using tax rates and laws that were enacted or substantively enacted at the date of the statement of financial position. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period, and which are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences but not recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures where the reversal of the temporary difference can be controlled and it is probable that the difference will not reverse in the foreseeable future. Deferred tax liabilities are not recognised on temporary differences that arise from goodwill which is not deductible for tax purposes.

Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which the deductible temporary differences can be utilised, and are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are not recognised in respect of temporary differences that arise on initial recognition of assets and liabilities acquired other than in a business combination. Deferred tax is not discounted.

Interest receivable/payable

All interest receivable/payable is recognised on an accruals basis.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

Financial instruments

Financial instruments comprise investments (other than investments in joint ventures or associates and investments in subsidiaries), trade receivables, cash and cash equivalents, payables and accruals, borrowings and derivative financial instruments.

Trade receivables are carried in the statement of financial position at invoiced value less allowance for estimated irrecoverable amounts. Irrecoverable amounts are estimated based on the ageing of trade receivables.

Derivative financial instruments are used to hedge interest rate and foreign exchange risks. Where an effective hedge is in place against changes in the fair value of fixed rate borrowings, the hedged borrowings are adjusted for changes in fair value attributable to the risk being hedged with a corresponding income or expense included in the income statement within finance costs. The offsetting gains or losses from remeasuring the fair value of the related derivatives are also recognised in the income statement within finance costs. When the related derivative expires, is sold or terminated, or no longer qualifies for hedge accounting, the cumulative change in fair value of the hedged borrowing is amortised in the income statement over the period to maturity of the borrowing using the effective interest method.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised (net of tax) directly in equity in the hedge reserve. If a hedged firm commitment or forecasted transaction results in the recognition of a non-financial asset or liability, then, at the time that the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in the income statement in the same period in which the hedged item affects net profit or loss. Any ineffective portion of hedges is recognised immediately in the income statement.

Cash flow hedge accounting is discontinued when a hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is either retained in equity until the firm commitment or forecasted transaction occurs, or, where a hedged transaction is no longer expected to occur, is immediately credited or expensed in the income statement.

Derivative financial instruments that are not designated as hedging instruments are classified as held for trading and recorded in the Statement of Financial Position at fair value, with changes in fair value recognised in the income statement.

Goodwill and intangible assets

On the acquisition of a subsidiary or business, the purchase consideration is allocated between the net tangible and intangible assets on a fair value basis, with any excess purchase consideration representing goodwill. Goodwill arising on acquisitions also includes amounts corresponding to deferred tax liabilities recognised in respect of acquired intangible assets.

Goodwill is stated in the Statement of Financial Position at its fair value as at the acquisition date and is reviewed for impairment at least annually with any impairment losses immediately charged to the Statement of Comprehensive Income and not subsequently reversed. The Company has used a true and fair view override in respect of the non-amortisation of goodwill. Companies Act requires goodwill to be reduced by provisions for depreciation on a systematic basis over its useful life. However, under IFRS 3 *Business Combinations* goodwill is not amortised. Consequently, the Company does not amortise goodwill, but review it for impairment on an annual basis or whenever there are indicators of impairment. The Company is therefore invoking a 'true and fair view override' to overcome the prohibitions on the non-amortisation of goodwill in the Companies Act. Had the Company amortised goodwill, a period of 20 years would have been chosen as its useful economic life. The impact on profit for the year, and in prior years disclosed is not material to the financial statements.

Intangible assets are stated in the statement of financial position at their fair value as at the date of acquisition, less accumulated amortisation and impairment losses. Intangible assets comprise publishing rights and titles, databases and other intangible assets. Acquired intangible assets with finite useful lives are amortised straight-line over their estimated useful lives, up to a maximum of 20 years. Intangible assets are reviewed for impairment at least annually, and any impairment losses are immediately charged to the Statement of Comprehensive Income.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

Goodwill and intangible assets

Internally generated intangible assets are stated in the statement of financial position at the directly attributable cost of creation of the asset less accumulated amortisation and typically comprise software and systems development where an identifiable asset is created that is probable to generate future economic benefit. Internally generated intangible assets with a finite useful life are amortised systematically over their estimated useful lives between 3 to 10 years.

On disposal of a subsidiary or business, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

At each statement of financial position date, the carrying amounts of tangible and intangible assets and goodwill are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of value in use and fair value less costs to sell, of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, value in use estimates are made based on the cash flows of the cash generating unit to which the asset belongs. Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is any indication that the asset may be impaired.

If the recoverable amount of an asset or cash generating unit is estimated to be less than its net carrying amount, the net carrying amount of the asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognised immediately in the income statement in administration and other expenses.

Intangible assets acquired as part of a business combination are stated in the statement of financial position at their fair value as at the date of acquisition, less accumulated amortisation. Internally generated intangible assets are stated in the statement of financial position at the directly attributable cost of creation of the asset, less accumulated amortisation.

Intangible assets acquired as part of business combinations comprise: market-related assets (e.g. trademarks, imprints, brands); customer-related assets (e.g. subscription bases, customer lists, customer relationships); editorial content; software and systems (e.g. application infrastructure, product delivery platforms, in-process research and development); contract-based assets (e.g. publishing rights, supply contracts); and other intangible assets. Internally generated intangible assets typically comprise software and systems development where an identifiable asset is created that is probable to generate future economic benefits.

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives of intangible assets with finite lives are as follows: market and customer-related assets - 3 to 20 years; content, software and other acquired intangible assets - 3 to 20 years; and internally developed intangible assets - 3 to 10 years.

Property, plant and equipment

Depreciation is provided on cost at the following annual rates on a straight line basis intended to write off the assets over their estimated useful lives:

Buildings	Over the unexpired lease term
Plant and equipment	10% to 33%

Short leasehold property and improvements are amortised over the period of the lease.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

Investments

Investments are stated at fair value and are classified as available for sale with changes in fair value recognised directly in equity until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is brought into the net profit or loss for the period.

Investments in joint ventures and associates are accounted for under the equity method and stated in the statement of financial position at cost as adjusted for post-acquisition changes in share of net assets, less any impairment in value.

Investments in subsidiaries are stated at cost less any impairment in value.

Lease arrangements

All leases where the Company is the lessee (with the exception of short-term and low-value leases) are recognised in the statement of financial position. A lease liability is recognised based on the present value of the future lease payments, and a corresponding right-of-use asset is recognised. The right-of-use asset is depreciated over the shorter of the lease term or the useful life of the asset. Lease payments are apportioned between finance charges and a reduction of the lease liability.

Low-value items and short-term leases with a term of 12 months or less are not required to be recognised on the balance sheet and payments made in relation to these leases are recognised on a straight-line basis in the income statement.

The leases held by the Company can be split into two categories: property and non-property. The Company leases various properties, principally offices, which have varying terms and renewal rights that are typical to the territory in which they are located.

Non-property includes all other leases, such as cars and printers.

Trade and other receivables

Trade receivables are predominantly non-interest bearing and their carrying amounts approximate to their fair value. Trade receivables are stated net of a loss allowance for expected credit losses.

Trade and other payables

Trade and other payables are predominantly non-interest bearing and their carrying amounts approximate to their fair value. Deferred income is recognised when either a customer has paid consideration, or the Company has an unconditional right to an amount of consideration, in advance of the goods and services being delivered.

Pensions

The Company maintains two pension schemes. A defined contribution scheme held and administered by Zurich, which is open to all new employees and a defined benefit scheme.

The Reed Elsevier Pension Scheme (a defined benefit scheme) is administered on a Group basis and total contributions are assessed by a qualified actuary, based on the cost of providing pensions across all participating Group 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

Critical accounting judgements and key sources of estimation uncertainty

The most significant accounting policies in determining the financial condition and results of the Company, and those requiring the most subjective or complex judgement, relate to the valuation of goodwill and intangible assets, capitalisation of development spend, taxation and accounting for defined benefit pension schemes.

Goodwill

The carrying amounts of goodwill and indefinite lived intangible assets in each business are reviewed for impairment at least annually. The carrying amounts of all other intangible assets are reviewed where there are indications of possible impairment. An impairment review involves a comparison of the carrying value of the asset with estimated values in use based on the latest management cash flow projections, approved by the Board. Key areas of judgement in estimating the values in use of businesses are the growth in cash flows over a forecast period of up to five years, the long-term growth rate assumed thereafter and the discount rate applied to the forecast cash flows.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Intangible Assets

On acquisition of a subsidiary or business, the purchase consideration is allocated between the net tangible and intangible assets other than goodwill on a fair value basis, with any excess purchase consideration representing goodwill. The valuation of acquired intangible assets represents the estimated economic value in use, using standard valuation methodologies, including as appropriate, discounted cash flow, relief from royalty and comparable market transactions. Acquired intangible assets are capitalised and amortised systematically over their estimated useful lives, subject to impairment review. The assumptions used are subject to management judgement.

Appropriate amortisation periods are selected based on assessments of the longevity of the brands and imprints, the strength and stability of customer relationships, the market positions of the acquired assets and the technological and competitive risks that they face. The assumptions used are subject to management judgement.

Development spend

Development spend embraces investment in new products and other initiatives, ranging from the building of online delivery platforms, to launch costs of new services, to building new infrastructure and applications. Launch costs and other ongoing operating expenses of new products and services are expensed as incurred. The costs of building product applications, platforms and infrastructure are capitalised as intangible assets, where the investment they represent has demonstrable value and the technical and commercial feasibility is assured. Costs eligible for capitalisation must be incremental, clearly identified and directly attributable to a particular project. The resulting assets are amortised over their estimated useful lives. Impairment reviews are carried out at least annually where indicators of impairment are identified. Judgement is required in the assessment of the potential value of a development project, the identification of costs eligible for capitalisation and the selection of appropriate asset lives.

Taxation

Estimation of income taxes includes assessments of the recoverability of deferred tax assets. Deferred tax assets are only recognised to the extent that they are considered recoverable based on existing tax laws and forecasts of future taxable profits against which the underlying tax deductions can be utilised. The recoverability of these assets is reassessed at the end of each reporting period, and changes in recognition of deferred tax assets will affect the tax liability in the period of that reassessment.

Other significant accounting policies

The accounting policies in respect of revenue recognition are also significant in determining the financial condition and results of Reed Exhibitions Limited, although the application of these policies is more straightforward.

Revenue recognition policies, while an area of management focus, are generally straightforward in application as the timing of product or service delivery and customer acceptance for the various revenue types can be readily determined. Allowances for product returns are deducted from revenues based on historical return rates. Where sales consist of two or more components that operate independently, revenue is recognised as each component is completed by performance, based on attribution of relative value.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

Standards and amendments effective for the year

New accounting standards and amendments effective for the period and adopted by the Company in 2018 are IFRS 9 – *Financial Instruments* and IFRS 15 – *Revenue from Contracts with Customers*. IFRS 16 – *Leases* has also been adopted in the period, a year earlier than its mandatory effective date of 1 January 2019.

IFRS 16 – *Leases* (early adopted and therefore effective for the 2018 financial year) IFRS 16 eliminates the distinction between operating and finance leases and requires lessees to recognise all leases with a lease term of greater than 12 months in the statement of financial position. The Company has adopted this standard a year earlier than the mandatory effective date of 1 January 2019. IFRS 16 has been adopted on a fully retrospective basis.

The change in accounting standard results in both an asset and liability being brought onto the statement of financial position for the majority of leases where the Company is a lessee. The asset is then depreciated, and interest expense recognised over the life of the lease. The standard also gives guidance on the recognition of subleases, which results in finance sublease receivables being recognised on the balance sheet. As at 31 December 2018, the restated statement of financial position includes additional right-of-use assets of £4,074,000 and additional lease liabilities of £4,896,000 (31 December 2017: right-of-use assets of £5,281,000 and additional lease liabilities of £6,251,000). The impact on the income statement for the 12 months to 31 December 2018 is an increase of £413,000 (31 December 2017: £567,000) to reported operating profit offset by a net increase to finance costs of £189,000 (31 December 2017: £227,000). Additionally, the other interpretations and amendments to IFRS effective for 2018 have not had a significant impact on the Company's accounting policies or reporting.

2. Revenue

Analysis of revenue by geographical market:	2018 £'000	2017 £'000
United Kingdom	48,341	39,762
Rest of Europe	59,844	58,342
Rest of world	25,483	21,949
	133,668	120,053

3. Operating profit

<u>Operating profit is stated after charging the following:</u>	2018 £'000	2017 £'000
Amortisation of intangible assets	10,388	6,722
Depreciation of property, plant and equipment	845	563
Depreciation of right of use assets	1,207	1,070
Impairment of intangible assets	-	75
Auditors remuneration - audit	102	97

Auditor's remuneration for audit services comprises £101,508 (2017: £96,900) payable to the auditor for the audit of the financial statements, including the review and testing of internal controls over financial reporting.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. Net finance costs

	2018	<i>Restated</i>
	£'000	2017
		£'000
On cash deposits and short-term investments	48	41
Foreign exchange gain on forward contracts	345	-
Finance income	393	41
Interest on lease liabilities	(189)	(227)
Other foreign exchange losses	(236)	(381)
Foreign exchange loss on forward contracts	-	(950)
Finance costs	(425)	(1,558)
Net finance costs	(32)	(1,517)

5. Personnel

	2018	2017
	£'000	£'000
Staff costs (including directors):		
Wages and salaries	35,816	35,308
Social security costs	4,418	4,449
Other pension costs	2,618	2,257
	42,852	42,014

The average monthly number of employees (including directors) during the year ended 31 December 2018 was 502 (2017: 475).

6. Directors' emoluments

	2018	2017
	£'000	£'000
The emoluments of the directors were:		
Emoluments (including pension contributions made to defined contribution pension schemes but excluding awards under share option schemes and other long-term incentive schemes)	1,249	2,161

Highest paid director's remuneration:

Aggregate of emoluments and awards under the long-term incentive schemes (including pension contributions made to defined contribution pension schemes but excluding share options and awards in the form of shares)

	411	842
	2018	2017
	Number	Number
Number of directors in office at 31 December who:		
- are members of a defined benefit pension scheme;	2	6
- are members of a defined contribution pension scheme;	2	-
- exercised share options;	2	4
- have received awards during the year in the form of shares under long term incentive schemes	1	-

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Taxation

	2018	<i>Restated</i>
	£'000	2017
		£'000
Current tax	8,429	4,732
Deferred tax	383	(435)
Tax expense	8,812	4,297
	2018	<i>Restated</i>
	£'000	2017
		£'000
Profit before tax	24,999	36,039
Tax at applicable rate	4,750	6,938
Non-taxable income	(1,202)	(4,684)
Expenses not deductible for tax purposes	2,860	831
Non-deductible disposal related gains and losses	-	907
Other adjustments in respect of prior periods	2,459	258
Deferred tax effect of changes in tax rates	(55)	47
Tax expense	8,812	4,297

The rate of UK corporation tax for the year is 19.00% (2017: 19.25%). Set out below is a reconciliation of the difference between tax expense for the period and the theoretical expense calculated by multiplying accounting (loss)/profit by the tax rate for the year

In the UK, a reduction in the corporation tax from 20% to 19% with effect from 1 April 2017, and from 19% to 17% with effect from 1 April 2020, was in September 2016. The Company has measured its UK deferred tax assets and liabilities at the end of the reporting period at 17% (2017: 17%), which has resulted in recognition of a deferred tax expense of £383,000 (2017: credit of £435,000).

There are no reconciling items relating to UK-UK intra-group transfer pricing adjustments in the tax reconciliation for 2018 as no intra-group payment will be made for losses claimed or surrendered relating to such amounts.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Taxation (continued)

The following tax has been recognised in other comprehensive income or directly in equity during the year:

	2018 £'000	2017 £'000
Tax on items that will not be reclassified to profit or loss		
Tax debit on fair value movements on cash flow hedges	589	-
Tax recognised in other comprehensive income/equity		
Tax credit on share based remuneration recognised directly in equity	(85)	(872)
	2018 £'000	<i>Restated</i> 2017 £'000
Deferred tax assets	5,264	6,518
Deferred tax liability	-	-
Net deferred tax assets	5,264	6,518

	Deferred Tax Asset					Total £'000
	Leases £'000	Other temporary differences £'000	Share based payments £'000	Property, plant & equipment £'000	Financial derivative £'000	
Deferred tax asset at 1 January 2017	97	5	1,294	2,618	1,775	5,789
Credit/(charge) to profit	78	(5)	140	215	162	590
Credit to equity/other comprehensive income	-	-	139	-	-	139
Deferred tax asset at 1 January 2018	175	-	1,573	2,833	1,937	6,518
(Charge)/credit to profit	(25)	4	(25)	(337)	-	(383)
Charge to equity/other comprehensive income	-	-	(282)	-	(589)	(871)
Deferred tax asset at December 2018	150	4	1,266	2,496	1,348	5,264

Other temporary differences relate to general provisions and leased assets.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

8. Share based remuneration

The Company's directors and employees participate in a number of RELX share based remuneration schemes. The principal share based remuneration schemes are the Executive Share Option Schemes (ESOS), the Long Term Incentive Plan (LTIP), the Retention Share Plan (RSP), the Bonus Investment Plan (BIP) and the Save as You Earn scheme (SAYE). Share options granted under ESOS are exercisable after three years and up to 10 years from the date of grant at a price equivalent to the market value of the respective shares at the date of grant. Conditional shares granted under LTIP, RSP and BIP are exercisable after three years for nil consideration if conditions are met.

Share based remuneration awards are, other than upon retirement or in exceptional circumstances, subject to the condition that the employee remains in employment at the time of exercise. Conditional shares granted under LTIP, REGP, RSP and BIP between 2015 and 2018 are subject to the achievement of growth targets of the RELX Group's adjusted earnings per share measured at constant exchange rates as well as the achievement of a targeted percentage return on invested capital of the RELX Group. LTIP grants between 2015 and 2018, and RSP grants in 2015 and 2018 are also variable subject to the achievement of a total shareholder return performance target.

The weighted average fair value per award is based on full vesting on achievement of non-market related performance conditions and stochastic models for market-related components. The conditional shares and option awards are recognised in the income statement over the vesting period, being between three and five years, on the basis of expected performance against the non-market-related conditions, with the fair value related to market-related components unchanging. Further details of performance conditions are given in the RELX Annual Reports and Financial Statements 2018.

The weighted average share price at the date of exercise of share options and vesting of conditional shares during 2018 was 1,629p (2017: 1,568p) for RELX PLC ordinary shares and €18.04 (2017: €17.12) for RELX Euro ordinary shares.

Range of exercise prices for outstanding share options	2018		2017	
	Number of shares under option '000	Weighted average remaining period until expiry (years)	Number of shares under option '000	Weighted average remaining period until expiry (years)
RELX PLC ordinary shares (pence)				
401-500	-	-	1	0.3
501-600	11	1.2	53	2.3
601-700	-	-	4	0.1
701-800	30	2.1	34	3.1
901-1,000	33	3.5	79	3.2
1,001-1,100	38	1.4	39	2.6
1,101-1,200	92	3.8	34	7.3
1,201-1,300	72	3.4	77	4.9
1,401-1,500	71	8.6	27	9.2
1,701-1,800	5	8.8	5	9.8
Total	352	4.3	353	4.3
RELX NV ordinary shares (€)				
5.01-6.00	9	2.1	26	4.0
6.01-7.00	4	0.1	15	1.1
7.01-8.00	-	-	9	0.1
8.01-9.00	13	4.4	15	5.4
10.01-11.00	34	4.4	29	6.3
15.01-16.00	60	5.9	61	7.6
16.01-17.00	77	8.6	28	9.2
19.01-20.00	6	8.8	5	9.8
Total	203	6.4	188	6.2

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

9. Pension schemes

The Company participates in the Reed Elsevier Pension Scheme, the legacy UK defined benefit scheme. This scheme is of the defined benefit type providing benefits to certain current and former employees within RELX PLC, and its assets are held separately from the group's assets. The Reed Elsevier Pension Scheme actuaries are Willis Towers Watson.

There is no contractual agreement or stated policy for charging the net defined benefit cost and, therefore, the ultimate parent company RELX PLC, the scheme guarantor, recognises the whole of the scheme surplus or deficit in its financial statements. In accordance with IAS 19 – *Employee Benefits*, the Company recognises a cost equal to its contribution payable for the period, which in the year ended 31 December 2018 was £1,156,000 (2017: £1,348,000).

Member funds for the defined contribution scheme are held and administered by Scottish Widows (formerly administered under the Zurich). The total cost recognised in the operating profit for the period was £1,164,000 (2017: £909,000).

Further details of RELX PLC's pension schemes are disclosed on pages 133-136 of the consolidated financial statements of the ultimate parent company.

10. Intangible assets

	Goodwill £'000	Internally generated intangible assets £'000	Acquired intangible assets £'000	Total £'000
Cost				
At 1 January 2018	31,416	91,069	83,616	206,101
Additions	-	19,401	-	19,401
Provision for impairment	(718)	-	-	(718)
At 31 December 2018	30,698	110,470	83,616	224,784
Amortisation				
At 1 January 2018	17,370	26,725	43,096	87,191
Charge for the year	-	7,676	2,712	10,388
At 31 December 2018	17,370	34,401	45,808	97,579
Net book amount				
At 31 December 2018	13,328	76,069	38,008	127,205
At 31 December 2017	14,046	64,344	40,520	118,910

Development costs have been capitalised in accordance with the measurement and recognition bases of IAS 38 Intangible Assets.

Internally generated additions include £10,100,000 (2017: £18,448,000) of assets in the course of construction that are not subject to depreciation in 2018.

In 2017, Goodwill costs £31,416,000 and amortisation of £17,370,000 were in Acquired intangible assets of costs £115,032,000 and amortisation of £60,446,000 respectively. Goodwill is now presented separately.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

11. Investments in subsidiary undertakings

	Total £'000
Cost	
At 1 January 2018	127,088
Disposals of entities previously provided.	(65,865)
Additions	25,951
Disposals	(1,206)
At 31 December 2018	85,968
Provision for impairment	
At 1 January 2018	65,865
Disposals of entities previously provided.	(65,865)
Amounts provided for in year	3,950
At 31 December 2018	3,950
Carrying amount	
At 31 December 2018	82,018
At 31 December 2017	61,223

The disposals in the year relate mainly to disposal of dormant entities.

Refer to the supplementary information in note for the full list of subsidiary undertakings.

In the opinion of the directors the value of the Company's investments in its subsidiaries is not less than the amount at which they are stated in the Statement of Financial Position.

12. Other Investments

	Cost £'000	Provisions £'000	Net book value £'000
Investment in joint ventures			
At 1 January and 31 December 2018	1,532	(1,120)	412

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

13. Property, plant and equipment

	Land and buildings £'000	Plant and equipment £'000	Total £'000
Cost			
At 1 January 2018	1,365	4,912	6,277
Additions	-	2,799	2,799
Disposals	(1,242)	(523)	(1,765)
At 31 December 2018	123	7,188	7,311
Depreciation			
At 1 January 2018	1,199	3,483	4,682
Charge for the year	26	819	845
Disposals	(1,107)	(390)	(1,497)
At 31 December 2018	118	3,912	4,030
Net book amount			
At 31 December 2018	5	3,276	3,281
At 31 December 2017	166	1,429	1,595

Amounts relating to right-of-use assets under IFRS 16 *Leases* can be found in note 17.

14. Trade and other receivables

	2018 £'000	2017 £'000
Trade receivables	3,972	2,058
Amount owed by fellow subsidiary undertakings	36,647	34,498
Amount owed by related parties	705	978
Prepayments and accrued income	2,465	2,423
Deferred expenditure	3,848	6,165
Other receivables	2,812	1,587
Deferred tax asset	-	6,518
	50,449	54,227

At 31 December 2018 and 31 December 2017 the amounts owed by fellow subsidiary undertakings were unsecured, non-interest bearing, repayable on demand and have no fixed dates of repayment.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

15. Trade and other payables

	2018	<i>Restated</i>
	£'000	2017
		£'000
Trade creditors	2,448	9,403
Accruals and deferred income	48,970	37,940
Other creditors	11,639	17,413
Other taxes and social security costs	1,382	1,195
Corporation tax	6,237	3,025
Amounts owed to parent company	125,746	116,341
Amounts owed to group undertakings	25,033	18,928
	221,455	204,245

At 31 December 2018 and 31 December 2017 the amounts owed to the parent company and fellow subsidiary undertakings were unsecured, non-interest bearing, repayable on demand and have no fixed dates of repayment.

16. Borrowings

	Falling due within 1 year £'000	Falling due after more than 1 year £'000	2018 Total £'000	Falling due within 1 year £'000	Falling due after more than 1 year £'000	<i>Restated</i> 2017 Total £'000
Bank overdraft	272	-	272	78	-	78
Lease liabilities	1,354	3,605	4,959	912	5,401	6,313
	1,626	3,605	5,231	990	5,401	6,391

The Company's bank accounts are part of cash pooling arrangements together with its parent company, subsidiary and fellow subsidiary undertakings. The bank overdraft is therefore notionally offset by credit balances in the accounts of those other companies.

2017 has been restated for IFRS 16 *Leases*.

17. Lease agreements

	Property £'000	Non- property £'000	2018 Total £'000	Property £'000	Non- property £'000	<i>Restated</i> 2017 Total £'000
Right-of-use assets						
At start of year	5,079	202	5,281	5,728	264	5,992
Additions	-	-	-	359	-	359
Depreciation	(1,145)	(62)	(1,207)	(1,008)	(62)	(1,070)
At end of year	3,934	140	4,074	5,079	202	5,281

The total cash outflow for leases was £1,621,000 (Restated 2017: £1,637,000).

	2018	<i>Restated</i>
	£'000	2017
		£'000
Lease liability		
Current		
Property	973	1,292
Non-property	62	62
Non-current		
Property	3,845	4,819
Non-property	16	78
	4,896	6,251

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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18. Called up share capital and share premium

Called up share capital	Authorised		Called up, issued and fully paid	
	Number	£	Number	£
<i>Ordinary shares of £1 each</i>				
At 31 December 2018 and 2017	12,760	12,760	12,760	12,760
<i>Deferred shares of £1 each</i>				
At 31 December 2018 and 2017	526,000	526,000	526,000	526,000
	538,760	538,760	538,760	538,760

The Deferred shares confer on the holders:

- * no right to participate in any dividend declared by the Company;
- * no right to receive notice of or to attend or vote at any General Meeting of the Company;
- * no right to receive any allotment of any shares of the Company; and
- * as to return of capital on a liquidation, reduction of capital or otherwise, the right to the amount paid up on such shares after the holders of the Ordinary shares have received the sum of £1,000,000 per Ordinary share of £1.

Share premium	2018 £'000	2017 £'000
At 1 January and 31 December	8,035	8,035

19. Post balance sheet events

On 18 February 2019, the Company acquired Mack Brooks Exhibitions Limited, whose principal activities are that of organising events, publishing journals, event guides and reports. The acquisition is in line with the Company's organic growth strategy supported by the acquisition of targeted event portfolios.

The recent onset of Covid-19 (Coronavirus) will have an impact on our business in 2020 and will require us to either postpone or cancel certain events. The full impact cannot be determined at this stage.

20. Consolidated group financial statements

The Company is not required to prepare consolidated group financial statements under s400 of the Companies Act 2006 because its parent company is established under the law of a member State of the European Union and the ultimate parent company prepares consolidated group financial statements. Accordingly, these financial statements present information about this company as an individual undertaking and not as a group.

REED EXHIBITIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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21. Ultimate parent company

The Company's immediate parent company is RELX (UK) Limited, a company incorporated in England and Wales. The Company's ultimate company and controlling entity is RELX PLC, a company incorporated in England and Wales. The smallest and largest group into which the financial statements of the Company for the year ended 31 December 2018 are consolidated is RELX PLC. Copies of the consolidated financial statements of RELX PLC may be obtained from its registered office at 1-3 Strand, London, WC2N 5JR, United Kingdom.

22. 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 PLC. There were no other related party transactions in the current or prior year.

23. Related undertakings

A full list of related undertakings (comprising subsidiaries, joint ventures, associates and other significant holdings) is set out below.

All are 100% owned directly or indirectly by the Reed Exhibitions Limited except where percentage ownership denoted in (x%). Interests are all in the form of ordinary shares unless otherwise noted. All entities primarily operate in their country of incorporation under which they are listed below:

Company:	Share Class	Registered Office
England & Wales		
Dew Events Ltd	Ordinary	GBR1
Digital Foundry Network Ltd (50%)	Partnership Interest	GBR1
E&P Events LLP (50%) [†]	Ordinary	GBR1
Gamermania Ltd	Ordinary	GBR1
Gamer Edition Ltd	Ordinary	GBR1
Gamer Network Ltd	Ordinary	GBR1
Gamer Events Ltd	Ordinary	GBR1
Imbibe Media Ltd	Ordinary	GBR1
Legend Exhibitions Ltd	Ordinary	GBR1
MCM Central Ltd	Ordinary	GBR1
MCM Expo Ltd	Ordinary	GBR1
MCM Strategy Ltd	Ordinary	GBR1
Offshore Europe (Management) Ltd	Ordinary	GBR1
Offshore Europe Partnership (50%)	Partnership Interest	GBR1
Out There Gaming Ltd (70%)	Ordinary	GBR1
RE (SOE) Ltd	Ordinary	GBR1
Reed All-Energy Ltd	Ordinary	GBR1
Reed Events Ltd	Ordinary	GBR1
Reed Midem Ltd	Ordinary	GBR1
RPS Gaming Ltd	Ordinary	GBR1
TGP 48 Ltd	Ordinary	GBR1
VG247 Ltd	Ordinary	GBR1
Republic of Korea		
Reed Exhibitions Korea Ltd	Ordinary	KOR1
Reed K. Fairs Ltd (70%)	Ordinary	KOR1
United States		
Gamer Network Inc.	Common Stock	USA1
Registered office addresses:		
United Kingdom		
GBR1	Gateway House, 28 The Quadrant, Richmond, Surrey, TW9 1DN, United Kingdom	
Republic of Korea		
KOR1	Room 4401, Trade Tower, 159-1, Samseong-dong, Gangnam-gu Seoul, 135-729, Republic of Korea	
United States		
USA1	230 Park Ave, New York, NY 10169, United States of America	

REED EXHIBITIONS LIMITED

Company No: (00678540)

Minutes of a Meeting of the Board of Directors held at Gateway House, 28 The Quadrant,
Richmond, Surrey, TW9 1DN on 9 MARCH 2020 at 12 a.m./p.m.

Present: Alex Bowden (In the Chair)
Michele Tiley-Hill

1. The Chairman announced that:
 - 1.1 the Meeting had been duly convened; and
 - 1.2 the Directors present constituted a quorum.
2. In accordance with section 177 of the Companies Act 2006, the Company's articles of association and for all other purposes, the directors confirmed that they have no direct or indirect interest in any of the proposed transactions contemplated by the resolutions to be considered and voted upon by the directors participating in the meeting.
3. The Chairman reported that the purpose of the Meeting was to approve [the Strategic Report, Directors' Report and] the accounts of the Company for the year ended 31 December 2018(the **Accounts**).
4. The Meeting considered the Accounts and after due and careful consideration, **IT WAS RESOLVED** that:
 - 4.1 The Accounts be and are hereby approved;
 - 4.2 A director be and is hereby authorised to sign off the Accounts on behalf of the Company;
 - 4.3 The secretary be and is hereby instructed to sign the Accounts and to arrange for the Accounts to be submitted to the Company's auditors and thereafter to be sent to the Registrar of Companies for filing.
5. There being no further business, the meeting closed.


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Chairman

WE HEREBY CERTIFY THIS TO BE A TRUE
AND COMPLETE COPY OF THE ORIGINAL



JACKIE POOLE
COMPANY LAWYER/COMPANY SECRETARY
REED EXHIBITIONS LIMITED

9 March 2020