

Company Registration No. 05810043

RELX (INVESTMENTS) PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



RELX (INVESTMENTS) PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS 2018

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RELX (INVESTMENTS) PLC
OFFICERS AND PROFESSIONAL ADVISERS

Directors

N L Luff
H A Udow

Company Secretary

A W McCulloch

Registered Office

1-3 Strand
London
WC2N 5JR

Auditor

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

RELX (INVESTMENTS) PLC
STRATEGIC REPORT

The directors present their Strategic Report for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The Company's principal activities are the funding of the activities of RELX. The Company's shares are not publicly traded. The directors do not anticipate any changes in activities in the foreseeable future.

BUSINESS REVIEW

The profit before tax for the year was £334,000 (2017: loss of £784,000). The total comprehensive profit for the year of £270,000 (2017: loss of £634,000), being the profit after taxation, has been taken to reserves. The loss in the prior year was the result of mark-to-market losses in the value of interest rate derivatives which were not repeated in 2018. No term debt matured or was issued in 2018 (2017: £300m matured). The increase in net assets in the year is driven by the profit for the year.

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

The Company is exposed to financial risk through its financial assets and liabilities. The key financial risks are credit risk and liquidity risk. Interest rate risk is mitigated by issuing borrowings at fixed rates of interest, or, where borrowings have been issued at floating rates of interest, by lending to fellow subsidiary undertakings at floating rates.

Credit risk is principally attributable to amounts owed by parent and fellow subsidiary undertakings, and is not considered to be significant. Liquidity risk is likewise not considered to be significant as the Company's borrowings are largely matched by amounts receivable from those other RELX companies.

The Strategic Report has been approved by the Board.

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



A W McCulloch
Company Secretary
31/05/ 2019

RELX (INVESTMENTS) PLC
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.

The Company has prepared financial statements in accordance with s396 of the Companies Act 2006.

Dividends

No dividends were paid during the year (2017: £nil).

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.

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.

Auditor

In accordance with Section 418 of the Companies Act 2006, each Director in office at the date the Directors' Report is approved 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

1-3 Strand
London WC2N 5JR



A W McCulloch
Company Secretary
31/05/2019

RELX (INVESTMENTS) PLC
DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, 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 "*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 RELX (INVESTMENTS) PLC

Opinion

We have audited the financial statements of RELX (Investments) plc 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 13 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 as applied to listed public interest entities, 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.

Overview of our audit approach

Key audit matters	<ul style="list-style-type: none">• Valuation of foreign exchange derivatives
Materiality	<ul style="list-style-type: none">• Overall materiality of £0.61m which represents 1% of Equity.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
RELX (INVESTMENTS) PLC (continued)**

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Valuation of foreign exchange derivatives (2018: £790k, 2017: £941k)</p> <p>Accounting policies (pages 13 and 14) and the statement of financial position (page 11)</p> <p>The company uses Euro and US Dollar commercial papers to fund the short-term cash requirements of the Group. These papers are swapped to GBP and the related derivatives result in a derivative financial instrument asset or liability at year end. There is a risk that the model used results in a valuation outside of an acceptable range.</p>	<p>We have performed substantive testing of the derivative financial instrument asset as follows:</p> <p>We have obtained the commercial paper and swap schedule and verified a sample of underlying papers to third party confirmations.</p> <p>We have obtained the related FX swap trade confirmations for our sample and verified that the balances presented are consistent with the asset position workings.</p> <p>We have used the work of internal specialists to determine whether the valuation falls within an acceptable range.</p>	<p>The related derivative financial instruments have been appropriately accounted for.</p>

In the prior year, our auditor's report included a key audit matter in relation to the measurement of finance income and costs, partially driven by the complexity of interest rate swaps on one of the external bonds. In the current year there are no interest rate swaps and the remaining derivatives within the entity are foreign exchange swaps.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

Changes from the prior year

There were no changes in scope from the prior year.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
RELX (INVESTMENTS) PLC (continued)**

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the company to be £0.61 million (2017: £2.46 million), which is 1% (2017: 4%) of Equity. Materiality has changed on the basis of re-assessment of risk in the year. The principal activity of the company continues to be maintaining funding of the activities of RELX Group.

During the course of our audit, we reassessed initial materiality and there was no change in final materiality from original assessment at planning.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgement was that performance materiality was 75% (2017: 75%) of our planning materiality, namely £0.457m (2017: £1.845m). We have set performance materiality at this percentage due to no audit adjustments identified in the prior year.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Board that we would report to them all uncorrected audit differences in excess of £0.03m (2017: £0.123m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, 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
RELX (INVESTMENTS) PLC (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 4, 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are Bribery Act 2010, Employment Laws, Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, Data Protection Act 2018, Competition Act and the Companies Act 2006.
- We understood how RELX (Investments) plc is complying with those frameworks by the oversight of those charged with governance.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by performing a review of Entity Level Controls and regular discussions with those charged with governance.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved substantive audit procedures of all significant accounts, review for unusual and unexpected items, enquiries of those charged with governance and written representation obtained from those charged with governance.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
RELX (INVESTMENTS) PLC (continued)**

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.

Other matters we are required to address

- We were appointed by the company on 19 July 2017 to audit the financial statements for the year ending 31 December 2017 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is three years, covering the years ending 31 December 2016 to 31 December 2018.
- The non-audit services prohibited by the FRC's Ethical Standard were not provided to the company and we remain independent of the company in conducting the audit.

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.

 **Ernst & Young LLP**

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

31 MAY 2019

RELX (INVESTMENTS) PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £'000	2017 £'000
Administrative expenses		(37)	(31)
Operating loss		(37)	(31)
Finance income	4	13,538	24,887
Finance costs	4	(13,167)	(25,640)
Net finance income/(costs)		371	(753)
Profit/(loss) before tax		334	(784)
Tax (expense)/credit	5	(64)	150
Profit/(loss) for the year	10	270	(634)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		270	(634)

All results relate to continuing operations.


The notes on pages 13 to 18 form part of these financial statements.

RELX (INVESTMENTS) PLC
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 £'000	2017 £'000
Current assets			
Derivative financial instruments		790	941
Trade and other receivables	6	754,482	618,385
Cash and cash equivalents		113	40
Total assets		755,385	619,366
Current liabilities			
Trade and other payables	7	(87,631)	(4,320)
Borrowings	8	(605,967)	(254,457)
		(693,598)	(258,777)
Non-current liabilities			
Borrowings	8	-	(299,072)
Total liabilities		(693,598)	(557,849)
Net assets		61,787	61,517
Capital and reserves			
Called up share capital		50	50
Share premium		50,000	50,000
Other reserves		11,737	11,467
Total equity		61,787	61,517

The notes on pages 13 to 18 form part of these financial statements.

The financial statements of RELX (Investments) plc, registered number 05810043, were approved by the Board of Directors and authorised for issue on 31/5/ 2019. They were signed on its behalf by:



 N L Luff
 Director

RELX (INVESTMENTS) PLC
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		50	50,000	12,101	62,151
Total comprehensive loss for the year		-	-	(634)	(634)
Balance at 1 January 2018		50	50,000	11,467	61,517
Total comprehensive income for the year	10	-	-	270	270
Balance at 31 December 2018		50	50,000	11,737	61,787

RELX (INVESTMENTS) PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies

Basis of preparation

RELX (Investments) plc ("the Company") is a public company limited by share capital, incorporated and domiciled in England and Wales under the Companies Act. The address of the registered office is given on page 1.

The Company meets the definition of a qualifying entity under Financial Reporting Standard (FRS) 100 issued by the Financial Reporting Council (FRC). Accordingly, for the year ended 31 December 2018 these financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) '*Reduced Disclosure Framework*' issued by the FRC, incorporating the amendments to company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 and in so doing has applied the requirements of International Financial Reporting Standards (IFRS) 1.6-33 and related appendices.

The financial statements have been prepared on the historical cost basis, except for financial instruments that are measured at 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 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 12.

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.

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.

RELX (INVESTMENTS) PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. Accounting policies (continued)

The principal accounting policies adopted are set out below.

Going concern

This entity principally provides funding for the activities of RELX for which management has assessed the relevant factors surrounding going concern and concludes that there are no material events or uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

Taxation

Tax is 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 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.

Financial instruments

Financial instruments comprise 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, experience and circumstance.

Borrowings and payables are recorded initially at fair value and subsequently carried at amortised cost (other than fixed rate borrowings in designated hedging relationships for which the carrying amount of the hedged portion of the borrowings is subsequently adjusted for the gain or loss attributable to the hedged risk).

The fair values of interest rate swaps and forward foreign exchange contracts represent the replacement costs calculated using observable market rates of interest and exchange. The fair value of long-term borrowings is calculated by discounting expected future cash flows at observable market rates. These instruments are accordingly classified as Level 2 in the IFRS 13 - *Fair Value Measurement* - fair value hierarchy.

Interest receivable and interest payable

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

Borrowing costs

Debt issuance costs are charged to the Statement of Comprehensive Income over the life of the related borrowings so as to produce a constant periodic rate of charge.

Standards and amendments effective for the year

The interpretations and amendments to IFRS effective for 2018 have not had a significant impact on the accounting policies or reporting.

RELX (INVESTMENTS) PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Information regarding directors and employees

The directors received no emoluments (2017: £nil) in respect of their services to the Company. The Company has no employees (2017: £nil).

3. Auditor's remuneration

The auditor's remuneration for the audit of the Company's annual financial statements was £5,750 (2017: £5,610) and was borne and not recharged by another group company for the current and preceding year.

4. Net finance income

	2018 £'000	2017 £'000
Interest income:		
On amounts due from parent company	12,360	21,619
On amounts due from fellow subsidiary undertakings	1,012	3,101
Foreign exchange gains	166	167
Finance income	13,538	24,887
Interest and similar charges:		
On borrowings repayable within 5 years not by instalments	11,609	21,933
Guarantee fees payable to RELX PLC	854	883
Guarantee fees payable to RELX NV	428	883
Fair value losses on borrowings and derivatives not designated as hedges	151	1,892
Foreign exchange losses	125	49
Finance costs	13,167	25,640
Net finance income/(costs)	371	(753)

The Company's term debt and commercial paper borrowings are guaranteed by RELX PLC. Prior to 8 September 2018, the date of the corporate simplification of the RELX group, this guarantee was given jointly and severally by RELX PLC and RELX NV. Part of the fee in respect of the guarantees was therefore payable to RELX NV up to that date, after which RELX NV ceased to exist.

RELX (INVESTMENTS) PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

5. Taxation

	2018 £'000	2017 £'000
Current tax (expense)/credit	<u>(64)</u>	<u>150</u>

The rate of UK corporation tax for the year is 19% (2017: 19.25%). Set out below is a reconciliation of the difference between tax expense for the year and the theoretical expense calculated by multiplying accounting profit by the applicable tax rate.

	2018 £'000	2017 £'000
Profit/(loss) on ordinary activities before taxation	<u>334</u>	<u>(784)</u>
Expected tax (expense)/credit at 19% (2017: 19.25%)	<u>(64)</u>	<u>150</u>
Tax (expense)/credit	<u>(64)</u>	<u>150</u>

Factors that may affect future tax charges

The standard rate of Corporation Tax in the UK was 19% with effect from 1 April 2017. Accordingly, the company's profits for the accounting period are taxed at an effective rate of 19%. A further reduction to the Corporation Tax rate from 19% to 17% with effect from 1 April 2020 was enacted in September 2016.

As this company does not have any deferred tax balances, there is no impact from the enacted corporation tax rate reductions to the financial position.

6. Trade and other receivables

	2018 £'000	2017 £'000
Amounts owed by parent company	754,182	222,273
Amounts owed by fellow subsidiary undertakings	-	395,787
Prepayments and accrued income	300	175
Corporation tax	-	150
	<u>754,482</u>	<u>618,385</u>

The amounts owed by parent and fellow subsidiary undertakings vary over the course of each year based on their funding needs. Interest is charged on these balances at a blended rate based on the Company's own funding costs, taking into account the composition of its borrowings which comprise long term debt and commercial paper borrowings.

For the year ended 31 December 2018 the blended interest rates were in a range from 1.1% to 3.4% (2017: 2.1% to 3.7%)

7. Trade and other payables

	2018 £'000	2017 £'000
Amounts owed to RELX NV	-	883
Amounts owed to fellow subsidiary undertakings	84,129	-
Interest payable on borrowings	3,438	3,437
Corporation tax	64	-
	<u>87,631</u>	<u>4,320</u>

RELX (INVESTMENTS) PLC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

8. Borrowings

	2018			2017		
	Falling due within 1 year £'000	Falling due in more than 1 year £'000	Total £'000	Falling due within 1 year £'000	Falling due in more than 1 year £'000	Total £'000
Financial liabilities measured at amortised cost:						
Short-term bank loans, overdrafts and commercial paper	306,309	-	306,309	254,457	-	254,457
Term debt	299,658	-	299,658	-	299,072	299,072
Total	605,967	-	605,967	254,457	299,072	553,529

The fair value of commercial paper borrowings approximates to their carrying value. The fair value of term debt borrowings measured at amortised cost is £303m (2017: £309m).

Short-term bank loans, overdrafts and commercial paper were backed up at 31 December 2018 by a \$3,000m (£2,354m) committed bank facility, consisting of a \$1,750m (£1,373m) tranche maturing in July 2023 and a \$1,250m (£981m) tranche maturing in July 2021, which was undrawn.

The Company's term debt borrowings comprise the following:

	2018 £'000	2017 £'000
2.750% Public Notes 2019 – measured at amortised cost	299,658	299,072
	299,658	299,072

9. 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	50,000	50,000	50,000	50,000
Share premium				
At 1 January and 31 December			50,000	50,000

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10. Other reserves

	Profit and loss account £'000
At 1 January 2017	12,101
Loss for the financial year	(634)
At 1 January 2018	11,467
Profit for the financial year	270
At 31 December 2018	11,737

11. 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.

12. Ultimate parent company

The Company's immediate parent company is RELX (UK) Limited, a company incorporated in England and Wales. The Company's ultimate and controlling parent company 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.

13. Related party transactions

The Company has taken advantage of the exemption under the terms of FRS 101 paragraph 8(k) from disclosing related party transactions with entities that are wholly owned subsidiaries of RELX PLC. There were no other related party transactions in the current or prior year.