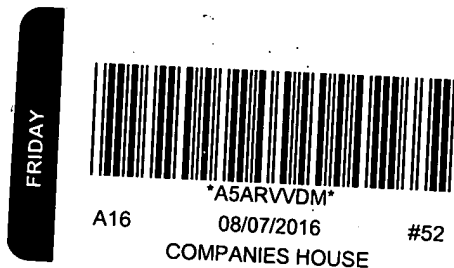


THE NEXT DIRECTORY LIMITED

COMPANY NO. 2570808

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2016



Registered in England & Wales

Desford Road
Enderby
Leicester
LE19 4AT

THE NEXT DIRECTORY LIMITED

REPORT OF THE DIRECTORS

The directors submit their report and financial statements for the year ended 31 January 2016.

1. **Activities**

The principal activity of the Company is to act as an investment company.

2. **Business review**

The Company earned interest during the year.

3. **Directors and their interests**

The directors during the period were as follows:

Lord Wolfson of Aspley Guise

Amanda James (appointed 1 April 2015)

David Keens (retired 1 April 2015)

The directors are also directors of NEXT plc, and their own and their families' interests in the ordinary shares of NEXT plc are shown in that company's financial statements.

None of the directors has a beneficial interest in any contract to which the Company was a party during the period.

4. **Going concern**

The Company participates in the NEXT group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiary companies. The directors, having assessed the responses of the directors of the Company's ultimate parent, NEXT plc, to their enquiries have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the NEXT group to continue as a going concern or its ability to continue with the current banking arrangements. On the basis of these enquiries, the support assured by NEXT plc, and their assessment of the Company's financial position the directors have a reasonable expectation that the Company has adequate resources to continue its operations for the foreseeable future. For this reason, they have continued to adopt the going concern basis in preparing the financial statements.

5. **Auditor**

Ernst & Young LLP expressed their willingness to continue in office and a resolution proposing their reappointment was passed at the AGM.

THE NEXT DIRECTORY LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

6. Disclosure of information to the auditor


In accordance with the provisions of section 418 of the Companies Act 2006, 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
- each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by Section 415A of the Companies Act 2006.

The company has taken the exemption for small companies in relation to the Strategic Report provided by Section 414B of the Companies Act 2006.

BY ORDER OF THE BOARD



Seonna Anderson
Secretary

1 July 2016

THE NEXT DIRECTORY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and which 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.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE NEXT DIRECTORY LIMITED

We have audited the financial statements of The NEXT Directory Limited for the year ended 31 January 2016 which comprise the Profit and Loss Account, the Balance Sheet, Statement of Changes in Equity and the related Notes 1 to 7. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101, 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Andy Williams (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

1 July 2016

THE NEXT DIRECTORY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2016

	Notes	2016 £	2015 £
Interest receivable	3	1	2
		<hr/>	<hr/>
Profit on ordinary activities before taxation		1	2
Taxation	4	-	-
		<hr/>	<hr/>
Profit on ordinary activities after taxation		1	2
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

There were no other gains or losses arising in the current or prior year.

The notes on pages 8 to 10 form part of these financial statements.

THE NEXT DIRECTORY LIMITED

BALANCE SHEET AT 31 JANUARY 2016

	Notes	2016 £	2015 £
<u>CURRENT ASSETS</u>			
Debtors	5	249,054	249,054
Cash at bank		1,322	1,321
		<hr/>	<hr/>
NET ASSETS		250,376	250,375
		<hr/>	<hr/>
<u>CAPITAL AND RESERVES</u>			
Share capital	6	250,100	250,100
Profit and loss account		276	275
		<hr/>	<hr/>
TOTAL EQUITY		250,376	250,375
		<hr/>	<hr/>

The financial statements were approved and authorised for issue by the Board of Directors on 1 July 2016.



Amanda James
Director

Registered in England & Wales, no. 2570808

THE NEXT DIRECTORY LIMITED

STATEMENT OF CHANGES IN EQUITY AT 31 JANUARY 2016

	Share capital £	Profit and loss account £	Total £
At January 2014	250,100	273	250,373
Profit for the year	-	2	2
Total comprehensive income for the year	-	2	2
At January 2015	250,100	275	250,375
Profit for the year	-	1	1
Total comprehensive income for the year	-	1	1
At January 2016	250,100	276	250,376

THE NEXT DIRECTORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 JANUARY 2016

1. Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS101"). The Company transitioned from EU-adopted IFRS to FRS101 for all periods presented. There were no measurement or recognition differences arising on the adoption of FRS101. The Company's reported results and net assets are unaffected by this change and remain consistent with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) which was applied previously.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 January 2016. The Company has taken advantage of the disclosure exemptions allowed under FRS101. The main areas of reduced disclosure are in respect of the cash flow statement and related party disclosures. The Company's parent undertaking, NEXT Holdings Limited, was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions.

The Company's financial statements are presented in pounds Sterling. The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Cash at bank and in hand

This comprises cash at bank and in hand and short term deposits with an original maturity of three months or less.

Deferred tax

Deferred tax is accounted for using the balance sheet liability method and is calculated using rates of taxation enacted or substantively enacted at the balance sheet date which are expected to apply when the asset or liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are only recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is not recognised in respect of subsidiaries and associates where the reversal of any taxable temporary differences can be controlled and are unlikely to reverse in the foreseeable future.

THE NEXT DIRECTORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 JANUARY 2016

1. **Accounting policies (continued)**

Changes in accounting standards

Various new or revised accounting standards have been issued which are not yet effective, including IFRS 15 'Revenue from Contracts with Customers', IFRS 9 'Financial Instruments' and IFRS 16 'Leases'. None of these have yet been endorsed by the European Union. Our initial assessment is that they are unlikely to have a significant impact on the Company.

2. **Profit on ordinary activities before and after taxation**

Auditor's remuneration was borne by other group companies.

None of the directors received any remuneration from the Company for the year ended 31 January 2016 (2015: £nil). The directors, who are the only employees of the Company, were also directors of the ultimate parent company, NEXT plc, and their emoluments for services to the group are disclosed in the report and accounts of that company. The directors believe that it is not practicable to apportion their remuneration between qualifying services for this company and other group companies in which they hold office.

THE NEXT DIRECTORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 JANUARY 2016

3.	<u>Interest receivable</u>	2016	2015
		£	£
	Bank and other interest receivable	1	2
		<u> </u>	<u> </u>

4.	<u>Taxation</u>	2016	2015
		£	£
	UK corporation tax	-	-
		<u> </u>	<u> </u>

The Company has capital losses in excess of £38 million which are to be carried forward to future years. No deferred tax asset has been recognised, as future taxable profits against which to utilise the asset are not probable.

5.	<u>Debtors</u>	2016	2015
		£	£
	Amounts owed by group undertakings	249,054	249,054
		<u> </u>	<u> </u>

Amounts owed by group undertakings are repayable on demand and non interest bearing.

6.	<u>Share capital</u>	2016	2015
		No.	No.
	Authorised		
	Ordinary shares of £1 each	50,000,000	50,000,000
		<u> </u>	<u> </u>

		2016	2015
		£	£
	Allotted, called up and fully paid		
	Ordinary shares of £1 each	250,100	250,100
		<u> </u>	<u> </u>

7. Ultimate parent undertaking

The Company's immediate parent company is NEXT Holdings Limited. The ultimate parent undertaking is NEXT plc, a company registered in England & Wales. It has included the Company in its group accounts, copies of which may be obtained from its Company Secretary at its registered office: Desford Road, Enderby, Leicester, LE19 4AT.