

Company Number: 1765290

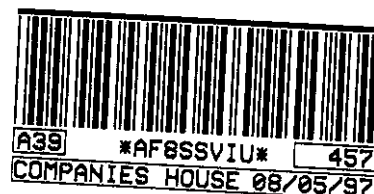
PEARSON GROUP PENSION TRUSTEE LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1996

Registered Office:

3 Burlington Gardens
London
W1X 1LE



PEARSON GROUP PENSION TRUSTEE LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the accounts of the company for the year ended 31 December 1996.

The company acts as Trustee of The Pearson Group Pension Plan.

The company has not traded during the year.

DIRECTORS

The directors who served during the year were:

'A' Directors

J A B Joll (Chairman)
P P Cabrelli
B J Riley
S A J Oram
A C Whiffin

'B' Directors

Lord Gibson
E P Emmerson
N J Godden
C F Penn
A A Whitaker

Lord Gibson retired as a director on 9 April 1996 and was succeeded by Mr Penn with effect from that date. Mr Emmerson was appointed a director on 24 October 1996 and resigned as a director on 31 December 1996. Mr Joll retired as an 'A' director on 31 December 1996 and was appointed a 'B' director on 1 January 1997. Mr Oram resigned as a director on 18 November 1996 and Mr Whiffin was appointed a director on that date. Mr Whitaker ceased to be a director on 14 September 1996.

DIRECTORS' INTERESTS

The interests of the directors in the shares of the company, as shown by the register kept for the purpose of Section 324, Companies Act 1985, are as follows:

	At <u>31.12.96</u>	At <u>01.01.96</u>
C F Penn		
"B" Ordinary Shares	17	0
N J Godden		
"B" Ordinary Shares	17	17
Executors to the Estate of A A Whitaker		
"B" Ordinary Shares	17	0

Following the death of Mr Whitaker on 14 September 1996, the 17 shares registered in his name were transferred to the Executors of his Estate.

No other director held any interest in the company at 31 December 1996.

BY ORDER OF THE BOARD



P JENKINS
Secretary
28 April 1997

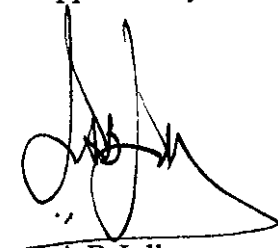
PEARSON GROUP PENSION TRUSTEE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1996

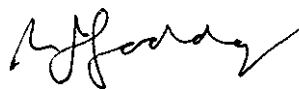
	<u>Notes</u>	<u>1996</u>	<u>1995</u>
CURRENT ASSETS			
Other debtors		<u>£102</u>	<u>£102</u>
CAPITAL AND RESERVES			
Called-up share capital	1	<u>£102</u>	<u>£102</u>

The company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the year ended 31 December 1996.

Approved by the Board on the 28th day of April 1997.



J A B Joll



N J Godden

PEARSON GROUP PENSION TRUSTEE LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 1995**

	<u>1996</u>	<u>1995</u>
	£	£
1		
Called up share capital:		
Authorised, allotted and fully paid -		
51 "A" Ordinary shares of £1 each	51	51
51 "B" Ordinary shares of £1 each	<u>51</u>	<u>51</u>
	<u>£102</u>	<u>£102</u>

- 2 The "A" and "B" Ordinary shares confer the same rights upon the holders thereof and rank pari passu in all respects except in relation to the appointment of directors. The holders of "A" Ordinary shares have the right to appoint four "A" directors and to remove and replace them. The "A" directors must be employees or executive directors of a Pearson Group Company. The holders of "B" Ordinary shares have the right to appoint three "B" directors and to remove and replace them. The "B" directors must not be employees or executive directors of a Pearson Group company.

"A" and "B" directors have different voting rights in connection with various matters concerning the trusteeship of The Pearson Group Pension Plan ("the Plan"). In particular, the "B" Directors have specific voting rights in relation to resolutions of the company proposing the removal of the company as trustee of the Plan or proposing the winding up of the Plan.

- Any Pearson Group Company is eligible to hold the "A" shares.
- Any person who is neither
 - an employee, nor
 - an executive director of a Pearson Group Company

is eligible to hold the "B" shares.

A resolution will be put to members at the forthcoming Annual General Meeting of the company to amend the Articles of Association of the company. Pursuant to such amendment, the holders of "A" shares will have the right to appoint three "A" directors and to remove and replace them. Such directors must be employees or executive directors of a Pearson Group company. In addition, the holders of "A" shares will have the right to appoint a further three directors who are nominated by members of the Plan.

- 3 The Trustee operates a number of bank accounts on behalf of the Pearson Group Pension Plan. The Trustee has no beneficial interest in any of the balances on such accounts and accordingly these balances are not included in the balance sheet.