

Pearson Pension Trustee Services Limited

Registered Number :

10803853

Annual Report and Financial Statements

For the Year Ended :

31 December 2022

Registered address :

80 Strand, London WC2R 0RL

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COMPANIES HOUSE

Pearson Pension Trustee Services Limited

DIRECTORS' REPORT

The directors present their report and the financial statements of Pearson Pension Trustee Services Limited (the 'company') for the year ended 31 December 2022.

The company has taken exemption from preparing a Strategic Report in accordance with s414B of the Companies Act 2006 relating to small companies.

Directors

The directors who held office during the period and up to the date of signing the financial statements are given below:

S A Beaven

R M W Kearton (resigned 1 April 2023)

N R Maradas (appointed 1 April 2023)

W T Nash

L C Ruddick (appointed 1 April 2023)

A C Thrower (appointed 1 April 2023)

Qualifying third party indemnity provisions and liability insurance

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Pearson Management Services Limited, a related party, also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of the company and its directors and officers.

Financial risk management

From the perspective of the company, financial risk management is integrated with the financial risk management of the consolidated financial statements of Pearson plc (the "group") and is not managed separately. Accordingly, the financial risk management of Pearson plc, which includes that of the company, is discussed in the group's annual report which does not form part of this report.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



S A Beaven (Signed for and on behalf of the company)

S A Beaven

Director

20 September 2023

Company registered number:

10803853

Pearson Pension Trustee Services Limited

PROFIT AND LOSS ACCOUNT

For the year ended :

31 December 2022

		2022	2021
		£'000	£'000
Continuing operations	Note		
Other income		3,177	3,230
Administrative expenses		(3,177)	(3,230)
Operating profit	2	-	-
Profit before taxation		-	-
Tax on profit	5	-	-
Profit for the financial period		-	-

Pearson Pension Trustee Services Limited

STATEMENT OF COMPREHENSIVE INCOME

For the year ended :

31 December 2022

	2022	2021
	£'000	£'000
Profit for the financial period	-	-
Total comprehensive income for the period	-	-

Pearson Pension Trustee Services Limited

BALANCE SHEET

As at:


31 December 2022

		2022	2021
	Note	£'000	£'000
Fixed assets			
Current assets			
Debtors	6	16,365	13,188
		16,365	13,188
Creditors - amounts falling due within one year	7	(16,365)	(13,188)
Net current assets		-	-
Total assets less current liabilities		-	-
Net assets		-	-
Capital and reserves			
Called up share capital	8	-	-
Profit and loss account		-	-
Total shareholders' funds		-	-

For the year ended 31 December 2022 :

- The Directors confirm that the company is entitled to take exemption from the requirement to obtain an audit under section 479A of the Companies Act 2006;
- The members have not required the company to obtain an audit of its accounts in accordance with section 476 of the Companies Act 2006; and
- The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of the accounts.

The financial statements were approved by the board of directors and authorised for issue on 20 September 2023.
They were signed on its behalf by :


S A Beaven
Director

Pearson Pension Trustee Services Limited

STATEMENT OF CHANGES IN EQUITY

As at:

31 December 2022

	Called up share capital	Profit and loss account	Total
	£'000	£'000	£'000
At 1 January 2021	-	-	-
Profit for the financial year	-	-	-
Total comprehensive income for the year	-	-	-
At 31 December 2021	-	-	-
Profit for the financial year	-	-	-
Total comprehensive income for the year	-	-	-
At 31 December 2022	-	-	-

Share capital represents nominal value of shares allotted and called up.

Profit and loss account reserve represents accumulated retained earnings less dividends paid.

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS

**For the year ended :
31 December 2022**

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Accounting policies

The principal accounting policies are set out below. These policies have been consistently applied to all the periods presented.

Basis of preparation

Pearson Pension Trustee Services Limited is a private company limited by shares, incorporated in the United Kingdom. The address of its registered office is 80 Strand London, United Kingdom, WC2R 0RL. The nature of the company's operations and its principal activities are the administration and management of The Pearson Pension Plan.

The financial statements of Pearson Pension Trustee Services Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within this note.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101. Where required, equivalent disclosures are given in the group financial statements of Pearson plc :

- IFRS 7 'Financial Instruments: Disclosures'
- Paragraphs 91-99 of IFRS 13 'Fair Value Measurement'
- Paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1 Presentation of Financial Statements;
 - (i) paragraph 10(d)
 - (ii) paragraph 16
 - (iii) paragraph 38A
 - (iv) paragraph 111
 - (v) paragraphs 134 - 136
- IAS 7 'Statement of Cash Flows'
- Paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'
- Paragraph 17 of IAS 24 'Related Party Disclosures'
- The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Interpretations and amendments to published standards effective 2022

No new standards were adopted in 2022.

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 that have a material impact on the company's financial statements.

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

Foreign currency translation

The financial statements are presented in pounds sterling (£) which is also the company's functional currency.

Transactions in currencies other than the functional currency are recorded using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Current tax

Current tax is recognised on the amounts expected to be paid or recovered under the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Creditors

Creditors are recognised initially at fair value and subsequently measured at amortised cost.

Pensions

The company participates in The Pearson Pension Plan (formerly the Pearson Group Pension Plan). This is a hybrid scheme with both defined benefit and defined contribution sections.

The company is unable to identify its share of the underlying assets and liabilities of the plan owing to information regarding non-active members and changes to the group structure including acquisitions and disposals. There is no contractual agreement or stated policy for charging the net defined benefit cost. In accordance with IAS 19 Employee Benefits (2011), the company recognises a cost equal to its contribution payable for the period. The sponsoring entity of this scheme is Pearson Services Limited.

Share capital

Ordinary shares are classified as equity.

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended .

31 December 2022

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Operating profit

Operating profit is stated after charging:

	2022	2021
	£'000	£'000
Staff costs	2,880	2,588

Fees paid to the group's auditor, Ernst & Young LLP, and its associates for non-audit services are not disclosed in the company's accounts since the consolidated accounts of the company's ultimate parent company, Pearson plc, are required to disclose non-audit fees on a consolidated basis.

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

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Staff costs

	2022	2021
	£'000	£'000
Staff costs		
Wages and salaries	2,410	2,171
Social security costs	305	253
Other pension costs	165	164
	2,880	2,588

	2022	2021
Average monthly number of persons employed by the company during the period	Number	Number
Administration	34	34
	34	34

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

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Directors' remuneration

	2022	2021
	£'000	£'000
Aggregate emoluments	277	230
Company contributions to defined contribution pension schemes	13	10
	290	240
	2022	2021
	Number directors	Number directors
Directors accruing benefits under defined contribution scheme	1	1
	2022	2021
Highest paid director	£'000	£'000
Aggregate emoluments	277	230
Defined contribution pension scheme - company contributions during the year	13	10

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

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Taxation

	2022	2021
	£'000	£'000
Current tax		
UK corporation tax on profits for the year	-	-
Total tax on profit	-	-
UK standard effective rate of corporation tax (%)	19	19

The charge for the year can be reconciled to the profit in the profit and loss account as follows:

	2022	2021
	£'000	£'000
Profit before tax	-	-
Tax on profit at standard UK corporation tax rate of 19% (2021: 19%)	-	-
Total tax charge for the period	-	-

The current rate of corporation tax is 19% which has been effective since April 2017. The Spring Budget 2021 announced an increase in the corporation tax rate to 25% with effect from 1 April 2023. This was substantively enacted on 24 May 2021 and received Royal Assent on 10 June 2021.

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

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Debtors

	2022	2021
	£'000	£'000
Amounts falling due within one year		
Amounts owed by group undertakings	15,214	12,368
Other debtors	1,151	820
Total debtors	16,365	13,188

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

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Creditors

	2022	2021
	£'000	£'000
Amounts falling due within one year		
Amounts owed to group undertakings	(15,746)	(12,561)
Accruals and deferred income	(619)	(627)
Total creditors	(16,365)	(13,188)

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :
31 December 2022

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Called up share capital

	2022	2021
	£'000	£'000
Total share capital	-	-

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary shares £1 each				
Allotted, called up and fully paid	1	1	1	1

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

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Retirement benefit schemes

The company participates in The Pearson Pension Plan. This is a hybrid plan with both defined benefit and defined contribution sections but, predominantly, consisting of defined benefit liabilities.

The company is unable to identify its share of the underlying assets and liabilities of The Pearson Pension Plan owing to information regarding non-active members and changes to the group structure including acquisitions and disposals. There is no contractual agreement or stated policy for charging the net defined benefit cost. In accordance with IAS 19 (Revised 2011), the company recognises a cost equal to its contribution payable for the period which, in 2022, amounted to £165,000 (2021: £164,000). The sponsoring entity of this scheme is Pearson Services Limited and further details are disclosed in the accounts of that company which are available from the Company Secretary, 80 Strand, London WC2R 0RL.

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

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Related party transactions

The company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

Pearson Pension Trustee Services Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2022

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Ultimate parent undertaking

The immediate parent undertaking is Pearson Pension Trustee Limited.

The ultimate parent undertaking and controlling party is Pearson plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Pearson plc's consolidated financial statements can be obtained from the Company Secretary at Pearson plc, 80 Strand, London WC2R 0RL.