P/o 17464431/£20

In accordance with Regulation 32 of the Overseas Companies Regulations 2009.

OS AA01

Statement of details of parent law and other information for an overseas company

Companies House

✓ **What this form is for**
You may use this form to accompany your accounts disclosed under parent law.

✗ **What this form is NOT for**
You cannot use this form to an alteration of manner of with accounting requireme

WEDNESDAY

A9KØFASØ
A28 16/12/2020 #331
COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of overseas company ❶	Pearson Netherlands B.V.
UK establishment number	B R 0 1 3 6 0 7

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

❶ This is the name of the company in its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and, if applicable, the legislation under which the accounts have been audited.

Legislation ❷	Dutch Accounting Standards for Annual Reporting Netherlands

❷ This means the relevant rules or legislation which regulates the preparation and, if applicable, the audit of accounts.

A2 Accounting principles

Accounts	Have the accounts been prepared in accordance with a set of generally accepted accounting principles? Please tick the appropriate box. ☐ **No.** Go to **Section A3**. ☑ **Yes.** Please enter the name of the organisation or other body which issued those principles below, and then go to **Section A3**.
Name of organisation or body ❸	Dutch Accounting Standards Board

❸ Please insert the name of the appropriate accounting organisation or body.

A3 Accounts

Accounts	Have the accounts been audited? Please tick the appropriate box. ☑ **No.** Go to **Section A5**. ☐ **Yes.** Go to **Section A4**.

OS AA01

Statement of details of parent law and other information for an overseas company

A4 Audited accounts

Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box. ☐ **No.** Go to **Part 3 'Signature'**. ☐ **Yes.** Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.	❶ Please insert the name of the appropriate accounting organisation or body.
Name of organisation or body ❶		

A5 Unaudited accounts

Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box. ☑ **No.** ☐ **Yes.**

Part 3 Signature

	I am signing this form on behalf of the overseas company.
Signature	Signature X X
	This form may be signed by: Director, Secretary, Permanent representative.

OS AA01

Statement of details of parent law and other information for an overseas company

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name: Emily Spooner

Company name: Pearson plc

Address: 80 Strand

Post town: London

County/Region:

Postcode: W C 2 R 0 R L

Country:

DX:

Telephone:

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.

Important information

Please note that all this information will appear on the public record.

Where to send

You may return this form to any Companies House address:

England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk
or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

PEARSON NETHERLANDS B.V.

ANNUAL ACCOUNTS

31 December 2019

Kabelweg 37, 1014 BA
Amsterdam
Netherlands

Chamber of Commerce number: 24.17.14.41
Registered in The Netherlands

PEARSON NETHERLANDS B.V.

ANNUAL ACCOUNTS

FOR THE YEAR

1 JANUARY 2019 – 31 DECEMBER 2019

CONTENTS

Signed by the Board of Directors on:

5 October 2020

L Found

Mrs. L. Found

SM Brennan

Mrs. S.M. Brennan

F.E. Muir

Mrs. F.E. Muir

PEARSON NETHERLANDS B.V.

Balance Sheet as at 31 December 2019
with comparative figures as at 31 December 2018, expressed in Euro
before appropriation of the result

	Note	31 December 2019 €'000	31 December 2018 €'000
ASSETS			
Financial fixed assets			
Participations in group companies	3	517,954	521,297
Receivables from group companies	4	-	28,219
		517,954	**549,516**
CURRENT ASSETS			
Receivables from group companies	4	50,266	18,840
Cash and cash equivalents	5	27	27
Total current assets		**50,293**	**18,867**
		568,247	**568,383**
Shareholders' equity and liabilities			
Share capital	7	1	1
Share premium	7	173,699	173,699
		173,700	**173,700**
Retained earnings	7	365,539	349,879
Result for the year	7	28,986	15,660
		394,525	**365,539**
LONG-TERM LIABILITIES			
Amounts due to shareholder		-	28,219
Total long-term liabilities		**-**	**28,219**
CURRENT LIABILITIES			
Amounts due to shareholder		-	919
Corporation tax payable	6	22	6
Total current liabilities		**22**	**925**
		568,247	**568,383**

PEARSON NETHERLANDS B.V.

Profit and loss account for the year ended 31 December 2019
with comparative figures for the year ended 31 December 2018

	Note	31 December 2019 €'000	31 December 2018 €'000
Dividend income	9	31,729	15,415
		31,729	**15,415**
Impairment on Investment	3	(3,343)	-
Net financial income	9	145	190
General and administrative expenses	8	471	61
Result before tax		**29,002**	**15,666**
Income tax expense		(16)	(6)
Net result for the year		**28,986**	**15,660**

Notes to the accounts for the year ended 31 December 2019

1) Company information

a) General

Pearson Netherlands B.V. ("the Company"), which was incorporated on 7 September 1988 in Rotterdam, the Netherlands, is a wholly owned subsidiary of Pearson Overseas Holdings Limited, a UK company.

b) Activities

The Company's main activity is to finance and hold investments in other group companies. During the financial year, there were no commercial activities.

c) Group structure

Pearson Netherlands B.V. is a member of the Pearson group. The ultimate parent company of this group is Pearson plc of London (UK). The annual accounts of Pearson Netherlands B.V. are included in the consolidated annual accounts of Pearson plc of London (UK).

d) Estimates

The preparation of annual accounts in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Netherlands Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the annual account items in question.

2) Summary of significant accounting policies

a) Accounting policies

The accounting policies have been consistently applied to all the years presented. The annual accounts have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code as well as the Dutch Accounting Standards for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

b) Assets and liabilities

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred or current value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet and profit and loss account include references to the notes.

c) Financial fixed assets

All financial fixed assets are carried at cost less provision for impairment (if applicable). Where investments are acquired at fair value, this value represents the carrying value.

Subsidiaries and affiliates are carried at lower of cost less provision for impairment (if applicable) and not at net equity value since the Company applies the exemption provided under by Article 408, Title 9, Book 2 of the Netherlands Civil Code.

d) Impairment

At each balance sheet date, the Company considers whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If it is established that a previously recognised impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognised.

e) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement, except when deferred in equity as qualifying hedges.

Translation differences on:

- non-monetary assets and liabilities held at cost are recognised using the exchange rates prevailing at the dates of the transactions (or the approximated rates);
- non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss;
- long-term receivables that effectively constitute an increase or decrease in net investments in a foreign operation are directly recognised in equity as a component of the legal reserve for translation differences;
- foreign currency loans contracted to finance a net investment in a foreign operation are recognised in the legal reserve for translation differences if and when such loans effectively hedge the exchange rate exposure on that net investment in a foreign operation.

f) Receivables

Receivables are recognised at fair value of the consideration, usually the nominal value, less a provision for possible uncollectible accounts when considered necessary.

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash balances are stated at face value.

h) Profit and loss recognition

Profit or loss is determined as the difference between the realisable value of the income received and the costs and other charges for the year. Revenues on transactions are recognised in the year in which they are realised. Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. Costs are recognised based on the historical cost convention and are allocated to the reporting year to which they relate.

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise, unless they are hedged.

i) Taxation

With effect from 25 July 2007, the Company became tax resident in the United Kingdom and the Company has recognised its current tax position based on the tax laws applicable in the United Kingdom. Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax-exempt items, and plus non-deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

j) Liabilities

Short-term borrowings are initially recognised at fair value, net of transaction costs incurred. Short-term borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

3) Participations in group companies

Movements in participations in group companies are as follows:

	31 December 2019 €'000	31 December 2018 €'000
Book value at beginning of year	521,297	521,297
Impairment in the year	(3,343)	-
Book value at end of year	**517,954**	**521,297**

As at 31 December 2019, the participations in group companies of Pearson Netherlands B.V. are:

	31 December 2019	31 December 2018
	€'000	€'000
Name		
Pearson Amsterdam B.V.	401,925	401,925
Pearson Australia Holdings Pty Ltd	76,658	76,658
Pearson Educacion de Mexico, S.A. de C.V.	21,500	21,500
Pearson Deutschland GmbH	16,500	16,500
Pearson Education Korea Limited	1,371	1,371
Pearson Education (Singapore) Pte Ltd	-	3,343
Balance	**517,954**	**521,297**

All Financial Fixed Assets are 100% owned by Pearson Netherlands B.V., with the exception of Pearson Educacion de Mexico, S.A. de C.V. (99.98%).

4) Receivables from group companies

		31 December 2019	31 December 2018
		€'000	€'000
Name	**Currency**		
Financial fixed assets			
Pearson Deutschland GmbH	Euro	-	28,219
Current assets			
Pearson PLC	Euro	17,638	17,577
Other	Euro	32,628	1,263
Total current assets		**50,266**	**18,840**

5) Cash and cash equivalents

		31 December 2019	31 December 2018
		€'000	€'000
Name	**Currency**		
HSBC current account	Euro	27	27
Balance	**Euro**	**27**	**27**

6) Tax

The tax receivable/(payable) is calculated at the current UK corporation tax rate.

	31 December 2019	31 December 2018
	€'000	€'000
Name		
UK Corporation tax	(22)	(6)
Total	**(22)**	**(6)**

7) Shareholders' equity

There were no shares issued during the year.

€'000	Share capital	Share premium	Retained earnings	Result for the year	Total
Balance as at 31 December 2018	**1**	**173,699**	**349,879**	**15,660**	**539,239**
Allocation of prior year's result	-	-	15,660	(15,660)	-
Result for the year	-	-	-	28,986	**28,986**
Balance as at 31 December 2019	**1**	**173,699**	**365,539**	**28,986**	**568,225**

8) General and administrative expenses

	31 December 2019	31 December 2018
	€'000	€'000
Net foreign exchange gains / (losses)	472	64
General and administrative expenses	(1)	(3)
	471	**61**

9) Net financial income

	31 December 2019	31 December 2018
	€'000	€'000
Dividend income	31,729	15,415
Impairment on Investment	(3,343)	-
Income from receivables	517	651
Interest expenses and similar charges	(372)	(461)
	28,531	**15,605**

10) Directors

The directors of the Company who served throughout the year were:

A.J. Midgley (resigned 31 July 2020)
L. Found (appointed 01 August 2020)
S.K.M. Johnson (resigned 24 April 2020)
S.M. Brennan (appointed 24 April 2020)
F.E. Muir (appointed 30 September 2019)
K. B. Brown (resigned 30 September 2019)

L Found

Mrs. L. Found

S.M. Brennan

Mrs. S.M. Brennan

F.E. Muir

Mrs. F.E. Muir

Other information

Appropriation of result - Provision in company's Articles of Association

In accordance with Article 18 of the Company's Articles of Association, the result shall be at the free disposal of the General Meeting of Shareholders.

Proposal - Board of Directors on the appropriation of the net result for the year

It is proposed by the Board of Directors that the net result for the year of €29,002,000 be transferred to retained earnings.

Directors' report

The board of Managing Directors herewith submits the Annual Accounts of Pearson Netherlands B.V. ("the Company") for the year ended 31 December 2019.

Activities

Pearson Netherlands B.V., which was incorporated on 7 September 1988 in Rotterdam, the Netherlands, is a wholly owned subsidiary of Pearson Overseas Holdings Limited, England. Its principal activity is to act as a holding and finance company.

Result for the year

The Company made a profit for the year of €29,002,000 (2018: €15,660,000).

Future outlook

General

The directors expect that the Company continues its existing activities of financing and holding investments in other group and associated companies for the foreseeable future.

Finance development

The Company does not expect that the method of finance will significantly change during the next financial year.

Directorship

The directors of the Company who served throughout the year were:

A.J. Midgley (resigned 31 July 2020)
L. Found (appointed 01 August 2020)
S.K.M. Johnson (resigned 24 April 2020)
S.M. Brennan (appointed 24 April 2020)
F.E. Muir (appointed 30 September 2019)
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S.M. Brennan

Mrs. S.M. Brennan

F.E. Muir

Mrs. F.E. Muir