

**TQ Education and Training Limited**

Registered Number :

00604934

Annual Report and Financial Statements

For the Year Ended :

31 December 2024

Registered address :

80 Strand, London WC2R 0RL

## **TQ Education and Training Limited**

### **STRATEGIC REPORT**

**For the year ended 31 December 2024**

The directors present their Strategic Report of TQ Education and Training Limited (the 'company') for the year ended 31 December 2024.

#### **Principal activity and Business model**

The company designs and delivers education and training services to public and private sector employers, offering specialised training solutions tailored to the needs of their employees.

The company generated a profit for the financial year of £2,927,000 (2023: £1,646,000). Improved revenue performance in 2024 was driven by our MOD and NHS contracts, each area seeing better than anticipated learner numbers enrolling on courses. In particular, our publicly funded and non-publicly funded courses with the NHS grew significantly with our provision to the NHS's Leadership Academy growing strongest as that client seeks to upskill the leadership and management skills of its workforce at all levels. Our Army apprenticeship contracts held firm on overall revenue generation and profitability with learner numbers again being the driving function and learner numbers there remaining similar to levels in 2023.

The company has continued to expand its apprenticeships business in 2024 adding a series of new customers for whom we are delivering business related apprenticeship programmes at Levels 3 and 5, among these are the Department for Business & Trade, Hitachi Rail, Yorkshire Ambulance Service and SGS UK.

#### **Key performance indicators (KPIs)**

The Board monitors progress on the overall company strategy and the individual strategic elements by reference to the following KPIs: Revenue increase 2024: 14.1% (2023: decrease 3.1%); gross profit margin 2024: 23.5% (2023: 25%) and; cash 2024: £861,000 (2023: £1,395,000).

**Section 172 (1) Statement**

Section 172 of the Companies Act 2006 requires a director of a company to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a director to have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct; and
- need to act fairly as between members of the company.

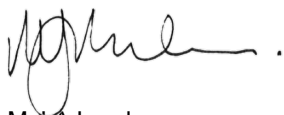
In discharging our section 172 duties, we have regard to the factors set out above and other factors which we consider relevant to the decision making. We also have regard to other factors which we consider relevant to the decision being made. Those factors, for example, include the interests and views of our stakeholders and the financial markets. We acknowledge that every decision we make will not necessarily result in a positive outcome for all of our stakeholders. By considering the company's purpose together with its strategic priorities and having a process in place for decision-making, we do, however, aim to make sure that our decisions are consistent and predictable.

While there are cases where the board itself judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of both our stakeholders and the Group means that generally our stakeholder engagement best takes place at an operational or Group level. We find that as well as being a more efficient and effective approach, this also helps us achieve a greater positive impact on environmental, social and other issues than by working alone as an individual company. For details on the some of the engagement that takes place with the group's stakeholders so as to encourage the directors to understand the issues to which they must have regard please see pages 18-22, 38-40, and 84-85 of the Pearson plc 2024 Annual Report

In considering the strategic direction of the company, the Board also considers feedback from engagement with key stakeholders, including our employees, learners and other customers, suppliers, and regulators. As a result of this ongoing feedback, changes are introduced as and when appropriate, which we believe will result in improvements for stakeholders, as well as promotion of the long-term success of the company and enhancement of its reputation.

We delegate authority for day-to-day management of the company to executives and then engage management in setting, approving and overseeing execution of the business strategy and related policies. Board meetings are held periodically where the directors consider the company's activities and make decisions. As a part of those meetings the directors receive information in a range of different formats on section 172 matters when making relevant decisions. For example, each year we make an assessment of the strength of the company's balance sheet and future prospects relative to market uncertainties and make decisions about the payment of dividends. There were no dividend payments in 2024.

On behalf of the board



M J A Leader  
Director

25 June 2025

Company registered number :  
00604934

## **TQ Education and Training Limited**

### **DIRECTORS' REPORT**

**For the year ended 31 December 2024**

The directors present their report and the audited financial statements of TQ Education and Training Limited (the 'company') for the year ended 31 December 2024.

#### **Principal activities**

The principal activity of the company was the provision of training, educational solutions and products.

#### **Future developments**

The growth focus for the company in the next 5 years remains the maintenance of high quality learning delivery, adding further clients to our apprenticeship and other learning programmes and weaving the business's learning delivery capability into a Pearson led managed learning services proposition.

#### **Going concern**

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of the ultimate parent company, Pearson plc. The directors have received confirmation that Pearson plc intends to support the company for 12 months from the date these financial statements are signed. On the basis of the company's assessment, including consideration of the position of the overall Group, the company believes it will be able to continue for the foreseeable future.

The Group has also analysed a variety of downside scenarios including a severe but plausible scenario where the Group is impacted by all principal risks in both 2025 and 2026, adjusted for probability weighting, as well as reverse stress testing to identify what would be required to either breach covenants or run out of liquidity. Based on these procedures and considering the strong balance sheet, the Group believes that it will be able to continue in operation and to meet its liabilities as they fall due.

#### **Directors**

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

M J A Leader

R M W Kearton

A Malcolm

#### **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.

**Principal risks and uncertainties**

The company's strategy is to follow an approved risk policy, which effectively manages exposure relation to the achievement of business objections. The key risks which management face are detailed as follows:

***Business performance risk***

Business performance risk is the risk that the company may not perform as expected either due to internal factors or due to competitive pressures in the markets in which it operates. This risk is managed through a number of measures: authorisation of purchases; pre-approved trading limits; ensuring the appropriate management team is in place; budget and business planning; monthly reporting and variance analysis; financial controls and key performance indicators.

***Financial instrument risks***

The company has established a risk and financial management framework whose primary objectives are to protect the company from events that hinder the achievement of the company's performance objectives. The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business unit level.

The company's principal financial instruments comprise of cash, trade debtors and creditors and certain other debtors and creditors. The main risk associated with these financial assets and liabilities are set out below.

***Credit risk***

Credit risk is the risk that one party to a financial transaction will cause a financial loss for that other party by failing to discharge an obligation. Company policies are structured to mitigate such losses and require that deferred terms are only granted to customer who demonstrate an appropriate payment history and satisfy credit worthiness procedures. Details of the company's debtors are shown in note 12 to the financial statements.

***Liquidity risk***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligation associated with financial liabilities. The company's liquidity risk is management at a Person Plc group level through regular monitoring and forecasting of cash generated from operations, required cash levels and the utilisation of available bank facilities.

***Operational risk***

Operational risk is the risk of losses due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental, or natural occurrences. Internal processes include human resource systems, risk management and internal controls (including fraud prevention). Internal processes are subject to risks associated with human error, breaches of safety and failure of error prevention and detection systems. Operational risks also include possible failures of information technology systems. Operational risk is managed through the implementation of systems controls and policies, in which employees receive regular training, and the establishment of a business continuity plan, which is reviewed and tested on a regular basis under various scenarios.

**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.

**Research and development**

Significant progress continues to be made in the development of our services products which often involves their adaptation to the requirements of our new customers and markets.

**DIRECTORS' REPORT continued**  
**For the year ended 31 December 2024**

**Employee and other stakeholder engagement**

The company's key stakeholders include its employees, learners and other customers, suppliers, and regulators, as well as its parent company and fellow subsidiaries within the Pearson Group. The views of, and the impact of the company's activities on, those stakeholders are an important consideration for the Board when making relevant decisions. While there are cases where the Board itself judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of both our stakeholders and the Group means that generally our stakeholder engagement best takes place at an operational or group level. We find that as well as being a more efficient and effective approach, this also helps us achieve a greater positive impact on environmental, social and other issues than by working alone as an individual company. For details on some of the engagement that takes place with the company's employees and other stakeholders so as to encourage the directors to understand the issues to which they must have regard, please see pages 18-22, 38-40, and 84-85 of the Pearson plc 2024 Annual Report.

During the year the Board received information to help it understand the interests and views of the company's key stakeholders and other relevant factors when making decisions. This information was provided in a range of different formats including in reports and presentations on non-financial KPIs, risk, ESG matters and the outcomes of specific pieces of engagement. As a result of this, we have an overview of engagement with stakeholders and other relevant factors which allows us to understand the nature of the stakeholders' concerns and to comply with our section 172 duties to promote success of the company. For additional information into how engagement has influenced our decisions, please see our strategic report.

Education is evolving to meet the changing demands of today's learners. The Group takes into account the emerging themes that have arisen as a result of research and frequent engagement with a variety of stakeholders. As a result, the Group strives to create long-term sustainable growth for its investors and all of its stakeholders by being a driving force in an increasingly digital world.

Our employees are also integral to the sustainable success of Pearson and the company is a strong advocate of driving employee engagement within the Group. Pearson offers a variety of thriving Employee Resource Groups which have active UK chapters, including, amongst others, Able, Spectrum and Women's Initiative Network (WIN), which serve to cultivate and celebrate diversity and inclusion in the employee population. Our Employee Engagement Network provided an insight into the various employee perspectives across the Group in 2024.

**Employees**

**Employee involvement** - The company systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the company is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the company plays a major role in achieving the company's business goals.

**Disabled employees** - The company is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The company gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the company. If members of staff become disabled during their service with the company, the company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

## TQ Education and Training Limited

### **DIRECTORS' REPORT continued** **For the year ended 31 December 2024**

#### **Overseas branches**

The company has a branch in Libya which does not currently trade.

#### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the annual 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 in accordance with IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether applicable UK 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 company 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.

Under applicable law and regulations, the directors are also responsible for preparing a strategic report and a directors' report that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

#### **Disclosure of information to auditors**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M J A Leader  
Director

25 June 2025

Company registered number :  
00604934

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TQ EDUCATION AND TRAINING LIMITED**

**Opinion**

We have audited the financial statements of TQ Education and Training Limited for the year ended 31 December 2024 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 20, including material accounting policy information. 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'.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2024 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. 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, 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

**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 contained within the annual report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 AUDITORS' REPORT TO THE MEMBERS OF TQ EDUCATION AND TRAINING LIMITED  
(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 7, 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TQ EDUCATION AND TRAINING LIMITED**  
(continued)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework'), Companies Act 2006 and the relevant tax compliance regulation in the UK. In addition, the Company has to comply with laws and regulations relating to its operations, including occupational health and safety, employment, data protection, anti-bribery and corruption.

- We understood how TQ Education and Training Limited is complying with those frameworks by making enquiries of management and those charged with governance to understand how the company maintains and communicates its policies and procedures in these areas. We corroborated our inquiries through reading board minutes and correspondence with relevant authorities. We have considered the potential for override of controls or other inappropriate influence over the financial reporting process and whether a strong emphasis is placed on fraud prevention and deterrence.

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by assuming revenue recognition to be a fraud risk. We made enquiries of management to understand the company's policies and procedures in place to detect fraud and action any incidents accordingly. Furthermore, using the data analytics approach, we identified any unusual accounting journal entries posted during the financial year with a focus on manual entries. We tested specific transactions back to source documentation ensuring appropriate authorisation of transactions. In addition, we used data analytics techniques to confirm the correlation between revenue and cash. We also evaluated and, where appropriate, challenged assumptions and judgements made by management in making significant accounting estimates.

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management, reviewing minutes of the Board of Directors, and any relevant correspondence with local tax authorities. We verified that material transactions are recorded in compliance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework') and Companies Act 2006.

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.

**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.

Signed by:

*Ernst & Young LLP*

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Andrei Mankov (Senior statutory auditor)

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

Belfast

25 June 2025

TQ Education and Training Limited

**PROFIT AND LOSS ACCOUNT**

For the year ended :

31 December 2024

		2024	2023
	Note	£'000	£'000
Continuing operations			
Turnover	3	<b>18,125</b>	15,888
Cost of sales		<b>(13,864)</b>	(11,922)
<b>Gross profit</b>		<b>4,261</b>	3,966
Distribution costs		<b>(431)</b>	(389)
Administrative expenses		<b>(483)</b>	(1,133)
Other operating expenses		<b>(9)</b>	-
<b>Operating profit</b>	4	<b>3,338</b>	2,444
<b>Profit before interest and taxation</b>		<b>3,338</b>	2,444
Interest receivable and similar income	7	<b>669</b>	478
Interest payable and similar expenses	7	<b>(78)</b>	(739)
<b>Profit before taxation</b>		<b>3,929</b>	2,183
Tax on profit	8	<b>(1,002)</b>	(537)
<b>Profit for the financial year</b>		<b>2,927</b>	1,646

TQ Education and Training Limited

**STATEMENT OF COMPREHENSIVE INCOME**

For the year ended :

31 December 2024

	<b>2024</b>	2023
	<b>£'000</b>	£'000
<b>Profit for the financial year</b>	<b>2,927</b>	1,646
<b>Total comprehensive income for the year</b>	<b>2,927</b>	1,646

TQ Education and Training Limited

**BALANCE SHEET**

As at:  
31 December 2024

		2024	2023
	Note	£'000	£'000
<b>Fixed assets</b>			
Intangible assets	9	-	48
Tangible assets	10	37	119
Investments	11	-	-
		<b>37</b>	<b>167</b>
<b>Current assets</b>			
Debtors (due within one year)	12	20,656	15,834
Debtors (due after one year)	12	222	149
Cash at bank and in hand		861	1,395
<b>Total current assets</b>		<b>21,739</b>	<b>17,378</b>
<b>Creditors - amounts falling due within one year</b>	13	<b>(5,714)</b>	<b>(4,590)</b>
<b>Net current assets</b>		<b>16,025</b>	<b>12,788</b>
<b>Total assets less current liabilities</b>		<b>16,062</b>	<b>12,955</b>
<b>Creditors - amounts falling due after more than one year</b>	13	<b>(9)</b>	<b>(28)</b>
<b>Net assets</b>		<b>16,053</b>	<b>12,927</b>
<b>Capital and reserves</b>			
Called up share capital	15	594	594
Share premium account		10	10
Profit and loss account		15,252	12,183
Other reserves		197	140
<b>Total shareholders' funds</b>		<b>16,053</b>	<b>12,927</b>

The financial statements on pages 11 to 38 were approved by the board of directors and authorised for issue on 25 June 2025. They were signed on its behalf by :



M J A Leader  
Director

TQ Education and Training Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended :

31 December 2024

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total
	£'000	£'000	£'000	£'000	£'000
At 1 January 2023	594	10	68	10,475	11,147
Profit for the financial year	-	-	-	1,646	1,646
Total comprehensive income for the year	-	-	-	1,646	1,646
Share-based payment transactions	-	-	126	-	126
Current tax on share-based payment transactions	-	-	-	19	19
Deferred tax on share-based payment transactions	-	-	-	(11)	(11)
Shares exercised / lapsed during year	-	-	(54)	54	-
<b>At 31 December 2023</b>	<b>594</b>	<b>10</b>	<b>140</b>	<b>12,183</b>	<b>12,927</b>
Profit for the financial year	-	-	-	2,927	2,927
Total comprehensive income for the year	-	-	-	2,927	2,927
Share-based payment transactions	-	-	132	-	132
Current tax on share-based payment transactions	-	-	-	10	10
Deferred tax on share-based payment transactions	-	-	-	57	57
Shares exercised / lapsed during year	-	-	(75)	75	-
<b>At 31 December 2024</b>	<b>594</b>	<b>10</b>	<b>197</b>	<b>15,252</b>	<b>16,053</b>

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

Share premium represents the premium paid in excess of nominal value.

Other reserves represents capital contributions from Pearson plc in relation to share based payment charges.

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended :  
31 December 2024

**1**

**Accounting policies**

The material accounting policies are set out below. These policies and measurement bases have been consistently applied to all the years presented.

**Basis of preparation**

TQ Education and Training Limited (the 'company') is a private company, limited by shares, incorporated in the United Kingdom. The address of its registered office is 80 Strand, London WC2R 0RL. The nature of the company's principal activities are the provision of training, educational solutions and products.

The financial statements of the company 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. For areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, see note 2.

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:

- a) the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 'Share-based Payment';
- b) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 'Property, Plant and Equipment'; and
  - (iii) paragraph 118(e) of IAS 38 'Intangible Assets';
- c) the requirements of paragraphs 10(d), 16, 38(a), and 111 of IAS 1 'Presentation of Financial Statements';
- d) paragraphs 91-99 of IFRS 13 'Fair Value Measurement';
- e) the requirements of IAS 7 'Statement of Cash Flows';
- f) the requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors';
- g) the requirements of paragraph 17 of IAS 24 'Related Party Disclosures';
- h) the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 'Impairment of Assets';
- i) 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;
- j) IFRS 7 'Financial Instruments: Disclosures';
- k) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 'Revenue from Contracts with Customers'; and
- l) the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 'Leases'. The requirements of paragraph 58 of IFRS 16.

**Interpretations and amendments to published standards effective 2024**

No new standards were adopted in 2024.

A number of other new pronouncements are effective from 1 January 2024 but they do not have a material impact on the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS continued**

**For the year ended :  
31 December 2024**

**1**

**Accounting policies (continued)**

**Going concern**

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of the ultimate parent company, Pearson plc. The directors have received confirmation that Pearson plc intends to support the company for 12 months from the date these financial statements are signed. On the basis of the company's assessment, including consideration of the position of the overall Group, the company believes it will be able to continue for the foreseeable future.

The Group has also analysed a variety of downside scenarios including a severe but plausible scenario where the Group is impacted by all principal risks in both 2025 and 2026, adjusted for probability weighting, as well as reverse stress testing to identify what would be required to either breach covenants or run out of liquidity. Based on these procedures and considering the strong balance sheet, the Group believes that it will be able to continue in operation and to meet its liabilities as they fall due.

**Consolidation**

The company is a wholly owned subsidiary of TQ Group Limited and is included in the consolidated financial statements of Pearson plc which are publicly available. Consequently, the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

**Foreign currency translation**

The financial statements are presented in pounds sterling (£) which is also the company's functional currency. Amounts in tables have been presented in round thousands (£'000'), while in narratives amounts have been presented in pounds.

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. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction and are not re-translated. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

**Revenue recognition**

Revenue represents charges to external customers, including amounts invoiced in respect of freight and commission, in respect of services provided. Revenue is recognised on contracts with customers when or as performance obligations are satisfied which is the period or the point in time where control of goods or services transfers to the customer. The transaction price determined is net of sales taxes, rebates and discounts. Variable consideration is measured using the expected value method. Historical experience, current trends, local circumstances and customer-specific funding formulas are considered in estimating and constraining variable consideration. To the extent that a higher degree of uncertainty exists regarding variable consideration, these amounts are excluded from the transaction price and recognised when the uncertainty is reasonably removed.

Customer payments are generally defined in the contract as occurring shortly after invoicing. Where there is a longer payment term offered to a customer through a payment schedule, payment terms are within 12 months and the company has elected to use the practical expedient available in IFRS 15 and not identify a significant financing component on these transactions.

Judgement is applied to determine first whether control passes over time and if not, then the point in time at which control passes. Where revenue is recognised over time (i.e. over the period the qualification is delivered) judgement is used to determine the method which best depicts the transfer of control. Revenue on service contracts is recognised according to the stage reached in the contract by reference to the contract deliverables. A prudent estimate of the profit attributable to work completed is recognised once the outcome of the contract can be assessed with reasonable certainty. The costs on service contracts not yet taken to the profit and loss account less related foreseeable losses and payment on accounts are included in prepayments.

**Interest**

Interest income is recognised based on the period in which it is earned.

**NOTES TO THE FINANCIAL STATEMENTS continued**

**For the year ended :  
31 December 2024**

**1**

**Accounting policies (continued)**

**Current and deferred income 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.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of tax assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred tax are recognised in the income statement, except when the tax relates to items charged or credited directly to equity or other comprehensive income, in which case the tax is also recognised in equity or other comprehensive income. The exception under IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes has been applied.

Provisions for uncertain income tax positions/treatments are measured at the most likely amount or the expected value, whichever method is more appropriate. Generally, uncertain tax treatments are assessed on an individual basis, except where they are expected to be settled collectively. It is assumed that taxing authorities will examine positions taken if they have the right to do so and that they have full knowledge of the relevant information.

**Investment in subsidiaries and associated undertakings**

Investments in subsidiaries and associated undertakings are held at cost less accumulated impairment losses.

**Impairment of non-financial assets**

Investments are tested annually for impairment. An impairment loss is recognised to the extent that the carrying value of the investment exceeds the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

**Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less provisions for bad and doubtful debts and anticipated future sales returns.

Trade receivables are subject to impairment using the expected credit loss model. The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The company reviews its bad debt provision following a detailed review of receivable balances and historical payment profiles, and assessment of forward looking risk factors.

**Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held on call with banks and other short-term investments with maturities of three months or less. Overdrafts are included in borrowings in current liabilities in the balance sheet.

**Creditors**

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

**NOTES TO THE FINANCIAL STATEMENTS continued**

For the year ended :

31 December 2024

1

**Accounting policies (continued)**

**Pensions**

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 'Employee Benefits' (2011), the company recognises a cost equal to its contribution payable for the period. The sponsoring entity to this plan is Pearson Services Limited, consolidated with Pearson plc. Further details are disclosed in the financial statements of Pearson plc on pages 196 to 198 which are available at <https://plc.pearson.com/en-GB/investors/performance/results-reports-presentations>.

The company also operates defined contribution schemes outside of The Pearson Pension Plan. Contributions to these schemes are charged to the profit and loss account as incurred.

**Share-based payments**

Options and shares are awarded to the company's employees under Pearson share and option plans. The fair value of options or shares granted is recognised as an employee expense after taking into account the company's best estimate of the number of awards expected to vest. Fair value is measured at the date of grant and is spread over the vesting period of the option or share. The fair value of the options granted is measured using an option model that is most appropriate to the award. The fair value of the shares awarded is measured using the share price at the date of grant unless another method is more appropriate.

**Leases**

*As a lessee*

The company assesses whether a contract is or contains a lease at the inception of the contract. A contract is, or contains a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The company recognises a right-of-use asset and a lease liability at the lease commencement date with respect to all lease arrangements except for short-term leases (leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the lease payments are recognised as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, comprising the initial amount of the lease liability plus any initial direct costs incurred and an estimate of costs to restore the underlying asset, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term. The company applies IAS 36 to determine whether a right-of-use asset is impaired. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate or a change in the company's assessment of whether it will exercise an extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the right-of-use asset.

**Share capital**

Ordinary shares are classified as equity.

**NOTES TO THE FINANCIAL STATEMENTS continued**

For the year ended :

**31 December 2024**

**2**

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 1 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are :

*Expected credit loss*

Trade receivables are subject to impairment using the expected credit loss model. The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

**TQ Education and Training Limited**

**NOTES TO THE FINANCIAL STATEMENTS continued**

For the year ended :

**31 December 2024**

**3**

**Turnover**

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Continuing operations	<b>18,125</b>	15,888
Provision of services and products	<b>18,125</b>	15,888
<b>Turnover</b>	<b>18,125</b>	15,888

Turnover by class of business is as follows:	<b>2024</b>	2023
	<b>£'000</b>	£'000
Provision of training, educational solutions and products	<b>18,125</b>	15,888
	<b>18,125</b>	15,888

Turnover by geographical market is as follows:	<b>2024</b>	2023
	<b>£'000</b>	£'000
United Kingdom	<b>18,125</b>	15,888
	<b>18,125</b>	15,888

<i>Assets and liabilities relating to contracts with customers:</i>	<b>2024</b>	2023
	<b>£'000</b>	£'000
Contract assets - Accrued income	<b>950</b>	840
Contract liabilities - Deferred income	<b>(61)</b>	(42)

<i>Revenue recognised that was included in contract liabilities in the prior year</i>	<b>2024</b>	2023
	<b>£'000</b>	£'000
Provision of services and products	<b>42</b>	39

## TQ Education and Training Limited

### NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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#### Operating profit

Operating profit is stated after charging/(crediting):

		2024	2023
	Note	£'000	£'000
Staff costs	5	12,206	11,017
Depreciation of tangible fixed assets	10	72	69
Loss / (gain) on disposal of tangible fixed assets		9	-
Net foreign exchange gain		(4)	(5)
Audit fees payable to the company's auditors		25	25

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

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Staff costs

	2024	2023
<b>Staff costs</b>	<b>£'000</b>	<b>£'000</b>
Wages and salaries	10,576	9,785
Social security costs	1,016	948
Other pension costs	482	158
Share-based payment costs	132	126
	<b>12,206</b>	<b>11,017</b>

	2024	2023
<b>Average number of persons employed by the company during the year</b>	<b>Number</b>	<b>Number</b>
Production	260	249
Selling and distribution	6	6
Administration	5	5
	<b>271</b>	<b>260</b>

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

6

Directors' remuneration

	2024	2023
	£'000	£'000
Aggregate emoluments	183	147
Aggregate emoluments (excluding shares) receivable under long-term incentive schemes	13	6
Company contributions to defined benefit pension schemes	19	-
	<b>215</b>	<b>153</b>

	2024	2023
	Number directors	Number directors
Directors accruing benefits under defined contribution scheme	1	1
Directors entitled to shares under long-term incentive schemes	1	1

One director was paid through the company during the year (2023: one).

The emoluments of the remaining directors are paid through their employing companies which are also fellow group companies. The directors' services to this company are chiefly of a non-executive nature and their emoluments are deemed to be wholly attributable to their services within their employing company. As such, these financial statements include no emoluments in respect of these directors.

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Finance costs

	2024	2023
<b>Interest receivable and similar income</b>	<b>£'000</b>	<b>£'000</b>
Interest receivable from group companies	669	478
<b>Interest receivable and similar income</b>	<b>669</b>	<b>478</b>
	2024	2023
<b>Interest payable and similar expenses</b>	<b>£'000</b>	<b>£'000</b>
Interest on lease liabilities	(1)	(1)
Interest payable to group companies	(77)	(738)
<b>Interest payable and similar expenses</b>	<b>(78)</b>	<b>(739)</b>
<b>Net finance costs</b>	<b>591</b>	<b>(261)</b>

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :  
31 December 2024

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Tax on profit

	2024	2023
	£'000	£'000
<b>Current tax</b>		
UK corporation tax on profits for the year	1,011	532
Adjustments in respect of prior years	7	(1)
<b>Total current tax</b>	<b>1,018</b>	<b>531</b>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	1	9
In respect of share based payments	(18)	(15)
Adjustments in respect of prior years	1	12
<b>Total deferred tax</b>	<b>(16)</b>	<b>6</b>
<b>Total tax on profit</b>	<b>1,002</b>	<b>537</b>
<b>UK standard effective rate of corporation tax (%)</b>	<b>25</b>	<b>23.5</b>

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

	2024	2023
	£'000	£'000
<b>Profit before tax</b>	<b>3,929</b>	<b>2,183</b>
Tax on profit at standard UK corporation tax rate of 25% (2023: 23.5%)	982	513
Effects of:		
Expenses not deductible for tax purposes	12	7
Adjustments in respect of prior years	7	12
In respect of share based payments	1	5
<b>Total tax charge for the year</b>	<b>1,002</b>	<b>537</b>

The current rate of corporation tax is 25% for the year ended 31 December 2024 reflecting an increase in the corporation tax rate to 25% from 19% with effect from 1 April 2023.

In addition to the amount charged in the profit and loss account, the following amounts relating to tax have been recognised directly in equity:

	2024	2023
	£'000	£'000
<b>Current tax</b>		
Current tax on share based payment transactions	10	19
<b>Deferred tax</b>		
Deferred tax on share based payment transactions	57	(11)
<b>Total tax recognised directly in equity</b>	<b>67</b>	<b>8</b>

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Intangible assets

	Product development	Total
	£'000	£'000
<b>Cost</b>		
At 1 January 2024	48	48
Disposals	(48)	(48)
<b>At 31 December 2024</b>	<b>-</b>	<b>-</b>
<b>Accumulated Amortisation</b>		
At 1 January 2024	-	-
Disposals	-	-
<b>At 31 December 2024</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>		
At 31 December 2023	48	48
<b>At 31 December 2024</b>	<b>-</b>	<b>-</b>

**Product Development**

Costs relating to the development of course material and content.

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Tangible assets

	Right of Use Asset					
	Motor vehicles	Plant and machinery	Fixtures, fittings and equipment	Buildings	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 January 2024	157	37	22	50	119	385
Disposals	(46)	-	-	-	(33)	(79)
<b>At 31 December 2024</b>	<b>111</b>	<b>37</b>	<b>22</b>	<b>50</b>	<b>86</b>	<b>306</b>
<b>Accumulated depreciation</b>						
At 1 January 2024	122	23	2	35	84	266
Charge for the year	25	9	14	10	14	72
Disposals	(36)	-	-	-	(33)	(69)
<b>At 31 December 2024</b>	<b>111</b>	<b>32</b>	<b>16</b>	<b>45</b>	<b>65</b>	<b>269</b>
<b>Net book value</b>						
At 31 December 2023	35	14	20	15	35	119
<b>At 31 December 2024</b>	<b>-</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>21</b>	<b>37</b>

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Investments

		2024	2023
	Note	£'000	£'000
Subsidiary undertakings	11a	-	-
		-	-

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

11a

Investments - subsidiary undertakings

	2024
	£'000
<b>Cost</b>	
At 1 January 2024	1,603
<b>At 31 December 2024</b>	<b>1,603</b>
<b>Provision</b>	
At 1 January 2024	1,603
<b>At 31 December 2024</b>	<b>1,603</b>
Net book value at At 31 December 2023	-
<b>Net book value at 31 December 2024</b>	<b>-</b>

Details of subsidiary undertakings:

				2024	2023
<b>Direct subsidiary undertakings</b>	<b>Registered Address</b>	<b>Class of shares held</b>	<b>Place of incorp</b>	<b>% held</b>	<b>% held</b>
TQ Catalis Limited*	1	Ordinary £1	UK	<b>0%</b>	100%
TQ Clapham Limited*	1	Ordinary £1	UK	<b>0%</b>	100%
Major123 Limited*	1	Ordinary £1	UK	<b>0%</b>	100%
TQ Education and Training Limited (Saudi)	2	Ordinary SAR 1,000	KSA	<b>90%</b>	90%

**No. Registered address**

1	Kroll Advisory Ltd., The Shard, 32 London Bridge Street, London, SE1 9SG, England
2	King Fayad Road, Olaya, Riyadh, 58774, 11515, Saudi Arabia

Investments in subsidiaries are stated at cost less provision for impairment.

\* dissolved in 2024

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Debtors

		2024	2023
	Note	£'000	£'000
<b>Amounts falling due within one year</b>			
Trade debtors		1,476	1,411
Amounts owed by group undertakings		18,230	13,583
Accrued income		950	840
		<b>20,656</b>	<b>15,834</b>
<b>Amounts falling due after more than one year</b>			
Deferred taxation	14	222	149
		<b>222</b>	<b>149</b>
<b>Total debtors</b>		<b>20,878</b>	<b>15,983</b>

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Creditors

	2024	2023
	£'000	£'000
<b>Amounts falling due within one year</b>		
Trade creditors	(161)	(281)
Amounts owed to group undertakings	(3,363)	(2,888)
Corporation tax	(1,002)	(512)
Other taxation and social security	-	(14)
Other creditors	(445)	(239)
Accruals	(648)	(585)
Deferred income	(61)	(42)
Lease liability	(34)	(29)
	<b>(5,714)</b>	<b>(4,590)</b>
<b>Amounts falling due after more than one year</b>		
Lease liability	(9)	(28)
	<b>(9)</b>	<b>(28)</b>

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Deferred taxation

	Accelerated capital allowances	Share based payments	Pension asset	Total
<b>Asset</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
At 1 January 2024	83	65	1	149
Credited/(charged) to profit and loss	(1)	17	-	16
Charged to equity	-	57	-	57
<b>At 31 December 2024</b>	<b>82</b>	<b>139</b>	<b>1</b>	<b>222</b>
			<b>2024</b>	2023
			<b>£'000</b>	<b>£'000</b>
Deferred tax assets due after more than 12 months			<b>222</b>	149
<b>Total asset</b>			<b>222</b>	<b>149</b>
			<b>2024</b>	2023
			<b>£'000</b>	<b>£'000</b>
<b>Total asset</b>			<b>222</b>	<b>149</b>

TQ Education and Training Limited

NOTES TO THE FINANCIAL STATEMENTS continued

For the year ended :

31 December 2024

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Called up share capital

	2024	2023
	£'000	£'000
<b>Total share capital</b>	<b>594</b>	<b>594</b>

<i>Allotted, called up and fully paid</i>	2024	2023	2024	2023
<b>Ordinary shares £1 each</b>	<b>No '000s</b>	<b>No '000s</b>	<b>£'000</b>	<b>£'000</b>
Allotted, called up and fully paid	<b>594</b>	594	<b>594</b>	594

**NOTES TO THE FINANCIAL STATEMENTS continued**

**For the year ended :**

**31 December 2024**

**16**

**Share-based payments**

The company's employees are entitled to shares and options under the following equity-settled employee option and share plans:

*Save-for-Shares Plans*

The Group has a Worldwide Save for Shares Plan. Under this plan, employees can save a portion of their monthly salary over periods of three years. At the end of this period, the employee has the option to purchase ordinary shares with the accumulated funds at a purchase price equivalent to 80% of the market price prevailing at the time of the commencement of the employee's participation in the plan. Options that are not exercised within six months of the end of the savings period lapse unconditionally.

*Long-Term Incentive Plan*

The plan was first introduced in 2001 and from time to time the plan rules are renewed. The plan consists of restricted shares. The vesting of restricted shares is normally dependent on continuing service over a three to five-year period, and in the case of executive directors and senior management upon the satisfaction of corporate performance targets over a three-year period. These targets may be based on market and/or non-market performance criteria. Restricted shares awarded to executive directors in May 2022 vest dependent on relative total shareholder return (FTSE 100), net return on invested capital and adjusted earnings per share, and the May 2024 and May 2023 awards vest based on relative total shareholder return (FTSE 100 and S&P 500, excluding certain sectors), return on capital, adjusted earnings per share and strategic measures. Other restricted shares awarded in 2024, 2023 and 2022 generally vested depending on continuing service over periods of up to five years.

**NOTES TO THE FINANCIAL STATEMENTS continued**

For the year ended :  
**31 December 2024**

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**Retirement benefit schemes**

**Pearson Group Pension Plan**

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 year. The sponsoring entity to this plan is Pearson Services Limited, consolidated with Pearson plc. Further details are disclosed in the financial statements of Pearson plc on pages 193 to 198 which are available at <https://plc.pearson.com/en-GB/investors/performance/results-reports-presentations>.

**Defined Contribution Pension Schemes**

In addition to the contributions to The Pearson Pension Plan, the company also operated two additional defined contribution schemes during the year (2023: two) and contributed to the Teachers' Pension Scheme. Contributions to these schemes are charged to the profit and loss account as incurred.

Employers' contributions to all pension schemes during the year totalled £482,000 (2023: £158,000). As at 31 December 2024, contributions totalling £4,999 (2023: £4,427) representing unpaid contributions that were outstanding.

**NOTES TO THE FINANCIAL STATEMENTS continued**

**For the year ended :**

**31 December 2024**

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**Contingent liabilities**

**Bank guarantees**

The company participates in an arrangement with HSBC Bank plc whereby the accounts of Pearson plc and 16 of its subsidiaries, 'the guarantors', are combined, with cleared debit and credit balances being offset for interest calculation purposes. In order to comply with banking regulations, each guarantor to this arrangement has provided a multilateral guarantee in respect of the overdraft obligations (but no other debts due to the bank) of each of the other participants. Under this arrangement, the net cash position at 31 December 2024 was £57,607,318 (2023: net cash position £18,506,710). The maximum amount of this guarantee is limited to a net overdraft of £50,000,000.

**TQ Education and Training Limited**

**NOTES TO THE FINANCIAL STATEMENTS continued**

**For the year ended :**

**31 December 2024**

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**Related party transactions**

The company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

**TQ Education and Training Limited**

**NOTES TO THE FINANCIAL STATEMENTS continued**

**For the year ended :**

**31 December 2024**

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**Ultimate parent undertaking**

The immediate parent undertaking is TQ Group 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.