Charity Registration No. 1209604

THE PEARSON FOUNDATION

REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2025

THE PEARSON FOUNDATION

CONTENTS

Legal and Administrative Information	1
Trustees' Report	2
Independent Examiner's Report	5
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9

THE PEARSON FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S B Pearson, Chair (appointed 15 August 2024) A M Pearson (appointed 15 August 2024) S A Pearson (appointed 15 August 2024) S J Pearson (appointed 15 August 2024)
Charity number	1209604
Company number	CE037199
Registration date	15 August 2024
Registered office	58 Church Road London SW19 5AA
Independent examiner	David Hoose FCA 30 Old Bailey London EC4M 7AU
Bankers	Coutts & Co 440 Strand London WC2R 0QS

The Trustees have pleasure in presenting their first report and financial statements for the initial period between the first registration of the Charity on 15 August 2024 and the period ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Constitution, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Objectives and activities

The Trustees first defray all the costs, charges and expenses of the Charity, which are properly payable out of income.

Subject to the payments above, the income of the Charity is applied by the Trustees to advance such charitable purposes (according to the law of England and Wales) as the Trustees in their absolute discretion see fit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant-making policy for the period.

Reserves policy

The unrestricted fund represents funds available for the general purposes of the charity. The expendable endowment fund comprises capital provided to establish the charity. Income arising from the fund may be applied in furtherance of the charity's objects and the trustees have the power to expend the capital of the fund in accordance with the charity's governing document.

The policy of the Trustees is to distribute available unrestricted funds as grants. As at 31 December 2025 the Charity had unrestricted funds of £95,562 and expendable endowment funds of £4,204,689. The Trustees must apply the income and, at their discretion all or part of the capital, of the Charity in furthering the objects.

Grants

Careful consideration is given to applicants, and grants will commence in the year ended 31 December 2026. The Trustees look forward to making grants in future years having regard to the regular income stream from the capital portfolio which is invested with consideration to longevity and future returns.

Achievements and performance

Review of transactions and financial position before awards

The gross income of the charity for the period ended 31 December 2025 amounted to £100,782, and no grants were made in the first period.

The charity was established through a £4,000,000 endowment from a founding trustee, in whose name the charity was created, creating an expendable endowment fund to support the charity's long-term charitable purposes.

The Trustees are satisfied that the balance sheet at 31 December 2025 discloses funds adequate to fulfil the obligations of the charity.

Going concern

The trustees have assessed the charity's ability to continue as a going concern and are satisfied that there are no material uncertainties that cast significant doubt on the charity's ability to continue in operational existence for at least 12 months from the date of approval of the financial statements.

Structure, governance and management

The charity, named 'The Pearson Foundation', is registered with the Charity Commission under registered number 1209604 and is administered in accordance with the Constitution. The charity was registered on 15 August 2024.

The investments are held by Coutts & Co.

The Trustees who served during the period were:

S B Pearson, Chair (appointed 15 August 2024)
A M Pearson (appointed 15 August 2024)
S A Pearson (appointed 15 August 2024)
S J Pearson (appointed 15 August 2024)

The charity's constitution provides that new trustees are appointed by resolution of the existing trustees, having regard to the skills, knowledge and experience required for the effective administration of the charity.

Plans for Future Periods

The Trustees are satisfied with the activities of the charity in the financial period and continue to actively seek appropriate applications to whom to award the charity's resources.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to those major risks.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Board of Trustees.

DocuSigned by:
Stephen Pearson
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S B Pearson
Trustee
Date: 14 October 2026

THE PEARSON FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the financial statements of The Pearson Foundation for the period ended 31 December 2025, which are set out on pages 7 to 14.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the charity's trustees as a body. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of The Pearson Foundation in accordance with section 130 of the 2011 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination.

THE PEARSON FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I have no concerns and have come across no other matters in connection with the examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed by:
David Hoose
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David Hoose FCA
30 Old Bailey
London
EC4M 7AU

Date: 14 October 2026

THE PEARSON FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds £	Endowment funds £	Total 2025 £
Income from:				
Donations and legacies	3	34,721	-	**34,721**
Investment income	3	66,061	-	**66,061**
		100,782	-	**100,782**
Expenditure on:				
Raising funds		2,040		**2,040**
Charitable activities	4	-	-	**-**
Governance costs	5	3,180	-	**3,180**
		5,220	-	**5,220**
Net gains on investments	8	-	204,689	**204,689**
Expendable endowment received	12	-	4,000,000	**4,000,000**
Net movement in funds		95,562	4,204,689	**4,300,251**
Total funds brought forward		-	-	**-**
Total funds carried forward		95,562	4,204,689	**4,300,251**

THE PEARSON FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	£
Fixed assets			
Investments	8		4,204,689
Current assets			
Debtors	9	134	
Cash at bank and in hand		99,741	
		99,875	
Creditors: amounts falling due within one year	10	(4,313)	
Net current assets			95,562
Total assets less current liabilities			**4,300,251**
Capital funds			
Expendable endowment funds	12		4,204,689
Income funds			
Unrestricted funds	11		95,562
			4,300,251

The notes from pages 9 to 14 form part of the financial statements.

The financial statements were approved by the Trustees.

DocuSigned by:
Stephen Pearson
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S B Pearson

Trustee

Date: 14 October 2026

1) Accounting policies

Charity information

The Pearson Foundation is a Charitable Incorporated Organisation registered with the Charity Commission for England and Wales. The address of the charity's registered office is 58 Church Road, London, SW19 5AA.

Accounting convention

The financial statements have been prepared in accordance with the charity's Constitution, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The Trustees have assessed the charity's ability to continue as a going concern and are satisfied that there are no material uncertainties that cast significant doubt on the charity's ability to continue in operational existence for at least 12 months from the date of approval of the financial statements.

Charitable funds

The unrestricted funds represent unrestricted income which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity. The endowment funds represent expendable capital.

Incoming resources

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met, and it is probable that the income will be received. Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to income:

Investment income

Investment income for the period is the amount received in the period.

Grants

Grants awarded by the charity are charged against income in the year to which they relate.

1) **Accounting policies (continued)**

Charitable activities
Expenditure on charitable activities comprises expenditure directly relating to the objects of the charity.

Governance costs
Governance costs relate to expenditure incurred on the charity's organisational administration and compliance with constitutional and statutory requirements. Governance costs are disclosed separately per the Statement of Financial Activities.

Investments
The charity's endowment fund is invested in accordance with the Trustees' investment policy to provide a balance of long-term capital growth and sustainable income to support future grant-making activities.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Financial instruments
The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Investments are recognised at fair value at the balance sheet date, with gains and losses recognised in the Statement of Financial Activities.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Taxation
The Foundation is a registered charity and is exempt from income, corporation and capital gains tax provided its income and gains are applied for charitable purposes.

2) **Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount 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.

3) Income

	2025
	£
Donation income	34,721
Investment income	65,150
Interest income	911
	100,782

All interest income is unrestricted.

4) Charitable activities

	2025
	£
Grants awarded	-
	-

No grants were made in the period; grant activity will commence in the year ended 31 December 2026. All expenditure on charitable activities was unrestricted.

5) Governance costs

	2025
	£
Independent examination and accounts preparation fee	3,180
	3,180

All expenditure on governance costs was unrestricted.

6) Trustees

None of the Trustees (or any persons connected with them) received any remuneration, benefits or expenses from the charity during the period.

7) Employees

There were no employees during the period.

8) Investments

	2025
	£
Market value at 15 August 2024	-
Additions at cost	4,000,000
Net gains on revaluation	204,689
	4,204,689

	2025
	£
Historical cost	4,000,000
	4,000,000

All investments are held by Coutts & Co in the Coutts Managed Fund – Ambitious GBP 3 Inc.

9) Debtors

	2025
	£
Interest receivable	134
	134

10) Creditors: amounts falling due within one year

	2025
	£
Accruals	4,313
	4,313

11) Unrestricted funds

		Movement in funds		
	Balance as at 15 August 2024	**Income**	**Expenditure**	**Balance as at 31 December 2025**
Unrestricted funds	-	100,782	(5,220)	95,562
	-	**100,782**	**(5,220)**	**95,562**

12) Endowment funds

Endowment funds represent assets which are expendable by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income

		Movement in funds		
	Balance as at 15 August 2024	**Expendable endowment received**	**Gains on investment**	**Balance as at 31 December 2025**
Endowment funds	-	4,000,000	204,689	4,204,689
	-	**4,000,000**	**204,689**	**4,204,689**

13) Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total
	£	£	£
Fund balances as at 31 December 2025 are represented by:			
Investments	-	4,204,689	4,204,689
Current assets	99,875	-	99,875
	99,875	4,204,689	4,304,564
Less: liabilities	(4,313)	-	(4,313)
	95,562	**4,204,689**	**4,300,251**

14) Related party transactions

During the period ended 31 December 2025, S B Pearson, a Trustee of the charity, established the charity's expendable endowment fund with an initial contribution of £4,000,000 (Note 12) and made a further unrestricted donation of £34,721. These transactions constitute related party transactions by virtue of his position as a Trustee. No amounts were outstanding at the period end and there were no other related party transactions during the period.