

VERA CRUZ (MEXICO) RAILWAYS LIMITED

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

Registered Office:

**3 Burlington Gardens
London
W1X 1LE**

**Registered in England
Number 66525**



VERA CRUZ (MEXICO) RAILWAYS LIMITED

Directors

J E Gomm
A V Lawless
J E Powney
P C Whelan
A C Whiffin

Report of the Directors

The directors present their report and the financial statements for the year ended 31 December 1995.

The company has not traded during the year or the previous year.

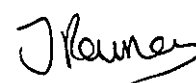
The present directors are listed above. All served throughout the year.

The company is a wholly owned subsidiary of Pearson Management Services Limited, and its ultimate parent company is Pearson plc. The interests of the directors in shares and debentures and loan stocks of Pearson plc and its subsidiaries, as shown by the register kept for the purpose of section 324 of the Companies Act 1985, are as follows:

	At 1.1.95	SAYE/ Granted	Lapsed/ Exercised	At 31.12.95
J E Gomm				
Pearson plc:				
SAYE options on ordinary shares	782	181	-	963
A V Lawless				
Pearson plc:				
Ordinary shares	-	-	-	20,900
SAYE options on ordinary shares	7,475	-	-	7,475
Executive options on ordinary shares	38,371	16,000	(25,871)	28,500
J E Powney	nil			nil
P C Whelan				
Pearson plc:				
SAYE options on ordinary shares	7,163	791	(677)	7,277
A C Whiffin				
Pearson plc:				
Ordinary shares	2,028			nil
SAYE options on ordinary shares	4,342	1,345	(422)	5,265
Executive options on ordinary shares	20,348	13,200	-	33,548

During the year to 31 December 1995 the company maintained an insurance covering officers of the company against liabilities arising in relation to the company in accordance with section 310(3)(a) of the Companies Act 1985.

By order of the Board



J E Powney
Secretary

6 June 1996

VERA CRUZ (MEXICO) RAILWAYS LIMITED

Balance Sheet at 31 December 1995

	<u>Notes</u>	<u>1995</u> £	<u>1994</u> £
<u>Current Assets</u>			
Debtors: amounts falling due within one year			
Due from parent undertaking	2	168,380	168,380
Cash at bank and in hand		<u>84</u>	<u>84</u>
		168,464	168,464
<u>Creditors: amounts falling due within one year</u>			
Other creditors		(<u>84</u>)	(<u>84</u>)
<u>Net current assets</u>		<u>168,380</u>	<u>168,380</u>
<u>Net assets</u>		<u>168,380</u>	<u>168,380</u>
<u>Capital and Reserves</u>			
Called up share capital	3	500,000	500,000
Capital deficit		(246,987)	(246,987)
Profit and loss account		(<u>84,633</u>)	(<u>84,633</u>)
<u>Equity shareholders' interests</u>		<u>168,380</u>	<u>168,380</u>

The company was dormant (within the meaning of Section 250 of the Companies Act 1985) throughout the year ended 31 December 1995.

The financial statements on pages 3 and 4 were approved by the board on 6 June 1996.



J E Gomm

Director

VERA CRUZ (MEXICO) RAILWAYS LIMITED

Notes to the financial statements for the year ended 31 December 1995

1. Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the UK. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting - the financial statements are prepared under the historical cost convention.

2. Due from parent undertaking

	<u>1995</u>	<u>1994</u>
	£	£
Deposited with parent undertaking, Pearson Management Services Limited, interest free, repayable on demand	<u>168,380</u>	<u>168,380</u>

3. Called up share capital

Authorised

37,500 ordinary shares of £10 each	<u>375,000</u>	<u>375,000</u>
37,500 4.2% cumulative preference shares of £10 each	<u>375,000</u>	<u>375,000</u>

Allotted, issued and fully paid

25,000 ordinary shares	250,000	250,000
37,500 preference shares	375,000	375,000
less 12,500 surrendered to the company	<u>(125,000)</u>	<u>(125,000)</u>
	<u>500,000</u>	<u>500,000</u>

4. Approval of the Court is required to cancel the preference shares surrendered to the company.

5. Arrears of dividend on the cumulative preference shares at 31 December 1995 amounted to £749,000 (excluding any tax credit).

6. Ultimate parent undertaking

The ultimate parent undertaking is Pearson plc which is registered in England and Wales. Copies of the consolidated financial statements of Pearson plc may be obtained from The Secretary, Pearson plc, 3 Burlington Gardens, London W1X 1LE.