People's Administration Services Limited

Annual Report and Financial Statements
for the year ended 31 March 2026

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Company Information

Directors	**Non-Executive Independent Chair:** V Oak **Non-Executive Directors:** P Billingham D Lamble (resigned 1 September 2025) J Leiper (appointed 1 January 2026) **Executive Directors:** P Heath-Lay (resigned 9 May 2025) K Smith A Staral (appointed 9 May 2025)
Registered office	Manor Royal Crawley West Sussex RH10 9QP
Company number	02207140 (England and Wales)
Independent auditor	KPMG LLP Chartered Accountants and Statutory Auditor 15 Canada Square London E14 5GL
Banker	HSBC Bank plc 60 Queen Victoria St London EC4N 4TR

Strategic Report

The directors present the Strategic Report of People's Administration Services Limited for the year ended 31 March 2026.

Business review and principal activities

People's Administration Services Limited ("PASL" or the "Company") is a wholly owned direct subsidiary of People's Partnership Limited (the "Parent Company"), which in turn is owned by People's Partnership Holdings Limited (the "Ultimate Parent Company"). People's Partnership Holdings Limited and all its subsidiaries are collectively known as "People's Partnership" or the "Group". The Parent Company is the sole employer within the Group and pays for the majority of Group costs, which are then recharged, as deemed appropriate by management, to PASL.

The main activity of the Company is to provide pension administration services to the People's Pension Scheme (the "Scheme" or "People's Pension"), onboarding new employers joining the Scheme and administering other financial products on behalf of the Group. The administration role also encompasses undertaking promotional and marketing activities on behalf of the products it services.

The Scheme is an award-winning master trust pension that is growing rapidly by volume of assets under management ("AuM") and number of members. The Company expects the Scheme to continue to grow and to deliver financial growth to the Company over the long term.

Key performance indicators

Key performance indicators for the Group are set and monitored at a Group level. The ones that apply to the Company are:

1. The customer

We strive to ensure that People's Pension's 7.2m members (2025: 7.0m) have the best possible experience. Our two main Key performance indicators for how well we service our members is driven by Customer satisfaction and customer service metrics. These are noted below:

	2026 target	2026 actual	2025 actual
Customer satisfaction	85.0%	88.0%	84.5%
Customer service	95.0%	97.0%	90.1%

Customer satisfaction is measured based on survey results obtained from customers based on their experience. Our customer satisfaction score increased to 88% (2025: 84.5%), exceeding the 85% target and demonstrating continued strength in service delivery despite sustained contact volumes. Email satisfaction improved over the year, recovering from earlier service disruptions and contributing to overall performance.

Customer service exceeded the annual target of 95%, at 97.0% (2025: 90.1%) for the year. Service levels have, therefore, continued to strengthen, remaining consistently above 90% for the past three years.

2. Operational service efficiency

Group Operational Service Efficiency, defined as the total volume of member processes completed per period divided by the number of total FTE within Customer Solutions, increased to 495, exceeding the in-year target of 469 and higher than the baseline of 429 at the beginning of the year. This reflects a sustained improvement in productivity, driven by continuous improvement initiatives and successful delivery of key projects.

Strategic Report (continued)

Key performance indicators (continued)

3. People's Pension Revenue

We create value by generating profits that we can reinvest to improve our propositions and overall service. The profitability of PASL primarily comes from the administration revenue from People's Pension. The Scheme's revenue comes from two charges which are set annually. The first charge is a management charge collected monthly, based on the value of the Scheme members' pension pots net of monthly rewards depending on pot sizes, and the second is the single annual charge of £4.50 taken once a year on those Scheme members subject to the charge. Scheme-related revenue, which this year totalled £152.3m (2025: £127.8m), is therefore closely linked to the market value and performance of the AuM in the Scheme. On 31 March 2026, AuM was £38.9bn (2025: £31.3bn), an increase of 24%, of which £4.3bn came from investment growth, with the rest from increased net contributions.

These key performance indicators are reviewed at a Group level by People's Partnership's Executive Leadership Team and representatives of the Board of PASL.

Key developments

People's Pension, our flagship product, continued to grow its membership and AuM. During the year, we have continued to add features to it to enhance the value it offers members and maintain and improve its competitiveness in the workplace pension market. This included ongoing enhancements to our member app, the introduction of a new drawdown solution which allows members to use interactive tools to plan and set up regular income, and a series of improvements and simplifications to our customer journeys, including the introduction of a new pension finder tool built into our transfer journey to support members when they are unsure how to track down lost pensions.

We have also continued to roll out scheme-specific pricing to employer customers with a 'best-price guarantee'. This means that when members return to People's Pension (for instance, after changing employer) their pension savings go into a single pot, charged at the best rate available to them.

Results

The results and financial position for the financial year are on pages 15 and 16. Profit after tax for the financial year was £6.1m (2025: £13.0m profit) and net assets as at 31 March 2026 were £71.3m (2025: £65.2m).

Revenue for the year increased by £24.3m to £156.2m (2025: £132.0m) driven by the increased management fees from the administration of the Scheme as AuM grew.

Operating expenses have increased by £33.5m to £151.2m (2025: £118.0m). We have invested £10.5m more in 2026 compared to 2025 in our propositional enhancements, devoting £24.0m in 2026 towards new products and a further extension to the digitisation of services to members of the Scheme including those developments noted in the key developments section noted above. As the Group has grown, we have invested further in our people to service this growth, with Group headcount increasing from an average of 971 in 2025 to 1,059 by the year end.

PASL is subject to The Pensions Regulator's ("TPR") requirements and has held the necessary capital to meet its obligations throughout the financial year. At 31 March 2026, PASL held Master Trust reserves as calculated in the Costs, Assets and Liquidity Plan ("CALP") and including a £0.5m buffer, as required by the Financial Support Undertaking ("FSU") with the Trustee of the Scheme. As stipulated in the FSU, Master Trust Reserves have been held in separate ring-fenced accounts throughout the financial year and are subject to floating charges in favour of the Trustee of the Scheme.

Throughout the year, PASL more than covered its FCA capital requirement of £20k (2025: £20k).

Strategic Report (continued)

Future developments

PASL will continue to act as the Administrator for People's Pension. We are anticipating that AuM for People's Pension will continue to grow, driven primarily by new contributions from existing employer customers, which will drive a further increase to PASL's revenue.

With the additional revenue forecast, we have planned more enhancements for members and employers over the coming year, including new retirement options to support members in making decisions and generating regular income, and also an expansion of the self-select fund range. This will help retain existing employer customers and members, and better position us to win new business.

Risk management

Risk management framework

Our Group risk management framework enables a holistic risk-based approach to managing our business that supports an informed approach to taking risk. It integrates concepts of strategic planning and operational management into the following risk management framework elements, all with a focus on customer outcomes:

- Risk Governance
- Risk Appetite
- Risk Management Process, including identification and assessment of current, and emerging risks.
- Three Lines Model, with appropriate Roles and Responsibilities

The Company's success is dependent on the proper identification, assessment, and ongoing management of risk. Risks are managed at the Group level and People's Partnership has established a framework of policies, procedures and internal controls that apply to subsidiary companies over the process of risk management and acceptance.

All risk policies are subject to the PPL Board of Directors' approval and ongoing review by management and the risk management team.

Risk context

The future is uncertain, and it carries risk and opportunity for our business. These risks and opportunities may be related to our strategy and delivery of our objectives the activities and processes of the organisation, the expectation of our stakeholders, or our key relationships and dependencies.

Risk strategy

Our Group-wide risk management process supports the achievement of our strategy by enabling informed decision-making through a clear understanding of risks and their potential impact on our objectives. We are committed to identifying, assessing, and managing risks, while implementing control measures to mitigate significant risks to acceptable levels. Defined risk appetites, tolerances, and limits are established at the Group level for each risk category. To fulfil its responsibility, the Group has adopted risk policies, approved by the Board of Directors and regularly reviewed by management.

Risk appetite

The Board determines the nature and extent of the principal risks it is willing to take and communicates this through the Group risk appetites. It forms the foundation of the risk management framework and guides management decision-making across the Group. The risk appetite is reviewed at Board-level and is monitored on an ongoing basis.

Strategic Report (continued)

Risk management (continued)

Risk governance

Risk governance operates under the Group's Three Lines model, providing consistent and integrated oversight across all entities within the Group:

- **First Line – Business Functions:**
  Business functions are responsible for identifying, assessing, and managing risks within the Group risk framework. Risk ownership sits with senior executives, who are accountable for implementing and embedding appropriate controls and mitigations within their areas of responsibility.

- **Second Line – Group Risk & Compliance:**
  The Group Risk & Compliance function, led by the Chief Risk Officer (CRO), provides independent oversight and challenge across the Group. It supports business leaders in assessing and managing risk, maintains the Group Risk Register, and ensures alignment with regulatory and governance expectations. Risks are monitored on an ongoing basis, with the Chief Executive Officer (CEO) retaining overall executive accountability, and the Board holding ultimate responsibility.

- **Third Line – Internal Audit:**
  Internal Audit provides independent assurance to management and the Board on the effectiveness of the Group's risk management, governance, and control framework, including how risks are managed across individual entities and functions.

Risk is reviewed regularly by senior management, the Executive Leadership Team, and is subject to oversight by the Group Audit & Risk Committee and the Board, ensuring a coordinated and consistent approach to risk management across the Group.

Principal risks and uncertainties

The Group and the Company are exposed to a broadly consistent range of risks compared with previous years. The principal risks identified below reflect the position at the date of this report and are not presented in any order of priority. The wider risk environment is monitored on an ongoing basis and, where necessary, specific actions are taken to manage or mitigate risks to a level considered acceptable. Our approach is designed to integrate strategic decision-making with effective operational management, with a consistent focus on customer outcomes.

The specific risks faced by the Company are shaped by the strategic choices and activities undertaken at Group level, how those activities are executed by the Company, and the external environment in which the business operates. While not all Group-level risks apply directly to the Company, a number of risk categories defined within the Group risk taxonomy are relevant to, and have a direct impact on, the Company's operations and delivery of its objectives.

Accordingly, the following Group-level risk categories are considered applicable to the Company:

Operational Risk

The risk that day-to-day operations, including the effectiveness of people, processes and supporting technology, fail or are inadequate, resulting in service delivery falling below required standards, inaccurate or poorly managed data, fraud or error not being identified or prevented, and adverse impacts on members, regulatory compliance, financial outcomes and reputation.

Operational Risk incorporates risks arising from workforce capability and capacity, and from technology systems and controls, recognising their role in enabling effective and resilient operations and protecting against threats such as Cyber.

Strategic Report (continued)

Risk management (continued)

Principal risks and uncertainties (continued)

Operational Risk (continued)

Management of risk is supported by:

- Clearly documented processes and first-line operational controls
- Monitoring service levels, operational performance and capacity
- Incident, issue and root cause management processes
- Data management, system integrity and quality controls
- Fraud prevention, detection and response measures
- Appropriate technology controls to support operational resilience and availability
- Capability, training and conduct standards embedded across operational teams
- Independent oversight by risk, compliance and internal audit

Financial Risk

The risk that financial management processes are inadequate, resulting in inaccurate, incomplete or late financial reporting, tax calculations or payments, capital or liquidity pressures, or insufficient oversight of third-party suppliers, which may lead to regulatory breaches, financial loss, operational disruption or reputational damage.

Management of risk is supported by:

- Established financial policies and accounting controls
- Timely, accurate financial reporting and forecasting
- Ongoing capital and liquidity monitoring
- Tax controls to support accurate calculation and payment obligations
- Supplier onboarding, due diligence and ongoing monitoring

Risks relating to credit, liquidity and market exposures are articulated separately in the Directors' Report.

Regulatory and Compliance Risk

The risk that the organisation fails to maintain effective governance, oversight and compliance arrangements, resulting in breaches of regulation, legal or contractual obligations, financial crime exposure, or ineffective committee governance, leading to penalties, remediation costs and reputational harm.

Management of risk is supported by:

- Clear governance structures, roles and delegated authorities
- Regulatory and legislative horizon scanning
- Engagement with regulators, industry bodies and stakeholders
- Compliance monitoring and advisory activity
- Legal and contract management controls

Strategic Risk

The risk that the organisation fails to define, align and execute its strategy in line with organisational and member objectives, is unable to respond effectively to external change or shocks, or lacks the operational resilience and delivery capability to implement strategic change, resulting in missed outcomes, loss of value and diminished member confidence.

Management of risk is supported by:

- Formal strategic planning, approval and review processes
- Executive oversight and decision-making forums
- Change and portfolio governance arrangements
- Scenario planning and stress testing
- Operational resilience capabilities supporting strategic delivery

Strategic Report (continued)

Section 172(1) statement

The directors of PASL understand their duty under s172 of the Companies Act 2006 to act in a way which they consider, in good faith, is most likely to promote the success of the Company for the benefit of the members of the schemes it administers.

To support the Directors in fulfilling their s172 duties, Board papers highlight the relevant s172 considerations and the stakeholders impacted. This ensures that Directors consistently have regard to their statutory duties when reviewing papers and in the course of Board discussions and decision making.

In doing so, the directors take the following into consideration:

a) The likely consequences of any decision in the long term

Pensions are inherently long-term products, and as a result the Board adopts a long-term perspective when making decisions. In the past year there has been significant investment in developing new features for members and customers of People's Pension. They include further enhancements to the member app that will make it easier for members to engage with their pension, retirement planning tools, a pension finder solution to help members track down lost pensions, and deeper integration of the financial wellness content hub. The business is implementing more new initiatives in 2026/27, such as launch of an enhanced retirement proposition designed to comply with upcoming default decumulation regulation. It is expected that these initiatives will offer great improvements to enhance customers' and members' experience in a way that helps us increase retention and grow our customer base to, in turn, increase revenues in the longer term.

The Scheme began to allocate to active management strategies for parts of its fixed income portfolio and all of its emerging market equities portfolio. The Trustee believes that these changes will result in enhanced long-term returns for members. The asset allocation of the Pre-retirement Fund was also updated, with investments redeployed away from government bonds and cash into short-dated corporate bonds, with the aim of improving member outcomes without increasing risk.

b) The interests of the Company's employees

The Company has no employees as the Parent Company is the sole employer within the Group. The Strategic Report within the Group Annual Report and Financial Statements includes a section on employees.

c) The need to foster the Company's business relationships with suppliers, customers, and others

Supplier relationships are mostly managed at a Group level and information on this can be found within the Strategic Report of the Group Annual Report and Financial Statements. The Company derives the majority of its income from providing administration services to the Scheme, with additional fees from a number of other schemes and products.

The directors are aware of the importance of all the Company's customer and supplier relationships. Various KPI measurements are used to ensure that the Company continues to provide a first-class service to all the employers and members who participate in the various schemes and products.

d) The impact of the Company's operations on the community and the environment

As part of a Group that reinvests profits to improve financial outcomes for its members, we give back to Scheme members and the local community. The Strategic Report within the Group Annual Report and Financial Statements includes sections on measures we have taken to care for the environment, our support for our local community, our Charitable Trust and the efforts we make to support our own people. Since the Construction Workers' Charitable Trust (formerly Building & Civil Engineering Charitable Trust) was set up in 1991, it has existed to provide structured and sustainable support to individuals within the construction industry, reflecting People's Partnership's heritage and long-standing association with the sector. The primary aim of the Trust is to enhance the financial resilience and wellbeing of construction workers, past, present and future, through targeted assistance that delivers measurable benefit.

Strategic Report (continued)

Section 172(1) statement (continued)

e) The desirability of the Company maintaining a reputation for high standards of business conduct

Our Group's reputation for putting our customers and People's Pension and other scheme and product members first and providing good quality products has been built over time and is fundamental to its long-term success. This is based on a set of values that we try to adhere to on a daily basis. Central to this is a desire to keep high standards of business conduct at the forefront of our employees' day-to-day work. The Company is regulated by the Financial Conduct Authority ("FCA") and the directors are aware and fully supportive of their requirements. PPL and PASL play key roles in the operation and running of the Scheme, which is authorised and regulated by The Pensions Regulator ("TPR"), and individuals involved with PPL and PASL must satisfy TPR's fitness and propriety criteria. All Group employees are assigned mandatory learning courses, and development programmes appropriate to their roles including training on the Senior Managers Certification Regime and Treating Customers Fairly. Compliance with these requirements is monitored regularly.

f) The need to act fairly between members of the Company

The Company has one member, People's Partnership Limited, which is the sole shareholder, and accordingly this matter is not applicable.

The Strategic Report was approved by the Board of Directors on 22 July 2026 and signed on its behalf by:

Veronica Oak

Veronica Oak
Director
23 July 2026

Directors' Report

The directors present their report and the audited Financial Statements of the Company for the year ended 31 March 2026.

Directors

The directors who held office during the year and up to the date of signing this report are shown on page 1.

Directors' liability insurance

The directors have the benefit of an indemnity. This is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force during the year and at the date of approval of the Financial Statements. The third-party indemnity provides against liability incurred by the director to a person other than the Company or an associated company.

Dividends

No dividends were paid to the Parent Company during the year (2025: nil). The directors do not recommend the payment of a final dividend (2025: nil).

Regulator

The Company is regulated by the FCA for certain regulated activities. The products and services provided by the Company may be regulated by other regulators (in the case of the Scheme, the regulator is TPR). As the Company is involved in the operation and running of the Scheme, which is authorised and supervised by TPR, individuals who are performing core functions in relation to PASL's administration of the Scheme must satisfy TPR's fitness and propriety criteria. A core function includes an executive or management role carried out in respect of, or on behalf of, a person subject to the fit and proper assessment.

Charitable donations

Construction Workers' Charitable Trust (formerly Building & Civil Engineering Charitable Trust) is our trust which supports individuals in the construction industry who are experiencing hardship. It also supports the construction industry by working with other corporate organisations to provide training, re-training and education and helps with occupational health needs.

The Company made charitable donations of £292,619 to the Charitable Trust during the year (2025: £215,313).

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2025: nil).

Auditor

Pursuant to Section 487 of the Companies Act 2006, the incumbent auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of signing the Financial Statements. In addition, the Directors have confirmed that they intend to keep the Company as a going concern for the foreseeable future.

Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the annual Financial Statements. See the summary of significant accounting policies note on page 18 for further information.

Greenhouse gas disclosure exemption

The Company has taken the exemption under paragraph 20A of Part 7A to Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended by Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018). Disclosures regarding greenhouse gas emissions and energy consumption are included in the consolidated Financial Statements of the Company's Ultimate Parent undertaking, People's Partnership Holdings Limited.

Directors' Report (continued)

Financial risk management

The Company's investments expose it to a variety of financial risks that include the effect of:

- Credit risk

The Company's sterling cash deposits and trading transactions with customers expose it to the risk that the counterparty may not repay the amounts owed. For sterling cash deposits, the Company only deals with a list of highly rated UK counterparties to reduce the risk that the counterparty will not repay the deposit. Regarding the risk of a counterparty defaulting, the Parent Company manages this risk on behalf of the Group by active credit control. Counterparty risk may also arise from revenue that can't be recovered from products provided by the Company. This risk is managed through credit control and cashflow monitoring.

- Liquidity risk

The Company maintains a Sterling Liquidity Fund which has immediate access. Cash management maintained by the Company includes operating on-demand sterling cash deposits designed to ensure the Group has sufficient available liquid funds for operations.

- Market risk – interest rate

The short-term sterling cash deposits are sensitive to interest rate changes, but the Company is not reliant on interest receivable for its income. The Company has access to fixed-term notice accounts to try to increase interest earned on cash deposits. In relation to interest risk on liabilities, the Company does not have any interest-bearing loans.

- Market risk – price and currency

Given the nature of the Company's operations, there is no direct exposure to foreign exchange risk. The Company, however, is exposed to indirect foreign exchange risk due to the composition of the Sterling Liquidity Funds in which the Company invests.

Future developments

An indication of likely future developments in the business of the Company is given in the Strategic Report.

Disclosure of information to the auditor

The directors who held office at the date of approval of this Directors' Report confirm that:

- So far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- Each director has 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 auditor is aware of that information.

The Directors' Report was approved by the Board of Directors on 22 July 2026 and signed on its behalf by:

Veronica Oak

Veronica Oak
Director
23 July 2026
Company number: 02207140

Manor Royal
Crawley
West Sussex
RH10 9QP

Statement of Directors' Responsibilities in respect of the Financial Statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the member of People's Administration Services Limited

Opinion
We have audited the financial statements of People's Administration Services Limited ("the Company") for the year ended 31 March 2026 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2026 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern
The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- We consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors, the Group Audit and Risk Committee, internal audit, legal, risk and compliance and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board, Group Audit and Risk Committee meeting minutes;
- using analytical procedures to identify any usual or unexpected relationships; and
- inspecting correspondence with regulators to identify instances or suspected instances of fraud.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Independent auditor's report to the member of People's Administration Services Limited (continued)

Fraud and breaches of laws and regulations – ability to detect (continued)

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there is no judgement or estimation uncertainty related to revenue.

We did not identify additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by unauthorised personnel, seldom used accounts and those posted with unusual account combinations.
- Assessing whether the judgements made in making estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the Financial Statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the Financial Statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the Financial Statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the Financial Statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, and GDPR compliance, recognising the financial and regulated nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic Report and Directors' Report

The directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the Financial Statements does not cover those reports and we do not express an audit opinion thereon.

Independent auditor's report to the member of People's Administration Services Limited (continued)

Strategic Report and Directors' Report (continued)

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 11, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Daniel Rutter

Daniel Rutter (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada square
London
E14 5GL

23 July 2026

Statement of Comprehensive Income for the year ended 31 March 2026

	Note	**2026 £000**	2025 £000
Revenue	4	**156,244**	131,956
Operating expenses		**(151,154)**	(117,731)
Profit before interest and taxation		**5,090**	14,225
Finance income		**3,228**	3,317
Profit before taxation		**8,318**	17,542
Tax charge on profit	7	**(2,252)**	(4,498)
Profit and comprehensive income for the financial year		**6,066**	13,044

The notes and information on pages 18 to 24 form part of these Financial Statements.

Statement of Financial Position as at 31 March 2026

	Note	**2026** **£000**	2025 £000
Current assets			
Trade and other receivables	9	**12,315**	12,464
Deferred tax asset	11	**-**	799
Cash and cash equivalents	8	**80,588**	71,603
		92,903	84,866
Current liabilities			
Trade and other payables	10	**(21,650)**	(19,679)
		(21,650)	(19,679)
Net current assets		**71,253**	65,187
Total assets less current liabilities		**71,253**	65,187
Net assets		**71,253**	65,187
Equity			
Called-up share capital	12	**36,079**	36,079
Share premium account		**28,971**	28,971
Profit and loss account		**6,203**	137
Total Equity		**71,253**	65,187

The notes and information on pages 18 to 24 form part of these Financial Statements.

The Financial Statements on pages 15 to 24 were approved by the Board of Directors on 22 July 2026 and were signed on its behalf by:

Veronica Oak

Veronica Oak
Director
23 July 2026

Company number: 02207140

Statement of Changes in Equity for the year ended 31 March 2026

	Called-up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
Balance as at 31 March 2024	36,079	28,971	(12,907)	52,143
Profit and Comprehensive profit for the financial year	-	-	13,044	13,044
Balance as at 31 March 2025	**36,079**	**28,971**	**137**	**65,187**
Profit and Comprehensive income for the financial year	-	-	6,066	6,066
Balance as at 31 March 2026	**36,079**	**28,971**	**6,203**	**71,253**

The notes and information on pages 18 to 24 form part of these Financial Statements.

Notes to the Financial Statements for the year ended 31 March 2026

1. General information

People's Administration Services Limited (the "Company") is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Manor Royal, Crawley, West Sussex, RH10 9QP. The Company is a wholly owned direct subsidiary of People's Partnership Limited (the "Parent Company"). Collectively People's Partnership Holdings Limited (the "Ultimate Parent Company") and all its subsidiaries are known as "People's Partnership" or the "Group".

2. Basis of preparation

These Financial Statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The preparation of Financial Statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements, are disclosed in 'Critical accounting judgements and key sources of estimation uncertainty' on page 20.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of signing the Financial Statements. The directors have prepared forecasts for the Company, including its cash position, for a period of at least 12 months from the date of signing of these Financial Statements. The directors have also considered the effect upon the Company's business, financial position and liquidity of more pessimistic, but plausible, trends in its business using stress testing and scenario analysis techniques.

The scenarios tested showed that the Company will be able to operate at adequate levels of liquidity for at least the next 12 months.

In addition, the Directors have confirmed that they intend to keep the Company as a going concern for the foreseeable future.

Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

Exemption for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with. A qualifying entity is defined as a member of a group that prepares publicly available Financial Statements, which give a true and fair view, in which that member is consolidated. The Company is a qualifying entity as its results are consolidated into the Financial Statements of People's Partnership Holdings Limited which are publicly available.

As a qualifying entity, the Company has taken advantage of the following exemptions in its individual Financial Statements from the requirement to:

(i) prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102
(ii) present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102
(iii) disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

Notes to the Financial Statements for the year ended 31 March 2026 (continued)

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Revenue

Revenue represents Scheme administration fees and employer charges for new employers joining People's Pension measured at fair value of the services provided, and accounted for on an accrual basis when the right to consideration has been earned. Revenue is recognised to the extent that services have been provided in the year. In particular:

- Scheme administration fees are recognised on a monthly basis in line with the timing of delivery of the administration services, invoiced in line with the administration agreements.
- The Scheme's new employer charges are recognised once an employer has signed up to the Scheme

Operating expenses

Operating expenses are recognised on an accruals basis as services are received. Operating expenses are measured at the fair value of consideration payable and are presented within operating expenses. All overhead costs in relation to the Company, including recharges from the Parent Company, are reported under operating expenses. This is considered to be the most appropriate allocation for disclosure purposes and understanding of the financial results.

Finance Income

Finance income, comprising interest income earned on short-term cash deposits held as part of cash and cash equivalents, is recognised using the effective interest method on an accruals basis. Amounts earned but not yet received at the reporting date are included within accrued income. Recognition is limited to amounts considered recoverable.

Taxation

The tax expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred tax assets and liabilities are not discounted.

- *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated based on tax rates and laws that have been enacted or substantively enacted by the period end.

- *Deferred tax*

Deferred tax arises from timing differences between the taxable profits/losses and total comprehensive income as stated in the Financial Statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in Financial Statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it's probable that they'll be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Cash and cash equivalents

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

Notes to the Financial Statements for the year ended 31 March 2026 (continued)

3. Summary of significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets, including trade and other receivables, cash and bank balances and amounts due from group undertakings, are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method. Financial assets are derecognised when the contractual rights to the cash flows expire or are transferred.

Financial liabilities, including trade and other payables and amounts due to group undertakings, are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

The Company has taken advantage of the exemption under FRS 102 from disclosing information required by Sections 11 and 12 in relation to financial instruments, as the information is included in the publicly available consolidated financial statements of its Ultimate Parent Company.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Estimates:

- *Deferred tax assets*

Deferred tax assets were assessed based on the current trading performance and expected future taxable profits of the Company. The Company reasonably expected to be profitable in future years so recognised a deferred tax asset for tax losses that were likely to be used in the next 3 financial years. Sensitivities were used to assess the impact of changes in the key assumptions supporting profit forecasts, and further specific downside scenarios were modelled in the relevant prior year to capture the heightened estimation uncertainty in the established profit forecast due to the current economic environment.

The deferred tax asset held by the Company in previous years solely related to brought forward trading losses. In the current year, this deferred tax asset was fully utilised against current year trading profits and as such there is no deferred tax asset carried by the Company.

Judgements:

There are no critical accounting judgements.

4. Revenue

	2026	2025
	£000	£000
Administration fees	**155,709**	131,223
Employer on-boarding charges	**535**	733
	156,244	131,956

The origin and destination of all revenue is within the UK.

Notes to the Financial Statements for the year ended 31 March 2026 (continued)

5. Employee information and Directors' remuneration

The Company had no employees during the year (2025: nil).

The directors of the Company who were in office during the year are listed on page 1. The directors' remuneration in respect of their services for the Company during the year was:

	2026	2025
	£000	£000
Aggregate remuneration	**797**	684

The figures above comprise an apportionment of Non-Executive and Executive Directors' remuneration in respect of their services to the Company during the year, all of which is paid by the Parent Company.

The aggregate remuneration for the highest paid director was:

	2026	2025
	£000	£000
Aggregate remuneration	**334**	498
Pension contributions paid in the year	**40**	18
	374	516

Due to a change in Executive Directors in the year, the number of directors accruing pension benefits under defined benefit pension schemes in 2026 was 0 (2025: 1). The accrued pension in the defined benefit scheme of the highest paid director at the year-end was £0k (2025: £67k).

The number of directors accruing pension benefits under money purchase pension schemes was 2 (2025: 1).

6. Operating expenses and auditor's remuneration

Operating expenses include costs associated with pension administration, IT systems, marketing, professional fees, and group recharges. Group costs are allocated on a reasonable and consistent basis reflective of services received. Accruals and prepayments are recognised to ensure costs are recorded in the correct period.

Included in Operating expenses are the following:

	2026	2025
	£000	£000
Services provided by the Company's auditor:		
Audit of the Company's Financial Statements	**79**	73
Audit-related assurance services*	**26**	24
	105	97

* Audit-related assurance services are for the CASS limited assurance opinion.

The Parent Company paid most of the overheads of the Group and recharged a proportion of those costs to its subsidiaries. The total recharge to the Company for the year amounted to £134.6m (2025: £98.6m).

Notes to the Financial Statements for the year ended 31 March 2026 (continued)

7. Tax on profit

	2026	2025
	£000	£000
Corporation tax charge	**1,280**	1,425
Current tax charge in respect of previous periods	**173**	50
Total corporation tax charge	**1,453**	1,475
Deferred tax charge	**799**	2,961
Impact of deferred tax asset recognition	**-**	62
Total deferred tax charge	**799**	3,023
Total tax charge	**2,252**	4,498

The effective tax rate for both the current and prior year is higher than the standard rate of corporation tax in the UK for the year of 25% (2025: 25%). The differences are explained below:

	2026	2025
	£000	£000
Profit before taxation	**8,318**	17,542
Profit multiplied by standard rate of corporation tax in the United Kingdom 25% (2025: 25%)	**2,079**	4,385
Effect of:		
Tax charge in respect of previous periods	**173**	113
Total current tax charge	**2,252**	4,498

The Company has no trading tax losses at the year end (2025: £3.2m).

No deferred tax asset was recognised in the current year (2025: £799k).

Factors affecting future tax changes

The main rate of corporation tax for the year ended 31 March 2026 is 25% (2025: 25%).

8. Cash and cash equivalents

	2026	2025
	£000	£000
Cash at bank and in hand	**268**	806
Short term deposits	**80,320**	70,797
	80,588	71,603

Included in cash and cash equivalents is £36.9m (2025: £47.9m) of ring-fenced Master Trust reserves (see note 15).

Notes to the Financial Statements for the year ended 31 March 2026 (continued)

9. Trade and other receivables

	2026	2025
	£000	£000
Trade receivables	**11,825**	11,891
Amounts owed by Group undertakings	**-**	285
Other receivables	**-**	7
Prepayments and accrued income	**259**	281
Taxation	**231**	-
	12,315	12,464

Amounts owed by Group undertakings are unsecured, interest free and payable on demand.

10. Trade and other payables

	2026	2025
	£000	£000
Trade payables	**96**	31
Corporation tax	**-**	780
Amounts owed to Group undertakings	**18,534**	13,132
Other payables	**2,776**	5,552
Accruals and deferred income	**244**	184
	21,650	19,679

Amounts owed to Group Undertakings are unsecured, interest free and payable on demand.

11. Deferred tax asset

	2026	2025
	£000	£000
As at 1 April	**799**	3,822
Credited to Comprehensive Income Statement: Impact of deferred tax asset recognition	**-**	(62)
Charged to Comprehensive Income Statement: current year	**(799)**	(2,961)
As at 31 March	**-**	799
Included on the Statement of Financial Position as:		
Non-current assets	**-**	-
Current assets	**-**	799
	-	799

Notes to the Financial Statements for the year ended 31 March 2026 (continued)

12. Called-up share capital

	2026	2025
	£000	£000
Allotted, issued and fully paid		
36,079,000 (2025: 36,079,000) ordinary shares £1 each	**36,079**	36,079

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

13. Related party transactions

In accordance with paragraph 33.1A of FRS 102, the Company is exempt, as a wholly owned subsidiary, from the requirement to disclose transactions with entities that are part of the Group or investees of the Group qualifying as related parties.

In addition, the Company has taken advantage of the exemption available under paragraph 33.1A of FRS 102 not to disclose transactions and balances between Group entities that have been eliminated on consolidation.

Further, the Company has taken advantage of the exemption for the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102.

There are no other related party transactions requiring disclosure in this year's Financial Statements in accordance with Paragraph 33 of FRS 102.

14. Immediate and ultimate undertaking and controlling party

The immediate parent company is People's Partnership Limited, a company limited by shares, registered and domiciled in England and Wales. The Ultimate Parent and the controlling party during the year was People's Partnership Holdings Limited, a company limited by guarantee, registered and domiciled in England and Wales.

People's Partnership Limited is the smallest group the Company is consolidated in and People's Partnership Holdings Limited is the largest. The consolidated Financial Statements of both groups are available at the registered office shown on page 1.

As People's Partnership Holdings Limited is a company limited by guarantee, there are no shareholders, and accordingly there is no ultimate controlling party.

15. Financial Support Undertaking

The Company entered into a Financial Support Undertaking ("FSU") deed with People's Pension in May 2022 and this imposed an obligation on the Company to hold a ring-fenced CALP Reserve Amount consisting of the Master Reserve plus an additional £0.5m contingency. As part of the requirements of the FSU, the Scheme have a fixed and floating charge over the bank account holding the CALP Reserve held by the Company.

People's Administration Services Limited

Manor Royal, Crawley, West Sussex, RH10 9QP. Tel 0300 2000 555. www.peoplespartnership.co.uk

Registered in England and Wales No. 2207140. People's Administration Services Limited is authorised and regulated by the Financial Conduct Authority. Ref: 122787. It acts as a distributor of, and an administrator for, pensions (including The People's Pension), accident and death insurance and a range of financial welfare products. To help us improve our service, we may record your call.

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