Registered number: 11098037

PEOPLE PAYE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2026

Bishop Fleming

PEOPLE PAYE LIMITED

COMPANY INFORMATION

DIRECTOR	T Hillier
REGISTERED NUMBER	11098037
REGISTERED OFFICE	People Group House Three Horseshoes Walk Warminster Wiltshire BA12 9BT
INDEPENDENT AUDITORS	Bishop Fleming Audit Limited Chartered Accountants & Statutory Auditors 10 Temple Back Bristol BS1 6FL

PEOPLE PAYE LIMITED

CONTENTS

INTRODUCTION

People PAYE Limited specialises in providing a range of payroll services to the contingent workforce industry via a portfolio of specialist products that are transparent to both Agencies and Contractors and fully compliant with both the letter and intent of HMRC laws and regulations. The products enable contractors to be paid in a timely and efficient manner while also providing peace of mind for both Agencies and Contractors that they are fully tax compliant.

The Company is a subsidiary of People Group Operations Limited and forms part of a group of companies (together, the 'Group') that offer a variety of different products to the contingent workforce sector, including payroll, compliance and workforce management, all backed by industry leading technology.

The Group remains positively placed to provide the respective Group companies with the necessary tools to not only meet the future challenges of the industry, but also to take full advantage to the opportunities now presenting themselves following legislative changes from April 2026.

BUSINESS REVIEW

During the year the Company achieved turnover of £26,207,124 (2025: £27,050,747) and operating profit of £341,375 (2025: £367,456).

The Balance Sheet as at 31 March 2026 showed total net assets of £762,718 (2025: £1,372,211).

The Group within which this company forms a part, achieved turnover of £55,258,837 (2025: £56,987,061) and Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) of £51,733 (2025: £182,895).

The reduction in turnover in comparison to the prior year is predominantly due to a reduction in the number of payslips processed. The Group has been impacted by the increase in employers national insurance tax, and resultantly gross margin per unit fell. However, mitigating factors exist, and the Group has had a corresponding reduction in overhead costs, and on this basis, the directors remain confident that the Group will be operationally profitable in the coming year.

The Group Balance Sheet as at 31 March 2026 showed total net liabilities of £654,825 (2025: £403,307). The directors expect the Group to return to a net asset position in the coming years following a return to operational profitability.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk	**Impact on Company**	**Mitigation of Risk**
Changing legislation	Fast changing legislation impacts upon the products and services the Company can offer clients	Product and service innovation ensures that solutions meet contractor needs whilst complying with all relevant legislation
Competitor Pricing	Aggressive competitor pricing drives down margins and threatens the profitability of the Company's products	Differentiating the Company's offering around compliance, client-focus and value add provides some defence to
Regulatory Compliance	Complex legislation and regulation means that ensuring 100% compliance across the business is challenging	The Company has a full time legal and Compliance Director. Training and compliance updates have been delivered to upskill staff and external
Client satisfaction	Maintaining client satisfaction across agencies, consultants and contractors is essential to retain business relationships	The Company has worked hard to communicate with clients through all available channels, including relationship teams, client & agency care
Reputation	Reputation with agencies is absolutely critical in the sector and the Company relies on reputation to retain existing clients and win new ones	The Company will not compromise its focus on compliance under any circumstances and continues to invest in client service
Cash	Managing cash flows is critial given the cyclical nature of the Company's client base	The Company has a proactive approach to cash flow management, preparing and updating forecasted cash flow on a weekly basis to ensure all commitments can be met

GOING CONCERN

During the year ended 31 March 2026 the Company made a profit after tax of £340,507 and as at 31 March 2026 had net assets of £762,718. Since the year-end, the Company has traded satisfactorily with Group Sales performing to forecasted levels and the Company remains on target to deliver at indicated performance levels. The Company continues to be reliant on the ongoing support of its fellow group companies, and in turn its funders and shareholders.

Having regard to the financial statements contained herein the Director has considered the financial position of the company and events since balance sheet date up to and including the date of the signing of the financial statements and the Director's report.

The director has prepared cashflow forecasts, as well as budgeted trading and profit & loss figures for the same period, which have been prudently prepared. These forecasts demonstrate that the Group will retain an ability to successfully manage cash flows and discharge all liabilities when due over the next 12 months and beyond. Should any additional funding be required the director is confident any requirements for additional funding will be met by the support from the shareholder and the Group's funders.

In addition to the above, the Group has entered into a legally binding agreement whereby each Group company agrees to financially support and not withdraw funding to fellow group companies. This confirms support to all group companies such that intercompany balances cannot be withdrawn and funding will be provided to support the going concern basis of accounting of each company, as well as the Group as a whole. In addition management have obtained a letter of support from the ultimate controlling party, Terence Hillier, to provide additional appropriate financial support should it be required.

As such the director considers it appropriate to prepare the accounts on the going concern basis.

DIRECTOR'S STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE COMPANY

The Company directors consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and having regard (amongst other matters) to factors (a) to (f) S172 Companies Act 2006, in the decisions taken during the year ended 31 March 2026. Specifically, the Board ensure in all decisions taken that:

- Business is conducted morally and ethically, in line with the Company's Code of Conduct
- Short-term gains do not have an adverse consequence on the Company's long-term strategy, success and benefits
- Employee welfare, training and interests are taken care of
- Customer and supplier relationships are strong, mutually beneficial and comply with Company's policies (such as anti-bribery and corruption, anti-slavery and human trafficking and corporate social responsibility)
- Any community and environmental impacts as a result of the Company's operations are considered

During the financial year, the Company:

- Worked closely with its suppliers and customers to ensure that the cashflow impact of Covid was mitigated to the greatest extent possible for the benefit of all parties.
- Continued to invest in its infrastructure throughout the last financial year, notwithstanding the significant financial pressures, in order to improve the customer experience.
- Informally and formally consulted with its employees to ensure staff felt safe in their working environment, be that at home, the office or elsewhere, and on staff's mental wellbeing.

This report was approved by the board and signed on its behalf.

DocuSigned by:
Terry Hillier
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T Hillier
Director

Date: 1/7/2026

The director presents his report and the financial statements for the year ended 31 March 2026.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £340,507 (2025: £365,215).

No dividends were paid during the year.

DIRECTOR

The director who served during the year was:

T Hillier

FUTURE DEVELOPMENTS

The Company continues to invest in new technology and product development. This includes ongoing re-modelling of products.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

The Company also places considerable value on the relationship it holds with suppliers, customers and other stakeholders.

Our customers are essential to our business and the Company works openly and transparently in fostering long term customer relationships. Our business decisions and priorities are based on a good understanding of our customers and their requirements. We hold regular meetings with most of our customers at all levels within the business including the supply chain and commercial teams. The Director is involved in many of these meetings as and when required.

The Company fosters open and transparent dialogue with the regulatory and industry bodies relevant to the Company's business operations and products it produces. This also applies in its relationship with other key stakeholders such as its bankers, other funders, and external advisors.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY ACTION

The Company is a low energy user, and therefore is exempt from the requirement to disclose actual energy usage.

DISCLOSURE OF INFORMATION TO AUDITORS

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

DocuSigned by:
Terry Hillier
1794F54A67AA4B8...

T Hillier
Director

Date: 1/7/2026

People Group House
Three Horseshoes Walk
Warminster
Wiltshire
BA12 9BT

DIRECTOR'S RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2026

The director is responsible for preparing the Strategic report, the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The director is 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PEOPLE PAYE LIMITED

OPINION

We have audited the financial statements of People PAYE 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 the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 director's 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 of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The director is 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 our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Director's report have been prepared in accordance with applicable legal requirements.

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 the Director's 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 director's 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 Director's responsibilities statement set out on page 6, the director is 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 director determines 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 director is 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 director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, we considered the following:

- We have considered the nature of the industry and sector, control environment, and business performance;
- We have considered the results of enquiries with management and the directors in relation to their own identification and assessment of the risks of irregularities within the entity; and
- For any matters identified we have considered the Group's policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected, or alleged fraud; and,
  - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating effectively, in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut-off.

In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, FRS 102 and UK tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or avoid a material penalty. These included data protection legislation, health and safety regulations, and employment law.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management in relation to actual and potential claims or litigation;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Performing detailed testing in relation to the recognition of revenue with a particular focus around the year

end cut off; and

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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.

Stuart Crisp Bsc FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming Audit Limited
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL
Date:

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Note	**2026** **£**	2025 £
Turnover	4	**26,207,124**	27,050,747
Cost of sales		**(25,856,192)**	(26,671,076)
Gross profit		**350,932**	379,671
Administrative expenses		**(9,557)**	(12,215)
Operating profit	5	**341,375**	367,456
Tax on profit	8	**(868)**	(2,241)
Profit for the financial year		**340,507**	365,215

There was no other comprehensive income for 2026 (2025:£NIL).

The notes on pages 14 to 24 form part of these financial statements.

PEOPLE PAYE LIMITED
REGISTERED NUMBER:11098037

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note		2026 £		2025 £
Fixed assets					
Intangible assets	9		**130,000**		-
			130,000		-
Current assets					
Debtors: amounts falling due within one year	10	**3,294,297**		3,982,532	
Cash at bank and in hand	11	**8,671**		11,900	
		3,302,968		3,994,432	
Creditors: amounts falling due within one year	12	**(2,670,250)**		(2,622,221)	
Net current assets			**632,718**		1,372,211
Net assets			**762,718**		1,372,211
Capital and reserves					
Called up share capital	14		**1,000**		1,000
Profit and loss account	15		**761,718**		1,371,211
			762,718		1,372,211

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:
Terry Hillier
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T Hillier
Director

Date: 1/7/2026

The notes on pages 14 to 24 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2024	**1,000**	**1,005,996**	**1,006,996**
Comprehensive income for the year			
Profit for the year	**-**	**365,215**	**365,215**
At 1 April 2025	**1,000**	**1,371,211**	**1,372,211**
Comprehensive income for the year			
Profit for the year	**-**	**340,507**	**340,507**
Dividends	**-**	**(950,000)**	**(950,000)**
At 31 March 2026	**1,000**	**761,718**	**762,718**

The notes on pages 14 to 24 form part of these financial statements.

1. GENERAL INFORMATION

People PAYE Limited is a limited liability company incorporated in England and Wales. The registered office is People Group House, Three Horseshoes Walk, Warminster, BA12 9BT.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of People Group Operations Limited as at 31 March 2026 and these financial statements may be obtained from Companies House.

2. ACCOUNTING POLICIES (CONTINUED)

2.3 GOING CONCERN

During the year ended 31 March 2026 the Company made a profit after tax of £340,507 and as at 31 March 2026 had net assets of £762,718. Since the year-end, the Company has traded satisfactorily with Group Sales performing to forecasted levels and the Company remains on target to deliver at indicated performance levels. The Company continues to be reliant on the ongoing support of its fellow group companies, and in turn its funders and shareholders.

The director has prepared cashflow forecasts, as well as budgeted trading and profit & loss figures for the same period, which have been prudently prepared. These forecasts demonstrate that the Group will retain an ability to successfully manage cash flows and discharge all liabilities when due over the next 12 months and beyond. Should any additional funding be required the director is confident any requirements for additional funding will be met by the support from the shareholder and the Group's funders.

In addition to the above, the Group has entered into a legally binding agreement whereby each Group company agrees to financially support and not withdraw funding to fellow group companies. This confirms support to all group companies such that intercompany balances cannot be withdrawn and funding will be provided to support the going concern basis of accounting of each company, as well as the Group as a whole. In addition management have obtained a letter of support from the ultimate controlling party, Terence Hillier, to provide additional appropriate financial support should it be required.

As such the director considers it appropriate to prepare the accounts on the going concern basis.

2.4 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue is recognised in the period in which the services are provided on a straight line basis, when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the costs incurred can be measured reliably.

2.5 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2. ACCOUNTING POLICIES (CONTINUED)

2.6 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2. ACCOUNTING POLICIES (CONTINUED)

2.9 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 PROVISIONS FOR LIABILITIES

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2. ACCOUNTING POLICIES (CONTINUED)

2.14 FINANCIAL INSTRUMENTS

The Company has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset’s original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

2.15 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgements and estimates.

Trade debt provision
Management have considered risk of bad debts, and review debtor recovery positions monthly, any suspected bad debts based upon client knowledge and historical outcomes are provided for immediately.

Recoverability of intercompany debt
Management have assessed the recoverability of intercompany debt, taking into account the financial position of the counterparties and the fact that all balances are with entities wholly owned by People Group Operations Limited. This assessment includes consideration of the ability of each entity to continue as a going concern and the availability of group support where required (see note 2.3). Based on this assessment, management consider the intercompany balances to be recoverable.

4. TURNOVER

An analysis of turnover by class of business is as follows:

	2026	2025
	£	£
Provision of payroll services	**26,207,124**	27,050,747
	26,207,124	27,050,747

All turnover arose within the United Kingdom.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2026	2025
	£	£
Other operating lease rentals	**3,897**	-

6. AUDITORS' REMUNERATION

	2026	2025
	£	£
Fees payable to the Company's auditors for the audit of the Company's financial statements	**13,250**	12,700

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

7. EMPLOYEES

Staff costs were as follows:

	2026	2025
	£	£
Wages and salaries	**21,826,802**	22,311,822
Social security costs	**2,291,751**	1,605,270
Cost of defined contribution scheme	**226,424**	232,493
	24,344,977	24,149,585

The average monthly number of employees, including the director, during the year was as follows:

	2026	2025
	No.	No.
Contractors	**1,148**	1,181

8. TAXATION

	2026	2025
	£	£
TOTAL CURRENT TAX	**-**	-
DEFERRED TAX		
Deferred tax charged in the profit and loss account for the period	**868**	2,241
TOTAL DEFERRED TAX	**868**	2,241
TAX ON PROFIT	**868**	2,241

8. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2025: lower than) the standard rate of corporation tax in the UK of 25% (2025: 25%). The differences are explained below:

	2026	2025
	£	£
Profit on ordinary activities before tax	**341,375**	367,456
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2025: 25%)	**85,344**	91,864
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**136**	-
Movement in deferred tax not recognised	**(84,612)**	(89,623)
TOTAL TAX CHARGE FOR THE YEAR	**868**	2,241

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

9. INTANGIBLE ASSETS

	Trademarks
	£
COST	
Additions	**130,000**
At 31 March 2026	**130,000**
NET BOOK VALUE	
At 31 March 2026	**130,000**
At 31 March 2025	-

Trademarks were purchased at the year-end.

10. DEBTORS

	2026	2025
	£	£
Trade debtors	**1,230,079**	1,080,640
Amounts owed by group undertakings	**2,039,242**	2,870,351
Other debtors	**2,417**	6,667
Prepayments and accrued income	**3,445**	4,892
Deferred taxation	**19,114**	19,982
	3,294,297	3,982,532

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

11. CASH AND CASH EQUIVALENTS

	2026	2025
	£	£
Cash at bank and in hand	**8,671**	11,900
	8,671	11,900

The Company is part of a cross guarantee and debenture between People CIS Limited, People Group Operations Limited, People Group Services Limited, People PAYE Limited, People PSC Limited and People Umbrella Limited, dated 21 October 2019. The Group's related bank borrowings at the year-end were £8,334 (2025: £18,333).

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2026	2025
	£	£
Trade creditors	**7,334**	47,528
Amounts owed to group undertakings	**15,227**	46,445
Other taxation and social security	**1,359,361**	1,321,806
Other creditors	**1,272,254**	1,173,325
Accruals and deferred income	**16,074**	33,117
	2,670,250	2,622,221

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

13. DEFERRED TAXATION

	2026
	£
At beginning of year	19,982
Charged to profit or loss	(868)
AT END OF YEAR	**19,114**

The deferred tax asset is made up as follows:

	2026	2025
	£	£
Origination and reversal of timing differences	19,114	19,982
	19,114	19,982

14. SHARE CAPITAL

	2026	2025
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
100,000 (2025: 100,000) Ordinary shares of £0.01 each	1,000	1,000

15. RESERVES

Profit and loss account

The profit and loss account includes all current and prior year retained profits and losses.

16. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £226,424 (2025: £232,493). Contributions totalling £76,455 (2025: £79,927) were payable to the fund at the reporting date and are included in 'Other Creditors'.

17. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2026 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2026	2025
	£	£
Not later than 1 year	**3,982**	-
Later than 1 year and not later than 5 years	**4,978**	-
	8,960	-

18. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of People Group Operations Limited, a company incorporated in England and Wales, the company is able to take advantage of the exemption under ther terms of FRS102 section 33.1a from disclosing related party transactions with wholly owned entities that are part of the same group.

19. CONTROLLING PARTY

The immediate parent undertaking is People Group Operations Limited and ultimate controlling party is T Hillier.