



# Brunel Pension Partnership Limited Annual Report & Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Company registration number 10429110

Authorised and regulated by the Financial Conduct Authority No. 790168

# Company Information

## Directors

### Sally Bridgeland

Chair

until 31 July 2025

### Laura Chappell

Chief Executive Officer

### Miles Geldard

Non-Executive Director

### Liz McKenzie

Non-Executive Director

### Patrick Newberry

Non-Executive Director / Chair  
from 01 August 2025

### Roelie van Wijk-Russchen

Non-Executive Director

### David Vickers

Chief Investment Officer  
until 17 January 2025

### Joe Webster

Chief Operating Officer

The company is a private company limited by shares and is registered in England and Wales.

**Registered Number:** 10429110

**Registered office:** 101 Victoria Street,  
Bristol, BS1 6PU

**FCA Registration number:** 790168

### Bankers

National Westminster Bank PLC

### External Auditors

PKF Littlejohn LLP

### Internal Auditors

Deloitte LLP

### Tax Advisors

Deloitte LLP

### Legal Advisors

Eversheds Sutherland

### Financial Advisors

PricewaterhouseCoopers LLP

Cover photo: The Manger in Oxfordshire. Credit: Paul Brown



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# Chair's Foreword

Brunel Pension Partnership has delivered another successful year for its clients, continuing to invest to deliver better futures for our partner funds, their members and for the world they will retire into. The engine room of our progress continued to be the Partnership's shared values and collaborative culture, which served us well as we invested for UK impact, investing in projects which are delivering climate transition, improving biodiversity and effecting social impact for disadvantaged communities, all initiatives which are aligned with governmental missions.

Brunel's investment strategy places strong reliance on external managers delivering competitive performance underpinned by strong Responsible Investment and ESG principles, in line with our clients' objectives. Clients continued to transfer their non-pooled investments into Brunel, resulting in one of the highest transition percentages of all LGPS pools (87%).

Photo: Chipping Campden, Gloucestershire.  
Credit: David Knibbs



## Other highlights of the year included:

- Meeting signatory requirements for the Financial Reporting Council's UK Stewardship Code
- Raising proportion of Paris-Aligned AUM to 93%
- Investing 32% of Brunel's assets in the UK
- Faith Ward, our Chief Responsible Investment Officer, receiving an MBE for 'services to pensions and the environment'
- Winning golds for Stewardship and Transition Strategies and ESG at Europe-wide IPE Awards & IPE Transition Awards (both 2025)
- Selecting three top Responsible Investment (RI) themes as key focus: Climate Change; Biodiversity & Nature; Human Rights & Social Issues
- Achieving 60% reduction in aggregate portfolio carbon intensity - and 93% reduction in reserves intensity

Photo: Frome, Somerset.  
Credit: Gordon Bell  
Photography



During the year, a number of changes in the membership of the Board of Brunel took place. Early in 2025, David Vickers, who joined us in 2021 as Chief Investment Officer, departed to take up the role of CIO at Windmill Hill Asset Management. In his time with us, David made a significant contribution to strengthening our investment capability and helped shape Brunel's investment strategy in support of our clients' aims. His values aligned perfectly with Brunel's and his contribution was much appreciated. We wish David well in his new role at Windmill Hill, which manages three major philanthropies owned by the Rothschild Foundation. Brunel has since appointed a distinguished interim CIO, Andrew November, who has more than 30 years' experience in the industry.

Following the decisions made by the Labour government on LGPS pool consolidation (see below), Sally Bridgeland chose to step down as Chair after a year in the role, allowing for a different leadership with the right experience to lead the partnership through a time of negotiation and major structural change – leading to my appointment. In her short time with us, Sally contributed much to our thinking about the future, drawing on her extensive experience across pensions and investment. We were sorry to see her go and wish her well in her new roles.

Photo: Henley-on-Thames, Oxfordshire.  
Credit: Chunyip Wong





In April 2025, we were notified that, following the government's 'Fit for the Future' review, the Pensions Minister and Local Government Minister were directing Brunel's clients to join a different LGPS pool, bringing to an end Brunel's highly successful operation. In September 2025, our clients announced their decisions as to which pools they intended to join and work commenced on supporting their departure to pastures new.

I would like to thank all of my colleagues in the Brunel team for their incredible dedication and hard work during the year. They have all behaved with impeccable professionalism following the government's decision, showing that, for them, the core ethos of Brunel, that clients', pension fund members' and pensioners' interests matter most, remains a fundamental purpose, even in the most trying of circumstances.

**Dr Patrick Newberry FCA FRSA**  
Chair

Photo: Clifton, Bristol.  
Credit: George Clerk

# Strategic Report and Business Review

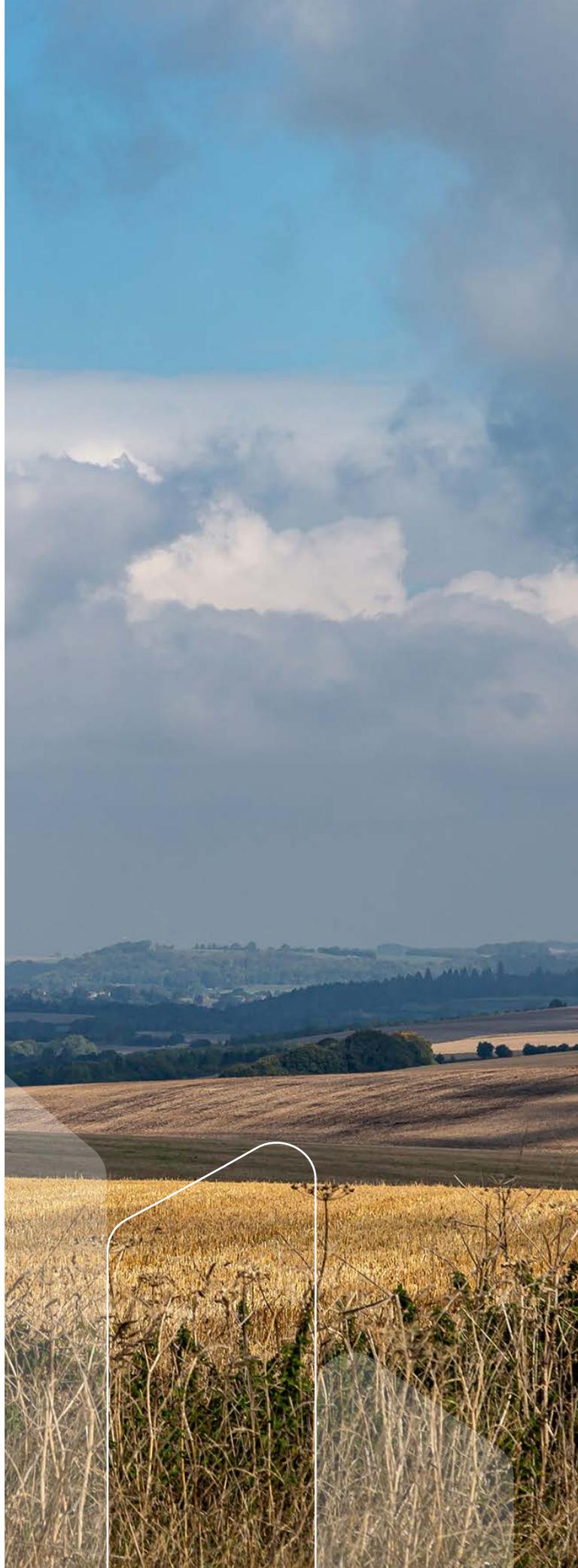




to the kind of transformative innovations delivered by Isambard Kingdom Brunel, whose Clifton Suspension Bridge inspired our logo. On the other hand, it signalled our determination to invest sustainably for the long term – for our clients’ retirements and for the world they would retire into. It also hinted at our core belief that certain risks identified within Responsible Investment – such as climate change, biodiversity loss and social damage – formed investment risks in their own right; to fulfil our fiduciary duty, it was crucial that we accounted for those risks.

The progress on Responsible Investment has been groundbreaking, establishing Brunel as an RI leader not just in the UK, but around the world. Progress has come thanks to everyone at Brunel and has especially carried Faith Ward’s imprimatur. We have helped the IIGCC to establish a new Paris-aligned asset owners climate commitment and a new Net Zero Investment Framework. We have launched new Paris-aligned passive indices that we developed alongside FTSE Russell. We have used and developed engagement and stewardship methods and tools to maximise our impact at every link in the investment chain, from portfolio design with clients, through partnership with asset managers, to direct engagement with key holdings. We have developed fresh ways of assessing climate exposures in private markets asset classes. We have partnered with a wide range of industry groups to push for coordinated progress across finance and regulation. We have set our own targets and reported – voluminously – against them annually, questioning every element of our approach to maximise

Photo: Wiltshire. Credit: Lemanieh



our progress. We have run two Climate Stocktakes to conduct forensic reviews of our performance. We have harnessed that same RI reputation to ensure we get the best fees for our clients – because the most progressive, ambitious asset managers want to work with us. We have reported in growing detail on our own emissions to ensure we are consistent with our demands on managers – as figures below demonstrate, we have outpaced our ambitions. At this juncture more than any, it is important not to waste words: Brunel has moved the dial on sustainable investing, blazing trails that others are already following. We are all overwhelmingly proud of the work we have done, and I am convinced that our progress secures Brunel’s lasting impact.

At the time of writing, we have transitioned almost 90% of client assets, placing us at the vanguard among LGPS pools. That figure also bodes well for the next stage, as our clients transition their assets to three different pools. They have



all had to make difficult decisions about their futures over a short period of time. I would like to congratulate them on reaching those decisions, to assure them of our ongoing commitment to our core mission of meeting our fiduciary duties, and to pledge to work collaboratively towards an efficient, prudent and cost-effective transition process. I would also like to thank them for their part in building this partnership and enabling all that we have achieved together. We wish them all the very best for the future.



Photo top: Hotwells, Bristol  
Credit: Martyna Bober, Unsplash.  
Photo left: Barge boat on canal, Oxford.  
Credit: Arsty



“Managers took it as a badge of honour when Brunel came into their fund... to show that they were hitting sustainable goals, tracking their reporting and their emissions.

**David Beamish**, Senior Managing Director, Stepstone Group

Photo: Stonehenge, Wiltshire. Credit: Alzay

## Review of 2024/25

Within Brunel's broader journey, the 2024/25 reporting year saw marked progress, even against the difficult backdrop of the next round of LGPS consolidation. During the early part of the year, Brunel was obliged to commit resources to developing our 'Fit for the Future' proposal to submit to the Ministry for Housing, Communities and Local Government. It was an excellent example of different teams pulling together on a major new project, even as the everyday work of Brunel continued.

Many of those involved then had to make the much harder shift from the theory of Fit for the Future planning to the reality of preparing for consolidation and client departures: Project Cornerstone. I am enormously grateful to our staff for all they have shouldered across the financial year, and for the continued commitment

they have shown to Brunel through the uncertainty. Having built so much together, it is clear that they are determined to deliver the same level of excellence through the final stages.

There were a number of significant projects that progressed or reached their goal over the year. Our new Front-of-Office Technology delivered a world-class data and tooling set, meeting what remains an industry-wide challenge for privately held assets. The switch to Asset Metrix was a major staging post in our Data Strategy. Our approach to private markets also received media coverage over the year, a reflection of the enormous range and depth of impactful new investments, from Welsh solar to Scottish battery storage.

In 2025, we conducted our second Stocktake with Chronos Sustainability,

Photo: Beacon on Exeter Quay. Credit: Thomas Faull





reviewing the implementation of our Climate Change Policy 2023-30 for the period 2022-2025. Since the previous Stocktake in 2022, we had strengthened our internal accountability and governance processes, built manager competence, and improved data and performance measurement. The 2025 Stocktake noted our enormous progress on emissions reductions. We had set ourselves the target of achieving Net Zero across our portfolios by 2050; our 2024 figures show that our carbon intensity had dropped 60% vs our 2019 baseline, while we had cut our fossil fuel reserves intensity by 93%.

The Stocktake also highlighted the fact we had set Paris-Aligned targets for 97% of in-scope assets, covering 91% of Brunel assets overall. The report noted major improvement across engagement and escalation, investment in impactful green

products, and climate disclosure for private markets assets. In the same reporting year, we also introduced bi-annual TCFD reporting for the first time. Our continued climate leadership was recognised in two forms above all. Faith Ward received an MBE for services to pensions and the environment – huge recognition for her work, especially at Brunel. Secondly, we won European golds at both the IPE Transition Awards and IPE Awards 2025. Our winning categories were: **Stewardship Campaign & Strategy; Transparency & Communication on Transition Strategies** (both at the IPE Transition Awards in Brussels in June); and ESG (at the IPE Awards in Seville in December 2025). In short, we have continued to lead with impact.

Photo: Godrevy Point with Godrevy Lighthouse, St. Ives Bay, Cornwall. Credit: 11111ESPDJ



## Investing for the future

At a senior level, I am grateful for all that the Executive Committee and Board contributed over such an unpredictable year. We said farewell to our Chair, Sally Bridgeland. I would like to thank her for her work and wish her the very best for the future. Following the government's decision, it was crucial that the new Chair we appointed already understood Brunel well and could see us through a tricky period. I was therefore delighted to welcome Patrick Newberry, who has been a Non-Executive Director at Brunel since 2019. He brings wide-ranging experience across audit, consultancy and NED roles, as well as a deep attachment to the Southwest, where he lives.

We know that the months ahead will often be difficult, and that the major work of transition will rely on the accumulated knowledge and skills of our staff and

Board, as well as their continued commitment. I do not take that lightly, especially in the current circumstances. However, as I look back on Brunel's extraordinary journey, I am confident that what our clients take with them to their new pools reflects almost a decade of LGPS leadership across multiple fields, whether on value for money, governance, portfolio construction, or Responsible Investment. We can be immensely proud of all we have delivered, and we trust that our clients and their new pools will continue to forge better futures by investing for a world worth living in.

**Laura Chappell**  
CEO

Photo: Shops on Pulteney Bridge, Bath. Credit: Aheii

# Section 172 Statement

Brunel considers its key stakeholders to be its employees, clients and shareholders, and the wider community. Details of how we have engaged with these groups during the period can be found below:

## Employees

Brunel's rapid rise and development have been founded on a highly collegiate approach. Employees express a strong sense of sharing a vision and sharing core values, which has translated into a highly motivated and collaborative workforce. Staff have enabled Brunel to surpass some of the targets the company first set itself, from cost savings to carbon exposures in our portfolios. It is clear that staff remain committed to that vision.

Nevertheless, the government's decision that Brunel's clients should find new pools clearly impacts staff significantly. Against this backdrop, our internal feedback forums have become more important than ever, especially our Employee Voice Forum, which includes representatives from every team across the business. We have increased the number of social events and lunchtime activities to support continued cohesion. We have also provided fresh support options on managing the current process, such as by providing a 'Managing Change' workshop with external consultants.

Photo: Chavenage House, Gloucestershire, was built in the 16<sup>th</sup> century and was used as a filming location for the BBC series 'Poldark'.  
Credit: John Corry



We have encouraged staff to pursue additional, funded training opportunities that will both help Brunel through the current period and help staff with their own career development priorities. We have introduced a new system to enable staff to feed anonymous questions on Project Cornerstone into a public forum; the company can then provide approved answers for all to see. We also paid staff a retention bonus in Autumn 2025 to recognise their commitment through uncertainty – and we have proactively provided training for staff, including training in leadership.

We continue to develop our ‘Walking the Talk’ programme, and employees in the Carbon Footprint Working Group have engaged closely to ensure that our reporting expands and our footprint shrinks. We have also continued to prioritise transparency in our reporting more generally. You can find information on our CEO and gender pay ratios later in this report.



## Clients & Shareholders

Our investment process relies on close coordination with pension committees at our client funds. Across the reporting year, members of the investment and executive teams attended 25 pension committees, and provided seven training days, including on human rights. A few weeks after the end of the period, Brunel held its virtual Investor Seminar for our broader partnership. Clients and shareholders attended briefings on managing human rights in conflict-affected and high-risk areas; on engagement in high-risk regions; and on Brunel’s Climate Stocktake. Presenters were from Brunel, EOS Federated Hermes (our engagement partner), and Chronos Sustainability.

Our engagement with clients both continued and, in Project Cornerstone, found a new avenue that deepened our engagement further. A significant portion of the 509 client queries through the year concerned Cornerstone, as did some of the 51 client meetings (or 81, including service reviews).

Photo top: Mousehole Harbour, Cornwall.  
Credit: 1111IESPDJ  
Photo left: Devizes Locks, Wiltshire.  
Credit: Mark Angell

The Brunel Oversight Board allows interaction between Brunel, Pension Chairs and Scheme Member Representatives. It met six times during the year, with active attendance by all ten partner funds and both Scheme Member Representatives.

We continued to both deepen and broaden our RI communications in line with client priorities, with the publication of our RI & Stewardship Outcomes Report (which outlined our selection of three top RI priorities), our Climate Progress Report, and our Climate-Related Product Report. We also conducted our second Climate Stocktake.

We continued to engage with shareholders through the reporting year, hosting two Shareholder Forums. Meanwhile, our Non-Executive Directors travelled around the region and met many of our shareholder representatives for face-to-face meetings.

Externally, our engagement across the industry continued through work with industry groups, such as the IIGCC, Transition Finance Council, Principles for Responsible Investment, Climate Action 100+ and more. We continued to engage with companies, sometimes directly and more often through EOS Federated Hermes. Furthermore, we engaged policymakers through letters and advocated policy change through both media and specific events designed to raise the profile of engagement topics of concern to our partners.”

## Wider community

Our impacts on the wider community are partly covered in ‘Walking the Talk’, below. We continued our work with the Catalyst Education Programme. While the government’s request for Brunel’s ten clients to seek other pools transformed our perspective, it did not ultimately change our priorities in how we engage externally. Brunel’s strong belief in our approach to achieving our core fiduciary duty meant we continued to argue for the importance of both Responsible Investment and industry collaboration – with a view to persuading others to pick up the mantle.

“Our relationship with Brunel has helped us spearhead activities focused on integrating sustainability into multi-asset credit”

**Amanda Malan,**

Senior Vice President, Oaktree Capital Management

# Walking the Talk

Brunel's approach to Responsible Investment is to engage with a wide range of key stakeholders and partners in order to maximise our impact – the list includes asset managers, holdings, industry bodies, regulators, policymakers and more besides. These engagements are framed by our seven RI priorities. In 2025, following a review process, we formally divided our RI priorities into two categories: 'top priorities' and 'enabling priorities'. More detail on this change is provided in the graphic.

Part of the reason we continued to deliver influence and impact in our engagements with stakeholders across 2024-25 is that partners remained convinced by the consistency of our approach. That consistency extends to how we manage ourselves internally as a company. Over the reporting year, we continued our work

on 'Walking the Talk'. It is a commitment that covers several key areas, among them gender pay gap, conflicts of interest, corporate tax planning, modern human slavery, and carbon footprint reporting.

## Resourcing corporate engagement

Our approach is to leverage an outsourced model to maximise impact. Our first line of asset-level engagement and stewardship is via our appointed asset managers. Our second line is a specialist engagement provider, EOS Federated Hermes, which provides additional engagement resource and supports execution of our votes. Finally, our third line is the internal team. In collaboration, Brunel often undertakes direct engagement with companies.

Photo: Stonehenge, Wiltshire. Credit: Murat4art



## ‘Taskforce for Climate-Related Financial Disclosures’ principles

In March 2021, Brunel committed to be Net Zero by 2050 at the latest and to halve its portfolio emissions intensity by 2030. It therefore signed the UN Race to Net Zero-compliant Paris Aligned Asset Owner

Commitment. Our 2025 Climate Change Progress Report demonstrated that, against our 2019 baseline, we had reduced the emissions exposure of our Brunel Aggregate Portfolio by 60%, and our fossil fuel exposure by 93%.

### Top and enabling priorities

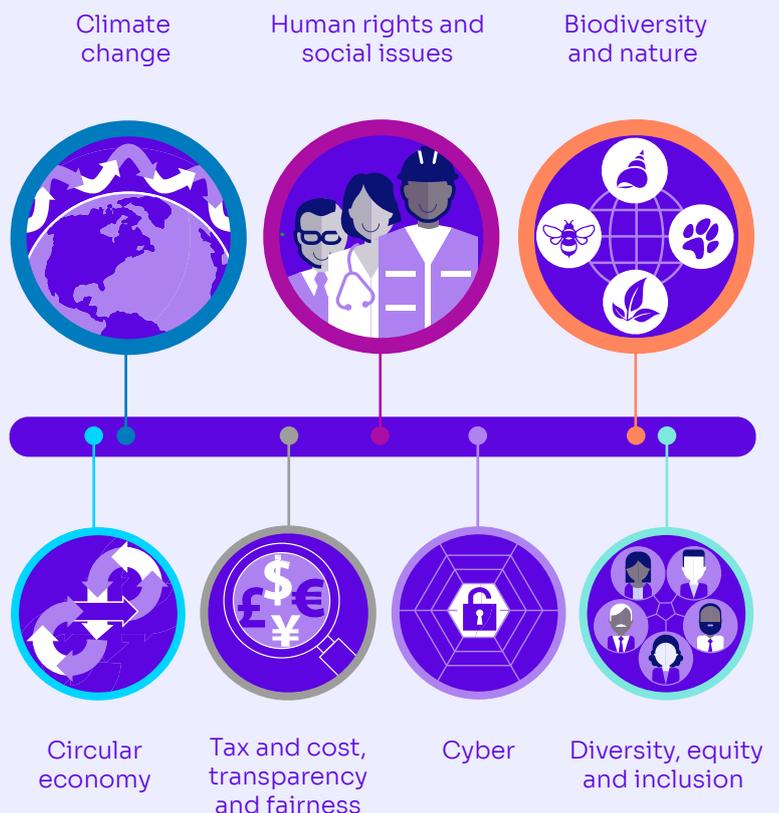
Our priorities have been categorised into ‘Top’ and ‘Enabling’ priorities

#### Our ‘Top priorities’ have:

- A high resource commitment with multipronged approach to effect change, set out in a dedicated policy framework
- Key performance indicators (KPI) intergrated into our risk systems, asset manager expectations and stewardship
- Outcomes we expect to materially impact both risk avoidance and positive impact in capital allocation

#### These ‘Enabling priorities’ have:

- Lower direct resource commitments with strong focus on collaborative initiatives to drive outcomes
- Case studies and adhoc analytical evaluation to demonstrate progress against objectives
- Outcomes that are expected to influence capital allocation
- Engagement and voting as primary stewardship levers



In addition to these two groupings, the wording of each of the priorities has been refined, allowing a greater focus on outcomes. Each priority has a ‘theory of change’ about how, and why, we approach that priority in the way we do.

Being a responsible steward requires us to be aware of a wide range of impacts, risks and interdependencies, many outside the traditional purview of financial analysis, but we believe to be financially material when properly assessed and understood.

## Risks

Brunel has made a firm-wide commitment to the integration of climate risk throughout its own operations. Brunel has committed to be Net Zero in its operational (scope 1 and 2) emissions and has already made considerable progress in measuring and reducing its Scope 3 emissions by 2030.

Our exposure to physical climate risks such as flooding and extreme weather is mitigated through our highly agile organisation. All staff are provided with the technology to work remotely. Our office energy supplier aligns with our green credentials. The electricity it supplies is 100% generated from solar, wind or hydro power. In addition, the supplier uses its profits to invest in new and more efficient ways of generating renewable energy.

Our office also has facilities such as bike storage, showers and changing rooms, as well as proximity to public transport networks.

We continue to look for ways to reduce the carbon footprint within our operations and are actively investigating options for carbon offsetting, where appropriate.



## Carbon Footprint Report

Brunel published its third Carbon Footprint Report, covering 2023-24, during the reporting year. The table below, however, captures highlights from our forthcoming 2024-25 report.

Carbon Managers prepared the 2024-25 report and calculated the footprint, using the data supplied by Brunel over the 12-month period to 30 September 2025. Total emissions were 112.46t CO<sub>2</sub>e, down from 126.7t in 2023-24; emissions per employee were 1.5t CO<sub>2</sub>e, down from 1.87t.

In line with our commitment to transparency, we would typically look to publish the full report for 2024-2025 on our website in mid-2026 but, in the interim, some summary figures are reproduced below:

Scope	2024/25 Total (tCO <sub>2</sub> e)	2024/25 Total (%)
Scope 1 (direct) Fuel & Refrigerant	1.78	1.6%
Scope 2 (indirect) Electricity Use	11.94 [0.00*]	10.6% [0%*]
Scope 3 Supply Chain	98.74	87.8%
Total	112.46	100%

\* Market-based figures, based on renewable energy sources

To find out more about our approach to carbon footprint reporting, visit our website: [Walking the Talk](#).

Photo: All Souls College, Oxford.  
Credit: Chunyip Wong

# Disclosures: Gender Pay & CEO pay

## Continuing progress: Gender Pay

Brunel's staff size means we do not need to disclose our gender pay gap. However, our Remuneration Committee has preferred to include this in our Annual Reports in line with our commitment to build a diverse and inclusive culture and workforce, and also our commitment to transparency. Indeed, our hiring processes seek a balance of candidates across a wide range of diversity and inclusion metrics. We strongly believe that transparency better equips us to understand and improve those processes.

At the end of the gender pay reporting year (Spring 2025), Brunel had a mean gender pay gap of 7.9% and a median gender pay gap of 12.3%. Official figures show the UK's median gender pay gap at the end of December 2024 was 13.1%. For the second year in a row, therefore, Brunel has both reduced its pay gap and tracked below the national rate.

While Brunel remains committed to achieving progress on gender pay, LGPS consolidation means that we are not in a

position to prioritise long-term corporate goals. Instead, our top concerns in this area are now as follows:

- Ensure pay equity in retention incentives
- Monitor gendered exit trends
- Communicate transparently on pay
- Design temporary roles and horizontal project opportunities inclusively
- Prepare for post-transition equity alignment

Across all these priorities, it is important to acknowledge that our capacity to realise our goals will only endure for as long as the company itself retains clients. While we can advocate up until the point of transition, it will then be up to the new or expanded entities to set their own priorities – and report accordingly. We also note that the Office for National Statistics (ONS) is, at time of writing, reviewing its gender category definitions following the Supreme Court ruling of April 2025 – any ONS changes may yet impact future reporting across the broader market.

“I personally view Brunel as one of the most credible practical examples of what it is to be a responsible investor”

**Adam Matthews**, Chief Responsible Investment Officer,  
Church of England Pension Board

## Brunel pay trends: Men and women

The graphic below shows the percentage pay gap (median and mean) at Brunel across 2022-25.

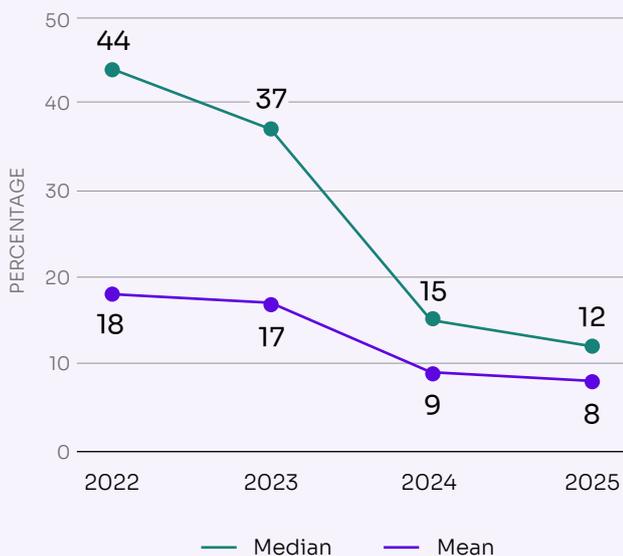
This four-year view demonstrates that our gender pay gap has continued to close, following the dramatic improvements of recent years.

### Median and mean quartiles

Median Gender Pay Gap in 2025 was 12% compared to 15% in 2023-24.

Mean Gender pay gap in 2025 was 8% compared to 9% in 2023-24.

### Median and mean pay ratio gaps (%)



### Median gross hourly earnings gender pay gap

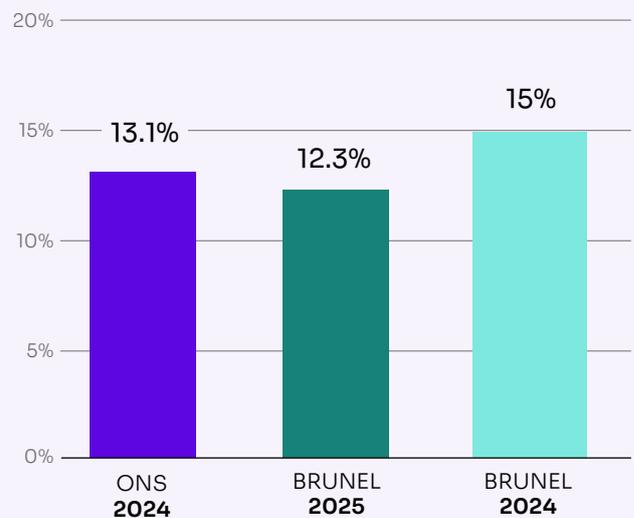
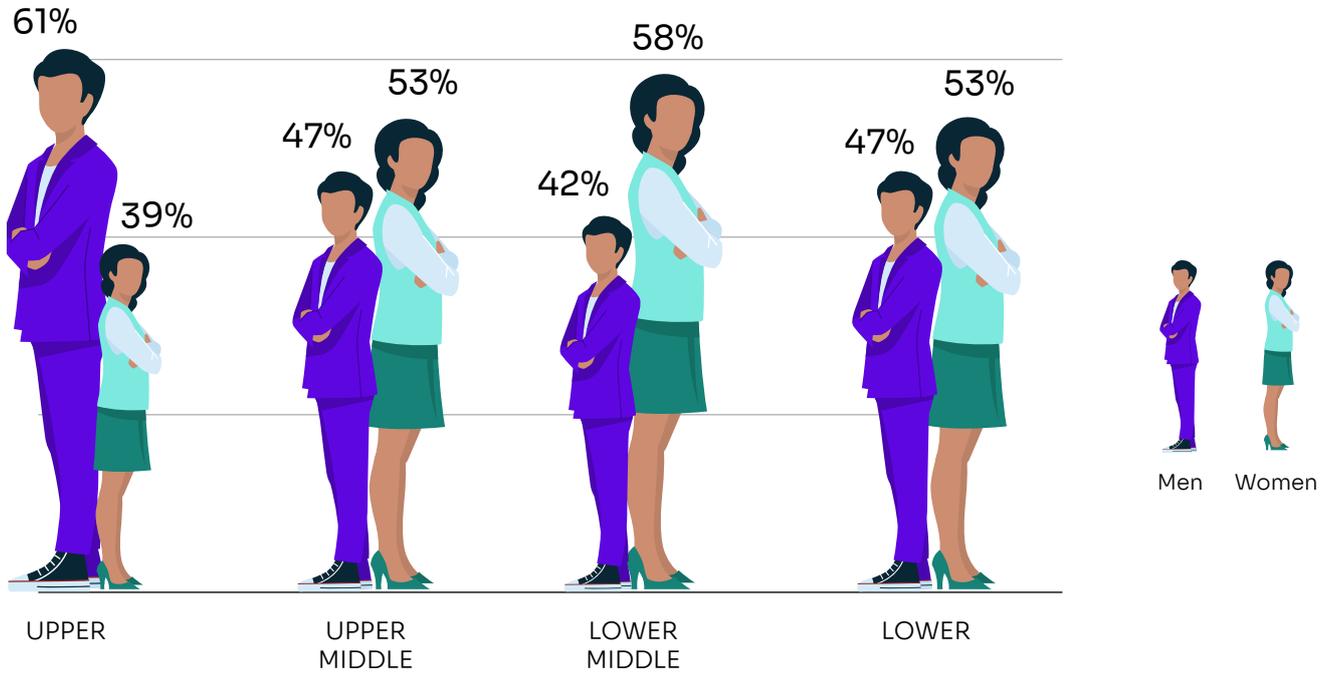
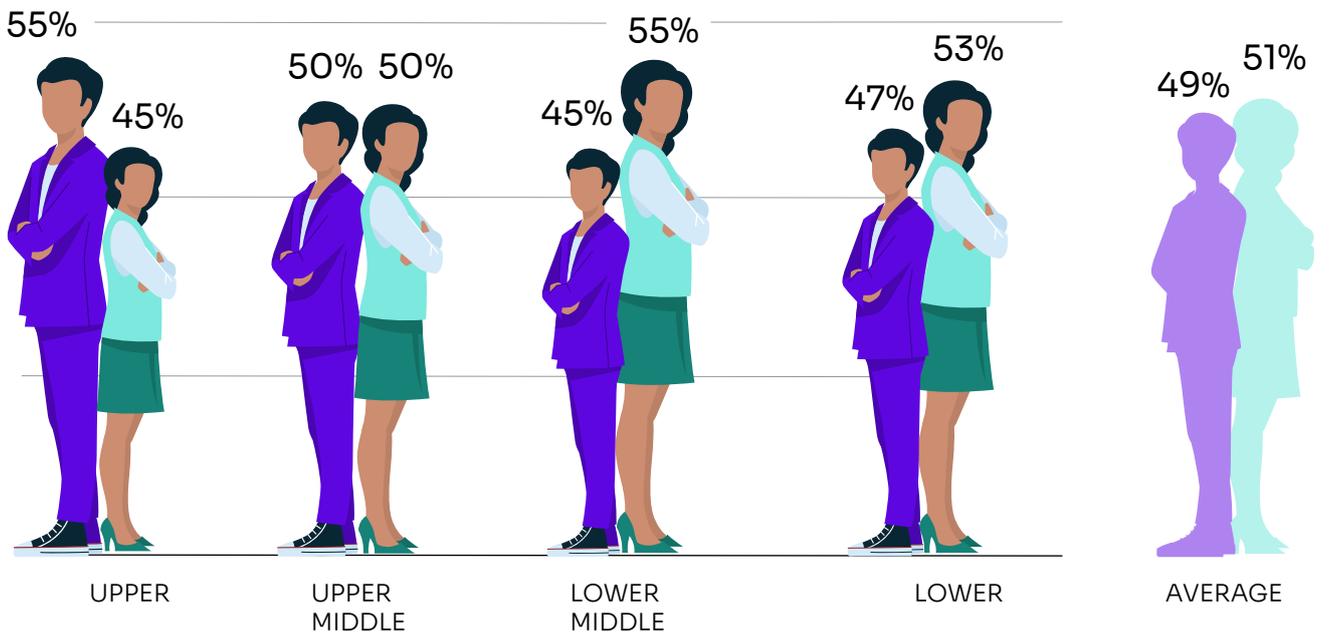


Photo: Red-billed Chough, Cornwall.  
Credit: Neil Aldridge

### Quartile % 2024: Men and women



### Quartile % 2025: Men and women



## CEO pay ratios

CEO pay ratios present the relationship between the CEO’s pay and employee salaries throughout the organisation. The four sub-ratios show how much the CEO earns relative to the employees in each quartile. The principal ratio (“Lowest”) presents the relationship between the lowest salary at Brunel and the CEO salary.

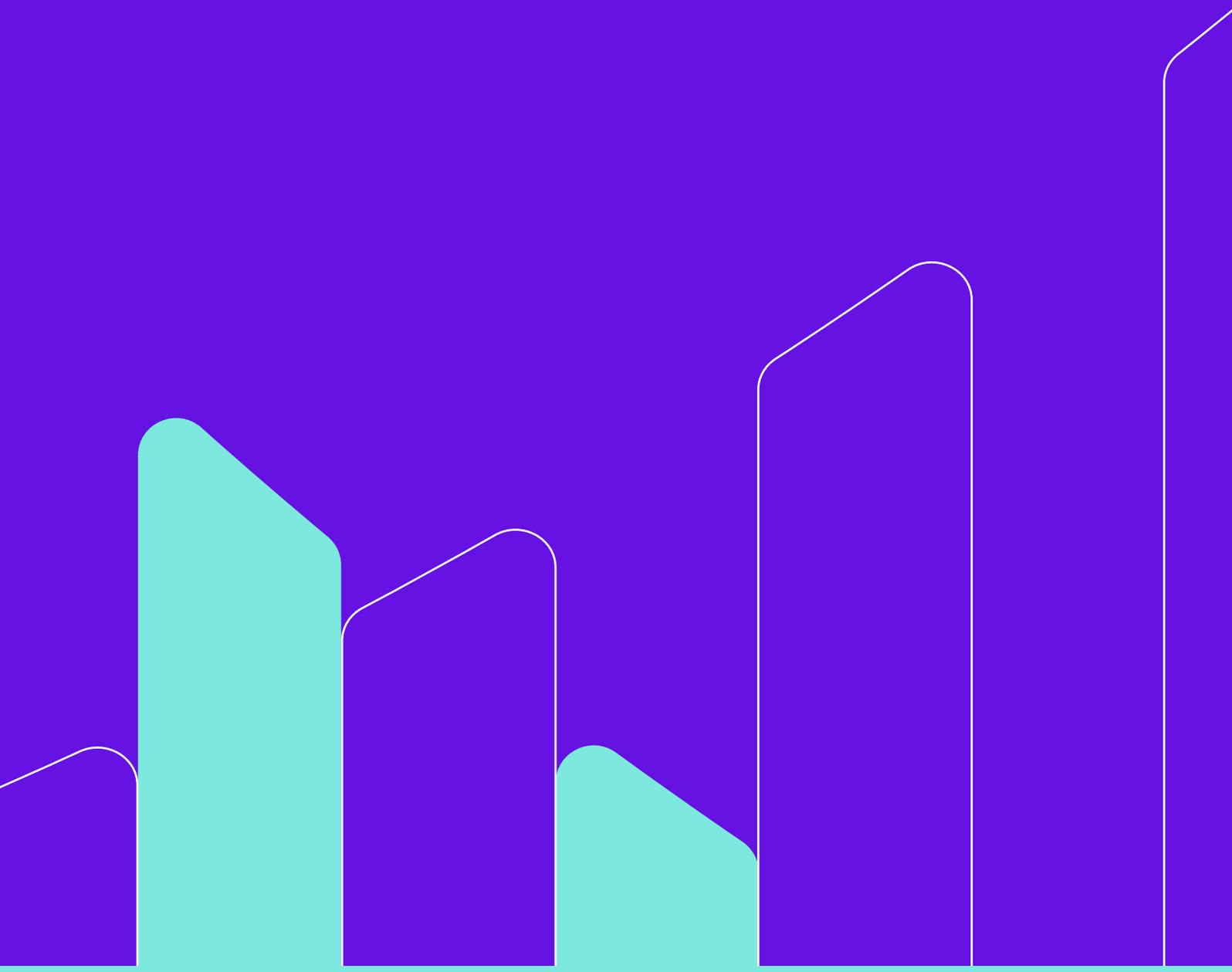
The CEO Pay ratio has been calculated at **9.68**.

That means that Brunel’s lowest-paid employee would take, on average, 9.68 years to earn the same amount as Brunel’s CEO earns in one year.

The slight rise in the ratio may reflect several factors, including the introduction of additional pay reviews for employees designated as material risk-takers. This introduction was made in order to better align Brunel with the financial services industry approach to compensation of material risk-takers.



# Corporate Governance



# Overall Financial Performance

## Corporate Performance

During the year ending 30 September 2025, Brunel made an operating profit of £548k (2024: £368k) from its normal business activities. With the Board's decision to report on an other than going concern basis under FRS102, expected future costs have been disclosed in the notes to the financial statements which sets out an estimation of costs to wind down the business entity (£12.5m). At the balance sheet date, options regarding the future of the Brunel entity were still being considered, as such the directors are of the opinion that no constructive or legal obligation existed in relation to these costs at this point.

Profit before tax is reported of £1,010k (2024: £835k) which includes the pension service charge adjustment.

At the year end, Brunel recorded a pension surplus of £5.3m (2024: £1.9m) in line with FRS102 pension accounting reporting requirements. This surplus is not recognised in the accounts as it is not technically recoverable and an Asset Ceiling Adjustment has been applied, which results in a zero balance. However, with the move to an other than going concern basis, we have included the latest estimated pension cessation deficit of £4.5m within the expected future costs disclosure note.

Photo: Perranporth beach, North Cornwall  
Credit: Acceleratorhams



In 2020, a Pension Recharge Agreement (PRA) was provided by our shareholders, which largely mitigates the volatility of the movement in pension liabilities. Further details can be found in note 4.7 and 19 of the Financial Statements. As the pension cessation estimate is only disclosed on an estimated basis, the Pension Recharge Asset has been left at zero. Although no asset is shown in these financial statements, the PRA arrangement will be used in the following year if required.

The year-end cash balance was £13.4m (2024: £12.8m), which includes an amount of deferred revenue relating to the coming year of £4.9m (2024: £5.1m).

In the financial statements, accounting for the defined benefit pension scheme is the most complex item, so to help users of this report we have included some supplementary detail.

At year end, under FRS102 rules, an accounting adjustment must be added to represent the actuary's view of the pension current service cost; this year the contributions paid were greater than this cost, by £0.49m (2024: £0.45m). This adjustment is reversed through the actuarial gains and losses within the Total Comprehensive income for the period. The impact of these adjustments is shown in the table below.

	2025 (£000)	2024 (£000)
<b>Turnover &amp; Other income</b>	17,657	13,671
Admin Expenses	(17,134)	(13,284)
<b>Management View: Profit before taxation (before Pension Service Charges, Interest &amp; Taxation)</b>	<b>523</b>	<b>387</b>
Pension Current Service/Net Interest Cost*	487	448
<b>Profit before taxation</b>	<b>1,010</b>	<b>835</b>
Taxation	(285)	(219)
<b>Profit for the period after taxation</b>	<b>725</b>	<b>616</b>
Actuarial gains and losses*	(487)	(448)
Remeasurement of pension reimbursement asset	-	-
Tax on items of other total comprehensive income	122	112
<b>Total comprehensive income for the period</b>	<b>360</b>	<b>280</b>

\* Pension Current Service costs are reversed as part of the overall movement in the actuarial gains and losses.

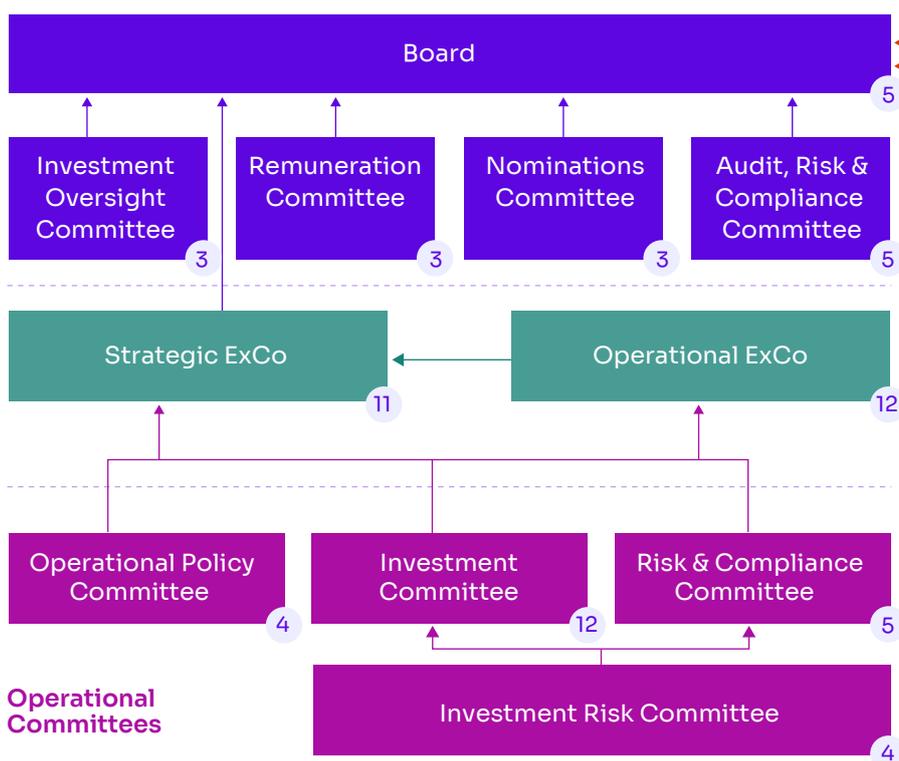
# Governance Structure

## Board and Sub-Committees

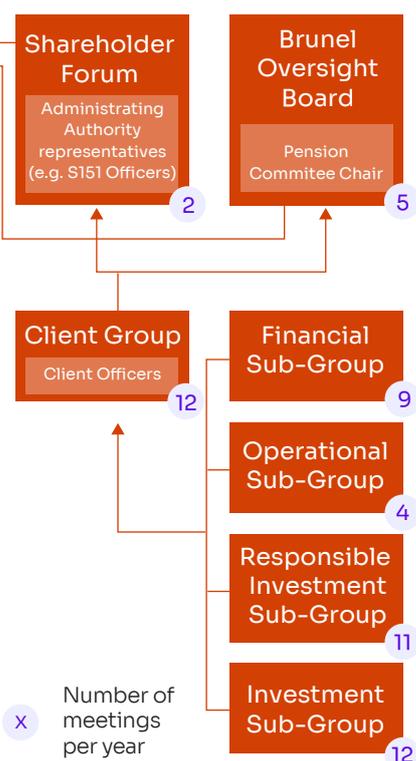
- Brunel is an FCA-regulated MIFID firm and accordingly needs to comply with the relevant FCA Handbook rules which include the FCA Principles for Business, PRIN 2.1. These are general statements of fundamental obligations which apply to all FCA-regulated firms.
- As of 30 September 2025, the Board of Brunel consists of four Independent Non-Executive Directors (NEDs): Patrick Newberry (Chair from 01 August 2025), Liz McKenzie (Shareholder NED), Roelie van Wijk-Russchen and Miles Geldard.
- Independent Non-Executive Directors chair all Board subcommittees and are the only permanent members
- Executive members of the Board are the CEO and COO.
- The Shareholder Forum consists of the Shareholder NED, and representatives from each Shareholder
- The Brunel Oversight Board comprises one representative from each Pensions Committee (ten in total), and two Scheme member-representatives as observers, Andy Bowman and Alistair Bastin
- Client Group is made up of Client Fund Officers

## Governance structure

### Board and sub-committees



### Shareholder Groups



# Report from Audit & Risk Committee

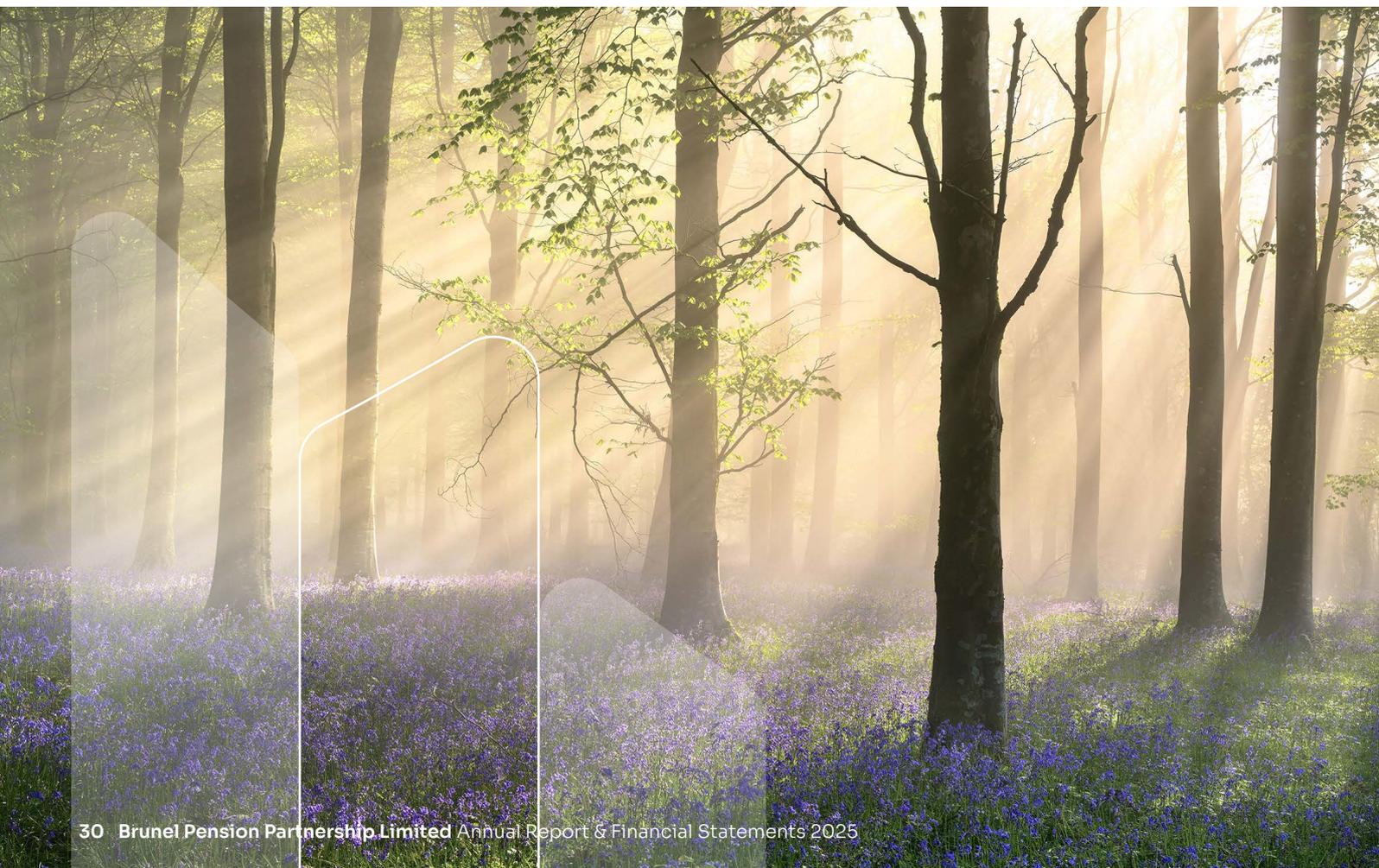
Brunel continues to operate in a very difficult environment, facing a very uncertain future following the outcome of the government's consultation on 'Fit for the Future'.

Forward looking, the government's LGPS pooling evolution has significant implications for Brunel's operating future, and our move to reporting the statutory accounts on an other than going concern basis reflects this anticipated direction of travel. The Committee is satisfied that Brunel's risk management and assurance arrangements remain robust and fit for purpose during this period. However, we recognise that adaptability will be critical in navigating the next phase of LGPS

pooling and broader market challenges. The Committee will remain vigilant and proactive in its oversight role to safeguard the interests of our clients and stakeholders.

We continue to monitor the on-going geopolitical risk, an uncertain global economic outlook, and the global politicisation of climate change, which looks set to continue for the foreseeable future. Following both the UK and US elections taking place last year, considerable uncertainty remains over the world economy and in particular net zero commitments.

Photo: Bluebell Forest, Dorset. Credit: Daniel Kay



The past twelve months have seen more adoption of the use of Artificial Intelligence (AI) in business activity, which brings increased risk as well as greater opportunities. The global IT outages continue to cause disruption, with Cloudflare this year, following CrowdStrike in 2024. These events highlight the potential risks around the digital environment in which we operate.

Our continued success remains dependent on effective risk management. We dedicate significant effort to monitoring current risks actively whilst scanning the horizon for emerging risks. Brunel's operating model was designed to be inherently low risk, through the design of our investment model and the use of robust outsourced service providers. The model continues to serve us well.

The Board is accountable for ensuring that a robust system of risk management and internal control is in place. We use the 'Three Lines of Defence' model to assess and manage risks, setting clear risk appetite limits and financing the residual risks with appropriate capital resources.

Brunel's capital adequacy requirements fall under the FCA's UK Investment Firm's Prudential Regulation (IFPR) regime, setting our capital and liquidity requirements and outlining our remuneration reporting and governance standards. These are continually reviewed as part of Brunel's Internal Capital Adequacy and Risk Assessment (ICARA).

Core to the FCA's regime is the continued identification and management of the risk of harm to clients. Brunel has always placed significant emphasis on the needs and protection of our clients,

and we believe that Brunel's culture, which emphasises the importance of adding value for our clients, aligns with this approach where we ensure risks are continually reviewed and at the forefront of decision making in all our activities throughout the year.

Our strong culture embodies high Responsible Investment (RI) principles and is a significant contributor to effective risk management. As an investment manager that focuses on high RI standards, it is only logical that we should apply these standards to ourselves. We continue to develop our Climate-related Financial Disclosures (TCFD) reporting to our clients first implemented in 2024/25. We also continue to monitor our own carbon footprint and develop reduction plans, to support employees managing risks within the appetite as part of our risk management framework.

## Key Risks

At a macro level, 2024/25 was another interesting reporting year, with our particular focus being on the risks from: the government's proposed changes to pension provision and pooling; continued geopolitical tensions; the economic outlook and impact on climate change; cyber security threats, and the greater use of AI in commerce.

We define risk under four headings: strategic, financial, operational, and conduct. Our exposure to these risks is assessed in the light of the current environment, taking into consideration the views of the risk owners, and the regulatory, client and political environments, together with input from

other subject matter experts inside and outside the business. The Audit, Risk and Compliance Committee ('ARC') meets five times during the year and considers those risks it believes to be heightened by contemporaneous and near-term events and then undertakes further work to ensure those risks are mitigated and managed within our agreed tolerance levels.

During **2024/25** Brunel's key risks included;

- **Strategic risk** — the outcome of the government's consultation on the Fit for the Future of pooling and subsequent rejection of the proposed Brunel Business Plan and how these impact on Brunel's Clients' future services.
- **People risk** — Brunel's ability to maintain resilience and reduce key person risk at an uncertain time for the business, whilst addressing cost of living pressures and opportunities within similar organisations.
- **Cyber security** — Brunel remains extremely vigilant, especially when we see the impact of events like the Cloudflare outage, with continued testing and training across the business, whilst also developing the use of AI to support our business.
- **Climate change risk** — exacerbated by slower than hoped for progress in reversing the causes of global warming, along with increased politicisation globally.
- **Product innovation risk** — the risk of Brunel failing to keep pace with changing client requirements.

As is integral to its operating model, Brunel continues to make extensive use of



outsourced providers for operations. ARC keeps the risk management and internal control arrangements of outsourced providers under scrutiny to ensure that they are sufficiently robust.

Significant internal audit reports delivered during the reporting year included reviews of Dealing process, RI data, Third party Oversight, Financial Crime, TCFD, Climate Change, and Risk Culture. The overall standard of control was found to be good, with areas for continuous improvement helpfully highlighted.

We are continuously enhancing our business's risk management framework, especially in the current times of uncertainty, ensuring that we not only manage known risks effectively but also have the best chance of anticipating and managing new and emerging risks. This ongoing effort is central to Brunel's commitment to continuous improvement and our determination to keep delivering significant value to our stakeholders.

### **Miles Geldard**

Chair of the Audit, Risk & Compliance Committee

Photo: Clifton village, Bristol. Credit: George Clerk

# Directors' Report

## **Brunel Pension Partnership Limited**

For the year ended 30 September 2025

The Directors of Brunel Pension Partnership Limited (Brunel) present their report and the financial statements for the year ended 30 September 2025.

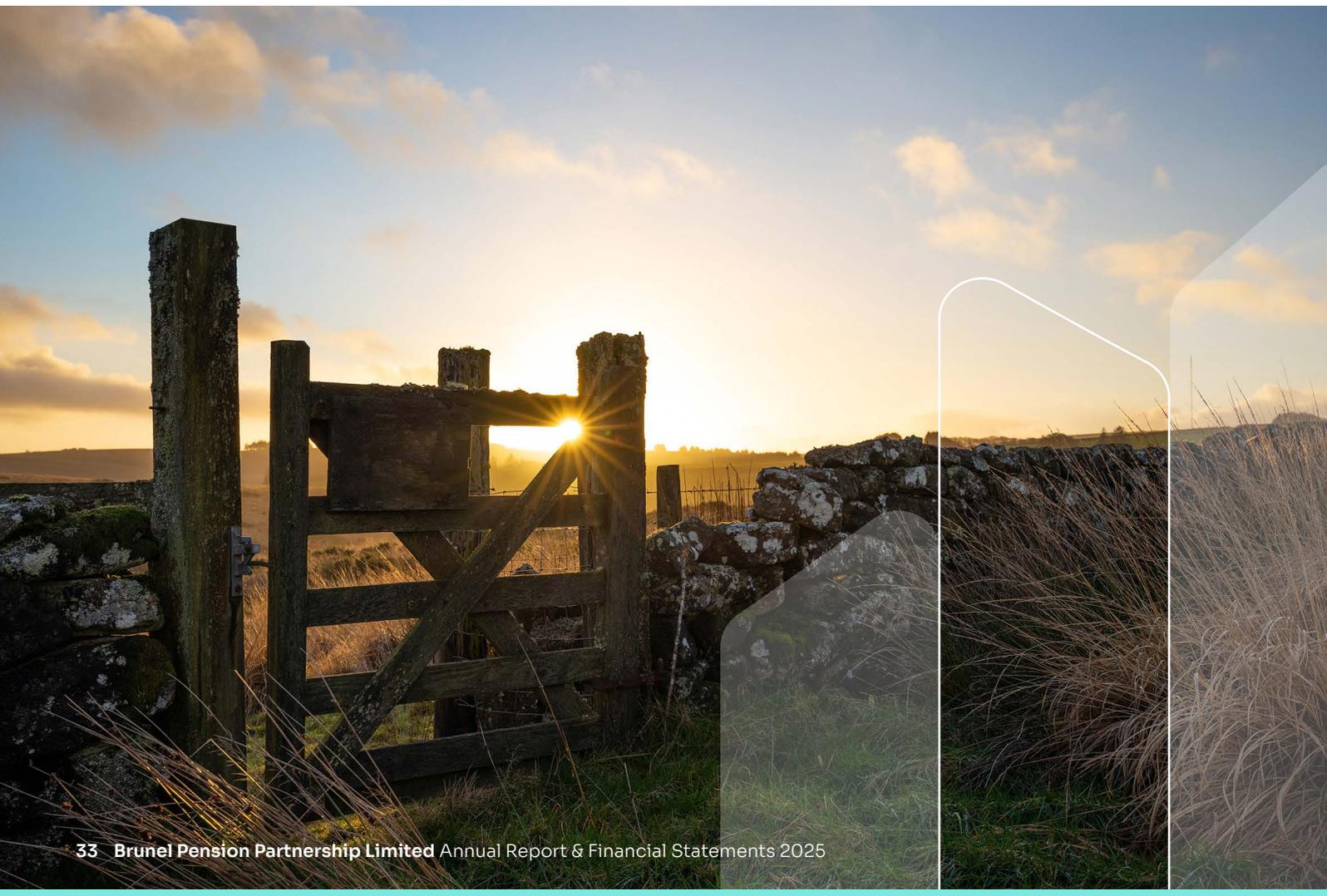
### **Directors' Responsibilities Statement**

The Directors are responsible for preparing the Strategic Report, 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 the Directors

have 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 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

Photo: Dartmoor, Devon, at sunset.  
Credit: Sebastian Bevan



Company for that period. In preparing these financial statements, the Directors are 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, and
- state whether applicable UK standards have been followed, subject to any material departures disclosed in the financial statements.

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 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.

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

Section 31 of the Company's Articles of Association outlines an indemnity provision for all Directors and relevant officers. The Company also has in place Directors' & Officers' Professional Indemnity Insurance to provide an amount of cover for any relevant loss.

## Going Concern

Following the outcome of the government's Fit for the Future consultation on the future of LGPS Pooling and subsequent rejection of the Company's business case, this means ceasing as a Pooling Company under the new Pension Regulations. The Directors have decided that, with the Company's 10 Clients / Shareholders having now chosen their new destination pools, the entity's continuation as a going concern is unlikely in the long term.

Therefore, the statutory financial statements have not been prepared on a going concern basis due to the uncertain future of the Company.

Adopting this basis:

- Assets have been measured at their estimated net realisable value, which represents the amount expected to be recovered through sale rather than continued use in operations.
- The disclosure of the expected future costs within the notes to the financial statements sets out the best estimation of the future costs to wind down the business
- Liabilities have been recognised to the extent of any contractual or constructive obligation of the company at the balance sheet date.

The Company meets its day-to-day working capital requirements through current cash levels and agreed capital funding. The service model launched in April 2018 defined a cost-plus basis which is to be received in advance of delivering the service.

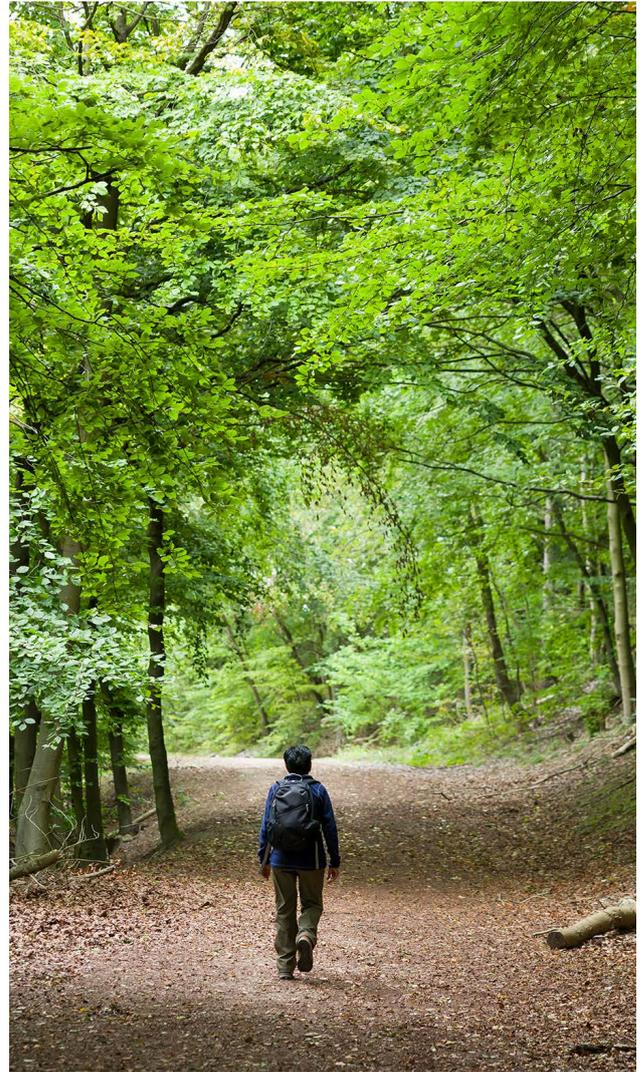
The Directors have a reasonable expectation that adequate resources are available to cover income and expenses, regulatory capital and the cashflow requirements of the business during the period until the business is wound down.

## Results & Dividends

The profit for the year, after taxation, amounted to £725k (2024: £616k). No dividends were paid during the year (2024: nil) and no recommendation is made to pay a final dividend.

## Expected Future Developments

The focus in the coming year will be for the Company to support the transition of assets under management to the Clients new pool companies and the subsequent wind down of the business.



## Political or Charitable Donations

During the financial year the Company did not make any political or charitable donations. Brunel staff select a charity or charities to support; donations come directly from people within Brunel and external supporters rather than direct from Brunel itself.

Top photo: A woman hiking in a forest, Buckinghamshire. Credit: Sebastian Bevan  
Left photo: White Horse Hill, Wiltshire. Credit: Anetta Zalewska

## Directors

The Directors who served during the year were:

### **Sally Bridgeland**

Appointed: 01 May 2024

Resigned: 31 July 2025

### **Laura Chappell**

Appointed: 18 July 2017

### **Miles Geldard**

Appointed: 01 May 2021

### **Liz Mckenzie**

Appointed: 01 March 2021

### **Patrick Newberry**

Appointed: 12 August 2019

### **Roelie van Wijk-Russchen**

Appointed: 01 May 2021

### **David Vickers**

Appointed: 11 January 2021

Resigned: 17 January 2025

### **Joe Webster**

Appointed: 01 October 2017

## Board Attendance

The list below shows the attendance at Brunel Board meetings by Board Directors during the year. There were five formal Board meetings held during the financial year ending 30 September 2025.

Sally Bridgeland	4/4
Laura Chappell	5/5
Miles Geldard	5/5
Liz McKenzie	5/5
Patrick Newberry	5/5
Roelie van Wijk-Russchen	5/5
David Vickers	2/2
Joe Webster	5/5

## Pension Scheme

The Company participates as an Admitted Body in the Wiltshire Pension Fund (the

Photo: Storm Ingrid at Dawlish, Devon.

Credit: Moorefam



‘Fund’) which operates a defined benefit pension scheme. As at 30 September 2025, the actuary has reported a pension surplus of £5,362k (2024: £1,890k) in line with FRS102 Pension Accounting principles. The surplus in the current and prior year has not been recognised due to an adjustment to the asset ceiling based on the fact Brunel is unlikely to receive any future reduction in contributions due to the assumed Minimum Funding Requirement.

To mitigate the impact of any pension deficit, Brunel entered into a Pension Cost Recharge Agreement (“PRA”) on 24 September 2020. The implementation of the PRA provides certainty to Brunel that its shareholders will reimburse any LGPS pension-related cashflows. See note 4.7 for more details.

An estimate has been made within the expected future costs in note 23 of the potential pension cessation charge that could be incurred of £4.5m. This will be dependent on the timing and market conditions at the time of the Company ceasing to being an Admitted Body in the scheme, and this cost met by the current funding and cost mechanisms in place.

## Disclosure of Information to Auditor

Each of the persons who are Directors at the time when this Directors’ Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company’s auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company’s auditor is aware of that information

## Post balance sheet events

As noted elsewhere in this report, following the decision by the Company’s shareholders to select three different destination pool companies for the transfer of their assets, Brunel’s long-term trading activities are no longer considered a going concern. This significant change has been reflected in the financial statements by adopting an other than going concern basis of preparation. As a result, the Company has disclosed expected future costs within the notes to the financial statements representing the best estimate of the incremental costs to wind down the business, including both employee and non-employee costs and contract exit costs, where there was no constructive or legal commitment as at 30 September 2025. There were no onerous contracts as of the balance sheet date.

The expected future costs total £12.5 million. Further details on the costs included in this can be found in note 23 of the financial statements.

## Independent Auditors

At the Board Meeting held on 09 December 2025, PKF Littlejohn LLP was reappointed as auditor of the Company, in accordance with s487 of the Companies Act 2006. PKF Littlejohn LLP have expressed their willingness to continue in office as auditor. Following the finalisation of the 2024/25 external audit, PKF Littlejohn LLP will be proposed for reappointment as auditor of the Company at the Annual General Meeting on 12 March 2026.

This report was approved by the Board on 25 February 2026 and signed on its behalf.



**Joe Webster**  
Chief Operating Officer  
04 March 2026

# Report of the Independent Auditor

## Opinion

We have audited the financial statements of Brunel Pension Partnership Limited (the 'company') for the year ended 30 September 2025 which comprise, the Statement of Total Comprehensive Income, the Statement of Financial Position, the Statement of Cashflows, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom

Accounting Standards, including FRS 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 30 September 2025 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.

Photo: Taynton village near Burford, Oxfordshire.  
Credit: Andy Roland



## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of matter - financial statements prepared on a basis other than going concern

We draw attention to Note 3 to the financial statements which explains that in the view of the directors the company is not expected to continue trading in the long term. As a result, the directors do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 3.

Our opinion is not modified in respect of this matter.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors

are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in 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.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

St Mary's Square, Aylesbury, Buckinghamshire.  
Credit: KHellon

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and application of audit knowledge and experience of the Company and the financial services sector.

- We determined the principal laws and regulations relevant to the company in this regard to be those arising from the Companies Act 2006, relevant employment and tax legislation and the rules of the Financial Conduct Authority (FCA). The Company is regulated by the FCA, and we considered the extent to which non-compliance with the FCA regulations might have a material effect on the Company's financial statements.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the Company with those laws and regulations. These procedures included, but were not limited to:
  - Discussions with management of any known, or suspected instances of non-compliance by the Company
  - Discussions with management of any, or suspected, incidence of fraud
  - Review of correspondence with the FCA
  - Review of breaches during the year
  - Review of board minutes and other correspondence where deemed appropriate

- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the risk of material misstatement due to fraud related to accuracy and occurrence of expenses. To address this, our work over expenses included, but was not limited to agreeing payroll costs to supporting reports and bank receipts and selecting a sample of administrative expense items from the nominal ledger and verifying them to appropriate supporting evidence.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



### **Oliver Hawes**

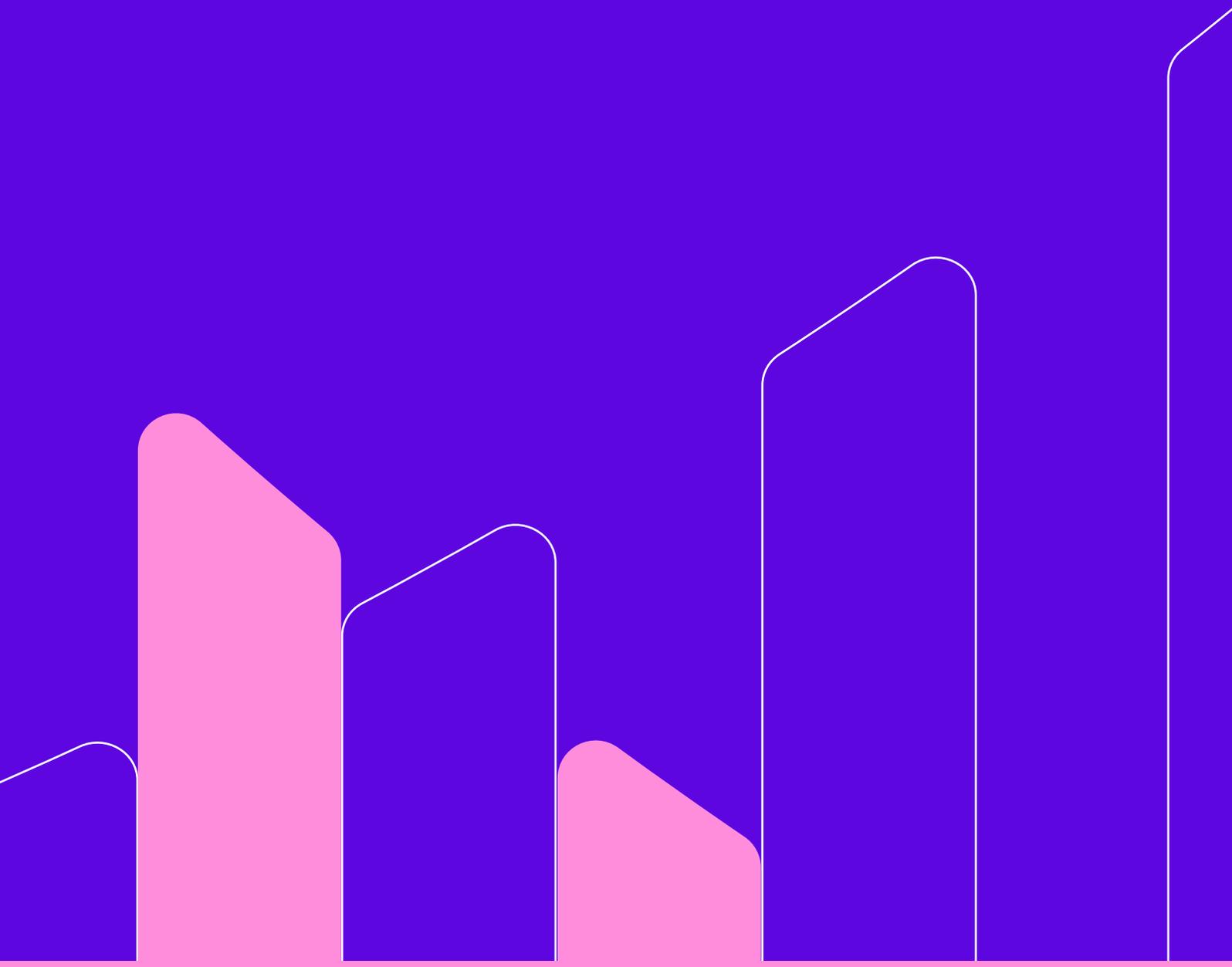
Senior Statutory Auditor

For and on behalf of PKF Littlejohn LLP  
Statutory Auditor

15 Westferry Circus, Canary Wharf  
London E14 4HD

04 March 2026

# Financial Statements



# Statement of Total Comprehensive Income

## Brunel Pension Partnership Limited

For the year ended 30 September 2025

	Note	2025 (£000)	2024 (£000)
Turnover		17,646	13,671
Other Income		11	-
Administrative expenses*	7	(17,109)	(13,303)
<b>Operating Profit</b>		<b>548</b>	<b>368</b>
Interest receivable and similar income		463	468
Interest payable and similar charges		(1)	(1)
<b>Profit before taxation</b>		<b>1,010</b>	<b>835</b>
Taxation	10	(285)	(219)
<b>Profit for the year</b>		<b>725</b>	<b>616</b>
Actuarial gains and losses	19	(487)	(448)
Remeasurement of pension reimbursement asset	19	-	-
Tax on items of other comprehensive income/(loss)	10	122	112
<b>Total comprehensive income for the year</b>		<b>360</b>	<b>280</b>

\*Prior year administrative expenses have been restated to include Cost of Sales. See note 7 for further detail.

# Statement of Financial Position

## Brunel Pension Partnership Limited

For the year ended 30 September 2025

	Note	2025 (£000)	2024 (£000)
<b>Assets</b>			
<b>Non-current assets</b>			
Tangible assets	11	-	126
Intangible assets	12	-	-
Long term debtors	13	-	50
<b>Total</b>		-	<b>176</b>
<b>Deferred tax asset</b>	10	<b>104</b>	<b>205</b>
<b>Current assets</b>			
Tangible assets		67	-
Debtors	14	2,316	1,716
Cash at bank and in hand	15	13,441	12,758
<b>Total</b>		<b>15,824</b>	<b>14,474</b>
<b>Total assets</b>		<b>15,928</b>	<b>14,855</b>
<b>Liabilities</b>			
Current liabilities			
Creditors: amounts falling due within one year	16	8,005	7,213
Current tax liability	10	62	-
<b>Total</b>		<b>8,067</b>	<b>7,213</b>
<b>Non-current liabilities</b>			
Net defined benefit obligations	19	-	-
Provisions for other liabilities	20	-	141
<b>Total</b>		-	141
<b>Total liabilities</b>		<b>8,067</b>	<b>7,354</b>
<b>Net current assets</b>		<b>7,757</b>	<b>7,261</b>
<b>Net assets</b>		<b>7,861</b>	<b>7,501</b>
<b>Equity</b>			
<b>Capital and reserves</b>			
Called up share capital	21	-	-
Share premium account	22	8,400	8,400
Pension reimbursement asset reserve	22	-	-
Retained earnings	22	(539)	(899)
<b>Total equity</b>		<b>7,861</b>	<b>7,501</b>

The financial statements were approved by the Brunel Board on 25 February 2026 and signed on its behalf.



**Joe Webster**  
Director and Chief Operating Officer  
04 March 2026

Company Registration  
Number: 10429110

# Statement of Cashflows

## Brunel Pension Partnership Limited

For the year ended 30 September 2025

	Note	2025 (£000)	2024 (£000)
<b>Cash flows from operating activities</b>			
Operating profit		548	368
Adjustments for:			
Depreciation of tangible assets	11	89	86
Impairment of tangible assets	11	59	-
Amortisation of intangible assets	12	-	-
Loss on disposal of tangible assets	11	19	-
Interest paid		(1)	(1)
Interest received and similar income		463	469
Increase in trade and other debtors	14	(600)	(616)
Increase in trade creditors and decrease in restoration obligation liability	16/20	651	1,434
Decrease in long term debtors		50	-
Pension Movements in the year		(487)	(448)
Cash from operations		<b>791</b>	<b>1,292</b>
Income taxes paid		-	-
<b>Net cash generated from operating activities</b>		<b>791</b>	<b>1,292</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible assets	11	(108)	(60)
<b>Net cash used in investing activities</b>		<b>(108)</b>	<b>(60)</b>
<b>Net increase in cash and cash equivalents</b>		<b>683</b>	<b>1,232</b>
<b>Cash and cash equivalents at the beginning of the year</b>	15	12,758	11,526
<b>Cash and cash equivalents at the end of the year</b>	15	<b>13,441</b>	<b>12,758</b>

The company has no debt.

# Statement of Changes in Equity

## Brunel Pension Partnership Limited

For the year ended 30 September 2025

	Share Capital (£000)	Share Premium (£000)	Pension reimbursement asset reserve (£000)	Retained earnings (£000)	Total (£000)
<b>Balance at 01 October 2023</b>	-	8,400	-	(1,179)	<b>7,221</b>
Profit for the year	-	-	-	616	<b>616</b>
Actuarial gains and losses	-	-	-	(448)	<b>(448)</b>
Tax on items of other comprehensive income	-	-	-	112	<b>112</b>
Revaluation of pension reimbursement asset	-	-	-	-	-
<b>Total other comprehensive income</b>	-	-	-	<b>280</b>	<b>280</b>
<b>Balance at 30 September 2024</b>	-	<b>8,400</b>	-	<b>(899)</b>	<b>7,501</b>
Profit for the year	-	-	-	725	<b>725</b>
Actuarial gains and losses	-	-	-	(487)	<b>(487)</b>
Tax on items of other comprehensive income	-	-	-	122	<b>122</b>
Revaluation of pension reimbursement asset	-	-	-	-	-
<b>Total other comprehensive income</b>	-	-	-	<b>360</b>	<b>360</b>
<b>Balance at 30 September 2025</b>	-	<b>8,400</b>	-	<b>(539)</b>	<b>7,861</b>

# Notes to the Financial Statements

## **Brunel Pension Partnership Limited**

For the year ended 30 September 2025

### **1. Company Information**

The Company is a private limited company and is registered in England and Wales.

Registered Number: 10429110

Registered office: 101 Victoria Street, Bristol, BS1 6PU

Authorised and regulated by the Financial Conduct Authority No. 790168

### **2. Statement of Compliance**

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’ (‘FRS 102’), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain defined benefit scheme financial instruments as specified in the accounting policies below. Financial statements are presented in Sterling (£).

### **3. Going Concern**

The financial statements have been prepared on an other than going concern basis due to the uncertain future of the company because of the government pooling agenda.

Under this basis:

- Assets have been measured at their estimated net realisable value, which represents the amount expected to be recovered through sale rather than continued use in operations.
- The disclosure of the expected future costs within the notes to the financial statements sets out the best estimation of the future costs to wind down the business
- Liabilities have been recognised to the extent of any contractual or constructive obligation of the company at the balance sheet date.

This approach reflects management’s assessment that the entity will not continue long term trading as its own entity therefore the going concern assumption is not appropriate for the annual financial statements.

The Company meets its day-to-day working capital requirements through current cash levels and agreed capital funding. The service model launched in April 2018 defined a cost-plus basis which is to be received in advance of delivering the service.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence during its remaining period of trading and wind down.

## **4. Principal Accounting Policies**

### **4.1 Tangible Assets**

Tangible assets are now recognised at recoverable value under current assets in line with the change to other than going concern reporting basis.

Tangible fixed assets in the prior year, shown under non-current assets, are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation was calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method. The rates applicable are:

- Computer hardware, 3 years
- Furniture and equipment, 5 years

The depreciation in future periods has been adjusted based on expected lifetime of the assets.

### **4.2 Intangible Assets**

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation was charged so as to allocate the cost of intangibles less their residual values over the estimated useful lives, using the straight-line method. Where software is fully amortised and still generating economic benefits, this is mentioned in note 13.

### **4.3 Impairment of Tangible and Intangible Assets**

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

In line with the change to reporting basis, all tangible assets have been impaired down to their recoverable value.

#### **4.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivables 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.

#### **4.5 Creditors**

Short term trade 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.

#### **4.6 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified as operating leases.

Payments under operating leases are charged to the Statement of Total Comprehensive Income on a straight-line basis over the period of the lease. Lease incentives are credited to the Statement of Total Comprehensive Income to reduce the lease expense on a straight-line basis over the period of the lease.

The expected future costs note includes the crystallisation of leases associated with the EV car salary sacrifice scheme.

#### **4.7 Pensions**

The Company participates in a defined benefit scheme administered by Wiltshire Council as part of the Local Government Pension Scheme (LGPS). A defined benefit scheme defines the pension benefit that the employee will receive on retirement usually dependent upon several factors including but not limited to age, length of service and remuneration.

The liability recognised in the Statement of Financial Position in respect of the defined benefit scheme is the estimated present value of the Company's share of the defined benefit obligation at the Statement

of Financial Position date less the Company's share of the fair value of scheme assets at the Statement of Financial Position date out of which the obligations are to be met.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to estimate the defined benefit obligation.

The fair value of scheme assets is measured in accordance with FRS102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

The cost of the defined benefit scheme, recognised in the Statement of Comprehensive Income as employee costs, comprises:

- a. The increase in net pension benefit liability arising from employee service (including transfers received) during the period; and
- b. The cost of scheme introductions, benefit changes, curtailments and settlements

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the Company's share of scheme assets. This cost is recognised in the Statement of Comprehensive Income within Administrative Expenses.

The actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income.

When a LGPS pension surplus position is reached, this shall only be recognised as a defined benefit plan asset to the extent the Company is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. This will be evaluated in line with the restrictions of an asset ceiling test; on the assumption a Minimum Funding Requirement is generally accepted to exist for the LGPS. The prevailing view is employers have no unconditional right to a refund in the LGPS, so the second test will consider the present value of employer future service costs over an agreed future period, less present value future contributions over similar period that determines the asset ceiling.

In line with the change to other than going concern reporting basis, the Company has estimated the value of the pension cessation liability in line with the latest pension valuation cessation estimate from the actuary as this represents the current best estimate of the likely payment to the Wiltshire Pension Fund on the Company's exit from the scheme, but this value will only crystallise when the last active member leaves the scheme

or the Company is no longer an admitted body in line with the Admission Agreement. This forms part of the expected future costs note disclosed within these financial statements.

The Company also provides staff with a Defined Contribution Pension Scheme provided by Smart Pension as an alternative. The accounting treatment is to expense the employer's contributions to the scheme in the Statement of total comprehensive income.

### **Pension Reimbursement Asset**

As noted above, the Company provides access to a defined benefit pension scheme through the Wiltshire Pension Fund Local Government Pension Scheme ("LGPS") ("the Fund") for certain staff transferred from public sector bodies in the LGPS. The Company participates in the Fund via its Admission Agreement, which provides for three types of contributions or payments:

- regular ongoing (certified by Fund actuary);
- exit payments; and
- actuarial strain/additional contributions.

As with all defined benefit schemes the quantum of these contributions can be volatile since they are dependent on a range of actuarial risks which the Company has no control over (prior to arranging protections). To mitigate this volatility, during the year ending September 2020 the Company entered into a Pension Cost Recharge Agreement ("PRA"). The implementation of the PRA provides certainty to the Company that its shareholders will reimburse any LGPS pension related cashflows, including reimbursement of all regular ongoing contributions, all additional contributions (e.g., to fund discretionary early retirements or other discretionary benefits) and all exit payments.

The Company will be reimbursed either through its Annual Operating Charge or where additional one-off pension costs or an exit payment are requested by the Wiltshire Pension Fund, an Additional Employer Contributions invoice will be raised.

The Directors are of the opinion that this comprehensive pension risk removal allows the PRA to act as a reimbursement asset for the purpose of FRS 102 reporting, and recognition of an asset is consistent with other companies in the sector which have implemented similar arrangements.

FRS 102 requires certain assets to be measured at fair value, similar to scheme assets. Brunel use a model to discount future contribution

streams back to the year end to address any funding deficit. This fair value may not always match the liability due to different discount rates for the pension reimbursement asset and liability, with differences recognised in other comprehensive income (OCI).

The pension reimbursement asset, when applicable, is recognised as a debtor in the Statement of Financial Position, with a corresponding credit in the Pension Reimbursement Asset Reserve in equity. This reserve normally represents a non-cash commitment from shareholders and aligns with the net pension liability movement, providing immediate funding for any risks or losses.

Changes in the actuarial pension liabilities are offset by the PRA, with movements recognized through OCI and reflected in the Pension Reimbursement Asset Reserve.

#### **4.8 Provisions for Liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Amounts recognised as provisions are the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### **4.9 Taxation**

Current tax is recognised as the amount of income tax payable in respect of the taxable profit for the current or past reporting years using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences arising in the income statement at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

The tax expense/(income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense/(income).

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### **4.10 Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover comprises forecast costs plus a mark-up of 3%. Turnover is adjusted at the end of the budget year (March) for any over/underspends.

From April 2024 to March 2025, clients have been invoiced an additional 2% contingency in relation to retendering of contracts with uncertain value at the time of budget setting. This income will be recognised in line with the associated costs.

#### **4.11 Equity**

Equity instruments issued by the company are recorded at a level representing the value of the proceeds received. Share capital represents the nominal value of shares that have been issued.

### **5. Critical accounting judgements and key sources of estimation uncertainty**

**The preparation of the Company financial statements requires management to make judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:**

#### **Deferred taxation**

The financial statements include estimates regarding timing of future cashflows with respect to deferred taxation as disclosed in notes 4.9 and 10.

#### **Pension Valuation**

Estimations of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality

rates and expected returns on pension fund assets. An actuary is engaged to provide the Company with expert advice about the assumptions to be applied. However, because these judgements cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. This liability is covered by the Pension Recharge Agreement. Notes 4.7 and 20 detail this further.

### Expected Future costs

The notes to the financial statements disclose expected future costs which comprises an estimate of liabilities and costs associated with the wind down of the business. Further information relating to this is detailed in note 23.

## 6. Post Balance Sheet Event

The recent decision of the Company's shareholders to choose 3 different pool companies for the transfer of their assets means the Company's long-term trading activities are no longer considered a going concern. Subsequently, the Directors have made the decision to wind down the Company as there is no other realistic alternative for the continuation of the business. This has been reflected in the change of accounting treatment to the other than going concern reporting basis, and expected future costs disclosed in note 23.

## 7. Administrative Expenses

	2025 (£000)	2024 (£000)
Statutory Audit Fees	50	40
Fee for non-audit services: Client Asset Assurance	6	5
Custodian & Administrator Services	695	702
Operating Lease Rentals	113	114
Directors Emoluments	1,101	1,137
Staff Emoluments*	8,278	6,328
Depreciation & Impairment	148	86
Other Expenses	6,718	4,891
	<b>17,109</b>	<b>13,303</b>

\* the Company recognises a provision of £137k (2024: £146k) for annual leave accrued by employees as a result of services rendered in the current year, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence. This is included in creditors.

Cost of sales has been combined with administrative expenses for the current year. Comparative figures for the prior year have been restated accordingly. This change affects presentation only and has no impact on total expenses or profit.

## 8. Directors and Employees

Staff costs during the year were as follows:

	2025 (£000)	2024 (£000)
Wages and salaries	7,497	5,981
Social security costs	1,057	775
Other pension costs	1,311	1,157
<b>Total</b>	<b>9,865</b>	<b>7,913</b>

As noted previously the Company operates a defined benefit pension scheme for the benefit of certain employees. The assets of the scheme are administered by the Wiltshire Pension Fund. Employer contributions are recognised as an expense during the year, these amount to £957k (2024: £916k). Not included in these tables are FRS102 pension cost adjustments made at the year-end that bring the total expense to £470k (2024: £468k).

The Company also provides a Defined Contribution Scheme provided by Smart Pension; the accounting treatment is to expense the employer's contributions to the scheme which amounted to £354k for the year (2024: £241k).

The average number of employees, including Directors, during the year was 74 full time equivalent (2024: 68).

Remuneration in respect of key personnel was as follows:

	2025 (£000)	2024 (£000)
Emoluments	3,035	2,228
Social security costs	419	284
Pension contributions	477	437
<b>Total</b>	<b>3,931</b>	<b>2,949</b>

Remuneration in respect of Directors was as follows:

	2025 (£000)	2024 (£000)
Emoluments	1,015	921
Social security costs	130	111
Pension contributions	71	105
<b>Total</b>	<b>1,216</b>	<b>1,137</b>

The amounts set out above include remuneration in respect of the highest paid Director as follows:

	2025 (£000)	2024 (£000)
Emoluments	351	237
Social security costs	50	31
Pension contributions	19	31
<b>Total</b>	<b>420</b>	<b>299</b>

## 9. Auditors' Remuneration

Fees payable to the Company's auditors for the audit of the Company's annual financial statements totalled £50k (2024: £40k) ex VAT.

Fees payable to the Company's auditors in respect of other audit related services were £6k (2024: £5k) ex VAT. These services relate to the provision of a client assets report to the Financial Conduct Authority in 2025 and 2024.

Figures in accounts may differ slightly due to out-of-pocket expenses.

## 10. Taxation

	2025 (£000)	2024 (£000)
<b>Current Tax:</b>	62	-
<b>Deferred tax:</b>		
Origination and reversal of timing differences	205	218
Adjustment in respect of previous years	18	1
Effect of changes in tax rates	-	-
<b>Total deferred tax</b>	<b>223</b>	<b>219</b>
Total tax per income statement	285	219
<b>Other comprehensive income items:</b>		
Deferred tax current year charge	(122)	(112)
	<b>(122)</b>	<b>(112)</b>

The tax assessed for the year is higher than the standard rate of corporation tax in the United Kingdom at 25% (2024: 25%).

The differences are explained as follows:

	2025 (£000)	2024 (£000)
<b>Profit for the year before tax:</b>	1,010	835
Tax on profit at standard UK tax rate of 25% (2024: 25%):	253	209
<b>Effects of:</b>		
Expenses not deductible	14	9
Income not taxable	-	-
Effects of group/ other relief	-	-
Adjustments from previous years	18	1
<b>Tax charge/(credit) for the year</b>	<b>285</b>	<b>219</b>
<b>Tax on results on ordinary activities:</b>	<b>285</b>	<b>219</b>

	2025 (£000)	2024 (£000)
<b>Deferred tax assets:</b>		
Provision at start of year	(205)	(312)
Adjustment in respect of prior years	18	1
Deferred tax charge/(credit) to income statement for the year	205	218
Deferred tax charge in OCI for the year	(122)	(112)
Provision at end of year	<b>(104)</b>	<b>(205)</b>

	Booked (£000) 30 Sep 2025	Booked (£000) 30 Sep 2024
Fixed asset timing differences	(65)	(68)
Fixed asset timing differences – trading	(39)	(52)
Losses	-	(85)
	<b>(104)</b>	<b>(205)</b>

<b>Deferred tax assets:</b>		
Recoverable within 12 months	(39)	(3)
Recoverable after 12 months	(65)	(202)
	<b>(104)</b>	<b>(205)</b>

<b>Deferred tax liabilities:</b>		
Payable after 12 months	-	-
	-	-

Tax on items of other comprehensive income this year only relate to actuarial gains and losses.

## 11. Tangible Fixed Assets

	Furniture and Equipment (£000)	Computer Hardware (£000)	Total (£000)
<b>Cost</b>			
At 01 October 2024	518	228	746
Additions	17	91	108
Disposals*	(145)	(7)	(152)
<b>At 30 September 2025</b>	<b>390</b>	<b>312</b>	<b>702</b>
<b>Depreciation</b>			
At 01 October 2024	448	172	620
Provided in the year	30	59	89
Impairment	38	21	59
Disposals	(126)	(7)	(133)
<b>At 30 September 2025</b>	<b>390</b>	<b>245</b>	<b>635</b>
<b>Net book value at 30 September 2025</b>	<b>0</b>	<b>67</b>	<b>67</b>
<b>Net book value at 30 September 2024</b>	<b>70</b>	<b>56</b>	<b>126</b>

\*Disposals include the site restoration obligation cost, triggered by surrender of building lease.

These assets with previous NBV of £126k have been written down to £67k based on their recoverable value, in line with the preparation of the accounts on an other than going concern basis.

## 12. Intangible Fixed Assets

	Internal Control Environment (£000)	Total (£000)
<b>Cost</b>		
At 01 October 2024	284	284
Additions	-	-
Disposals	-	-
<b>At 30 September 2025</b>	<b>284</b>	<b>284</b>
<b>Amortisation</b>		
At 01 October 2024	284	284
Provided in the year	-	-
Disposals	-	-
<b>At 30 September 2025</b>	<b>284</b>	<b>284</b>
<b>Net book value at 30 September 2025</b>	<b>-</b>	<b>-</b>
<b>Net book value at 30 September 2024</b>	<b>-</b>	<b>-</b>

The Internal Control Environment (ICE) asset stated above is a bespoke Customer Relationship Management environment built on the Salesforce platform, developed by Alpha Financial Markets Consulting UK Limited (Alpha).

The tools on ICE are essential for the delivery of Brunel's core services and allow the efficient management of clients and dealing services. They also assist in mitigating risks in the provision of services, as required for an FCA authorised company.

Although this asset is now fully depreciated, it has not been written off as it is still generating economic benefit within the company.

### 13. Long Term Debtors

	2025 (£000)	2024 (£000)
Lease Deposit	-	50
	<b>-</b>	<b>50</b>

During the reporting period, the Lease Deposit has been returned to Brunel. The existing lease has been surrendered and a new lease signed with no deposit requirement.

### 14. Debtors

	2025 (£000)	2024 (£000)
<b>Due within one year</b>		
Accrued Income	566	59
Prepayments	610	616
Trade Debtors	1,133	1,030
Other Debtors	7	11
	<b>2,316</b>	<b>1,716</b>

### 15. Cash at bank and cash equivalents

	2025 (£000)	2024 (£000)
Cash at bank	641	1,008
Cash Equivalents maturing in less than 3 months	11,550	10,500
Cash Equivalents maturing within 3-6 months	1,250	1,250
	<b>13,441</b>	<b>12,758</b>

\*Cash Equivalents are made up of Fixed Term Deposits and Money Market Funds.

## 16. Creditors: amounts falling due within one year

	2025 (£000)	2024 (£000)
Payroll Costs	146	136
VAT	615	536
Social Security Costs	263	207
Accruals	1,916	993
Deferred Revenue	4,860	5,052
Trade Creditors	202	288
Other Creditors	3	1
	<b>8,005</b>	<b>7,213</b>

## 17. Operating Lease Commitments

The Company has total future commitments in respect of operating lease on office space of £107k (2024: £324k). The Company is liable for rent on the building until the lease end date of 31 December 2026, with the option to cancel with a 3 month notice period.

The Company has future commitments of £163k (2024: £139k) in relation to Salary Sacrifice EV Schemes.

	2025 (£000)
In the next year (ending 30/09/2026)	144
Later than one year and not later than five years (01/10/2026-30/09/2030)	126
<b>Total</b>	<b>270</b>
	2024 (£000)
In the next year (ending 30/09/2025)	173
Later than one year and not later than five years (01/10/2025-30/09/2029)	290
<b>Total</b>	<b>463</b>

## 18. Transactions with related parties

The Company's Shareholders paid £16,697,804 (2024: £12,933,309) for Core Services, of which £3,630,894 (2024: £2,831,394) was income received in advance relating to the October – December 2025 Quarter. £95,540 (2024: £111,089) was received in relation to non-core services delivered to eight clients in 2025 and five clients in 2024, of this £46,427 was income received in advance relating to October 2025 – September 2026.

Payments of £15k (2024: £21.5k) were made to Wiltshire Council for Payroll, HR and actuarial services in the financial year.

Pension contributions are made to Wiltshire pension fund in respect of the LGPS, details can be found in note 21 below.

Transactions with related parties that the Directors of Brunel are associated with are only for payment of Directors' salaries.

## 19. Pension commitments

As noted earlier, the Company provides to certain staff a Defined Contribution Pension Scheme provided by Smart Pension, the accounting treatment is to expense the employer's contributions to the scheme, with no further commitments to the Company other than in year contributions.

Also as noted earlier, the Company participates in the Local Government Pension Scheme (LGPS) administered by the Wiltshire Pension Fund, on behalf of Wiltshire Council. The LGPS is a tax approved, defined benefit occupational pension scheme set up under the Superannuation Act 1972. The benefits under the scheme are based on the length of membership and the average salary. Each member contributes a proportion of their salary, within a 5.5% to 12.5% range depending on their rate of pay. The Company, as the employing body, also contributes into the scheme at 22.7% (2024: 22.7%) of the employee's salary for the 3 years commencing on 1 April 2023. However, this is only a gross contributions exposure since there is nil net pension contributions exposure due to the Pension Cost Recharge Agreement described below.

LGPS is accounted for as a defined benefit scheme. The liabilities of the LGPS attributable to the Company are included in the statement of Financial Position on an actuarial basis using the projected unit method – i.e. an assessment of future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, etc. and projections of earnings for current employees.

The Company's situation is unusual for an FCA registered company in that the 10 shareholders (9 Local Authorities and the Environment Agency) which own the Company are also its only clients (the Local Authority acting as Administering Authorities for the LGPS along with the Environment Agency Pension Fund). The Company is funded by its shareholders on an equal 1/10th shareholding with the Annual Operating Charge to clients in line with the shareholder approved Shareholders Agreement, Services Agreement and Pricing Policy. As government institutions, the shareholders and clients have strong employer covenants and the risk of default or inability to pay pension obligations is considered extremely remote.

The client base is restricted to these 10 Administering Authorities and can only be amended with the approval of all its shareholders as outlined in the Shareholders Agreement.

The Company's shareholders, along with Brunel and the Wiltshire Pension Fund (WPF) are signatories to the Admission Agreement to allow access to the LGPS. This Admission Agreement confirms shareholders provide a guarantee to WPF for any net pension liabilities arising in respect of the Company. This liability is shared equally.

A Pension Cost Recharge Agreement (PRA) was signed on 24 September 2020. This provides assurance to the Company that its shareholders will reimburse any pension defined benefit obligation and enables the Company to create a Pension Fund reimbursement asset see note 4.7.

All pension costs of the Company are funded, forming part of the 3 year Business Planning and budget setting cycle approved by shareholders. The Company sets its Annual Operating Charge on its forecast cost-plus model. In line with the Pricing Policy should the Company be liable for deficit recovery contributions (notified by the Fund for a three-yearly cycle) these would be included in the Annual Operating Charge. This approach ensures that all revenue costs including the pensions obligations are funded at no risk to the Company.

Each year the Company commissions the funds' actuary (Barnett Waddingham) to provide a FRS102 pension accounting report to determine the position as at the Company's financial year end. This shows the movement in the pension liability over the previous 12 months and the cost of providing this pension on an accounting basis. The net pension liability is reported in the Statement of Financial Position and the costs shown in the income statement.

The scheme typically exposes the Company to actuarial risks such as investment risk, interest risk, inflation risk, longevity risk and salary risk as follows:

- Investment risk – the present value of the defined benefit schemes' liability is calculated using a discount rate determined by reference to high quality corporate bond market yields. If the return on scheme assets is below this rate, a deficit will be created;
- Interest risk – a decrease in the bond interest rate will increase the scheme liability but this will be partially offset by an increase in the return of the scheme's debt instruments;
- Inflation risk – A margin to compensate investors against future uncertainty relating to inflation;
- Longevity risk – the present value of the defined benefit scheme liability is calculated by reference to the best estimate of the mortality of the scheme participants both during and after their employment. An increase in the life expectancy of the scheme participants will increase the scheme's liability; and
- Salary risk – the present value of the defined benefit scheme liability is calculated by reference to the future salaries of scheme participants, as such, an increase in the salary of the scheme participants will increase the scheme's liability.

This is a funded scheme, meaning that the Company and employees pay contributions into a fund, calculated at a level estimated to balance the pensions liabilities with investment assets.

At the last triennial valuation 31 March 2025, the funding level was 75% with a deficit of £4,480k. The employer contribution rate will change from 22.7% of payroll to 30.3% of payroll from 01 April 2026.

Pension costs have been charged to the Statement of Total Comprehensive Income on the basis required by FRS 102.

Costs for 2025 described below £478k (2024: £455k) are recognised in the 2025 Financial Statements. This pension asset surplus has been reduced by the Asset Ceiling Adjustment which reduces the Net Asset to £0 in both 2024 and 2025. This has been determined by calculating the present value of future service costs over the future working lifetime annuity, less the present value of the projected employer cash contributions. As this equates to a negative outcome, the Company determines the Asset Ceiling adjustment is now £5,362k (2024: £1,890k) and doesn't realise any of the current surplus as an asset.

Following the Directors decision to report on an other than going concern basis, the estimated pension cessation liability of £4,480k has been included within the expected future costs detailed in note 23. The actual amount paid for cessation will be dependent on market conditions and membership profile at the point of exit from the LGPS.

#### Post-employment benefits summary

	2025 (£000)	2024 (£000)
Net Assets	14,734	12,482
Net Liabilities	(9,372)	(10,592)
Asset Ceiling Adjustment	(5,362)	(1,890)
<b>Net Asset/(Liability)</b>	<b>-</b>	<b>-</b>

## Reconciliation of opening and closing balances of the defined benefit obligation

	2025 (£000)	2024 (£000)
Defined benefit obligation at start of year	10,592	9,314
Current service cost	487	465
Interest expense	564	517
Contributions by scheme participants	385	369
Benefits Paid	(84)	(28)
Remeasurements:		
Changes in financial assumptions	(2,777)	(91)
Other Experience and changes in demographic assumptions	205	46
<b>Defined benefit obligation at end of year</b>	<b>9,372</b>	<b>10,592</b>

## Reconciliation of opening and closing balances of the fair value of scheme assets

	2025 (£000)	2024 (£000)
Fair value of scheme assets at start of year	12,482	10,230
Interest income	688	591
Return on scheme assets in excess of interest income	314	431
Contributions from the employer	965	903
Contributions from employees	385	369
Benefits Paid	(84)	(28)
Administrative Expenses	(16)	(14)
<b>Fair value of scheme assets at end of year</b>	<b>14,734</b>	<b>12,482</b>

The actual return on scheme assets over the year ending 30 September 2025 was 7.64% (2024: 9.43%)

## Reconciliation of opening and closing balances of the Asset Ceiling Adjustment

	2025 (£000)	2024 (£000)
Opening impact of asset ceiling	1,890	916
Interest on impact of asset ceiling	99	50
Actuarial losses/ (gains)	3,373	924
	<b>5,362</b>	<b>1,890</b>

## Defined benefit costs recognised in Statement of Comprehensive Income

	2025 (£000)	2024 (£000)
Current service cost (inc admin expenses)	503	479
Net interest cost	(25)	(24)
<b>Defined benefit costs recognised in statement of total comprehensive income</b>	<b>478</b>	<b>455</b>

## Defined benefit costs recognised in Other Comprehensive Income

	2025 (£000)	2024 (£000)
Return on scheme assets (excluding amounts included in net interest cost)	314	431
Experience gains and losses on the scheme liabilities	(205)	(46)
Effects of changes in the demographic and financial assumptions underlying the present value of the scheme liabilities	2,777	91
Movement in asset ceiling	(3,373)	(924)
<b>Sub-total</b>	<b>(487)</b>	<b>(448)</b>
Remeasurement of pension reimbursement asset	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>(487)</b>	<b>(448)</b>

The loss recognised in the statement of Other Comprehensive Income for 2025 is £487k (2024: loss of £448k).

### Assets

Assets in the Wiltshire Pension Fund are valued at a fair value, principally market value for investments and consists of the following categories, by proportion:

	2025 (£000)	2024 (£000)
Equities	42	41
Bonds	34	35
Property	21	22
Cash	3	2
Total assets	<b>100</b>	<b>100</b>

None of the fair values of the assets shown above include any of the Company's own financial instruments or any property occupied by, or other assets used by the Company.

### Assumptions

	30 Sep 2025 % pa.	30 Sep 2024 % pa.
Discount rate	6.05	5.25
Salary increase rate	3.10	3.75
Pension Increase Rate (CPI)	2.60	2.80

### Average life expectancies

	Males	Females
Current Pensioners	21.6 years	24.2 years
Future Pensioners*	22.2 years	25.5 years

\*Figures assume members aged 45 as at the last formal valuation date.

## Sensitivity analysis – Defined Benefit Obligation

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

<b>Change in assumptions at 30 September 2025:</b>	<b>Approximate increase to Defined Benefit Obligation (%)</b>	<b>Approximate Monetary amount (£000)</b>
0.1% decrease in Real Discount Rate	2	224
1 year increase in member life expectancy	2	209
0.1% increase in the Salary Increase Rate	0	23
0.1% increase in the Pension Increase Rate (CPI)	2	209

## Sensitivity analysis – Reimbursement asset

The sensitivities regarding the principal assumptions used to measure the reimbursement asset are set out below:

<b>Change in assumptions at 30 September 2025:</b>	<b>Approximate increase to Reimbursement Asset (%)</b>	<b>Approximate Monetary amount (£000)</b>
0.5% decrease in Real Discount Rate	-	4,168

This assumes the change in real discount rate still leaving Brunel in a net defined benefit pension surplus position.

## 20. Provision for other liabilities

The Company had an obligation for the restoration of its office space on termination of its lease. During the reporting year, Brunel has surrendered its existing lease and entered into a new lease with no obligation for site restoration. This provision has now been released.

	<b>Site Restoration Obligations (£000)</b>
<b>As at 01 October 2024</b>	141
Provision released in the year	(141)
<b>As at 30 September 2025</b>	-

## 21. Called up Share Capital

	<b>2025</b>	<b>2024</b>
<b>Authorised, allotted and fully paid:</b>		
20 ordinary shares of £1 each	20	20
	<b>20</b>	<b>20</b>

## 22. Reserves

Called-up share capital represents the nominal value of shares that have been issued. Share premium account includes any premiums received on issue of share capital.

Retained earnings includes all current and prior year retained profit or losses.

## 23. Expected Future Costs

As a result of the Post Balance Sheet Event to wind down the company, the Company expects future costs in relation to the orderly wind down of the entity. The amount of these costs is uncertain at this time, but the Director's present prudent estimate is they could be in the order of £12.5m. This estimate includes a £5m allocation for employee costs, £4.5m for a pension cessation, and £3m for exit charges from contracts and additional wind down costs, all of these are dependent on the agreement with all relevant stakeholders of detailed plans and timing of implementation.

The directors are of the opinion that no constructive or legal obligation existed in relation to these costs at the balance sheet date. Accordingly, no provision for these wind down costs have been made in the financial statements. Any costs incurred in the future in relation to these expected wind down costs would be funded by the Company's shareholders in accordance with the pricing and cost allocation policy.

The Employee costs comprise the total estimated retention and redundancy costs, calculated in line with Brunel policy. The pension cessation valuation figure represents the current best actuarial estimate of the likely payment to the Wiltshire Pension Fund on the Company's exit from the scheme. This value will only crystallise when the last active member leaves the scheme, or the Company is no longer an admitted body in line with the Admission Agreement. The estimated cost of exiting supplier contracts plus assumed consultancy and ad-hoc charges are also included within the expected future cost figure above.



**Brunel**

Pension Partnership