Annual Report and Consolidated Financial Statements

Brightwell, trading name of BT Pension Scheme Management Limited

For the year ended 30 June 2025

Brightwell

Registered No. 05154287

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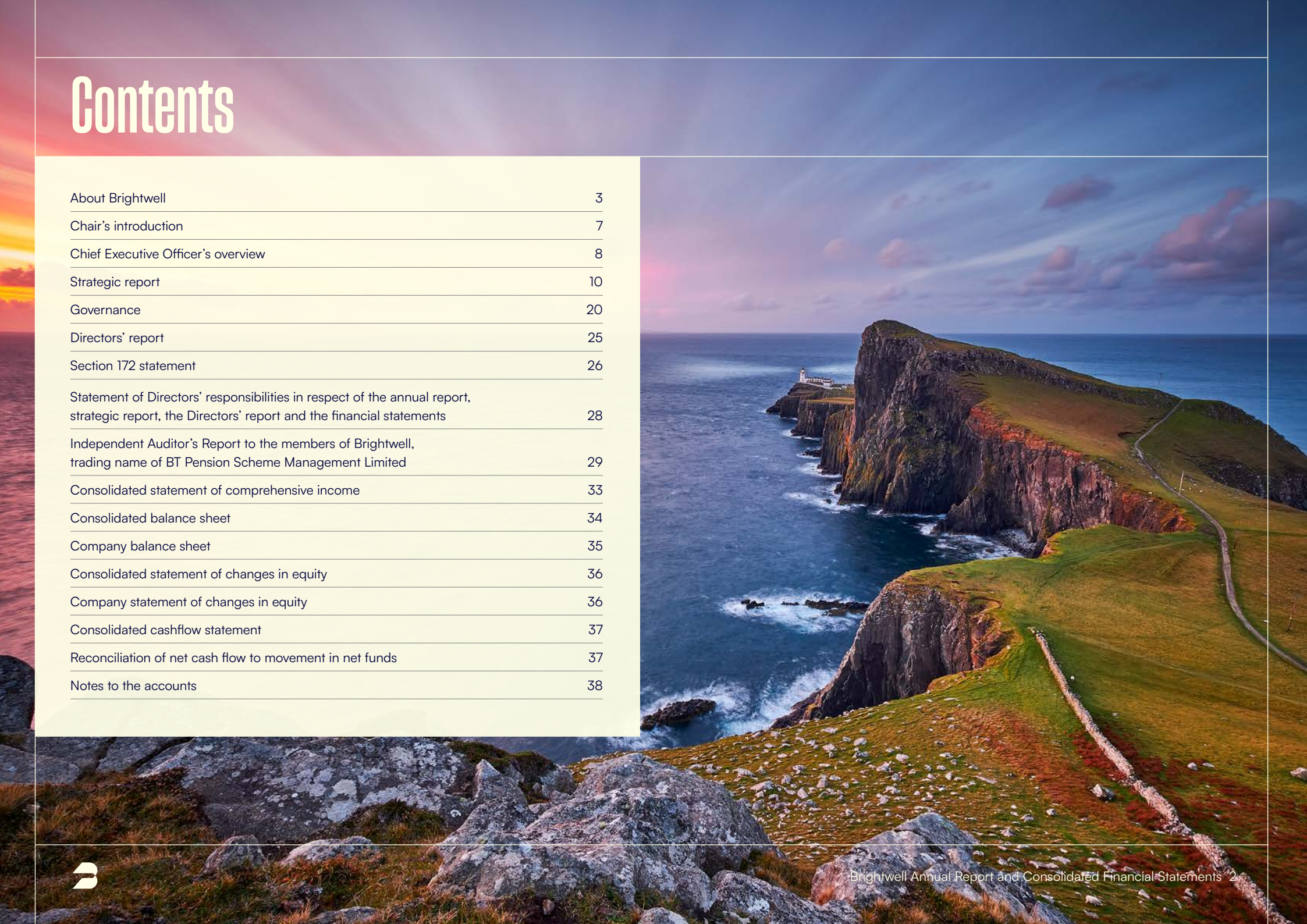


About Brightwell

Brightwell is a comprehensive service provider to UK defined benefit (DB) pension schemes.

We have deep expertise in the market as a result of our long history of managing services for one of the UK's largest private sector defined benefit pension schemes - the BT Pension Scheme (BTPS).

In April 2023, Brightwell opened its capabilities to other DB schemes and since then has been appointed fiduciary manager for the DB section of the EE Pension Scheme and administrator for the Mineworkers' Pension Scheme (MPS). Services to MPS commenced in January 2025.

Our approach is based on partnership – collectively owning problems, sharing solutions and collaborating for the long-term.

About Brightwell

Brightwell's core services

Our core services are delivered across the following business units:

Fiduciary services

Tailored solutions perfectly aligned to clients' needs

Ensuring pension schemes can meet their annual cashflows to members and their beneficiaries involves careful management of scheme assets and in-depth understanding of the risk factors that can affect scheme funding outcomes.

Brightwell offers:

- Investment and funding advisory services
- End-to-end fiduciary management
- Hedging and LDI provision
- Portfolio analytics and reporting

Scheme services

Advisory services built from deeper understanding

While every DB scheme is unique and at a different point in its journey, there are many challenges common to every scheme. These include determining how to reach their endgame safely and sustainably, the cost-effective provision of a high-quality service to their members, the integration of sustainability into the investment process, and the recruitment and retention of the talented people they need in an increasingly competitive market. At Brightwell, we understand these challenges and offer advisory support across a wide range of areas.

Member services

High-quality member services driven by insight

Brightwell has invested heavily in its member services, building a fully in-house, Pension Management Institute (PMI) qualified team based in Chesterfield, providing:

- Benefits payments and administration services
- Data cleansing
- Administration platform as a service
- Member outbound communications
- Inbound member contact centre
- Case management and technical casework

Member expectations for online services are increasing and, in partnership with Procentia, Brightwell offers a powerful solution. Clients can give scheme members access to personalised pension information at the touch of a button and a fully online end-to-end retirements process. Via an online portal, members can self-serve for all key tasks, such as retirement quotes and changes to personal details.

In addition to sophisticated member portals, Procentia's best-in-class platform, IntelliPen, incorporates automation of workflows, calculations, pensioner payroll and document imaging.

Procentia

Market-leading pensions administration software

Procentia Group (Procentia Limited and Procentia Inc) provide development, maintenance and support of software to the pensions and benefits industry.

The group has offices in Bristol and Chicago, and services clients across the globe. Procentia has an independent Board which includes representatives from Brightwell.

About Brightwell: corporate objectives

Brightwell's corporate objectives focus around 5 key pillars, which together guide us towards our ultimate North Star.

The partner of choice; creating new paths for UK pensions

About Brightwell: why we're different

We are an in-house manager able to deliver bespoke funding and fiduciary services at a third-party scale.

Deep alignment

Akin to retaining the benefits of an in-house manager.

Unique perspective and capability

Our integrated pension management model offers bespoke journey plan management towards pension end-games.

We provide a bespoke, comprehensive pension service with an unparalleled depth and understanding

Value Retention

We offer a true alternative to multiple service providers to deliver cost and time savings.

A new approach focused on the long-term

We have a long history of innovation in the DB pensions market and believe that the market needs a new approach.

Chair's introduction

The pensions industry is at the beginning of a period of huge change. The Pension Schemes Bill, published in June 2025, outlined a number of groundbreaking reforms touching every area.

At Brightwell, many of the themes in the Bill resonated with us: value for money, good governance and the benefits of scale.

Advocating for change

From a defined benefit (DB) perspective, we support the reforms designed to facilitate easier access for sponsors of well-funded defined benefit pension schemes to scheme surplus, subject to appropriate safeguards. This is an initiative we have consistently supported.

Currently, scheme sponsors have full responsibility for the downside of their pension schemes but very limited access to the upside. This reform will help to introduce some symmetry into the equation.

We were also pleased to see reforms to the Pension Protection Fund Levy (PPF) to remove the restrictions that prevent the PPF from reducing the annual pension protection levy it collects when it is not required. This new flexibility is something we have advocated for on behalf of our clients.

Raising the bar

Continuous improvement is something we are wholly committed to, and it was pleasing to see our hard work recognised externally with a number of industry award wins during the year.

Brightwell client BTPS was named Pension Scheme of the Year at the UK Pensions Awards 2025 for the second consecutive year.

Brightwell was awarded DB Investment Manager of the Year at the Pensions Age Awards, praised as a "real thought leader" in the DB space. And, at the Forum Awards, Brightwell's Member Services team won both the Digitalised Personalisation category and the Overall Innovation & Transformation award for its fully online retirement experience.

Whilst what we achieve is important, how we achieve it is equally important. Our values guide the way we work and we put great emphasis on them. Brightwell's 'The Way We Work' report summarises our values, corporate objectives, and approach to sustainability and diversity. It can be read ***here***.

Changes to the Brightwell Board

During the year, we restructured the Brightwell Board. Brightwell Executives Simon Langworthy (Chief Commercial Officer), Wyn Francis (Chief Investment Officer) and Gillian Haselden (Chief Legal Officer) stepped down and the Board now comprises of four non-executive directors together with Brightwell CEO Morten Nilsson. I'd like to extend my thanks to Simon, Wyn and Gillian for their invaluable contributions and dedication to the Board.

To further strengthen the Board and align with governance best practice, we appointed Paula Walter and David Fripp as non-executive directors. Paula brings over two decades of leadership experience across technology, data, cybersecurity and operations in financial services, having held senior roles at Newton Investment Management, Ruffer LLP, Aldermore Group and Goldman Sachs.

David, formerly a senior Partner at KPMG's pensions and investment advisory practice, brings deep expertise in defined benefit pensions, investment strategy and governance. Previously, he was a trustee of the Imperial Tobacco Pension Fund and he is currently Chair of the Harrods Group Pension Plan.

I look forward to another busy and constructive year ahead.

Denise Le Gal

Board Chair

Chief Executive Officer's overview

When we launched Brightwell, we had a strong conviction that there was power in pension schemes working more collaboratively, and over the past 12 months, we've begun to see this approach working in practice.

Delivering for clients in volatile markets

Our fully integrated, end-to-end approach to pension scheme management ensures that we are fully aligned with clients' objectives.

We continue to work closely with the BTPS Trustee to refine and implement the funding strategy, increasing the level of cashflow-aware assets as the proportion of retired members increases, and building the longevity hedge.

During the year, we supported the BTPS Trustee to help protect the Scheme from the cost of unexpected increases in members' life expectancy with two new longevity reinsurance transactions totalling £10bn. This builds on similar transactions undertaken in 2023 and 2014.

These transactions were onboarded to Brightwell's automated, efficient and low-cost operating platform, reinforcing our experience and capability in reducing the level of longevity risk within the Scheme to provide a less volatile funding position in the future.

The EE Pension Scheme, which appointed Brightwell in April 2023, is benefitting from being able to leverage Brightwell's scale and quality.

Successful transition for the Mineworkers' Pension Scheme

At the start of the year, we went live as the administrator for the Mineworkers' Pension Scheme (MPS) following a transition taking just over 11 months.

Brightwell is providing a complete pension administration service to MPS. This includes the handling of all member processes and contact from our award-winning administration centre based in Chesterfield.

I've been delighted with the feedback I've received on this transition and the collaborative and transparent nature of the partnership.

Philip Dickinson, co-founder of Cosan Consulting that provided both supplier selection and transition oversight services to Coal Pension Trustees, summed it up perfectly when he said:

> "This was one of the most thorough and best-managed transitions we have seen. It was open, collaborative and inclusive throughout, and the quality and accuracy of the data and governance reporting was second to none."

MPS has benefited from leveraging our technology and people, and MPS members are noticing the difference with consistently positive member feedback.

The Brightwell proposition continues to be well received by the market, and we are having advanced discussions with a number of potential new clients, which we hope to be able to say more about in the coming months.

Chief Executive Officer's overview *continued*

Leading the sector on member satisfaction

Our first external customer service survey, conducted with the Institute of Customer Service (ICS), showed a score of 89.1%. This is one of the highest scores in the country, beating the UK average of 75.8% and underlines our commitment to delivering outstanding service to our clients' members and aligning with governance best practice.

94% of MPS members who've called us say they are satisfied with the service they received and 93% of members who've carried out tasks with us said we were easy to deal with.

Member satisfaction remains high for BTPS members, with overall satisfaction of 86.5% based on the Scheme's annual satisfaction survey.

Continued development for Procentia

We continue to invest in both people and the technology platforms of Procentia, our fully owned software business, and are pleased with its continued development. Building on a record-breaking FY2023—2024, the company has sustained impressive brand and pipeline growth. It secured four major contracts across the UK and US, including Shell, and expanded into the pension risk transfer market with a notable partnership with Royal London. It has gone live with four large clients; three in the US and one in the UK. At the UK Pensions Awards, Procentia was Highly Commended in the Technology Innovation of the Year category, recognising its ongoing product development and delivery of member-centric solutions like self-serve online retirements.

I'd like to thank the Procentia Board and the wider Procentia team for their hard work during the year.

Innovation to enhance value

At Brightwell, our commitment to innovation continues to shape the way we serve our clients and deliver long-term value. One of the most significant developments this year has been our collaboration with Procentia to develop Intelli-ACT, a future-proofed valuation platform for actuarial analysis and liability forecasting at an ultra-granular level using the latest cloud-based technology, data science and software engineering. Designed to transform how pension liabilities and cashflows are modelled, it uses sophisticated computational engineering to output data that can be interrogated by the pension tranche for every payment.

Thought leadership

This year, Brightwell has continued to invest in thought leadership as a strategic pillar of our brand and client engagement. We commissioned the International Longevity Centre to undertake a future-focused project looking at the ***Future of Ageing***, which was published in September.

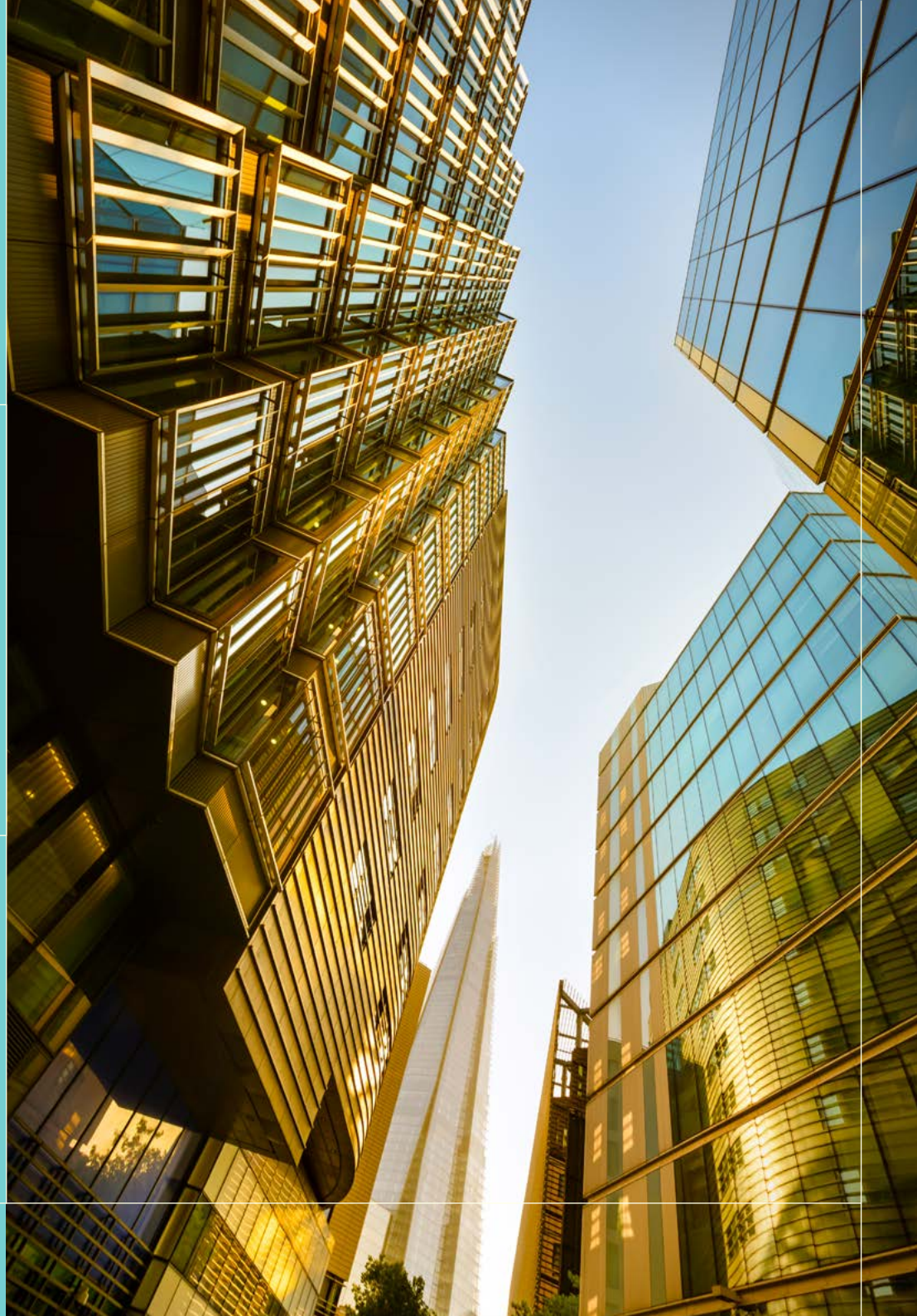
In January, we spoke to Trustees of DB schemes larger than £1bn about their endgame plans and priorities for the year ahead. We followed this in May with research with 100 finance decision makers from UK companies with closed defined benefit schemes over £500 million. The findings revealed that 93% plan to request access to surplus funds, with nearly half intending to reinvest in UK operations - insights that have helped shape the conversation on surplus release.

As we move forward, Brightwell remains dedicated to leveraging our expertise, and fostering innovation and collaboration in the pensions industry. Our achievements this year underline our unwavering commitment to delivering exceptional value to our clients, and I look forward to the year ahead.

Morten Nilsson

CEO

Strategic report



Brightwell at a glance

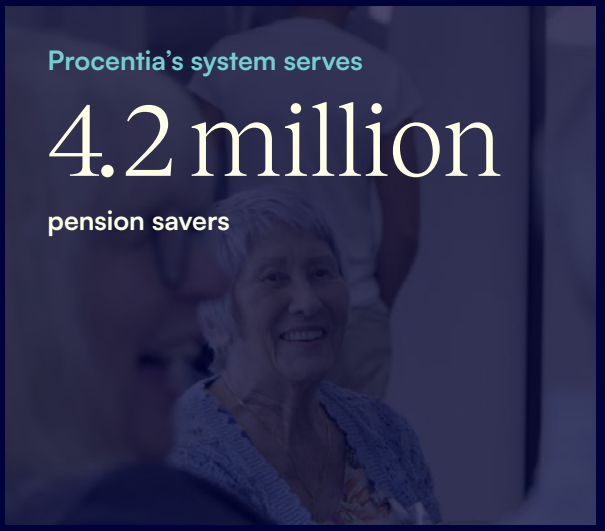
Heritage

40 years' experience as the primary service provider to the BTPS

Assets under management

£34 billion

*As at 30 June 2025



Procentia's system serves

4.2 million

pension savers

Locations

London
Bristol
Chesterfield
Chicago

Group employees

410+

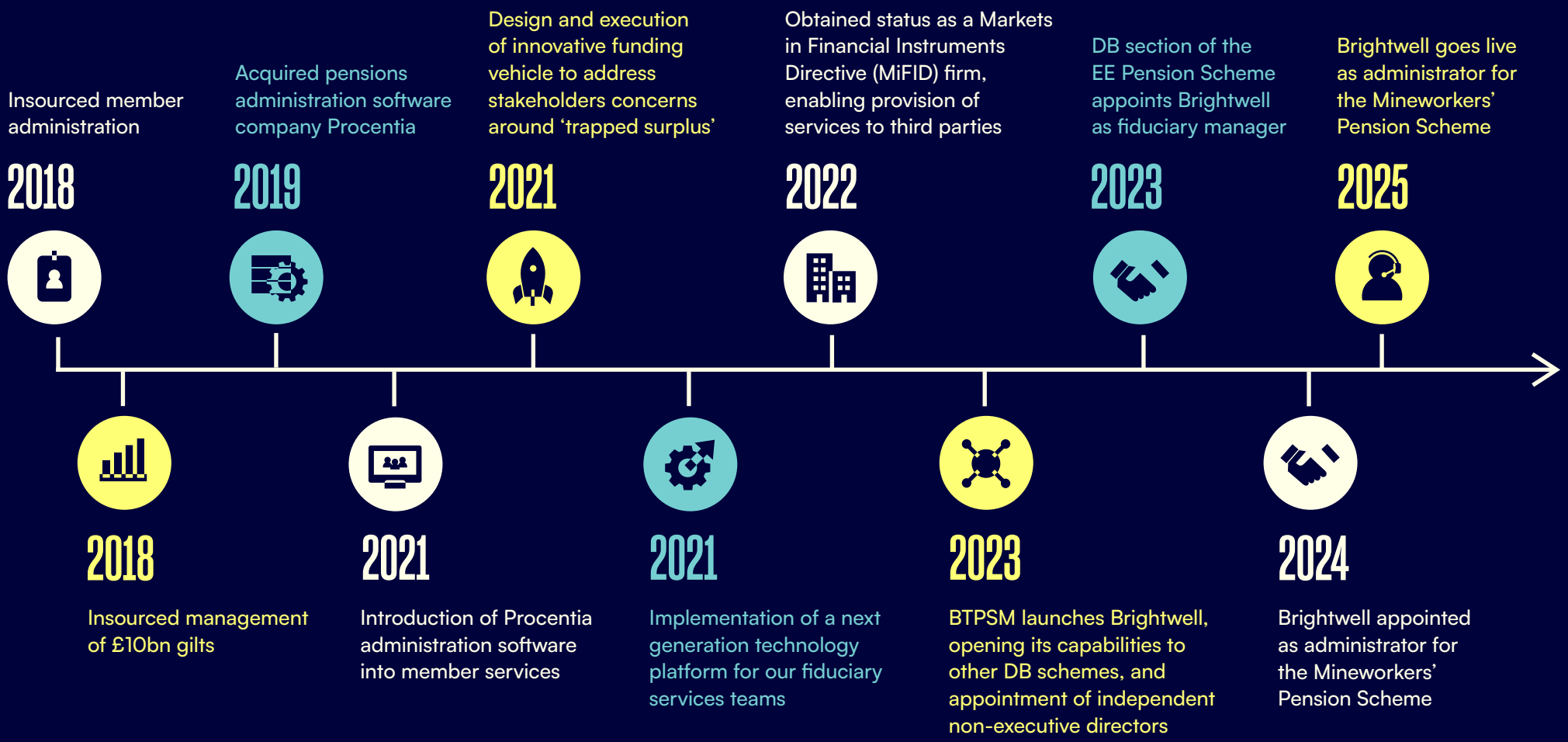
Brightwell's pension admin team pays

£3.3 billion

in benefits annually to 318k members.

Strategic report

Brightwell journey



Strategic report *continued*

Our services

At Brightwell, we have developed a deep understanding of the challenges faced by defined benefit (DB) pension schemes from working closely with the BTPS Trustee Board and BT Group to solve the complex challenges facing BTPS over many years.

We understand every aspect of DB pension management, offering a comprehensive and customised approach across assets, liabilities, executive services, valuation support, funding solutions and member services.

Underpinned by leading technology, our approach is designed to deliver high-quality services to clients and their members, and sustainable funding and investment solutions to support schemes through to maturity.

Our ownership structure enables us to focus on long-term partnerships, understanding and prioritising the needs of our clients and their members.

Our focus on strong personal relationships with all stakeholders engenders high levels of satisfaction in our tailored solutions.

While we have a long heritage managing services to BTPS, the Brightwell proposition for other DB schemes is new.

Feedback from the sector has been positive and winning two new clients since launch demonstrates that there's a strong appetite for a different and more partnership-led approach. Our focus is on the overall scheme priorities delivered by people with a deep understanding of scheme objectives and managing complex pension schemes.

We know that building credibility and trust in a crowded market takes time, particularly when introducing something different. As such, over the next 12 months, we will continue to build awareness of Brightwell and our services to provide greater choice to schemes faced with making big decisions.

We firmly believe that there's a need for a more partnership-led approach with a focus on the overall scheme priorities delivered by people with a deep understanding of managing complex pension schemes.

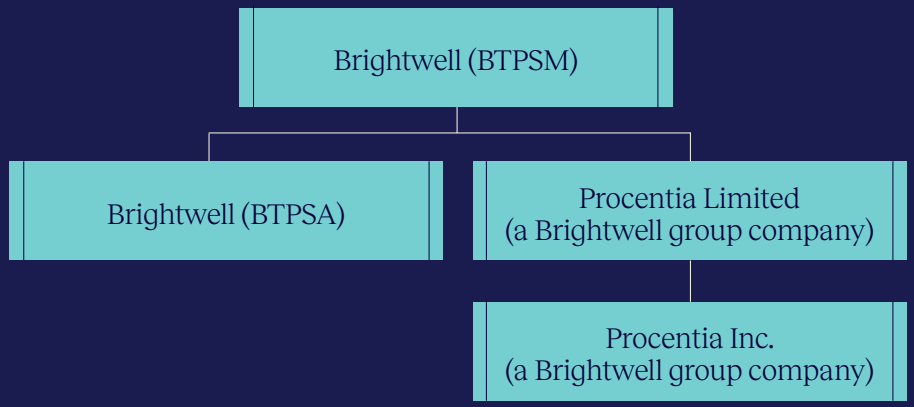
Strategic report *continued*

Business review and principal activities

Brightwell, the trading name of BT Pension Scheme Management Limited (Brightwell, or the Company), provides fiduciary management services, member services and scheme services to BTPS. In addition, it has been appointed to provide fiduciary management services to the DB section of the EE Pension Scheme (EEPS). Brightwell also offers consultancy services. The Company is regulated by the Financial Conduct Authority (FCA) (reg. 486368). Brightwell has a wholly-owned subsidiary, also trading as Brightwell, BT Pension Scheme Administration Limited (BTPSA) and its principal activity is to provide pension administration services to clients.

The Company owns 100% of the voting shares in Procentia Limited (Procentia), a pensions applications service provider based in the UK (Bristol). Procentia's wholly-owned US subsidiary, Procentia Inc., is based in Chicago, and provides services to the pensions and benefits industry in North American markets.

High level group structure



Financial review

As shown in the consolidated statement of comprehensive income, BTPSM, BTPSA, Procentia and Procentia Inc. (together the Group) recorded an operating profit for the year ended 30 June 2025 of £3.4m (2024: £9.6m). The Company's balance sheet shows net assets of £65.2m at 30 June 2025 (2024: £58.4m). The Group has net assets of £53.0m (2024: £49.7m). No dividend has been proposed or paid during the year (2024: £nil).

As Brightwell develops its multi-client strategy, the directors believe the following financial key performance indicators (KPIs), which are disclosed on a consolidated basis for the year to 30 June 2025, are helpful for understanding the development, performance and position of the business:

Turnover

£76.6m up £2.8m or 4%

This is driven by strategic growth in the group

Operating profit

£3.4m a decrease of £6.2m

The decrease in operating profit is due to increased costs within Procentia UK during the year. The company's long-term financial projections remain on plan

Strategic report *continued*

Risk management

Brightwell manages risk in accordance with its risk management framework. This includes the identification and assessment of key risks; mitigation of risks through the control environment; and ongoing monitoring and reporting to the Board and its Risk, Audit and Compliance Committee (RACC). The framework is supported by Brightwell's policies, procedures and governance structure.

The Board is ultimately responsible for the oversight of risk management and, as such, is responsible for setting and periodically reviewing the risk strategy in relation to its key areas of risk. It defines these as strategic, operational and financial risk.

Procentia's board of Directors are responsible for the oversight of risk management for Procentia. Brightwell has appointed representatives on the Procentia Board, and monitors Procentia in relation to its risk monitoring and management through updates at Procentia's Board meetings.

Brightwell risk management approach

Brightwell's approach to risk governance is underpinned by the Board and the RACC, as outlined on page 21. The Board sets out strategic, operational and financial risks that are managed at Brightwell, and delegates day-to-day risk management to the Brightwell Chief Risk Officer (CRO). The CRO executes this responsibility via senior management and management meetings, such as the Executive Monthly meeting (the 'Exec').

Brightwell operates a 'three lines of defence' governance model.

1st Line **Business functions**

The business functions and line managers are responsible and accountable for the identification, assessment and management of the individual risks and associated controls within their areas of responsibility.

2nd Line **Risk and compliance**

The risk function is responsible for maintaining effective risk management in Brightwell and its clients in line with the Risk Management Framework. This includes establishing and implementing relevant policies; providing oversight of the control environment; and making recommendations for change based on risk and control, self-assessment, risk appetites and risk incidents.

The compliance function has the responsibility for monitoring and providing advice to Brightwell and, where applicable, clients, on compliance and the relevant regulatory requirements. This includes the development and oversight of compliance policies and ongoing compliance monitoring activities, including post-trade surveillance, and establishing and monitoring firmwide conduct of business requirements (such as personal account dealing, and gifts and hospitality).

3rd Line **Internal Audit**

The internal audit function, under an outsourcing agreement with BDO UK LLP, conducts a rolling programme of independent control reviews and investigations.

This approach provides a clear and succinct separation of duties, roles and responsibilities.

All of the above functions are supported by our Group legal team.

The legal function offers a full suite of legal advice and support to both Brightwell and clients, where applicable, on all relevant laws and regulations, including financial services, investment, pensions, corporate, employment and other matters as applicable.

Risk management *continued*

Key risks

As a fully functioning investment manager and pensions administrator, Brightwell is exposed to a wide variety of risks that could impact its ability to service its clients. The risks and mitigations outlined below represent the key risks faced by Brightwell.

Service Delivery Risk

Risk: Failure to meet client contractual obligations or expectations due to poor process design, execution errors, control failures or poor performance. Also includes the risk of falling behind peers in service quality and value.

Mitigation: Experienced professionals oversee service delivery and technology is used to monitor trading activities against investment guidelines, with regular reporting to the Executive and Board.

People Risk

Risk: Poor leadership and management affecting employee attraction, retention, engagement, and the management of team capacity and capabilities.

Mitigation: Executives track attrition and vacancies monthly and intervene when necessary. Colleague surveys inform an evolving Employee Value Proposition offering competitive pay, benefits and development opportunities.

Business Resilience Risk

Risk: Failure to have adequate continuity plans in place to maintain operations during disruptions.

Mitigation: Business Continuity Plans are regularly reviewed and tested, with ongoing projects to strengthen resilience and align with ISO22301 standards.

Legal & Regulatory Risk

Risk: Financial loss resulting from legal claims, defective contracts, asset protection failures or non-compliance with laws and regulations.

Mitigation: Experienced legal and compliance teams. There is a structured compliance monitoring program, supported by extensive staff training on regulatory requirements.

Third Party Supplier Risk

Risk: Suppliers failing to meet contractual obligations, experiencing control failures, engaging in criminal activities or non-compliance with regulations.

Mitigation: A rigorous supplier management framework governs selection, performance monitoring and remedial actions. Critical suppliers maintain business continuity plans aligned with Brightwell's expectations.

Information and Data Security Risk

Risk: Loss or harm from unauthorized access, cyberattacks, insider misuse, system failures or disasters affecting information confidentiality, integrity, and availability.

Mitigation: Robust IT solutions, data governance and continuity plans are in place. The cybersecurity strategy complies with the NCSC (National Cyber Security Centre) framework, using leading infrastructure and cloud technologies. Regular audits, penetration testing, staff training and ISO27001 certification ensure ongoing security.

Market Risk

Risk: Market volatility impacting client asset values, fees and perceived service delivery.

Mitigation: Managed through Brightwell's comprehensive risk management framework

Strategic report *continued*

Colleagues

Brightwell takes colleague satisfaction and wellbeing very seriously, as demonstrated by how colleagues are supported and listened to. We have a range of initiatives in place to support this, including:

- An excellent range of colleague benefits including an employee assistance programme and access to private healthcare GP services, as well as generous pensions and insurance benefits, in order to support colleagues at every stage of their working life
- A programme of constantly refreshed wellbeing resources available to all colleagues
- A regular colleague satisfaction survey enabling frequent leadership listening and corrective action
- Provide training support and opportunities to colleagues to enable them to grow as individuals and as professionals
- A colleague-led group who support in educational and social activities for colleagues.

Brightwell has put in place a comprehensive framework of policies and practices to keep colleagues informed on matters relevant to them. The Board is ultimately responsible for the oversight of policies and practices in respect of Brightwell colleagues, while Procentia's Board of Directors retains responsibility in respect of Procentia employees. In setting remuneration for Brightwell, the Board is conscious of the spirit and aims of the FCA's Remuneration Code as well as the retention and motivation of colleagues. The Board, therefore, aims to set remuneration policy, and the awards under that policy, within the following structures:

- the policy and awards are consistent with, and promote, sound and effective risk management
- the policy and awards are consistent with Brightwell's strategy, objectives and values, and the long-term interests of our beneficiaries
- the policy and awards are set to avoid conflicts of interest
- performance measures for awards are subject to appropriate adjustments for the risks taken to achieve that performance
- part of some colleagues' reward is deferred, due to their role or size of compensation, and
- no guaranteed variable remuneration is available.

Strategic report *continued*

Diversity, equality & inclusion

Brightwell is committed to developing and maintaining an inclusive culture, ensuring that behaviours, working practices and policies promote fair treatment and access to development opportunities for every colleague. We value the benefits a diverse workforce can bring and want Brightwell to be a place where all colleagues can thrive, feel that they belong and are valued, and contribute to our success. This is underpinned by Brightwell's corporate values: responsible, impactful, supportive and expert. We also recognise the role we have to play in contributing to industry initiatives to drive broader change.

Over the past 12 months, we have been evolving our approach to diversity, equality and inclusion (DE&I), which is driven by the DE&I steering group. This is sponsored by the CEO and is comprised of a cross-section of colleagues across Brightwell.

Data collection

On a confidential and wholly voluntary basis, we invited colleagues to share information about themselves via the HR system. This enables us to build a more detailed profile of our colleagues and our organisation to establish our DE&I baseline, and to track and monitor our progress. In October 2023, we included a series of DE&I-related questions as part of our employee engagement survey for the first time. These questions will remain a core part of future employee engagement surveys so that we can track progress.

Outreach Initiatives

This year, Brightwell has hosted outreach events via both Investment 2020 and We Can Be (The Lord Mayor's Appeal) to help drive access to careers within our industry from a diverse candidate pool. Approximately 40 students from two different schools had the opportunity to attend sessions hosted by Brightwell colleagues to give an insight into what we do and the potential career paths available.

Inclusive recruitment

We work with a select group of recruitment agencies who are aware of our DE&I strategy and support us in ensuring diverse candidate pools (including protected characteristics, diversity of thought and skills).

Training

We have been rolling out inclusion-focused training to embed the importance of it in our culture, and support the retention and development of our diverse talent.

More information can be found in our report *the way we work*.

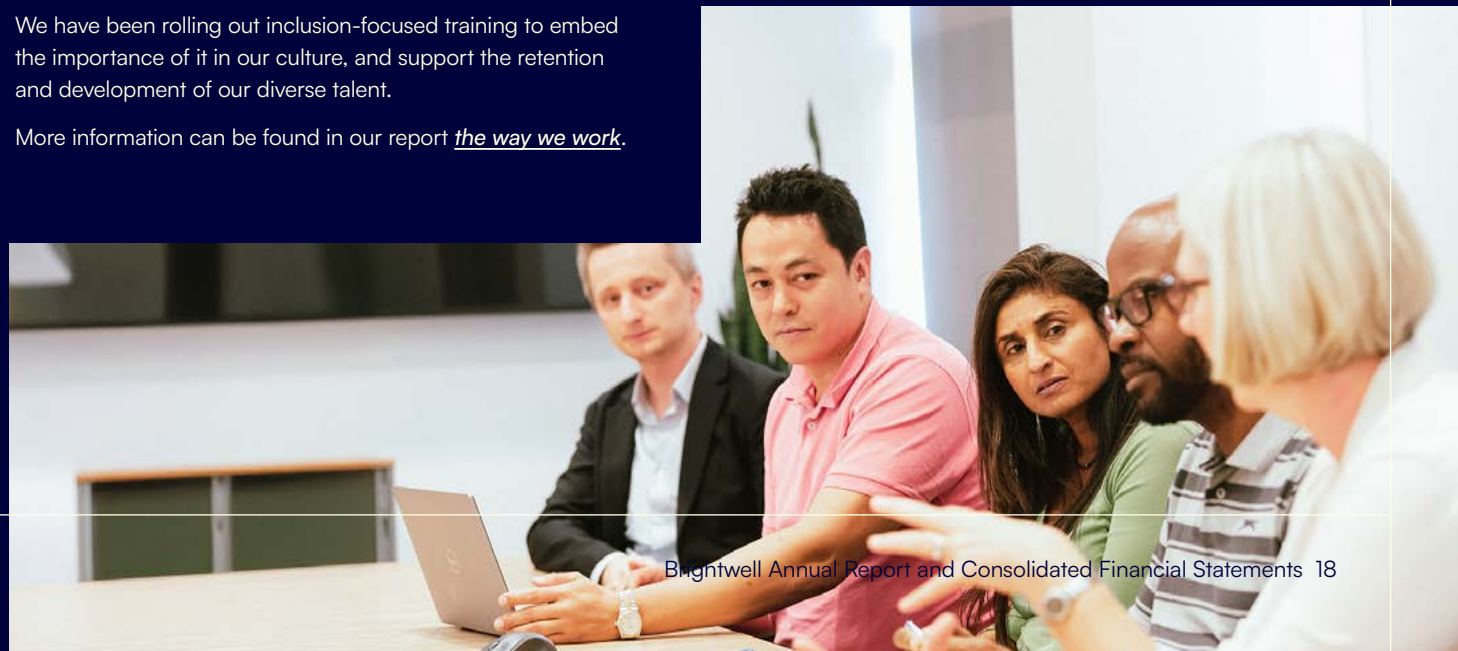
Stewardship Code

Brightwell is fully committed to complying with the requirements of the Financial Reporting Council's (FRC) Stewardship Code and further details can be found on its website *https://www.btps.co.uk/SustainableInvestment*.

As an FCA-regulated entity, the company provides certain defined services including overseeing BTPS's stewardship activities.

Modern Slavery Act

Brightwell is fully committed to complying with the requirements of the Modern Slavery Act and a statement is available on the website: *https://brightwellpensions.com/contact-us/modern-slavery-statement/*.



Strategic report *continued*

Brightwell's carbon emissions

To help mitigate the impact of our footprint, we work with ClimateCare, a specialist environmental and social impact company to invest in climate and development projects to offset emissions and deliver positive social outcomes in developing communities. One of our corporate objectives is to 'embed sustainability into everything we do'. Further details of our approach to sustainability can be read *here*.

Brightwell measures emissions from our offices, energy and transport. For the calendar year 2024, Brightwell offset 146 tonnes of carbon dioxide (calendar year 2023: 118 tonnes). In 2025, BTPSM and BTPSA offset their carbon emissions from business travel and scope 2 activities of 163 tonnes, which related to the calender year 2024.

Financial year energy and carbon reporting

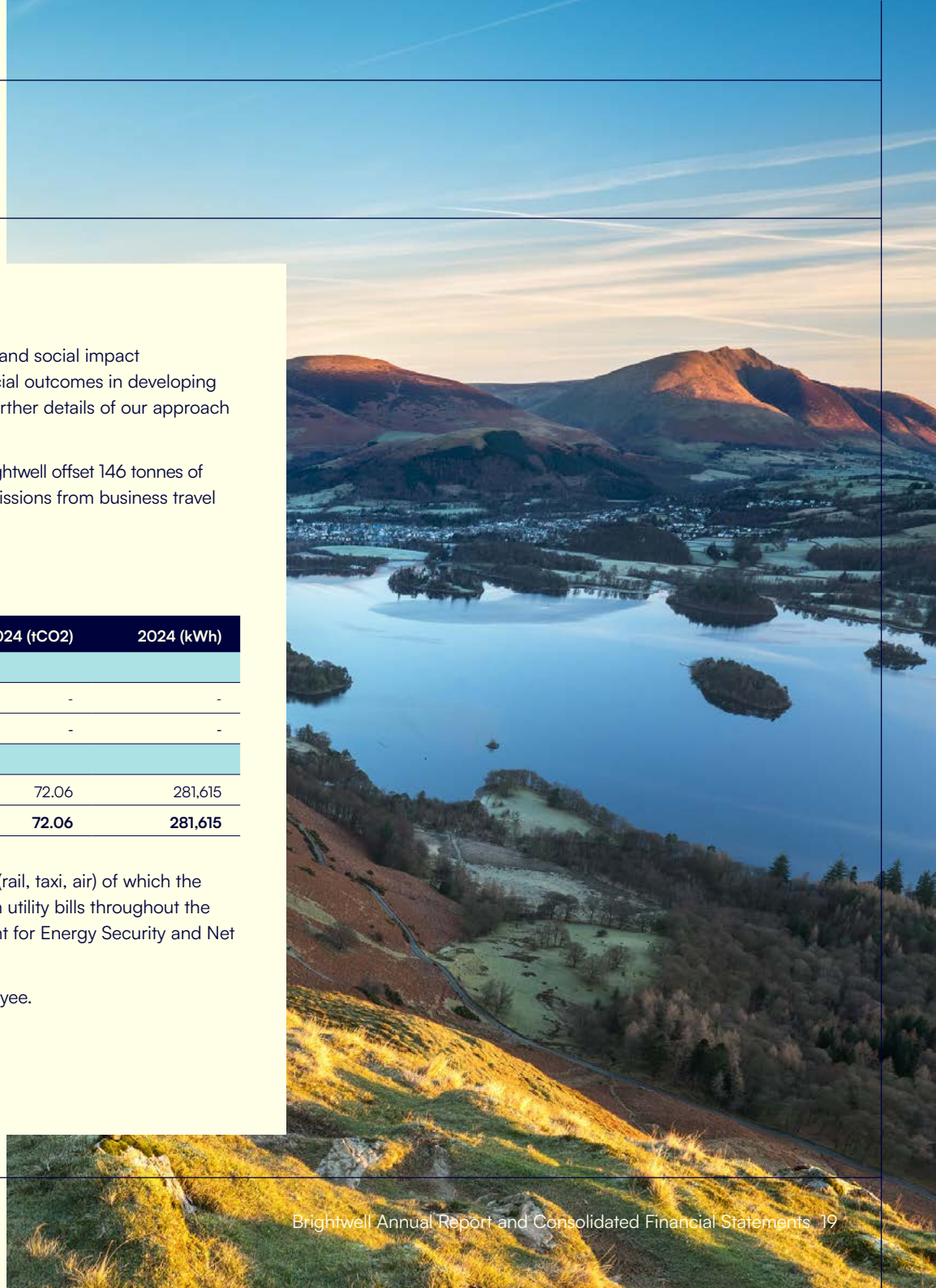
Total group emissions	2025 (tCO2)	2025 (kWh)	2024 (tCO2)	2024 (kWh)
Direct emissions				
Combustion of gas and use of fuel for transport	-	-	-	-
Scope 1	-	-	-	-
Indirect emissions (for own use)				
Purchase of electricity	61.48	271,390	72.06	281,615
Scope 2	**61.48**	**271,390**	**72.06**	**281,615**

No fuel usage is reported for the year as all business-related transport is operated by a third party (rail, taxi, air) of which the Group is not responsible for the fuel usage. For electricity usage, the kWh amount is obtained from utility bills throughout the year, and the tonnes CO2 amount is calculated using a conversion factor based on the Department for Energy Security and Net Zero (DESNZ) June 2025 greenhouse gas (GHG) Conversion factors for company reporting.

As a reference, the total emission level is equivalent to 0.15 (2024: 0.20) tonnes of CO2 per employee.

Approved by the Board and signed on behalf of the Board.

M Nilsson, CEO Brightwell



Governance

Governance

Brightwell, trading name of BT Pensions Scheme Management Limited, is regulated and authorised by the Financial Conduct Authority (FCA). Our corporate governance structure, shown below, is designed to support the Board's oversight of the Company's purpose of being the partner of choice; creating new paths for UK pensions, which is integral to the business. **The framework demonstrates the Board's commitment to high standards of governance**.

Brightwell Board

The Board is collectively responsible for Brightwell's long-term sustainable success within a framework of prudent and effective controls. The Board's non-executive directors (NEDs) bring a level of independent challenge to the CEO and his management team. To support the Board in its oversight and leadership, there is an established committee framework as shown below:

Procentia Board

Brightwell retains oversight of Procentia via the Brightwell-appointed Procentia board NEDs, one of which is Brightwell's CEO, who sits as the non-executive chair of the Procentia board. Procentia's Board has overall responsibility for the management of the Procentia group of companies, including monitoring the effectiveness of the Procentia group's operating, financial and other business plans, and the execution of its strategy and objectives. The Procentia Board of Directors are collectively responsible to Brightwell (in its capacity as shareholder) for the long-term success of the Procentia group companies.

Governance *continued*

Brightwell Board

Sets the appetite for taking risk against strategy, whilst the day-to-day management of risk sits within the governance framework.

Promotes an effective risk culture.

Oversees and monitors the efficiency and effectiveness of the system of internal controls; the effectiveness of the systems for internal financial controls and financial reporting in relation to the Annual Report and Accounts; the effectiveness, performance and objectivity of the internal and external auditors; the completeness and integrity of the Brightwell financial statements via the RACC.

Reviews and assesses the effectiveness of risk management and compliance arrangements.

Escalates material issues to the relevant Brightwell or client governance body.

Brightwell Risk, Audit and Compliance Committee (RACC)

Reviews, challenges and recommends to the Board the nature and extent of the principal strategic and operational risks that will arise in Brightwell's pursuit of its strategic objectives.

Agrees and makes recommendations to the Board on changes to the Risk Register.

Oversees and advises the Board on the firm's risk management arrangements, compliance monitoring and advisory framework, and on the continued appropriateness of the firm's risk appetite statements, and on the identification, assessment, mitigation, and monitoring of current and emerging risks.

Monitors and oversees reporting on all risk and compliance activities within Brightwell.

Supports the business in managing risk and achieving compliance with relevant regulatory requirements to ensure that the business is well placed to deliver against its corporate objectives.

Reviews and assesses external reporting, and the performance and independence of the firm's external auditors.

Approves the annual review plans for the Internal Audit, Compliance and Risk functions, and monitors performance against those plans, including oversight of progress and actions, providing feedback to the Board.

Brightwell Remuneration Committee (RemCo)

Oversees the remuneration arrangements at Brightwell so that it is aligned with its long-term business strategy, its business objectives, its risk appetite, and the values and the long-term interests of Brightwell and its relevant stakeholders.

Sets and agrees remuneration policy.

Ensures the remuneration approach promotes sound and effective risk management.

Escalates any material issues to the relevant governance forum.

Brightwell Executive (Exec)

Formulates strategy, objectives and growth plans, also inputs and challenges on organisational change/initiatives.

Monitors financial reporting and Brightwell's performance.

Reviews the operation of the risk management framework, compliance arrangements, systems, processes, procedures and controls.

Escalates any relevant material issues to the Board or the RACC, as appropriate. The Board has delegated day-to-day management of the firm to the CEO, who executes this responsibility via the Exec. Each member of the Exec has individual responsibility for business areas within Brightwell and collectively they provide challenge and oversight of Brightwell's operations and performance.

Governance *continued*

Brightwell Board members

Denise Le Gal,

Independent non-executive, appointed April 2023

Denise is Board Chair and is Chair of the Board's Remuneration Committee (RemCo). She is responsible for leading the Board and ensuring that the Board meets its collective responsibilities. Denise brings a wealth of experience to our team. She is currently the chair of the JPM Chase UK Retirement Plan and of Future Growth Capital. She previously Chaired the Brunel Pension Partnership and served as a board member of the Local Government Authority's Local Government Pension Committee (Chair), the Local Government Pension Scheme Advisory Board and the Local Authority Pension Fund Forum (co-Chair). Denise left Canada in 1985 and, post-INSEAD MBA, pursued a career in banking at Salomon Brothers, Chase Manhattan and IBJ.

Other appointments:

- JPM Chase UK Retirement Plan — Chair
- Future Growth Capital — Chair
- Lothian Pension Fund — Non-executive Director

Morten Nilsson,

Chief Executive Officer (CEO), appointed October 2018

Morten joined Brightwell in 2018 and is responsible for leading all aspects of the business in its support of its clients and the workforce. Morten has spent most of his career in financial services. He joined the pensions and investment industry in 2001 and spent over 10 years with the £90 billion Danish pension scheme ATP, where he held different senior positions across administration, investments, product and business development. In 2010 he moved to London where he founded NOW: Pensions and, as CEO, grew the business to become one of the largest defined contribution providers in the UK.

Other appointments:

- Procentia Limited — Non-executive Chair
- BT Pension Scheme Administration Limited — Executive Director

During the year, we restructured the Brightwell Board. Brightwell Executives Simon Langworthy (Chief Commercial Officer), Wyn Francis (Chief Investment Officer) and Gillian Haselden (Chief Legal Officer) stepped down and the Board now comprises of four non-executive directors together with Brightwell CEO Morten Nilsson. We thank them for continuing to be an integral part of the business as members of the Exec.

Governance *continued*

Kevin Troup,

Independent non-executive, appointed April 2023

Kevin is the RACC chair and is a member of the RemCo. He holds a number of non-executive roles including Chair of Audit at Baillie Gifford Shin Nippon Plc and also at European Assets Trust Plc. He is also a non-executive director of Baring Fund Managers Limited and Kintail Trustees Limited, the corporate trustee of The Robertson Trust charity. Kevin qualified as a Chartered Accountant in 1993 with Coopers & Lybrand. He started his investment career with Scottish Life before joining Martin Currie Investment Management where he helped launch two Japanese Funds, managing an Equities fund and co-managing an Absolute Return Fund. He joined Standard Life Investments in 2010, launching a new global equity income product which he managed.

Other appointments:

- Baillie Gifford Shin Nippon plc — Non-executive Director & Chair of Audit Committee
- European Assets Trust Plc — Non-executive Director & Chair of Audit Committee
- Baring Fund Managers Limited — Non-executive Director
- Kintail Trustees Limited (Corporate Trustee of the Robertson Trust) — Director & Chair of Investment Committee

Dr Paula Walter,

Independent non-executive, appointed March 2025

Paula joined Brightwell's Board and RACC in 2025, bringing extensive technology and risk management experience.

Her career within financial services has spanned technology, data, digital, cybersecurity and operations. Prior leadership roles include Chief Technology Officer at Newton Investment Management, Chief Operating Officer at Ruffer LLP, Chief Technology and Information Officer at Aldermore Group and Vice President at Goldman Sachs International.

An alumna of the Universities of Cape Town and Oxford, she holds honours degrees in mathematics and linguistics and a DPhil in linguistics. She completed the Advanced Management Programme at IESE Business School.

Other appointments:

- Royal College of Music — Council member & member of Audit and Risk Committee
- German School London — Deputy Chair & Chair of IT Committee
- University of Cape Town Trust — Trustee
- Learning with Parents — Trustee

David Fripp,

Independent non-executive, appointed July 2025

David Fripp joined the Brightwell Board in July 2025. He is a seasoned pensions and investment expert with over four decades of experience spanning banking, consultancy and board-level leadership.

In 1995, David joined KPMG as a senior manager and director, becoming a partner in 1998. Over his 21-year tenure, he led multidisciplinary teams advising FTSE 100 companies and major pension funds on funding strategies, investment structuring and governance frameworks.

David currently serves as Independent Chair of the Harrods Group Pension Plan, where he has overseen a strategic overhaul of the Board, introduced a new investment approach aligned with cash flow needs, and helped guide the fund from deficit to surplus. He previously served as a Trustee and Investment Committee member of the Imperial Tobacco Pension Fund, managing approximately £5bn in assets.

Other appointments:

- Harrods Group Pension Plan — Chair

Directors' report

Directors:

D Le Gal (non-executive)
M Nilsson
K Troup (non-executive)
P Walter (appointed April 2025)
W Francis (resigned April 2025)
G Haselden (resigned April 2025)
S Langworthy (resigned April 2025)
D Fripp (appointed July 2025)

Secretary:

Britel Fund Trustees Limited

Registered office:

One America Square 17 Crosswall London EC3N 2LB

Registered number:

05154287

The Directors present their annual report and the audited consolidated financial statements for the year ended 30 June 2025.

Going concern

The Group has sufficient financial resources and, as a consequence, the Directors believe that the Group is well placed to manage its business risks successfully. BTPSM and BTPSA's major provider of income is BTPS, therefore the Directors have considered the BTPS's ability to continue as a going concern.

In reaching the going concern conclusion, the Directors considered the resources available to the Group, forecast expenses and income and post-year end events, and reviewed severe but plausible downside scenarios whereby Brightwell could suffer a material revenue reduction, incur significant unbudgeted costs, or experience significant business disruption impacting its service delivery. This scenario analysis included financial stress testing over multiple years to model the impact of these scenarios on revenues, costs, cashflows and reserves. The Group has also considered cashflow forecasts for at least 12 months from the date the financial statements are approved.

With this in mind, and having made all reasonable enquiries and having respect to the nature of the Group and its activities, the Directors are satisfied at the time of approving the financial statements, that there is a reasonable expectation that the Group can meet its liabilities for the next 12 months from the date of approval of these financial statements.

Dividend

No dividend has been proposed or paid during the year (2024: £nil).

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year (2024: £nil).

Charity donations

During the year, the Company donated £nil (2024: £nil) and subsidiaries donated £2,987 (2024: £2,642 to various charities voted by their employees).

Directors' indemnities

Qualifying third party indemnity provisions, which were made during the year for the benefit of the Directors, remain in force at the date of this report.

Matters requiring disclosure in the Director's report

The following disclosures have been included in the strategic report as they are considered to be of strategic importance to the business: future developments within the Company and Group are discussed on page 13; and research and development activities of the Company and Group are discussed on page 13.

Statement on disclosure of information to the auditor

The Directors' confirm that:

- so far as they are aware, there is no relevant audit information of which the Group's auditor is unaware, and
- they have taken all reasonable steps they ought to have taken as Directors in order to make themselves aware of any relevant audit information, and to establish that the Group's auditor is aware of that information.

This confirmation is given, and should be interpreted in accordance with, the provisions of section 418 of the Companies Act 2006.

Auditor

The auditor was reappointed in accordance with Part 16 of the Companies Act 2006 and KPMG LLP will, therefore, continue in office.

Approved by the Board and signed on behalf of the Board.

Denise Le Gal
Board Chair

1 October 2025

Section 172 statement

This statement outlines the Board Directors' performance in relation to Section 172(1) of the Company's Act 2006. The Act requires that each company director acts in a way that they, in good faith, consider would be most likely to promote the success of the company for the benefit of its members as a whole.

In doing this, s172 requires that directors consider, amongst other matters:

- the likely long-term consequences of any decision
- the interests of the Company's employees
- the need to foster the Company's business relationships with suppliers, customers and others
- the impact of the Company's operations on the community and the environment
- the desirability of the Company maintaining a reputation for high standards of business conduct, and
- the need to act fairly between members of the Company.

The Board is supported in the discharging of its duties by the Executive and the Governance and Secretariat function. For the year ending 30 June 2025, the Board considers that, individually and collectively, it acted in accordance with s172.

The Board acknowledges that decisions are not made in isolation and there are often competing interests amongst our stakeholders. This could result in a more favourable outcome for one stakeholder group over another. By framing our decisions within the parameters of our purpose, values and strategic priorities, our aim is to ensure that our outcomes remain consistent. The Board understands the value of stakeholder engagement beyond statutory obligations. Therefore, the examples illustrate a broad view of how we pay regard to, and interacted with, some of our key stakeholders during the year.

Section 172 statement *continued*

Stakeholder	Clients	Colleagues	Environment	Governance
Area of focus / outcomes	The Board continued to focus on maintaining and enhancing services to the company's clients during the year. In January 2025, Brightwell went live as the administrator for the Mineworkers' Pension Scheme (MPS), following the successful transfer from its previous administrator. During the year, Brightwell supported its biggest client, BTPS with the execution of two new longevity reinsurance transactions. This will help to protect the Scheme from the unexpected increases in life expectancy of its members. The EE Pension Scheme continues to benefit from being able to leverage form Brightwell's scale and quality.	Diversity, Equity & Inclusion (DE&I): Brightwell is committed to developing and maintaining an inclusive culture, ensuring that behaviours, working practices and policies promote fair treatment and access to development opportunities for every colleague. The Board approved the DE&I strategy and implementation plan for 2024/2025. This included a new initiative on cognitive diversity whereby individuals/ teams would be given the opportunity to undertake a behavioural characteristics review, to support cognitive diversity. Throughout the year, Brightwell hosted several outreach and inclusion events in partnership with Investment 20/20 and We Can Be. Brightwell is committed to building a more inclusive investment industry by engaging with young people from diverse backgrounds.	Task Force on Climate-Related Financial Disclosures (TCFD): The Board approved the company's sustainability and TCFD report. It outlined 4 sections which reported climate-related financial risks and opportunities: governance, strategy, risk, and metrics and targets. It included the latest CO2e emissions figures for 2024 calendar year, calculated in partnership with Omnevue.	Appointment of non-executive directors (NEDs): as part of the Board's continued commitment to expand its composition to be a majority of independent directors, it resolved to approve the appointment of two additional NEDs, following a robust recruitment process. This reflects the Board's continued commitment to maintaining high standards of corporate governance through independent oversight for the long-term sustainable success of Brightwell.

Statement of Directors' responsibilities

in respect of the annual report, strategic report, the Directors' report and the financial statements.

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

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

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

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

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

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

Independent auditor's report to the members of Brightwell, trading name of BT Pension Scheme Management Limited

Opinion

We have audited the financial statements of Brightwell, trading name of BT Pension Scheme Management Limited ("the Company") for the year ended 30 June 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Cashflow Statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 30 June 2025 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland;* and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements, including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

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

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

Our conclusions based on this work:

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

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

Independent auditor's report *continued*

Fraud and breaches of laws and regulations — ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of directors and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of the revenue is non-judgmental and straightforward, limited judgements necessary, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We also performed procedures including: identifying journal entries based on risk criteria and agreeing the identified entries to supporting documentation. These included journal entries containing unusual combination of debit and credit, unusual descriptions and material post year end closing journals.

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

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

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

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

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

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection laws, anti-bribery, employment law, anti-money laundering, market abuse regulations and financial services regulations, and specific areas of regulatory capital and liquidity and certain aspects of Parent Company's legislation recognising the financial and regulatory nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent auditor's report *continued*

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

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

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

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 28, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

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

Independent auditor's report *continued*

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

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

Grant Archer (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
1 October 2025

Consolidated statement of comprehensive income

	Notes	30 June 2025 (£)	30 June 2024 (£)
Turnover	3	**76,585,712**	**73,824,272**
Administrative expenses		(73,661,422)	(64,823,514)
Other income	3	481,890	577,695
Operating profit		**3,406,180**	**9,578,453**
Interest receivable	4	1,937,428	1,915,743
Interest payable	4	(18,596)	(2,481)
Profit on ordinary activities before taxation	5	**5,325,012**	**11,491,715**
Tax charge on profit on ordinary activities	8	(1,728,952)	(2,973,527)
Profit for the financial year		**3,596,060**	**8,518,188**
Other comprehensive income:			
Foreign currency translation adjustment		(14,693)	8,006
Total comprehensive income for the financial year		**3,581,367**	**8,526,194**
Profit for the financial year attributable to:			
Owners of the parent		3,719,907	8,492,391
Non-controlling interests		(123,847)	25,797
Total profit		**3,596,060**	**8,518,188**
Total comprehensive income for the financial year attributable to:			
Owners of the parent		3,705,797	8,499,568
Non-controlling interests		(124,430)	26,626
Total profit		**3,581,367**	**8,526,194**

This consolidated statement of comprehensive income presents the financial performance of the Group for the year ended 30 June 2025, including all items of income and expense recognised during the period. It combines the results of the parent Company and its subsidiaries, and includes both profit or loss and other comprehensive income in accordance with the requirements of FRS 102. All of the results are derived from continuing operations.

The notes on pages 38 to 59 form part of these financial statements.

Consolidated balance sheet

	Notes	30 June 2025 (£)	30 June 2024 (£)
Non-current assets			
Goodwill	11	5,919,581	7,235,044
Intangible assets	11	6,475,894	6,537,722
Tangible assets	12	1,348,981	1,092,185
Non-current debtors	13	90,142	165,568
		13,834,598	**15,030,519**
Current assets			
Debtors	13	24,219,710	16,250,409
Cash at bank		43,479,314	44,341,259
		67,699,024	**60,591,668**
Current liabilities			
Creditors - amounts falling due within one year	14	(25,277,214)	(20,695,122)
Net current assets		**42,421,810**	**39,896,546**
Total assets less current liabilities		**56,256,408**	**54,927,065**
Creditors - amounts falling due after one year	14	(2,815,101)	(4,819,585)
Provisions for liabilities and charges	16	(425,296)	(445,141)
Net assets		**53,016,011**	**49,662,339**
Capital and reserves			
Called up share capital	17	37,800,000	37,800,000
Profit and loss account		14,934,043	11,314,566
		52,734,043	**49,114,566**
Non-controlling interests		281,968	547,773
		53,016,011	**49,662,339**

These financial statements were approved by the Board and authorised for issue on 1 October 2025.

Signed on behalf of the Board of Directors

M Nilsson
CEO Brightwell

The notes on pages 38 to 59 form part of these financial statements.

Company balance sheet

	Notes	30 June 2025 (£)	30 June 2024 (£)
Fixed assets			
Investment in subsidiaries	9	30,813,053	30,813,053
Intangible assets	11	1,122,330	2,057,547
Tangible assets	12	731,598	780,632
Non-current debtors	13	5,000,000	-
		37,666,981	**33,651,232**
Current assets			
Debtors	13	17,208,817	10,476,042
Cash at bank		31,083,538	30,202,894
		48,292,355	**40,678,936**
Current liabilities			
Creditors - amounts falling due within one year	14	(18,069,096)	(12,281,429)
Net current assets		**30,223,259**	**28,397,507**
Total assets less current liabilities		**67,890,240**	**62,048,739**
Creditors - amounts falling due after one year	14	(2,451,666)	(3,306,594)
Provisions for liabilities and charges	16	(224,610)	(339,210)
Net assets		**65,213,964**	**58,402,935**
Capital and reserves			
Called up share capital	17	37,800,000	37,800,000
Profit and loss account		27,413,964	20,602,935
Shareholder's funds		**65,213,964**	**58,402,935**

These financial statements were approved by the Board and authorised for issue on 1 October 2025.

Signed on behalf of the Board of Directors

M Nilsson
CEO Brightwell

The notes on pages 38 to 59 form part of these financial statements.

Consolidated statement of changes in equity

	Called up share capital (£)	Profit and loss account (£)	Amount attributable to owners of the parent (£)	Non-controlling interest (£)	Total (£)
At the beginning of year 1 July 2023	**37,800,000**	**9,562,871**	**47,362,871**	**1,859,653**	**49,222,524**
Profit for the year	-	8,492,391	8,492,391	25,797	8,518,188
Change in ownership*	-	(6,747,874)	(6,747,874)	(1,308,732)	(8,056,606)
Other changes	-	-	-	(29,774)	(29,774)
Foreign exchange movements	-	7,178	7,178	829	8,007
At the end of the year 30 June 2024	**37,800,000**	**11,314,566**	**49,114,566**	**547,773**	**49,662,339**
Profit for the year	-	3,719,907	3,719,907	(123,847)	3,596,060
Change in ownership*	-	60,465	60,465	(60,465)	-
Other changes	-	(146,785)	(146,785)	(80,910)	(227,695)
Foreign exchange movements	-	(14,110)	(14,110)	(583)	(14,693)
At the end of the year 30 June 2025	**37,800,000**	**14,934,043**	**52,734,043**	**281,968**	**53,016,011**

The notes on pages 38 to 59 form part of these financial statements.

* Change in ownership arising from capital movements on the purchase and cancellation of shares in Procentia.

Company statement of changes in equity

	Called up share capital (£)	Profit and loss account (£)	Total (£)
At the beginning of the year 1 July 2023	**37,800,000**	**12,696,846**	**50,496,846**
Profit for the year	-	7,906,089	7,906,089
At the beginning of the year 1 July 2024	**37,800,000**	**20,602,935**	**58,402,935**
Profit for the year	-	6,811,029	6,811,029
At the end of the year 30 June 2025	**37,800,000**	**27,413,964**	**65,213,964**

The notes on pages 38 to 59 form part of these financial statements.

Consolidated cashflow statement

	Notes	30 June 2025 (£)	30 June 2024 (£)
Net cash inflow from operating activities	**20**	**663,767**	**15,011,136**
Cashflows from investing activities:			
Payments made to acquire intangible assets		(2,562,568)	(1,713,738)
Payments made to acquire tangible fixed assets		(849,448)	(343,987)
Loss on disposal of fixed assets		(1,076)	-
		(3,413,092)	**(2,057,725)**
Cashflows from financing activities:			
Interest received		1,937,428	1,915,743
Interest paid		(18,596)	(2,481)
Consideration for purchase of shares		-	(8,219,037)
		1,918,832	**(6,305,775)**
Effects of exchange rates on cash		(31,452)	(8,564)
(Decrease) / increase in cash and cash equivalents in the year		**(861,945)**	**6,639,072**

The notes on pages 38 to 59 form part of these financial statements.

Reconciliation of net cash flow to movement in net funds

	30 June 2025 (£)	30 June 2024 (£)
(Decrease) / increase in cash and cash equivalents in the year	(861,945)	6,639,072
Movement in net funds in the year	**(861,945)**	**6,639,072**
Net funds at 1 July	44,341,259	37,702,187
Net funds at 30 June	**43,479,314**	**44,341,259**

Net funds at 30 June 2025 comprised cash and cash equivalents of £43,479,314 (2024: £44,341,259).

The notes on pages 38 to 59 form part of these financial statements.

Notes to the accounts

Notes to the accounts

Year ended 30 June 2025

01. Accounting policies

a. Accounting convention

The Company is a private company incorporated, domiciled and registered in England in the UK. The registered number is 05154287 and the registered address is One America Square, 17 Crosswall, London EC3N 2LB.

The Group (including BTPSA, Procentia Limited and Procentia Inc) and parent Company financial statements have been prepared under the historical cost convention, in accordance with applicable United Kingdom law and accounting standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102).

The principal accounting policies, which have been applied consistently in both the current and preceding year, are set out below.

b. Going concern

The Group has sufficient financial resources and, as a consequence, the Directors believe that the Group is well placed to manage its business risks successfully. The majority of Brightwell's income is from the BTPS, therefore the Directors have considered the BTPS's ability to continue as a going concern.

In reaching the going concern conclusion, the Directors considered the resources available to the Group, forecast expenses and income, post-year end events, and reviewed severe but plausible downside scenarios whereby Brightwell could suffer a material revenue reduction, incur significant unbudgeted costs, or experience significant business disruption impacting its service delivery. This scenario analysis included financial stress testing over multiple years to model the impact of these scenarios on revenues, costs, cashflows and reserves. The Group has also considered cashflow forecasts for at least 12 months from the date of approval of these financial statements.

With this in mind, and having made all reasonable enquiries, and having respect to the nature of the Group and its activities, the Directors are satisfied, at the time of approving the financial statements, that there is a reasonable expectation that the Group can meet its liabilities for the next 12 months from the date of approval of these financial statements.

c. Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to the 30 June 2025. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertaking, Procentia group, are included in the consolidated statement of comprehensive income. Control is established when the Company has the power to govern the operating and financial polices of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The Group has taken the exemption from preparing a Company-only profit and loss account in line with Section 408 of the Companies Act 2006 and has also taken advantage of the exemption available under FRS 102 Section 1.12(b) from preparing a statement of cash flows, on the grounds that a consolidated cash flow statement is included in the group financial statements.

d. Turnover

Turnover is recognised on an accruals basis. To the extent that fees are recognised in advance of billing they are classified as work in progress and included as accrued income, and when fees are recognised in advance of the period they relate to, they are included as deferred income.

Service fees are charged to the ultimate parent undertaking, BTPS, on a fixed fee ascertained on an arm's length basis.

e. Other income

Other income relates to income received from sub-letting office space.

Notes to the accounts *continued*

Year ended 30 June 2025

f. Taxation

UK and US corporation tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure, in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

g. Bonus costs

Provision is made for bonuses attributable to performance up to the year end. Deferred bonuses are accrued evenly over the period to vesting.

h. Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the period end rate. Translation differences are dealt with in the statement of comprehensive income.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, sterling, at foreign exchange rates ruling at the balance sheet date.

i. Operating leases

Rental expenses in respect of operating leases are charged to the income statement on a straight-line basis over the period of the lease.

j. Employee benefits

Long-term incentive plans (LTIP)

Long-term incentive plans are made to certain employees in Procentia by the issue of shares to be exchanged at a later date for cash, provided the conditions for the exchange have been met. The fair value of the shares is calculated using the Monte Carlo Model and this is re-calculated at each reporting date. The expense is recognised on a straight-line basis over the period from the date of award to the date of vesting, based on the best estimate of shares that will eventually vest.

k. Pension benefits

For the defined contribution scheme, the amount charged to the profit and loss account in respect of pension costs is the contribution payable in the year.

Differences between contributions payable in the year and contributions actually paid are shown either as creditors or debtors in the balance sheet.

l. Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity. At acquisition date, the cost is measured as the aggregate of fair value of assets and liabilities, plus costs attributable to the business combination. The excess of the cost of the business combination over the acquirer's interest in the net assets of the business is recognised as goodwill. Goodwill is amortised over ten years.

m. Intangible assets

Purchased intangible assets

Intangible assets acquired separately are capitalised at cost at the date of acquisition. Intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful life of the asset as follows:

Intellectual property, software and licences: 5 years
Goodwill: 10 years.

Year ended 30 June 2025

Internally generated intangible assets
Internally generated intangible assets are stated at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful life of the asset as follows:

Intellectual property, internal software and licenses: 5 years.

Amortisation is charged on assets with finite lives and this expense is taken to the statement of comprehensive income through the administrative expenses line item. Intangible assets with finite lives are only tested for impairment, either individually or at the cash-generating unit level, where there is an indicator of impairment. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the income statement when the asset is derecognised.

n. Tangible fixed assets

Fixed assets are stated at cost less any accumulated depreciation and any accumulated impairment losses. Fixed assets are depreciated on a straight-line basis over the useful economic lives of the assets as follows:

Computer hardware: 3 years
Fixtures and fittings, office equipment and furniture: 3.5 to 4 years
Switching equipment: 5 years
Leasehold improvements: period of lease.

Assets under construction commence depreciation once the assets become available for use.

o. Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses recognised immediately in the income statement.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

p. Impairment of fixed assets

At each reporting period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the net asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of the fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying 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 the income statement.

q. Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash-in-hand, deposits held at call with banks and other short-term liquid investments.

r. Financial instruments

Financial instruments are recognised in the statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets
Basic financial assets, which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Year ended 30 June 2025

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the asset have been affected.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cashflows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Basic financial liabilities
Basic financial liabilities which include trade payables and other short-term monetary liabilities, are initially recognised at fair value net of transaction costs directly attributable to the issuance of the financial liability unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. They are subsequently measured at amortised cost using the effective interest method. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the contractual obligations expire or are discharged or cancelled.

s. Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of transaction costs.

t. Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event. It is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

u. Acquisitions and disposals of businesses

Goodwill
On acquisition of Procentia Limited, BTPSM, trading as Brightwell, also acquired the software code for the proprietary pension administration solution. However, owing to the complex nature and embedded knowledge within the Procentia business, the software code is inextricably linked to the business and after adjusting for the costs associated with the transition of that knowledge, it is deemed to have nil value.

As a result, excess proceeds over the fair value of assets acquired have been classified as goodwill and depreciated over the 10-year useful economic life.

Goodwill in respect of Procentia Limited's 100% subsidiary Procentia Inc, which was acquired by Procentia Limited immediately prior to BTPSM's acquisition of Procentia Limited, is recognised on the balance sheet and depreciated over the 10-year useful economic life.

Fair value
There was no adjustment needed to fair value the assets on acquisition.

Notes to the accounts *continued*

Year ended 30 June 2025

02. Critical judgements and key estimates

The preparation of the financial statements in conformity with FRS 102 requires the use of accounting estimates and assumptions that affect the reported assets and liabilities at the date of financial statements, and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The prime area involving a higher degree of judgement or complexity, where assumptions and estimates are significant to the financial statements, are as follows:

Long-term incentive plans (LTIP)

The Group measures the cost of cash-settled transactions with Procentia employees by reference to the fair value of the equity instruments at each year end. The fair value is determined using the Monte Carlo Model, and the determination of the fair value using this methodology is based on the input parameters chosen. It will therefore contain an element of judgement and uncertainty. Details of the LTIP are included in note 15.

Notes to the accounts *continued*

Year ended 30 June 2025

03. Consolidated turnover

Turnover, exclusive of value added tax, is analysed geographically between markets as follows:

	30 June 2025 (£)	30 June 2024 (£)
UK	70,805,228	69,033,015
USA	4,743,833	3,699,740
Rest of the world	1,036,651	1,091,517
	76,585,712	**73,824,272**

Turnover, exclusive of value added tax, is analysed by turnover as follows:

	30 June 2025 (£)	30 June 2024 (£)
Executive advisory, pension administration and investment management services	61,096,406	58,564,815
Development, maintenance and support of software	15,489,306	15,259,457
	76,585,712	**73,824,272**

Exceptional Item

Included in other income are exceptional one-off credits relating to the release of dilapidations provisions which were previously capitalised, and now released because of lease periods ending:

	30 June 2025 (£)	30 June 2024 (£)
Dilapidations provisions previously capitalised	164,215	-
	164,215	**-**

04. Consolidated interest receivable and payable

Interest receivable, mainly derived from short-term cash investments, is analysed as follows:

	30 June 2025 (£)	30 June 2024 (£)
Short-term deposit interest receivable	1,937,428	1,915,743
Interest payable	(18,596)	(2,481)
	1,918,832	**1,913,262**

05. Consolidated profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging the following:

	30 June 2025 (£)	30 June 2024 (£)
Amortisation of intangible fixed assets (note 11)	3,939,859	3,722,274
Depreciation of tangible fixed assets (note 12)	582,481	705,079
Rentals under operating leases	1,544,997	1,289,205
Fees payable to the Group's auditor in respect of:		
Audit services	162,650	158,240
Other assurance services	15,700	15,310

Notes to the accounts *continued*

Year ended 30 June 2025

06. Company Directors' emoluments

The total emoluments granted and paid to the Directors in respect of the year were £2,792,533 (year ended 30 June 2024: £3,814,608). The Group provides a coinvestment/ bonus deferral scheme whereby a portion of bonuses awarded in respect of the year are deferred. The full value of deferred awards granted to Directors in respect of the year has been included in the figure above, although they will only become payable after the Directors satisfy future service conditions.

The highest paid Director received emoluments in the year in respect of services to the Group, amounting to £895,000, which includes £20,000 pension contributions (year ended 30 June 2024: £1,092,227, including £20,000 pension contributions).

07. Consolidated staff costs

Staff costs for the year in respect of Directors and employees were as follows:

	30 June 2025 (£)	30 June 2024 (£)
Wages and salaries	36,585,671	31,575,697
Social security costs	4,540,772	4,026,632
Other pension costs	3,048,188	2,731,478
	44,174,631	**38,333,807**

Other pension costs are in respect of the defined contribution pension scheme.

The average number of employees, including Directors and non-executive Directors, for the year ended 30 June 2025 was 413 (2024: 358).

08. Consolidated tax charge on profit on ordinary activities for group

On 24 May 2024, Finance (No. 2) Act 2024 received Royal Assent, which maintains the main rate of corporation tax at 25% for the financial year to 31 March 2026. Deferred tax balances as at 30 June 2025 have therefore been fully recognised at the closing rate of 25%.

a) Analysis of tax charged in the year:

	30 June 2025 (£)	30 June 2024 (£)
Current tax:		
UK corporation tax	1,309,690	2,937,713
Adjustment in respect of prior periods	16,297	(378,661)
Overseas taxation	426,208	340,418
Total current tax charge	**1,752,195**	**2,899,470**
Deferred tax:		
Origination and reversal of timing differences	(43,919)	(150,907)
Adjustments in respect of prior period	20,676	224,964
Total deferred tax charge	**(23,243)**	**74,057**
Total tax charge on profit on ordinary activities	**1,728,952**	**2,973,527**

Notes to the accounts *continued*

Year ended 30 June 2025

b) The tax charge in the period differs from that resulting from applying the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

	30 June 2025 (£)	30 June 2024 (£)
Profit on ordinary activities before tax	**5,325,012**	**11,491,715**
Profit on ordinary activities at the standard rate of corporation tax in the UK of 25% (2024: 25%)	1,331,253	2,872,929
Expenses not deductible for tax purposes	307,853	318,794
Effect of tax rates in foreign jurisdictions	52,873	41,352
Enhanced capital allowances / income not taxable	-	(79,389)
Adjustments in respect of prior periods - current tax	36,973	(153,696)
Income not taxable	-	(26,463)
Total tax charge on profit on ordinary activities	**1,728,952**	**2,973,527**

c) Deferred tax:

	Provided June 2025 (£)	Provided June 2024 (£)
Deferred tax assets:		
Accelerated capital allowances	(325,772)	(431,630)
Short-term timing differences	925,170	982,328
Losses and other deductions	-	25,456
Total deferred tax assets	**599,398**	**576,154**

	30 June 2025 (£)	30 June 2024 (£)
Net deferred tax assets at 1 July	576,154	650,213
Amounts charged to income statement arising from:		
Fixed asset timing differences	105,859	(53,780)
Short-term timing differences	(57,158)	(45,735)
Losses and other deductions	(25,457)	25,456
Net deferred tax assets at 30 June	**599,398**	**576,154**

Year ended 30 June 2025

09. Consolidated fixed asset investments

Consolidated	Notes	30 June 2025 (£)	30 June 2024 (£)
Investment in subsidiaries		-	-
		-	**-**

Company	Notes	30 June 2025 (£)	30 June 2024 (£)
Investment in subsidiaries	10	30,813,053	30,813,053
		30,813,053	**30,813,053**

Company fixed assets

Movements in fixed asset investments

Company	Shares in subsidiaries (£)
Cost or valuation	
At 1 July 2024	30,813,053
At 30 June 2025	**30,813,053**
Carrying amount	
At 30 June 2024	30,813,053
At 30 June 2025	**30,813,053**

Notes to the accounts *continued*

Year ended 30 June 2025

10. Company subsidiaries

Details of the Company's subsidiaries at 30 June 2025 are as follows:

Name of undertaking	Country of incorporation	Class of shares held	Nature of business	Direct % held	Indirect % held
BT Pension Scheme Administration Limited	England and Wales	Ordinary	Provision of pension administration services	100	
Brightwell Pensions Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Pensions Holdings Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Administration Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Administration Holdings Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Pension Administration Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Pension Management Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Management Holdings Limited	England and Wales	Ordinary	Dormant	100	
Brightwell Member Services Limited	England and Wales	Ordinary	Dormant	100	
Procentia Limited	England and Wales	Ordinary and Preference	Development, maintenance and support of software to the pensions and benefits industry	96.03	
Procentia Inc	United States of America	Ordinary	Development, maintenance and support of software to the pensions and benefits industry		96.03

The registered address of BT Pension Scheme Administration Limited and the Brightwell dormant entities is One America Square, 17 Crosswall, London EC3N 2LB.

The registered address of Procentia Limited and Procentia Inc is 8 Brook Office Park, Emersons Green, Bristol, England, BS16 7FL.

Notes to the accounts *continued*

Year ended 30 June 2025

11. Consolidated intangible fixed assets

	Goodwill (£)	Intellectual property (£)	Software development (£)	Total (£)
Cost:				
At 1 July	**13,154,626**	**200,000**	**13,124,761**	**26,479,387**
Additions	-	-	2,562,568	2,562,568
At 30 June	**13,154,626**	**200,000**	**15,687,329**	**29,041,955**
Accumulated amortisation:				
At 1 July	**(5,919,582)**	**(135,000)**	**(6,652,039)**	**(12,706,621)**
Charge for the year	(1,315,463)	(20,000)	(2,604,396)	(3,939,859)
At 30 June	**(7,235,045)**	**(155,000)**	**(9,256,435)**	**(16,646,480)**
Net book value:				
At 30 June 2025	**5,919,581**	**45,000**	**6,430,894**	**12,395,475**
At 30 June 2024	7,235,044	65,000	6,472,722	13,772,766

Company intangible fixed assets

	Software development costs (£)
Cost:	
At 1 July	**4,676,086**
Additions	-
At 30 June	**4,676,086**
Amortisation:	
At 1 July	**(2,618,539)**
Charge for the year	(935,217)
At 30 June	**(3,553,756)**
Net book value:	
At 30 June 2025	**1,122,330**
At 30 June 2024	**2,057,547**

Notes to the accounts *continued*

Year ended 30 June 2025

12. Consolidated tangible fixed assets

	Leasehold improvements (£)	Assets under construction (£)	Office equipment and furniture (£)	Computer hardware (£)	Switching equipment (£)	Total (£)
Cost:						
At 1 July	**2,692,414**	**11,725**	**725,708**	**1,255,557**	**-**	**4,685,404**
Additions	217,822	-	48,052	320,260	263,315	849,449
Transfers	11,725	(11,725)	-	-	-	-
Disposals	(136,350)	-	-	-	-	(136,350)
FX	(297)	-	-	(41,593)	-	(41,890)
At 30 June	**2,785,314**	**-**	**773,760**	**1,534,224**	**263,315**	**5,356,613**
Accumulated depreciation:						
At 1 July	**(1,997,220)**	**-**	**(577,143)**	**(1,018,856)**	**-**	**(3,593,219)**
Charge for the year	(309,496)	-	(79,558)	(171,485)	(21,942)	(582,481)
Disposals	136,350	-	-	-	-	136,350
FX	171	-	-	31,547	-	31,718
At 30 June	**(2,170,195)**	**-**	**(656,701)**	**(1,158,794)**	**(21,942)**	**(4,007,632)**
Net book value:						
At 30 June 2025	**615,119**	**-**	**117,059**	**375,430**	**241,373**	**1,348,981**
At 30 June 2024	**695,194**	**11,725**	**148,565**	**236,701**	**-**	**1,092,185**

Notes to the accounts *continued*

Year ended 30 June 2025

Company tangible fixed assets

	Leasehold improvements (£)	Assets under construction (£)	Office equipment and furniture (£)	Computer hardware (£)	Switching equipment (£)	Total (£)
Cost:						
At 1 July	**1,764,211**	**11,725**	**289,510**	**218,883**	**-**	**2,284,329**
Additions	-	-	-	78,213	263,315	341,528
Transfers	11,725	(11,725)	-	-	-	-
Disposals	(114,600)	-	-	-	-	(114,600)
At 30 June	**1,661,336**	**-**	**289,510**	**297,096**	**263,315**	**2,511,257**
Accumulated depreciation:						
At 1 July	**(1,080,545)**	**-**	**(224,141)**	**(199,011)**	**-**	**(1,503,697)**
Charge for the year	(284,262)	-	(52,295)	(32,063)	(21,942)	(390,562)
Transfers	-	-	-	-	-	-
Disposals	114,600	-	-	-	-	114,600
At 30 June	**(1,250,207)**	**-**	**(276,436)**	**(231,074)**	**(21,942)**	**(1,779,659)**
Net book value:						
At 30 June 2025	**411,129**	**-**	**13,074**	**66,022**	**241,373**	**731,598**
At 30 June 2024	**683,666**	**11,725**	**65,369**	**19,872**	**-**	**780,632**

Notes to the accounts *continued*

Year ended 30 June 2025

13. Consolidated non-current debtors

	30 June 2025 (£)	30 June 2024 (£)
Term loans	90,142	165,568
	90,142	**165,568**

Included within term loans are loans advanced from Procentia Limited to their Directors, and during the year, amounts due from a Director was cancelled of cessation of employment. The loan carries an interest rate of 4.66% and is repayable in instalments from 2028.

	Max outstanding during the year (£)	At 30 June 2025 (£)	Amount cancelled (£)	At 1 July 2024 (£)
Director 1	43,232	-	(43,232)	43,232
Director 2	57,949	57,949	-	57,949
Total	**101,181**	**57,949**	**(43,232)**	**101,181**

Company non-current debtors

	30 June 2025 (£)	30 June 2024 (£)
Term loans	5,000,000	-
	5,000,000	**-**

During the year, BTPSM advanced a facility loan amount of £5,000,000 to Procentia Limited. The loan is repayable in installments from 2027. Interest accrues bi-annually and is charged at SONIA plus a Margin of 5%. The carrying value is reviewed annually for impairment, and no indicators of impairment were identified on assessment.

Consolidated current debtors

	30 June 2025 (£)	30 June 2024 (£)
Prepayments and accrued income	6,013,269	6,870,970
Other debtors	11,506,064	3,784,939
Amounts due from ultimate parent undertaking	4,392,522	4,876,707
Corporation tax	1,708,457	141,639
Deferred tax	599,398	576,154
	24,219,710	**16,250,409**

Company current debtors

	30 June 2025 (£)	30 June 2024 (£)
Prepayments and accrued income	2,402,105	2,268,765
Other debtors	583,517	441,463
Amounts due from group companies	7,602,928	2,169,823
Amounts due from ultimate parent undertaking	4,387,902	4,857,208
Corporation tax	1,520,545	213,293
Deferred tax	711,820	525,490
Total	**17,208,817**	**10,476,042**

Year ended 30 June 2025

14. Consolidated creditors

	30 June 2025 (£)	30 June 2024 (£)
Amounts falling due within one year:		
Trade creditors	2,017,563	1,375,322
Deferred income	4,267,674	3,773,853
Other creditors	188,085	41,794
Corporation tax	-	-
Other taxes	7,027,351	2,146,786
Accruals	11,776,541	13,357,367
	25,277,214	**20,695,122**
Amounts falling due after one year:		
Accruals and deferred income, less than five years	**2,815,101**	**4,819,585**

Company creditors

	30 June 2025 (£)	30 June 2024 (£)
Amounts falling due within one year:		
Trade creditors	487,376	222,461
Corporation tax	-	-
Other taxes	6,389,175	1,681,416
Accruals and deferred income	11,192,545	10,377,552
	18,069,096	**12,281,429**
Amounts falling due after one year:		
Accruals and deferred income, less than five years	**2,451,666**	**3,306,594**

Year ended 30 June 2025

15. Long-term incentive plans

Procentia Limited operate a cash-settled long-term incentive plan (LTIP) and the LTIP has a 5-year vesting schedule (to reach full vesting), with a 2-year cliff and linear quarterly vesting thereafter. The key vesting condition is for participants to be rewarded in respect of a 10% uplift in enterprise value from the grant of the growth shares to the exercise of the shares.

The total expenses recognised for the year within wages and salaries, and the total liabilities recognised at the end of the year arising from LTIP are as follows:

	30 June 2025 (£)	30 June 2024 (£)
Total share-based payment expense	181,954	125,102
Total carrying amount of liabilities	363,435	181,481

Details of the share options outstanding at 30 June 2025 are as follows:

	30 June 2025		30 June 2024	
	Weighted average exercise price (£)	Number of options	Weighted average exercise price (£)	Number of options
Outstanding at the beginning of the period	-	338	-	158
Granted during the year	-	-	-	180
Forfeited in the year	-	(82)	-	-
Outstanding at the end of the year	-	256	-	338
Exercisable at 30 June 2025	-	-	-	-

The growth share options (G shares) in the LTIP do not have an 'exercise price'; holders of the shares only participate in any value if the hurdle value has been met on a future exit event or on exercise of the put options. The weighted average contractual life of the growth shares as at 30 June 2025 is 3.7 years.

Year ended 30 June 2025

Valuation assumptions

Calculating the fair value of the growth shares in the LTIP requires estimates and significant judgment. The Monte Carlo option pricing model has been utilised to estimate the fair value of the LTIP, consistent with commonly used models under FRS 102.

	30 June 2025	30 June 2024
Expected term in years	2.3 - 5.3	3.3 - 6.3
Risk-free interest rate	3.8%	4.1%
Expected volatility	35.0%	35.0%
Dividend yield	0.0%	0.0%

Expected term

The G shareholders may exercise the First G Share Put Option following the approval of the audited financial statements for the year ending on the first accounting reference date of the company to occur following the fourth anniversary of the Issue Date of that G share, with the Second Put Option Date being the fifth anniversary and the Third Put Option Date being the sixth anniversary. It is assumed that 33.33% of G shareholdings will be sold at each G Share Put Option.

The assumption is that the G Share Put Options will be exercised 3 months following the years ending 30 June 2027, 2028, 2029 and 2030. This is the typical timeframe for the audited financial statements to be approved and therefore these expected term inputs have been used in the table above.

Risk-free interest rate

The risk-free rate of return for the options is taken from zero-coupon UK Government bonds at the valuation date with a remaining term equal to the expected life of the awards.

The risk-free rate input of 3.8% is broadly equal to the average risk-free rate over the different time periods. It is noted that relatively small changes to the risk-free rate have a minimal impact on the fair value of the awards.

Expected volatility

In order to estimate an appropriate volatility over the expected term, we have assessed the historical volatility of a number of quoted comparators over the relevant expected term inputs. As there is no external debt, we have ungeared the equity volatilities of the quoted comparators to arrive at the enterprise value volatilities.

Dividend yield

No dividends are expected to be paid prior to a future exit event. Therefore, a dividend yield input of 0.0% has been used to value the G shares.

Year ended 30 June 2025

16. Consolidated provisions for liabilities and charges

	Dilapidations provision (£)
At 30 June 2024	445,141
Capitalised in leasehold improvements	116,325
Released on end of period lease	(136,170)
At 30 June 2025	**425,296**

Company provisions for liabilities and charges

	Dilapidations provision (£)
At 30 June 2024	339,210
Released on end of period lease	(114,600)
At 30 June 2025	**224,610**

The dilapidations charge has been capitalised within leaseholds improvements and is being depreciated over the period of the lease.

Notes to the accounts *continued*

Year ended 30 June 2025

17. Share capital

	30 June 2025 (£)	30 June 2024 (£)
Authorised:		
39,800,000 (2024: 39,800,000) ordinary shares of £1 each	**39,800,000**	**39,800,000**
Allotted and fully paid:		
37,800,000 (2024: 37,800,000) ordinary shares of £1 each	**37,800,000**	**37,800,000**

The Company, Brightwell, trading name of BT Pension Scheme Management Limited, is a private company limited by shares and is incorporated in England.

18. Reserves

Reserves within equity are as follows:

Share capital
Amounts subscribed for share capital at nominal value.

Profit and loss account
Cumulative gains and losses recognised in the statement of comprehensive income.

19. Consolidated financial commitments

The Group's total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 Other (£)	2025 Land and buildings (£)	2024 Other (£)	2024 Land and buildings (£)
Within 1 year	265,361	592,723	214,418	724,579
Between 2 - 5 years	33,756	542,696	67,505	663,641
	299,117	**1,135,419**	**281,923**	**1,388,220**

Company's financial commitments

The Company's total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 Other (£)	2025 Land and buildings (£)	2024 Other (£)	2024 Land and buildings (£)
Within 1 year	48,389	424,942	137,897	605,856
Between 2 - 5 years	-	247,883	-	541,558
	48,389	**672,825**	**137,897**	**1,147,414**

Notes to the accounts *continued*

Year ended 30 June 2025

20. Consolidated net cashflow from operating activities

	30 June 2025 (£)	30 June 2024 (£)
Profit for the year after tax	3,596,060	8,518,188
Adjustments for:		
Tax charge	1,728,952	2,973,527
Amortisation of intangible assets	3,939,859	3,722,274
Depreciation of tangible fixed assets	582,481	705,079
Loss on disposal of fixed assets	1,076	-
Release of provisions previously capitalised	(136,170)	-
Share-based payments	181,954	125,102
Interest paid	18,596	2,481
Interest income	(1,937,428)	(1,915,743)
Other changes	-	(29,774)
Decrease in provisions and liabilities	(19,845)	(91,334)
Movements in working capital:		
Increase in debtors	(6,788,000)	(749,814)
Decrease in amounts due from ultimate parent	484,185	7,732,963
Increase/(decrease) in creditors	2,395,655	(2,310,188)
Tax paid	(3,383,608)	(3,671,625)
Net cash inflow from operating activities	**663,767**	**15,011,136**

Notes to the accounts *continued*

Year ended 30 June 2025

21. Related parties

Group companies

The Company has taken advantage of the exemption available in FRS 102 section 33.1a whereby it has not disclosed transactions with the wholly owned subsidiary undertakings of the group.

During the year, the Company provided business services to Procentia, valued and charged at £327,119 (2024: £210,000). At the year end, £677,217 (2024: £460,468) was outstanding for Group VAT, business service fees and expenses to be recharged.

During the year, BTPSA made purchases and sales of £1,068,819 (2024: £972,497) with Procentia, and of this balance, £39,592 (2024: £286,052) was outstanding at the year end.

A facility loan totalling £5,000,000 was advanced to Procentia Limited in the year, and at year end the full amount was outstanding (see note 13 for further details).

Key management personnel

The key management personnel are the non-executive Directors, Directors and members of the Exec. The total remuneration of key management personnel for the year ended 30 June 2025 was £4,258,362 (2024: £4,866,773), including Directors' remuneration of £2,792,533, (2024: £3,814,608) as disclosed in note 6.

22. Ultimate parent undertaking

The ultimate parent of the Group throughout the year was the BT Pension Scheme.

The financial statements of BT Pension Scheme can be obtained at the registered office: One America Square, 17 Crosswall, London EC3N 2LB or on the website at *btps.co.uk*

23. Subsequent events

There are no notable post-balance sheet events to report.

Brightwell

https://brightwellpensions.com/