

CEO's highlights of the year

Foreword from Aaron Punwani, CEO



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I'm pleased to share our financial results for the year ending 31 March 2023. It has been another strong year for LCP, with continued innovation, drive and commitment from our people leading to success and growth across the business.

At LCP, we have a clear sense of purpose. We fuse human expertise with powerful analytics to shape a more positive future. I'm proud of the way we have worked to deliver that purpose over the year, for our people, our clients, and our communities.

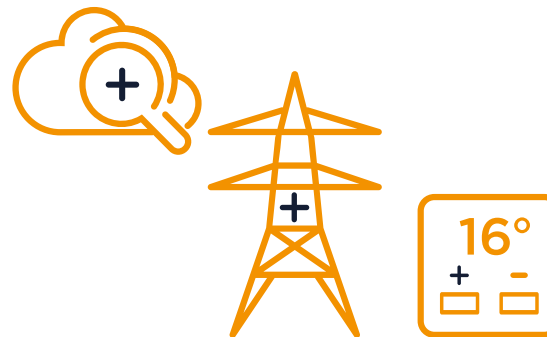
We measure our success not just in financial terms, but also in how we benefit all of our stakeholders, and support long term sustainable growth for current and future generations of our people.

This year has been exciting, challenging and, most importantly, one in which we truly lived up to our values



to help our clients respond to fast changing conditions and support our people to build brilliant careers in an inspiring environment.

In April 2022, we acquired Delta EE, a market leading energy consultancy, to join our existing energy team and form LCP Delta, with a clear aim to be the **leading global consultancy driving the energy transition**. In its first year of operation, the joint business has had remarkable success, building on our shared mission and cultural fit to build a thriving combined business.



In September and October 2022, after the mini-budget, many of our clients had to deal with unprecedented market conditions **as the LDI crisis hit pension schemes**. I'm extremely proud of the way our people worked quickly, diligently and decisively to support them in weathering any challenges as well as, in some cases, taking advantage of new opportunities.

And while these two big events have stood out this year, we've also continued to innovate and achieve great success across all the sectors we work in, for example:

- + In our health team, we've reimagined the economic incentives of the health system, working to **reduce healthcare inequality** and improve patient outcomes.
- + Our de-risking team has led insurance-based transactions for **£12bn of people's pensions**, securing these members' retirement outcomes.
- + We've built a case to seek changes in the pensions regulatory environment to help the **£1.5tn of DB pension funds to be used more effectively for good**. To find out more [click here](#).
- + We've worked with governments and regulators to **tackle systemic problems** and drive change.
- + Our ground-breaking AI reserving tool, InsurSight, has gone from strength to strength, analysing over **£100bn of reserves** to help Insurers make critical decisions.
- + Our clients continue to demonstrate high levels of satisfaction and loyalty. With a **satisfaction score of 8.6 and a remarkable NPS score of +64**, we're extremely proud of the strength of our relationships.

For a detailed version of our accounts please [click here](#)

CEO's highlights of the year *continued*

This combination of innovation, organic growth, some exceptional circumstances and M&A has led to a strong financial performance.

The group achieved a record income of £189.8m, which represents growth of 27.4% in the last financial year, including acquired revenue.

In doing all of this, we've continued to prioritise being a brilliant place to work. We are at heart, a people business, and so I'm very proud that LCP has been named an

“outstanding workplace”

by People Insight on the basis of our employee survey this year. This is underlined by our

87% engagement score

showing the results of those efforts – a score that is unusually high for a professional services consultancy.



Part of being an outstanding place to work is being an inclusive place to work, and it's been an impactful year for DEI at LCP. We continue to be recognised as leaders in this area, and I'm pleased to reaffirm my personal commitment to ensuring that we continue to make progress on our journey. This year, as well as a lively series of events run by our 4 networks and the continued success of our partner champions initiative, we have focussed on collecting diversity data to support our ability to report and drive real change. I'm proud that in a short time, 82% of our people have chosen to share their data, which will greatly support our ability to drive forward change.



We have worked hard to reduce our environmental impact. We have reduced our carbon intensity metrics (across scopes 1, 2 and 3) by over 20% and now source all of our electricity from renewable sources - offsetting the remainder so we are operationally carbon neutral for scopes 1 and 2. We are now working hard to set out our pathway to reduce our scope 3 emissions further.



We have donated over **£250k** to charities through our

LCP Foundation

and fundraising through our communities group.

This commitment to giving back to causes that our people feel passionate about is part of the fabric of LCP, connecting us to each other and the communities around us.

At our core, we are a firm that believes in the power of innovation and collaboration to make a positive impact in the world. This year, we have seen clearly the impact that can be made when we bring together diverse perspectives and skillsets to tackle the most pressing challenges facing our society.



It's a privilege to be part of a firm that takes such a long-term view of our impact, and I am excited to see the continuation of our journey as we progress with our ambitious plans.

Aaron Punwani, CEO

For a detailed version of our accounts please [click here](#)

Overview of Financial Statements 2023

Our continuing investments in people, services and technology leave LCP well positioned to meet and exceed the needs of our current and future clients, as well as creating a stimulating and rewarding environment for talented individuals to develop long term careers.

For further information please go to: <https://www.lcp.uk.com/about-us/annual-reports/>

Consolidated statement of comprehensive income

	2023 £	2022 £
GROSS FEES	189,767,395	148,980,024
Staff costs	(62,503,150)	(48,094,249)
Depreciation and amortisation	(3,147,898)	(1,129,384)
Other costs	(23,095,839)	(18,101,828)
OPERATING PROFIT	101,020,508	81,654,563
Interest receivable	390,164	20,267
Tax	821,589	(123,467)
PROFIT FOR THE YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES	102,232,261	81,551,363

NOTES:

Average number of members (partners)	166	157
Average number of employees	810	698

Consolidated Group statements of financial position

	2023 £	2022 £
Intangible assets	19,086,460	85,289
Tangible assets	6,903,866	7,338,306
TOTAL FIXED ASSETS	25,990,326	7,423,595
Debtors	65,764,736	49,091,249
Cash at bank and in hand	31,044,577	24,606,170
TOTAL CURRENT ASSETS	96,809,313	73,697,419
CREDITORS: amounts falling due within one year	(40,491,005)	(19,128,132)
NET CURRENT ASSETS	56,318,308	54,569,287
TOTAL ASSETS LESS CURRENT LIABILITIES	82,308,634	61,992,882
Creditors: amounts falling due after more than one year	(1,819,441)	(2,240,777)
NET ASSETS ATTRIBUTABLE TO MEMBERS	80,489,193	59,752,105

Represented By:

Members' capital	7,824,082	6,886,936
Non-controlling interest	1,024,093	623,066
Members' other interests	71,641,018	52,242,103
MEMBERS' FUNDS EMPLOYED	80,489,193	59,752,105

For a detailed version of our accounts please [click here](#)

The year in brief



Awards

Over the last year we have won 18 awards (eight highly commended). Highlights include:

UK Pensions Awards:

- 25 Years of Excellence in Consultancy
- DC Consultancy of the Year
- Risk Reduction Adviser of the Year
- Diversity & Inclusion Award
- Sponsor Covenant / IRM Adviser of the Year
- Fiduciary Evaluator of the Year (highly commended)

Pensions Age Awards:

- Sponsor Covenant Provider of the Year

Insurance ERM:

- Analytics Solution of the Year (InsurSight),
- Actuarial Team of the Year,
- Young Actuarial and Risk Professional of the Year (Lara Palmer)

Actuarial Post Awards:

- Employer of the Year

We were awarded a Gold Standard for LGBT+ equality within financial services by LGBT Great, a global organisation dedicated to developing LGBT+ diversity, equity and inclusion within the investment and savings industry.




Attracting new talent

We continue to attract the brightest and best across all the sectors we work in.



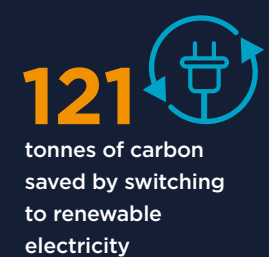
We have reached the exciting milestone of 1,000 people



new joiners including our new LCP Delta colleagues



graduates



For a detailed version of our accounts please [click here](#)