



Strathclyde  
Pension Fund

AGM 2024  
Finance  
Shona MacLean





# Agenda

- 2023/24 Annual Report**
  
- 2023/24 Financial Statements**
  - Fund Account**
  - Return on Investments**
  - Net Assets Statement**
  
- 5-year Trends**
  
- Future Cashflow**



# ANNUAL REPORT & FINANCIAL STATEMENTS

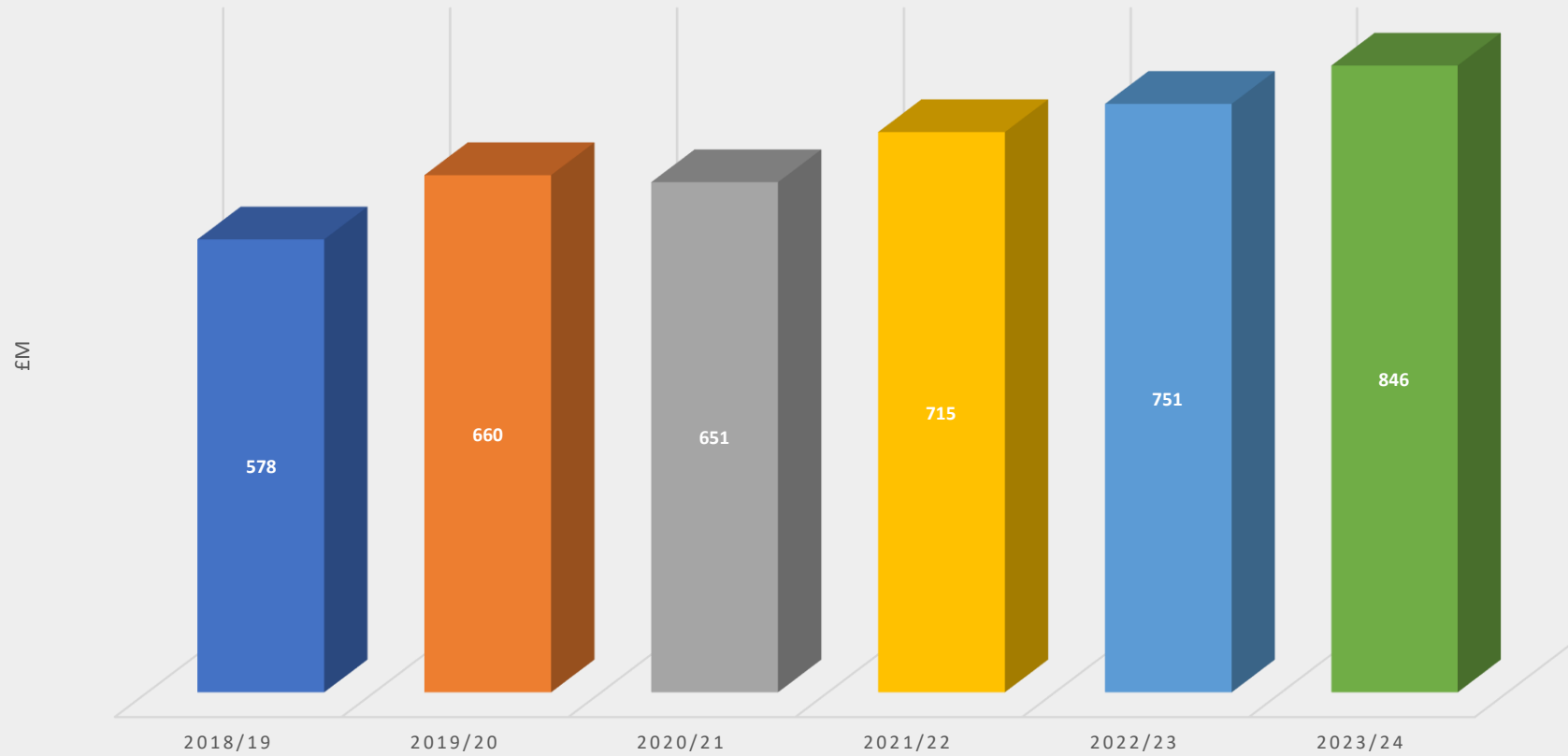
FOR THE YEAR ENDED 31 MARCH 2024

- Unaudited accounts reviewed by SPF Committee on 28th June 2024
- Available for inspection on the SPFO website [www.spfo.org.uk](http://www.spfo.org.uk)
- Submitted to EY for audit by 30<sup>th</sup> June
- Audit complete by 30<sup>th</sup> September

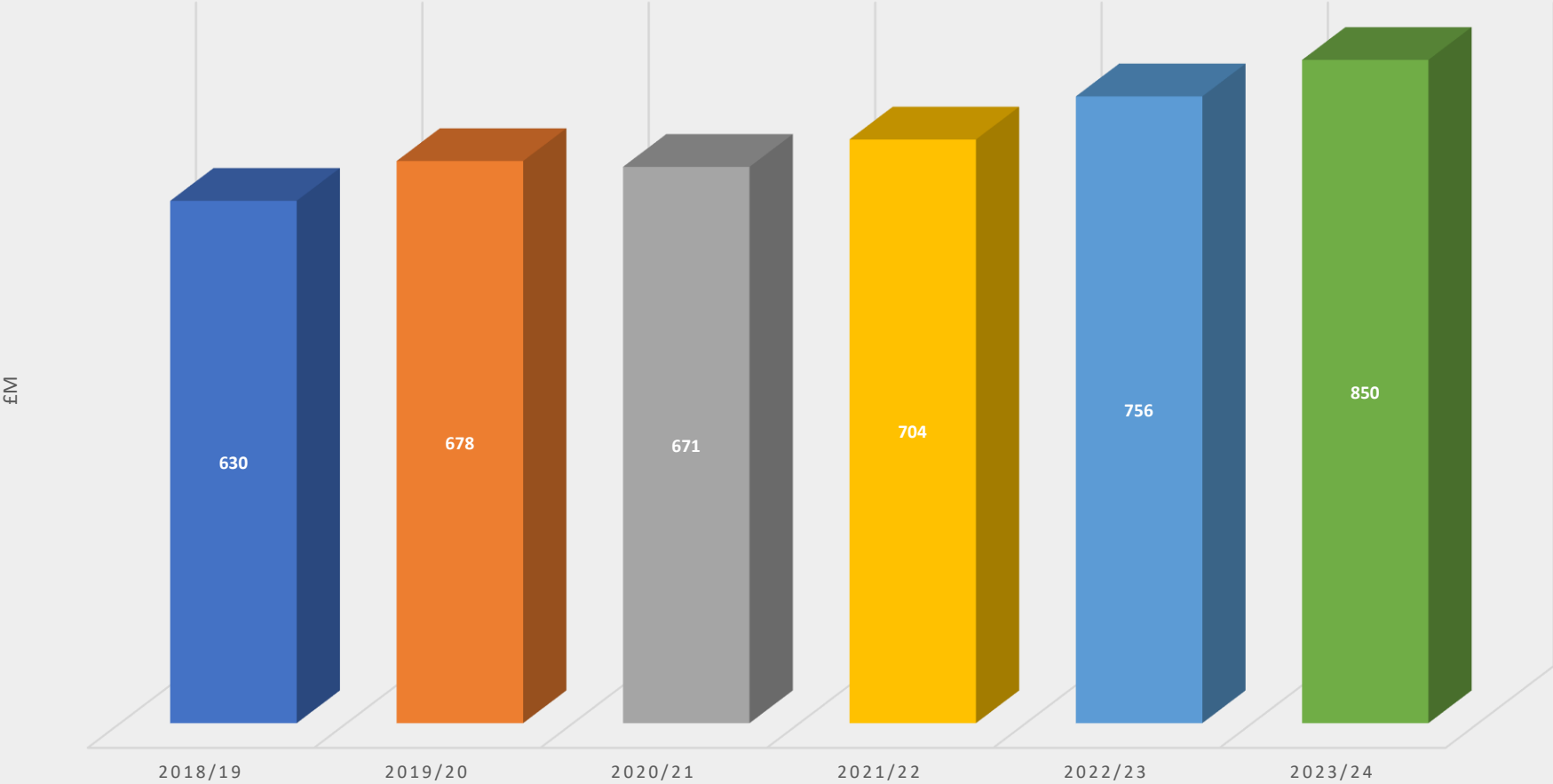
# 2023/24 Annual Accounts - Fund Account

| 2022/23                     |  | 2023/24      |
|-----------------------------|--|--------------|
| £m                          |  | £m           |
| <b><u>Fund Income</u></b>   |  |              |
| 551                         | Contributions Receivable from Employers                  | 636          |
| 170                         | Contributions Receivable from Employees                  | 190          |
| 30                          | Transfers In   | 12           |
| 0                           | Other Income   | 8            |
| <b>751</b>                  |  | <b>846</b>   |
| <b><u>Fund Payments</u></b> |  |              |
| (560)                       | Pensions   | (618)        |
| (169)                       | Lump Sums and Death Benefits                             | (209)        |
| (27)                        | Payments to and on account of leavers                    | (23)         |
| <b>(756)</b>                |  | <b>(850)</b> |
|                             | <b>(5) Net Return/Deficit from Dealings with Members</b> | <b>(4)</b>   |

# Total Income from Members and Employers



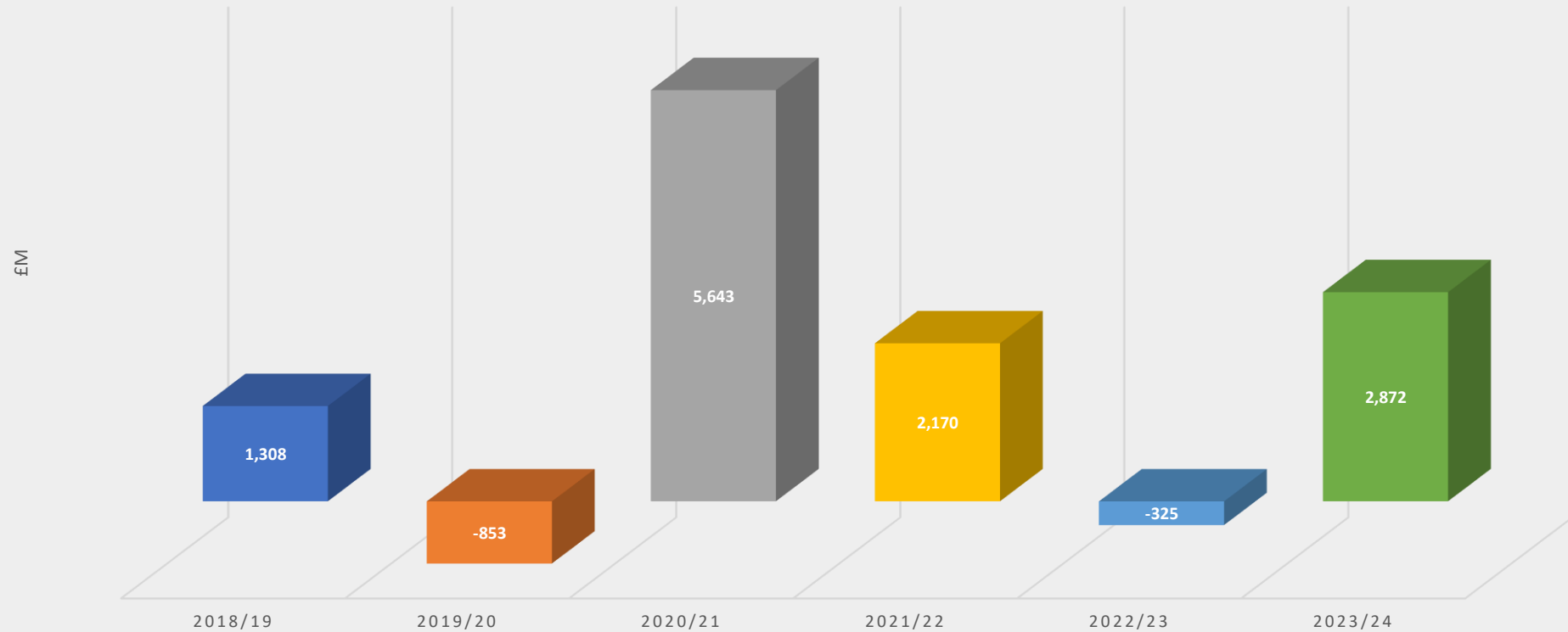
# Total Expenditure from Dealing With Members



## 2023/24 Annual Accounts – Return on Investments

| 2022/23      |                                       | 2023/24      |
|--------------|---------------------------------------|--------------|
| £m           |                                       | £m           |
|              | <b><u>Return on Investments</u></b>   |              |
| 412          | Investment Income                     | 504          |
| (4)          | Taxes on Income                       | (5)          |
| (733)        | Change in Market Value of Investments | 2,373        |
| <b>(325)</b> | <b>Net Return on Investments</b>      | <b>2,872</b> |
|              |                                       |              |
| <b>(166)</b> | <b>Management Expenses</b>            | <b>(174)</b> |

# Net Return on Investments





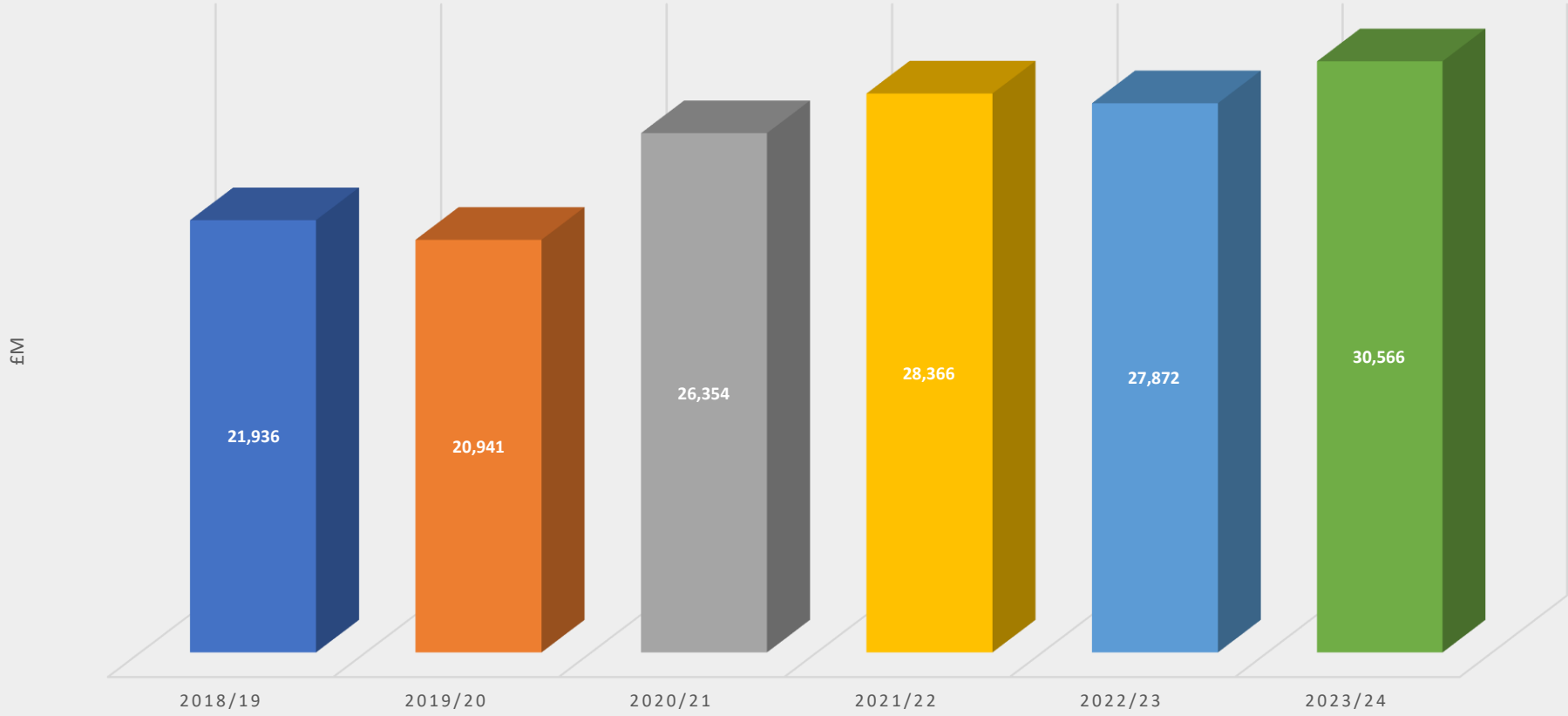
# 2023/24 Annual Accounts - Net Assets Statement

| 2022/23  | 2023/24       |
|--|---------------|
| £m   | £m            |
| <b><u>Investment Assets</u></b>                |               |
| 5,560 Equities                                 | 6,283         |
| 12,526 Pooled Investment Vehicles              | 14,106        |
| 6,803 Private Equity / Infrastructure          | 6,971         |
| 0 Derivative Contracts                         | 0             |
| 2,257 Property                                 | 2,340         |
| 582 Cash Deposits                              | 549           |
| 54 Other Investment Assets                     | 54            |
| <b>27,782</b>                                  | <b>30,303</b> |
| -78 Investment Liabilities                     | -63           |
| 2 Long-Term Debtors                            | 2             |
| 225 Current Assets                             | 379           |
| -59 Current Liabilities                        | -55           |
| <b>90</b>                                      | <b>263</b>    |
| <b>27,872 Closing Net Assets of the Scheme</b> | <b>30,566</b> |

# Net Assets

£30.6bn

# Net Assets

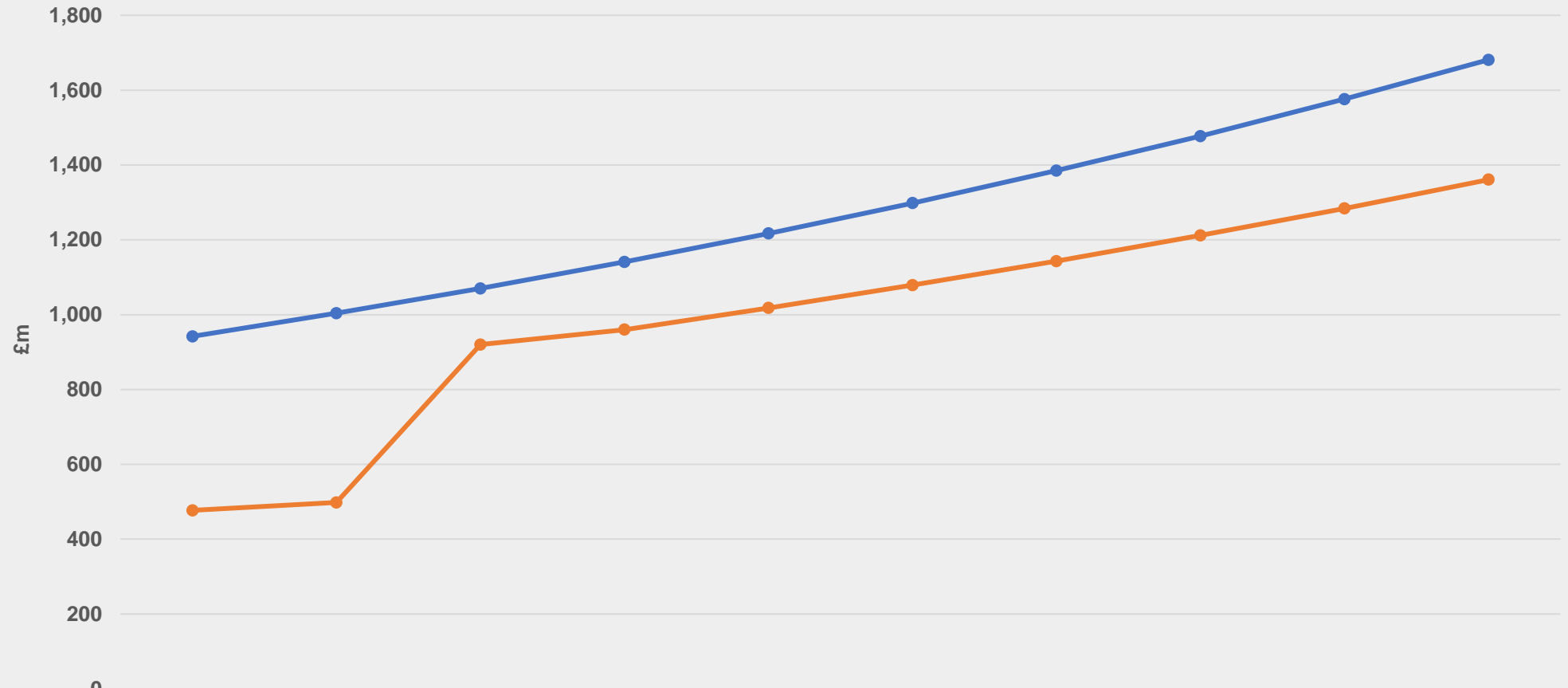


# 10 Year Cashflow Forecast – 2024/25 to 2033/34

|   | 2024/25<br>£000 | 2025/26<br>£000  | 2026/27<br>£000  | 2027/28<br>£000  | 2028/29<br>£000  | 2029/30<br>£000  | 2030/31<br>£000  | 2031/32<br>£000  | 2032/33<br>£000  | 2033/34<br>£000  |
|---|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Employee Contributions                                    | 217,962         | 227,502          | 237,440          | 247,790          | 263,071          | 279,271          | 296,444          | 314,649          | 333,945          | 354,397          |
| Employers Contributions                                   | 217,962         | 227,502          | 639,261          | 667,127          | 708,268          | 751,883          | 798,120          | 847,131          | 899,082          | 954,145          |
| Strain on the Fund  | 29,015          | 29,798           | 30,603           | 31,429           | 32,278           | 33,150           | 34,045           | 34,964           | 35,908           | 36,878           |
| Added Years   | 474             | 487              | 500              | 514              | 528              | 542              | 557              | 572              | 587              | 603              |
| Transfer Values in  | 11,835          | 12,154           | 12,482           | 12,819           | 13,165           | 13,520           | 13,885           | 14,260           | 14,645           | 15,040           |
| Other   | 189             | 194              | 199              | 204              | 210              | 216              | 222              | 228              | 234              | 240              |
| <b>Total Income</b>                                       | <b>477,437</b>  | <b>497,637</b>   | <b>920,485</b>   | <b>959,883</b>   | <b>1,017,520</b> | <b>1,078,582</b> | <b>1,143,273</b> | <b>1,211,804</b> | <b>1,284,401</b> | <b>1,361,303</b> |
| Pensions Expenditure                                      | 687,751         | 741,505          | 799,185          | 861,067          | 927,450          | 998,653          | 1,075,016        | 1,156,903        | 1,244,706        | 1,338,840        |
| Lump Sums   | 197,406         | 204,118          | 211,058          | 218,234          | 225,654          | 233,326          | 241,259          | 249,462          | 257,944          | 266,714          |
| Death Gratuities  | 26,157          | 27,046           | 27,966           | 28,917           | 29,900           | 30,917           | 31,968           | 33,055           | 34,179           | 35,341           |
| Refunds   | 1,711           | 1,769            | 1,829            | 1,891            | 1,955            | 2,021            | 2,090            | 2,161            | 2,234            | 2,310            |
| Transfer Values out                                       | 19,075          | 19,590           | 20,256           | 20,945           | 21,657           | 22,393           | 23,154           | 23,941           | 24,755           | 25,597           |
| Admin Costs   | 9,508           | 9,764            | 10,028           | 10,299           | 10,577           | 10,863           | 11,156           | 11,457           | 11,766           | 12,084           |
| <b>Total Expenditure</b>                                  | <b>941,608</b>  | <b>1,003,792</b> | <b>1,070,322</b> | <b>1,141,353</b> | <b>1,217,193</b> | <b>1,298,173</b> | <b>1,384,643</b> | <b>1,476,979</b> | <b>1,575,584</b> | <b>1,680,886</b> |
| <b>Net Additions/Deductions-Pre Net Investment Income</b> | <b>-464,171</b> | <b>-506,155</b>  | <b>-149,837</b>  | <b>-181,470</b>  | <b>-199,673</b>  | <b>-219,591</b>  | <b>-241,370</b>  | <b>-265,175</b>  | <b>-291,183</b>  | <b>-319,583</b>  |
| <b>Investment Activity</b>                                |                 |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Bank Interest Receivable                                  | 3,860           | 4,550            | 4,550            | 4,550            | 4,550            | 4,550            | 4,550            | 4,550            | 4,550            | 4,550            |
| Investment Income   | 386,800         | 406,140          | 426,447          | 447,769          | 470,157          | 493,665          | 518,349          | 544,266          | 571,479          | 588,624          |
| Manager Fees  | -37,088         | -38,090          | -39,118          | -40,174          | -41,259          | -42,373          | -43,517          | -44,692          | -45,899          | -47,138          |
| <b>Net Investment Income</b>                              | <b>353,572</b>  | <b>372,600</b>   | <b>391,879</b>   | <b>412,145</b>   | <b>433,448</b>   | <b>455,842</b>   | <b>479,382</b>   | <b>504,124</b>   | <b>530,130</b>   | <b>546,036</b>   |
| <b>Total Net Movement</b>                                 | <b>-110,599</b> | <b>-133,555</b>  | <b>242,042</b>   | <b>230,675</b>   | <b>233,775</b>   | <b>236,251</b>   | <b>238,012</b>   | <b>238,949</b>   | <b>238,947</b>   | <b>226,453</b>   |

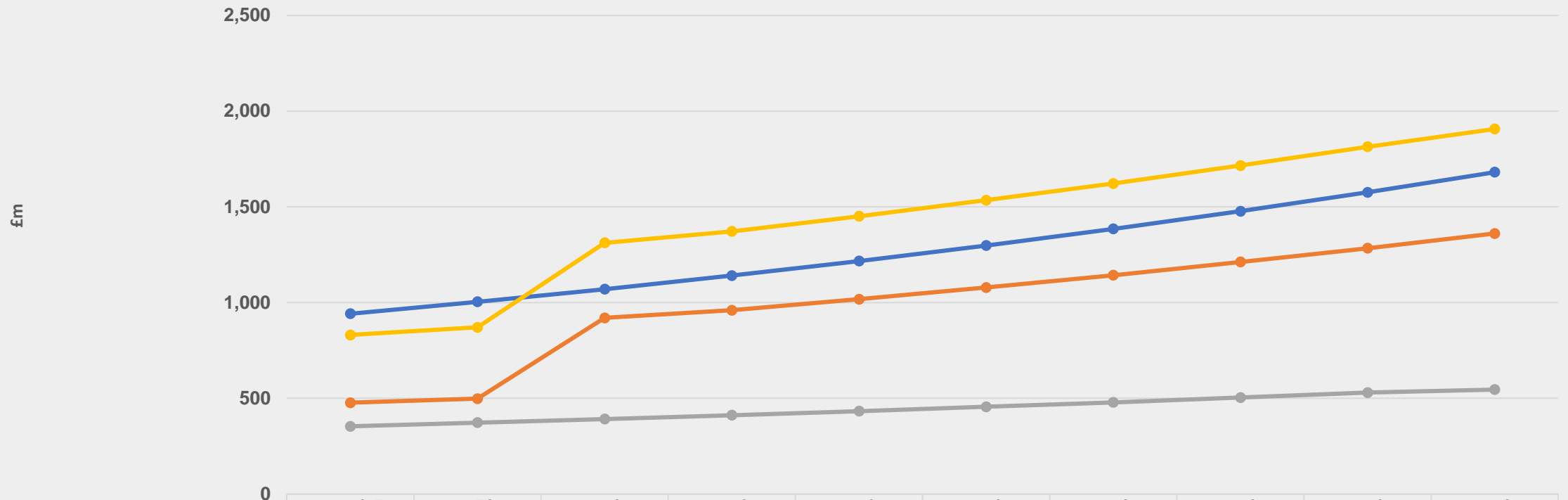


# 10 Year Cashflow Forecast – 2024/25 to 2033/34



|                | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Expenditure    | 942     | 1,004   | 1,070   | 1,141   | 1,217   | 1,298   | 1,385   | 1,477   | 1,576   | 1,681   |
| Members Income | 477     | 498     | 920     | 960     | 1,018   | 1,079   | 1,143   | 1,212   | 1,284   | 1,361   |

# 10 Year Cashflow Forecast – 2024/25 to 2033/34



|                     | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 |
|---------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| ● Expenditure       | 942     | 1,004   | 1,070   | 1,141   | 1,217   | 1,298   | 1,385   | 1,477   | 1,576   | 1,681   |
| ● Members Income    | 477     | 498     | 920     | 960     | 1,018   | 1,079   | 1,143   | 1,212   | 1,284   | 1,361   |
| ● Investment Income | 354     | 373     | 392     | 412     | 433     | 456     | 479     | 504     | 530     | 546     |
| ● Total Income      | 831     | 871     | 1,312   | 1,372   | 1,451   | 1,535   | 1,622   | 1,716   | 1,814   | 1,907   |

**Shona MacLean**

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