

Shetland Charitable Trust

Press release: for immediate use

Charitable trust agrees budget for 2016-17

Shetland Charitable Trust has agreed to reduce spending in 2016-17 by just under £400,000 as it continues to bring the amount it hands out into line with its income.

The trust will disburse a total of £8,401,050 and management and administration costs are expected to be just under £700,000.

With income forecast to be £7,821,290, it means the trust will still be spending more than it earns.

However, the reduction is part of a long-term strategy to become financially sustainable by 2020 which was agreed by trustees in May this year.

SCT chairman Bobby Hunter said: “We are phasing in reductions over five years, spending some of our reserves in the process, to minimise the impact on the bodies we fund.

“We are confident of reaching a position by 2020 where we can support spending from income only and do not have to draw on our reserves continually.

“That will mean future generations of folk in Shetland can benefit from the charitable trust funds in the way current and previous generations have.”

Approval of the detailed disbursements planned by the trust was delayed until a future trust meeting in light of new information that Mr Hunter wanted to give trustees time to consider.

Ends

BACKGROUND INFORMATION:

Shetland Charitable Trust is one of the largest such trusts in Scotland. The value of its investments is currently around £224m, with some £192m invested in the world’s markets and £23m in the local economy. Funded originally by Shetland Islands Council’s “disturbance payments” from the oil industry between 1976 and 2000, it now relies entirely on its investment income. The trust formerly comprised all councillors plus two independents. This changed in 2012 and it is now a completely separate organisation from the council, with a built-in majority of independent trustees.

Shetland Charitable Trust owns three companies: Shetland Leasing and Property Developments Ltd (SLAP); Shetland Heat Energy and Power Ltd (SHEAP); and SCT Renewables Ltd.

Registered Charity No. SC 027025