

News release from Shetland Charitable Trust

Trust reduces spending as value of investments fall

Shetland Charitable Trust succeeded in reducing spending to planned levels in 2015-16.

Under a new financial strategy aimed at ensuring the Trust remains sustainable for future generations, expenditure on charitable activities was £9.4m, down from £9.8m in 2014-15.

During a difficult year for the world's financial markets, the value of its investments fell to £200m, although amid volatile market conditions they had recovered to £215m by 31st July this year.

SCT chairman Bobby Hunter said: "We have faced some significant challenges in recent years, and the most important of those has been to bring our spending down to a level where we know we will have a Trust to continue to help improve the quality of life for people in Shetland in the years ahead.

"I'm pleased that through the good work of trustees and staff we are on course to become financially sustainable by 2020.

"During the year the value of our investments on the financial markets fell, although they have since recovered, underlying the fact that we view these as long-term investments and that we need to remain prudent."

Ends

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Notes to editors

Shetland Charitable Trust is one of the largest such trusts in Scotland. The value of its investments is currently around £215m. 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