

## INTEREST IN GUERNSEY FOUNDATIONS BEGINNING TO BUILD

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Foundations business in Guernsey is starting to grow.

Since the introduction of the Guernsey Foundations Law at the beginning of last year, 16 foundations have been registered in the Island. It has given local service providers an added level of flexibility and an extra tool on the menu of options available for best meeting client needs via Guernsey structures.

**Collas Crill** specialist fiduciary lawyer Angela Calnan told an audience at a recent Institute of Chartered Secretaries and Administrators presentation that her firm had been responsible for a quarter of those registered.

"By being able to offer foundations, Guernsey now has an innovative tool in the Island's wealth and succession planning offering and this has attracted a wider client base to Guernsey," said Ms Calnan.

"We are now seeing a significant increase in interest in Guernsey from clients in civil law jurisdictions, who are uncomfortable with the idea of a trust and the perceived loss of control associated with it, and who seek a greater degree of influence over the administration of their wealth or require more bespoke wealth-planning solutions."

Ms Calnan said Collas Crill was seeing significant interest from its client base in the Middle East and Far East, who were attracted by the idea of foundations to hold their family businesses, particularly as the foundation's council can mirror the board of the family operation and ensure that control is retained of the 'golden egg'.

Guernsey foundations are also being used in innovative ways, including use as the top level 'orphan-owning' structure of a bond issuing a vehicle, for pure estate planning, and as a direct replacement for a discretionary trust for a client's family.

Ms Calnan added: "We expect both corporate entrepreneurs and more traditional private clients to take up the benefits of introducing a foundation into their structures. Momentum is gaining and we are confident that 2014 will be another good year for the foundation in Guernsey. The key is to continue to get the message of Guernsey foundations out into the internationally-mobile, so that more clients take up this flexible new tool."

WE ARE GUERNSEY is the brand under which Guernsey Finance promotes the island's financial services sector internationally. Guernsey Finance - the promotional agency for the island's finance industry internationally - is a joint industry and Government initiative responsible for the promotion of Guernsey. Under the leadership of Chief Executive Rupert Pleasant, the agency ensures that the core values and competencies of the island's finance sector are accepted and respected by the global community and that financial business development flows are enhanced.

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