COLLAS CRILL

This isn't just a trustee... it's a Guernsey private trust company

AUGUST 2025

Granted, the Marks & Spencer reference may have worked slightly better prior to their recent cyber difficulties but, when is a trustee not just a trustee? When it's a private trust company (**PTC**), that's when.

As we know, a PTC is a really good stepping stone for clients between (i) retaining personal ownership of assets; and (ii) fully divesting themselves of assets in favour of a third party trustee.

With a PTC, clients can pass assets to their own trustee – an entity that they will have a level of control over (sometimes significant) but which will also have a level of oversight from a regulated trust company.

Sometimes clients stop at this point and just continue with a PTC for the long term. Other clients use the PTC as an incubator to road test offshore trustees and offshore jurisdictions before fully taking the plunge and handing over lock stock to a third party offshore trustee.

As part of the highly successful 2024 MONEYVAL assessment, Guernsey licensees were asked about the PTCs that they administer, which enabled Guernsey's regulator, the Guernsey Financial Services Commission (the **GFSC**), to collate sanitised data on the use of these structures holistically for the first time. The results were fascinating.

As advisors we have certainly seen a significant increase in client demand for PTCs. The cold hard data following the MONEYVAL assessment confirms that PTCs are indeed on the rise in Guernsey.

What is a private trust company? A quick reminder

A PTC is a corporate entity established to act as the trustee of one or more family trusts. (Although a foundation could also be used as a PTC in Guernsey rather than a company).

Unlike professional trustees, which serve many clients and are bound by commercial mandates, a PTC is typically set up to manage the trusts of a single family or closely connected group. This allows for a high degree of customisation, governance control and alignment with the family's values and legacy goals.

The usual approach for a Guernsey PTC is for the PTC board to comprise a blend of professional and family board members. Often a Guernsey-licensed trust company will occupy one board position in order to ensure that it has good information flow for compliance and reporting purposes, and then the other seat(s) will be

This note is a summary of the subject and is provided for information only. It does not purport to give specific legal advice, and before acting, further advice should always be sought. Whilst every care has been taken in producing this note neither the author nor Collas Crill shall be liable for any errors, misprint or misinterpretation of any of the matters set out in it. All copyright in this material belongs to Collas Crill.

occupied by family members and/or their trusted advisors. Usually the family and their advisors will be able to out vote the licensee and, as such, will retain control of the overall structure.

The PTC will usually be owned by a purpose trustee shareholder and the purpose trust will have an enforcer who will have the ultimate power to hire and fire the PTC board. This key position is usually occupied by the settlor or their trusted advisor.

Sometimes, but not always, the PTC will work in conjunction with a Family Council – an informal body comprised of key stakeholders in the family - which will often have to consent to major PTC decisions.

The PTC and the Family Council will also often be guided by a family philosophy document – sometimes a letter of wishes or, if more detail is required, then a Family Constitution or Family Charter being essentially a glorified letter of wishes but which the key family stakeholders sign up to.

Guernsey's thriving private trust company industry

Taking a look now into the GFSC's sanitised data from the end of 2024, there were at that time 126 fully fledged PTCs in Guernsey – many of these are long-established structures.

So what were some of the key themes and insights?

Interestingly, these PTCs are not just administered by pockets of specialist licensees – they are spread across 36 licensed fiduciaries.

As such, there is huge choice for new clients looking at these structures in terms of on-island licensees with a proven track record in the stewardship of these structures. This enables us, as trusted advisors, to pair the families that we look after with licensees who will best fit that particular family in terms of style and experience.

It is also clear from the GFSC's data that some licensees have very deep expertise in this area - with one licensee running 18 PTCs.

In terms of client demographic, the majority of Guernsey's PTCs are settled by UK resident settlors (34%), followed by the EU (20%) and then closely followed by the Middle East (17%). It will be interesting to see if and how those numbers are impacted by the recent non dom tax changes in the UK. Perhaps UK numbers will decrease and EU numbers will increase following the departure of significant numbers of the wealthy from the UK into Europe.

The Middle East is also a key and growing market for Guernsey and with more and more advisors heading to the region on a regular basis and sharing information on PTCs, that is only likely to increase.

In terms of the asset classes held in Guernsey through these PTCs, as expected private company shares and other trading assets feature really highly – in fact in over half of Guernsey's PTCs. That is due to the risks for

This note is a summary of the subject and is provided for information only. It does not purport to give specific legal advice, and before acting, further advice should always be sought. Whilst every care has been taken in producing this note neither the author nor Collas Crill shall be liable for any errors, misprint or misinterpretation of any of the matters set out in it. All copyright in this material belongs to Collas Crill.

family businesses if they fail to transfer these assets out of direct personal ownership (such as fragmentation of boards in the event of shareholder death, paralysis of family business during the probate process and taxation).

Other popular asset classes are real estate and bankable assets and there are also more and more unusual asset classes such as artwork, thoroughbred horses and luxury assets.

The majority of Guernsey PTCs (80%) have a Guernsey licensed trust company in a board position. As stated earlier, this is usually a minority seat but enables the Guernsey licensee to have appropriate information flow and oversight so that it can comply with its reporting and regulatory obligations while not interfering with the family's agenda.

A bright future for private trust companies

So, a PTC is a great alternative for families who are looking to establish a trust structure but who may not be wholly convinced or ready to hand over the family wealth to a third party trustee yet. The PTC could be regarded as a hybrid, or the best of both worlds, in that the family still get to divest themselves of ownership (with all the benefits that that involves) whilst gaining the expertise of an offshore licensee and retaining a comfortable level of control.

The pipeline for new PTCs in Guernsey is healthy and it looks like a sector set to flourish further in the coming months/years. PTCs really do offer an ideal solution for families seeking long-term control, confidentiality and continuity.

This note is a summary of the subject and is provided for information only. It does not purport to give specific legal advice, and before acting, further advice should always be sought. Whilst every care has been taken in producing this note neither the author nor Collas Crill shall be liable for any errors, misprint or misinterpretation of any of the matters set out in it. All copyright in this material belongs to Collas Crill.

COLLAS CRILL

For more information please contact:



Angela Calnan

Partner (Advocate) | Guernsey

t: +44 (0) 1481 734233 | **e:** angela.calnan@collascrill.com

This note is a summary of the subject and is provided for information only. It does not purport to give specific legal advice, and before acting, further advice should always be sought. Whilst every care has been taken in producing this note neither the author nor Collas Crill shall be liable for any errors, misprint or misinterpretation of any of the matters set out in it. All copyright in this material belongs to Collas Crill.