



Children's Trust

What is it?

A 'Trust' that is set up when you die. A provision for it is made now, in your Will.

What does it do?

A 'CT' specifically deals with your wishes for a minor's inheritance. The default position in inheritance law is that they get everything on their 18th birthday. This isn't always a great idea, as not every 18 year old is ready to inherit large sums of money or property. The 'CT' has 2 main functions, firstly it allows you to change this age to anywhere up to 25 and secondly it enables you to put the inheritance under the control of your chosen Trustees.

An example

Mr and Mrs Jones' have 2 sons Tom and Tim. Tom is very mature and they are quite comfortable with him

inheriting at 18. However Tim is less conscientious and they fear he might waste his. The 'CT' directs that the children will not inherit until the chosen age, whilst giving the Trustees the discretion to use the money for the benefit of those children, e.g. for education or a deposit on their first property before they are 25 years old. The Trustees have full control over the money and are legally bound to use it correctly. The 'CT' has therefore given Mr and Mrs Jones complete control over the Children's inheritance from beyond the grave and given both boys the best possible financial start in life.

How does it work?

The ages of inheritance are noted as a clause within your Will. An accompanying set of directions are written for your Trustees to detail your specific wishes.