

Who we are and what we do?

Foresight Estate Planning is a specialist Will Writing and Estate Planning Company. We help our clients protect their wealth and ensure it is passed down to their chosen beneficiaries. We are fully qualified, insured and regulated by the Institute of Professional Will Writers, and approved by the Trading Standards Institute (formerly the Office of Fair Trading). Our greater strength comes from our association within our group of companies and we are proud partners of Insight Financial Associates who have a wealth of experience in advising clients on their pensions, investments and other financial service needs.

What is an Estate Plan?

An estate plan consists of three elements: -

- 1) **A Will:** everyone who has children or owns property should have a valid up-to-date Will. If you do not, your Will is determined by statute (the government) and is very unlikely to meet your wishes and in some cases could result in your assets passing to the wrong people.
- 2) **Lasting Powers of Attorney:** everyone should have Lasting Powers of Attorney “LPA”. There are two types; one that deals with property & finance matters and one that deals with health & welfare. For more information you can request our LPA Fact Sheet.
- 3) **Trusts:** are used to protect your wealth and ensure it goes to your chosen beneficiaries at the right time. There are two main types; those in your Will (Will trust planning) to give you some basic protection and certainty and one set up now (lifetime settlements) that provide you with the maximum protection and certainty.

An estate plan is something that grows and develops over time. Having a valid up-to-date Will and valid Lasting Powers of Attorney should be seen as the starting point. Our aim is to help you ensure that your estate plan reflects your current position and meets your current wishes and objectives. For example, “I do not want my house and savings to pass to another family if either of us re-married or co-habits in future years”, (bloodline planning).

We have clients who start with something basic and progress to partial or full estate planning later on and clients who proceed with full estate planning immediately. It is your choice – we merely facilitate you being able to make informed decisions about these very important matters.

Why do many people consider estate planning?

It was the MP Roy Jenkins who said inheritance tax is a ‘voluntary tax’. Similarly, family assets sometimes pass to the wrong people through a lack of planning and advice. Moreover it’s the most natural desire in the world – to pass on your hard-earned assets to your family and loved ones. But before that is possible there are legal costs and delays, tax authorities, potential former in-laws, creditors and local authorities eyeing up your estate. People in general now have far more assets than ever before and at the same time families have become increasingly diverse and complicated and the threats to passing assets down our bloodline have increased; 100 years ago divorce and re-marriage was rare and people retired at 65. This combination of increased personal assets, together with the new threats of modern society means that estate planning should be a vital part of your financial planning toolkit if you own property and / or have children.

Simply having a basic Will is no longer likely to achieve your wishes

You can avoid all of the threats to achieving your wishes by putting in place a bespoke estate plan for you and your loved ones. The foundations are the Will and Lasting Powers of Attorney on top of which you can build your estate planning (to protect and preserve your wealth).

A will ONLY administers what you have WHEN you die and this maybe nothing. If a spouse remarries your will may not even guarantee that your children or beneficiaries will even inherit! If long term care is required, with average fees around the £800-1000 a week a lifetimes possessions and property can be drained to almost zero within 4-5 years.

Remarriage, Care, Alzheimer's or Dementia are all part of everyday life and yet very few people deal with these until they are faced with them at which point it may be too late. Here at Foresight we are urging everyone to consider the impact of how people are living their lives today and how it affects what they can pass on to their children and their bloodline.

In this pack you will find all the information you need to protect yourself if you were to lack capacity, require care or if a spouse remarries. By acting on this advice you will always have who you trust making decisions if you cannot. There will be an estate to leave and that your monies will pass to your chosen beneficiaries not to someone else's.

Lasting Power of Attorney

A Lasting Power of Attorney (LPA) is a document by which you grant someone (your Attorney) the power to make decisions on your behalf at a time when you may no longer be able to do so yourself, whether through illness, injury or any other condition which might affect your capacity.

Why make an LPA?

Making an LPA enables you to plan how your health, wellbeing and financial affairs will be looked after at a time when you can no longer make decisions yourself. It gives you the ability to choose:

- * The decisions you want to be made on your behalf if you lose capacity to make them yourself
- * The people you want to make these decisions
- * How you want those people to make these decisions

If you do not have an LPA in place and you become unable to deal with your affairs yourself, then a relative or other appropriate representative would have to make an application to the Court of Protection to be appointed to make decisions on your behalf as your "Deputy". This can be a costly and time-consuming process and means that you have no control over who is appointed to be your Deputy or what decisions he or she can make.

To draw up a valid LPA the donor must have capacity at the time of signing. Therefore, planning ahead is essential and gives the donor plenty of time to consider the people they want to appoint and place any restrictions or guidance they may want to make in advance.

Sadly the process is more complicated for those who don't already have an LPA and subsequently become mentally incapacitated. In this case there is no other option but to make an application to the Court of Protection for a Deputyship Order. Unlike

LPAs where the donor chooses their attorney in advance, the court will instead appoint an attorney (either a relative or a professional such a solicitor). However, this does depend on there being someone prepared to take on the duty.

A Deputyship application is more costly and heavily administrative. The application itself can take many months to complete and presently the Court advise that it takes six months for an Order to issue. This inevitably creates interim financial issues once appointed by the Court Deputy who is then required to complete and submit annual returns and to account to the Court.

LPAs are quicker to administer, less expensive and puts the donor in the driving seat. Whilst the importance of Deputyship Orders should by no means condemned, it is often seen as a sledgehammer to crack a nut, compared to the relatively straightforward LPA process. As none of us know what is around the corner having protection in place 'just in case', offers peace of mind and certainty for yourself and your family.

Types of LPA

There are two different types of LPA:

- 1) **Property and Financial Affairs LPA:** This allows your Attorney to deal with your financial affairs and your property. This could include paying bills or selling your property or investments. This type of LPA can also be used whilst you still have capacity to handle your financial affairs and property if needed. An example would be if you were out of the country and needed someone to handle your affairs in your absence.
- 2) **Health and Welfare LPA:** Unlike a property and financial affairs LPA, this can only be used once you have lost capacity to make your own decisions. Your Attorney under this type of LPA can make decisions on your behalf about your health and welfare if you are unable to do so yourself. Your Attorney could, for example, make decisions about your medical treatment, where you should live and your day-to-day care. Your Attorney can even make decisions about life sustaining treatment if you specifically permit this in the LPA.

You can make one or both types of LPA. Each one must be registered with the Office of the Public Guardian before it can be used by your Attorney.

People involved in making your LPA

There are a number of people who will be involved in the process of making an LPA:

Attorney(s)

You can choose who you would like to appoint as your Attorney(s). For example, you could appoint your spouse or partner, child, relative, friend or a professional, provided they are over 18. You can appoint more than one Attorney and this is usually a good idea in case an Attorney is unable to act at the relevant time.

Where there are two or more Attorneys, you can decide whether they are to act:

1. **Jointly**, so that they must act together;
2. **Jointly and severally**, so that they may act either together or independently of each other (a more flexible option); or
3. **Jointly in respect of some matters and jointly and severally in respect of others.**

You can also name a replacement Attorney in the LPA to act if the original Attorney's appointment is terminated for whatever reason.

Named Person(s)

You may choose who you would like to be notified when an application is made to register your LPA. You may specify up to five "named persons" and should ideally name at least two. This is a safeguard to prevent against improper use of the LPA. These people will have the right to object to the registration of the LPA if they have concerns over it or over the identity of your Attorney(s). If you do not specify any named persons, the LPA must include two LPA certificates (see below).

Certificate Provider

You must select someone to act as a "certificate provider". This person will complete a certificate contained in the LPA confirming that you understand the LPA and are not under any pressure to make it. The certificate provider can either be someone other than a family member who you have known personally for at least two years or a professional person such as a healthcare professional, a lawyer, a social worker, etc.

TRUSTS IN GENERAL

Having a will is essential in making sure that your assets are distributed the way you want after you are gone. Apart from this, more people are also setting up trusts even if they are not wealthy, both to protect their assets now and control how their money is distributed later.

Very simply, a trust is a legal structure that holds and manages your assets. You can put your cash, shares and property into a trust in your lifetime or your residual estate after you pass.

A trust allows you to decide how your assets will be managed and distributed. The trust can distribute funds to you right away, for instance, or you can specify later distributions such as how old your children must be before they receive any money.

PLANNING FOR YOUR CHILDREN

The most common reasons for setting up a trust relates to ensuring that your assets are distributed the way you want. If your children are young, for instance, you can have a trustee manage money when you are gone to make sure they live comfortably, receive a good education and use the funds for specific purposes.

Families also use trusts to ensure a smooth transfer of wealth from one generation to the next. A trust can establish rules about how family money should be used and distributed, which helps to ensure that wealth is preserved and that your legacy can last for generations. Trusts also come in useful when you want to protect what you own, for example, when family disputes arise.

With family relations growing increasingly complex and disagreements or divorces becoming more common, putting assets in a trust can protect them from difficult situations. Parents can buy a home for a child, for example, and protect against the risk of family feuds or divorce by keeping the property outside of the child's assets. It is often more difficult for people to challenge a trust than to challenge the validity of a will.

TRUSTEES

The trustees that you appoint then manages the assets for the beneficiaries, such as your children. The trustees should be someone you can rely upon to make the right decisions and follow the requirements of the trust.

The biggest concern for many people is that putting your assets into a trust means that you give up legal ownership of them and that they will be managed by trustees. With most lifetime trusts we set up, the Settlers (individual who sets up and places assets into the trust) are the trustees meaning you retain control over the assets within the trust for your lifetime.

You can transfer as much or as little of your assets as you want into the trust, which takes legal ownership of them. You will also be able to specify how you would like your assets to be invested, such as in low-risk shares and bonds or which property the trust holds and who benefits. While you may have thought that trusts are only for the very wealthy, they are easier to establish than you might think, and can help with managing or protecting your assets in a wide variety of situations.

If you do decide to set up a trust, you will need to work with professionals like Foresight and our team of independent financial advisers to set up the right legal structure.

Family Trust Planning

To underpin the wealth acquired by our clients, Foresight provide a range of trust solutions designed to meet a variety of client needs to ensure generational planning, asset direction and wealth protection for families.

Bloodline Planning ensures that your assets reach your children, grandchildren and other relatives, rather than ending up in the wrong hands!

When assets are distributed via your Will (if you have one) to your chosen beneficiaries, these assets are then considered to be part of the beneficiary's estate and would be at risk of attack from any future divorce settlements, creditors and/or taxation.

With the strategic use of Trusts, you can ensure that your children and grandchildren are able to benefit completely from the inheritance you want them to receive and at the same time offer protection of the family home and other assets from being lost to attack from any future divorce settlements, creditors, taxation and the costs of Long Term Care.

A Beneficiary Protection Trust

This type of trust has been specifically designed to deliver lifetime and residual estate wealth preservation benefits to families for estate values typically from £400,000. Importantly the planning is effective in dealing with the new Residential Nil Rate Band (“RNRB”) tax allowance in an effective, flexible manner.

Clients who plan to gift assets to their children and/or leave their assets directly to a spouse and then to their children when they die may benefit from this planning. The plan includes advice, two integrated Wills, first death asset protection options, an advanced Settlement (Trust), Wishes Letter and Solidus binder.

Additional Settlements (Trusts) can be added for individual beneficiary groups (children). The trusts may hold lifetime transfers as well as residual estate legacies. The plan addresses the shortfalls of most common wills which leave assets to each other and then to children directly. The framework can protect assets on the death of the first spouse and delivers next generation control and protection. Additional trusts for specific beneficiaries are recommended.

In order to realise the full benefits of this planning continuity of advice is essential. Therefore periodic reviews are required and on death we encourage clients to consult their financial adviser and use Foresight to assist with probate and/or post probate administration.

The key advantages of the planning include:

1. Optional protection of the assets of the first to die from social impact.
2. Avoids generational erosion of wealth - legitimately avoids next generation inheritance tax equating to £40,000 for every £100,000 directed to the trust.
3. Potential protection of trust assets given to beneficiaries from social impacts e.g. their children divorcing.
4. Flexible approach to claiming any required RNRB tax allowance where applicable.

5. Protection of assets gifted during lifetime, creating additional next generation tax and protection benefits.

6. Funds can be retained within the trust for up to 125 years providing benefits for generations to come.

The planning delivers a high level of flexibility and does not require a client to lose control of assets. Most assets only pass on death. The trusts used are developed and maintained in conjunction with Solidus and Mills & Reeve LLP, the largest private client legal group in England and Wales. The plan always includes one or more pilot trusts (established as part of the planning and does not rely on the actions of a probate solicitor on death). Our Trusts have been comprehensively designed to cover the requirements of most family circumstances and are regularly updated.

The Benefits of Bloodline Planning

If assets and wealth are protected in a bloodline trust then they remain within the family unit. Without a bloodline trust assets are vulnerable to:

- Divorces in future generations of a family
- Bankruptcy or other financial issues
- Inheritance tax
- Other taxes

Bloodline trusts ensure that money can only be accessed and used by your children, your grandchildren or other generations directly related to you – those who have married into a family have no access to funds.

Property Trusts (properties only)

A Property Trust from Foresight can only be created whilst both partners are alive and hold property as Tenants in Common. The Trust instrument is then drawn up in both Wills but does not come into force until after the death of the first party. At this point their share of the property - typically 50% - is placed into the Trust for the benefit of their chosen beneficiaries, while the surviving partner remains living in the property. This means if whoever is left requires long term care they are only assessed as owning half a house. The half of the partner who died first can not be used to fund care as it does not legally belong to the remaining partner. On the 2nd

party's death the Trust ends and the property passes to the beneficiaries as hoped for originally.

This solution is also used to prevent original children being disinherited if the remaining spouse remarries. Because marriage revokes a Will, whole estates can pass to someone other than the children of the partner who died first, but if that first party placed their 50% share into trust on their death it could not pass to anyone other than their chosen beneficiaries when the 2nd party dies.

Asset Allocation Trust (AAT)

Many clients ask us if they should transfer 100% ownership of their property to their children in order to ensure it passes to them and to avoid the property going through probate. It is always against our advice to make an outright gift of your home. The receiver may find themselves in financial difficulty or going through a divorce which can put the home at risk or they could even predecease you.

You can pass assets to a Family Trust established in your own name and for your own benefit whilst you are still living, this is known as a Lifetime Trust or **Asset Allocation Trust**. It may help you to think of the trust as a 'safety deposit box' to keep your assets in.

Placing assets into this lifetime trust will ensure that they pass to the people you want them to after your death, according to the terms of the Trust. Inheritance due to any unreliable beneficiary can be protected by the Trust and then be passed to them at a more appropriate time.

The AAT is set up during your lifetime and you can protect your assets in the same way as using trusts in your Will, but with the advantage of protecting the assets on BOTH deaths, rather than only on first death by only using Will Trusts. Assets over the nil rate band pass under a person's Will in the normal way so property trusts are still used in the Will to deal with any excess assets held on bare trust.

Assets held in trust for over six years are also not able to be contested when a person dies if some beneficiaries are being favoured over others. The initial transfer into the AAT:

1. The value of property being held in the Discretionary Trust portion of the AAT is limited to the normal Nil Rate Band ("NRB"), anything OVER the NRB is held on

Bare Trust for the Settlor. This means that the transfer into trust is for tax purposes limited to the NRB, so the Chargeable Lifetime Transfer (“CLT”) is limited to the NRB, so no Inheritance Tax (“IHT”) is due on the initial transfer. CAUTION: If the clients have made other CLTs within the previous 7 years an IHT issue could arise.

2. The value of the ongoing Discretionary Trust fund is limited to the current NRB, so on the Ten-Year Anniversary the value of the trust remains pegged at the NRB, meaning no tax is due (normally 6% on the value above the NRB). Any value held by the trustees OVER the NRB is deemed to be held on Bare Trust for the Settlor.

As the Settlor who's set up the trust and placed assets in, you continue to have the absolute control of the asset in your lifetime. You decide which house the trust holds, who can live in it or how long you wish the Trust to last (should you want to end it and spend the money or release equity).

The Asset Allocation Trust can help you and your family as follows:

- Passing assets early helps with Probate later
- Ensuring your assets pass to those who you wish during your lifetime
- Protection from remarriage of your spouse
- Protecting your business interests
- Protecting your children's inheritance
- Protecting the vulnerable
- Inheritance tax & Bloodline Planning benefits

Generational Protection

Generational Protection means keeping more of your wealth in your family for future generations. Most people want to leave their wealth to their children, grandchildren and great grandchildren. Putting your assets into a Lifetime Trust can deliver additional tax benefits to the beneficiary's estate, equal to £40,000 for every £100,000 put into Trust. It seems ludicrous to think that the same money that's been used to pay inheritance tax can be taxed again and again.

You work hard to build up your wealth and it is important to think equally hard about protecting it from erosion through the generations because of unnecessary tax payments. We believe inheritance should be a 'True Legacy' allowing each generation to benefit not just one.

If our clients have a clear understanding on the subject they then know what's best for them and their family and how to make it happen legally. As Foresight are part of a larger team of experts in the financial sector, please find below the services we can provide.



At Property Investor Partnership we secure high yield investment opportunities for investors in areas that will achieve long term capital growth. The team manages the entire purchase process: from reservation of the property to negotiating exclusive full management rates with local, reputable property agents to ensure suitable tenants are signed up as soon as possible after completion.

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Our advisers provide advice on insuring the health of clients, their families and employees in a cost effective manner. This gives you the benefit of knowing that should you require medical help, you will have access to the best possible care and attention when you need it most.

Insight Health Solutions is an appointed representative of Insight Financial Associates who are regulated and authorised by the Financial Conduct Authority.

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We provide advice and guidance for clients when it comes to their personal or business taxation. We can guide you through the administration side of book-keeping and completing tax returns in a timely manner, providing security in knowing that all elements of your finances are in good order.

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We are a leading financial services company with a team of highly qualified independent financial advisers able to advise on all aspects of your finances. Helping you to achieve your financial goals and objectives, creating wealth and security for your family.

Insight Financial Associates are regulated and authorised by the Financial Conduct Authority.

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Our consultants are experts in securing finance for the most suitable mortgage for their clients and may be able to help you save money on your existing mortgage. As part of your property purchase they also advise you on insurances to protect your home, income, lifestyle and for landlords to protect their property portfolios.

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Here at Foresight we help our clients protect their wealth and ensure it is passed down to their chosen beneficiaries. We specialise in the preparation and drafting of Wills, together with a wide range of other legal services, including the establishment of both post death and lifetime trust and Powers of Attorney. A vital area for everyone, providing certainty for yourself and your family.

This firm complies with the IPW Code of Practice.

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Why implementing your wills and trusts are just the beginning

You've been meaning to make that Will for ages and at last it's done, signed sealed and stored safely. Sit back and relax, that's another job done.

But wait a minute, don't just leave it there...

Things change; births, deaths, marriages, divorce, inheritance and new romances. All manner of things could mean that the Will you had made could soon direct your assets to the wrong people! That is why reviewing your Will regularly and keeping it up to date is so important. Foresight's aim is not only to advise our client's on the implementation of their wills, but to provide a vital service and on-going support, usually at the most difficult time in a person's life.

Also, did you know that, on average, a Will can become outdated every five years; either through changes in legislation or other personal circumstances. As a member of Lifetime Account Plus, we will actively contact you to make you aware of any legislation changes. You can also keep an unlimited number of legal and financial documents professionally stored and updated whenever you need amendments. All that's needed is a call to our team who will take your instructions over the phone or arrange for one of our qualified legal consultants to visit and discuss the changes.

It's taken you a long time to get around to making a Will, and getting it done properly is not cheap. Professional advice makes sense, but, ensuring that the wills and trusts are executed in the manner in which it is intended, is not guaranteed. An executor's responsibilities should not be underestimated and it is essential that they receive the correct advice about your objectives at a very daunting time.

With Lifetime Account Plus we are only a call away to help guide and advise your executors on how best to ensure they are executing your wishes correctly. Also advising and reviewing other legal documents, such as Lasting Powers of Attorney, Severance of Tenancy, Trust Deeds and so on can be intimidating. It would be so easy to put things off again! For this reason we have taken away the financial stress, and made keeping your legal documents up to date, simple and easy with our Lifetime Account Plus.

Terms and Conditions

1. Lifetime Account Plus is subject to a small annual subscription, payable by direct debit only. **2.** Account holders will receive an annual review of their documents (when they contact our offices) and can make amendments to existing clauses in their Wills at any time with exception to a small administrative charge. **3.** Account holders can incorporate additional clauses or provisions necessitated by a change in circumstance, or a change of mind, whenever they wish. **4.** New instructions will be taken by telephone interview or face to face meeting and will require the completion of an updated personal application form. Some circumstances could make it inappropriate to take revised instructions by telephone, in which case provision can be made by appointment at our offices. A home visit can be arranged subject to a call out fee of £60 including VAT. **5.** Amended documents may be collected from our offices by prior arrangement free of charge. **6.** If you request documents to be posted to your home address then there will be a nominal fee of £9.50 to cover materials, postage and handling costs. **7.** Account holders will receive 10% off conveyancing charges if you move home in England or Wales and use our licensed conveyancer, or our associated solicitors in Scotland and Northern Ireland. **8.** Delivery of your Will to your executors following death, at a UK mainland address, for the reading of the Will; explanation of the executor's duties and responsibilities. Executors need to provide a death certificate and copies of formal identification. **9.** Probate Assist support. Should your executors wish to make a personal application for a Grant of Probate. **10.** Probate Assist Plus; is a fixed fee telephone based support service to guide your Executors on what they need to do following a death and the completion of official forms. **11.** Executor Support Services; including completion of Income and Inheritance Tax returns, estate accounts, placing statutory notices and tracing missing assets or beneficiaries available at preferential rates. **12.** Full Estate Administration (Probate) service available if required which will be quoted upon application.

Lifetime Account Plus includes access to;

- 1** Personal delivery of your will
- 2** Up to date legislation changes from our qualified legal consultants, that may or may not affect your current Estate Plan
- 3** A periodic review of all your personal circumstances and of any legal documents produced by us for you.
- 4** Amending or updating your legal documents as necessary without cost (with exception to a small administrative charge) whenever you wish.
- 5** 10% off conveyancing charges if you move home in England or Wales and use our licensed conveyancer, or our associated Solicitors in Scotland or Northern Ireland.
- 6** Delivery of your Will to your executors, at a UK mainland address, for the reading of the Will and explanation of the executor's duties and responsibilities and to offer them support.
- 7** Executor support; a telephone based support service to guide your Executors on what they need to do following a death.
- 8** Full Estate Administration (Probate) and Probate Assist services available if required.
- 9** On-line login to access copies of your Wills and other legal documents for you or your executors.

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 This firm complies with the IPW Code of Practice.



