FORESIGHT

FUTURE-PROOF INHERITANCE

GENERATIONAL ESTATE PLANNING

Contents

Future Proofing Inheritance

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.

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!

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[1]

* How you want those people to make these decisions

Why is a Lasting Power of Attorney So Important?

Once you have a Lasting Power of Attorney in place you can have peace of mind that there is someone you trust to look after your affairs if you became unable to do so yourself during your lifetime. This may occur, for example, because of an illness or old age or an accident. Having a Lasting Power of Attorney in place can allow your attorney to have authority to deal with your finances and property as well as make decisions about your health and welfare. Your Lasting Power of Attorney can include binding instructions together with general preferences for your attorney to consider. Your Lasting Power of Attorney should reflect your particular wishes so you know that the things that matter most would be taken care of.

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[1] If you do not have an LPA in place and you become unable to deal with your affairs your- self, 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.

You can only put a Lasting Power of Attorney (LPA) in place whilst you are capable of understanding the nature and effect of the document i.e. you have the required legal capacity. After this point, you cannot enter into a LPA and no one can do so on your behalf.

Many people don't know that their next of kin has no automatic legal right to manage their spouse's affairs without a Lasting Power of Attorney in place, so having to make decisions on their behalf can become prolonged and significantly more expensive. The best solution is for couples to have 'Mirror' (identical) Lasting Powers of Attorneys because these documents would allow them to appoint each other to make decisions about each other's financial affairs and health issues; should one of them lose capacity to do so.

What Happens Without a Lasting Power of Attorney?

Without a Lasting Power of Attorney (LPA) in place there is no one with the legal authority to manage your affairs, for example, to access bank accounts or investments in your name or sell your property on your behalf. Unfortunately, many people assume that their spouse, partner or children will just be able to take care of things but the reality is that simply isn't the case.

In these circumstances, in order for someone to obtain legal authority over your affairs, that person would need to apply to the Court of Protection and the Court will decide on the person to be appointed to manage your affairs. The person chosen is appointed your 'Deputy'. This is a very different type of appointment which is significantly more involved and costly than being appointed attorney under a LPA.
If you wish to have peace of mind that a particular person will have the legal authority to look after your affairs and you want to make matters easier for them and less expensive, then you should strongly consider getting a Lasting Power of Attorney in place.

Types of Lasting Power of Attorney Explained

Two types of Lasting Power of Attorney are available under English law:
- Health and Welfare Lasting Power of Attorney
- Property and Financial Affairs Lasting Power of Attorney

A Health and Welfare Lasting Power of Attorney (LPA) allows you to name Attorneys to make decisions about your healthcare, treatments and living arrangements if you lose the ability to make those decisions yourself. Unlike the Property and Financial Affairs LPA, this document will only ever become effective if you lack the mental capacity to make decisions for yourself.
If you can't communicate your wishes, you could end up in a care home when you may have preferred to stay in your own home. You may also receive medical treatments or be put into a nursing home that you would have refused, if only you had the opportunity to express yourself; and this is when your attorney, appointed by the Lasting Power of Attorney, can speak for you.

A Property and Financial Affairs Lasting Power of Attorney (LPA) allows you to name Attorneys to deal with all your property and financial assets in England and Wales. The Lasting Power of Attorney document can be restricted so it can only be used if you were to lose mental capacity, or it can be used more widely, such as if you suffer from illness, have mobility issues, or if you spend time outside the UK.

LPAs for Sole Traders & Business Owners

- What would happen to your business if you lost the ability to deal with your own business affairs and make decisions?
- What if you have a business bank account in your name as a sole trader or joint bank accounts with other business owners which require the signatures of all the named account holders?
- How would your business finances be managed on a daily basis in the event of an accident or illness?

A number of problems could arise such as the impact on your customers being unable to access your products or staff or creditors not being paid. Before a Lasting Power of Attorney can be used by your attorney it must be registered with The

Office of the Public Guardian (OPG). They charge a registration fee of £82 per Lasting Power of Attorney. However, there can be an exemption for people who receive certain means-tested benefits, and a 50% fee reduction may be available based on the applicant's financial circumstances or a reduction based on the applicant receiving Universal Credit. For details see Office of the Public Guardian fees.

Life Interest Trust Wills

When making a Will, it's possible to include a Trust which gives someone a life interest in your property or other assets, without those assets actually leaving your Estate. For example, if you include a Life Interest Trust in your Will and your home is placed into this Trust, then the person with a life interest could continue to live in the property for the rest of their life, but on their death it would then be distributed in line with the terms of your Will. A Life Interest Trust can be an effective way of ensuring that a loved one is provided for during their lifetime, while also protecting the value of your assets for future generations.

What Are Life Interest Trust Wills Used For?

When making their Wills together, many couples will leave everything they own to the other person, with it then passing on to their children when the second person dies. This is fine in theory, but can potentially cause issues in the future, and result in the Estate not being distributed in the way that they had hoped.

For example, if one person dies and the other then goes into care, then the value of their collective Estate could easily be swallowed up in care fees. Alternatively, if the second person goes on to remarry and fails to make a Will (or makes a Will leaving everything to their new spouse) then the children could end up with very little, or nothing at all. This is called the sideways disinheriting. A Life Interest Trust Will can help to protect your assets against care home fees and the sideways disinheriting.

Avoiding the Sideways Disinheritance Trap

Understandably, many couples like to keep things straightforward when it comes to making a will. Typically they will want to just leave everything to their spouse or partner when they pass away. This is so they can make sure that their partner can continue to live in their house and access their finances. They probably consider everything they have to be jointly owned with their partner, even if some of the assets only belong to one of them. Sideways Disinheriting occurs when someone who has children from a previous relationship remarries after the death of their partner or spouse, inadvertently disinheriting their children.

We'll use Mr and Mrs Smith to illustrate how this could happen and how a Life Interest Trust can help. Mr and Mrs Smith have made Mirror Wills, leaving everything to each other, with it then passing to their daughter on the second person's death. In this scenario, after Mrs Smith dies, Mr Smith remarries and he and his new wife, Ms Goldigger, live in the property that Mr Smith owns outright. He is aware of the fact that remarriage revokes a will, so he makes a new Mirror Will with his new wife, in which they again leave everything to each other and then evenly between his daughter and his wife's two sons (from her previous marriage).

When Mr Smith dies, his entire Estate passes to his new wife, Ms Goldigger, in line with the terms of his Will. She then makes a new Will which disinherits Mr Smiths' daughter, leaving everything instead to her two sons. Mr Smiths' daughter inherits nothing from her parents' Estate. An increase in blended families has highlighted this issue, with a growing number of children being born to parents not legally married and the high proportion of marriages ending in divorce.

If you are in this situation, you'll probably want to leave something to your children when you die but this can be complicated if you also want to provide for your new spouse if you die before them. You can protect your children simply by making a new Will once you remarry. This simple action can help you to avoid the situation where you disinherit your children but in reality the majority of people will forget to write this New Will or will trust the new partner to do the right thing but unfortunately the Law does not recognise Love or trust. After someone has died monies can change an individuals reasoning.

There are legal solutions you can put in place to protect your new spouse or civil partner. Using your Will to leave your assets into a Trust can be a great way to protect your children and also help to protect your new partner. One option is to include a Life Interest Trust in your Will which means that when you die, all of your assets go into a Trust instead of being directly given to your spouse or partner. This Life Interest Trust, managed by Trustees that you appoint, will ring-fence your assets and name your 'Life Tenant'. The person you name as your as Life Tenant will be allowed to live in your property and gain any income generated by your ring-fenced assets for the rest of their lifetime or, if you prefer, until they remarry.

Once your spouse dies or remarries, all your assets held in the Trust will be passed to your children. A Life Interest Trust in your Will can help to protect your children from accidental or enforced sideways disinheritance. If Mrs Smith had included a Life Interest Trust in her Will, she could have ring-fenced her share of the property in a Trust, giving her husband a life interest in it. This would mean that he could continue living in it for the rest of his life, but on his death, Mrs Smiths' share in the property would still pass down to her daughter.

Generational Estate Planning

Never before has there been such a big difference between the wealth of the UK's older and younger generations. Many of today's young people are struggling to accumulate wealth because of the rising costs of university tuition fees and rented accommodation, not to mention the increasing difficulty of getting onto the property ladder and saving for retirement.

At the other end of the spectrum, thanks to generous final salary pensions and big increases in the housing and stock markets over the last few decades, baby boomers currently hold more than half of the UK's private wealth.

With such a pronounced divide, perhaps it is no wonder that there is currently an unprecedented amount of money set to cascade down the generations from Britain's grandparents. Like most people, you probably want to pass on your wealth in a controlled and tax-efficient manner, making sure it goes to the people of your choice. You probably want to be around to see them benefit from the money too. If so, you need to start thinking about intergenerational planning.

Generational planning is about passing on wealth to the people that matter most to you in the most effective way. When doing this we'll look at tax-efficiency, control, timing, access, sustaining your standard of living, and protection – these all come into it. It also involves introducing your beneficiaries to your Financial Planner & Independent Financial Adviser. This way, we won't be strangers to them when you are no longer around – they will be left in good hands.

Families are very different these days. 30-40 years ago, you had your 2.4 children and two thirds of a dog. We now have second marriages and second families. If you don't have a clear strategy there are a number of elephant traps that can swallow you up. For example, your son or daughter could get divorced and lose half of the money you gave them. So we need to plan carefully to make sure the funds end up where you want them to, and are used for the reasons you choose. Many people find it uncomfortable talking about money – especially with their nearest and dearest. But when it comes to successfully passing on your wealth, it is important to involve the rest of your family and to introduce them to your Financial Planner.

You Need To Start Early

With inter-generational planning, the earlier you start the more you can do – and the less chance of there being nasty surprises further down the line. You may also find you can afford to start passing on your assets earlier, rather than waiting until after you die.

The earlier you start thinking about inter-generational planning the better. We have dozens of clients in their late 80s who wish they had given away more of their wealth when they were younger, and had been able to watch their family members enjoy it through the years. After all, it's so much more fun giving money away when you're alive. It's no fun giving it away once you're dead.

By starting earlier, you could also pass on your money when your beneficiaries will need it most. People are living longer and many of us have inherited money long after we've finished needing it. We've already put our children through school and paid off our mortgage – we could have done with the money 20 years ago! But you need to know that you can afford to make the gifts. Clearly the first thing is your own security – food, utilities and so on. Next is the ability to enjoy life and have fun.

Lastly but importantly, generational planning. It's really important to emphasise that you do not sacrifice your own retirement for the next generation. You come first – it's your money.

Making Your Child's Inheritance Divorce-Proof

Marriage isn't always forever - is there a way to protect your child's inheritance from the consequences of a divorce? When it comes to intelligent estate-planning, the object of the exercise is to ensure that your assets are protected and your wishes are respected, but many circumstances can interfere with this aim, not least of which is your adult child's choice of life-partner.

We all want our children to grow up to lead fulfilling, happy lives and to have contented and loving marriages and families of their own. But we're not always confident that our child's marriage will last forever, no matter how blissful the happy couple are on their wedding day.

What Parents Secretly Fear

Some parents, for all kinds of reasons, simply don't fully approve of their child's choice of life partner. While other parents think the world of their son or daughter-in-law, but are painfully aware, from their own experiences or those of people close to them, that marriage can be hard, and that nearly 50% of marriages don't stay the course.

This is an issue that comes up time and time again when we work with couples whose children have grown up and married but it's an uncomfortable issue, that's often spoken of in hushed, slightly embarrassed tones. Here is a selection of snapshots from the many conversations we've had with parents of adult children:

"I just don't trust my son in law. I've never approved of him, although I'd never let my daughter know that. Between you and me, I wouldn't put it past him to divorce her as soon as she's inherited from me, and walk off with half her inheritance"

"My son is married for the second time. He's had a, shall we say, interesting relationship history. He's married to a lovely girl now, but who knows if this marriage will last? What if he gets divorced again after I'm gone? How much of my legacy will his wife be entitled to?"

"Is there any way I can make sure my daughter's inheritance is just for her? I think the world of her husband, but that doesn't mean I would want him to walk away with half my daughter's inheritance if they divorced. Fond as I am of my son in law, he's not my child – he's got his own mum and dad to provide for him."

"My son's marriage has broken down. They're separated and I don't know what's going to happen next. They might get back together, or they might divorce. Whatever happens, it's my son and grandchildren I want to provide security for. Can I provide for them in a way that's divorce-proof?"

If you have similar concerns, you're far from alone. Most parents have thought about this issue, and most are a little embarrassed to discuss it. But it's only natural to want to provide security for your child. Your son or daughter in-law isn't your own child, however close your family is. They have their own parents to provide for them and chances are, their own parents will have entertained exactly the same concerns.

Imperfect Solutions

One couple who came to us were rather bruised by the consequences of a well-meaning but ultimately unsuccessful attempt to solve the problem. Their daughter had delightedly announced her engagement to a man of whom they did not wholeheartedly approve. Amid the preparations for the wedding, they tentatively asked their daughter if she would consider a prenuptial agreement. They even offered to pay for a lawyer to draw it up. Their daughter was terribly offended by the suggestion, and almost banned them from the wedding, so they backed down.

A prenuptial agreement would not necessarily have worked in any event. In the British divorce courts, a prenuptial agreement is persuasive, but not legally binding. The divorce courts could still have transferred a portion of their daughter's inheritance to their son in law, if circumstances meant this was an appropriate outcome.

Some couples decide to "skip a generation", disinheriting their child in favour of their grandchildren. But that can feel like a deeply unsatisfactory solution, depriving their child altogether in the name of keeping assets out of reach of their son or daughter in-law. And in any event, it doesn't make their grandchild's inheritance any more divorce-proof than it would their child's.

Divorce-Proof Inheritance

A properly thought-out estate plan can be made divorce-proof, if it includes one very effective element – a Beneficiary Protection Trust (BPT). This kind of trust planning provides flexibly for your spouse, children and later generations in turn, for up to 125 years after the end of your life, whilst protecting your assets from those outside the family circle who might otherwise be able to take a slice.

In a Beneficiary Protection Trust, you leave your assets in the care of Trustees. Trustees are usually close family members, or professionals, or a combination. The job of the Trustees is to safeguard your assets on behalf of the people you want to provide for, usually your spouse, children and subsequent generations. The spouses of beneficiaries are excluded from benefiting.

The beneficiaries can make use of the trust's assets – such as by living in your house or receiving interest from your investments - at the trustees' discretion. The trustees also have the power to distribute larger sums of trust money to beneficiaries on loan, stipulating that the monies must be repaid if requested. But the important feature of a BPT of this nature, is that your beneficiaries never acquire full ownership of the assets on paper. So, if your child is a beneficiary of the trust created by such a trust, any assets or money they receive from the trust are excluded from the divorce courts' decision making.

Consequently, they can use and enjoy their inheritance, but it stays out of reach of their ex-spouse on divorce. Even if a portion of trust money is advanced to your child to buy their matrimonial home, that cash advance can be expressed as a loan repayable to the trust on demand, so the division of the matrimonial home has to be after deduction of the trust monies advanced.

Sounds Expensive?

Is this an expensive solution? Not really. Typically, the cost of an estate plan that incorporates Beneficiary Protection Trusts is about 0.5-6% of the overall value of your assets. It's a cost-effective solution for preserving assets within the family, and making your child's inheritance divorce-proof.

Could Your Partner Claim Your Inheritance If You Divorce?

For many divorcing couples this is a real worry. If you have received or are due to receive an inheritance, you don't want it to enter the 'pot' of matrimonial assets to be divided in your divorce. Many of our clients want to know exactly what will happen to their inheritance after divorce and in particular if their inheritance is split.

Generally in divorce settlements in England and Wales all assets of the marriage are pooled and treated as joint assets. Money or property that you've inherited are not automatically excluded from the assets to be divided. Every case is different and depends on individual circumstances including the size of the inheritance, when you received it, how it was dealt with during the marriage, and what the financial needs are of both parties.

The financial needs of one or both parties may mean that inherited assets have to go into the 'pot'. Although each case is different, we are able to share some guidelines based on our experience and previous court cases. We have split them into past inheritances and future inheritances (those yet to be received but due).

Past Inheritances and Divorce

The key questions when it comes to past inheritance and divorce are the size of the inheritance, when it was received, how it has been used and the financial needs of the parties and if there are children at the time of the divorce.

A recent Court of Appeal case has set out some useful guidelines:

- Each case depends on the individual facts and circumstances
- If inherited assets are transferred to joint names or used for the benefit of the couple/family, they are likely to form part of the 'pot' of matrimonial assets available for division by the Court
- Inherited assets received shortly before the breakdown of the marriage are less likely to be included in the matrimonial assets for division, depending on whether the other assets are sufficient to meet the couple's or family's future needs
- The needs of the family, especially where there are minor children, will be the overriding consideration and if the only way to meet those needs is by transferring inherited assets or assets deriving from them, to the other party, the Court may do this.

Future Inheritance and Divorce

Usually future inheritances are not taken into account when dealing with the financial aspects of a divorce, but they may be if it is expected that the person making the bequest will die in the near future and the future inheritance is likely to be substantial. Sometimes Courts may even adjourn the proceedings until the inheritance is received.

Examples:

Case 1

Mr and Mrs Critchell divorced after nine years of marriage when in their 40s. Mrs Critchell stayed in the house with their two children and Mr Critchell bought himself a new home with £85,000 that he borrowed from his father with a £63,000 mortgage. Halfway through the Court process they settled their case after negotiations.

The family home was transferred to Mrs Critchell on the basis that Mr Critchell would have 45% of the net equity, protected by a charge, not payable until the younger child reached 18 or finished education, whichever was the later. The intention of the Order was to protect the family home whilst the children were dependent, but make sure that the husband received his share when it was no longer needed for that purpose.

Within a month of the Order being approved by the Court, Mr Critchell's father died. He left his son £180,000 but also wrote off the debt of £85,000 borrowed for his new property. Mrs Critchell appealed to the Court to review the settlement that had been reached. The Judge allowed the appeal and cancelled Mr Critchell's 45% equity repayment when the children were grown up.

Mr Critchell went to the Court of Appeal but was dismissed. He argued that the point of the agreement had been to meet Mrs Critchell's needs and they were not been changed by the fact that he now had some money. The Court of Appeal preferred Mrs Critchell's agreement that if the money had been known about at the time there would have been a different outcome.

The Court was keen to stress that situations where a settlement will be set aside and changed are rare. Nobody foresaw the death of the Mr Critchell's father and he received a significant lump sum that changed his capital position entirely very soon after an agreement that had met the family's housing needs in the only way that was practical or possible. There was however, no longer any justification for the 45% charge in Mr Critchell's favour and it was set aside.

Case 2

in a recent case, the Court of Appeal had to review a decision by the High Court to limit the wife's award because she was expected to receive a substantial inheritance in the future. The parties were married for 14 years and had three children. The husband had an earning capacity of £350,000 and assets of £15million. The wife looked after the children and had no assets but she received financial support from her father, a very wealthy Saudi businessman. In addition to a lump sum of £2million, the judge ordered that the wife have sole occupation of two London flats until her remarriage or her father's death, whichever was sooner.

This case was unusual because Saudi "forced heirship" laws meant the wife's inheritance prospects were certain. However, notwithstanding this, the Court of Appeal allowed the wife's appeal, ruling that in a case where the assets were substantial such as this, the wife should receive sufficient capital from the divorce to enable her to rehouse outright in her own name.

This reasoning begs the question whether the appeal would have been dismissed if the matrimonial assets were so much less requiring the wife to rely upon the inheritance she was to receive in the future. However, even though the inheritance may have been a certainty, the wife's father's life expectancy was not. Therefore, to determine a financial order based on inheritance prospects to be received at some unknown point in the future would be unfair.

The outcome may differ if a divorcing spouse is about to receive an inheritance imminently. If such inheritance prospects are not disclosed but are later discovered, the other spouse may have a case that the financial order should be revisited. They may succeed in seeking a more favourable outcome because their former spouse now has other resources available to them.

The Solution

If you are expecting an inheritance or large monetary gifts from parents or other family members, we suggest they set up a trust to deal with how they pass their assets on.

Whether a lifetime gift trust or second death discretionary trust, it allows parents to pass assets to their beneficiaries in their lifetime or on death without the monies entering the estate of their children meaning they cannot be taken into account for divorce settlements as legally the beneficiaries are not defined but are at the discretion of the trustees.

Parents directing wealth into Trust means it is better protected from third party claims, such as from an ex-partner or creditors. The assets are owned by the Trust and are generally considered outside of the beneficiaries estate, which means they may not be included as part of a divorce arrangement or in their estate for assessment of care. Even if a child predeceases their partner, monies keep in the bloodline from generation to generation.

Careful planning from each generation will protect the next and the next. If life turns out perfect then it will pass exactly how you wish but if life isn't that perfect, generational trust planning ensures regardless of what life throws at the family inheritance will always remain within the bloodline.

Inheritance Tax (IHT)

Clients who wish to make sure they pass their estate on through their family in the most tax efficient manner while ring-fencing their estates for multiple generations to come should also consider generational 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. 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 taxation.

With the strategic use of family 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 included in their calculation for inheritance tax or as mentioned above lost to attack from any future divorce settlements or possibly creditors and the costs of potential future Long Term Care costs.

Leaving your assets into either 2nd death discretionary Trusts or Beneficiary Protection trusts over and above any new RNRB IHT allowances 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.

Key Inheritance Tax Statistics

In 2015-16, 4.2% of UK deaths were liable to IHT, increasing slightly by 0.3 percentage points since 2014-15. This continues the longer term increase since 2008-09 and is partly due to freezing the NRB (£325,000) since April 2009.

IHT receipts totalled £5.2bn in 2017-18; this is an increase of 8% (£388m) compared to 2016-17 and has been increasing since 2010-11. There was a 22% increase in receipts from 2014-15 to 2015-16, which reflects an estimated 43,900 excess winter deaths in 2014-15.

Net capital value of estates, since 2009-10, has increased by £17bn to £79bn in 2015-16, around 54% of this increase is in residential property.The total number of liable estates has increased every year since 2009-10. In 2015-16 there were 24,500 liable estates, an increase of 1,300 since 2014-15.[2]

The key advantages of generational 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.

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[2] HMC Revenue & Customs Inheritance Tax statistics Published 31 July 2013 Last updated 28 July 2017

Summary

By Planning early and using the correct type of trust planning you can ensure and maintain a high level of flexibility that does not require a client to lose control of their assets. Most assets only pass on death. The trusts we use are developed and maintained in conjunction with our bespoke trust planning team at Solidus and Mills & Reeve LLP, the largest private client legal group in England and Wales.

The plan always includes one or more discretionary trust (established as part of the planning and does not rely on the actions of a pro- bate solicitor on death). Our Trusts have been comprehensively designed to cover the requirements of most family circumstances and are regularly updated.

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.

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.