



7. Making a Will and Estate Planning

Making a Will is one of the most important aspects of wealth planning, yet many people do not always have one! And if they do it may be out of date.

A Will is an essential means of ensuring that your assets are distributed in accordance with your wishes. You will thus be assured that you have made proper provision for all those you feel should benefit.

It is also an opportunity to plan the distribution in a tax-efficient manner, particularly with regard to inheritance tax (IHT).

A Will can also appoint guardians of infant children, besides making appropriate financial provision for them.

In the absence of a Will, for a family with children, the rules provide for the surviving spouse:

- A statutory legacy of £270,000
- The personal chattels
- One half of the residue of the estate over £270,000

Any children are entitled to the other half of the residue once they reach eighteen.

Other circumstances lead to different allocations. If there are no surviving relatives, the estate passes to the Crown.

When we review a client's estate planning strategy we consider:

- Your Personal Balance Sheet and potential IHT liability
- What IHT exemptions are available and whether they are fully utilised
- Whether your spouse / partner, children and / or grandchildren (present and future) are sufficiently provided for

- The need for flexibility e.g. a Discretionary Will Trust leaving decisions to trustees nominated by you who can take into account varying circumstances following your death
- Potential ways to reduce any IHT exposure

- Whether you and your spouse / partner are adequately insured against IHT

- Whether the life policies you have are written in trust so they do not form part of your estate

- The safekeeping and regular review of your Will

If you haven't got a Will, it is out of date, or you are uncertain about what will happen to your estate, or you want to look at your estate planning call us to arrange a review.

