Private Clients
Part of the **Foster Denovo Group**

How to live life to the full and leave an inheritance

About the client

Mr and Mrs Godfrey are in their early 60s. Both have had good careers in the private sector. They have two daughters, aged 35 and 33. Both are married with three young children between them. Mrs Godfrey stopped working only recently and is now drawing upon her private pension. Mr Godfrey wishes to finish work in the next two years.

They own their own home and cleared their remaining mortgage when Mrs Godfrey retired. They have saved regularly whilst they were both working and have a reasonable sum on deposit. They have also benefitted from the enormous increase in house prices over recent years.

Their problem

Mr and Mrs Godfrey are in good health and love travelling and they spend much of their savings on funding this pastime. They wish to continue this passion into their retirement and whilst Mr Godfrey continues to work they can easily afford to do this. But they are concerned how they will afford the exotic holidays they love into retirement and feel guilty they may end up spending their savings on themselves, rather than leave an inheritance for their children. They are alarmed at the cost of buying a home; their younger daughter currently rents and they would like to help her buy. They would also love to leave money for each of their three grandchildren to help them buy their first property. But they can't do it all. Or can they?

Their solution

Mr and Mrs Godfrey contacted us to speak with a financial adviser. At their Discovery meeting, their adviser gained a real understanding of what their goals were (travelling and leaving an inheritance to their children and grandchildren), any immediate needs that needed addressing and what their existing savings, investments, pensions and liabilities were. Whilst not huge, the Godfreys' savings were sufficient to fund the lifestyle and holidays they wanted - but what about helping their family financially?

> "The solution was to set up a life assurance policy that would pay out when they died, on second death. This would provide a capital sum for their daughters and grandchildren to inherit. This meant they could carry on enjoying their lifestyle without feeling guilty about 'spending the kids' inheritance'."

They also put the policy in trust which would mean that whenever the policy paid out, the money would be paid directly to the beneficiaries and not be subject to any inheritance tax. In the meantime, they were free to enjoy their retirement and take the exotic holidays they so enjoyed. They were content to know that whatever money they spent, including the possibility of selling their home to fund future long-term care needs, there was still going to be an inheritance for the family.

If you'd like to learn more, contact your Private Client Partner, or call 0330 332 7866*.

*Calls are charged at your standard landline rate.