



Planning for Children: Are You Financially Prepared?

Financial planning and handling assets can be a challenge, no more so, when children come along when the importance of being financially prepared takes on a whole new meaning.

Granville Turner, Director, Turner Little

Any parent will tell you that the moment you hold your little one in your arms, your priorities change. Having a baby is one of life's most beautiful and joyous occasions, but it is also one of the most life-changing events with a substantial price-tag attached.

Research shows that your little bundle of joy will cost, on average, £231,843 – a frightening figure for many soon-to-be parents – and with the spiralling costs of childcare and education, this figure is expected to rise.

Life with a newborn is a world away from a child-free life. The first month alone can put a strain on your finances; from nappies and clothing to feeding equipment, toys and furniture. Many parents say that they weren't prepared for the initial costs, and when paired with tiredness and fatigue, this can put a lot of pressure on the relationships around you. That's why it is important to budget well and manage your assets before the pitter-patter of tiny feet.

Take control

To help ease this financial pressure, you should consider setting up a regular bank account with easy access to savings as soon as possible. We recommend choosing an account with no minimum balance to give you maximum control and flexibility over your finances. It is also a good idea to choose an account with the ability to set up standing orders and direct debits, so you can manage your money well without the fear 'baby brain' forcing you to forget a payment.

Whilst your baby may be a long way off adulthood, it's always good to plan for the future. As such, you should consider setting up a trust fund once your baby arrives. This legal arrangement will ensure your assets are held safely for the beneficiary until they are of an age to manage their money responsibly. A trust fund can be of great support to your child; it can help ease the burden of university fees or help them get on the housing ladder when the time comes.

Make a Will

We recommend making a Will as soon as possible after your baby is born. Not only does this ensure that your assets are passed down to your offspring, but more importantly, a valid Will means you have full control over who cares for your child (if they are below the age of 18) in the event of your passing. It also allows you to decide who should look after your child's inheritance until they are old enough to manage their money themselves.

It is also possible to make a Will even before your baby is born. Without knowing their name, you can leave your estate to your child. If you have more than one child, you can stipulate that you divide your estate equally between children.

At Turner Little, we have years of experience in delivering professional and specialist advice to those who need it most. We work closely with you to put a bespoke plan in place so you can manage your money well. This includes helping you to financially prepare for your baby's arrival, as well as managing your child's finances as they grow, giving them the best possible start in life.

To find out more about how we can help you prepare for the future, get in touch with us today.



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Granville Turner, Director at Company Formation Specialists, Turner Little and brings a wealth of knowledge of compliance, tax and law to the business. Prior to establishing Turner Little, Granville was Company Secretary at a major PLC.

In work and in life, Granville combines an eye for detail with a heart for adventure. This comes through in his outside interests, from developing a passion for restoring violins in his thirties, to learning to pilot helicopters in his sixties.

