

## **GREENWELL CONSULTANCY**

**'PROFESSIONAL WILL WRITING & ESTATE PLANNING YOU CAN TRUST'**

### **NEWSLETTER NUMBER 1 – 2014**

A belated Happy New Year to you all, in this edition of our newsletter today we look at various topics we think may be of interest to our clients and revisit some old favourites which just will not go away! As always we encourage our clients to make contact if these spark an interest for them or indeed for people they know we could help.

#### **Latest statistics still make grim reading**

- 56% of adults do not have a Will
- 68% of adults over the age of 40 years do not have a Will
- Only 2% of adults have registered a Lasting Power of Attorney (LPA)
- Less than 59% of the over 80's age group have an LPA

These are facts not fiction! We see examples on a daily basis of the problems and hurt caused by families disputing over estates because a Will was not made or was out of date and people who genuinely should have inherited that do not – all avoidable with a well written Will.

LPA's are essential 'living documents' – even more distressing in some cases than when a person dies is when someone loses Mental Capacity and the frustration of what happens. Only this week we were contacted by an Attorney who was so grateful we had persuaded her elderly mother some years ago to do an LPA as she now had advanced Dementia and at such a distressing time could deal with her affairs on her behalf without having to go via the Court of Protection.

#### **It's never too late to make a Will**

In October we were approached to complete instructions for an elderly gentlemen by his carer, little did we know he was the tender age of 93 years and it was his first Will. He said 'I have been meaning to do one of these for the past 60 years, but never got round to it'!! What a character he was and was very happy to be told he was our oldest client, is there a 94 year old out there that wants to take his record?

#### **Will Reviews**

We mention this in every Newsletter because it is important and it paid off for one client who finally decided to look at her Will we did 7 years ago.

She realised that both the Executors/Trustees had now emigrated to Australia and Canada respectively so would be of little use anymore. Also there were new additions to the extended family who she wanted to leave a little nest egg to in Trust when they had finished University/College.

Make sure your own or perhaps elderly family members in particular have looked at their Wills and if still happy with them good, if not call us.

#### **Probate Advice**

Unfortunately an area that no one likes to discuss but inevitable that deaths occur and matters need to be sorted, some can be quite simple, others not so.

In either event talk to Darrell Storey or Grahame Reynolds so they can guide you and ensure a loved ones estate is dealt with correctly and efficiently.

#### **Peter Legg**

We are really please to announce that we have acquired the services of one of the leading advisers in the field of Inheritance Tax so that our clients can, were required, use his expertise.

Peter has built an enviable reputation as one of the UK's foremost experts on IHT Planning and regularly speaks and publishes articles on the subject. He is a Fellow of The Chartered Institute of Taxation, has sat on the Capital Taxes Technical Sub Committee and is a member of The Society of Trust and Estate Practitioners.

**The following are real life cases which have happened to people we have been introduced to in the last year;**

### **Case 1**

Elderly client did not take our advice to complete a Lasting Power of Attorney (LPA), she unfortunately had a stroke and her daughter who was not financially able to help her mother with some care costs had to apply to the Court of Protection to gain access to her funds. This was both time consuming and costly (approx £2,000) and also meant that the control of the funds were in the hands of the court – an LPA would have been approximately £350.00.

**AN LPA WOULD HAVE CERTAINLY BEEN MORE COST EFFECTIVE AND MADE MATTERS SO MUCH SIMPLER FOR THE DAUGHTER**

### **Case 2**

Client was divorced with 3 grown children but was concerned that on her death what would happen to the youngest son who still lived at home and was likely to do so for some considerable time.

How could she legally prevent the older children from ejecting him from the house so they could obtain their inheritance, at the same time be reasonable so they did inherit within a period of time.

The solution was a Trust we placed into her Will that allowed the youngest to remain in the property for a maximum of 5 years before it could be sold, unless of course they all agreed to sell sooner.

### **Case 3**

Clients were in second marriage, both had children from first marriage but none from their own relationship.

The issue surrounded how each could protect their own children's share of the marital home should one of them die, what would prevent the remaining partner from changing their Will in favour of their children?

This is more common placed today and first and foremost you should be aware that in normal 'Mirror Wills' nothing can prevent the surviving partner from changing their own Will, only by use of a 'Mutual Will' could this be done. The problem with Mutual Wills are they can be legally minefield as they place restrictions that can be hard if not impossible to remove.

Once again the use of an appropriate Trust within the Wills placed the portion of the deceased estate into a Trust but still allowed total flexibility for the remaining partner.

**IN CASES 2 & 3 ABOVE THE CORRECT USE OF TRUSTS IN A WILL OFFERED SOLUTIONS THAT SUITED ALL CONCERNED**

Finally, please talk to us on any of these subjects or others that you have concerns about, thanks again for continuing to refer new clients to us, they make up over 90% of our new business.

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