



Client Case Study – Terminal Illness / Bereavement



Background

The clients were a married couple and the husband had sadly been diagnosed with terminal cancer and given only months to live. They had a variety of different investments with an array of providers.

Challenges

- There were no wills or Lasting Powers of Attorney in place to give instructions about how the clients' estates should be dealt with on death.
- The clients wanted to make sure that the wife would be financially secure and have investments she understood when her husband died.
- The inheritance tax situation had to be considered.

What We Did

- We consolidated the investments into a portfolio that provided income and protected the capital for the short term.
- We placed the investments in the husband's name.
- We introduced the clients to a solicitor.
- We suggested the use of a Trust.

The Results

- While the husband was alive, the clients had sufficient income from the portfolio to meet their day-to-day needs.
- By placing the investments in the husbands' name we made use of allowances available against Inheritance Tax.
- The capital held in the husband's name was protected to provide funds to his wife on his death.
- The solicitor put wills and Lasting Powers of Attorney in place.
- The wills allowed for the creation of a Discretionary Trust to assist with Inheritance Tax planning but also to allow the Trustees to pay income to the widow if she requires it.
- The widow now has sufficient funds to provide her with income and capital for the long term and, via the Trust, has access to additional income if she should need it.

