

01753 888211
www.nhllp.com



With around 670,000 child trust fund (CTF) accounts sitting unclaimed by Generation Z adults aged between 18 and 22, HMRC is concerned.

CTFs were opened for every child born between 1 September 2002 and 2 January 2011, with each account started off with a £250 voucher (£500 for low-income families). A similar amount was added for any child who turned seven by 31 July 2010. That means all CTFs hold some money; in fact, each unclaimed account has an average of £2,200.

Given that nearly 30% of CTFs were set up without any parental involvement, it's no surprise so many account holders are unaware of a CTF's existence.

Tracing a CTF

A CTF will be held by a bank, building society or other savings provider. The number of providers has shrunk, with some merging and others exiting the market, meaning many CTFs will now have a different provider to when the account was set up. There are two free tracing options for anyone who does not know their CTF provider:

- HMRC's tool; or
- The approved tool from The Share Foundation.

Only a few details are required for either tool, although anyone searching for a CTF provider will need the account holder's National Insurance number and date of birth.

For all the latest news...

HMRC are advising account holders to avoid the use of third-party agents who offer to search for missing CTFs. They will always charge for this service, even as much as 25% of the value of the account.

Fund options

Funds remain in the CTF account until the holder reaches 18, with no one else having access. At age 18, the account holder can either:

- Withdraw the funds; or
- Transfer the money to an individual savings account (ISA).

If the funds are not immediately required, there are currently some attractive interest rates on offer for two- or three-year fixed rate cash ISAs. ISA charges will normally be lower than those for a CTF, with higher rates of interest available. HMRC's guide to child trust funds can be found [here](#).

We can help

Please call us on **01753 888 211** or email info@nhllp.com if you need guidance with any of the issues raised in this Broadcast. We would be happy to help.