



# Protecting Your Future Wills

## Protecting Your Future

At Kirwans we understand that enjoying the present can take precedence over planning for the future but it is important that you take the right steps in protecting what matters to you most.

'Protecting Your Future' has been produced by legal experts who specialise in helping clients effectively manage their affairs and plan for the future.

Considering Wills, Lasting Power of Attorney's and Estate Planning can be a daunting task. To help provide you with valuable information and guidance we address a selection of the more common questions our legal team is regularly faced with.

### **Q. Why should I have a Will?**

Ensuring that you have a Will in place provides you with absolute peace of mind in the event that should you die you can determine what will happen to the assets you leave behind.

If you are a parent, knowing that your children will be cared for should anything happen to you is always at the forefront of your mind. A Will enables you to outline guardianship as well as who will arrange your affairs in the future. Preparing a Will is a step in ensuring that you do not leave your family and friends with additional distress at the very time when they are at their most vulnerable.

Once you have made a Will it's important that you update and review the contents as your circumstances change, such as a birth, marriage or divorce in the family.

There may be a change in your financial circumstances, such as retirement or admittance to residential accommodation.

In the absence of a Will, your Estate (i.e. property, any land, financial wealth) is divided according to the 'Intestacy Rules'. This can (and should) be avoided by making a Will.

**Q. Is it true that if I don't have a Will my assets will pass to my spouse?**

It's a common misconception that when someone dies without leaving a Will, everything automatically passes to their spouse. This is not necessarily the case.

Depending upon the size of your Estate, your children and other relatives may well be entitled to a share of your Estate; if they are minors, statutory trusts have to be set up and in some instances this may mean your spouse is forced to sell the family home to pay them off.

It should also be remembered that should you die without immediate family and without a Will, all your belongings would simply pass to the State. In this instance the Intestacy Rules make no provision for any lifelong friends, your favourite charity, any co-habitees or any stepchildren, all of whom would receive nothing if you do not make a Will.

**Q. How does a Will affect Inheritance Tax?**

One of the financial advantages of making a Will is that you can, in some circumstances, reduce your Inheritance Tax Liability to a minimum. Inheritance Tax will be applied if you die leaving an Estate worth more than a specified amount (which at present is £325,000). While this may sound like a large sum, you may be surprised by how much your Estate can be worth, especially if you own a home or have any investments.

By seeking specialist advice from a Solicitor you may be able to make use of tax exemptions and reliefs by drafting your Will in a particular way.

## **Q. What is a Lasting Power of Attorney?**

If you are thinking of, or are already retired you may wish to make a Lasting Power of Attorney (LPA) in addition to a Will. An LPA is vital in the event that you become unwell or lose mental capacity. It would instruct your attorney to step in and give instruction to organisations regarding your assets and affairs as well as your personal welfare and health.

An LPA is an important document, and the person making the Power of Attorney (called the 'donor') requires full information and guidance on what it means and the things to consider as they complete the form.

There are two types of LPA;

- A Property and Affairs LPA. This can be completed to give your attorney(s) power over your financial affairs and your property; and
- A Personal Welfare LPA. This can be used to give effect to advance medical decisions and dictate what you wish to happen regarding any health decisions your attorneys may be called upon to make.

An LPA enables you to set out your wishes in a comprehensive way, and ultimately benefits you and your attorney(s), as you can plan for every eventuality and offer detailed guidance for your attorney(s) to follow.

## **Q. What are the benefits of having a Life Interest Trust?**

Without careful planning some, or all, of the equity in your home could be eaten up in care fees. Having a Life Interest Trust written into your Will can protect your assets, which on the death of the first spouse will pass half of the value of your house to your children therefore protecting your most important asset.

## **Q. Why should I consult a Solicitor when making a Will?**

We recommend that you always use a Solicitor for making a Will to ensure your wishes are arranged exactly as you want them to be carried out and to ensure that the correct and accurate legalities are in place. If a Will is written incorrectly containing any ambiguities or false information it can mean the document is considered invalid and your outlined wishes will not be fulfilled, leaving your family with additional stress at an already emotional time.

The expense of approaching a Solicitor can be daunting to a lot of people. The cost for a qualified Solicitor-drafted Will starts from £130 and in the event that the costs should increase for some reason (i.e. with unforeseen additional information or if complicated trust drafting is required) then a Solicitor would inform you accordingly, ensuring you're aware of the cost at all times

### **Important Information - Disclaimer**

This publication contains general information only. Nothing in this publication constitutes legal advice. You should consult a suitably qualified lawyer on any specific legal problem or matter.

## About Kirwans

Kirwans is one of the North West's most forward thinking law firms. Our success has been built upon delivering expert knowledge and expertise to our clients, maintaining a relationship of trust.

We understand that every client is unique therefore our advice is tailor-made to ensure the best legal solution for our clients.

Our experienced team of lawyers deliver practical and professional legal advice to clients in a straightforward and comprehensive manner, providing a high-quality service in the most cost effective way.

As an all servicing law firm, our Private Client expertise is well-established both locally and nationally and available 24/7 to advise each step of the way.

At Kirwans, we are dedicated in providing our clients with a focused, cost effective and transparent service.

### Our Commitment:

- 24/7 access to Private Client specialists
- Day to day support and advice with direct access to specialist solicitors
- Concise and honest advice tailored to each individual client
- Regular updates ensuring you are fully informed on all case matters
- Great value service. Transparent pricing with no hidden costs
- Swift and thorough responses to all enquiries

**For all your Private Client needs contact our team today**

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