

Raise

Child Trust Funds
What you
need to know

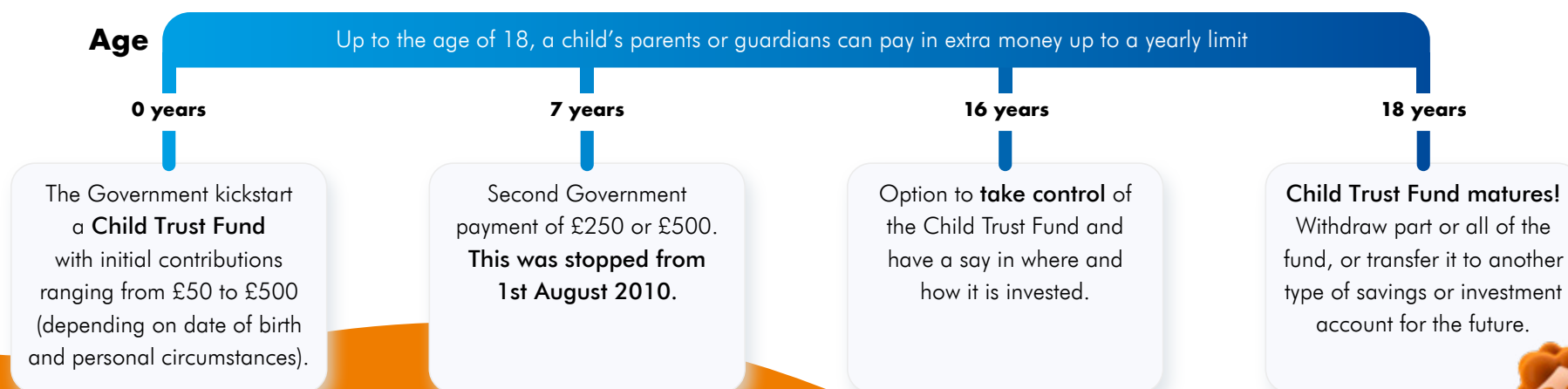


What is a Child Trust Fund?

Child Trust Funds were set up for almost all children born in the UK between 1 September 2002 and 2 January 2011. They were designed to make sure that children arrived at adulthood (18) with some savings which would encourage them to continue saving in the future and have good financial habits.

How do Child Trust Funds work?

The programme issued each child with a starting payment voucher for their parents or guardians to put into a tax-free account in the child's name – this voucher ranged from £50-£500, depending on the child's date of birth and their household income. Parents and guardians could also pay money into these accounts if they wanted to. A child can have a say in where their Child Trust Fund is invested from the age of 16 but they cannot access the money until they have turned 18.



What happened on 1st September 2020?

This is the date that the first Child Trust Fund holders turned 18. It is estimated that 55,000 Child Trust Funds will mature each month, according to HM Revenue and Customs (HMRC). However, not all those young people will know that they have a Child Trust Fund.

What first step should a young person take to learn more about their Child Trust Fund?

They should start by asking their Parents/Guardians if they know where their Child Trust Fund is. They will need to know where the account is held, including the Unique Reference Number (this can be found on a CTF statement that they should have been getting yearly).

6,000,000

Over 6 million Child Trust Funds were opened, with 1.7 million of these being for children whose parents or carers did not register the account and it's likely they don't know where this money is now and how to access it.

Source: <https://www.ctfambassadors.org.uk/impact>



How do you find a Child Trust Fund that is 'lost'?

If the initial voucher was not invested within a year, the Government will have placed it in a Child Trust Fund on the child's behalf. That's the good news.

Here's a couple of ways they can track down their Child Trust Fund:

The Share Foundation can help young people and their parents/guardians track missing Child Trust Funds by searching a CTF Register or contacting HM Revenue and Customs if necessary. The Share Foundation is a registered charity which also runs the Child Trust Fund and Junior ISA schemes for young people in care for the Department of Education.

OR

Fill in the form online to **ask HM Revenue and Customs (HMRC) where the account was originally opened.** They will need their National Insurance number which will have been sent to them when they turned 16.

Find out more about how to locate a lost Child Trust Fund

[Watch the video on YouTube](#)



Supporting young people when they turn 18

Further Information for Teachers & Carers

Young people should talk to their parents/guardians about the choices available to them before their Child Trust Fund matures. There are some big decisions to be made about how this money can be best used to help fund their plans. Here are some of the resources which could be used in the classroom or at home to help young people understand those options.

Young Money has a range of Quality Marked resources available on our **Resource Hub** to help young people manage their money and understand their options. **My Money Week** 2021 Secondary School resources shine the spotlight on Child Trust Funds: Activity 3 – Funding my Future 16- 19.

The **Your Money Matters** textbook also includes information and activities about managing money, including chapters on saving, making the most of your money, and risk and reward.

The Share Foundation website has practical advice on Child Trust Funds and how to find them:
www.sharefound.org/

MoneyHelper (provided by Money & Pensions Service) has an useful guide on Child Trust Funds:
www.moneyhelper.org.uk/en/savings/types-of-savings/child-trust-funds

