

The Children's Mutual Reports Child Trust Funds Receive Over £5 Million A Week



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Author: [The Children's Mutual](#)

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The Children's Mutual, a leading Child Trust Fund (CTF) provider, has revealed that over £700,000 a day, or £5 million a week, is currently being invested in Child Trust Funds.

Child Trust Funds

Ensure your child gets a great start to adult life



As the UK's first universal [children's savings](#) product reached its fifth birthday in April 2010, these figures give a clear indication that over the last five years the actions of parents, families and friends have changed the savings habits in the UK, for the better.

Prior to April 2005 less than one in five parents were saving for their children's future. However since the launch of the [CTF](#) this figure has rocketed to three in five.

David White, Chief Executive of [The Children's Mutual](#), said: "Given recent economic problems it is essential that the UK reignites its savings culture. In five short years there has been a 200% increase in the number of people saving for their children over the long term and the Child Trust Fund has been the catalyst. This is nothing short of phenomenal, given the uncertain financial backdrop many families have faced."

Since April 2005 parents of five million children who now have a CTF have used them as a means to change their savings habits.

This commitment from parents and the Government towards saving for children's futures may mean that an estimated £2.96 billion will be available to young adults

each year as they turn 18 - a significant amount towards the increasing costs of adulthood such as buying a car, attending university and getting onto the property ladder.

April this year also marks the beginning of additional payments into CTFs for disabled children who are entitled to Disability Living Allowance. These additional yearly payments of £100 or (£200 for severely disabled children) could mean an extra£3,000 at age 18.

David White concludes: "The introduction of additional payments for disabled children is crucial as it reflects the additional costs that disabled young adults and their families may face. Along with Government we hope that the additional money will help to enable these children have a smooth journey into adulthood."

Child Trust Funds are designed to provide a tax efficient, long term savings vehicle for all eligible children. Each eligible newborn child (born on or after 1 September 2002) receives a £250 [Child Trust Fund voucher](#) (£500 for low income families) from the government when their parents register for Child Benefit. The government will make a second contribution of £250 (£500 for low income families) when the child reaches seven and is considering a third in the child's teenage years. Parents, family and friends can all then add to this account up to a maximum value of £1,200 each year.

- Ends -

Notes to editors
Findings from TISA, HMRC and The Children's Mutual research. Those interested in the results of the findings can [view the footnotes](#) available.

About The Children's Mutual - Home of the Child Trust Fund

The Children's Mutual's mission is to help parents, grandparents, family and friends fulfil their hopes for today's children. The Children's Mutual is the only UK company that specialises in long term savings for children and is now the choice of one in three parents for their child's Child Trust Fund, with more than 800,000 accounts. This expertise has led several financial institutions and family-focused high street retailers to choose The Children's Mutual as their stakeholder Child Trust Fund provider.

The Children's Mutual PR contact:

Katie Donlan
Consolidated PR
22 Endell Street
London
WC2H 9AD
020 7781 2376
www.thechildrensmutual.co.uk

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