

The Childrens Mutual finds parents prioritise childrens dreams

Submitted by: pr-sending-enterprises

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According to The Children's Mutual over 5.5 million* young people in the UK are receiving financial help from their parents in order to realise their dreams and aspirations. In some cases this could lead to their parents abandoning their own dreams for the future and potentially undermining their finances.

The research by the leading Child Trust Fund provider (<http://www.thechildrensmutual.co.uk/why-choose-us/awards.aspx>) illustrates the finances that can be needed to realise an adult child's ambitions and The Children's Mutual is encouraging parents of today's younger children to consider saving now if they want to be able to afford both these and their own retirement dreams.

Many parents of today's 20 something's have had to raid their own savings or sacrifice their retirement goals in order to help their adult children fulfil theirs. After spending years saving to fulfil their long-standing future plans, parents are finding that when the time comes the funds won't cover the aspirations of both generations.

28%** of today's 25 year-olds have financial support from their parents towards education, 23%*** towards their rent and 19%*** have financial support from their parents towards holidays and trips abroad.

David White, Chief Executive, The Children's Mutual (<http://www.thechildrensmutual.co.uk/>), commented, "We are highlighting to parents of younger children that by starting to save for their child's future now, they can help avoid the struggles faced by the baby-boomer generation who regularly sacrifice their own dreams for those of their children."

Research from The Children's Mutual shows that 80%** of today's 18 to 25 year-olds believe they can be 'financially independent' while still receiving financial support from their parents and 66%*** of those who are 'completely financially independent' still get some form of financial support from parents.

Starting to save small amounts regularly over the long-term into Child Trust Funds (<http://www.thechildrensmutual.co.uk/child-trust-funds.aspx>), is one way parents of today's children could stand a better chance of fulfilling their own desires alongside being able to provide for their children as they enter adulthood.

David White continued; "Making the step into adulthood is often a strain financially. But from 2020 all 18 year-olds will be receiving their Child Trust Fund (<http://www.thechildrensmutual.co.uk/>) and those whose families have managed to save the maximum amount of £1,200 each year will have a fund that could be worth £37,100**** upon maturity. Those who save the average amount amongst our customers of £24 a month could have a fund worth £9,750 (based on investing £24 a month) when they reach age 18."

- Ends -

Notes to editors:

* 6,309,156 (UK 18-25 year olds - source: statistics.gov.uk) / 100 x 87.2 (18-25 year olds who have had financial help from their parents according to The Children's Mutual's Financial Independence Report 2009) = 5,501,584

** Financial Independence Report commissioned by The Children's Mutual February 2009

*** ibid

**** Projection includes monthly investment (plus £250 government vouchers at birth and age 7) for 18 years in a stakeholder CTF account. Assumed investment return - 7% a year, with charges of 1.5% of the CTF account value each year. Projected values cannot be guaranteed as shares can go up or down. Final payout could be more or less than this.

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 1 in 4 parents for their child's Child Trust Fund, with more than 650,000 accounts.

The Children's Mutual has won the The Moneyfacts Award for Best Child Trust Fund Provider every year since its 2006 launch.

This expertise has led several financial institutions and family-focused high street retailers to choose The Children's Mutual as their CTF partner (<http://www.thechildrensmutual.co.uk/why-choose-us/our-partners.aspx>) including ASDA, Boots, The Co-operative, Lloyds TSB, Mothercare and regional bank and building societies across the UK.

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