

# The Child Trust Fund and Junior ISAs saving option comparison

## 1 What is a Junior ISA?

Junior ISAs were introduced in 2011, following the closure of the Child Trust Fund (CTF) Scheme. Up to £4,128 per year can be invested into a Junior ISA without tax being paid on any interest or gains.

## 2 Who is eligible for a Junior ISA?

All children under the age of 18 that did not qualify for a CTF can open a new Junior ISA and savers with an existing CTF can now transfer this to a Junior ISA.

## 3 Do I need to transfer my CTF to a Junior ISA?

No, you do not have to, but you are free to transfer your CTF savings to a Junior ISA.

## 4 How will this change impact my existing CTF?

Existing CTFs remain unaffected and you can continue to save as usual if you choose not to transfer to a Junior ISA. If you do decide to transfer, please be aware that the F&C FTSE All-Share Tracker Fund will no longer be available to our stakeholder customers as this fund is not available within the F&C Junior ISA.

## 5 What's the difference between the F&C CTF and a F&C Junior ISA?

Please note that the columns highlighted in light blue feature differences to the JISA

Product information	Child Trust Fund – Shares account	Child Trust Fund – Stakeholder account	Junior ISA
Minimum investment	£25 per trust per month £100 per trust lump sum	£10 per month £10 lump sum	£30 per trust per month £250 lump sum
Annual account charge	£25 + VAT	0.7%. Regulations cap annual charges at 1.5% (including on-going expenses charged in the fund, which are currently 0.36%)	£25 + VAT
Dealing charge*	Nil	Nil	£12 postal £8 online per holding on sale & purchase
Option to hold cash	Yes	Only as part of Lifestyling feature once child turns 15	No
Investment options	10 investment trusts	F&C FTSE All-Share Tracker Fund	10 investment trusts
Investment allowance £4,128 each year	Birthday year	Birthday year	Tax year
Friends and family can invest	✓	✓	✓
Locked away until child's 18th birthday	✓	✓	✓

\*Charges do not apply to the reinvestment of dividends and/or monthly instalments.

## 6 Can I invest in both?

No, you are unable to hold both accounts for the same child.

## 7 Can I access the money paid into a Junior ISA?

No, the account is set up for the child. As with the CTF, only they can access the money and only after they turn 18.

## 8 What happens when my child reaches age 18?

The Junior ISA and CTF both transfer into an adult ISA in the child's name, so they can keep saving if they wish.

## 9 If I transfer, will I lose my initial government CTF voucher?

No you will be able to transfer the total amount in your CTF account to a Junior ISA.

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