

## Pre-Paid Funeral Plans

The average cost of a funeral today is approximately £3,500. For the last 15-20 years funerals have increased by on average 10% a year. There is nothing to suggest that this trend will continue resulting in these costs potentially becoming a major burden to the family.

At this rate of increase a funeral will approximately cost:

- £7,000 in 7 years from now (in effect doubled)
- £21,000 in 19 years from now
- £51,000 in 28 years from now

A pre-paid funeral plan will **guarantee** to cover the cost of the funeral director's services **regardless** of how much they are at the time they are required.

Most funeral directors nowadays will not take on a person's funeral unless they are paid their out-of-pocket expenses upfront (usually around £800) and in some cases all fees upfront. Even if you have a life policy in place to cover these costs they can take several weeks before they are paid out.

Funeral wishes expressed in a Will are not binding upon executors – they do not have to carry out your wishes. However, a funeral plan guarantees the services of the funeral director and ensures that your funeral will be conducted as you would have wished.

All funeral plan money is held in trust and managed by independent trustees which firstly ensures it is safe and secure and secondly the monies paid for the plan fall outside your estate for IHT. If the money was given to a funeral director at this point and they went out of business then the money would be lost.

Funeral plans are not all about the money. The difference it can make to those left behind are considerable. The only call that a family member has to make is to the funeral plan company. The locally appointed funeral director will then go out to see the family, make all the arrangements including those set out by the yourself.

The emotional stress and potential arguments avoided will be appreciated and your family will remember you for your thoughtfulness at a time when it needed the most.