

The Children's Mutual Reports Growth Of Parents Funding Their Adult Children



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The Children's Mutual, a leading Child Trust Fund provider, has revealed that the cost of having adult children is hitting parents hard, with its new research showing they expect the cost of supporting an 18 to 30 year old to exceed £30,000. Their findings highlight the growth of a generation of Yuckies (Young Unwitting Costly Kids), with 93% of parents funding their adult children.

Yet many of these parents haven't planned for the costs and are putting their own financial futures on the line - 28% have either remortgaged or plan to remortgage to fund their Yuckie, with more than half of all parents borrowing to assist with costs.

[The Children's Mutual](#) also found that it's the Yuckies who are necessitating everyday purse tightening in families - two thirds of parents say they have had to or will reduce their day-to-day living costs to fund their adult child, from shopping more economically for food (28%), selling their cars (7%) and monitoring the use of heating and lighting at home (42%).

David White, Chief Executive of The Children's Mutual, said: "These figures unveil the stark reality of the cost of being a parent. No longer does turning 18 mean financial independence - in fact 16% of parents questioned expected their child to remain financially dependent on them into their thirties and beyond.

"The families we questioned had just one message for parents whose children are still young - save, save, save. More than half agreed that if they'd have known when their child was born what they now know about the cost of having an adult child they would have saved more through the years, with just 13% having saved regularly in preparation. These figures give us a

very clear warning - children aren't financially independent at 18 and parents need to plan for this to save their whole family's financial future."

[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
Research from The Children's Mutual research was undertaken by 72 Point during January 2010 and polled 1,484 parents of children aged 18 and over.

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 four parents for their child's Child Trust Fund, with more than 750,000 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](#).

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