

WHAT'S THE BEST WAY TO LEAVE ASSETS TO CHILDREN?

BALANCING LOVE, LEGACY, AND LONG-TERM SECURITY

For many parents, one of the most important goals of estate planning is to provide a secure future for their children. But leaving assets directly—especially in large amounts or at a young age—can have unintended consequences. The question is not just what you leave behind, but how you leave it.

At Leno Trust Ltd., we help families structure their wealth to benefit the next generation thoughtfully, responsibly, and in accordance with their values.

WHAT ARE THE OPTIONS?

There are several common ways to pass on wealth to children:

1. Outright Gifts

This is the simplest option—children receive their inheritance directly upon your death.

Pros:

- Straightforward and quick
- Minimal administrative steps

Cons:

- No control over how assets are used
- Vulnerable to poor financial decisions, creditors, or divorces
- Not ideal for minors or financially inexperienced beneficiaries

2. Wills with Testamentary Gifts

You can designate children as beneficiaries in your will, with or without age-based conditions.

Pros:

- Allows you to specify timing and amount
- Legally binding

Cons:

- Subject to probate (public and time-consuming)
- No protection once assets are distributed
- Doesn't offer long-term financial guidance

3. Trusts: The Gold Standard

A trust is often the most secure and flexible way to leave assets to children. You can establish a revocable or irrevocable trust during your lifetime, or a testamentary trust through your will.

Pros:

- Allows staged distributions (e.g., partial access at ages 25, 30, and 35)
- Protects assets from creditors, lawsuits, or divorce
- Offers professional management through a trustee like Leno Trust Ltd.
- Can include incentives (e.g., distributions for education or home purchase)
- Can continue across generations

Cons:

- Requires legal setup and administration
- Needs a carefully selected trustee

Tailoring the Trust to Your Values

At Leno Trust Ltd., we help parents design trusts that reflect their goals—whether encouraging education, entrepreneurship, or financial responsibility.

Examples include:

- **Education Trusts:** Support tuition and learning costs
- **Incentive Trusts:** Reward milestones and achievements
- **Spendthrift Trusts:** Safeguard assets from misuse or outside claims/milestones are achieved

Plan with Purpose:

A thoughtful trust protects your legacy, upholds your values, and prepares your children for lasting success.



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