

Child Trust Fund

What is the interest rate?

3.75% AER/ Tax Free

The interest rate is variable, which means the rate can go up or down.

Interest is calculated daily and paid once a year after 5pm on 31 March .

The most up to date interest rate can be found at www.monbs.com/savings/childrens-savings-accounts/

Can Monmouthshire Building Society change the interest rate?

Yes, the interest rate is variable.

We can change the rate at any time if we feel it's needed, this is in line with our General Terms and Conditions for Savings Accounts.

If we put the rate up, this is shown on our website, and information will be available in our branches and agencies.

If we put the rate down, we'll let you know as soon as we can - with at least 30 days notice.

What would the estimated balance be after 12 months based on a £1000 deposit?

£1,037.50

Based on £1000.00 being paid into the account, the interest rate doesn't change and there is no other money into or out of the account over 12 months.

How do I open and manage my account?

Who can open

Children born before 1 January 2011 who hold s Government voucher is eligible to open a Child Trust Fund.

Someone with 'parental responsibilities' over a child (under 18).

You must be aged 16 or over.

You must be a UK resident (excluding Northern Ireland).

You could be a Crown servant, their spouse or civil partner if you are not a UK resident.

How to open

In branch or agency.

You can't have another Child Trust Fund or a Junior ISA with another provider. If you do, the balance will need to be transferred into this one to open the account.

Child Trust Fund

Minimum

The minimum balance is £10.

Maximum

The maximum amount you can deposit into this account is £9,000.
The maximum that a member can invest with Monmouthshire Building Society is £500,000 split across other accounts you hold with the Society.

How to manage

Online on 'my accounts', in branch or agency.
You can pay money into your account whenever you want, up to the maximum balance / ISA allowance. For the current tax year 2024/25, the allowance is £9,000.
You can transfer the Child Trust Fund into a Junior Cash ISA.

Can I withdraw money?

No, the money belongs to the child and they can only take it out when they are 18.
The money saved in the account must be for the child's benefit.
You can transfer the money to a Junior Cash ISA whenever you like.
A child cannot have both a Child Trust Fund and a Junior Cash ISA.
We'll contact the child before they turn 18 and let them know what their next steps are.
If we don't hear from you or we can't action the request, we'll transfer the balance to one of our instant access ISAs.

Additional information

Accounts can be opened for individuals only.
The child can take control of the account when they are 16.
The tax-free rate means that interest is exempt from income tax.
The tax advantages depend on your individual circumstances and the tax treatment of your ISA may change in the future. Visit www.hmrc.gov.uk for more information.
AER is the Annual Equivalent Rate and shows what the rate would be if interest was paid and added on each year.
Rates and information correct from the **13 December 2024**.