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INTRODUCTION

Beating the squeeze, in this book, means how to keep up your lifestyle even when that is being made more difficult by government actions. Some people, when faced by the squeeze, will make economies-take a cheaper holiday, put off buying the fridge. That is one way to react, but then you are not beating the squeeze, you are accepting it.

To beat the squeeze means taking a few major decisions and then adopting a slightly different attitude of mind. Beating the squeeze does not mean that you have to acquire a mass of technical knowledge nor have to spend your spare time going over sheets of financial figures. The major decisions, described in the following chapters, involve, say, looking at who holds the unit trust and savings account, thinking about tracker funds and using a discount broker for a fund platform when you buy an ISA.

Your new attitude of mind means being alert to new ways in which you can get better value for the pound you spend or how what you are doing can be made to cost less. No bell rings when you make a brilliant, or mistaken, financial decision. Unless you hire a financial adviser, and give him a wide brief, there is no one else looking out after you. Just lack of knowledge can be a major problem- such as knowing which credit card to use outside the UK, and why?

All this is not made any easier because the finance business changes rapidly- and there is no simple way to find out what these changes are and how that might affect you. Pensions are an important issue for most people, where the law has been changed drastically over the last few years. (and is about to change again).

If you do not keep up, you may lose out and you could even, unintentionally, commit some technical mistake.

It comes down to your own reaction- you may accept the squeeze and adapt your lifestyle to the financial pressures. On the other hand, you may decide to fight back and use the financial system prevent the squeeze from altering the way you live and work. If you are one of the second group, read on.