

iPlans.

2020.

## Preparing For The Next Recession.



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Protecting ALL That You Have Worked For  
Against Future Predator Lenders & Creditors.

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- \* Dealing With Debt Worries & Managing The Stress.
- \* Building A Bullet Proof Plan.
- \* Buying Much Needed Time In A Crisis.
- \* How To Protect Your Interests - Insolvency Plans (iPlans)
- \* How Protect Your Business Plant & Equipment.
- \* How To Deal With & Prevent Pending Court Action.
- \* Knowing Your Rights As An SME Owner.
- \* Recession Proofing Your Life.

The iPlan Team.





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**Every now and then no matter your problems - take some time to yourself.**



"The safest way to double your money is to fold it over and put it in your pocket". **Kin Hubbard (1868 - 1930).**



## ➤ How To Navigate Through These Difficult Times.

Thank you for downloading this ebook - "Preparing For The Next Recession".

We are not providing any information or details regarding the current COVID-19 pandemic, there is enough information provided by our NHS and their website is the best source of information available, so if you have any questions on that matter, then visit the [NHS](#) website.

### **THIS eBook.**

We are providing a detailed outline on how to handle the next recession and we cover many topics, mostly finance related.

There are various tips and links and these links where possible will be constantly updated (So it will be worthwhile refreshing your eBook upload at least once per week), providing the most relevant information, but leading you to sites of appropriate information.

### **OUR INTERPRETATION.**

Over and above that our main direction of travel is to advise business owners on how to protect their business and personal interests via our [Insolvency Plan Products](#). Primarily the assets that they have spent a lifetime working to acquire for themselves and ultimately their families.

We have a positive outlook in regards to the Nation recovering and pulling together, but a sceptical outlook in regards to big business particularly Banks & Lenders current and future actions. Many business owners remember 2008 and the banks role during and after the crash.

We expect that in theory the banks will narrate positive rhetoric of help, but in practise will operate business as usual, requesting for Personal Guarantees & additional securities, despite our government underwriting 80% of such loans, we fear the Banks will continue to pick and choose, which businesses will survive, as long as they control the money supply.

It is practical to bring to the attention of your MP and government, when the Banks are causing issues for small business in respect of processing the various lending projects recently announced by our PM & Chancellor, all great measures to help business owners and stimulate the economy.

These are not ordinary times, loans and capital are need quickly by SME's and not held up by bank red tape. The government is doing its part, businesses are doing their part it's now down to the banks to do THEIR part.

iPlan Team - March 2020.

**How to sections: Chapter 1.**

Page 6.

**1. How to stop home [repossessions](#).**

The term repossession can strike fear into the heart of many UK home and Business owners. Like never before this term is now in common use. I won't bore you with the [statistic](#), if you are reading this then you are aware of the current impact that repossession fears are having on UK consumers. There exists all sorts of advice on how to deal with repossession our concern here is to provide you with exact details on "how to stop" it.

In plain English, repossession is a result of [arrears](#) and non payment for whatever reasons and there are many. Primarily contact with your lender is essential, try to get some re-payment plan in place, current political pressure about the subject has made lenders take more notice and repossessions are now actioned mainly as a last resort, but be aware some lenders are quick to action the legal process and try to get you out as quickly as possible. Your home is a property asset on their books and they want to sell and realise that asset, at a profit or loss if they see the borrower as a potential liability.

There is only one real way to [halt repossession](#) in its tracks under current UK law, generally this can involve properties with even the smallest amount of equity available and that is to secure the appropriate legal charges against such properties or assets that you wish to protect. One of the best and most affordable products on the market however is the [Personal Insolvency Plan](#), in a bespoke format. This product can literally save the roof over your head.

No matter the legal interpretations of a repossession action, if you can prove that an additional charge holder has a legal [secured interest](#) in the property along with the original lender and that that charge holder is against the repossession and sale then proceeding can be suspended.

As a home owner, it is essential to know your full rights under the law. You can only be repossessed if your lender can prove a valid legal reason for actioning a repossession and the correct procedures and format are followed to the letter by them. Repossession cannot happen automatically. It may be possible to stop the process at any stage, provided the proper procedures are followed, specifically the newly adopted [pre-action protocol procedures](#).

**2. How to stop car repossessions.**

Car or vehicle repossession in the US is at its height, the UK is starting to follow, most of this increase has been caused by Personal Contract Purchase agreements or [PCP's](#). Each day thousands of cars are repossessed or handed back. Lender's have the right to take back their goods if you don't keep up your repayments. You will normally be sent a notice first, giving you the opportunity to put things right. But you will have to act quite quickly – normally within 14 days of a final demand then default letter. It is essential to try and get some form of re-payment agreed before any court action; otherwise the wheels of the legal system will trundle towards you. You can of course ask the court to give you extra time to pay if you really want to carry on with the agreement, but you must be prepared to argue your case.

It is **important to note** that if you've paid more than a third of the total cost of the Hire Purchase or (excluding any insurance), your lender will always require to take you to court to get a court order to recover the vehicle. If you've paid less than this, the lender still can't enter your property to take the car without a court order, unless you give them your permission to do so.

So the system of Stop Stall and Remove discussed in Chapter 5 will apply. Many repossession agents will attempt to call and just collect the vehicle, know your rights. If you defend your position properly and keep in contact with the lender, you can buy up to 4 months of debating and arguing over the terms and conditions as well as reviewing that the agreement is valid, well before any court case date.

### Ending Your Agreement or Contract.

If your HP agreement is for under the amount of £25,000, you have two clear ways of ending your agreement or contract early:

- You can agree with the lender to terminate an HP agreement and return the vehicle at any time by writing to the lender, **as long as you bring your total payments up to half the price of the vehicles purchase cost** (As per your original contract). You will also have to pay off any credit you took out to pay for insurance associated with the contract. If you have already paid half, then you only have to pay for any missed payments or damage to the vehicle under the terms. But if you have already paid more than this amount, then you will not get a refund of the difference. You will not be charged for returning the vehicle. The contract may state that you must return the vehicle to the provider.
- You can if you wish as part of most agreements pay off your loan early (including credit for insurance) and keep the vehicle. By contacting your lender directly you can find out this cost. You should be due a rebate on all future charges. There are scaled rules on how this is calculated. All credit agreements should include early settlement examples.

### Where The Law Stands On Vehicle Finance Issues.

The vehicle always remains the property of the finance company throughout the contracted term (you do not obtain ownership until the final payment has been credited).

### Points that you may be able to complain on.

- The vehicle has various faults.
- You can force the dealer to repair or replace it. Always purchase from a reputable dealer.
- If you are your business i.e. a sole trader or a partnership and you are buying a car or vans worth less than £25,000, you can require the finance company to take responsibility under the Consumer Credit Act regarding the vehicles they have sold to you if problems later arise with the vehicles.

### 3. How to stop wages arrestment's.

If you are working, the money you owe can be taken from your wage or your salary by an earnings arrestment but before this can happen your creditor will have taken you to court the UK laws and Scottish laws differ but the end product actions are similar. Earnings arrestment - in Scotland. Attachment of earnings - in England

Once the arrestment or attachment has been set up, there is very little you can do. Arrestments and attachments are legally binding on employers to operate. The only ways to avoid them are:

1. Change jobs completely or within the same employer structure.
2. Reduce your hours so that the take-home pay is below the lower limit for deductions.
3. Arrange with the collection company to repay the balance of the debt directly at an affordable amount... All amounts deducted are fixed, based on the amount of take-home pay. So there appears no way initially to reduce the payments

The simplest way to stop this happening is to take heed of the legal notice, try and get even the smallest arrangement in place pre-court action, if this is not possible then prepare in advance to open a separate bank account, explain to your employer in confidence the situation and ask him/her if it is possible to make alternative arrangements for pay, also operate a small overdraft on your nominated account so that any arrestment made out with your control is made on an overdrawn account i.e. no funds available at the point of initial arrestment. It is not unheard of for an arrestment to be made without proper serving of court documents.

In most cases you will have been sent a charge for payment. This is a warning that unless you pay what you owe within 14 days they are going to take further action to recover the debt. After 14 days a creditor can instigate an earnings arrestment. If the earnings arrestment proceeds, your employer may charge you a small amount for dealing with the earnings arrestment. Your creditor will send the earnings arrestment to your employer. Your employer must make deductions from your wage or salary. You cannot ask or expect your employer not to do so, but you can speak with them about your position, they may be sympathetic. The deductions are made every pay day in the same way that tax is taken off your wage or salary. Your employer sends the money to the creditor who served the earnings arrestment.

There is a limit on how much money can be taken from your wage or salary and you will be informed of this. That limit depends on how much you earn and whether you are paid weekly, monthly or in some other way. The limit is fixed by law and your employer should have a note of how much may be deducted. If you have money in a bank or building society account or with a credit union, the money you owe can be taken from your bank, building society or credit union account.

Your creditor sends the arrestment to your bank, building society or credit union. When the arrestment is served, the money, which you have in your account, is frozen and you cannot withdraw that money or use it to make other payments such as standing orders or direct debit payments. All money in your account is frozen, **even if** there is more than the total amount which you owe.

Your creditor doesn't get the money that has been frozen right away, they require to go to court and request authority to make your bank, building society or credit union release the funds. The court will order your bank, building society or credit union to pay the amount that you owe. The court may also order you to pay the costs of the court action.

#### **4. How to reclaim council tax payment.**

Many homes throughout the UK are currently in the wrong council tax band, and have been since 1991. After the poll tax riots fiasco under the conservatives that government was desperately awaiting the 1993 launch of the brand new council tax (CT) system. Consequently every house in the UK had to be assessed and put in a valuation band. So, it outsourced the job to various agencies.

The original assessments were a shambles, completed by individuals viewing houses from parked cars in the street. There were just too many houses to be done, so assessments of whole areas were actioned on the basis of visual comments and not viewing the actual properties.

How much CT you pay depends on your property's banding range. Letters from A to H which depends on the value of your home in 1991. Presently many Individual council's annually decide the amounts that should be payable for bands B and D, with all the other bands are then calculated proportionally from these two.

So it is possible you and a sister let's say both have band C properties, yet as you live in Liverpool you pay more than they do in Newcastle. To compare your council tax with the UK average click on [Upmystreet](http://Upmystreet.com).

You can get your banding decreased thus paying less each year, and remember to request that any repayment should be backdated to when you moved into the property quoted; going as far back as when the CT started in 1993. Contact your council today and get your band dropped and your repayment backdated.

#### **5. How to stop bailiffs or sheriff officers selling assets.**

If your debt is a County Court Judgement (CCJ) and a warrant of execution has been issued, you can stop bailiffs from visiting your home by filling out a form [N245](#) at your local [County Court](#) or [Sheriff Courts](#)



(Scotland) making an offer to pay by small instalment's, it must be affordable to you. This can suspend any warrant provided you maintain the payments.

### **Bailiff?**

A bailiff is someone authorized to collect a debt on behalf of a creditor in Scotland they are called Sheriff Officers. A creditor is someone you owe money to. There are different types of bailiffs - e.g. county court bailiffs, certificated bailiffs and private bailiffs who can be used to collect different types of debts. These include county court judgments, unpaid council tax, magistrates court fines, unpaid maintenance to the Child Support Agency and outstanding rent. Different bailiffs have differing powers to collect debts. However, there are certain rules that apply to all bailiffs and sheriff officers. Unless stated otherwise, the information in this leaflet applies to any bailiff.

### **Can anyone be a bailiff?**

Yes, providing they have legal authority to carry out their actions. Some creditors prefer to use certificated bailiffs to collect their debts. "Certificated" means that the firm of bailiffs has provided references to the county court and the bailiffs they employ are considered to be 'fit and proper' persons. Bailiffs collecting rent arrears and road traffic penalties must be certificated. It is worth remembering that both men and women can be bailiffs!

### **What 'legal authority' must a bailiff have?**

A bailiff must be legally authorized to collect the debt on behalf of the creditor. The authority is normally known as a 'warrant', or 'warrant of execution' if the bailiff is recovering money owed under a county court judgment. Bailiffs used by the magistrates court to collect unpaid council tax, outstanding fines, compensation or unpaid maintenance will be acting on either a 'distress warrant' or a 'liability order' issued by the magistrates court. If you are in arrears, creditors will sometimes send representatives to your home to try and negotiate repayments with you. These people might be called 'counselors', 'collectors' or 'advisers'. They do not have powers to enter your home and seize your goods.

### **How do I know it is a bailiff at my door?**

Bailiffs should provide identification or authorization if you ask them to. Bailiffs collecting for rent must show their certificate from the county court if you ask them to. Bailiffs collecting unpaid council tax must show written authorization from the local authority. See also 'Will I get advance notice of a bailiff visit?'

### **Can a bailiff call at night or on a weekend?**

Only bailiffs collecting rent are obliged to call between sunrise and sunset, all other bailiffs can call at any time of day or night. However most bailiffs should call at a 'reasonable' time, either during normal office hours or between 8.00 a.m. or 8 p.m.

### **Can a bailiff force his/her way into my house?**

Most bailiffs **do not have the right** to force their way into your home to seize your goods. The only exception is that bailiffs from the Collector of Taxes (Inland Revenue) can get a warrant to force entry, but this is very rare.

All other bailiffs have a right of peaceful entry only. This means that they cannot use force to enter your home, for example, by breaking a window or a door. However, they can enter your property through an open door or window (front and back) and can climb over fences and gates, but cannot break them down. See also "If a bailiff does gain peaceful entry to my house, what will they do?"

**You do not have to let a bailiff into your house.** A bailiff cannot force their way past you if you answer the door. If all your doors and windows are securely closed they will not be able to gain peaceful entry to your house unless you let them in.

Bailiffs are well aware of their limited powers and may use a variety of different means to gain entry peaceably. They may attempt to walk in as soon as a door is opened. They may ask if they can use your

telephone to check if an arrangement is satisfactory with their office. They may simply ask you if you would prefer to discuss matters inside. You do not have to go along with any of these methods.

### **Can I be arrested or imprisoned for not letting a bailiff into my house?**

No. If a bailiff is accompanied by the police, they are only there to prevent a breach of the peace. You cannot be arrested for refusing to allow a bailiff into your home.

You cannot be imprisoned for not paying your debts. However, non-payment of council tax, child maintenance or magistrates court fines can lead to imprisonment if you 'willfully refuse' to pay. This means that the magistrates must be satisfied that you have the money but choose not to pay. You should be required to attend a magistrates court means enquiry hearing before this is decided. This gives you the chance to explain why you have not paid.

### **Sheriff Officers Scotland.**

If sheriff officers turn up at your door - don't let them in, don't speak to them, and certainly don't give them any money. They have **NO legal right to force entry into your home** without a court hearing first having granted a "Special Attachment Order" - you would have been informed of the court hearing, as you have the right to contest any application.

If you get a threatening letter from sheriff officers or the Council, don't panic and pay more than you can afford. Check out this link for [advice](#).

### **Unfair treatment by Bailiff's Sheriff Officers or Debt Collecting Agencies.**

Under the 'Business Practices and Consumer Protection Act' you are protected from being harassed by Debt Collectors or their agents. It says a Collector can't put unreasonable pressure on you, your family, or your employer.

### **Debt Agencies – It Is Unacceptable for a collector:**

- To collect or try to collect money from you if you dispute the debt or if you have proof that you're not responsible for the debt. In a dispute, you must take action to resolve the outstanding issue. As the Debt Collection Company is being told by the Creditor that you owe money, they likely will have no further information. It is up to you to contact the original Creditor and resolve the problem.
- To collect or try to collect more money than you owe. A debt will continue to accrue interest at the agreement rate even if you are not making payments or if the debt has been assigned to a Collection Agency;
- To try to collect without a proper license.
- To phone you collect or ask that you send the money in a method that includes charges to you, i.e. transfers, etc;
- To take or try to take things you own to satisfy an unsecured debt without taking the matter to court and obtaining a judgment against you. For example furniture or assets that you did not use as security for the loan.

### **Debt Collectors Are Not Allowed To:**

- Make a charge or threat that has nothing to do with the collection of the debt;
- Make abusive calls in which they lose their temper and use profanity or other verbal abuse;
- Talk to your employer without your permission, unless it's to confirm your employment;
- Talk to you, your family or your employer in a way that will humiliate or distress anyone;
- Make frequent calls in a manner or with a frequency as to constitute harassment. Unless you provide the reason, a collector should NEVER call you more than once a day. Reasonable collection practices

should not require that the collector call you more than once a week or every second week in order to determine if your financial situation has changed;

- Give you a document that is made to look like an official court document when it isn't.

Clearly in current times these rules are broken. Debt collectors have to work within clear [guidelines](#) provided by the OFT if you have a [complaint](#) or wish to make a claim against a Debt Collection Agency then just click the links and follow the advice.

## 6. How to stop CCJ's & Court Decrees.

Stopping a County Court Judgement (CCJ) or Court Decree is essential. You will hear all sorts of offers regarding credit repair. There is nothing that a credit repair company can offer that you would not be able to complete yourself in respect of repairing your credit. In general the term should be credit file error repair as only provable errors will be amended by the credit agencies absolutely nothing else. So please forget any stories or promises about repairing your credit file.

Once a County Court Judgment is issued in UK by a court, you will receive a "Claim form". This is a summary of how much you owe and details of the claim. You will have to send it back to the court with an explanation of your financial situation. If you do not respond, a court will take a decision against you and a CCJ would be enforced. You then have 16 days from the date of the postmark to send the form back to the court. You can submit an 'Acknowledgment of Service' or a 'Defence Form', depending on how you want to move on.

### CCJ's can be enforced with a number of orders:

- Warrant of Execution: Here the debtor's assets are held back.
- Charging Order - This order is imposed on any property of the debtor.
- Attachment of Earnings Order - Deduction from the debtor's salary paid to the court.
- Garnishee Order - Here the third part will repay the debt.

Stopping CCJ's and CD's is a different matter, if you can agree a suitable payment plan before going to court that will be effective. However using a 'Stay of Judgment' or an "Application form to suspend a warrant and/or variation of an order" are means that can be used to stop CCJ's pre-court, they basically perform a time buying exercise.

A CCJ or CD registration on your credit file can be avoided. If the judge orders you to make payments above any proposal that you have made, then a CCJ results. However if the debt is fully cleared within 28 days of the judgement being given, then the judgement is expunged from the debtor's record after 28 days. Owe a single penny on the 29th day the judgement stays on your credit file for 6 years.

It is also important to remember that a charging order cannot be obtained for a CCJ unless payments have been shown to be missed. Charging order applications can be stopped dead in their tracks by this method, sometimes it is better to make up the missed payments while challenge the default notice under the act in terms of the way the notice was served or the accuracy of the figures claimed.

That way you can stop the court action. If the missed payments are much less than the full contracted sum finally claimed for at court then this is the best way to stop a potential CCJ & CD as well as the actual court action. You can also use the following court documents in [stopping CCJ's](#) - Defence form for [debtors claim](#) - Stay of Judgment to stop the CCJ. Various court action application [forms](#).

## 7. How to prevent court actions.

The simplest way to preventing pending court action is to deal directly with the pursuer, explain the position and make an affordable honest offer. If you were expecting some other answer or legal angle of approach to resolving court actions then yes, there are many other means.

- Frustrating the legal process.
- Disputing the amounts owed.
- Disputing the dates and all factors surrounding the claim.
- Disputing the quality of the goods or provision sold

These routes are all manageable and can provide much needed time and we can advise you accordingly, **but ultimately the piper needs paid**. In my experience the only gainers in court action disputes are the solicitors. If you win they get paid, if you lose they get paid. If you can resolve the issues then you will save on the long run.

## 8. How to stop illegal credit agreement.

This seems to be a growth industry at the moment, going for the bankers and to be honest no wonder. They have been getting away with daylight robbery for years, but we all accepted it because we needed the cash. The current methods rely on exploiting the [Consumer Credit Act](#), which sets out the strict requirements on how credit agreements are drawn up and implemented. If these conditions are not met, it can be possible to write off the debt.

Let me state here that no credit card company is going to let debts be written off without a fight, and so even though there is nothing to stop you pursuing a claim on your own, the only realistic way of avoiding being tied down in court hearings and counter claims, with hefty legal bills, is to work with a solicitor experienced in this field.

This will of course cost money, but if your debts are large you may feel this is a price well worth paying. Be sure you sign up under a 'no win no fee' arrangement though, with no upfront fees, or you may be paying money when you have no chance of having your debts written off.

**Let's look at illegal credit agreements and what you need.**

- **Copies of Original Documents.**

All lenders must be able to provide copies of your original credit agreement on demand. If they cannot, then enforcement of the agreement is impossible under the law. This is something to especially bear in mind if the debt has been passed to a collection agency or sold on - often, the agency will not be able to access the original documents.

- **Credit Agreement Not Signed.**

Every credit agreement needs to be signed by both the borrower and lender, and if it is not then it is invalid.

- **APR Stated.**

The credit agreement needs to specify the interest rate and other costs associated with the finance in the form of a clearly presented and stated APR.

- **Credit Limit and Term.**

The full amounts of finance and the repayment term must be described accurately. If the credit limit was put up between signing the agreement and the account being opened, without a request from the borrower, then there may be grounds for challenging the agreement as unenforceable.

- **Credit Taken Out Before 6<sup>th</sup> of April 2007.**

The credit agreement needs to have been taken out before 6th April 2007, when an amended Consumer Credit Act came into effect, in order to have any chance of these methods working.

#### 9. How to stop Utility Companies disconnecting supplies.

Unfortunately thousands of UK consumers are having their Gas or Electricity supply threatened with disconnection. This is an exceptionally worrying prospect especially for young mothers with children and vulnerable pensioners. The normal procedure adopted is when the account falls into arrears, normally on a second quarter payment request, the major suppliers are quick to act to issue a "[Warrant of Entry](#)".

While suppliers state that they follow the correct procedures, they sometimes forget that they are dealing with human beings. The thoughts going through the mind of a mother with a couple of children having her supply disconnected does not bear thinking about. The essentials that we should all take in part for granted heating lighting and the ability to cook warm food come under threat, it is sickening to think of.

It was not so long ago under de-regulation and the "change your supplier" for better deal slogans were never off the TV. This in part is a root cause of the current problems with utility firms.

There are a number of strategies that you can adopt. The first is to try and get an arrangement to pay the account over a longer period, if that fails you can adopt the strategies in Chapter 6.

If however a visit has been made requesting access in 5 days, then if you do not allow such access they can apply for a warrant of entry. They need to give you notice and at that point you require to contact the Debt Management department covering your area. You need to be aware of a [Bailiffs rights on entry](#).

You must immediately inform them that you are querying the account totals, querying the validity of the meter readings, especially if a number of previous readings have been estimates.

You can stop the process instantly by informing the Utility firm that you feel the meter is faulty and that you require a one month testing period with an additional counter meter placed alongside your existing meter, so that the accuracy can be assessed.

You can also request under the Data Act subject access information regarding ALL the documents that the Utility firm holds on file about you. Particular emphasis should be made at reviewing all your previous bills since you owned or rented the property. In total this data should take about 35 to 40 days to be provided to you. In that time you must keep in constant contact with the Debt Management side of the Utility firm dealing with your case and pay something each week no matter how small to the account.

You need to also be aware that the Utility firms will charge you £55.00 plus for each visit to your home or business and up to £250 plus to disconnect and up to £275.00 to re-connect. This could all be added to your outstanding account. Even worse, the pre-pay meters that they fit will be at a higher charge per electric or gas units used than previous. This is why they act so quickly, they can make more money. I believe as I



speak that English based MP is raising the issue of [re-pay meters in parliament. We will update the e-book data on this accordingly.

In a nutshell, do not allow them entry, without a valid warrant. If you can stop the warrant then do it immediately. If you are on benefits and a meter is installed they are restricted to how much of the debt they can collect. Clearly the above Act requires updating specifically for a consumer's right to dispute any anomalies within the account and have the warrant application dismissed.

Sadly all too many warrants are just rubber stamped by a justice of the peace or appointed court official without giving any credence to the content. As a minimum though it is important to note that Under the Human Rights Act the Utility firm now has to give **14 days' notice** of their intention to go to court for a warrant. This is your countdown period to resolving the issue.

Recent changes in the Act are a step in the right direction. As things stand your gas supply is out with the Human Rights Act although your electricity is not. The Utilities get around the HR Act by giving you 14 days notice; all warrants are valid for 28 days.

Please note [additional](#) information on warrants and statistics regarding numbers issued for review by the select committee for trade & Industry, other more current important statistical data is more difficult to uncover from the Utility providers, but will be updated accordingly.

## Dealing with creditors: Chapter 2.

Page 14.

### 1. Assistance to deal with creditors – legally.

Financial debt problems happen to the best of us and many UK consumers now find themselves dealing with debt collection agencies. Listed below are ten tips to make dealing and negotiating with creditors or their agents.

#### 1. Be Honest.

The best tip for dealing with all creditors is to be honest. If you've lost your job, or on longer term sick leave don't be embarrassed to let them know, and never make promises or financial commitments that you cannot keep. Doing so will definitely cause the creditors to think that you are not to be trusted, and they will be much less likely to work with you to arrange a reasonable re-payment plan.

#### 2. Be Aggressive.

Creditors are not the only ones who should be aggressive when it comes to collecting outstanding debts. If you are not able to pay your bill/s on time or make a prearranged payment when promised, then call before the due date and explain the situation. If the bill payment is past its due date, still call and offer to remit the payment as soon as possible. Not calling will be just the start of your problem.

#### 3. Consider debt consolidation.

Depending on the amount of debt and number of your creditors, you may want to consider debt consolidation to lump all of your debts into one manageable amount and service that as a unit.

#### **4. Get to know all the facts.**

When calling or speaking to a creditor/s about one of your bills, be sure to have all your information to hand, including account numbers, past bills, canceled checks, and receipts and raise any issues you have concerning the account.

#### **5. Make an effort.**

Even if you are not able to make a minimum monthly payment, send a smaller amount to show that you are at least making an effort to repay your debt. This will go a long way to keeping your account in-house as opposed to it being sent out to debt collectors.

#### **6. Negotiate.**

Most debt collectors earn a commission based on the percentage of unpaid debts that are collected or purchase the debt outright. The best time to negotiate a deal with your creditor is during the last week of the month, when they are trying hard to meet their monthly targets. Ask whether or not it would be possible to stop additional charges that were assessed after the account was closed or in arrears and also request a moratorium on any interest charges currently accruing on the debt. Many companies will offer to eliminate over the limit or overdue fees as well as penalty interest charges on credit cards and some credit agreements if you are able to make regular, substantial payments towards the account. You may be surprised at exactly they are willing to accept.

#### **7. Remain calm.**

Having the right attitude from the beginning of dialogue and when dealing with creditors and especially debt collectors will mean the difference between a very frustrating situation and the chance to successfully resolve the issue. Remember that a debt collector standing at your door might be just as nervous as you are, appearing relaxed (even though you may not be inside) and helpful may just buy you the additional time and advice from some collector's that you need.

#### **8. Always stay in touch.**

Too many people just ignore correspondence from creditors rather than deal with the problem and work toward a resolve, it is crucial that you do not fall into this category. Avoiding calls or not returning calls when you promised tells creditors that you are not serious about repaying your debt and they will just put the debt straight into the hands of the collectors or worse action court proceedings.

#### **9. Stick with the plan.**

Set up a monthly budget and stick to it rigidly, be careful not to accrue any additional debt especially charges. If you have arranged a payment plan, be sure to stick with it and send payments in on time or call to explain the situation, if you are going to be late with a payment. Remember there is an acceptable code of conduct that collectors must adhere to so make sure you know your rights and that they work within their [terms](#).

#### **10. Take responsibility for your finances.**

Once you are on the road to fully repay all of your debts, it is time to regain control over your finances to ensure that this nightmare does not repeat itself. Get rid of any credit cards, at least until your accounts are no longer in an arrears position or over the spending limit. This is a must. Remove that temptation.

**11. Make an offer – Pay off early.**

If you are fortunate to come into some funds, it is always a good idea to contact a creditor and make a reduced offer to settle. If you owe £5000 on a credit card I have seen clients offer to pay £1000 or inform the credit card company that they intend proceeding to bankruptcy and that this is a onetime offer as they are sick of the whole situation and just want to end the problem via the bankruptcy courts. In many cases I have seen thousands wiped debts as the creditor feared recovering absolutely nothing from clients.

**Lenders Secrets: Chapter 3.****Page 16.****1 What lenders do not want you to hear?**

- With a large number of repossessions taking place because of adjustable rates, this could have been avoided if the lenders had put families in a 20 – 25 yr fixed mortgage. During the housing boom, individuals that had less than perfect credit were put into sub-prime loans. There were millions of families put into sub-prime loans that had the qualifications to go for a fixed mortgage. The reason why was because there were many mortgage companies that just got greedy, hoping that the good cycle would continue, property prices would climb and more fees could be made every two or three years with all the re-mortgages due up for renewal. So the mortgage companies had no choice but to stick their clients into a sub-prime loan to continue their growth plans and be competitive. Was this wrong, I would have to say most certainly yes.
- Borrowers were told; you don't have the credit to go with a prime conventional loan but we can put you into a 2 or 3 year agreement. After a good credit payment profile over the 2 to 3 years we will then put you into a 25 year fixed mortgage. This is what was being told all over the UK. Tragically these customers could have just as easily been put into a 25 year fixed subprime mortgage. But the rate was lower on a 2 or 3 year, and the lender made far more money selling the 2 to 3 year loans. Also the lender would get repeat business (More money) again two years later. The process worked like a massive money making machine during the boom years. This is one of the main secrets that lenders did not want you the buyer to know; most lenders never gave you the longer term options.
- Also during the housing boom house developers were doing more than selling 2 to 3 year mortgages, they were selling low payment mortgages without fully explaining the longer term effects of a short term mortgage thousands fell into the trap of the sales advisors employed to market these products packaged as cheap affordable mortgages.
- In a nutshell the lack of proper legislation within the city is now coming home to roost. There were even companies set up to handle the entire mortgage provider's paperwork and "package" the loans, known in the trade as packagers. Many people calling their mortgage company about arrears for the first time are surprised to find out that their mortgages were packaged mortgages. In essence the mortgage company or lender is only interested in the payments and the property. You normally get a recorded message at the start of any phone call telling you that they (Lender) do not give "Financial Advice" about your mortgage only the original introducing agent or packager does. But they will deal with all arrears. That is part of the shifting of responsibility that has got us into the current mess.
- Suddenly before you know it your 2 to 3 year mortgage term is up, you now have three problems. First you cannot refinance because you do not have the appropriate credit rating. Second your property value has declined and you do not have the required equity needed to refinance. Thirdly other previously available credit sources in the marketplace have all dried up.
- So since you cannot refinance your payments now jump up to around £350 in a current average UK case and now you cannot afford your home. This is what is happening all over the UK. Although current lenders have been pressured by government to ease off repossessions and try to get re-payment program in place including arrears from the borrowers, this is only short term, sooner or later the lenders will put pressure on borrowers again to get their assets back or converted into cash.
- This is unfortunately an example of how greed has destroyed prosperity for many millions of UK consumers who's main dream was to own their own home. It is unfortunate that lending industry in the UK took advantage of consumers and the government of the day allowed such a lapse view of legislation. This is going to affect us all for a while, it is clear that the next party picked by us the voters will require to increase taxes for at least the next ten years. The only way forward for

individuals in this current predicament is to simply live within your means. Hopefully sections within this e-book will provide you with a guide to implementing such means.

## Protecting your position: Chapter 4.

Page 17.

### 1. Protecting your home and personal assets as well as your sanity.

It is clear that in today's economic environment it is important to try and read the road ahead and consider any potential future business or personal financial problems.

What if your bank requested your Personal Overdraft be cleared off or your business was hit with a large bad debt default, VAT or Inland Revenue assessment or investigation? What if your bankers decide that they need further security to cover your borrowings or decide to reduce your facility in a particularly difficult trading period? Ask yourself seriously, what contingency plans you have in place. Can you weather the storm of the current recession?

Protect Your Home Equity & Business Assets - With an [Insolvency Plan](#) - With business insolvencies in 2019 starting to climb and current personal insolvencies increasing at the end of 2019 the figures beyond this current pandemic will only increase into late 2020 and beyond, repossessions will also start to climb. How would you and your family cope with the loss of your business income or home if secured to a lender?

What would you be left with? Then compare that with what your lender or creditors would claim for. Insolvency Plans - Have been protecting equity and assets for clients since 1993. Home Equity & Asset Protection Plans With Insolvency Cover - How They Work:

Each Insolvency Cover Plan (iPlan) is quite unique and fashioned with the particular requirements of the individual client. The (iPlan) once created secures all listed unencumbered assets, equity, plant and equipment, fixtures and fittings etc associated with the clients business or personal assets that a client may wish to cover. As a consequence of this any and all client assets can be covered, provided the ownership of such assets resides with the client at the inception of an agreed (iPlan) contract for cover. Check out the following link details in the form of a [Client Fact Sheet](#).

In essence once a client has applied for an Insolvency Plan and underwriting agrees to legally accept that application, the client's Insolvency Plan once approved and created has a legal say in the client's business affairs, should future difficulties arise. The client's (iPlan) continuously moves in parallel with the client's trading business. The (iPlan) has effectively thrown a net of protection over the client's agreed and listed assets throughout the client's trading career until retirement or sale of the business. As ownership of the Insolvency Plan belongs to the applicant or his / her heirs, the client can at any time release or add assets to the (iPlan) as and when required. We act as managing agents administering under client instructions all matters relevant to the (iPlan).

### The Law - Tax & Accountancy Implications.

The Insolvency Plans are issued in the UK and subject to UK Law. (Unless a Plan has been specifically designated by the client as an offshore cover plan). All UK Companies House documentation is handled by Back Office UK. All UK statutory requirements are complied with by iPlan admin. (Non compliance can lead to a fine). iPlan admin maintains a registered office facility for all Plans. (This is not a trading address). iPlan admin, administers and maintains all statutory obligations in respect of all Insolvency Plans throughout the agreed contracted term and in accordance with client wishes.

All UK tax documentation is handled by iPlan administration centre. Statutory year end accounts are handled by us and our agents and submitted each year. Statutory returns are made, as are all tax enquiries regarding the plans.

### **A Practical Way To Safeguard Your Interests.**

It is clearly essential for any business or individual or a new business to consider protecting hard earned assets from the pitfalls of granting securities to bankers, lending institutions, preferential or trading creditors. It is also prudent for individual business directors or owners who have given guarantees and securities for existing or new facilities; to protect primarily their homes and personal assets against future unforeseen business problems.

With an Insolvency Cover Plan in place a client can reduce the prospect of a lender or creditor for whatever reason, railroading their business into terminal oblivion and closure. All too often lenders, without proper warning to clients, reduce facilities and call up securities trying to cover their exposures caused by external factors not related to the client/s in question.

This can cause serious financial problems and much mental anguish. Insolvency Plans break the cycle of clients being left on the hook by unhelpful bankers - iPlans protect and secure you and your business future and ultimately your family. An (iPlan) can protect you or your business against future creditors and their security instruments, subject to the nature of securities given and available equity. An (iPlan) can secure encumbered and unencumbered assets.

### **Bankers & Lenders.**

In many instances bankers and lenders will require security for either new or existing borrowings. By signing a Personal Guarantee or Corporate Bond & Floating Charge individuals in essence sign away their right to control their business to the lender, if later on trading difficulties occur within that business. Without fear or favor lenders will pursue clients to the bitter end under the obligations they have agreed. Lenders legal departments are generally a separate body empowered with the sole purpose of conducting legal representation for the lenders affairs, consequently the borrower becomes just another number on their files and the sleeping giant with all its legal recourse is awakened to consume all that you own in settlement of any outstanding secured and unsecured debt.

If a client has signed securities to a lender, such as a second charge or other securities, that affects their business or individuals assets, then the lenders legal department will stop at nothing to recover or re-claim the liability amount plus interest and costs in full.

Don't you think it may be time to read the road ahead and consider protecting all that you have worked for against potential unforeseen problems - Visit our website for details [www.insolvencyplan.com](http://www.insolvencyplan.com)

### **Keeping your sanity.**

It is no secret that being in debt and worrying about losing your home can strike real fear into the heart of any person, especially if you have a family, mothers worry about it fathers lose sleep over it.

In this e-book we look at all options available to consumers in debt, we advice strongly about insolvency cover.

We have concluded that in all instances the best policy is to initially as soon as practically possible protect all your own assets by whatever means possible.

Once you know that you have protected your home, you will sleep easy. We explore more fully in chapter 19 the affects that debt stress and debt anxiety have on us and how to deal with them.



## Buying Time - Stop Stall Remove: Chapter 5.

Page 19.

### 1. Stop Stall Remove – Creditor & Debt Problems – Allowing you time to resolve all issues.

The prospect of dealing with creditor claims and the ensuing debt collection procedures that follow are not nice issues to reflect on. Creditors are after only one thing, their money and they will use all and any tactics to get paid. Initially through various letters and calls then through agencies (Collection) then finally via the solicitors letters normally no more than 3 over 14 to 21 days then court proceedings. Generally speaking the threshold amount to take you to court would require to be over upwards of £530, covering legal costs and part of the debt due plus charges. All of these add on amounts will be as a consequence of non payment.

#### **Stop.**

The necessity to stop any creditor from putting the debt out to a collector is essential. Once they wash their hands of it, they very rarely take it back. So you need to always keep in dialogue with the creditor and avoid your account going out to a debt collector firm and then ultimately to a solicitor then court, each step means more cost to you. The easiest way to maintain this is to get some form of formal pre-payment with them no matter how small. Let them know that if you are taken to court then the prospect of you actioning bankruptcy is likely and in those circumstances the creditor will get nothing. So STOP the debt going out, make any arrangement you can and highlight that paying something to them is better than the alternative, bankruptcy and a lost debt.

#### **Stall.**

By managing to initiate a stop strategy, you may still find yourself in danger of being unable to pay even the agreed amount, let the creditor know this and offer whatever you can. At the same time ask them for all correspondence relating to the debt, the account profile and past payments, the agreed terms, the interest calculations and the full history of transactions. They require to do this by law. If they do not then as well as challenging your right to this data you can also review in details all aspects of the account, their terms and calculations, if you find ONE error in any of the above then the prospect of the contract being unenforceable in court is a possibility. If you can verify any errors by them then any future court action against you can be diminished if you can provide evidence of errors above.

#### **Remove.**

If you find that the account has irregularities or the contract terms are erroneous, then immediately apply to the creditor for “[subject access request](#)” under the Data Protection Act. This will stop and stall any procedures that they have pending, it will also remove the instant worry of legal action a creditor will normally suspend any actions pending you reviewing the awaited details. By law they are required to provide you with such information within a specific time, but in some instances this can take 40 days plus, so you have gained further time to review all the issues surrounding your case and this applies to ALL creditor related debts.

The main function of the above format is to allow you additional time to settle the liability. If you are fortunate enough to find ANY error in their contract during this time to excellent. This process will work for debt of £100 to debts of £100,000 the principles applied are the same. Please remember though that if you bought something then you are liable for that something, subject to the above.

## Dealing With Debt Worries: Chapter 6.

Page 20.

### 1. Dealing with debt worries.

Chapter 19 covers in detail the stressful effects of debt worries, but it is important to keep in mind some perspective. Firstly creditors cannot kill you for owing money, although over 100 years ago you could be executed for debt. So there have been some improvements in the law!

That aside it is exceptionally worrying, if I can give some words of advice.... "Nothing has any meaning except the meaning YOU give it" if you and your close family members and your kids are going through this pain and you are all reasonably healthy, then that is far more important than any debt worries you may have. One way or another you can deal with this.

Health has always been the first real wealth.

A year from now if you follow the procedures within this e-book you will be well on the road to debt freedom, not completely, but you will be fully armed with all the tools that you will ever need to combat every aspect of debt related worries.

## Instant Actions – First Response: Chapter 7.

Page 20.

### 1. Methods that you can implement within hours.

Probably the most important aspect of dealing with any creditor call or letter or claim is to employ an "Instant Action" response. Your first response is always the start to your best response. **Do not ignore creditors**; do not put that follow up reply letter out to them off.

I advise on generally not calling them unless it is vital. Dealing with verifiable hard copy letter correspondence allows you to have a timeline of written events that you can provide as hard evidence later, rather than a telephone call that some person in accounts cannot remember 6 weeks ago because they deal with 160 calls a day.

Dealing with a creditor letter within hours of receiving it taking a copy and filing it is the very best way to keep on top of the issue. Putting it off is easy, before you know it a week has passed and a debt collector is standing at your door. This can be avoided by dealing with it within hours.

Once you enter into dialogue regarding the account problem you then have the basis to implement the strategies in Chapter 6 stop stall remove. Should you find any errors or anomalies within their whole process of dealing with you then you can take the appropriate action.

I have seen cases of this nature last 6 to 8 months. Thus allowing you more time to review the position, make an offer of settlement or pay the liability over an agreed time. The law does work both ways.

## Building a Foolproof Plan: Chapter 8.

Page 21.

### 1. Protecting assets from creditors, creating a foolproof future plan.

- Protecting assets from creditors.

We have stated previously that the best method for protecting assets from creditors is an Insolvency Plan. An iPlan can protect you or your business against future Creditor's and their Security Instruments subject to the nature of the securities given and available equity. An iPlan can secure encumbered assets. In many instances bankers or lenders will require security for either new or existing borrowings. By signing a Personal Guarantee or Bond & Floating Charge individuals in essence sign away their right to control their business to the lender if trading difficulties occur at a later date.

Without fear or favour lenders will pursue clients to the bitter end, their legal departments are often a separate body empowered with the sole purpose of conducting legal representation for the lenders affairs, consequently the borrower becomes just another number on their files and the sleeping giant with all its legal recourse is awakened to consume all that they own to settle any outstanding secured or unsecured debt. If the client has signed securities and the lenders are owed, then they will stop at nothing to re-claim the debt due plus interest in full.

- Creating a foolproof future plan.

In any business or walk of life it is important now more than ever to considering the down side of your financial activities the "what if" factor. It is a disconcerting fact that over 80% of all businesses in the UK fail within the first 5 years and of the 20% remaining 80% of those fail within the next 5 years that indicates a 96% failure rate over a 10 year period. Within the current economic climate these figures are now understated. Whether you are an employer or an employee we feel that the statistics alone indicate the need for clients to operate an Insolvency Cover Plan.

What if your business or employer were to get into difficulty now or in the future? What if a major account failed or the bank decided to reduce their facility or you were made redundant! Ask yourself seriously what other contingency plans have been made for your family and business, what would you be left with? Then compare that to what the creditors would be claiming for!

If the worst were to happen and you already have in place an [iPlan](#), then you will have cast a potential net of protection over your business and assets, subject to the ICP's security holdings. ICP's can form the basis of a foolproof future plan against creditors. Your ICP will rank alongside other secured creditors and debate with them whether the business should be allowed to continue, if anything should and would be sold off and for how much.

You will have allowed yourself to be in a position of negotiating strength with potentially hostile creditors and more importantly you will have constructed a legal position whereby the ICP can execute its security deeds and claim the assets that it has covered, through the courts if need be, thus allowing you to either continue with the existing business, restart in business or sell off assets to accumulate capital to live on until you have reorganised your affairs.

This can buy you a much needed valuable breathing period, in a time of extreme difficulty and pressure. It really does make sense to protect all that you have worked for with an ICP. Most business owners provide all the required business insurance cover, adhere to all the necessary provisions and legal requirements to cover employees and clients in the process of daily trading, very few have the time or foresight to clearly consider the potentially negative implications of business life and when they finally do, it is normally too late!

## Knowing Your Financial Rights: Chapter 9.

Page 22.

1. Know your rights. Your legal rights under current UK debt legislation.

One of the most interesting aspects of being a UK citizen is the structure of our rights. These rights are the distillation of hundreds of years of mayhem, mischief and human sacrifice. Today many people argue about the erosion of our rights and in some instances valid points are made.

But on the whole we possess a wonderful array of social assistance and personal care structures enshrined within these rights that is indeed the envy of many countries throughout the world.

We are particularly interested here in our [financial rights](#) or now commonly sated as our consumer rights. I have also added a link covering our more general [government, citizen and human rights](#) should you wish to explore this topic further.

## Changing Your Views On Debt: Chapter 10.

Page 22.

1. Change your view of debt forever, plan a debt free life.

We all have a picture in our heads that relates to what it would mean to win the lottery or own a big home or drive a wonderful car. This picture has been implanted in our brains from an early age. In fact none more so than the current generation. From a very early age young children are captivated by the noise and colour emanating from the big screen TV.

Marketers flood their small developing brains with masses of imagery, all pointing towards a pre indication to acquiring the goods that they see on screen and this then transforms itself into a good feeling later in life, that you deserve, this, you need that, this is really for you.

Let's face it the marketers have been great at the job they do, we have all been convinced, the problem now as was then is paying for it! Society in the past rewarded meritorious activity, by that I mean if you worked for it then you could afford to have it. Over the past 10 years however with the introduction of "easy term" credit, you did not really have to work for it first, you could have it ALL on credit, it did mean that you were in essence selling all your future earning power to the credit companies, but then again it was a quick fix an instant gratification in the here and now.

With the new car in the driveway of the newly fully furnished detached home, life was great and better still our home value was increasing year on year.... Wonderful! Not really as we all now know only too well. Many happy payments!

It really is crucial that you find your way back to some semblance of normality, your view on debt must change and it must change forever. Planning a debt free life is not impossible. The structure of this e-book provides guidance and a full roadmap to attaining that objective.

But first you need to start by convincing yourself that this is what you want. We will always have some debt worries, but as we all grow older, I am sure that as each new group of people having experienced the past few years turmoil will have a determination not to go through it again and be in a position to warn our children about our hard learned experiences of the consequences of excessive credit.

## Insulation from the current recession: Chapter 11.

Page 23.

### 1. How to insulate yourself from the current recession.

Predictions on the length of the next recession vary; best guesses are that globally things should start to pick up once the pandemic is past by late 2022. It is advised that the UK however is probably better placed as a consequence of Brexit, out of the major European countries, but time will tell. It's a mess for all countries.

If you imagine UK Plc as the sum total of all UK businesses and the businesses that make the most for us are the big exporters and oil companies, basically businesses that draw in income primarily from outside the UK shores that means drawing money into the country.

As things currently stand we make very little in the UK that we export to others around the world that would generate vast sums of income to UK Plc.

Apart from the financial sector in London that attracts a lot of big business and money, there is not a lot else, others would argue that there is, but in mathematical terms, those income streams do not affect the coffers of UK Plc to the extent that the government would look favourably on providing tax advantages to them to develop further.

In the past 10 years the financial sector was given a free run in the city of London as it generated huge sums of money that the government was happy to collect in taxes to service the national causes of NHS benefits some infrastructure and liabilities to the ever spiralling government commitment to public sector pensions.

Even the bankruptcy legislation was changed in the UK to accommodate quicker and shorter terms to becoming bankrupt so that the individuals concerned could be quickly placed back into the big machine and start earning again and hopefully contributing to UK Plc through more tax income.

This next recession is going to last a lot longer in the UK than people imagine, so you need to plan ahead and insulate yourself from the worst affects.

You can do this by following the advice within this e-book, you can start to think for yourself and look at protecting your income streams.

By always seeking out value for the money you spend, put by a small percentage of all that you make for yourself and family each week and make sure that what you really need you have and what you think you need to have you ignore.

Unless you live within your means over the coming years and cast your eyes away from the "easy credit terms" that start to return to the marketplace, then history will again repeat itself, with all the associate misery.



## Top 10 creditor trick list: Chapter 12.

Page 24.

- The trick list that creditors will use against you.

### 1. Creditor Tricks - The Statute of Limitations.

Many individuals are surprised to receive an old debt demand through the post, sent by some collection agency that may have purchased an old debt list. It is important to realize the old debts have a statute of limitations after which your creditor has no legal recourse against you. Even if they were to threaten legal proceedings against you all you require to do have is prove that the debt is past the statute of limitations and any potential case will be dismissed. Creditors require to file legal actions within a specified period of time. If they do not, they lose their legal ability to do so. The length of time can vary but it does start from the time of the last payment.

So be aware if a creditor or their agents can get you to make a payment of any amount on an old outdated debt the time that they have to sue you starts all over. In the UK the time limit is 6 years but may vary subject to the type of debt, all are governed under the [Limitations Act 1980](#).

So if you owed £1500 on a credit card 6 years ago that you and they had forgotten because you moved house and you get a phone call asking for the full payment. When you tell the caller that you can't pay it they'll start reducing the amount. They may even seem very sympathetic to your situation and appeal to your sense of decency. After asking for the £500 they may ask for a payment in good faith of £50. If you cannot agree to £50 they'll accept £20 or £10 a month because they know you want to do the right thing and they really want to help you to get the matter sorted once and for all.

So what happens when you send in the £10? The statute of limitations starts all over and the creditor will then try and sue you for the full amount owed plus charges. If they are then successful in getting a CCJ or a Court Decree against you they can apply to arrest your wages and you are back in the debt circle again, so know your rights and stop this type of action at your front door.

### 2. You're Mystery Payments.

Debt collection agencies know that a payment can in some instances reset the statute. They also know that you're not likely to make a payment. So some scrupulous operators take matters into their own hands and make a payment to themselves in your name. They do this so that they can either sue you or at the very least use the threat of a suing to intimidate you into making a potential one off settlement payment – Beware. Check your credit file for any payments that you have not made, this is how it starts.

### 3. Pay Now Or We Are Going To Take you To Court.

Getting a call from a debt collector is bad enough but when they tell you that they're going to sue you then know your rights. If the collection agency is working on behalf of the original creditor then only the original creditor has the authority to decide to take legal action against you. A collection agency cannot initiate legal action on its own. All it can do is to recommend to the original creditor that legal action be taken. Only if the original creditor has given authorization to commence legal action, can the collection agency tell you that you will be sued. No doubt about it the words, "If you don't pay your bill right now you're going to get sued," are powerful, and often effective, that a collector will sometimes let them slip out. Sometimes even on purpose.

#### 4. Written Off Accounts.

If your account has been written off and sold on to a collection agency then they can decide to sue you. But even then they can't legally tell you that they intend to sue unless they really intend to action legal proceedings. Some collection agencies generally want to go after a quick settlement offer, some firms specialize in this area alone, so be prepared. Their intention is to catch you off guard and try to get any type of payment from you. They buy lists with hundreds of thousands and work their way through them preying on the uninformed consumer.

#### 5. How To Make Old Debts New Again.

Buying and selling old debt is big business in the UK. And there are many businesses that specialize in buying and collecting on old debts, debts that in most cases are past the Limitations Act and beyond the period for reporting bad information to the credit bureaus. But some creditors and their agents are not going to let that stop them from coming after you – so be aware.

In some instances some firms have learned, with credit bureau knowledge, how to report old debt in such a way that makes them new again, with all that that entails in terms of pursuing you. While this practice is illegal in the UK it can affect your credit file and thus your credit status, it is important that you monitor at least quarterly your credit file profile.

#### 6. Unsecured credit debts.

This includes credit cards, store cards, bank and building society personal loans, catalogues, finance company loans. You may have had a debt with an ordinary unsecured creditor that you have not heard about for long time. You may have moved address or thought the debt had been written off. Out of the blue a letter arrives from the original creditor or a debt collection agency asking you to make a payment. You can argue the point that the creditor is time barred or "statute barred" from taking you to court for this debt on the following points:

- The creditor has not already obtained a judgment against you previously.
- You or anyone else owing the money (on a debt in joint names) has not made a payment on the debt during the last six year period.
- You have not written to the creditor admitting you owe the debt during the last six year period...

You are entitled to a copy of any files that a creditor has containing the history of your account under the Data Protection Act 1998. A request for the file does not mean you were admitting the debt. If the creditor can prove you admitted the debt, or you or anyone else owing the debt made a payment then the six years limitation period would start running from the date you last **made contact or made a payment**. Remember also the statutory guidelines produced by the [FCA](#) (Financial Conduct Authority):

- It is unfair to pursue the debt if you have heard nothing from the creditor for 6 years.
- The FCA thinks it is fair to keep trying to recover the debt if the creditor has been in regular contact with you during this time.
- It is unfair to mislead you by saying the debt is still legally recoverable when it isn't.
- It is unfair to keep pressing for payment after you have told them you won't be paying the debt because it is statute barred.

## 7. County Court Judgments.

If a creditor has been to court and there is a CCJ or CD outstanding, then you cannot use the Limitation Act to dispute you owe the debt or debts. It does not really matter how many years ago the creditor went to court, the CCJ or CD exist. However, the creditor may not be able to enforce the Judgment without the court's permission if the Judgment is over six years old.

If you think the creditor has been to court and got a CCJ or CD against you after the debt is out of the six year limitation period, then you can ask the court to "**set aside**" or remove the County Court Judgment or CD so you can put in the Limitation Act as your defense.

## 8. Council Tax.

The council should not go to the courts and ask for an order for council tax if the application is made more than six years after the council tax became due. This is under Regulation 34(3) Council Tax (Administration and Enforcement) Regulations 1992. Council tax appears to be "due" when the council sent a demand notice to you which may or may not be at the time the council tax rate was set. It is important that you check when the demand was sent as this affects when the 6 year limitation period begins, this is essential. Demand should be sent out "as soon as practicable" after the rate has been set.

## 9. Community Charge.

The council should not go to court and ask for an order for community charge (poll tax) if the community charge was due more than six years before the liability order hearing. This means that the council can only pursue you for outstanding community charge if they had a liability order within the 6 years to April 1993 at the latest. This rule is outlined in Regulation 29 of the Community Charge (Administration and Enforcement) 1989 (as amended 1991). In practice many Council's do go to Court and ask specifically for a Liability Order for a Council Tax or Community Charge (Poll Tax) debt which is more than 6 years old. They have an excellent chance of getting the order against you - unless you put forward a Limitation defense at any hearing.

## 10. Mortgage shortfalls.

If your mortgage lender is after you for a debt left over when your house was previously repossessed or sold then the position is rather different. Mortgage lenders have a 12 year period to pursue you rather than the standard creditor 6 years.

## 11. Income Tax and VAT.

There is no limitation period on debts to HMRC. You can always be pursued for tax and Vat both in business and personal. As the saying goes "Death & Taxes". The revenue has a unique set of powers to pursue you for outstanding liabilities due.

- **Benefit Overpayments - Social Fund Loans Arrangements.**

The Department of Work & Pensions (DWP) has a 6 year period to take action through the courts to recover benefit overpayments and social fund loans. The clock starts running from the date of the final decision made on the overpayment and from when the social fund loan was due to be paid by the borrower.

The DWP are still allowed to make deductions from your benefit for a debt over 6 years old as they don't need to go to court to do this, it is part of their agreement schedule. This also applies to overpayments of benefits such as income support, job seekers allowance, pension credit, housing benefit, council tax benefit and paying back social fund loans. In essence the government has the ability to claim back anything that is considered overpaid or fraudulently claimed – period. Dealing with normal creditors is one thing and limited to the creditor's ability to fund any legal costs. Dealing with HMRC and the government in general is another matter. They have unlimited resources to pursue the tax payers funds until they are fully recovered.

- **Student loans**

A lot of defaults on student loans will emerge as the new recession starts to take hold. Student loan agreements are simple contracts and this gives the Student Loans Company (SLC) a 6 year period from the date you last paid or acknowledged the debt to go to court to enforce the agreement details. There are two types of student loans different rules apply depending upon when the loan was taken out.

Old style or “mortgage” student loans are consumer credit agreements. The payments cannot be automatically deducted from your salary. The SLC has now got to go to court before they can enforce the debt against you. This means that the Limitations Act can apply if you have not paid or acknowledged the debt for over 6 years. Remember - Asking for the loan to be deferred will count as acknowledging the debt and start time running all over again. From September mid 1998 new style or “income contingent” student loans include rules stating that repayments are automatically deducted directly from your salaries or through your tax return if you are a self employed person. Consequently SLC are still allowed to take money from your salary for a loan over 6 years old as they do not have to go to court to do so.

## **Best & Worst Lenders: Chapter 13.**

**Page 27.**

### **1. Lenders review – Worst and best.**

As things currently stand the change up and down the list of best or worst is a daily event, on some days they are all jockeying for first position on the worst platform according to public perception!

Whether it is business or personal facilities the vast majority of customers are more than unhappy with the banks, the bailout to them and their attitude after receiving massive handouts via the taxpayer's purse.

There will remain a lot of turmoil regarding the move towards consolidation with banks over the next few years as we are still in the turmoil stage.

I have listed below some links that maybe of help, but I suggest you review the daily news feed data within the top right hand corner of each page of this book just click for current and updating stories regarding all matters debt and money for that day.

1. [Best Mortgage Lenders.](#)
2. [Best Bank Accounts.](#)
3. [The worst.](#)

**Court Listings & Updates: Chapter 14.****Page 28.****1. Direct links to – CCJ & CD data.**

Listed below are direct data links covering every court throughout the UK. By clicking on the link you can search for the court within your area, click on the appropriate date for archived data on court cases or click on the link for fourth coming court cases covering ALL UK court cases, civil and criminal.

This is an excellent resource for reviewing “who is suing who” checking out the most active creditors and also reviewing any court cases that may have relevance to your own particular circumstances. Each link also provides details of all the necessary application forms you require should you have need of their use.

**Direct Link Data** – Covering the magistrates’ courts, the Crown Court, county courts, the High Court and Court of Appeal in **England and Wales**.

- [Court Information & Addresses.](#)
- [Court Hearing Lists – Daily.](#)
- [Court Forms & Guidance.](#)
- [Legal & Professional Information.](#)

**Direct Link Data** – The Sheriff Courts in **Scotland** covering Court of Session, the High Court of Justiciary, the Sheriff Courts, District Courts and Justice of the Peace Courts and a number of other courts, commissions and tribunals.

- [Court Information & Addresses.](#)
- [Listings of Court Business – Daily.](#)
- [Small Claims Guide.](#)
- [Information & Guidance.](#)

**Finding That First £5000 – Needing Money Quickly: Chapter 15.****Page 28.**

- How to Cope with a Cash Crisis
- Learning to Cope with a Money Emergency
- Increase your Cash Flow without Going Further into Debt
- Start to Build your Emergency Fund
- Say Good-bye to Credit Cards
- Painless Ways to Find Money in an Emergency
- Every Day Ways to Save Money in an Emergency
- More Creative Ways to Save Money
- Thrifty Ways to Save Money
- Even You can Save on a Shoestring
- Are You Ready to Start a Good Savings Plan?
- Smart Tips for Living on a Budget
- Tips to Help you Save
- 7 Serious Ways to Help you Save
- More Serious Savings Strategies
- Make Small Cuts for Huge Savings
- Emergency Money Strategy while Dealing with Debt, Financial Stress & Family
- Quick Cash Fixes



- A Few Timely Lessons in Simple Living
- How to Save Money on Gas
- Simpler Solutions for Managing your Money
- Bring both Calm AND Savings into your Life
- Slash your Electric Bill in 6 Easy Steps
- Good Ways to Find FREE Money
- Can you survive a financial emergency?

### How to Cope with a Cash Crisis.

**If you are hit with a serious money crisis and you find yourself scrambling around for emergency money, here's how to assess your situation and get back on your feet quickly.**

Let's say all of a sudden and without warning, your roof begins to leak! Your hot water heater shuts down and your computer goes up in smoke, the clutch needs to be replaced in your car and your son decides to have his wedding on the Isle of Bute in Scotland – all of this within the same week! As you sit, stunned and you ponder an exit strategy you receive a friendly letter from the Tax office explaining that you miscalculated your taxes in 1997.

#### **This Kind of Money Emergency Requires your Immediate Attention What do you do?**

The above scenario looks like a money emergency of biblical proportions. You are afraid to open your front door for fear of finding a swarm of collection agents! There are things you can still do to restore your financial life and equilibrium—and perhaps even fend off future misfortune—without having to sell all your belongings.

### Learning to Cope with a Money Emergency.

Wherever there are money woes, you can be sure to find crippling emotional setback. You might just as well begin to prepare for the devastating fiscal and the emotional fallout that is sure to come. You will need to cope very well with both if you hope to make a solid financial comeback.

Whenever a money problem arises, it will be your ability to deal with the individual pitfalls that will hold you in good stead. It is when a series of financial hits come your way that the stress will tend to accumulate and make your life much more difficult to keep in balance.

You will not be so overwhelmed when you can calmly and rationally look at each individual problem as it arises. If you sit back wringing your hands with worry and allow all of your emergencies to pile into one; you will find yourself down for the count. Calm must take centre stage. You must NEVER allow yourself the luxury of panic. There is no one there for you to just take over. You are all you have.

The more you panic, the less effective you will be. You need to keep a very clear head to be able to sit down and come up with an appropriate plan; this e-book shows you how to formulate that plan. Be aware of your own tendency to sabotage your plans further. It is only when you are at your most calm that you will be prepared to get to where you need to be and then overcome.

### Being Calm is the First Key to Managing a Money Emergency.

At even the first hint of a money emergency, it's important not to act right away. If you do you will inevitably make a mistake! First, before you can manage your finances again, you have to firstly manage your emotions. You **absolutely must** regain your balance before you can even begin to make a plan. If your money emergency demands that you act quickly, think first about seeking the advice of a debt counsellors, money coach or professional financial planner. Whenever possible think about seeking out the aid of a financially perceptive friend or family member who can help you to come to a clearer perspective. Remember the old adage that "two heads are always better than just one!" You won't need to make major cash investment if you're strapped. Look for a planner who will give you a one-hour initial consultation for free. Often times this will be all you will need to securely turn the corner.

### Time to Crunch some Numbers.

The first step towards establishing financial stability is to step back, take a deep breath and assess the damage. Possibly one of the biggest mistakes people make when they're in a financial crisis is not being prepared to make a clear assessment of where they're at. You can quickly and easily become overwhelmed. However, totalling up the damage serves two important purposes. First, you need to know exactly how much you owe how much money you have in hand and what it will take to cover the distance between the two. Second, you will want to avoid any other mishaps, such as fines, further repairs, missed deadlines payments due, etc.

If you are not properly prepared, you must become prepared on the spot. Any type of money crisis will catch you unaware and you will feel cornered. Wouldn't it be ideal to be ready and waiting for the crisis? How likely is this to happen to you, though? Most people will be at least somewhat prepared. If the crisis is not too big, you will be able to handle it ok. Some people will be sunk from the start. The idea is to not be overwhelmed and to have a good plan of action, no matter how big or small. You need to be entirely prepared to deal with any size of a setback. Ideally, those unexpected expenses could be covered by the funds in the Irregular expenses account or savings in any good budget. Unfortunately, though, there is always a common problem. You might well have an emergency stash—but its most often depleted. This same problem affects the majority of us so take heart.

At about this time many people make the mistake of turning to credit cards for relief. Please resist this one. You will only be transferring your problems from one pocket to the other. On the other hand, if you are sure you can handle using credit cards to deal with a cash emergency, you had **better be sure** you could pay them off when the time comes. Otherwise, why add yet another debt and another problem. Eventually, it will all catch up with you.

If you're truly running while on your last leg, consider taking out a home equity loan. This will work for some. The interest is tax deductible, but those aren't fixed rates. Be smart about this remedy, though. Unless you plan to pay back the amount you borrowed promptly, it can end up costing you more than you thought especially if you've already depleted your own equity.

### The Idea is to Make a Smart Decision and not a Rash one.

Think well before borrowing from a pension or any saving. There are loopholes that allow you to do so, but there are also hidden costs—never mind potential taxes, penalties and other consequences. Keep in mind that if you were to lose your job, you'd have to repay the loan immediately, or be taxed as though it was a withdrawal. This remedy could be very costly in the long run.

**Increase your Cash Flow without Going Further into Debt.**

- Take on a hobby that you can translate into pounds. Can you valet cars? Baby-sit for your sister's kids? Do Computer work? Consider which of your talents might be worth a few pounds and then go out there and do it.
- Take on a part-time job. The holidays are soon coming up, and many people supplement their salaries with part-time retail jobs. Apply to your local ASDA or other stores. Just don't spend it all on holiday gifts and be sure to bank it into your savings.
- Spend more wisely. We all have our own ways of wasting money. Now see how you can eliminate the ones that you wouldn't miss. Just saving £1.50 you would normally spend on that cup of coffee each day adds up.
- If possible borrow from a trusted friend or relative. The interest rate is low to nil, the cash is quick—but guilt is even higher. Be sure you have a plan for how you're going to pay back the loan even before you approach them. To lose a friend over money is painful.

**Nowhere to go but up.**

You can spend your precious time crying in your tea wondering why you have been singled out in this way or you can get busy and look at how this could have happened to you in the first place. You will need to face some tough answers if you want to avoid a future or looming financial crises.

Suffering a serious financial crisis is an excellent time to self-assess. Ask yourself where you went wrong, where you're not paying attention—and how you might be setting yourself up for future financial setbacks.

Understanding the answers to these important questions will help you out next time around should the same befall you. Be prepared before the crisis starts. You won't be able to anticipate every time a financial burden lands in your lap, but, if you want to be cushioned against it, you have to anticipate the unanticipated.

Be very careful. An emergency fund is set up for emergencies. It's not supposed to be depleted on a whim and every month. Take a closer look at your personal and household expenses these past couple of months, and if you have had to lean heavily on your emergency account to pad your budget, it's time to rethink your money management issues and in a hurry.

Plan further ahead. Your clutch is likely going to give out every 80,000 miles or so. The roof can give out every 15 to 20 years. A vacuum cleaner might give up the dust in as much as five. Avoid the obvious and pay excessively later. It is your call.

Your five-year-old desktop is getting creaky. You could wait until it dies. It will expire at the worst possible moment. Either way, paying for a new computer might not be part of the budget so planning ahead gives you some control over when you take the hit.

Start to plan today for what you know will be coming—come hell or high water. It pays to plan smartly for the inevitable.

### **Start to Build your Emergency Fund.**

Finding money during an emergency can be very difficult if you fail to plan. Establish emergency savings in both good times and in bad. The chance is very good that you will be called upon to put out a sum of money on the spot and when you least expect it. It is a very good rule of thumb to sock away three to six months' living expenses. You can also use this same money when you're faced with major, unplanned expenses such as a car that breaks down or much needed college funds.

The purpose of this type of savings plan is to put the money away consistently, and then tap into it for true emergencies. The success of this type of long-range savings plan will depend less on the rate of return than on, day-by-day, putting the money away and then leaving it there for a true emergency.

#### **Lock it away and then hide the key.**

People who are living on a fixed-income will have the toughest time setting aside money for emergencies. If you can manage to just squeeze out another £10 or £20 each month and stash it away into an interest account it's worth doing.

If you decide you need £1000 in an emergency fund, look at what you can afford to sacrifice each month from your current budget and then look at that sum of money as a bill to pay yourself. Decide on a monthly amount and then put that same amount aside every month and then watch it grow. Once you have reached your goal of £1000 you'll now be in the habit of putting away that extra set amount each month. Keep on doing it.

Financial planners echo the idea of treating your emergency fund as a bill. Put the money away each month, but don't be tempted by the latest sale. You are not to touch the amount, except for in an emergency.

Putting money aside on your own is hard. Retirement plans are successful because the money comes out of your wages before you can get your hands on it and because there are taxes and penalties for early withdrawals.

Stashing money away in an easy access money market account takes discipline. Limit your access to the emergency fund. You can have immediate access to some of the money, but not all of it. The bulk of the fund is to be used, strictly, for emergencies and nothing else.

Once you have saved up about two months of living expenses, move one month of expenses to a high interest account. Your savings will grow well this way. As you continue making regular payments to the emergency fund money market account, you will soon have another month of living expenses that can be used to invest. If you are wishing to set aside six months of expenses, continuing the process. Your savings will accumulate quickly this way.

#### **Building your Emergency Fund.**

Before you start stashing away your money for an emergency, the first step in building your emergency fund is to figure out just how much money you have to put aside in the first place. People often don't know where they're spending their money. Once you can account for every penny, it's a lot easier to decide where you can cut back and start to save. You can't always account for emergencies so it is more critical to build the fund as fast as possible.

## Say Good-bye to Credit Cards.

**One of the best ways to save money the fastest is to clip up all of those expensive credit cards.**

Credit cards are perhaps one of the most expensive forms of money. A very good rule of thumb is, unless you pay off your credit card bills each month, don't use the cards for anything you can either eat or wear. Another good rule of thumb is to consolidate your debt. If you have several credit cards, each at different rates of interest, why not fold them into a home equity loan and then write off the interest payments? This is a good way to begin an emergency savings fund.

**Here are some good suggestions for budget trimming that can work for just about everyone:**

When mortgage rates are especially low—consider refinancing your mortgage and, while you're at it, your car loans, too. When you live in an area that has good public transportation, see if you can get by on one car instead of two. Make your current car last. With good maintenance, you will be able to replace it every six to eight years instead of every three years. Do a periodical energy check on the house. Replace all essentials such as cracked storm windows and renew the weather stripping.

- Cancel subscriptions to magazines or newspapers that you're not reading.
- Eat out less often and learn to be creative using leftovers. If you stop for a morning cup of coffee at the local Deli, make coffee at home.
- For the kids weekly allowance cut it back. Explain to them that every member of the family needs to contribute to the emergency fund for it to work.
- Remember, too, that you will be teaching your kids to be frugal and to develop good spending habits.

## Some Painless Ways to Find Money for an Emergency.

If your plan for money for your next emergency is to dig deep for all the change that falls between the cushions and sofa, you might want to come up with a plan to add to that stash. It is always a good idea to have a little extra cash for the lean times. Rainy days could be just around the corner. Rainy day funds become necessary! Here are some very clever and virtually painless ways to put aside some money now!

Put aside a large envelope, cookie tin, coffee jar or something similar. At the end of every week, throw a couple of pound coins into it. By the end of your first month you should have some extra cash put aside to have a nice start on an emergency fund. The idea is don't count it or spend it. Place it somewhere that is hidden away. Put it somewhere that you won't be tempted to dip into it. This kind of money really adds up!

The next time you treat yourself or your family to a meal out, tip yourself! Just as you go to tip the waiter 10 to 15 percent, put the same amount aside for yourself. When you get home, stash it away in your debt buster jar. Every time you go through a fast food window, put a dollar away for that cookie jar, too! The next time you get a good raise, instead of applying it to your cost of living, bank it! This way you will always be living one raise behind and your bank account will be growing by some 2 to 3 percent.

Take advantage of that cash back option! Next time you make a purchase using your debit card, ask for a small amount of cash back. Instead of spending it, stash it away in your debt buster jar! Chances are you won't even miss that extra £1, or £2 bill and come emergency time, you will notice how the amount has piled up.

Next time you pay off that big-item like a new car or tuition, continue to make the payments to yourself! Set up a savings account and each month slip the ghost payment into it. Watch as it builds nicely. If you have noticed that you can get a better BT telephone plan and you want to switch, allocate the savings to your cookie jar. You won't likely miss that little bit of extra money, and you will have a better telephone plan, too.

Consider joining a store or Christmas club. You will save a lot of money. Each year you put aside a bit of money and place it into a hamper program. Then, as Christmas rolls around you don't need to scramble looking for Christmas cheer to share with your family. Your hamper arrives filled to the brim with all kinds of seasonal goodies that you paid for over the previous year. You can easily put aside £50 each year towards your emergency fund this way and you and your family will enjoy a hassle free Christmas.

Sign up for a grocery shopping card at Tesco's Morrison's or Asda. At the bottom of your store receipt, you will see a print out that states how much you save each week. It really adds up. You can easily save an average of £5 to £7 on each weekly grocery trip. Add that amount, each week, to your debt buster jar.

Did you enjoy your little tax refund this year either via tax credits or working tax credits or family allowance? Sure you did, we all did. That's because of the new tax laws. Many people will have a little extra money coming their way after the 1<sup>st</sup> of April. Decide to deposit that extra money right away into your savings account or cash it and then stash it. Sure you can come up with plenty of ways you can use that money now, but put it away for later. You might need it even more later on.

If you are a responsible spender, take out a credit card that rewards your loyalty. When you pay off the bill every month, use a card that promises a cash reward and bank the money. Use your reward credit card smartly and you could end up with a very nice windfall for your rainy day fund.

Put aside a large mouthed jar in the kitchen, you can purchase then from pound stores normally as a large plastic coke bottle. At the end of each workday simply empty your pockets or clean out your change purse. All the change goes into the jar. Who wants to carry around all that dead weight, anyway? Your spare change adds up a lot faster than you think. While you are at it, add at least £1 each week to your change jar you will be amazed at how this mounts up. Many clients have taken the bottle when full to any large supermarket and unloaded all the coins into the coin machines, I have clients who have collected as much as £200 from some Jars! So get started today.

Is it time to give up that nasty smoking habit? Imagine the money you will save! If you are not quite ready to quit at least cut back by half. Put the savings each day into your change jar and watch it overflow! Convert to a coin-operated laundry. Keep a jar on your washer and dryer and every time you go to do a load of laundry, slip in a coin or two. This adds up month by month.

The next time you go to return a movie rental on time, pay yourself the late fee. You will see how quickly that £1.50 to £2 can add up.

If you yearn to lose some weight, try rewarding yourself the cost of the item that you do without each day. Put that money into your change jar. You will look great and you will be saving for a rainy day! Place a large jar by the telephone. Everyone must drop in a coin to make a call. All proceeds go to the emergency fund. This one works!

**Emergencies always crop up. They are always guaranteed, unlike the money to deal with them. Be prepared and plan!**

### Every Day Ways to Save Money for an Emergency.

When you think about it, there are a good many ways to save those precious pennies. Some ways will require some sacrifice, while others will require little before thought. The point is to be forever mindful of saving those extra pennies and before you know it, you will have saved up a tidy sum.

- Spend less money than you earn each week.
- Seek out a higher paying job.
- Keep your job skills sharp and up-to-date so that when a new opportunity comes up, you will be on your toes and first in line.
- Adjust your lifestyle to always spend a bit less.
- Create a firm financial budget to encourage saving.
- If you must use credit cards/cut up those you can do without.
- If you must use credit cards, pay them all off in full each month.
- If you have credit card debt at high rates, consolidate at once.
- Figure out a way to lower your student loan payments.
- Just say NO to spending money whenever possible.
- Lower your expenses, one by one.
- Stop purchasing items that you can do without.
- Forget purchasing non-essential items.
- Refinance your mortgage or debt at a lower rate.
- Refinance your car loan at a lower interest rate.
- Find cheaper insurances: Car, home, BUPA rates then switch over.
- Use supermarket coupons to shop with. Don't purchase without a discounted coupon.
- Wait for things to first go on sale before buying. Take advantage of catalogue saving coupons.
- Don't buy an item just because it is on sale.
- Buy generic or non-name brand merchandise as much as possible.
- Wait for prices to fall to a discounted rate before buying (especially to electronics items).
- Reward yourself for saving money. Enjoy as your debt shrinks and your investments grow.
- Drive used cars or leases rather than brand new cars.
- Reduce your auto insurance quote to third party fire and theft.
- Don't eat out as much as you'd like to.
- If you do eat out, buy gift coupons for half price meals.
- Buy only discount magazines.
- Do more stay in activities at home.
- Invest the money you save to earn even more.
- Create a plan to save £100 each month (as much as you can manage.) Never miss the monthly savings payment to yourself and try to find ways to increase it.
- Don't spend money just because you have it.
- Look into getting a better quality of education.
- Stay very busy – you will have less time to spend money.
- Find an interesting hobby to occupy your time and stop you from spending money.
- Find a hobby that you can turn into earnings.
- Stop smoking and bank the savings it really does make sense or at least cut down.
- Go on a sensible diet and lose weight. You will save money on food, look and feel better, and your long-term health will benefit. It's one thing you can do alone without paying for.
- Look carefully at how you spend and save your money; think before you part with your cash.
- Learn how to manage your finances by reading financial publications on an off line.
- Increase the amount of money you earn through a second job, promotion, new job, investments, etc.
- Don't try to compete with your friends and neighbours. Be satisfied with what you have for now.



- Don't compare yourself to your friends and neighbours. Be happy being you.
- Sell your car and take the bus to work if you can, it is a temporary saving option think about it!
- Contribute the maximum each year to a pension, it will payout in the end!
- Buy Dental Insurance before you need it is cheaper than you think and prevents a large bill.
- Buy Health Insurance before you need it.
- Paying off your debt is also a way to save money (it saves you from a debt payment and brings you closer to having money to invest).
- Switch to lower your telephone bill.
- Lower your Sky TC or cable bill by deleting pay channels or switch to full satellite.
- Earn extra money by completing short surveys online.
- Practice restraint at all times.
- Be patient when bargain shopping.
- Start saving money today!

### More Creative Ways to Save Money.

- Shop for clothing at thrift shops (especially for young kids). Look for gently worn or even new clothes for a 10<sup>th</sup> of the price of new items.
- Pay your bills online. It's protected and you can save on stamps and envelopes and time.
- Put your kids on the school bus rather than driving them to school it is much cheaper and less hassle.
- Re-upholster or cover old furniture for a quick upgrade rather than buying expensive new furniture.
- Refurbish furniture or decorate with new paint. Use older broken furniture to make a unique piece.
- Take your lunch to work every day! Make your meals in bulk and then freeze them in smaller containers to save even more money.
- Buy a bread maker to make bread. This is much cheaper than a loaf at £1.20 and it tastes better!
- Shop for dented canned goods and outdated toiletries at salvage grocery stores.
- Read magazine subscriptions at the library or buy them at the charity shop for 20p to 60p after someone else has read them.
- Stop drinking expensive sodas and make your own with a soda stream.
- Cancel expensive telephone options or other add-on's that you don't need.
- Check out library books instead of buying expensive new titles.
- When you wash your hair every day don't lather twice. Saves shampoo!
- Change your eating habits and avoid expensive, processed foods.
- Brush and floss your teeth to keep the dentist bill down.
- Keep up on regular car maintenance check oil and water and avoid costly repair.
- Mend your clothing instead of buying new clothes.
- Buy only clothing that does not require dry cleaning.
- Take care of your own nails. Avoid manicures.
- Simplify your hairstyle – get a hairdo that doesn't require much maintenance.
- Get at least 3-6 quotes when shopping for items over £60.
- Develop self-control and simplify your life if possible.
- Buy only inexpensive, no-name drugstore cosmetics.
- Cut your dryer sheets in half.
- Buy generic over the counter medicine rather than name brand items when possible.
- Buy generic baby wipes, diapers, and formula, anything you can for the baby.
- Find fashionable clothing in the sale departments of stores like the Next or Gap.
- Keep in fashion by finding basic coloured clothing and then add cheaper, trendy accessories.
- Buy baby clothes privately from someone that has an older child (one year older) than yours. You can find quality clothing cheaper this way as well as prams and accessories that are no longer needed.

- When you get change back from a purchase put it in the debt buster bank. Always give the cashier whole dollars, not the exact amount. In a few months, you will have “found” money that can be used for an emergency fund.
- You can save money by shopping for groceries in the “bulk foods” aisles in your larger supermarkets.
- Bulk up in the wintertime. You don’t need the heat above 68 degrees in the winter inside your house. Wear warm clothes and socks/slippers while in the house.
- Use all plastic bags you receive at the grocery store for trash bags.
- Instead of buying a new house, rent to own. The payments are cheaper.
- Install a water softener. It might be expensive to start up, but in the long run, you use less shampoo/conditioner on your hair and it saves your appliances (pipes, iron, washing machine, dish washer, kettle and hot water tank) from clogging up with lime scale.
- Breastfeed your children!
- Save money when shopping next time at the supermarket by remembering to check the lower items nearer to floor level as they are often much cheaper than those at eye level. Also, resist the temptation to purchase extra items at the checkout such as magazines and candy bars.
- When you receive a gift that you are sure you won’t use, re-gift it. The next time you will need to buy a gift – give away one of your own.
- Hand-pick your own fruits and vegetables in season. They are less expensive and better quality foods.
- The next time you fancy a night at the cinema to see a movie wait to see it on DVD.
- Quick braking, cornering, and accelerating (speeding) will eat your cars fuel up considerably. Never let your fuel needle go below a ½ tank, or fill it up when you drive it to “Empty”. Low top ups to your fuel tank gets you nowhere fast!

#### Easy Ways to Save Money.

- Saving for an emergency need not be a chore when you are making a good effort to put money aside constantly. Be in a mood of saving and watch as that bank account accumulates.
- Instead of buying a new DVD, save money by trading with family and friends. Once a month do the rounds and before you know it, you will have a new library of good movies to enjoy.
- Plant a small garden each spring, with just the vegetables that you really like. Even a small effort every day can save you dollars usually spent on fresh vegetables at the produce market.
- Buy your bread and other bakery items at the local thrift bread store.
- Check your local library for the newest DVD/video releases and then rent three for £2 for two days.
- Read your local newspapers online and put the cost into your debt buster jar.
- Search eBay for big ticket items and then save literally hundreds on computers, DVD players, etc.
- Keep track of the cost of items you buy a lot and get them at the cheapest store, like cleaning supplies shampoos, toiletries pet food etc at ASDA.
- Make a conscious effort to combine tasks that require driving some place, so you will get the most out of your mileage.
- For your friends and family who do not feel slighted by this, send e-mail cards for holidays, birthdays and as thank you cards. In addition, e-mail family and friends who live far away, instead of calling long distance, it’s a choice not a requirement.
- Decide which Sky TV or satellite channels you could do without, and give up a few shows you really like. You could save more than £20.00 on your monthly bill.
- When you buy vegetables, fruits and bread at the supermarket check the reduced item shelves first.
- Change the oil in your vehicles yourself.
- Save money when buying clothes for the following year at the end of the season / during the off season. You can get great mark down prices.

- Each evening take the spare change from your pockets or periodically clean out your purse and toss the coins aside. Never take any money back until the end of the year. Then take all of the coins to the supermarket coin machines and exchange them for cash. You'll be surprised to find out they've added up in some cases to £200 plus.
- Bike it to work in good weather instead of driving to save on costly petrol.
- Eat a few hearty vegetarian meals each week.
- Shop garage sales for a great source of household items, books, clothing, and furniture.
- Don't buy bottled water! Buy a good water-filter and drink tap water.
- By the end of each day put all of your change into an empty coffee can. Then roll coins as you watch TV or listen to the radio. This will add up to hundreds of dollars very quickly and gives you something good to do with your hands to relax.

### In And Around The House.

- Save money by reducing your energy costs. Energy can be the number two or three expense, along with the cost of rent or mortgage and food.
- Change every single bulb to compact florescent bulbs, new legislation in the UK is outlawing 100 bulbs in Sept 2009. They may be expensive but they last for years (no more replacements) and tend to use about 10-20 % of the energy of regular bulbs. Buy one each time you make a shopping trip, starting in the high traffic areas of the house like the kitchen or stairway until you no longer have any incandescent bulbs left.
- If you own your home, seriously consider switching any electric heating appliances to natural gas such as the hot water heater, furnace, stove or dryer. Electricity can be used for almost any device, and you pay a hefty premium on electricity for that. Gas is very efficient for heating devices; it heats up much quicker and wastes far less energy.
- Do all of your laundry in cold water. Most modern detergents are just as effective in cold water as in hot water. Also, make sure any laundry that you do is a complete and full load - it takes the same amount of energy as a tenth of a load.
- Try this trick with your dryer: Put it on for 20 minutes, and then put it on "air fluff" for 15 minutes. Your clothes are already hot with the water coming off as vapour and you'll find although it takes about 20% longer, you save about 50% of the energy costs of your dryer.
- In the colder months when you need to use your furnace, turn the heat on to your desired temperature. When the furnace turns off (your house has been heated to temperature), turn the thermostat to the off position. If you feel cold, check the thermostat. If you 5 degrees below your desired temperature, turn the thermostat on again to your desired temperature.
- Often furnaces will kick in and out to maintain your desired temperature, but furnaces are far more efficient when they are in the heat cycle for longer periods. You'll save about 50% on your furnace costs, even 30% over having a high-tech digital thermostat. Of course keep it completely off when you're out of the house.
- If you ever leave the house for the weekend or longer, unplug everything. That alarm clock or DVD on standby still use power. If you're leaving the house for a week, you will save real money by just unplugging all of these devices and you'll protect your home from fire risks should there be a malfunction or power surge.
- Keep your fridge and freezer as full as possible. The fewer airspaces in your fridge, the less time it takes for your fridge or freezer to cool the air. Don't have much money for food? Just buy a few loafs of bread and throw them into the freezer, you usually can get bread cheaper when you buy it in large quantities anyway.

If you really need a magazine subscription make up a small group maybe with three people to divide the costs. Then each person can keep the magazine for one week.

- Save money by throwing away any catalogues or magazines which tempt you to buy something. Cereal can be frozen and it keeps for a very long time. Before that, we could never eat it fast enough and had to throw it away when it was stale. When you pour milk on it, you would never know that it had been frozen. I have not yet found a cereal that tasted bad from the freezer. Don't throw away your empty cartons of milk. Instead wash them and use as garage containers. They also keep frozen foods fresh if dried out and used with a sealer. Save money by preparing your grocery list by planning menus for the coming week and buy only what is on your list.
- Borrow DVDs from friends and family instead of renting and return the favour. Set your washer to the shortest wash setting possible. Instead of washing your clothes for 10 minutes put it on for 5 minutes. It saves on your electric bill and on your clothes wear and tear.
- Pick up the coins found on the pavement. Add them to the jar of loose change you are saving and by the end of the year you can add this money to your emergency fund. I knew a client who regularly collected over £60 a year in his jar.
- Encourage the practice of team sports in your kids. The more time you spend with your kids playing sports, the less time and money they will spend at the shopping mall. To save money on gas, don't fill the gas tank to the brim since the extra weight of the gasoline takes extra toll on engine power. Take out all items in the trunk which are not important to reduce vehicle weight.
- If you must drink a specialty coffee, Espresso seems like a luxury item, but because its ground finer, and you use less, the coffee lasts longer. Shop on eBay for things like razors, lotions, computer software, baby formula, nappies, etc. If you can plan ahead, you will save.

Each pay day try and set aside any amount that you have budgeted for but did not need to spend. For instance, you may have anticipated that £50 would be needed to maintain your car, but only had to spend £30. Take the "extra" £20 and put it into your savings account.

#### **Even YOU can save while on a shoestring budget.**

Believe it or not, how much you save has little to do with how much you make and studies have proven this! It is time to put away the excuses; here is a map for finding money you didn't even know you had.

#### **That One Simple Word—Savings.**

When you hear that one, simple word, do you feel a deep sense of guilt? Of course you do – we all do. That is because, like most people in the UK, 65% of people surveyed said they knew that their savings, targeted for retirement, were insufficient. That's cause for distress, perhaps, but not nearly as remarkable as the discovery that how much you save now has very little to do with how rich you are, today. This is so true in fact, that the middle-income earners managed to save less than the lower-income earners in that same study. Now this is remarkable when you think about it. Those with less saved more! What is the secret to their savings success?

For those of us who scrimp and save endlessly and with so little to show for it, these statistics are both annoying and embarrassing! It also means you have no excuse for inadequate savings. The bottom line here is this: You just have to save, regardless! That means for every £10 you earn, you MUST put away at least £2 in savings. Does not sound to be too difficult, right? WRONG! UNLESS you have an iron clad savings plan, you will not save a single penny! The trick is in the purpose and the ultimate plan!

## WHAT IS YOUR EMERGENCY PLAN?

### ARE YOU READY TO START A SAVINGS PLAN?

You are ready but you feel at a loss as to how you will come up with that extra money. You are already barely eking out a living. You can manage if you train yourself to think differently. That is the first part of any good plan. You have to think right. If you don't think right towards your money, you won't be able to manage it.

**Your First Step: You need to re-think how you think about money.**

#### Step 1: The re-think.

- Saving money is a calm state of mind. Before you can even begin, you have to say NO to all of the spending—and stop thinking that you actually need all the stuff you're spending all of your hard-earned money on. Just don't spend. That is simple enough! Say NO to all of the excuses and reasons for why you feel you MUST spend. Tell yourself, NO MORE EXCUSES, PERIOD! The very next time you want to buy something, take the £20 or £50 out of your wallet, instead and stash it away somewhere. Do you see the logic? That's what you call saving. You don't end up with stuff; you end up with the hard-earned MONEY.
- Another new way of thinking will be to think of frugality as a life saver. Become a confirmed cheapskate and do as your most frugal friends do. Pay special note to the fact that frugal friends fix the shower curtain instead of buying a new one. Ask your grandparents how they coped in difficult times they will teach you how economize.
- The next step in rethinking is to become inspired. Spend all of your spare time online and search out those frugal Web sites. Look at "living cheaply," "frugal living" and "voluntary simplicity." You'll find lots of these Web sites devoted to living on less. Learn to turn shopping time into activity time. Go for a bike ride, walk down memory lane, take the kids to the park; do anything and everything that you can to take your mind off shopping and spending. It works!

#### Step 2: Time to Save.

There is any number of creative ways to live on less. However, you don't want to make your life miserable. Here are some great ways to economize without missing quality of life.

- Don't think too much about it – just do it! On call deposit is now your best friend! Your money is whisked away into a money market account—and you don't have to do a thing to make it happen. Just drop by your bank and fill out the forms. Do it today.
- Eat meatless some of the time. Go veggie. Prepare just three meatless days a week (without substituting pricey foods) and you could save £25 a week, which equals £100 a month, which equals £1,200 a year! Eat beans or spaghetti on toast.
- Play the money game. Whenever you get a £5 note, put it aside for later. Alternatively, do the same with £1 coins, even all your spare change. Never spend the extras. Save all of your income-tax refund, your holiday money, the £10.37 overpayment cheque from the telephone company any other extras and save every penny.

- Haggle over everything, why should you pay label costs. You will be impressed by who will drop their prices, fees and interest rates: airlines, hotels, credit card companies, even computer appliance and carpet salesmen. Before you even think about paying full price haggle first.
- Re-evaluate your money before you spend. That dinner out for the family will cost more than you spend on groceries in a week. That fancy pair of shoes is worth half the cost of a commuter pass. Learn what your money is worth to you, and you won't be so quick to dispose of it.
- Never overpay on your taxes. Yes, you love to get a big refund from the HMRC every spring. The fact is, though, you're effectively lending money to the government and interest-free. Go through your tax return in detail and see if you can hold out until Dec. 31 to maybe get a £150 refund. That way you can use your money NOW should if needed for emergencies and bank the refund when you get it.
- Try and bring your mortgage costs down. Look at whether or not the rate is too high. If it is, look to refinancing – this will save you money. Now, let's look at the private mortgage insurance (PMI) you've been paying because you didn't have enough money to make a 20% down payment. If the equity in your home is now greater than 20%, make sure that it is cancelled, you won't need it and in many cases in the UK this has been miss-sold so look into it. Finally, pay up on your mortgage. If you can manage even an extra £100 per month, you will save thousands in interest costs over the term.
- Throughout those glossy Next and Argos and Littlewoods catalogues. They are by far best-known form of spending temptation known to man or woman. Sure they look good, but are they worth the risk of spending? Straight into the bin now, they are almost always dearer than the high street retailers.
- Refuse those unnecessary fees. Like the £1 per £100 you pay just because the ATM is right there, right now as opposed to walking two blocks to your bank, where you don't get charged at all every time you use your cash card. Alternatively, how about the late fees for returning videos? These really add up. Don't forget those fat charges banks hit you with when you write a check that, well, bounces.
- Don't pay for a pro. If you can fix your garage door and you can paint the kitchen: then go do it and save on a painter and decorator.
- Evaluate all of the different telephone plans offered by BT or your provider for real value. Pay attention to what you are currently paying per minute. There are always better rates available.
- Just buy the basics for the pets. Say no to pet pampering. Does your dog need those t-bone snacks? Does your cat need that rabbit-fur-lined toy?
- Agree with yourself never again to pay full price. The next time you must shop online. Look on eBay, for excellent sources of "lightly used" items—everything from books to jewellery to office furniture—even the entire first season of Star Trek on DVD's.

When you are focused on being savings minded, you're thinking about money changes. Before you know it, you can have substantial savings.

#### **Smart Tips - Living on a Budget.**

- Regardless of the time in history and no matter what the current state of the economy, no matter what the current trends are, no matter what the unemployment rate is or where interest rates are, some money-saving ideas always work.
- Big changes come from small steps and if you determine to put even one of these many savings secrets into place, you will see big change in your life.
- You will now learn a variety of savings tips in this e-book. You will learn how to best place your hard-earned money in a variety of down-to-earth ways. What you will learn about will set you up nicely in your day to day life, towards banishing debt and planning for a debt free future.

**Saving Tip 1:**

- One of the most powerful money making ideas is this: keep a daily diary of everything you spend. Go to the pound store, buy a little book, and carry it with you wherever you go. Write down every penny – each single penny - you spend. It's just as simple as that.
- If you do this one thing, you will find that your financial perceptions will change in only a few weeks.
- There is something very powerful about writing down each of your expenditures. It makes the flow of money through your life more realistic and exacting to see. It shows you clearly exactly where you are spending all your money, on what and why. Once you know this, it becomes much easier to control your spending, the starting point to succeeding.
- Many people who have taken up this practice have not only learned something about themselves, which they never before understood, but they are often astounded by the simplicity of the financial lesson learned. If you can see it and measure it then you can act on it.
- For example, a person could realize through examining their notebook that they actually spent nearly £1000 throughout the year on diet soft drinks, snack sweets and magazines! If your job only brings in £20,000 a year, then you would quickly realized that 5% of their entire income was being frittered away on something entirely frivolous. If you gave up the snacks and drinks, and found you had enough money to go on vacation the following year. If you had the choice between snacks and a vacation, which would you choose? Of course you would choose the vacation, who wouldn't.

The point is it was the daily expenses log that helped achieve the insight and clarity needed to action control of your finances. That's what a simple spending record will do for you - it will give you much needed control over your spending and as a consequence your financial life. There may be nothing but a 20p notebook and a ballpoint pen from Asda between your life of financial struggle and financial freedom.

**Saving Tip 2:**

- Stop your own deficit spending! We all know the current UK government has been creating debt— spending more money than our country brings in. It's called deficit spending. Well, don't do the same! The same rules apply to you and me. Using credit cards may be the “ UK Way” but it's a debt making way and creates plenty of fools each day as well as creating misery somewhere down the line when the debts have to be settled.
- Today, the average UK credit card holder is carrying around a conservative **£9,000** in plastic debt!
- Spending yourself into such debt with a credit card is certainly very easy, as many of you already know. The reason is psychological. When you give that salesperson a credit card, it's just not the same as handing over real money. Would you as readily hand over a pocketful of £20's as toss a credit card across a counter? Probably not. Think about it!
- Credit cards put you in debt and keep you there. Even for people with good incomes, paying your credit card debt down to zero can be amazingly difficult. In addition, make no bones about it; credit card debt will sap your financial strength just as readily as an open vein will deplete your physical body of its very life force. Using a credit card by choice can quickly turn to using it for need. Once you get to that point, you are already in trouble and it becomes time to get some help.
- There is no secret in freeing yourself from the credit card merry-go-around. You must take out a pair of scissors today, cut your cards in half, and begin paying them back, slowly but surely. Be sure to always pay more than the minimum amount due, even if it is only £10 more.



- Once you stop adding to the debt, even small payments will eventually, add up. You can get out of debt, if you are patient and self-disciplined. Once your cards are history, you must adopt a strict pay-as-you go policy. Instead of buying now and paying later, save now and buy when you have the full amount. This is key to being able to save.

Once again, stopping credit-oriented consuming is one of the most powerful financial tools available to anyone today. Why not pick up this tool and use it for yourself?

**Saving Tip 3:**

- Sell all those old toys and tools in your garage or cupboards on eBay. That's right; it's high time for a serious clearout sale. Search throughout your house and garage for every single item that you don't really need, and then sell it all! Every last piece!
- Make a list. The truth is, most people are astounded by what they own - and how much money they have tied up in items they no longer need and use. Why let it just sit and collect dust while it could collect interest instead in a savings account?
- You could easily be £600, £1,200 ... even £5,000 richer by the end of the month; I have seen it done regularly... And as an added bonus, you'd have your place cleaned up, and you will have a fresh feeling of beginning all over again. Your garage is an excellent place to start. Not only do you clean out your house and garage, but also it often gives a psychological boost that helps you get control of their life and money.

**Saving Tip 4:**

- It's tough to save and much easier to spend! We all know that! That's why every penny saved truly is earned - because it takes so much effort to hold on to that cash! If you can do it, it will change your life. Having a savings account can de-stress you, as you watch it grow. Imagine being ahead of your bills, rather than behind. When you are ahead of your bills, your entire life comes under your own control. You sleep better at night. Your mind is freer to come up with new ways to make more money and save more. Saving is contagious - once you let it get started!

**Additional Savings Tips:**

1. Don't settle for interest payments on any savings. Have a separate account that can't be as easily accessed as a checking account.
2. Keep your savings in a different bank - one that's off your regular route, or perhaps even in different town. That way you won't be tempted to dip into it every time you visit the bank to make a checking deposit.
3. Buy short-term savings and premium bonds, which have 6-month to one-year maturity dates or can be instantly cashed, but have the prospect of a windfall bonus. You will get a low rate but at the same time keeping your money close and risk free in case of real money emergencies.
4. If you can, open an account under two, different names and require that both signatures be required to make a withdrawal. Two people can debate each withdrawal and keep each other in line.

5. When you get your wages, immediately put a minimum of 5% in your savings account. After just a year, you'll be amazed by how much you have actually saved and you will feel great about it.

Try and visualise abundance and wealth every day. Am I actually suggesting that you practice some sort of mysticism that will make you into a "millionaire"? Perhaps yes, maybe no. Call it what you wish - a mind game. The fact is that behind every wealthy man and woman is a positive attitude toward money.

Look at it like this: It costs ZERO one way or the other to have either negative or positive thoughts. So why not have positive thoughts AND increase the ODDS?

There have been many studies done on the thought patterns and the mind-set of some of the richest, most successful people in the world. The one thing that they all had in common was a positive attitude toward money and their ability to earn and keep it.

#### **RESPECT MONEY THINK POSITIVELY TOWARDS MONEY.**

The key to being able to raise emergency money when needed most is to be in the right frame of mind about money in the first place. Think positive about money and spending and save. You can't beat that equation!

#### **7 Serious Ways to Save Money – But This Is Not for the Faint of Heart.**

Do you truly want to save? Take a serious look at how you spend and then change it. Quit smoking those cigars, take in a lodger, park your car—and you'll save as much as £5,000 a year. It really is just as easy as all that! Are you finding it harder and harder to blame savings shortfalls on your measly pay check?

Will it surprise you to learn that how much you save has little to do with your income? Well it is very true, in fact. It has more to do with whether you want to save and are willing to adjust your finances to boost your savings. The key, then, is simple enough: Spend less than you earn and SAVE MORE. It is easy to see why some people get into financial trouble.

Some people don't stop and think that earning money is only one part of the financial health equation. The other critical part is learning how to manage money and save. A big part of the problem for so many is that people just don't know enough about their own financial reality. They don't even know what they earn, they don't even know what it takes to live comfortably, and they don't even know their true, discretionary income."

#### **Solutions?**

People need to educate themselves. Sit down with your monthly bills and statements and figure out your real income and outgo. Then, decide if you like what you see. If not, create a realistic plan for changing it. To help with the process, ask yourself these four essential questions:

What's my true and current financial position?

- How do I choose to live?
- Can my current money support this and how do I really want to use my money?
- How can I best make use of my money?

Treat managing your money as if you would any other household chore and allot enough time for it each month. Make note that: Many of the financial tools that have made life more convenient—such as credit cards—can promote very bad financial habits and prolong debt when misused. Credit cards should be used ONLY as the cash-management tool that they are and not as a borrowing tool. Keep in mind that you are spending tomorrow's money when you put things on a credit card. You keep locking yourself up and losing your freedom, bit by bit.

## The bottom line towards financial health - Stop Spending

### Serious Savings Strategies.

If you are serious about having a healthy emergency money fund, you might want to curb the consumer in you. This means, instead of spending, saving. Of course, the number one, best way of saving remains to have a portion of your weekly wages automatically deposited to your savings account. If you like the idea of deciding, week by week, how much savings you will deposit, take heart and adopt these ideas. It's all good if the end result is better and more savings.

Start to clear out the garage once and for all! Do your homework and literally do a house inventory. Journey back, all the way back, into the furthest reach of every closet and decide that, if you have not used it for more than six months, it will have to go. Most people have at least £1,000 worth of garage items hidden away in their home. This turns out to be a veritable gold mine for many, then straight onto eBay.

Just how much do you need the pack-a-day smoking habit? In any UK town that is £5 plus a day—or about £1,800 a year—that can go right into your savings. This does not even begin to touch the savings in insurance and health care. Tame the driving tiger in you. Instead, carpool or use public transportation. This will save you on petrol, insurance and maintenance costs—not to mention any money spent on a headache.

Buy items used. The average UK consumer spends about £1,600 a year on clothing you can easily cut that in half by shopping at discount shops. Become a homebody. At just over £1,800 a year on average, entertainment spending has a way of eating up the best-planned budgets. Consider the library for books, music and movies. Eat out less often. The average person spends £1900 a year on eating out. Try cutting your spending in half on both areas.

Cut up every one of your credit cards. Build an emergency fund first to handle most unexpected expenses. This allows you to become your own lending agency. Credit cards can be a cash-flow management tool, but paying only the minimum will keep you in debt for years.

If you're the average UK consumer with at least three credit cards, you probably have close to £8000 to £9000 in credit card debt. At an average APR of 14.6%, it could cost you as much as £2,200 a year in interest rates alone. By simply waiting until you've saved enough money to make purchases, you could eliminate those interest payments completely.

If you're very ambitious and follow all the above tips, you could be looking at savings of some £4,000 plus a year. You can invest that at a historical mean rate of return of say 8%; your savings do start to compound nicely—and rapidly. Instead of the accruing more debt, go for the emergency fund and save.

### Make Small Cuts for Huge Savings.

Tilt the wheel of creating wealth in your favour. Naturally, spending less is one way. However, to be sure to make your money work harder for you—set goals to make certain it happens. Many have wondered what can be the foolproof way of creating wealth. Is it to buy top paying Internet stocks or to work for a tech start-up that offers you valuable stock options? Is the trick to count every penny or is the road to wealth paved with risk? Do you have to be especially smart and well-connected? Alternatively, is becoming wealthy a matter of luck?

From my experience the answer is: There is no one, true road to freedom from debt, and all of the above have created wealth for more than just a few notable individuals. Nevertheless, you can put the odds of removing debt and creating wealth on your side by following a few of these simple ideas.

### 1. Spend less than what you earn.

This can be the most overlooked scenario, because many people believe it's a matter of cutting back on your current standard of living—a strategy that's far too difficult for many people. Yes, you can affect your personal balance sheet by spending less money eating out or on entertaining out. Making a pot of coffee at the office instead of buying a £2 espresso will make a small difference in your cash flow. Nevertheless, the biggest difference will be made on the income side of your debt ledger.

If you wish to get on the right road to saving, stop looking at your budget as a pie that must be cut up into various size pieces. Instead, of trying to figure out how the different pieces will cover your expenses, concentrate on how you will expand the size of the pie. Yes, you could ask your boss for a raise. At the same time, figure out how you can begin to earn more money on the side.

Think about how you're spending your time, as well as your money. Perhaps instead of taking the family out this weekend, you could earn an extra £50 by becoming a waiter or bartender. Instead of taking the kids shopping at the mall, you could work at something that will earn some extra cash.

If you don't wish to work every weekend, think about working every other weekend to start. Instead of paying for a baby sitter while you attend a concert, take care of a few other children on Saturday or Sunday, freeing working parents to do their errands. When it comes your weekend to work, do a switch. This will save you time and money.

Then, instead of spending the extra money you earn from your part-time work, you can invest it so the money can work for you. When you do this, you will learn to appreciate your free time that much more.

### 2. Always make your money work for you.

The ultimate secret to financial success lies in having your money do the work. This requires accumulating enough of an investment so that the growth and earnings can free you from the need to work even harder. The last thing you will want to be doing is punching a time clock.

Plenty of very wealthy people continue on working simply because they enjoy what they're doing so much. They also redefine work to include managing their money. For the wealthy, the two can go hand in hand.

Everywhere you go you will hear, "I never get to the point where I won't have to return to work because I can't afford to set money aside today. These people overlook the power of compound interest and simple savings.

### 3. Be sure your money is working for you, instead of against you.

Your money can work very powerfully for you if you make the right decisions and implement a plan of regular investing. At the same time, wrong money decisions will place deep potholes on your road to success.

The classic example is credit-card debt. Consider the example of a person who charges on their credit card £800 to £1000 at say 15.3% to 19.8% interest and a £25 annual fee. If you make only the minimum monthly payments (and many people do just that), it could take you up to 25 years or more to pay off the balance! Moreover, along the way, you'll pay an additional fee in finance charges!

With banks withdrawing normal lending and payday loan companies operating UK wide, the interest rates now charged would have been classed as criminal pre the recession of 2008.

What could possibly be so important to charge today that it puts you in debt for a period far longer than the object is likely to last? (Sure, a mortgage lasts 30 years, but the interest is deductible and your home should grow in value over that time.) Most things that you want to charge on your card have a far shorter life. For many, they can do entirely without that one purchase.

If you're already in debt, if you would only double the minimum monthly payment, you could be out of debt in less than three years. Paying down current debt is the smartest way to start on the road to financial freedom.

#### **4. Keep a tight clasp on that wallet**

When you take a close look at your wage slip, you'll notice many deductions before you get to the amount you can cash or put in the bank. Surely, there are deductions for PAYE and government tax schemes.

It's money that's out of your salary before you have a chance to even make decisions about it. Money set aside for debt reduction and ultimately wealth building should be treated in the exact same way. If your company has a retirement plan, make sure you sign up for the maximum possible contribution. It will be taken out of your salary, each month, automatically. (And if your company matches all or part of your contribution, failing to sign up is like walking away from free money!)

If you didn't have a chance for automatic deductions to a company pension then you'll have to create your own pension plan. Ask if your company will deposit your salary directly into your bank account—or promise yourself to do it the day you receive the wages.

Then sign up for an automatic monthly deduction plan with a pension company to create regular deposits into it. The whole point to this is to get the money out of your bank account as quickly as possible, before you see it and spend it.

#### **5. Create money savings and investment goals.**

Would you like to have £300,000 by the age of 40 or 50 or by the time you retire?

Begin by setting your own goals. Never set a goal you can't control. Your targets can't depend on your boss giving you a raise; they must be reachable by your own efforts. You might need to invest in yourself by acquiring more education or training so you can qualify for a job that pays more.

You might need to take more risk in your investments or in your lifestyle by taking on a second job that pays commissions instead of a fixed salary. Evaluate the risks involved, and understand that by putting the odds on your side, you can get a larger return.

#### **Emergency Money Strategy while Dealing With Debt, Financial Stress & Family**

Financial stress is common among those forced into frugality because of a lost job, divorce, death in the family, or being overcome with debt, etc. This can cause a person to feel insecure, fearful, anxious, angry, and, of course, depressed.

These same feelings are easily the number one cause of poor money management decisions. These poor decisions will lead to unmanageable debt loads, and start a vicious cycle of panic that never seems to end. When you reach this point, and you find yourself with a money emergency, your feelings of helplessness can become so overwhelming you literally stop functioning in the real world.

**YOU NEED TO HAVE YOUR WITS ABOUT YOU TO RAISE EMERGENCY MONEY.****Get yourself Immediate Help.**

If you recognize any of the above traits in yourself, get the help you need right away. See out a professional counsellor ... talk to a friend or family member ... but talk to someone! If you know someone who is exhibiting the above traits, offer to help them! It doesn't matter whether you lend them cash, an ear, offer some helpful advice, or help them get counselling, do something!

The first thing that you need to grasp is that no situation is hopeless. With just a little guidance and patience, along with a couple of well thought out goals, and emotional support from family and friends, you can do what it takes to come out of dire circumstances.

You can adapt a new outlook, new skills, and best of all, a new feeling of self-esteem. Don't allow anyone to tell you different, and if they do, close the same door that they came into and don't again open it! What you need is positive reinforcement and not negativity to help you get to the other side.

**Seek out your True Friends.**

When you are desperate to raise emergency funds, it usually doesn't take very long for you to realize who really cares about you, who is truly a friend ... be they family or not. Your friends will be there for you in your time of need, offer encouragement, and lend an ear so you can just talk. Ask for help in coming up with good ideas about how you can raise emergency funds during such a difficult time in your life. Be open to the many suggestions that you will receive.

**Prepare to Set your Priorities.**

There comes the time when you will need to put aside your feelings and just concentrate on the well being of you, and your family. This has to be your priority during times of financial stress and upheaval. In financially stressful times, if you, as the Mom or Dad, can't cope, how can you expect your children to cope now, or in the future? You must set the example for the rest of the family to draw strength from them. So make the decision today to learn how to cope, to make the changes you can, to stay focused and goal-oriented, and to let anxiety and financial stress go out the door so that you will be prepared to deal with any money emergencies that come your way. You need to be able to come up with some quick cash fixes (without additional borrowing) to recover from a Money Emergency:

**Budgeting Tip 1:**

The first thing you want to do is prioritize to get back on track very quickly. If that means letting your credit card bill go for a bit, so be it. As soon as you realize that you have a money emergency, contact your credit card issuers and request reduced interest rates and payments. Not only one, both!

**Budgeting Tip 2:**

For your car payment, call the creditor and request a payment extension. Perhaps you hate payment extensions, because they require a fee and you still have to make the payment at the end of the contract. In this case, a payment extension can allow a little breathing room to help you recover during your money emergency. Expect that you will likely have to pay a fee (usually about a 25% of the car payment amount) for the extension. Freeing up the money you need today is your first and only goal at this point.

**Budgeting Tip 3:**

Check to see if your mortgage provider will allow an extension for a nominal fee. Do this today!

**Budgeting Tip 4:**

Another quick fix is to list all your garage and household unwanted items and get them onto eBay within a day. You don't have too much time for planning, so do a quick survey of your personal belongings. Come up with clothes that no longer fit, but that are in good condition, furniture, dishes, and books as well as stuff you bought but no longer use. Throw it all together, quickly. Put some notices up the same day at your local supermarket. You can make a quick £200 this way with very little time and effort.

**Budgeting Tip 5:**

If you have a larger item to sell, think of advertising in the classifieds it is a good way to get expensive converted into cash quickly.

**Budgeting Tip 6:**

Another quick option is with utility and telephone bills. If you aren't already on a budget plan, ask that the current bill (plus any previous balance you owe) be set up on direct debit. Expect to pay a down payment (usually 25% of the bill) and that all future bills must be kept current. The nice thing about it ... it's usually interest free, and you get some much-needed breathing space for a month. You must be sure though that you maintain the regular payment profile AND the budgeted payments due in the coming months.

**Budgeting Tip 7:**

Check with your family church regarding emergency help. Local churches can be one of the best places to find out what's available in the community to help those in need, or in times of emergency. Check with your local church, first.

**Getting Cash Fast Through Borrowing.**

If you are absolutely, positively, in a bind, a real cash emergency, and you have exhausted all of the above, then consider borrowing. First, ask your family, then your local bank. As a last resort, you may want to consider what's known as a "Payday Loan." These types of borrowing companies can be useful when all else fails.

**A Few Timely Lessons in Simple Living.**

Planning for a money emergency takes plenty of forethought. It is best to start to plan now rather than need to scramble to come up with the cash when the need is greatest.

- Adapt some strategic thinking.
- Reprogram your mind now to become a saver
- Simple living yields simply millions in savings
- Remind yourself that you can do with less
- Make a mindful decision to live light.
- Put your entire family on a budget
- Discuss strategies about how to build your first budget



**Better Money Management Thinking.**

The first step to making better choices when it comes to how we spend our money or time is living and acting consciously and examining daily money and work habits.

Simple living is largely a matter of making better choices in life: about how we spend, consume, create community and spend our free time. It is NOT to just consume less. It is to consume smarter OR differently. You must NOT just go blindly along when it comes to consumption.

**Say no to impulse buying.**

- If you see something you want, put it aside and think about it for at least a couple of days. Chances are, the impulse should pass.
- Look to other sources of entertainment.
- Find ways to socialize and create your own entertainment that don't revolve around expensive restaurant tabs or event tickets.
- Give yourself some quiet time each day.
- Quiet time helps you recharge your spiritual batteries and give you the time you need to reflect on life and make better choices.
- Remember that time is money.
- This time issue is going to loom even larger than money. Society has concluded that time is money. The two are closely tied up. Spend time wisely.

**Every Day Money Saving Tips.****How to Save Money on fuel.**

Fuel prices just keep going up, and our wallets keep decreasing in size.

1. Take out a fuel credit card. Some credit cards offer fuel savings when you use the card for purchases. This works in much the same way that some credit card companies give you frequent flyer miles when you use their card for purchases.
2. Get a fuel membership card. Look for membership benefits. In addition, department and grocery stores give discounts at the fuel pump when you use their store membership cards. Shopping at Giant Eagle grocery store and using their membership card, it's possible to fill a car's tank at Tesco supermarket and get 5p Off every litre if you spend £50, use these trade-offs and start saving money.
3. Give your car a good tune up. While giving your car a tune up won't actually save you money at the pump, it will save you in gas. Using less gas saves you money over all. Have the oil changed, and have a certified mechanic give your engine a twice over.
4. Check online for deals. Web sites let you find the best deals in your area.
5. Invest in a hybrid car. Not only do hybrid cars give you immediate savings at the pump, the UK government offer tax breaks for people that use alternative energy saving cars. If you can't afford the growing number of hybrid cars out there, consider getting a regular car with good MPG like the Toyota Prius.
6. Turn off the AC. Running your car's air conditioning puts extra strain on your car's engine. This translates into your car eating up more gas per mile. Use less gas, save money. Depending on the car you drive, at highway speeds, the AC might put less drag on your car than if all the windows are open. Therefore, you might want to keep it cool on the highway.

7. Use the cheaper stuff. Most modern cars run just as well with the cheap gas as they do with the more expensive gas. In fact, engineers assume the car buyer is going to use the cheap gas, and so, they design the car's engine accordingly.
8. Don't fill the tank when prices are higher. Petrol suppliers and petrol station owners can charge high prices for fuel because they know people will pay for it. The owners monitor how much fuel people are putting into their cars each day. If they hike up the price a few pence and people are still filling up their tanks, this tells the owners that people are willing to pay the high price. Adding only a few gallons to your car when prices are high sends a message to the owners that people are not happy about the high prices.
9. Don't drive. Don't drive when you don't absolutely have to. Carpooling, walking, taking the bus, and riding a bike not only saves you gas, but these are better for the environment and may be better for your health. Do you really need to drive to the store when it is only a couple of blocks down the street?
10. Check the tyre air pressures weekly. Buy an inexpensive manual air pump and an accurate tyre gauge. Keep all tyres inflated to the same pressure as recommended for your car but not for your tyre. Go by the sticker on the doorframe and not the tyre wall.
11. Drive at a consistent speed and keep the windows up tight. Keeping the windows closed reduces the drag on your car. Sticking to the speed limit also helps. So, will using less gear changes and revving the engine less. Avoid accelerating fast or braking suddenly. Use cruise control when you can.
12. Clean out any unnecessary items in your car. If you have heavy objects in your car that you don't need - remove them. If your car is lighter, it will use less fuel to get you to where you're going.
13. Avoid leaving your car idle. If you are going to be stopped for more than one minute, you will save gas by turning the car off and restarting when you are ready to go.
14. Buy on cold days. Buy fuel on cold days and if you can, drive on the hot days. When you buy on cold days, and pay for volume, you buy more "mass" of fuel for the same price. Never fill the tank completely or it will overflow when it becomes hotter.

#### **Simpler Solutions for Managing your Money.**

Let's face it, coming up with smart and simple ways of saving money takes thinking that is a bit more creative. Use some of these shortcuts to managing your finances. They are guaranteed to save you time and money.

#### **Trick your mind into saving.**

- Can't always come up with where your money goes? There is a simple solution: Trick your own mind into spending less and saving more. If you are up for a challenge, allocate yourself a weekly allowance.
- Put a set amount of allowance into an envelope and determine that this will be all you will be allowed to spend for any given week. Next, divide your allowance to take care of your expenses. When you get down to the last £20, that's the amount you put into your emergency fund. When the money is gone, there will be no more until next week. Each payday, allocate a percentage to go into a secret fund used only for emergencies. When it's crunch time, you will know it's there.
- Establish one dresser drawer just to toss single dollar bills. This way when the pizza man arrives, you will have the singles handy and won't need to break the larger paper amounts. This discipline forces your mind to think larger amounts and to save larger amounts. You get into the habit of spending only the singles.

- This works! To control your credit card debt, carry just one card and pay it off each month. If you are tempted to over spend, the credit card goes into the safe where you only stash your emergency fund. When crunch day comes you have a credit card you can use that will always be in good standing.
- Jot down expenses in a notebook and tally them at the end of each week to see if you are over or under your budget estimates. Build in more than you need so that you will always have a cushion in case of a cash emergency.
- Tracking your spending takes some work but if you take careful notes, you will always be able to see one or two areas where you're leaking cash. You can then come up with an extra £20 or more per week in savings. That's £960 a year in real money for an emergency fund.

**More tricks to add to your own savings routine:**

- Have your salary automatically deposited directly to savings rather than to your checking account. You will transfer money to pay your bills, but you'll think twice about withdrawing additional cash.
- Make ONLY one ATM withdrawal each week.
- Subtract your credit card purchases immediately from your checking account so you're not surprised once the bill arrives.
- When you pay off a loan, add the amount to payments you're already making to the next lender on your list. You can also send the money to a saving or investment account earmarked for a house, a vacation or a new car and this money will be made available in case of a money emergency.

**PAY YOUR BILLS ONLINE AND SAVE**

Probably the easiest way to pay your bills online is to use a safe, encrypted service—offered by banks, credit card providers, brokers and companies such as Yahoo, MSN etc. Arrange for an e-mail reminder that a bill is due. The service can handle payments entirely electronically.

If a payment is late, many bill-paying services will reimburse you for late fees up to a certain amount (sometimes as much as £25), as long as you have scheduled the payment within their guidelines.

Online bill paying also helps you to keep your finances organized. You have your records right there—what you owe, past payments—and all on one site. In addition, of course, you can track your spending using Microsoft Money or Quicken.

With Quicken 2009, once you pay a bill there's no need to print and file it. Instead, you can attach the bill electronically to the account from which you made your payment, so it's always at your fingertips.

Consider first that all extra cash should first be used to solidify your plan. Next, pay off all credit-card debt. This can have a gigantic ripple effect on the rest of your finances. As soon as you stop paying higher interest charges each month, you'll have more money to devote to any other goals. Pad your emergency fund.

If you don't already have three to six months' worth of living expenses in a safe and liquid account. That way you won't have to go into debt or raid long-term savings for unexpected bills when the bigger emergencies do arrive.

**Take a look at that long-term debt.**

With interest rates that low, paying off the loan doesn't need to be a priority. "If you can earn at least 3.5% in the marketplace, and I believe that you can, then investing is the better way to go". Investing becomes even more important if you need to save for a short-term goal, such as buying a house.

However, it's okay if you'd rather pay off a student loan to get it out of the way. "Psychologically, it's important to get these debts behind you before you start to move ahead in life".

I know people in their 30's who still have large loans, and that debt becomes a major worry. Eliminating your mortgage payment can also help if you'll be retiring soon or worry that you may lose your job.

### **Don't forget to treat yourself.**

It is time to have some fun and you deserve it! You worked hard for your bonus or raise, so, go out there and have some fun. You can set up a vacation fund.

Use part of your extra cash today to pay for the trip you have always wanted - You only need to set aside £250 per month to end up with £3000 for your family holiday within a year.

Spend some money on your home - Many home improvements can save you big money over the long haul. For example, think about the value of double glazing. Spending an extra few thousand pounds now, not only helps protect your home, but can also increase its value and lower the premiums on your insurance policy. This is smart planning!

### **A Few Useful Savings Strategies.**

1. Don't pay a penny for anything that you can make or fix for yourself.
2. Prolong the life of whatever you own.
3. Use less of what you need.
4. Think creatively. The answer doesn't have to be "buy a new one."
5. Don't toss anything if it can be reused or recycled somehow.

Start now. If you really want to save money, you can't just look at ways to save now. You have to look at your life, today.

### **Simple Ways to Bring both Calm AND Savings into your Life.**

Saving is far more than just an action – it is a way of living, day-by-day. Start to be calm by first slowing. Whatever it is that you are working on now, stop. Spend the next 30 minutes a day in silence thinking about what you really want and plan for it. You need to teach your mind how to relax, so you can shift from the work-and-spend treadmill and then focus on what's most important to you and your family.

It is time NOW time to clean up your act. Start today by spending 15 minutes every day going through a closet, a shelf, a drawer, and getting rid of anything you don't use or cherish. Once you start on these surface areas, weeding that out, the skills and mindset carry over to more complex areas like your work, money and relationships.

It is time NOW to learn what is enough. Being calm and saving is really about transforming your life in a conscious and deliberate manner. It is determining what is enough in your life, so that you can do more with even less.

**Finally, seek out some good support—whether you're trying to save money or simplify your life.**

Don't go this alone. With UK consumers deep in debt, you're certainly not alone in your desire to save money. Find a friend who can help you to get started and then get busy.

**Slash your electric bill in 6 easy steps.**

- Spending lots to save pennies makes very little sense, but if you're already in the market for a new appliance, consider the Web as your first line of defence in energy-savings.
- Perhaps you weren't so Eco-conscious until that glaring electric bill drops through the post. It's time to become mindful of the green in your wallet and save energy at the same time.
- Start by simply unplugging unused appliances, lowering the temperature on your electric water heater to 120 degrees F, and washing only full loads of dishes and then air drying them.
- At the same time take a look at the free online calculators to get customized tips for improving your home's energy efficiency at Home Energy Saver websites.
- Spending hundreds to save pennies generally doesn't make sense, but if you're already in the market for a new appliance, or even light bulbs, consider the Web your first energy-savings tool.

**Think Climate Control.**

- A typical household uses the bulk of its energy for heating and lighting—up to 44% of your utility bills, according to the governments Energy Efficiency and Renewable Energy Network reports.
- Install a programmable thermostat. This can reduce energy wasted while heating or cooling a house when no one is home or everyone's asleep.
- According to the Home Energy Saver sites programmable thermostats can save as much as 20% to 30% on your heating costs by allowing for multiple daily settings and automatically adjusting when the outside temperature changes. Keep an eye out for those appliances with features typical of saving you money, generally the green labelled white goods.

**Think Lighting, Cooking and other Appliances.**

- The next-biggest household energy use after climate control is for lighting, cooking and other appliances. Not counting the fridge, these make up about 33% of a typical utility bill.

**Think Compact Fluorescent Lamps (CFL's).**

- CFL's will use up to 75% less energy than standard incandescent bulbs and will last up to 10 times longer, according to Home Energy Saver. This is very good, because they're also more expensive to start with.
- Check your local utility for ideas. Look for a free "Conservation Kit", containing among other things, two free CFL's. This, of course, is a terrific deal! Many providers offer free samples.

**Think Energy-efficient Appliances.**

- Use the Energy Saving Websites as a starting point to search for energy efficient and rated appliances.
- Among household appliances, the fridge is likely to be your biggest energy consumer, especially if it's more than 15 years old. It can account for up to 10% of your energy costs alone. Again, look to the energy ratings for a list of energy-efficient appliances if you're looking to replace items.

**Hot Water Heating.**

- Heating water is the third-biggest home-energy cost and typically accounts for 14%-20% of your total energy bill.

**Think Hot Water Jackets.**

- Hot water jackets usually sell for £10 to £15 plus delivery charges. Buying them online can easily increase their cost by 25% or more. Use the Web to find better offline deals.

**Think Aerating, Low-flow Faucets and Showerheads.**

- When you're considering buying a new home, you can plan for energy savings from the ground up with an energy-efficient homebuilding project and various grants from the government.

**Debt & Our Stress Reactions To It: Chapter 16.**

Page 55.

1. The effects that debt worries have on us.

**WHY ARE WE SO STRESSED OUT DEBT?**

We're living in very trying and difficult times and things don't seem to be getting any easier. Sometimes life can seem terribly painful and unfair, yet somehow we manage to struggle on, day after day, hoping and praying that things will soon get better.

But day by day the world is becoming a crazier and more uncertain place to live in, not to mention stressful. Nothing seems safe anymore. Millions of people are in record levels of debt. Many are losing their jobs, their homes, their health and sometimes even their sanity. Worry, depression and anxiety seem to have become a way of life for way too many people. We seem to have entered the Age of Anxiety. In fact, as far back as 2002, the cover of Time magazine proclaimed this loud and clear on one of their covers as the featured story in that issue. The constant stress and uncertainties of living in the 21st century have certainly taken their toll, and as a result many of us seem to live a life of constant fear and worry.

When the terrorist attacks happened on September 11, and then in the UK this constant stress and worry seemed to just be magnified. In fact, many people report they are still afraid that something of that magnitude could happen again – perhaps closer to them. Turn on the news or open up a newspaper and we are bombarded with disturbing images and stories. We begin to wonder if we are safe anywhere. In this, the information age, never before have we had so much access to so much data.

The economy is another stressor. The UK is in debt and so are many UK consumers. Soaring fuel prices, outrageous housing costs, even the cost of food has sent many people to work in jobs that are unsatisfying and tedious. They work these jobs because they need the money.

Today, it's more important to bring home the bacon rather than work in a dream career. Having more women in the workplace adds to the stress. So many women feel the need to be everything to everyone and that includes as an additional wage earner, house keeper, mother, wife, daughter, and sibling. The only problem with that is some women just don't make any time for themselves thus contributing to their stress levels being at an all-time high.

Even children can feel the pressure of stress and anxiety. Teenagers who want to go to college find themselves pushing themselves during their studies to try and obtain scholarships so they can attend colleges or universities that have ever increasing tuition costs. They find themselves having to hold down part-time jobs on top of all that to earn money for extras that their parents can no longer afford. Add peer pressure into the mix and you have a veritable pressure cooker!

Cell phones, internet, palm pilots, blackberries, i-pods – we are always on the go and always reachable. We don't make time to relax and enjoy life any more. Why not? We certainly should! We feel pressure to do these things because we think we HAVE to, not because we WANT to.

All too often, it's difficult for people to just say "No". Not saying that one little word piles up un-needed expectations and obligations that make us feel anxious. All of us will experience situations that may cause us to become stressed or feel anxious. The reasons are too many to note but can include, buying a property, having guests stay over (in-laws!), being bullied, exams, looking after children, managing finances, relationship issues, travelling etc.

Stress is a 'normal' function of everyday life. Only when it appears to take over our lives does it then become a problem. Everyone will have different reasons why a situation causes them pressure. As a rule it's usually when we don't feel in control of a situation, then we feel its grip tightening around us causing us to feel worried or 'stressed'.

If stress is caused by us not feeling in control of a situation, the answer is to try and reverse this, and regain that control. The good news is: YOU CAN!

You have everything inside you that you need to overcome your stress and the accompanying anxiety. The problem is, often we don't realize that we are in control because we feel so out of control at time. But the tools are there, you just have to use them. Let's first look at the barriers we put up that are preventing us from becoming healthy and getting rid of our anxiety and stress.

### **BLOCKING BEHAVIORS KEEPING YOUR STRESS WORRIES ALIVE**

There are three obsessive behaviours that you are likely to be engaging in that impeded your healing process and stop you from enjoying a stress-free life. Recognizing these barriers can be a great first step toward getting rid of the problems that go with being too stressed.



The first is obsessive negativity. When you are obsessively negative, it means that you have a tendency toward being "negative" about people, places, situations, and things in your life. Perhaps you find yourself saying things like "I can't do this!" or "No one understands!" or "Nothing ever works!", for example. You may be doing this unconsciously, but essentially you have what's known as a "sour grapes" attitude, and it holds you back from knowing what it's like to view life from a positive lens and enjoy the beauty in yourself and people around you! There's a whole world out there for you...with happiness and positive thinking.

Then you have obsessive perfectionism. When you engage in obsessive perfectionism, you are centered on trying to do everything "just so" to the point of driving yourself into an anxious state of being. You may find yourself making statements such as, "I have to do this right, or I'll be a failure!" or "If I am not precise, people will be mad at me!" Again, this behavior may be totally under the threshold of your awareness, but it interferes greatly with your ability to enjoy things without feeling "uptight" and "stressed."

Finally there is obsessive analysis. When you are obsessed about analyzing things, you find yourself wanting to re-hash a task or an issue over and over again. For instance, you might find yourself making statements such as, "I need to look this over, study it, and know it inside and out...or else I can't relax!" or "If I relax and let things go without looking them over repeatedly, things go wrong!"

While analytical thinking is an excellent trait, if it's done in excess you never get to stop and smell the roses because you're too busy trying to analyze everything and everyone around you. Gaining insight into this type of behavior is one of the most important keys to letting go of stress, and getting complete power over your anxiety.

If you find yourself engaging in any of the above "Blocking Behaviors", there are two things you can do to help yourself. First, ask the people you know, love, and trust, "Am I negative about things?", "Do I complain a lot?", and "Am I difficult to be around?" This may be hard for you to listen to, as the truth sometimes hurts a great deal. But the insight you will get from others' assessment of you is invaluable, and you'll know precisely how others see you. Accept their comments as helpful info, and know that you will gain amazing insights from what you hear.

Second, keep a journal to write down and establish patterns of when you are using "blocking behaviors." Even if you are not thrilled with the idea of writing, you can make little entries into a note book or journal each day. The great part is that you'll begin to see patterns in your behavior that reveal exactly what you're doing to prevent yourself from curing your anxiety.

We'll give you some great stress busting techniques later in the book, but you need to recognize these blockages first so you can move into the "healing" stage and conquer your stress and anxiety.

Many people think that stress and anxiety are the same thing. This couldn't be further from the truth!

### **STRESS OUT BY DEBT WORRIES OR BY ANXIETY**

Contrary to popular belief, there is a difference between stress and anxiety. Stress comes from the pressures we feel in life, as we are pushed by work or any other task that puts undue pressure on our minds and body, adrenaline is released, extended stay of the hormone causes depression, a rise in the blood pressure and other negative changes and effects.

One of these negative effects is anxiety. With anxiety, fear overcomes all emotions accompanied by worry and apprehension, making a person a recluse and a bagful of jitters. Other symptoms are chest pains, dizziness, and shortness of breath and panic attacks.

**Stress** is caused by an existing stress-causing factor or stressor. Anxiety is stress that continues after that stressor is gone. Stress can come from any situation or thought that makes you feel frustrated, angry, nervous, or even anxious. What is stressful to one person is not necessarily stressful to another.

**Anxiety** is a feeling of apprehension or fear and is almost always accompanied by feelings of impending doom. The source of this uneasiness is not always known or recognized, which can add to the distress you feel.

Stress is the way our bodies and minds react to something which upsets our normal balance in life; an example of stress is the response we feel when we are frightened or threatened. During stressful events our adrenal glands release adrenaline, a hormone which activates our body's defense mechanisms causing our hearts to pound, blood pressure to rise, muscles to tense, and the pupils of our eyes to dilate.

A principal indication of increased stress is an escalation in your pulse rate; however, a normal pulse rate doesn't necessarily mean you aren't stressed. Constant aches and pains, palpitations, anxiety, chronic fatigue, crying, over or under- eating, frequent infections, and a decrease in your sexual desire are signs you may notice which indicate you may be under stress.

Of course, every time we are under stress, we do not react to such an extreme and we are not always under such great duress or fear every time we are confronted with a stressful situation. Some people are more susceptible than others to stress; for some, even ordinary daily decisions seem insurmountable. Deciding what to have for dinner or what to buy at the store, is a seemingly, monumental dilemma for them. On the other hand, there are those people, who seem to thrive under stress by becoming highly productive being driven by the force of pressure.

Research shows women with children have higher levels of stress related hormones in their blood than women without children. Does this mean women without children don't experience stress? Absolutely not!

It means that women without children may not experience stress as often or to the same degree which women with children do. This means for women with children, it's particularly important to schedule time for yourself; you will be in a better frame of mind to help your children and meet the daily challenge of being a parent, once your stress level is reduced.

Anxiety, on the other hand, is a feeling of unease. Everybody experiences it when faced with a stressful situation, for example before an exam or an interview, or during a worrying time such as illness. It is normal to feel anxious when facing something difficult or dangerous and mild anxiety can be a positive and useful experience.

However, for many people, anxiety interferes with normal life. Excessive anxiety is often associated with other psychiatric conditions, such as depression. Anxiety is considered abnormal when it is very prolonged or severe, it happens in the absence of a stressful event, or it is interfering with everyday activities such as going to work.

The physical symptoms of anxiety are caused by the brain sending messages to parts of the body to prepare for the "fight or flight" response. The heart, lungs and other parts of the body work faster. The brain also releases stress hormones, including adrenaline. Common indicators of excessive anxiety include:

- Diarrhoea
- Dry mouth
- Rapid heartbeat or palpitations
- Insomnia
- Irritability or anger
- Inability to concentrate

- Fear of going “crazy”
- Feeling unreal and not in control of your actions which is called depersonalization

Anxiety can be brought on in many ways. Obviously, the presence of stress in your life can make you have anxious thoughts. Many people who suffer from anxiety disorders occupy their minds with excessive worry. This can be worry about anything from health matters to job problems to world issues.

Certain drugs, both recreational and medicinal, can also lead to symptoms of anxiety due to either side effects or withdrawal from the drug. Such drugs include caffeine, alcohol, nicotine, cold remedies, and decongestants, bronchodilators for asthma, tricyclic antidepressants, cocaine, amphetamines, diet pills, ADHD medications, and thyroid medications.

A poor diet can also contribute to stress or anxiety -- for example, low levels of vitamin B12. Performance anxiety is related to specific situations, like taking a test or making a presentation in public. Post-traumatic stress disorder (PTSD) is a stress disorder that develops after a traumatic event like war, physical or sexual assault, or a natural disaster.

In very rare cases, a tumor of the adrenal gland (pheochromocytoma) may be the cause of anxiety. This happens because of an overproduction of hormones responsible for the feelings and symptoms of anxiety.

While anxiety may seem a bit scary, what's even scarier is that excessive anxiety and stress can lead to depression. Suffering from depression can be a lifelong struggle as I well know, but the good news is that all of this is manageable!

I think if you are suffering from serious debt worries then the accompanying stress and anxiety reaction will be all too familiar to you.

### **HELP IS AT HAND - STRESS MANAGEMENT**

As we've said before, stress is a part of life. There's no getting away from it. In fact, some stress is good stress. You may not believe that, but sometimes stress can motivate us to do things we may not normally do in a relaxed state. Stress can make us brave enough to go forward when normally we might hesitate.

We have to be resilient in order to effectively cope with stress and help it enhance our life instead of control it. How do you get strong and resilient? By learning how to take control of your stress and make it work FOR you instead of AGAINST you.

Recognizing stress symptoms can be a positive influence in that we're compelled to take action – and the sooner the better. It's not always easy to discern why you have the stress in each situation but some of the more common events that trigger those emotions are the death of a loved one, the birth of a child, a job promotion, or a new relationship. We experience stress as we readjust our lives. Your body is asking for your help when you feel these stress symptoms.

We're going to give you many suggestions in this chapter. Not all of them will work for you, but we're willing to bet that some of them will.

There are three major approaches to manage stress. The first is the action-oriented approach. In this method, the problems that cause stress are identified and necessary changes are made for a stress free life. The next approach is emotionally oriented and in it, the person overcomes stress by giving a different color to the experience that caused stress. The situation, which causes stress, is seen humorously or from a different angle.

I especially advocate this approach to stress management. Sometimes if you don't laugh at a situation, you'll cry – uncontrollably. That's no solution. So learn to see the humor instead of the doom.

The third way is acceptance-oriented approach. This approach focuses on surviving the stress caused due to some problem in the past.

The first stress management tip is to understand the root cause of your stress. No one understands your problem better than you do. A few minutes spend to recognize your true feelings can completely change the situation.

During this process, identify what triggered the stress. If someone close to your heart is nearby share it with the person. If you are overstressed and feel you are going to collapse, take a deep breath and count till ten. This pumps extra oxygen into your system and rejuvenates the entire body.

When under severe stress meditate for a moment and pull out of the current situation for a little while. Stand up from your current position and walk. Stretch yourself. Soon you will find that the stress has lessened.

This is because you have relaxed now and relaxation is the best medicine for stress. Smiling is yet another way of stress management. If you are at the work place, just stand up and smile at your colleague in the far corner. You will see a change in your mood. Learn some simple yoga or mediation techniques.

You can also invent your own stress management tips. The basic idea is to identify the cause of stress and to pull out from it for a moment and then deal with it. Taking a short walk and looking at objects in nature is another stress reliever.

Drinking a glass of water or playing small games are simple stress management techniques. The whole idea is change the focus of attention and when you return to the problem, it does not look as monstrous as you felt before.

**Here are five quick steps you can take toward relieving stress:**

1. Don't just sit there. Move! According to many psychologists, motion creates emotion. You might notice that when you are idle, it's easier to become depressed. Your heart rate slows down, less oxygen travels to your brain, and you are slumped somewhere in a chair blocking air from reaching your lungs.

I challenge you right now, regardless of how you are feeling, to get up and walk around at a fast tempo. Maybe you might want to go to an empty room and jump up and down a little bit. It may sound silly but the results speak for themselves. Try it now for a few minutes. It works like magic.

Exercise can be a great stress buster. People with anxiety disorders might worry that aerobic exercise could bring on a panic attack. After all, when you exercise, your heart rate goes up, you begin to sweat, and your breathing becomes heavier. Don't panic – it's not an attack! Tell yourself this over and over while you're exercising. Realize that there's a big difference between the physical side of exercise and what happens when you exercise.

2. Smell the roses. How do you smell the roses? How about investing some money to go on that one trip you've been dreaming about? Visit a country with lots of exotic places to jolt your imagination and spur your creativity. You need to detach from your daily activities and venture a little bit.
3. Help others cope with their problems. It is very therapeutic when you engross yourself in helping others. You will be surprised how many people's problems are worse than those you may be facing. You can offer others assistance in countless ways. Don't curl up in your bed and let depression and stress take hold of you.

Get out and help somebody. But be careful. Don't get caught up in other people's problems in an attempt to forget about your own.

4. Laugh a little. By now you've heard that laughter is a good internal medicine. It relieves tension and loosens the muscles. It causes blood to flow to the heart and brain. More importantly, laughter releases a chemical that rids the body of pains.

Every day, researchers discover new benefits of laughter. Let me ask you this question: "Can you use a good dose of belly-shaking laughter every now and then?" Of course you can. What are you waiting for? Go a comedy club or rent some funny movies.

You now have a few quick fixes when you're feeling stressed – I am not saying they will work for you but I am sure that you would be willing to try anything, that had the prospect of potential relief when stress strikes.

## **MORE STRESS MANAGEMENT**

### **5. Make stress your friend**

Acknowledge that stress is good and make stress your friend! Based on the body's natural "fight or flight" response that burst of energy will enhance your performance at the right moment. I've yet to see a top sportsman totally relaxed before a big competition. Use stress wisely to push yourself that little bit harder when it counts most.

### **6. Stress is contagious**

What we mean by this is that negative people can be a huge stressor. Negativity breeds stress and some people know how to do nothing but complain. Now you can look at this in one of two ways. First, they see you as a positive, upbeat person and hope that you can bring them back "up". If that's not it, then they're just a negative person and can't feel better about themselves unless those around them are negative as well.

Don't get caught up in their downing behavior. Recognize that these kinds of people have their own stress and then limit your contact with them. You can try to play stress doctor and teach them how to better manage their stress, but be aware that this may contribute more to your own stress, so tread lightly.

### **7. Copy good stress managers**

When people around are losing their head, which keeps calm? What are they doing differently? What is their attitude? What language do they use? Are they trained and experienced? Figure it out from afar or sit them down for a chat. Learn from the best stress managers and copy what they do.

**8. Use heavy breathing.**

You can trick your body into relaxing by using heavy breathing. Breathe in slowly for a count of 7 then breathe out for a count of 11. Repeat the 7-11 breathing until your heart rate slows down, your sweaty palms dry off and things start to feel more normal.

**9. Stop stress thought trains.**

It is possible to tangle yourself up in a stress knot all by yourself. "If this happens, then that might happen and then we're all up the creek!" Most of these things never happen, so why waste all that energy worrying needlessly?

Give stress thought-trains the red light and stop them in their tracks. Okay so it might go wrong – how likely is that and what can you do to prevent it?

**10. Know your stress hot spots and trigger points.**

Presentations, interviews, meetings, giving difficult feedback, tight deadlines..... My heart rate is cranking up just writing these down!

Make your own list of stress trigger points or hot spots. Be specific. Is it only presentations to a certain audience that get you worked up? Does one project cause more stress than another? Did you drink too much coffee?

Knowing what causes your stress is powerful information, as you can take action to make it less stressful. Do you need to learn some new skills? Do you need extra resources? Do you need to switch to de-cafeinated coffee?

**11. Eat, drink, sleep and be merry!**

Lack of sleep, poor diet and no exercise wreaks havoc on our body and mind. Kind of obvious, but worth mentioning as it's often ignored as a stress management technique. Listen to your mother and don't burn the candle at both ends!

Avoid using artificial means to dealing with your stress. That means don't automatically pour a glass of wine when you think you're getting stressed out and don't light up a cigarette. In actuality, alcohol, nicotine, caffeine, and drugs can make the problem worse. A better idea is to practice the relaxation techniques we've given you. Then, once you're relaxed, you can have that glass of wine if you want.

**12. Go outside and enjoy Mother Nature.**

A little sunshine and activity can have amazing ramifications on your stress level and will enhance your entire outlook towards life. Your improved attitude will have a positive effect on everyone in your family and/ or circle of friends; things which seem overwhelming will soon become trivial matters, causing you to wonder what the predicament was. Not only will you be less stressed, you will be healthier, happier, and more energetic; ready to face whatever obstacles come your way.

**13. Give yourself permission to be a 'kid' again.**

What did you enjoy when you were a child? Draw; paint; be creative. Play with Play-dough, dance, or read. Play music, allow yourself freedom to express yourself without worry that you're not keeping with the image of who you are 'supposed' to be. Just relax and enjoy yourself. We all have a little child in us and it's a good idea to allow expression of the child within from time to time.

14. Don't set unrealistic goals for yourself. Many of us set ourselves up for defeat simply by setting unrealistic goals for ourselves. For example, if you are dieting, realize you cannot lose 40 pounds in one or two months.

Or maybe you are trying to reach a goal of obtaining a particular job position; whatever your goal is allow sufficient time to reach your goals and realize occasional setbacks may occur.

If you reach your goal without any delays, you will be even happier with yourself for arriving quicker than you planned, but don't expect it. In fact don't expect anything; expectations and reality are often two entirely different things.

15. Learn it is OK to say 'no' occasionally. Often, many of us feel we have to say 'yes' to everyone, every time we are asked for help and feel that we must respond in a positive fashion. But, remember, you cannot be all things to all people. You must first meet your own needs before you can truly give others what they need while at the same time keeping yourself happy.

16. You do not have to do everything your family, friends, and others ask. Of course you can help others, but first make sure you have done what is necessary to take care of yourself.

Make time for yourself, your number one priority; once your own needs are met you will find you have more time for others. And you may find more pleasure in helping others when you don't feel that you must always put others needs before your own.

**What Now?**

If you've learned nothing else from this e-book, I hope you realize and understand that there is NO WAY to completely eliminate stress from your life. What you can do is to learn how to make that stress work FOR you.

Stress management isn't as difficult as it might actually seem. However, we can't emphasize this next point enough. If you think you have too much stress in your life, it may be helpful to talk with your doctor, spiritual advisor, or local mental health association.

Because reactions to stress can be a factor in depression, anxiety and other disorders, they may suggest that you visit with a psychiatrist, psychologist, social worker, or other qualified counselor.

Having experience stress first hand as well as seen its effects on many clients my main aim in this section of the e-book is to give you some tools to implement changes in your life to help you better cope with those things that make us overwhelmed and feel out of control. Debt worries and the accompanying stress they bring are manageable.



You may also want to look into time management tools in order to get rid of some of your stressors. When we feel like we don't have enough time to do the things that need to be done, that creates more stress and can lead to anxiety which, believe me, you don't want to have! Stress management tips are simple cost effective methods to effectively check stress. They can be practiced anywhere and at anytime. Well, almost!

If you feel you are in need of help, do not hesitate. You might not be correct always. The cause of your stress might be for no reason at all. But it might be physical in its roots. Someone else might be able to solve it easily. Understand your limitations and it can relieve stress to a large extent.

Stress is a normal part of life. In small quantities, stress is good -- it can motivate you and help you be more productive. However, too much stress, or a strong response to stress, is harmful.

It can set you up for general poor health as well as specific physical or psychological illnesses like infection, heart disease, or depression. Persistent and unrelenting stress often leads to anxiety and unhealthy behaviors like overeating and abuse of alcohol or drugs.

Just like causes of stress differ from person to person, what relieves stress is not the same for everyone. In general, however, making certain lifestyle changes as well as finding healthy, enjoyable ways to cope with stress helps most people. I hope that I've given you some great ways of dealing with the stress that we all feel!

Above all, remember that you are in no way alone in this battle. There are hundreds of thousands of people out there who feel overwhelmed and on occasions feel completely out of control when worrying about their debt related problems. It is important that you are informed of how to deal with this problem when it arises and that you are not alone.

## **Recession Proofing Your Life: - Chapter 17.**

**Page 64.**

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## Reviews & Conclusions - Chapter 18.

Page 65.

### 1. Summary - Life after debt.

Is there life after debt? We are all heading towards unpredictable times; debt is now fuelling our ability to live at the very basic level. In the UK the social and economic policies adopted over the years have kept real incomes low. Today 85% of debt in the UK is estimated to be mortgage and credit card related. Who in their right mind would have thought 10 years ago that you could get a 125% mortgage! Based on multiple mythical incomes. Northern rock almost died a sudden death because of its “buy to let” “insanity coupled with mad management, selling these products.

We all assumed that our Central Bankers at the Bank of England and indeed our government had a good grip of all that was happening and now we know they did not. In the past 7 years our government debt has jumped, next year our interest payments alone on government debt will be far greater than our combined Armed Forces budget !

There is no doubt that the financial sector built and helped us to blow up the bubble, with all the cheap capital fed into the markets from mythical deals and phantom derivatives and asset values. We were all really fooled by the complex nature of the derivatives, hedge fund transactions and machinations. The hedge funds main tactic was to place liabilities off the books by clever accounting, there in lay the root cause of being able to assess actual debt, they just hid it away in the clouds. That cannot happen again.

During all of this time the regulators have never really been able to “Measure the Risk” properly, government keeps taking the money as addicted as we were, so that it could finance out its promises to the electorate with one eye on the next election – Call me cynical, but as the money previously just rolled into HM coffers the government was mesmerised by the City as an endless source of income. For 10 years now we have all been trying to recover from past errors of policy and of course the medicine of austerity but now we have a huge structural deficit, pension voids and a looming large hole where the income used to come from and serious borrowing on the horizon to deal with this pandemic and rightly so until it's over.

How did we all accept a situation where the banks were preaching returns of 15% to 20 % but the economy was growing at 2% to 3%, was it not obvious? Our leaders most certainly lacked the necessary wisdom to foresee the consequences of an unquantifiable and non visual risk environment driving this monolith. We cannot revisit that again.

### **Intelligence without wisdom is indeed dangerous.**

In 2008 our overall political system failed us all at our time of need. QE - quantitative easing was not the answer, our Central Bankers all thought. The lack of checks and balances that we hoped a parliament would bring did not materialise. But for a few drowned out voices, the malaise of the current problems and future problems to come was never addressed or predicted.

Our central bank the Bank of England noted the problems but failed to act. No one was prepared to start damping down the bubble then and we are going to have a far more serious recession problem looming in the

future. The same old problems are starting to haunt the corridors of the Bank Of England, a recession and financial crisis are now inevitable as is a huge market correction, the pandemic has brought all sectors into focus, it's a fact the UK and indeed the world will change forever, hopefully for the better once this has passed.

Blind faith in free markets will be under the spotlight and being seriously questioned in the UK USA and Europe. The current course end of "QE" or printing more money for free is not the solution, but it is a current solution, it will certainly temporarily dampen the flames. But most politicians will now expect that we are entering into a 5 to 8 year pain zone, the good old days will not return quickly, double and even triple dips are on the way. The UK is not best placed to ride the coming storms, but it is able, additionally with Brexit we will get tax and then more tax this is the only diet planned for this and fourth coming governments.

The real problems will start when pensions have to be drawn in the next 10 to 15 years that is when people will find out that what they were expecting is now much reduced, who would be a politician or banker then.

It is our nature to be optimistic, having been immersed in all matters debt related for the past 30 years. We reckon that the UK and its people will rise to the occasion yet again and struggle through. There are all sorts of good things that will develop from this pandemic and financial pain, we will concentrate more on what we need not what we want, new ideas and inventions to save on things or reduce waste will abound. My worry though is that people in real debt throughout the UK will be missed out now more than ever.

With the coming financial contraction and food banks being the norm, it will fall on all of us to maybe just take a little time to look around and see other people within our own little communities. I do really believe that charity MUST begin at home. You do not need to look more than a couple of miles from any UK town to be made aware that things are just not right for some and that only you and I with the smallest spark of contribution financial or time can help out.

We live in interesting time.

Best regards - iPlans Team.

## Reference – Chapter 19.

Page 66.

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