

# Beat the CREDIT CRUNCH

Who has time to read the financial pages? Instead, make a difference to your bank balance today, with these tips from money-savvy women **Words** Jill Foster

## GET GOOD ADVICE

**RUTH SHEARN, 46, managing director and owner of RMS Public Relations, Cheshire**

As more women are setting up businesses from home, it's worth getting professional advice wherever you can. It can be expensive, but you will reap the benefits.

Four years ago, I invested in a three-bedroom house and got planning permission to change its use to offices. As my business grew, I wanted to invest in bigger offices, but thought that getting a mortgage for the new offices would incur all kinds of high costs. After seeking professional advice, I found out I could levy the new offices through my self-invested personal pensions (SIPP) fund. The upshot is that I'm recouping the VAT (over £80,000) and making numerous other savings offset against tax. It was worth paying an expert to tell me that.'

**TOTAL SAVED SO FAR =  
Over £100,000**

## SEE THE LIGHT

**LAURA MCADAM, 27, general manager for Online Direct, Northampton**

Energy-saving lightbulbs are an easy way to lower the price of my bill, so I replaced 12 bulbs. My next bill was down over £30 and I've saved £150 in just a year.

**TOTAL SAVED SO FAR = £150**



## RENT A ROOM

**JOANNE WOOD, 32, operations manager for a security company, Peterborough**

I visit spareroom.co.uk to get lodgers.

You're allowed to make £4,250 a year tax-free on rent. I only rent out one room now, but have let two out at a time in the

past and have been doing it since the year 2000. I've had about 10 lodgers. It's a great way of saving money and meeting people.

**TOTAL SAVED SO FAR = £20,000**

## MOVE ABROAD

**LUCIE MORRIS, 32, owns PR company luciemorrismedia.com, Australia**

'When I was offered the chance to work in Sydney two years ago, I considered selling up, but then asked a letting agent how much I could rent my flat for. In two years, the flat has increased dramatically in value, making it a great long-term investment, even in the current climate. Plus, living costs in Sydney – while expensive for Australia – are lower than London. I plan to let my tenants pay off my mortgage and, including future interest, I'll still have around £200,000 left.'

**TOTAL SAVED SO FAR = £208,400**

## SORT YOUR MORTGAGE

**ALISON BURNS, 44, director of mortgage sales at Lloyds TSB, Buckinghamshire**

Now that the credit crunch is hitting homeowners, get a new mortgage deal sorted before your current offer expires. If you don't, you will automatically be moved on to your lender's standard variable rate (SVR), which could be over two per cent higher than what you're currently paying. I suggest visiting a branch and talking to a mortgage advisor. Sitting on the SVR will cost you heavily. For example, if you had a £250,000 mortgage and switched to a five-year fixed deal at 5.69%, you could save around £250 a month – that's almost £15,000 over the length of the deal!

**TOTAL SAVED SO FAR = £15,000**

## BE AN OPPORTUNIST

**FELICITY KNIGHTS, 35, marketing communications agency company director, Hampshire**

I'm an opportunist and, when the financial markets dropped this year, I bought shares. You can earn up to £9,200 before capital gains tax kicks in. I've taken advantage of this for around five years. Also,

ditch the company car and negotiate a car allowance, instead. A brand new mid-range car costs £300-£350 per month in tax, so why not increase your take-home salary, instead?

**TOTAL SAVED SO FAR = £80,000**

## WALK THE DOG

**HELEN GORMAN, 35, sports marketing company director, Nottingham**

'Three years ago, I gave up my £65-per-month gym membership, in favour of running outdoors. I also got some friends together and we do our own running and circuits' sessions in the park. Even walking the dog keeps you active.'

**TOTAL SAVED SO FAR = £2,340**



## KEEP BUSINESS SIMPLE

**CHRISTIANNE JAMES, 39, owner of a gifts business, 4little1s.com, Surrey**

'This year, I started my own online business. Just forming an online company can cost £300, because you work with an accountant, who uses an agent working with Companies House, and they can take up to three months to process the registration. I used Made Simple Group to get my company registered in a couple of hours and for just £24.99 plus VAT. I filed the form online and it made my business insurance about £100 cheaper, too. Going straight to the insurers simply wouldn't have given me the same deal. Now, I have a website that sells gifts for babies, mums and pregnant women. It means I'm able to look after my children at home, so also saves me around £3,000 a year in childcare.'

**TOTAL SAVED SO FAR = £3,375**

## SHOP SMART

**WENDY BOULT, 38, financial controller, Surrey**

Last year, I signed up to Quidco (quidco.com). Once you're a member, you can do your everyday online shopping at hundreds of sites, such as John Lewis, Boots and HMV, but you get cashback for every purchase you make. I recently signed up for a particular credit card through the site and, straight away, they paid me £41. I told my colleagues and they all signed up for one, too! So far, the most I've saved in a month is £220, which I used to treat my daughters.'

**TOTAL SAVED SO FAR = £1,400**

## USE THE ONLINE COMMUNITY

**EMMA HACKFORTH, 38, headhunter and owner of The CV Clinic, Bath**

When my husband and I wanted to buy our business three years ago, we needed £5,000, and the banks were reluctant to offer us such a small amount – even though we had a mortgage. Zopa.com – the online loans community – was our saviour. Basically, members of Zopa offer other members money for whatever they need – for a new kitchen, a new bathroom or to set up a business. It's based on trust, and cuts out much of the pomp and ceremony of getting a loan. We applied for £5,100, and 510 members loaned us £10 each at an interest rate of 8 per cent. This was compared with my bank or credit card, which would have cost me around 14 per cent. It was so easy. Each member is protected financially. We paid Zopa back and even took out another loan recently of £5,250, to buy resources for our business. It's a wonderful way to borrow and a great money saver.

**TOTAL SAVED SO FAR = £621 in interest**

## GET ISA-SAVVY

**HEATHER MORGAN SALTHOUSE, 34, receptionist, Essex**

'Five years ago, I gave up alcohol. I discovered that I was spending around £40 a week on it and that amazed me. I've not touched a drop since. That's saved me over £10,000 in five years. I use the money I save to make the most of ISAs. I signed up to moneysavingexpert.com and they email me every week with the best offers. In fact, this morning, I got an email

from them saying that Barclays was offering a 6.5 per cent rate on their ISA, so I opened one today with £3,600. I've been using ISAs for the last eight years or so, and have saved around £24,000 in total. I dip in and out to buy large purchases, like cars, but, if I can, I leave it alone to build up tax-free interest.'

**TOTAL SAVED SO FAR = £34,000**

## CHECK YOUR CREDIT REPORT

**MEL MITCHLEY, 42, director at credit reference agency Callcredit, Leeds**

It's surprising how many people are nervous about checking their credit report – some think that it's costly and complex, while others

simply don't see the need. But checking it is an essential step towards taking control of your finances – it helps you to get the best possible deal when it comes to, say,

changing mortgages. I know I've just saved over a thousand pounds. Visit callcreditcheck.com.'

**TOTAL SAVED SO FAR = £1,500**