



## **Top Tips for Surviving the Credit Crunch** **Linda Cleaves of LC Mortgages Ltd.**

Making the most of what you have is more important than ever during the credit crunch below are some tips for saving money and making what you have work harder. When reviewing clients finances I always look at the bigger picture and these are some of the strategies I suggest for both my Commercial and Residential clients.

1. Review your mortgages on both Residential & Commercial front. Rates are falling so saving just 1% on a £100,000 mortgage will save you £1000 a year. Lenders often offer free packages to gain clients. Consider taking a flexi deal so you can draw down money if you need it for unexpected bills as this type of deal is excellent for the self employed with erratic cash flows.
2. Life Insurance rates fell 6% this month and have reduced considerable over the last 3 years. Get a new quote and compare it with your current deal from a whole of market broker. If you haven't got life insurance get some not having it is leaving your family in a vulnerable position should the worst occur. Five foot tall & wide also smoke like a chimney – don't worry we have insurers who don't load the rates for you we can still get you insured.
3. Professional and Buildings Insurances – again an easy way to save money get quotes via a broker who will source you the best deal and negotiate discounts on your behalf.
4. Check you bank charges – some lenders offer an initial free period or free banking altogether. So 100 transactions at 40p may only be £40 a month but that is £480 per year it all adds up
5. Credit Cards – switch to cards that offer 0% on balance transfers and purchases – they are still out there. These cards are especially good for people lucky enough to clear the balance each month and for those that can't save money on what you owe. There are still offers out there.
6. Cash Flow is king. Improve yours by using a Factoring service. They pay you upfront, manage the debt and just take a small commission.
7. Manage your bad debts. Getting a third party to collect on your behalf ensures that it shows you mean business whilst remaining professional and not destroying your relationship with your client. This is service is cheaper than you think.

8. Consider a loan either Secured or Unsecured to provide a cash injection into the business.
9. Asset finance can be useful enable the equipment within your business to provide you with cash. Use all your assets effectively especially your staff. Review your business plan to see where you can save costs and improve turnover. If it needs improving visit the Business Link website which contains tools to help you or there are lots of business consultants who specialize in this field.
10. Make your accountant work hard – ask them to review your business to see where you can cut costs or save on the tax bill.
11. Look long and hard at your Gas, Electric and Phone Bills – see if Utility clubs could reduce your monthly cost or at least fix your bills guarding against increases.

I am here to help – **if you would like to discuss any of these points in more depth or require one of the services suggest please ring me on 01823 680830 or 07929902163**

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