

What is an ISA and how does it work?

ISA stands for an (1) _____

ISAs are another way to (2) _____ money and earn interest (3) _____. The interest rate that applies to the ISA will help the person opening and investing in the ISA (4) _____ their money.

Essentially ISAs are a way to invest money into a savings account without getting (5) _____ (unlike other types of savings). For this reason they are referred to as a (6) _____

You can invest up to a set amount in an ISA every financial year (April to April), this varies depending on the type of (7) _____. There are two ISAs that are commonly referred to: Cash ISAs and Stocks & Shares ISAs. However there are others and they all work slightly differently. You can invest in one or more, up to a maximum of (8) _____ combined.

Word bank

- ISA
- Tax wrapper
- Save
- Grow
- Individual savings account
- Taxed
- £20,000
- Interest