

# 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.

**taxed**

**grow**

**individual savings account**

**interest**

**save**

**tax  
wrapper**

**ISA**

**£20,000**