

MONEY AND BANKS

BANK ACCOUNTS

Bank statement – the list of transactions from a bank.

'You can view your bank statements now online.'

A payslip – a note given to an employee, showing their salary and any taxes deducted.

'To qualify for a loan you usually have to show at least three months' worth of payslips.'

To pay something back in **instalments** (UK) **installments** (US) – small, regular payments to pay back money to a bank or other organisation.

To save, savings (noun) – to keep money back for the future.

'My parents told me to always try to save 20% of my salary each month.'

To save up for something – to save for something in particular.

'My brother is saving up for a new car. He is half way there already.'

Income – all the money you receive on monthly or annual basis such as your salary, interest on savings and investments.

Outgoings – all the money that you spend on a monthly or annual basis.

'Our outgoings are smaller than our income, thank goodness. If it were the reverse, we would be in trouble!'

LOANS

To be in debt – to have a debt with someone.

'Unfortunately, most adults nowadays are in debt, one way or another.'

Debt /det/ - the amount of money you owe.

'Debt is a non-phonetic word. You actually pronounce it "det".'

To borrow – to 'take' money (or something else) from someone or a bank and then pay or give it back.

'I had to borrow money from the bank to be able to set up my business.'

To lend – to 'give' money (or something else) to someone temporarily. You expect to get it back.

Lend, lent, lent.

'The bank lent me £10,000 to buy a new car.'

Interest rate – the proportion of a loan that is charged as interest to the borrower.

'Interest rates have been low since the financial crisis.'

To owe – the amount of debt you have to someone.

'He owes the bank thousands of dollars in unpaid loans.'

To pay off/ to pay back a loan – to return the money you borrowed.

'We are slowly paying off the money we owe on our credit cards.'

To take out a loan – to borrow an amount of money from a bank. ('Loan' is the noun of 'to lend').

'I took out a loan to buy a motorbike.'

To take out a mortgage /mortgag/ – to borrow an amount of money from a bank to buy a house. ('A mortgage' is the name of the loan to buy a house).

'My parents took out a mortgage to buy our house. It took them 30 years to pay back the loan.'

INVESTMENTS AND INHERITANCE

To go public/ to have an IPO (Initial Public Offering) – when the company decides to sell shares of the company to the public.

'The last big IPO from a Silicon Valley company was Uber.'

To invest, to make an investment – to put your money in an investment scheme to help it grow.

'Buying shares in that telecoms company was a good investment.'

Stocks and shares – small parts of a company which are bought and sold (not, 'actions').

'The shares decreased in value when the CEO announced that he was leaving.'

Stock exchange – where shares are bought and sold.

'The USA stock exchange is in New York.'

Shareholder – people who own shares.

'Companies hold shareholder meetings once a year.'

To inherit, inheritance – to gain money or another asset upon another person's death.

'My great-aunt died and left me \$40,000. Incredible! I didn't even think that she liked me.'

FAMILY FINANCES

Breadwinner – an old expression to refer to the person who earns the most in the family.

'For most of my life my father has been the breadwinner. But then he lost his job and my mother took over as breadwinner.'

Pocket money – small amounts of money you pay to children.

'What did you use to spend your pocket money on?' 'Sweets and chocolate mostly.'

A pay rise (UK), a pay raise (US) – when your salary increases.

'The workers got a 3% pay raise and so there was a celebration.'

A bonus – an extra amount of money for performing well at your job.

'The sales people got a bonus for achieving their sales targets.'

Wages vs. salary – 'wages' are calculated by the hour and a 'salary' by the month. Generally, wages are paid to people in blue-collar jobs such as shop assistants and labourers and salaries are paid to people in professional jobs such as teachers and lawyers.

FINANCIAL PROBLEMS

To be able to afford something – to have the money to buy something.

'We can't afford to go on holiday this year as we have had a lot of expenses recently.'

To be broke – to not have any money in that moment.

'I am broke this week. But I am getting paid on Saturday so I can go out then.'

To go broke – to have a personal financial disaster.

'My uncle went broke when his construction firm collapsed.'

To go bankrupt – when a company fails and has to close.

'Kodak went bankrupt when people switched from analogue cameras to digital ones.'