

TOPIC: **MONEY and FINANCE**

Sample answers, useful
vocabulary and resources
for IELTS speaking exam

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References to teaching and authentic materials related to this topic: IELTS blogs, podcasts, videos and articles

1. SAMPLE ANSWERS

PART 1

1. Do you like shopping?

- No, I don't. I am not a **hoarder** and only prefer to buy **high-quality things** that I know I definitely need. And this, of course, happens not that often.

2. Have you bought anything interesting recently?

- Yes, I did. I **desperately needed** new sneakers and found a beautiful pair of white ones.

3. How important is money to you?

- I consider money just a tool to achieve goals. Without it, it would be quite hard to get anything significant in life when it comes to **tangible** things that can be bought.

4. Do you think you will have lots of money in future?

- Yes, definitely. I am working hard right now to get a nice **well-paid job**. In the future, I will for sure be able to maintain a **good lifestyle**.

5. Would you like to become rich someday?

- Of course, I do. But this is not an end goal for me. I need money to **serve the humanity better**, because I want to build a chain of waste recycling plants in the future.

6. Do you think it is ok to lend money to friends or family members?

- I do not support those who rely on borrowing. However, sometimes it is okay to **lend money** as long as it serves a good cause.

7. Are you good at saving money?

- Yes, I consider myself very conscious when it comes to my **spending habits**.

8. Do you invest your spare money?

- Unfortunately, not yet, however, I have been thinking about investing it for quite some time. The thing is – I can't find enough time to properly **break this down** for myself.

9. Do you think financial literacy is at the high level across generations?

- In my opinion, young people generally think less about **money management** than adults. I expect this to change because of better education at schools and universities.

PART 2

Describe something you want to buy but can't afford.

You should say:

- **What you would like to buy**
- **How much it costs**
- **Why you can't afford it**
- **and explain if there is any other way you could acquire it.**

I would like to buy myself a car. This will be my first vehicle, because I have just got my driver's licence. I like travelling with comfort to work and around the city, but the heavy traffic during rush hours makes public transportation really inconvenient for me. However, I am very conscious about the environment and wouldn't like to spend money on a conventional automobile that will only contaminate the air we breath. Therefore, the perfect car for me would be an electric one – ideally, a Tesla.

Teslas **cost substantially more** than usual petrol cars. Their price fluctuates around 80,000 – 100,000 USD. What I especially love about it is that it's possible to design my own one – some parts of it can be customized.

Unfortunately, **I can't afford** this car right now – I have just graduated and entered the job market with not the highest ever salary. Also, I haven't **taken up a single loan**, and I am of a strong belief that credit must finance only investments that **generate future returns**. And such a **consumeristic purchase** as a car definitely won't earn me any money. In fact, I will only spend even more on planned maintenance. Thankfully, Tesla is not a vehicle that needs petrol, so I will majorly save on gasoline. Thus, I will wait for a couple of years, until my **pay** improves. I will also have a better range of car models to choose from.

PART 3

1. How much money is enough?

The question of a **sufficient amount of money** is absolutely subjective – everyone has their own **pay-rate** expectations (**idea**). This highly depends on the lifestyle one leads – on the quality of life one is accustomed to. In my opinion, one can surely say they have enough money when they are able to afford spontaneous purchases throughout the month without worrying about their next month **financial stability (explain)**. There are many modern online banking apps that allow to track monthly **spendings** and plan **future budgets** – they are a great helping hand indeed (**example**).

2. What problems does money cause in your society?

Money is the tool that solves many problems – from very small daily ones to huge infrastructural issues (**idea**). However, there are certain people whose individuality and character force them to make poor decisions when given too much money or power (**explain**). One of the most evident examples is politicians who are frequently corrupted, which makes them incompetent and inefficient public servants. Globalisation only exacerbates the gap between haves and have-nots. Many people **lack money** to sustain **day-to-day living**, while the rich become richer every day (**example**).

3. Do young people nowadays believe in saving money? Is it difficult for them?

The willingness and ability to save greatly depends on a person's character (**idea**). Since many young people are still not mature enough and prone to sudden mood swings, it is easier for them to **fall prey** to compelling ads, ending up with a bag of spontaneous purchases. In addition, many companies offer easy **payment terms**, so youngsters get tempted to spend more on things they do not really need (**explain**). A great example would be the rapid advancement in technologies that give access to instant credit from the **biggest and most reliable banks (example)**.

2. KEY VOCABULARY

charge

a price asked for goods or services

You no longer need to worry for future **charges** from this app and your membership is cancelled now.

loan

an amount of money borrowed from a bank

If you're looking for a **loan**, approach our local banks.

credit

money available for a client to borrow

Redland Bank will not normally extend **credit** to applicants under 18 years of age.

wealth

a large amount of valuable things or money

Wealth is not necessarily the same thing as money.

savings

the money that you have saved

I don't have a strong view as to how you should diversify your **savings**.

to earn

to get money for the work that you do

Indeed, up until recently the average English farmer **earned** £77 per week.

profit

financial gain, especially the difference between the amount earned and the amount spent

Typically, the higher the **profit** margin, the more the wealth a company accumulates over time.

finances

the money that an organization or person has

He refused to answer questions about his personal **finances**.

cost

an amount that has to be paid or spent to buy or obtain something

Since 2004, the building has been boarded up so that the **cost** of refurbishing has increased hugely.

discount

a reduction of the selling price of something or of the total cost of an invoice

I frequently ask for **discounts**.

refund

a repayment of a sum of money, typically to a dissatisfied customer

I have **refunded** the amount of \$14.95 back to your credit card.

budget

the amount of money a person or company has planned to spend

Robert Rodriguez first film, El Mariachi, was famously produced for a **budget** of \$7,000.

offer

an amount of money that someone is ready to pay for something

The creditors declined the **offer**, preferring to sell the estate themselves.

deposit

a sum of money that you pay immediately to prove that you will buy something

No **deposit** is necessary, and no payments need to be made during the first year of the agreement.

to spend

to use your money to pay for something

Managers are often wary about **spending** money on flat-screen monitors.

worth

used to describe that something has value especially in money

She received a year's membership **worth** £200 at the Lifestyle Fitness Suite in Morocco.

income

money received for selling goods or services

There are many ways to make a second **income**.

expense

the money spent on something

What are the living **expenses** in Sydney?

prosperity

the state of being wealthy and having everything that one needs for a good lifestyle

It is a fallacy (a mistaken belief) that obtaining a degree will inevitably result in a successful career and guaranteed **prosperity**.

luxury

expensive things that one enjoys but does not really need

Not only is it possible to live without a single **luxurious thing**, many people in the world do so.

afford

have enough money to pay for to buy something

We couldn't **afford** the house with the studio.

loss

the fact of losing something

First Bank does not expect any **loss** of revenue in the next quarter.

payment

a sum of money paid in exchange for goods or services

Card **payments** accounted for \$12 trillion globally in 2013.

revenue

income generated by selling goods and services

Everbrite reported \$760 million in gross **revenue** in 2012.

mortgage

a legal agreement in which one borrows money from a bank under property as a collateral

You don't truly own the house until you've paid off your **mortgage**.

downturn

a decline in economic, business, or other activity

Oil industry **downturn** is nothing new, it always comes in cycle.

bankrupt

a person or company who is unable to pay out debts because they have no money

Once you are **bankrupt** your unsecured creditors will cease contacting you.

bargain

a thing bought or offered for sale cheaper than usual or expected

He is proud of his ability to spot a **bargain**.

expenditure

amount of money spent by someone (person, company, government)

The government **expenditures** are covered by taxes or increasing money supply.

salary

monthly (yearly) payment that one earns from a job

What is your monthly **salary**?

debt

something, typically money, that is owed

Debt matters if it is too large compared to assets and income.

to withdraw

to take money out of a bank account

You have not got enough funds to **withdraw** this amount.

lend

to give someone money (or other assets) for a short time

You can only **lend** the book once, for a two-week period.

purchase

the action of buying something

Any purchase now can be made on-line.

to accumulate

to build up, get more

Nikson says he began **accumulating** his fortune in 1952, when his father, gave him \$5 for his fifth birthday.

to allocate

decide that money should be used for a certain purpose

The city government has **allocated** substantial funding in recent years for afforestation to control air pollution.

commodity

raw material or primary agricultural product to be bought and sold

Russia's economic crisis has been exacerbated by the drop in world prices for oil, its main export **commodity**.

to compensate

to give something, often money, to someone in order to make up for loss or suffering

The French government will also sign an accord with insurance companies to **compensate** victims of school violence.

decline

a gradual and continuous loss of strength, numbers, quality, or value

The market suffered its worst **decline** in 2008.

incentive

a thing that motivates or encourages one to do something

Economic **incentives** provide you the motivation to pursue your preferences.

lease

a legal contract by which one rents out something

The closer you are to the end of your **lease**, the more flexible your landlord is likely to be.

margin

the difference between how much money you get when you sell something and how much it costs you to buy or make it

The gross **margin** actually just turned positive for the first time in 2014.

merchant

a person or company whose job is to buy and sell goods

As a small **merchant**, you can sell not only on Amazon or eBay but also on other major marketplaces

manufacturer

a person or company that makes goods for sale

We supply, install and configure computers from leading **manufacturers**.

financial reward

money given in recognition of one's service, effort, work or achievement

As a charity we do not get any **financial reward** for our work.

tangible

noticeable, definite or physical

The majority of employers (99%) believe coaching can deliver **tangible** benefits to both individuals and organisations.

affluent

(formal) having a lot of money and a good standard of living; wealthy

My retirement income in the UK allowed us to lead a comfortable but certainly not **affluent** lifestyle.

fee

money paid regularly for ongoing service

The membership **fee** for the programme is \$600 a year.

3. WORD FORMATION

charge	noun	Price for delivery is included in the charge for each sandwich.
to charge	verb	You can charge any rent you agree on with the tenant.
free of charge	phrase	What's the best free-of-charge software for making an organisational chart?
investments	noun	My firm, GMD Partners, has 25% of our total investments in the financial services sector.
to invest	verb	When you can't keep savings in the form of money, you invest them in something that will produce value in the future.
wealth	noun	Wealth is not the same thing as money.
wealthy	adjective	Not all Chinese Indonesians are wealthy , only a fraction of them are.
to earn	verb	Indeed, up until recently an average English farmer earned £ 77 per week.
earnings	noun	House prices are rising faster than earnings .
save money	verb	You do not have to purchase everything, instead you need to be smart and save money.
savings	noun	His bank account was where he put all his savings .

money-saving

adjective

Not having a car is a huge **money-saving** tip.

profit

noun

Typically, the higher the **profit** margin, the more the value.

to profit

verb

An exposure would **profit** me indirectly to a considerable extent.

profitable

adjective

This online school shows a **profitable** business model.

finances

noun

He refused to answer questions about his personal **finances**.

financial

verb

If you are looking for **financial** advice, start off by talking to close friends or family members.

cost

noun

Since 2004 the building has been boarded up so that the **cost** of refurbishing it has increased hugely.

to cost

verb

A home computer will **cost** you anywhere between \$500 - \$1000.

cost-effective

adjective

The most **cost-effective** way to ship books is actually by using a Print on Demand (POD) printer.

it will cost you nothing

phrase

Greet people with a smile, it will cost you nothing but it may bring positivity to someone else.

budget

noun

El Mariachi was famously produced for a **budget** of \$7,000.

to budget

verb

Do you need advice on dealing with debt and how to budget?

offer	noun	The creditors declined the offer , preferring to realize the estate themselves.
to offer	verb	We can offer help and advice in the search for other posts.
deposit	noun	While planning an investment it can be difficult choosing between low or high interest rate deposit .
to deposit	verb	He chose to deposit his money with the biggest local bank.
to spend	verb	You don't have to spend a fortune to look good.
spending	noun	In that period, public spending will rise by 5.9% per year on average.
prosperity	noun	It is a fallacy (a mistaken belief) that obtaining a degree will inevitably result in a successful career and guarantee prosperity .
to prosper	verb	Britain is a kind of society that can prosper best from globalisation.
prosperous	adjective	Provinces in the Eastern China, a comparatively prosperous region, have also directed large amount of funds into provinces in the Southwest China.
luxurious	adjective	The most luxurious honeymoon destination is Vamizi Island.
luxury	noun	The Ronam costs fifty thousand pounds a year to run, and the Tory administration believes this to be a luxury it cannot afford.
to afford	verb	We couldn't afford the house with the studio.

affordable

adjective

All web-based accounting software for small businesses is **affordable**.

loss

noun

First Bank does not expect any **loss** of revenue from the deal.

make a profit/loss

phrase

The fact that most apps **make a loss** proves that their monetization model is not ideal.

purchase

noun

We want all of our customers to be completely satisfied with their **purchases**.

to purchase

verb

There are a set of signs people use to identify intent to **purchase**.

to compensate

verb

The French government will also sign an accord with insurance companies to **compensate** victims of school violence.

compensation

noun

Currently only six out of 10 offenders ordered by the court pay a **compensation** to victims.

4. COLLOCATIONS

reasonable
small
fixed
standard
total
annual
daily

adjective+

charge

at a
for a
on

preposition+

charge

be willing to
look to
plan to
seek to

verb+

invest

big
good
greater
high
huge
record
substantial
low
modest
small

adjective+

profit

bring (in) earn generate make realize reap	verb+	profit
margin rate	profit+noun	profit
big easy government, public, taxpayers'	adjective+	money
amount, sum	+of+money	money
get out, take out withdraw lose, run out of, spend waste invest	verb+	money
tuition, membership, school entry, entrance, admission, cancellation, booking	+fee	fee

high low additional extra estimated annual monthly fixed	adjective+	cost
bear, cover, meet, pay increase, push up bring down, cut, lower, reduce, keep down estimate calculate	verb+	cost
an increase/a reduction in cost, at no extra cost cost of living at a cost of \$10/\$100	phrase	cost
labour/transport/legal	noun+cost	cost
accept reject turn down	verb+	offer
acceptable attractive fair favourable reasonable	adjective+	offer

high
steep
low
bargain
attractive
fair
reasonable
right

adjective+

price

good
average
asking
purchase
retail
sale
selling
market

adjective+

price

consumer
commodity
food
house
land
property
share
electricity
energy
fuel
oil

adjective +

price

go for
quote
charge
increase
raise
cut
lower

verb+

a price

increase in
rise in
a drop/a fall/a reduction

phrase

price

go up
rise
skyrocket
drop
fall
go down

price+verb

price

go from ... to ...
range from ... to ...
start at

verb+

price

above-average, high, large
sufficient
average

adjective+

income

future
permanent
secure
regular
steady
annual
monthly
weekly
national
per capita

adjective+

income

family
household
gross
net

adjective+

income

have
receive
earn
generate
boost
increase

verb+

income

monthly
weekly
high
low
poor
full

noun +

pay

holiday
maternity
overtime
sick

adjective+

pay

pay
cheque
packet
slip
increase
rise
cut

pay + noun

pay

negotiations
agreement
award
deal
offer

adjective+

pay

a cut
an increase
a reduction

phrase + in pay

in pay

5. USEFUL RESOURCES

THIS TOPIC ON IELTS BLOGS

- [IELTS Speaking Practice: Money \[ielts-academic.com\]](#)
- [IELTS Cue Card Sample: Describe something special that you saved money to buy \[ielts-mentor.com\]](#)

PODCASTS

- [The money paradox \[npr.org\]](#)
- [Paul Piff: Does money make you mean? \[npr.org\]](#)

ARTICLES

- [What is the best way to make money? \[quora.com\]](#)
- [What is the biggest surprise about getting rich? \[quora.com\]](#)

VIDEOS

- [Saving for tomorrow \[TED TALKS\]](#)
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