

Mohamed Boudiaf University of M'sila- Algeria
Faculty of Economics, Business, and Management
Department of Finance and Accounting

Dr. Mohamed Diab

First Exam in English
For Master (02) students/2020/2021

1- Currency

The money used in a country — euros, dollars, yen, etc. - is its currency. Money in notes (banknotes) and coins is called cash. Most money; however, consists of bank deposits: money that people and organizations have in bank accounts. Most of this is on paper-existing in theory only-and only about ten percent of it exists in the form of cash in the bank.

2- Personal finance

All the money a person receives or earns as payment is his or her income. This can include:

- **a salary:** money paid monthly by an employer, or **wages:** money paid by the day or the hour usually received weekly
- **overtime:** money received for working extra hours
- **commission:** money paid to salespeople and agents - a certain percentage of the income the employee generates
- **a bonus:** extra money given for meeting a target or for good financial results
- **fees:** money paid to professional people such as lawyers and architects
- **social security:** money paid by the government to unemployed and sick people
- **a pension:** money paid by a company or the government to a retired person.

Salaries and wages are often paid after deductions such as social security charges and pension contributions.

3- Outgoings: Amounts of money that people have to spend regularly. These often include:

- **living expenses:** money spent on everyday needs such as food, clothes and public transport
- **bills:** requests for the payment of money owed for services such as electricity, gas, and telephone connections
- **rent:** the money paid for the use of a house or flat
- **mortgage:** repayments of money borrowed to buy a house or flat
- **health insurance:** financial protection against medical expenses for sickness or accidental injuries
- **tax:** money paid to finance government spending.
- **Budget:** financial plan, showing how much money a person or organization expects to earn and spend.

EXERCISE 01

Complete the sentences with the appropriate word number from the box.

Look at A and B opposite to help you. (10 points)

(1) commission - (2) bonus - (3) currency - (4) earn - (5) mortgage - (6) tax - (7) overtime - (8) pension - (9) rent - (10) salary - (11) social security - (12) cash

- 1- After I lost my job, I was living on (...) for three months. This was difficult because the amount was much lower than the (...) I had before.
- 2- I used to work as a salesperson, but I wasn't very successful, so I didn't (...) much (...)
- 3- If the company makes 10% more than last year, we'll all get a (...) at the end of the year.
- 4- It'll take me at least 25 years to repay the (...) on my house.
- 5- Many European countries now have the same (...), the euro.
- 6- My wages aren't very good, so I do a lot of (...).
- 7- Nearly 40% of everything I earn goes to the government as (...).
- 8- The owner has just increased the (...) on our flat by 15%.
- 9- When I retire, my (...) will be 60% of my final salary.
- 10- (...) is the physical state of money.

EXERCISE 02

Are the following statements **true** or **false**? Find reasons for your answers in A and B opposite. (10 points)

- 1- Bank deposits are not classified as money.
- 2- People earning wages get paid more often than people earning a salary.
- 3- People working on commission always get paid the same amount.
- 4- When you stop working at the end of your career, you receive a pension.
- 5- People pay the mortgage as rent.