

IELTS Speaking Part 2

Describe a time when you spent a lot of money on something.

You should say:

- when and where it was
- what it was
- why you decided to spend money on it

and say if you thought this money was well spent.

Model answer

When I was 25, I **landed a new job** with a big company. The offer was rather **lucrative**, and I couldn't resist, so I quit my previous position despite it being quite to my liking at the time. Anyway, my new salary was almost three times higher than the old one, so I decided to treat myself to a new car. Truth be told, I don't know much about cars. I just wanted to have something reliable, comfortable and a bit **flashy**.

Since I didn't really have the money yet, I took a car load. I had just enough money for the **down payment** and the **monthly installments** seemed reasonable at the time. I also had to **splash out on** a set of winter tyres, and I **spared no expense** when it came to maintenance. Occasional repairs, weekly visits to the car wash and gas bills were **eating into my savings**. It wasn't the worst bit, though. The painful truth is that a car is **a depreciating asset** and unless it's a sought-after model, it will likely lose half of its value within the first two years. My **financial literacy** at the time was lacking, so I had been oblivious to all of that.

In hindsight, this was a very bad decision because I sold the car three years later without having paid it off. Once the **novelty wore off**, while I no longer enjoyed it that much, I still had to pay for it.

IELTS Speaking Part 3

Money and finances

In your opinion, what are some ways to manage one's finances?

I was taught to keep track of my expenses, **that is**, write when, how much and what you spent your money on. Then it becomes easy to follow your spending. You no longer wonder where all your money went. You know it and can control this process. For instance, you see that a third of your money goes to dining out each month, and you can adjust your spending habits accordingly. Actually, nowadays you don't have to write anything down, as we mostly live in a **cashless** society and pay with our cards. Your banking app does the tracking for you. Some of them even warn you of unnecessary spending - this can be quite handy.

Another approach is to set a monthly limit that you mustn't break. This forces you to be more frugal with your finances and buy only the most essential things, although this can vary based on your self-imposed limit. In any case, such practice can help you understand the areas of budget that can be further optimised.

Do you think it's better to spend money carefully or to enjoy one's money while you have it?

To properly address this question, you have to keep in mind how many people depend on the money and income you have. Do you have children to raise, clothe and educate? Can your parents still provide for themselves? If the

answer to all of this is "no" then you can afford to spend extra to treat yourself. However, the joy of excessive spending never lasts, and you have to spend more and more to feel those endorphins kick in. Naturally, most people can't sustain a lifestyle like that and end up either disappointed, disillusioned, or simply broke. So I'd say if you have money to throw around, give it to a better cause, like an orphanage or an animal shelter. The feeling of having done something right is more precious than vanity and the fleeting sense of enjoying expensive possessions.

Some people believe that money can buy happiness. Do you agree? Why/Why not?

Happiness is a very hazy concept. Some say it is a state of mind, some confuse happiness with the absence of worry and obligations. For many, happiness is more or less equal to love. The latter can't be bought, that is for sure, they even make songs about that. But being well-off certainly does take the pressure off, and it is often more than enough to feel much more comfortable, incidentally making us happier. But money is ultimately a means to an end rather than a solution to every single problem one can encounter. Therefore, money can facilitate happiness, but it does not equal happiness. In fact, one can be happy penniless as long as they find their calling, find themselves surrounded by loved ones, and enjoy respect of people they value. So while it can "buy" happiness, it doesn't always have to.

Shopping today and tomorrow

Are shopping centres becoming more popular than small shops?

I don't think that is the case. Modern consumers are very discerning and picky, some are unsatisfied with run-of-the-mill items one can buy at the supermarket, so they turn to smaller shops. Unlike retail chains, smaller independent shops can have unique offers, albeit at a higher markup. This does not discourage people, as they are ready to pay extra to get something that is truly special nobody else has. Another reason shopping centres might not be too popular with some is how crowded they can get, especially at the weekend. By contrast, smaller independent venues can be cozy and comforting, with a more relaxed shopping experience.

Do you think people should be encouraged to buy locally produced goods rather than imported ones? Why?

Supporting your local producer is never a bad decision. You buy a locally made thing, and the profits as well as taxes go back into the local economy. This trickles down into a growing and welcoming trading community. But there's more than just buying it for the sake of being neighbourly. Think about this for a second - the price of an item is formed by all the costs it took to produce, advertise, and deliver it. The latter can be taken out of the equation if you buy a locally made thing, so it makes sense financially, all else being equal. Therefore, there are two sound reasons to buy stuff that comes from where you live.

What influence do commercials have on people's shopping habits?

It is a given that a commercial's only purpose is to increase sales of the item it advertises. However, this can be achieved in several ways, and some of them are more ethical and sustainable than others. Some commercials aim to be informative - they break down why you should go for this particular product or brand. This makes for a more educated consumer who purchases an item that suits his needs better. Other commercials, the usual kind, just focus on indenting their brand name in the prospective buyer's head so that they will subconsciously feel the need to buy it. The latter kind is, unfortunately, much more popular among advertisers. This results in consumers getting bombarded by brand names when they watch TV, listen to the radio, or browse the Internet. They end up with brand names engraved in their minds, often without even understanding what the brand makes.

Money and shopping vocabulary

Lucrative (adj) - attractive in terms of money.

Flashy (adj) - catching attention; noticeable. Can be used to show disapproval.

Down payment - when you finance a large purchase, down payment is the first large payment that you have to make.

Monthly installment - monthly payments that you make to repay a loan.

Splash out on (phr v) - to spend a large amount of money on something. *To treat myself, I decided to splash out on a nice cruise in the Mediterranean.*

Spare no expense - to spend without trying to save money. Used positively.

Eat into - to consume large amount of something, like time or money. *Her expensive lifestyle was starting to eat into her mother's savings account.*

Literacy (n) - understanding how something works. Financial literacy is knowing the basics of finance, spending and so on.

Cashless (adj) - using electronic payments rather than paper money like bills and bank notes.

Broke (adj) - without money. Most businesses go broke within the first year.

Well-off (adj) - financially successful or comfortable.

Discerning (adj) - understanding the difference between good and bad, knowledgeable in this regard.

Picky (adj) - liking only certain things. *Joshua is very picky when shopping for clothes - he can spend hours searching for the right article of clothing.*

Markup (n) - the extra money you pay when you buy from retailers. *Markup for premium brands can sometimes reach thousands of percent.*

General vocabulary

Land a job - to succeed in getting a new job. *After he landed this nice job at Microsoft he managed to turn his life around.*

In hindsight - looking back, in retrospect. *In hindsight, we shouldn't have gone to that resort because we ended up spending ludicrous amount of money and didn't enjoy the trip at all.*

Novelty wore off - no longer enjoy something because it doesn't feel new and exciting like it did before.

That is - a phrase used to introduce some kind of explanation.

Kick in - (informal) take effect, start off. Used especially for something that is sudden or unexpected.

Sustain (v) - to support something continuously. *I can't sustain this pace for long - I need to keep working on the project, and I'm just too tired for that.*

Disillusioned (adj) - upset because you had better opinion or higher hopes for something.

A better cause - a phrase that usually means charity and donating to it. *Giving money to a better cause is a proven way to feel better about yourself.*

Hazy (adj) - unclear, blurred. Can be used literally as well as figuratively.

Means to an end - this phrase means that the thing in question (money) has no value itself, but instead is valuable because you can use it for other things.

Facilitate (v) - to make something easier or quicker. *Paying with debit cards facilitated financial transactions all over the globe.*

Run-of-the-mill - usual, not special. Used negatively.

Venue (n) - a place where some event or business happens.

Sound (adj) - healthy, reasonable, useful. *Going to community college after school seemed like sound advice.*

Indent (v) - (here) to put some idea firmly in somebody's mind.

Bombard (v) - (figurative) to expose to a large amount of something, i.e. advertising or information.