

PREPARATION FOR WORKING LIFE

6

Economic & Financial Aspects of Life

Name:

Payment for Work

Work out the anagrams

Your payment may be given to you

in shca _ _ _ _ _

by eceqhu _ _ _ _ _

paid directly into your knba _ _ _ _ _

or iublindg yosceti _ _ _ _ _



A bonus is best described as

A	extra money paid for good work
B	pay for hours worked
C	commission earnings
D	PAYE money

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Net pay is best described as

A	earnings after stoppages
B	earnings before stoppages
C	commission payments
D	bonus payments

☐

PAYE stands for:

P _____

A _____

Y _____

E _____

Put a tick in the correct box to show which of these deductions are compulsory and which are voluntary?

	Compulsory	Voluntary
Income tax		
National insurance		
Superannuation		
Union subscriptions		

Tax Codes



Ronnie earns £250 a week. He pays £16 National Insurance and £25 Income Tax from his weekly earnings.
What is Ronnie's net weekly pay?

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Selena's monthly net pay is £912? She pays £176 Income Tax and £112 National Insurance.
What is Selena's monthly gross pay?

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P45 and P60 Forms

The annual certificate showing a worker's pay and income tax is the

A	P45
B	P60
C	PAYE
D	Rebate

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Dawn's tax code is 650. This number shows how much money Dawn

A	may earn before paying income tax
B	has to pay for income tax
C	has to pay for National Insurance
D	may put in her superannuation fund

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Banking terms and definitions

These terms and definitions are muddled up. Match up each term with its correct definition by drawing lines between them.

Statement	Every time you want to withdraw cash from a cash machine or buy products in a shop using a debit card you will need to key this in. Usually four numbers of your choice.
Cash card	This is where you agree to allow money to be taken from your account on a regular basis. The amounts paid can vary and it is very useful for paying bills like electricity, telephone or council tax as you do not have to handle large amounts of cash.
Interest	These are issued at regular intervals, often monthly, and are a detailed record of all the money that has gone in and out of an account during a given period of time. It is important to check these if you want to control your spending.
Credit	A plastic card that allows you to withdraw money from a cash machine. You will need to key in your PIN in order to get any money. You cannot buy products from shops using this card.
Direct Debit	This is when you take more money out of your account than you have in it. You can only do it if your bank gives you permission and there will usually be charges and interest to pay if you do so.
Loan shark	A plastic card that allows you to withdraw money from a cash machine and to also pay for products using the card instead of cash. The money to pay for the product is transferred electronically from your account to the account of the person or business you are buying from.
PIN	This is the ability to obtain goods or services before you have paid for them. To do this, people borrow the amount of the goods and agree to repay regular amounts over an agreed period, until the cost of the product and interest is repaid in full.
Debit card	An amount of money paid to either borrow or save money. If you borrow money you will pay this to the lender, and if you save money you will earn it on your savings. It is normally paid as a percentage of the amount borrowed or saved.
Overdraft	A person who lends money to people but charges a very high rate of interest. They do not have a license to lend money and are often linked to organised crime.