

# Raise Glossary 14 - 16

**Arranged Overdraft:** Permission from your bank to spend more money than you have in your current account (usually with fees).

**Artificial Intelligence (AI):** Solving problems using computers and machines.

**Attitude to Risk:** How comfortable you are with the possibility of losing money when investing. All investments carry some level of risk.

**Car Insurance:** Required protection that pays out if you have a car accident or your car is damaged or stolen.

**Carbon Footprint:** The total amount of greenhouse gases produced by someone's activities or a company's operations.

**Charitable Causes:** Organisations or projects that help others to which you can donate money.

**Child Trust Fund:** A long-term savings account for children born between 1<sup>st</sup> September 2002 and 2<sup>nd</sup> January 2011, accessible at 18. The government issued each child with a starting payment voucher for their parents or guardians to put into a savings account in the child's name.

**Compound Interest:** When you earn interest on both your original money and previously earned interest, your money grows faster.

**Current Account:** An everyday bank account used to pay for goods and services, receive money (e.g. wages) and pay for bills.

**Deposit Account:** A savings account where you can put money away and earn interest.

**ESG:** Stands for Environmental, Social, and Governance - ways to assess how ethical and responsible a company is.

**Environment:** How business activities affects the natural environment and the planet, such as using renewable energy and dealing with problems caused by water pollution.

**Governance:** How companies are run and managed and how they value their customers and their communities.

**Social:** How companies treat their workers and affect communities by donating to charitable causes.

**Employee Development:** The training and support companies provide to help their workers improve skills and progress in their careers.

**Entrepreneur:** Someone who starts and runs their own business.

**Ethical:** Making decisions based on moral and social responsibility.

**Financially Stable:** Having enough money to cover your needs without worrying.

**Fixed Rate Bond:** A savings account where your money is locked away for a set time with a guaranteed interest rate.

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**Goal:** A specific financial target you want to achieve, like saving for something special.

**Government Bonus:** Extra money the government adds to certain savings accounts or schemes.

**Green Investing:** Putting money into environmentally friendly companies or projects.

**Greenwashing:** When a company misleads people about how environmentally friendly or sustainable their products or practices are.

**HM Revenue & Customs:** The UK government department that collects taxes.

**Human Rights:** Basic rights and freedoms that everyone should have.

**Interest:** Money you earn on savings or money you pay on loans.

**Investing:** Putting money into something that could grow in value over time, like company shares. Investing involves more risk than savings, but it may earn more money in the long-term.

**Investment Fund:** A pooled investment where money from many investors is managed by finance professionals.

**Investment Strategy:** Your plan for how to grow your money over time.

**Kids' Regular Savings Account:** A savings account specifically for children, often with higher interest rates that allows you to put small amounts away on a regular basis.

**Kids' Savings Account:** A basic savings account designed for children to start building good money habits.

**Living Expenses:** Everyday and regular costs like food, transport, and bills.

**Loan Interest:** The extra you must pay back when you borrow money.

**Long-term:** Planning or saving for things more than five years away.

**Net-Zero Emissions:** When an organisation or country removes as much greenhouse gas from the atmosphere as it emits, resulting in no overall contribution to climate change.

**Notice Account:** A notice account is a savings account that pays more interest (extra money you earn) than a regular savings account. However, you have to give notice, like a month or six months, before you can take your money out. This account is good if you don't need your money immediately and want to earn a bit more interest.

**Part-time Job:** Work that takes up some of your time, often alongside studies or other commitments.

**Penalty Points:** Points added to your driving licence when you break road rules, such as speeding.

**Renewable Energy:** Power from natural sources that won't run out (like wind or solar).

**Rent Deposit:** Money you pay upfront when renting a home that is usually returned when you leave.

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**Retirement Plan:** Saving money for when you stop working, for example, paying part of your salary into a pension.

**Savings:** Money you put aside for the near future. Savings are great for short-term goals like a phone, console games, or clothes.

**Self-employed:** Working for yourself rather than an employer.

**Shares:** Owning a small part of a company. For example, if you buy shares in McDonald's, you own a tiny part of that company. The value of shares can go up or down based on how well the company does.

**Short-term:** Planning or saving for things you'll need in the next year or so.

**Simple Interest:** The basic amount of money you earn on savings, calculated as a percentage of the original amount invested only.

**Solopreneur:** Someone who runs a business completely on their own.

**Speed Awareness Course:** A training course offered instead of points on your licence for speeding, but only in some instances.

**Stockmarket:** Where shares in companies are bought and sold.

**Tax Return:** Annual form declaring your income and calculating tax owed.

**Trading App:** A phone app for buying, selling and holding investments such as shares.

**Values:** Personal beliefs and principles that guide financial decision-making.

**Water Pollution:** Contamination of water sources, often by business activities