lesson six
banking services

overheads
beware of these high-cost financial services

**pawn shops** charge very high interest for loans based on the value of tangible assets (such as jewellery or other valuable items).

**rent-to-own programs** offer an opportunity to obtain home entertainment systems or appliances for a small weekly fee. However, the amount paid for the item usually far exceeds the cost if the item were bought on credit.

**cheque-cashing outlets** charge high fees (sometimes 2 or 3 percent) just to have a paycheque or government cheque cashed.

**rapid-refund tax services** provide “instant refunds” when you pay to have your federal tax return prepared. However, this “instant refund” is a loan with interest rates as high as 120 percent.

**cheque-deferral services** allow consumers to get a cash advance on their next paycheque. However, these short-term loans are very expensive. A $200, two-week advance may cost over $30 (with annual costs exceeding $900).
comparing chequing accounts

location
branch offices; hours of operation; availability of ATMs

fees
monthly fees; per cheque fees; printing of cheques; balance inquiry fees; ATM fees

other charges
overdraft charge; stop-payment fees; certified cheque fees

interest
rate earned; minimum deposit to earn interest; compounding method; fee charged for falling below necessary balance

restrictions
minimum balance; deposit insurance; holding period for deposited cheques

special features
direct deposit; automatic payments; overdraft protection; online banking; discounts or free chequing for students, seniors, or employees of certain companies
APPLICATION FOR DEPOSIT SERVICES

Branch Name

Information About You

First Customer Name

Address

City & Province

Postal Code

Birthdate

SIN

Language

Home Phone

Business Phone

I.D.

I.D.

Employer

Occupation

Joint Customer Name

Address

City & Province

Postal Code

Birthdate

SIN

Language

Home Phone

Business Phone

I.D.

I.D.

Employer

Occupation

Mailing Address (if different from above)

Deposit Services Set-up as Requested By You Today

Packages

Type of Service

Setup

Requested

Other Services

Type of Service

Setup

Requested

Deposit Accounts

Type of Service

Account #

Signing Arrangement

Recordkeeping

Personalized Cheques?

Cheque Return Option?

Initial Deposit

Source of Funds

Particulars of Deposit

PIN (Personal Identification Number) Request

Credit Card / Debit Card for First Customer

Credit Card / Debit Card for Joint Customer

You apply for the services indicated on this application and agree to be bound by the agreements governing these services. You agree to pay the service charges which may be levied in connection with the services you have applied for.

First Customer Signature

Joint Customer Signature

Date: Prepared by:

Date: Prepared by:

choices & decisions banking services overhead 6-C
making a deposit

1. Write the date you are making the deposit in this field.

2. If you are depositing currency (paper bills), write the total amount here.

3. If you are depositing coins, write the total amount here.

4. If you are depositing a cheque, write the name of the person/company who wrote the cheque here.

5. Write the amount of the cheque here.

6. If you are depositing more cheques than can be listed on the front, continue to list them on the back, and write the total amount of the cheques on back here.

7. Write the total amount you are depositing here.

8. If you are making a deposit inside a bank with a teller and you want to receive cash back from your deposit, write the amount you want in this field.

9. Write the total amount (less cash back) of your deposit in this field.
endorsing a cheque

blank endorsement
Anyone can cash cheque

restrictive endorsement
More secure than blank endorsement

special (or full) endorsement
Transfer cheque to another party
1. **Date**  Enter the date you are writing the cheque.

2. **Payee**  Enter the name of the person or the company to whom you are going to give the cheque.

3. **Amount of cheque in numerals**  Enter the amount of the cheque, in numbers. Don’t leave any space between the pre-printed dollar symbol ($) and the numbers indicating the amount of the cheque; there should be no room for someone to add in extra numbers.

4. **Amount of cheque in words**  Enter the amount of the cheque in words. Start writing at the far left side of the line. Follow the dollar amount by the word “and,” then write the amount of cents over the number 100. Draw a line from the end of the 100 to the end of the line.

5. **Name**  Your personal information is printed here.

6. **Signature**  Sign your cheque exactly the way you signed your name on the signature card you filled out when you opened your account.

7. **Memo**  Use this space to note why you wrote the cheque. If you are paying a bill, this is a good place to put information requested by the company.

8. **Identification numbers**  These numbers are used to identify the bank, your account number, and the check number. They are printed in a special magnetic ink that machines can read.
(a) Keeping a Running Balance: Cheque Transaction

<table>
<thead>
<tr>
<th>CHEQUE NO.</th>
<th>DATE</th>
<th>DESCRIPTION</th>
<th>TRANSACTION AMOUNT</th>
<th>DEPOSIT AMOUNT</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>6/4</td>
<td>Sound Out</td>
<td>210 30</td>
<td></td>
<td>150 67</td>
</tr>
</tbody>
</table>

(b) Keeping a Running Balance: ATM Cards

<table>
<thead>
<tr>
<th>CHEQUE NO.</th>
<th>DATE</th>
<th>DESCRIPTION</th>
<th>TRANSACTION AMOUNT</th>
<th>DEPOSIT AMOUNT</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>6/4</td>
<td>Sound Out</td>
<td>210 30</td>
<td></td>
<td>150 67</td>
</tr>
<tr>
<td>ATM</td>
<td>6/13</td>
<td>withdrawal</td>
<td>35 00</td>
<td></td>
<td>115 67</td>
</tr>
</tbody>
</table>

(c) Keeping a Running Balance: Debit Cards

<table>
<thead>
<tr>
<th>CHEQUE NO.</th>
<th>DATE</th>
<th>DESCRIPTION</th>
<th>TRANSACTION AMOUNT</th>
<th>DEPOSIT AMOUNT</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>6/4</td>
<td>Sound Out</td>
<td>210 30</td>
<td></td>
<td>150 67</td>
</tr>
<tr>
<td>ATM</td>
<td>6/13</td>
<td>withdrawal</td>
<td>35 00</td>
<td></td>
<td>115 67</td>
</tr>
<tr>
<td>DrCol</td>
<td>6/13</td>
<td>debit card</td>
<td>55 00</td>
<td></td>
<td>60 67</td>
</tr>
</tbody>
</table>
# Reading a Bank Statement

## Your First Bank

**Statement for**

Jane Doe  
4 Primrose Lane  
Anytown, Canada

**This Statement Covers**

12/20\_ through 1/18\_

<table>
<thead>
<tr>
<th>Cheque</th>
<th>Date Paid</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>181</td>
<td>12/24</td>
<td>15.00</td>
</tr>
<tr>
<td>182</td>
<td>11/04</td>
<td>17.00</td>
</tr>
<tr>
<td>183</td>
<td>12/26</td>
<td>217.54</td>
</tr>
</tbody>
</table>

**Monthly Maintenance Charge**

1/18  
3.50

**Withdrawals**

- #00281 at ATM #423A  
  12/24  
  40.00
- #02628 at ATM #423A  
  12/31  
  20.00
- #08744 at ATM #430E  
  1/15  
  20.00
- #02456 Debit Card  
  1/16  
  35.00

**Deposits and Other Credits**

- Transfer from 4039-557 at ATM #423C  
  12/27  
  1200.00
- Customer Deposit at ATM #423A on 1/12  
  1/14  
  521.78
- Direct Deposit from #05323 on 1/17  
  1/18  
  258.90

**ATM Locations Used**

- 423A: 2500 Centre Plaza, Anytown, Canada
- 423C: 2500 Centre Plaza, Anytown, Canada
- 430E: 945 Hamilton Ave., Big City, Canada

Thank you for banking with Your First Bank
reconciling a chequing account

**step 1:** Obtain the current balance from your bank statement.

**step 2:** Add any deposits that you have recorded in your cheque register but that are not on this statement.

**step 3:** Subtract any outstanding cheques (cheques you have written but that have not yet cleared the banking system).

**step 4:** Compare the result with the current balance in your cheque register.

**Note:**
The balance in your cheque register should be adjusted to include: (a) deductions for service fees or other charges; (b) additions for direct deposits and interest earned.

<table>
<thead>
<tr>
<th>ITEMS OUTSTANDING</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

- **enter**
  - The **New Balance** shown on your statement $ ______

- **add**
  - Any deposits or transfers listed in your register that are not shown on your statement $ ______ $ ______ $ ______
  - total $ ______

- **calculate the subtotal** $ ______

- **subtract**
  - Your total outstanding cheques and withdrawals - $ ______

- **calculate the ending balance**
  - This amount should be the same as the current balance in your cheque register $ ______
direct deposit... earnings (or government payments) automatically deposited into bank accounts, saving time, effort, and money.

automatic payments... utility companies, loan payments, and other businesses use an automatic payment system with bills paid through direct withdrawal from a bank account.

automatic teller machines... allow customers to obtain cash and conduct banking transactions.

point-of-sale transactions... acceptance of ATM/debit cards at retail stores and restaurants for payment of goods and services.

stored-value cards... prepaid cards for telephone service, transit fares, laundry service, library fees, and school lunches.

electronic cash... companies are developing electronic replicas of all existing payment systems—cash, cheques, debit cards, and coins.

internet/cyberbanking... banking through online services. Banks with Web site “cyber” branches allow customers to check balances, pay bills, transfer funds, compare savings plans, and apply for loans on the Internet.
smart cards, sometimes called “electronic wallets,” look like ATM cards; however, they also include a microchip.

- This minicomputer stores prepaid amounts for buying goods and services, keeps track of the transactions, and maintains an electronic balance of the value of the card.

- A smart card may also store data about a person’s account balances, transaction records, insurance information, and medical history.

- Smart cards may be issued by a variety of sources including banks, merchants and telephone or utility companies.

- Some smart cards may be reloaded at a bank or at an ATM. Others may be disposed of after their prepaid value has been used.

- Uses for smart cards will expand in the future.
lesson six
banking services

student activities
# choosing a chequing account

**name of bank:**

**branch information:**
- Branch nearest your home:
- Branch nearest your work:
- Number of branches:

**number of ATMs:**

**bank hours:**

**are your funds insured?**

**types of accounts:**

**fees:**
- Must maintain a minimum daily balance of:
- Must maintain an average daily balance of:
- Monthly maintenance charge:

**interest:**
- How much interest do you earn on your account?
- How is it calculated?

**charges:**

**cheques:**
- Printing cheques
- NSF cheques
- Stopping cheques
- Certifying cheques

**withdrawals at:**
- Teller window
- Bank-owned ATMs
- Interac ATMs
- National network ATMs
- International network ATMs

**balance inquiries:**
- At teller window
- At ATMs
- By phone
- By computer

**special services**
- Fund transfer by phone
- Pre-authorized bill payment
- Signature guarantee
- Bill payment by phone
- Cheque card

---

**name:** ____________________________________________________________  
**date:** ______________________
keeping a running balance

record deposits and keep a running balance in the cheque register below.

1. On May 26, your balance is $527.96.
2. On May 27, you write cheque #107 to your landlord, Mrs. Wilson, for $226.00.
3. On May 28, you use your debit card at Food Mart for $22.52.
4. On June 1, you write a cheque for $156.32 to Gateway Motors for your car payment.
5. On June 1, you realize your cheque to Gateway Motors should have been for $165.23, so you void the first cheque and write a new cheque for $165.23.
6. On June 2, you write a cheque to your phone company for $62.77.
7. On June 2, you use your ATM card to withdraw $20.00.
8. On June 15, your paycheque for $425.00 is automatically deposited.
10. On June 15, you write a cheque for $246.45 to XYZ Insurance Co. to cover your insurance premium.
11. On June 22, you transfer $100.00 online from your chequing account to your savings account.
12. On June 24, you use your debit card at Gas Up to fill up your car. You spend $12.88.
13. On June 28, you use your ATM card to withdraw $30.00 from your chequing account.
use the cheque register you just completed to answer the following questions:

1. What was your account balance on May 30?

2. Could you have paid your car insurance payment on June 1 instead of June 15? If not, why?

3. The love of your life has been in a bad mood lately, and you think an expensive present might help. You’ve found a leather jacket on sale for $189.00. Can you afford to buy the jacket on June 8? What will your account balance be if you do?

4. The hottest new band in town has just released a CD. It costs $21.99. Can you afford to buy the CD on June 2? What will your account balance be if you do?

5. What was your account balance after you withdrew $30.00 on June 28?

6. What was the amount of cheque #111, to whom did you write it, and for what?
record deposits and keep a running balance in the cheque register below.

1. On May 26, your balance is $527.96.
2. On May 27, you write cheque #107 to your landlord, Mrs. Wilson, for $226.00.
3. On May 28, you use your debit card at Food Mart for $22.52.
4. On June 1, you write a cheque for $156.32 to Gateway Motors for your car payment.
5. On June 1, you realize your cheque to Gateway Motors should have been for $165.23, so you void the first cheque and write a new cheque for $165.23.
6. On June 2, you write a cheque to your phone company for $62.77.
7. On June 2, you use your ATM card to withdraw $20.00.
8. On June 15, your paycheque for $425.00 is automatically deposited.
10. On June 15, you write a cheque for $246.45 to XYZ Insurance Co. to cover your insurance premium.
11. On June 22, you transfer $100.00 online from your chequing account to your savings account.
12. On June 24, you use your debit card at Gas Up to fill up your car. You spend $12.88.
13. On June 28, you use your ATM card to withdraw $30.00 from your chequing account.

<table>
<thead>
<tr>
<th>CHIDUE NO.</th>
<th>DATE</th>
<th>DESCRIPTION</th>
<th>TRANSACTION AMOUNT</th>
<th>DEPOSIT AMOUNT</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>107</td>
<td>5/27</td>
<td>Mrs. Wilson</td>
<td>226.00</td>
<td></td>
<td>301.96</td>
</tr>
<tr>
<td>Debit Card</td>
<td>5/23</td>
<td>Debit card Food Mart</td>
<td>22.52</td>
<td></td>
<td>279.44</td>
</tr>
<tr>
<td>108</td>
<td>6/1</td>
<td>Gateway Motors</td>
<td>166.32</td>
<td></td>
<td>125.12</td>
</tr>
<tr>
<td>6/1</td>
<td></td>
<td>Void Cheque #108</td>
<td>166.32</td>
<td>166.32</td>
<td>279.44</td>
</tr>
<tr>
<td>109</td>
<td>6/1</td>
<td>Gateway Motors</td>
<td>166.23</td>
<td></td>
<td>114.21</td>
</tr>
<tr>
<td>110</td>
<td>6/2</td>
<td>Phone Company</td>
<td>62.77</td>
<td></td>
<td>51.44</td>
</tr>
<tr>
<td>ATM</td>
<td>6/2</td>
<td>cash withdrawal</td>
<td>20.00</td>
<td></td>
<td>31.44</td>
</tr>
</tbody>
</table>
use the cheque register you just completed to answer the following questions:

1. What was your account balance on May 30?
   $279.44

2. Could you have paid your car insurance payment on June 1 instead of June 15? If not, why?
   No — the payment was $246.45 but the account balance on June 1 was only $114.21

3. The love of your life has been in a bad mood lately, and you think an expensive present might help. You’ve found a leather jacket on sale for $189.00. Can you afford to buy the jacket on June 8? What will your account balance be if you do?
   No — the account will be overdrawn by $157.56

4. The hottest new band in town has just released a CD. It costs $21.99. Can you afford to buy the CD on June 2? What will your account balance be if you do?
   Yes — $9.45

5. What was your account balance after you withdrew $30.00 on June 28?
   $48.12

6. What was the amount of check #111, to whom did you write it, and for what?
   $246.45 to XYZ Insurance for a car insurance payment
reading a bank statement

using the bank statement on the next page, answer the following questions:

1. What period does this statement cover?

2. What is the account number of this statement?

3. How many deposits were made and what were the amounts?

4. How many cheques cleared and what was the total dollar amount of the cheques that cleared?

5. Was there any ATM activity? If so, how many transactions were there, and what was the total amount?

6. Was there any debit card activity? If so, how many transactions were there, and what was the total amount?

7. Were there any service charges? If so, what was the total amount?

8. What is the total of all withdrawals (cheques, ATM transactions, debit card transactions, service charges)?

9. What is the new balance of the account?

10. Did cheque #182 clear?

11. What was the amount of cheque #183?

12. Did cheque #185 clear?

13. What was the amount of cheque #187?
Your First Bank

1

STATEMENT FOR
Jane Doe
4 Primrose Lane
Anytown, Canada

THIS STATEMENT COVERS
12/20__ through 1/18__

Previous Statement Balance On 12/19/___ 612.04
Total of 3 Deposits For 1,980.68 +
Total of 10 Withdrawals For 1,705.25 -
Total Service Charges 3.50 -

New Balance 883.97 +

CHEQUES AND OTHER DEBITS

<table>
<thead>
<tr>
<th>CHEQUE</th>
<th>DATE PAID</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>181</td>
<td>12/24</td>
<td>15.00</td>
</tr>
<tr>
<td>182</td>
<td>1/04</td>
<td>17.00</td>
</tr>
<tr>
<td>183</td>
<td>12/26</td>
<td>217.54</td>
</tr>
</tbody>
</table>

Withdrawal #00281 at ATM #423A 12/24 40.00
Withdrawal #02628 at ATM #423A 12/31 20.00
Withdrawal #08744 at ATM #430E 1/15 20.00
Withdrawal #02456 Debit Card 1/16 35.00

Monthly Maintenance Charge 1/18 3.50

DEPOSITS AND OTHER CREDITS

<table>
<thead>
<tr>
<th>DATE POSTED</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/27</td>
<td>1200.00</td>
</tr>
<tr>
<td>1/14</td>
<td>521.78</td>
</tr>
<tr>
<td>1/18</td>
<td>258.90</td>
</tr>
</tbody>
</table>

Transfer from 4039-557 at ATM #423C
Customer Deposit at ATM #423A on 1/12
Direct Deposit from #05323 on 1/17

ATM LOCATIONS USED

423A: 2500 Centre Plaza, Anytown, Canada
423C: 2500 Centre Plaza, Anytown, Canada
430E: 945 Hamilton Ave., Big City, Canada

THANK YOU FOR BANKING WITH Your First Bank
reading a bank statement answer key

using the bank statement on the next page, answer the following questions:

1. What period does this statement cover?
   12/20/___ - 1/18/___

2. What is the account number of this statement?
   0471-678

3. How many deposits were made and what were the amounts?
   Three, for the amounts of $1200, $521.78, and $258.90

4. How many cheques cleared and what was the total dollar amount of the cheques that cleared?
   Six, for a total amount of $1590.25

5. Was there any ATM activity? If so, how many transactions were there, and what was the total amount?
   Yes — three for a total amount of $80.00

6. Was there any debit card activity? If so, how many transactions were there, and what was the total amount?
   Yes — one for a total amount of $35.00

7. Were there any service charges? If so, what was the total amount?
   Yes — $3.50

8. What is the total of all withdrawals (cheques, ATM transactions, debit card transactions, service charges)?
   $1708.75

9. What is the new balance of the account?
   $883.97

10. Did cheque #182 clear?
    Yes

11. What was the amount of cheque #183?
    $217.54

12. Did cheque #185 clear?
    No, as it is not showing as paid on the statement.

13. What was the amount of cheque #187?
    $53.97
reconciling an account

use the bank statement, the cheque register, and the reconciliation worksheet on the following page to balance this chequebook.

<table>
<thead>
<tr>
<th>CHEQUING ACCOUNT</th>
<th>Previous Statement Balance On 6/19</th>
<th>150.67</th>
</tr>
</thead>
<tbody>
<tr>
<td>0471-678</td>
<td>Total of 1 Deposits For</td>
<td>1200.00 +</td>
</tr>
<tr>
<td></td>
<td>Total of 8 Withdrawals For</td>
<td>1246.98 -</td>
</tr>
<tr>
<td></td>
<td>Total Service Charges</td>
<td>0.00 -</td>
</tr>
<tr>
<td></td>
<td>New Balance</td>
<td>103.69 +</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHEQUES AND OTHER DEBITS</th>
<th>CHEQUE</th>
<th>DATE PAID</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>161</td>
<td>6/21</td>
<td>216.30</td>
<td></td>
</tr>
<tr>
<td>162</td>
<td>6/26</td>
<td>82.87</td>
<td></td>
</tr>
<tr>
<td>163</td>
<td>6/29</td>
<td>1000.00</td>
<td></td>
</tr>
<tr>
<td>ATM Withdrawal #0281 at ATM #423A</td>
<td>6/18</td>
<td>35.00</td>
<td></td>
</tr>
<tr>
<td>ATM Withdrawal #0476 at ATM #423B</td>
<td>6/25</td>
<td>20.00</td>
<td></td>
</tr>
<tr>
<td>Debit Card #00586 Woodland EFT</td>
<td>6/18</td>
<td>55.00</td>
<td></td>
</tr>
<tr>
<td>Debit Card #01275 E-Z-Shoppe</td>
<td>6/26</td>
<td>54.11</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DEPOSITS AND OTHER CREDITS</th>
<th>DATE POSTED</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer from 4039557 at ATM #423C</td>
<td>6/23</td>
<td>1200.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHEQUE NO.</th>
<th>DATE</th>
<th>DESCRIPTION</th>
<th>TRANSACTION AMOUNT</th>
<th>DEPOSIT AMOUNT</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>101</td>
<td>6/24</td>
<td>Sound Out</td>
<td>210.00</td>
<td>50.00</td>
<td>160.07</td>
</tr>
<tr>
<td>ATM</td>
<td>6/18</td>
<td>withdrawal</td>
<td>35.00</td>
<td>15.00</td>
<td>150.00</td>
</tr>
<tr>
<td>Debit Card</td>
<td>6/26</td>
<td>Debit Card</td>
<td>55.00</td>
<td>60.00</td>
<td>115.00</td>
</tr>
<tr>
<td>ATM</td>
<td>6/23</td>
<td>deposit</td>
<td>1200.00</td>
<td>1200.00</td>
<td>365.07</td>
</tr>
<tr>
<td>162</td>
<td>6/24</td>
<td>Kayne</td>
<td>82.87</td>
<td>107.00</td>
<td>197.80</td>
</tr>
<tr>
<td>ATM</td>
<td>6/25</td>
<td>withdrawal</td>
<td>20.00</td>
<td>107.00</td>
<td>187.00</td>
</tr>
<tr>
<td>103</td>
<td>6/26</td>
<td>Woodland apples</td>
<td>1000.00</td>
<td>187.00</td>
<td></td>
</tr>
<tr>
<td>Debit Card</td>
<td>6/28</td>
<td>E-Z-Shoppe</td>
<td>54.11</td>
<td>185.00</td>
<td>109.00</td>
</tr>
<tr>
<td>104</td>
<td>7/5</td>
<td>CD Place</td>
<td>25.01</td>
<td>77.36</td>
<td>52.00</td>
</tr>
<tr>
<td>105</td>
<td>7/14</td>
<td>Lucan Films</td>
<td>10.00</td>
<td>67.36</td>
<td>57.36</td>
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<tr>
<td>ATM</td>
<td>7/19</td>
<td>deposit</td>
<td>250.00</td>
<td>520.00</td>
<td>520.00</td>
</tr>
</tbody>
</table>
reconciling an account (continued)

use the reconciliation worksheet above to answer the following questions:

1. What is the new balance shown on the statement?

2. What is the total amount of deposits listed in the cheque register but not shown on the statement?

3. What is the sum of the new balance and the deposits not shown on the statement?

4. What is the total amount of outstanding cheques and withdrawals?

5. What is the ending balance?
## Reconciling an Account Answer Key

### Use the Reconciliation Worksheet Above to Answer the Following Questions:

1. **What is the new balance shown on the statement?**
   - $103.69

2. **What is the total amount of deposits listed in the cheque register but not shown on the statement?**
   - $253.17

3. **What is the sum of the new balance and the deposits not shown on the statement?**
   - $356.86

4. **What is the total amount of outstanding cheques and withdrawals?**
   - $36.31

5. **What is the ending balance?**
   - $320.55

---

### Table: Items Outstanding

<table>
<thead>
<tr>
<th>Number</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>104</td>
<td>26.31</td>
</tr>
<tr>
<td>105</td>
<td>10.00</td>
</tr>
</tbody>
</table>

**Enter**

The New Balance shown on your statement: $103.69

**Add**

Any deposits or transfers listed in your register that are not shown on your statement:

- $253.17

**Calculate the Subtotal**

+ $253.17

**Subtract**

Your total outstanding cheques and withdrawals:

- $36.31

**Calculate the Ending Balance**

This amount should be the same as the current balance in your cheque register: $320.55
lesson six quiz: banking services

true-false

1. ____ A pawnshop offers loans to people starting their own business.
2. ____ Opening a chequing account requires completing a signature card.
3. ____ A blank endorsement allows anyone to cash a cheque.
4. ____ A “smart card” may store a person's bank balance right on the plastic card.
5. ____ An outstanding cheque refers to one written on an account with a very low balance.

multiple choice

6. ____ The highest loan rates usually occur when borrowing from a:
   A. bank.
   B. credit-card company.
   C. pawnshop.
   D. credit union.

7. ____ A ________ is used to add funds to a bank account.
   A. cheque
   B. deposit slip
   C. signature card
   D. withdrawal slip

8. ____ A ____________ endorsement includes the words “FOR DEPOSIT ONLY.”
   A. full
   B. special
   C. blank
   D. restrictive

9. ____ Obtaining cash from an ATM is similar to:
   A. writing a cheque.
   B. making a deposit.
   C. opening a new account.
   D. earning interest on your account.

10. ____ A service charge on your bank statement will result in:
   A. a higher balance.
   B. a lower balance.
   C. earning more interest.
   D. more outstanding cheques.

case application
A recent bank statement for Istvan Zubov revealed various service charges and fees of over $10. How might Istvan reduce his costs for banking fees?
true-false

1. **f** A pawnshop offers loans to people starting their own business.

2. **t** Opening a chequing account requires completing a signature card.

3. **t** A blank endorsement allows anyone to cash a cheque.

4. **t** A “smart card” may store a person's bank balance right on the plastic card.

5. **f** An outstanding cheque refers to one written on an account with a very low balance.

multiple choice

6. **C** The highest loan rates usually occur when borrowing from a:
   A. bank.
   B. credit-card company.
   C. pawnshop.
   D. credit union.

7. **B** A ______ is used to add funds to a bank account.
   A. cheque
   B. deposit slip
   C. signature card
   D. withdrawal slip

8. **D** A __________ endorsement includes the words “FOR DEPOSIT ONLY.”
   A. full
   B. special
   C. blank
   D. restrictive

9. **A** Obtaining cash from an ATM is similar to:
   A. writing a cheque.
   B. making a deposit.
   C. opening a deposit.
   D. earning interest on your account.

10. **B** A service charge on your bank statement will result in:
    A. a higher balance.
    B. a lower balance.
    C. earning more interest.
    D. more outstanding cheques.

case application

A recent bank statement for Istvan Zubov revealed various service charges and fees of over $10. How might Istvan reduce his costs for banking fees?

Istvan should start by analyzing his financial services habits. For example, if he uses an ATM often, the fees could be high. Or, if his checking account goes low he may have to pay a monthly fee or other charges for overdrawn accounts. If his fees are still high after careful use of banking services, he should compare the costs at other banks or a credit union and consider moving his account.