

BANK STATEMENTS

Objectives

- Define *balance*, *statement*, *statement period*, and *transaction*.
- Identify parts of a bank statement.
- Explain the steps to verify a bank statement.



Activate Prior Knowledge

How do you know that bank records match your own account records? Banks send statements to make sure that your records match.

Explain Key Terms

balance (n) amount of money remaining

statement (n) printed record of bank account activity

statement period (n) the dates within a bank's cycle; a bank cycle is usually one month

transaction (n) an action on an account, typically a deposit or withdrawal

Teach/Model

Say: Banks send **statements** (a printed record of your account activity) for each account monthly, quarterly, or annually. Some banks may design their statements differently from other banks, but all bank statements have the same information. The statements show your account number, transactions, fees, and balances for each date within the statement period. The **statement period** is the dates within a bank's cycle, which is usually one month long.

You should always read the statement and check it against your register. If there is a difference, don't assume that the bank made a mistake. Always check your register entries, calculations, and receipts first. If you still can't find the problem, go to the bank and ask for help. Banks keep records of your **transactions** – deposits, withdrawals and other actions on your account. They will let you know what you did wrong, or correct a mistake they made. It is a good idea to keep your statements in a binder or folder so that you can track how you spend your money.

BANK STATEMENTS



Practice and Apply

Can you read a bank statement? (p. 9.3)

Read the directions to the students. After completing the activity, ask students to identify other parts of the bank statement.

Junk mail? (p. 9.4)

Read the directions to the students. Explain to students that they should keep their bank statements for each month. If they choose to throw the statements away, tell them to shred the papers or mark out any personal information to make sure that no one else can read their statement.

Did my bank make an error? (p. 9.5)

Read the directions to the students. Explain to students that checks clear at different times. Explain that checks will take longer to clear if they pay a bill by mail than if they deliver the check in person. Explain that the person who receives the check may not cash or deposit it right away.

Including All Learners

- For grade 3 and 4 students, read the column heading above each starred part of the statement. (p. 9.3)
- Guide grade 3 and 4 students by filling in the first block of the sequence chart. (p. 9.4)
- Challenge grade 5 students to explain why the errors were only \$30.20 off, yet the balance was \$60.19 off. (p. 9.5)

Hands-On Connections

- After students have completed the unit, organize them into small groups to play Statement Builder. Using index cards or other small pieces of paper, have each group list an income item or an expense on each of the 10 cards. Be sure they include the amounts. Then have each team give their cards to another team. With a new set of cards, each team should create a bank statement of transactions in their pile. A whiteboard would be a good place for them to write their “statements” so they can share them with the class. Have teams check each other’s work.

Follow Up

Best Practices (Grades 3-5): Have students create a list of best practices to avoid differences between their registers and bank statements. Suggested answers: check receipts, keep receipts, check calculations, and check dates of transactions.

Name: _____ Date: _____

Unit 9

BANK STATEMENTS

*Can you read
a bank statement?*



Read the bank statement carefully.

First Bank of Indiana							
Account #	Account Type		Statement Period			Page	
546507801	Checking		Aug.12-Sep.9 2007			1 of 1	
<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">1</div> <div>Gina Carson 1292 South Avenue Indianapolis, IN 26268</div> </div>							
Account Summary							
Beginning Balance	Deposits		Subtractions		Interest		Balance
	No.	Amount	No.	Amount	No.	Amount	
618.56	2	100.00	3	248.70	0	0.00	469.86
Account Activity							
Date	Description	Deposits	Withdrawals	Balance			
	Beginning Balance						4 618.56
8/12/07	Deposit at Main St. Branch	3 50.00					668.56
8/24/07	Check #1003		40.00				628.56
9/3/07	Withdrawal at Main St. Branch		200.00				428.56
5 9/8/07	Deposit at Main St. Branch	50.00					478.56
9/9/07	Check #1005		8.70				6 469.86

Match the numbered bank statement section from Part A with its name.

- | | |
|----------|-------------------------|
| 1. _____ | a. ending balance |
| 2. _____ | b. customer information |
| 3. _____ | c. transaction date |
| 4. _____ | d. beginning balance |
| 5. _____ | e. statement period |
| 6. _____ | f. deposit |



Name: _____ Date: _____

Unit 9

BANK STATEMENTS

Junk mail?



A. Read the passage carefully. Then answer the questions.

Read Your Mail!

I receive a bank statement in the mail every month. When I first got my account, I opened each envelope and carefully looked at the totals. I got so sick of seeing the envelope that I considered it to be junk mail. I track what I spend, and I didn't think that I needed a bank statement telling me what I had spent. Well, I was wrong. If you have been ignoring your statements, stop!

Last month I opened up my statement and my checking account was only \$100.00. I was worried because I had just mailed a check payment of \$250.00 to my car insurance company.

I looked at my register to figure out what went wrong. My register had an account balance of \$850.00. I noticed that a deposit of \$750.00 that I had made at the bank wasn't on the statement. I found the deposit receipt and went to the bank to find out what had happened. The bank looked into the problem. A teller had accidentally mistyped my account number and had placed the money into someone else's account! The bank corrected the error, and I got my money back. This doesn't happen often, but I was glad that I opened up my statement. So, next time you see a bank envelope, open it and make sure everything is correct!

1. Why is it a good idea to read your monthly account statements? _____

2. How could the narrator have avoided the situation? _____

3. What steps did the narrator take to solve the problem?



Name: _____ Date: _____

Unit 9

BANK STATEMENTS *Did my bank make an error?*



Compare the bank statement to your checkbook register. Circle incorrect calculations on the register and then write the correct balance. Then answer the questions below.

Your bank statement:

Date	Description	Deposit/ Credit (+)	Withdrawal/ Debit (-)	Balance
Beginning Balance				245.67
2/15/07	Check #765		29.99	215.68
2/16/07		200.00		415.68
2/18/07	Check #767		25.00	390.68
2/19/07	Check #766		64.21	326.47

Your checkbook register:

Check no.	Date	Description	Deposit/ Credit (+)	Withdrawal/ Debit (-)	Balance
	2/12/07				245.67
765	2/14/07	Flowers		29.99	+29.99
					275.66
766	2/15/07	Phone bill		64.21	-64.00
					211.66
	2/16/07	Cash	200.00		+200.00
					411.66
767	2/16/07	Water bill		34.25	-34.25
					377.41

- How much does the checkbook register ending balance vary from the bank statement ending balance?

- What three errors led to the incorrect balance on the checkbook register?
a. _____ b. _____ c. _____
- Why is the check date in your register different from the check date on the bank statement?
 - The bank made an error on their statement.
 - You wrote the wrong date on your checkbook register.
 - The bank uses the date the checks were cashed.
 - You wrote a different date on your checks than in your register.

