

Accounts and Financial Services Lesson 8 – Answer Key

Instructions: Please answer all questions

1. A Summary of all the transactions of a bank account is shown on:
 - (a) a bank account
 - (b) a bank overdraft
 - (c) a bank draft
 - (d) a bank statement

2. Explain the term Bank Statement in your own words.
 - Sent by the Bank to the Customer
 - Provides a record of all the transactions that have taken place with the Bank since the last statement was issued.
 - A bank statement shows a list of all transactions for a specific period.

3. List the kind of information that is shown on a bank statement.
 - Name and Contact Information
 - Account Number
 - Account Type
 - Current Account Balance
 - Pending Transactions
 - Bank Contact Information
 - Transaction History
 - Statement Activity Dates
 - Credits
 - Debits
 - Total Fees
 - Debit Card/Point of Sale Account Activity

4. Differentiate between the terms Debit and Credit
 - **Debit:** This shows all debits or withdrawals made during the statement period.
 - **Credit:** This shows all credits or deposits made to the account.

5. Examine the Bank Statement below, then answer the questions that follow.

CrawfordTech Bank Statement Sample

Mary Jane Smith
100 Pine Street
Metro, AA 09371

Account Summary

Opening Balance	\$5,234.09
Withdrawals	\$2,395.67
Deposits	\$2,872.45

Closing Balance on Apr 18, 2010 **\$5,710.87**

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Your Transaction Details

Date	Details	Withdrawals	Deposits	Balance
Apr 8	Opening Balance			5,234.09
Apr 8	Insurance		272.45	5,506.54
Apr 10	ATM	200.00		5,306.54
Apr 12	Internet Transfer		250.00	5,556.54
Apr 12	Payroll		2100.00	7,656.54
Apr 13	Bill payment	135.07		7,521.47
Apr 14	Direct debit	200.00		7,321.47
Apr 14	Deposit		250.00	7,567.87
Apr 15	Bill payment	525.72		7,042.15
Apr 17	Bill payment	327.63		6,714.52
Apr 17	Bill payment	729.96		5,984.56
Apr 18	Bill payment	223.69		5,710.87
Closing Balance				\$5,710.87

(a) Who is the holder of this account?

Mary Jane Smith

(b) What month does this statement cover?

April 2010

(c) Explain the transaction that took place on 10 April.

ATM withdrawal of \$200.00

Mary Jane Smith used her bank card and withdrew \$200.00 from her account at an Automated Teller Machine (ATM).

(d) What is the total sum of money deposited to the account?

The total sum of money deposited to the account is \$2,872.45

$\$272.45 + \$250.00 + \$2100.00 + \$250.00 = \$2,872.45$

(e) What was the Closing Balance on the statement?

The Closing Balance on the statement is \$5,710.87