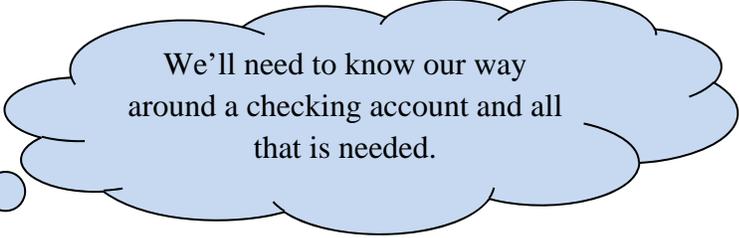


Business Mathematics

Class notes

Banking, Checking Accounts, and Check Registers (section 5.1)



There is a lot of terminology in the section. You will want to skim the section for **bold** words.

expl 1: Use the table provided to find the monthly checking account service charge for the following account.

Kitchen Supplies Inc., 76 checks, average balance \$468

Average Balance	Maintenance Charge per Month	Per-check Charge
Less than \$500	\$12.00	\$.20
\$500 – \$1,999	\$7.50	\$.20
\$2,000 – \$4,999	\$5.00	\$.10
\$5,000 or more	\$0	\$0



Bank Records and Check Stubs:

We will need to find the balance after a string of deposits and withdrawals. Remember that we subtract withdrawals or check amounts, but we add deposits or credits to the balance.

expl 2: Use the following information to complete the check stub.

Date	To	For	Amount of this Check	Total from Previous Stub	Deposits	Other
11-4-18	Target	Misc.	\$85.45	\$1239.56	\$122	\$35 credit

1248																					
Date _____																					
Amount _____																					
To _____																					
For _____																					
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Total</td> <td style="width: 10%; text-align: center;">_____</td> <td style="width: 10%; text-align: center;"> </td> <td style="width: 10%; text-align: center;">_____</td> </tr> <tr> <td>Deposits</td> <td style="text-align: center;">_____</td> <td style="text-align: center;"> </td> <td style="text-align: center;">_____</td> </tr> <tr> <td>This Check</td> <td style="text-align: center;">_____</td> <td style="text-align: center;"> </td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Other (+ or -)</td> <td style="text-align: center;">_____</td> <td style="text-align: center;"> </td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Balance</td> <td style="text-align: center;">_____</td> <td style="text-align: center;"> </td> <td style="text-align: center;">_____</td> </tr> </table>		Total	_____		_____	Deposits	_____		_____	This Check	_____		_____	Other (+ or -)	_____		_____	Balance	_____		_____
Total	_____		_____																		
Deposits	_____		_____																		
This Check	_____		_____																		
Other (+ or -)	_____		_____																		
Balance	_____		_____																		

expl 3: Using the information provided, complete the following check stub for Rose Gardens. The balance brought forward for check stub 5312 is \$5,972.89.

Checks Written

Number	Date	To	For	Amount
5311	Oct. 7	Julie Davis	Seeds	\$1250.80
5312	Oct. 10	Post Office	Postage	\$39.12
5313	Oct. 15	United Parcel	Shipping	\$256.28

Deposits Made

Oct. 8	\$732.18
Oct. 9	\$23.32
Oct. 13	\$1025.45

Electronic Payments

Oct. 8	\$650.07
Oct. 12	\$147.32

“Electronic payment” means the company paid someone else some amount but used an electronic transaction instead of a check. Record it as “Other (+ or -)”.

The balance brought forward gives us a starting point as “Total”. Then consider the date for check number 5312. What other deposits or electronic payments are relevant?

5312
 Date _____
 Amount _____
 To _____
 For _____

Total	_____ _____
Deposits	_____ _____
This Check	_____ _____
Other (+ or -)	_____ _____
Balance	_____ _____

Transactions dated *after* check number 5312 would be dealt with the next check stub.

Other problem types will look very similar to your own personal check register. Remember to subtract withdrawals and add deposits/credits to the balance.