



Title of Lesson: Twilight – Reconciling Edward Cullen’s Bank Statement

Grade Level(s): 9th – 12th Grades

Materials Needed: Lesson Plan information sheet, worksheet, and quiz, pencils, & calculators

Lesson Overview: In this lesson students will become familiar with the information listed on bank statements and will compare the information listed on a check register in order to reconcile the bank account. Students will use business math concepts to figure the total number of deposits on a bank statement, the total ATM withdrawals, and master the equation to adjust the bank statement balance as well as the adjusted checkbook balance.

Learning Objectives: In this lesson the objective is to teach the concept of reconciling bank statements. Students will need to master this skill to use in their own personal business as well as using this skill as a record keeper or bookkeeper in the business office. Students will also practice the skill of team work. Working with a partner helps develop the student’s ability to work as a member of a team. Regardless of the area of business, students will need to work as a team in the business world.

Procedures: Students will be provided with information sheets and assignments to work through the steps for completing sample problems. They will split into groups of three students to work as a team to solve the problems. The instructor will allow each team a chance to present their answers to the problems. Students will have the chance to discuss their checkbook problems and procedures for improving their method of banking record keeping.



Twilight

RECONCILING BANK STATEMENTS LESSON PLAN INFORMATION SHEET

Edward Cullen from the movie Twilight has a bank account and money to manage. You will learn to check his monthly account statement and help him make sure his bank balance is correct. This will help him to make sure that he has enough money for his date with Bella this weekend. This will help you in your own life with your own banking responsibilities.

A bank statement is a detailed record of the checking account from the bank. The bank statement balance is the amount of money left in the account per bank's records. The checkbook balance is the amount of money left in the account per depositor's records. All banks use computers to prepare bank statements. Data about all checks paid and all deposits received are entered into the computer in order to keep the depositor's account up-to-date. All of the data that is stored in the computer is printed out on the bank statement.



The bank statement shows the depositor's beginning balance, individual and total deposits, individual and total checks, and the ending balance. The ending balance, called the bank statement balance, is the amount of money left in the checking account according to the bank's records.

The depositor also has a record of deposits, checks, and balances. This record is kept either on check stubs or in a check register. The ending balance, called checkbook balance, is the amount of money left in the checking account according to the depositor's records. The check register comes with your order of checks. The bank customer receives a check register when he/she opens a checking account at the bank.

There will usually be differences between the checkbook balance and the bank statement balance. In this lesson, students will begin to learn how to explain these differences by preparing a bank reconciliation statement. This statement is used to bring the checkbook and the bank statement balances into agreement.

The following document is a sample of a bank statement. Notice the dates the bank statement covers, the name of the bank, as well as the name of the customer. Listed is the number of deposits, withdrawals, service charges, and new balance. The checks that have cleared the bank are listed as well as the ATM withdrawals. The deposits and other credits are also listed.

Practice

THE TWILIGHT NATIONAL BANK OF FORKS

Statement for

Edward Cullen

2 See Lane
Forks, Washington

This Statement Covers

12/20/08 thru 1/18/09

| | | |
|----------------------------------|-------------------------------|------------|
| Checking Account 0471-505 | Previous Statement of Balance | \$612.04 |
| | Total of 3 deposits for | 1,980.68 + |
| | Total of 10 withdrawals for | 1,705.25 - |
| | Total Service Charges | 4.50 - |
| | New Balance | 882.97 + |

| Check and Other Debits | Check | Date Paid | Amount | Check | Date Paid | Amount |
|------------------------|--------------------------------|-----------|--------|-------|-----------|---------|
| | 161 | 12/24 | 15.00 | 164 | 12/17 | 1232.27 |
| | 162 | 1/04 | 17.00 | *166 | 12/31 | 54.47 |
| | 163 | 12/26 | 217.54 | 167 | 1/03 | 53.97 |
| | Monthly Maintenance Charge | | | | 1/18 | 4.50 |
| | Withdrawal #00281 at ATM #423C | | | | 12/24 | 40.00 |
| | Withdrawal #02628 at ATM #423A | | | | 12/31 | 20.00 |
| | Withdrawal #08744 at ATM #430E | | | | 1/15 | 20.00 |
| | Withdrawal #02456 Check Card | | | | 1/16 | 35.00 |

| Deposits and Other Credits | | Date Posted | Amount |
|----------------------------|--------------------------------------|-------------|---------|
| | 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 Main, Forks, Washington
423C: 2500 Main, Forks, Washington
430E: 945 Jones, Forks, Washington

Thank you for Banking with [THE TWILIGHT NATIONAL BANK OF FORKS](#)

Worksheet



Use the bank statement from the **Twilight National Bank of Forks** to answer the questions about **Edward Cullen's** checking account:

1. What period does the statement cover?
2. What is Edward's account number?
3. How many deposits were made in Edward's account? What were the amounts?
4. How many checks cleared and what was the total amount of the cleared checks?
5. Was there any ATM activity? If so, how many transactions were there and what was the total amount?
6. Was there any check card activity? If so, how many transactions were there and what was the total amount?
7. Were there any service charges on Edward's account? If so, what was the total amount?
8. What was the total of all withdrawals? (Checks, ATM transactions, check card transactions and service charges)
9. Did check number 162 and 165 clear the account?



WORKSHEET ANSWER KEY

Use the bank statement from the **Twilight National Bank of Forks** to answer the questions about Edward Cullen's checking account:

1. What period does the statement cover?

12/20/08 thru 1/18/09

2. What is Edward's account number?

0471-505

3. How many deposits were made in Edward's account? What was the total amount?

Three, \$1,980.68

4. How many checks cleared and what was the total amount of the cleared checks?

6 for \$1,590.25

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

3 for \$80.00

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

1 for \$35.00

7. Were there any service charges on Edward's account? If so, what was the total amount?

Yes for \$4.50

8. What was the total of all withdrawals? (Checks, ATM transactions, check card transactions and service charges)

\$1,709.75

9. Did check number 162 and 165 clear the account?

YES and NO

Use this statement from the **Twilight National Bank of Forks**, the check register, and the reconciliation worksheet to help **Edward** balance his account.



THE TWILIGHT NATIONAL BANK OF FORKS

Statement for

Edward Cullen

2 See Lane
Forks, Washington

This Statement Covers

06/20/09 thru 7/19/09

| | | |
|--|-------------------------------|------------|
| Checking Account 0471-505 | Previous Statement of Balance | \$150.67 |
| | Total of 1 deposits for | 1,200.00 + |
| | Total of 6 withdrawals for | 1,246.98 - |
| | Total Service Charges | 0 - |
| | New Balance | 103.69 + |

| Check and Other Debits | Check | Date Paid | Amount | Check | Date Paid | Amount |
|---------------------------|-------|-----------|--------|-------|-----------|---------|
| | | | | 161 | 6/21 | 216.30 |
| | | | | 162 | 6/26 | 82.87 |
| | | | | 163 | 6/29 | 1000.00 |

| | | |
|--------------------------------|------|-------|
| Withdrawal #00286 at ATM #423A | 6/18 | 35.00 |
| Withdrawal #02699at ATM B | 6/25 | 20.00 |
| Withdrawal #02566 Check Card | 6/18 | 55.00 |
| Withdrawal #06959 Check Card | 6/26 | 54.11 |

| Deposits and Other Credits | | Date Posted | Amount |
|-------------------------------------|--|-------------|------------|
| Transfer from 9963-557 at ATM #423C | | 6/23 | \$1,200.00 |

| | |
|------------------|------------------------------------|
| ATM | 423A: 2500 Main, Forks, Washington |
| LOCATIONS | 423B: 2500 Main, Forks, Washington |

Thank you for Banking with **THE TWILIGHT NATIONAL BANK OF FORKS**

| | | | | | | 366.97 | |
|---------|------|-------------------------|---------|----|---------|------------|---------|
| Num | Date | Transaction Description | Payment | | Deposit | | Balance |
| 161 | 6/4 | Best Buy | 216 | 30 | | 150 67 | |
| ATM | 6/18 | Withdrawal | 35 | 00 | | 115 67 | |
| Ck card | 6/18 | Food Land | 55 | 00 | | 60 67 | |
| ATM | 6/23 | Deposit | | | 1200 | 00 1260 67 | |
| 162 | 6/24 | American Eagle | 82 | 87 | | 1177 80 | |
| ATM | 6/25 | Withdrawal | 20 | 00 | | 1157 80 | |
| 163 | 6/26 | Apartment | 1000 | 00 | | 157 80 | |
| Ck card | 6/26 | Wal-Mart | 54 | 11 | | 103 69 | |
| 164 | 7/5 | Blockbuster | 26 | 31 | | 77 38 | |
| 165 | 7/14 | Hot Topic | 10 | 00 | | 67 38 | |
| ATM | 7/19 | Deposit | | | 253 | 17 320 55 | |



NAME _____

| Items Outstanding | |
|-------------------|--------|
| Number | Amount |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| TOTAL | |

| | |
|---|---|
| <p>Enter The New Balance shown on your statement.</p> | \$ _____ |
| <p>Add Any deposits or transfers listed in your register that are not shown on your statement.</p> | \$ _____ \$ _____ \$ _____ +\$ _____ |
| <p>TOTAL Calculate the subtotal</p> | \$ _____ \$ _____ |
| <p>Subtract Your total outstanding checks and withdrawals.</p> | -\$ _____ |
| <p>Calculate your ending balance. This amount should be the same as the current balance in the check register.</p> | \$ _____ |

Use the reconciliation worksheet to answer the following questions:

1. What is the new balance shown on the statement?
2. What is the total amount of deposits listed on the register but not shown on the statement?
3. What is the sum of the new balance and deposits not shown on the statement?
4. What is the total of outstanding checks and withdrawals?
5. What is the ending balance?



Answer Key

| Items Outstanding | | |
|-------------------|-----------|-----------|
| Number | Amount | |
| 164 | 26 | 31 |
| 165 | 10 | 00 |
| TOTAL | 36 | 31 |

| | |
|--|--|
| Enter The New Balance shown On your statement | \$ <u>103.69</u> |
| Add Any deposits or transfers listed In your register that are not Shown on your statement TOTAL | \$ <u>253.17</u> \$ _____ \$ _____ + \$ <u>253.17</u> |
| Calculate the subtotal | \$ <u>356.86</u> |
| Subtract Your total outstanding Checks and withdrawals | -\$ <u>36.31</u> |
| Calculate your ending balance This amount should be the same as the current balance In the check register. | \$ <u>320.55</u> |

Use the reconciliation worksheet to answer the following questions:

- What is the new balance shown on the statement?
\$103.69
- What is the total amount of deposits listed on the register but not shown on the statement?
\$253.17
- What is the sum of the new balance and deposits not shown on the statement?
\$356.86
- What is the total of outstanding checks and withdrawals?
\$36.31
- What is the ending balance?
\$320.55

Method of Evaluation (if applicable, please include the answer key on a separate sheet of paper): Teacher observation and student completed worksheets. The teacher will check the worksheets for each team for accuracy and answer questions as they fill them out. She can number the teams or have the students put their names on their sheets. The students will take the quiz after the students have completed the worksheet to see if they fully understand the concepts. There is also an Alternate Exam for students who don't score a passing grade.

Give the students the following quiz.



NAME _____

Bank Reconciliation Quiz

You are helping **Edward Cullen** take care of his account. Part of your job is to prepare his checkbook and prepare a reconciliation statement. Avoid making mistakes and check your work twice, because you know what can happen when **Edward** gets upset!

On July 31, his balance is \$2,699.04 and the bank shows a balance of \$2,780.75. After comparing records you find and outstanding deposit of \$611.96.

The following checks are outstanding:

| | |
|-----|--------|
| 791 | 104.17 |
| 792 | 426.08 |

Prepare bank reconciliation as of July 31.

| | |
|---|--|
| <p>Enter The New Balance shown on your statement.</p> | <p>\$ _____</p> |
| <p>Add Any deposits or transfers listed in your register that are not shown on your statement. TOTAL Calculate the subtotal.</p> | <p>\$ _____ \$ _____ \$ _____ +\$ _____ \$ _____</p> |
| <p>Subtract Your total outstanding checks and withdrawals.</p> | <p>-\$ _____</p> |
| <p>Calculate your ending balance. This amount should be the same as the current balance in the check register.</p> | <p>\$ _____</p> |

| Items Outstanding | |
|-------------------|--------|
| Number | Amount |
| | |
| | |
| TOTAL | |

ANSWER KEY

| Items Outstanding | | |
|-------------------|------------|-----------|
| Number | Amount | |
| 791 | 104 | 17 |
| 793 | 426 | 08 |
| TOTAL | 530 | 25 |

| | |
|---|---|
| <p>Enter The New Balance shown on your statement.</p> | <p>\$ <u>2,699.04</u></p> |
| <p>Add Any deposits or transfers listed in your register that are not shown on your statement. TOTAL</p> <p>Calculate the subtotal.</p> | <p>\$ <u>611.96</u> \$ _____ \$ _____ +\$ _____</p> <p>\$ <u>3,311.00</u></p> |
| <p>Subtract Your total outstanding checks and withdrawals.</p> | <p>-\$ <u>530.25</u></p> |
| <p>Calculate your ending balance. This amount should be the same as the current balance in the check register.</p> | <p>\$ <u>2,780.75</u></p> |



Bank Reconciliation Alternate Quiz

Name _____

Options and variations of lesson (optional): If the students don't score an 85% or better on the quiz, the Instructor may require that they review the lesson and take the alternate quiz.

You are helping **Edward Cullen** take care of his account. Part of your job is to prepare his checkbook and prepare a reconciliation statement. Don't make mistakes, because you know what can happen when Edward gets upset! On July 31, his balance is \$2,637.12 and the bank shows a balance of \$2,921.01. After comparing records you find and outstanding deposit of \$217.19. The following checks are outstanding.

392.....411.10

395..... 57.08

396..... .9.95

Please prepare bank reconciliation.

| | |
|---|----------------------------------|
| 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 checks and withdrawals. | -\$ _____ |
| Calculate your ending balance. This amount should be the same as the current balance in the check register. | \$ _____ |

| Items Outstanding | |
|-------------------|--------|
| Number | Amount |
| | |
| | |
| | |

| | |
|-------|--|
| | |
| TOTAL | |

ANSWER KEY ALTERNATE QUIZ

| Items Outstanding | |
|--------------------------|--------|
| Number | Amount |
| 392 | 411.10 |
| 395 | 57.08 |
| 396 | 9.95 |
| TOTAL | 478.13 |

| | |
|---|--|
| <p>Enter The New Balance shown on your statement.</p> | <p>\$ <u>2,637.12</u></p> |
| <p>Add Any deposits or transfers listed in your register that are not shown on your statement.</p> | <p>\$ <u>217.19</u> \$ _____ \$ _____</p> |
| <p>TOTAL Calculate the subtotal.</p> | <p>+\$ <u>217.19</u> \$ <u>2,854.31</u></p> |
| <p>Subtract Your total outstanding checks and withdrawals.</p> | <p>-\$ <u>478.13</u></p> |
| <p>Calculate your ending balance. This amount should be the same as the current balance in the check register.</p> | <p>\$ <u>2,358.18</u></p> |

Relevance to NBEA or NCTM Standards (see Educator Resources at www.oscpa.com):

Understanding banking principles is essential for a full understanding of the accounting process. The business math calculator curriculum, recordkeeping and bookkeeping curriculum includes information for reconciling bank statements. All students need to become familiar with reading the bank statements and reconciling bank statements for their personal business as well as completing the required curriculum for becoming a bookkeeper as a career. It is required curriculum in the Business Financial Management and Accounting Services Duty Task List for all Career Majors in the Financial Services Division.

Skills students will gain: The class will gain an understanding and experience in reconciling bank statements for their personal use or for a business using business math concepts on their 10-Key Calculators, which are important skills for accounting and for personal finance. They will be working with each other in groups of three, which will help them to learn to be a team player assisting each other as problems arise.