UNIT 6

Managing Bank Accounts and Savings





Balancing and managing bank accounts is crucial in order to control your finances and make informed financial decisions:

- Accurate financial tracking allows you to identify any discrepancies, unauthorized transactions or errors, ensuring that your financial records are up-to-date and accurate.
- Effective account management helps you avoid costly fees and penalties. By keeping track of your account balance and monitoring transactions you can ensure you have sufficient funds to cover your expenses and avoid unnecessary fees that can be associated with a negative account balance or writing a check with insufficient funds.
- By reviewing your account statements and transaction history, you can analyze your spending patterns, identify areas for potential savings and allocate funds towards your financial goals.
- Regularly monitoring bank accounts helps you detect and prevent fraudulent activity. By promptly reviewing your transactions you can identify any unauthorized charges or suspicious activity and notify your bank or financial institution immediately to take appropriate action.

Let's try some questions.

1. Alex has a starting balance of $500 in his bank account. He withdraws $50 for groceries and deposits a paycheck of $200. Calculate his new balance.
2. Sarah has a bank account balance of $350. She spends $120 on shopping and deposits $200 from her part-time job. What is her new balance?
3. Mary's bank account has a current balance of $500. She receives a deposit of $300 and makes a withdrawal of $150. She also has a monthly direct debit of $50 for her phone bill. Will she have a positive or negative balance this month after these transactions?

4 John's bank account has a current balance of $800. He receives a deposit of $200 and makes a withdrawal of $300. He also has a monthly direct debit of $100 for his gym membership. Will he have a positive or negative balance this month after these transactions?

5 Sarah's bank account has a current balance of $350. She receives a deposit of $250 and makes a withdrawal of $400. She also has a monthly direct debit of $50 for her internet bill. Will she have a positive or negative balance this month after these transactions?

6 David's bank account has a current balance of $600. He receives a deposit of $400 and makes a withdrawal of $700. He also has a monthly direct debit of $100 for his credit card payment. Will he have a positive or negative balance after these transactions?

7 Emily's bank account has a current balance of $1,000. She receives a deposit of $500 and makes a withdrawal of $1,200. She also has a monthly direct debit of $150 for her utility bill. Will she have a positive or negative balance after these transactions?

8 Mark's bank account has a current balance of $700. He receives a deposit of $300 and makes a withdrawal of $800. He also has a monthly direct debit of $200 for his car loan payment. Will he have a positive or negative balance after these transactions?

9 Emma's bank account has a current balance of $1,200. She receives a deposit of $500 and makes a withdrawal of $1,500. She also has a monthly direct debit of $100 for her insurance premium. Will she have a positive or negative balance after these transactions?

10 Michael's bank account has a current balance of $900. He receives a deposit of $400 and makes a withdrawal of $1,000. He also has a monthly direct debit of $150 for his student loan payment. Will he have a positive or negative balance after these transactions?



11 Olivia's bank account has a current balance of $1,500. She receives a deposit of $600 and makes a withdrawal of $1,800. She also has a monthly direct debit of $200 for her car insurance payment. Will she have a positive or negative balance after these transactions?

12 Daniel's bank account has a current balance of $1,000. He receives a deposit of $500 and makes a withdrawal of $2,000. He also has a monthly direct debit of $150 for his subscription service. Will he have a positive or negative balance after these transactions?

13 Sireen wants to save money. She can either save $10 every week or $40 every month. After 6 months, which option would result in higher total savings?

14 Ali wants to save money. He can either save $2 a day or $14 a week. After one year, which option would result in higher total savings?

15 Majid wants to save money. He can either save $5 per day for one year or $200 every month for 6 months. Which option would result in higher total savings?

16 Joshua wants to save money. He can either save $1.50 every day or $10.00 every week. After 140 days, which option would result in higher total savings?

17 Emily wants to save money. She can either save $20 every week for 26 weeks or $80 every month for 6 months. Which option would result in higher total savings?

18 Adam wants to save money. He can either save $3 every day for 240 days or $21 every week for 8 months. Which option would result in higher total savings?

19 Abraham wants to save money. He can either save $2 per day, $14 per week, or $60 per month. If he plans to save for 5 years, which option would result in the highest total savings?

20 Jean-Paul wants to save money. He can either save $5 per day, $35 per week, or $150 per month. If he plans to save for 3 years, which option would result in the highest total savings?

21 Xianxi wants to save money. She can either save $3 per day, $21 per week, or $90 per month. If she plans to save for 8 years, which option would result in the highest total savings?

22 Aryan wants to save money. He can either save $1 per day, $7 per week, or $30 per month. If he plans to save for 2 years, which option would result in the highest total savings?

23 Sumitra wants to save money. She can either save $2 per day, $14 per week, or $60 per month. If she plans to save for 4 years, which option would result in the highest total savings?

24 Carlos wants to save money. He can either save $3 per day, $21 per week, or $90 per month. If he plans to save for 3 years, which option would result in the highest total savings?

25 Salma wants to save money. She can either save $2 per day, $10 per week, or $40 per month. If she plans to save for 3 years, which option would result in the highest total savings?

26 Zooloo wants to save money. He can either save $3 per day, $20 per week, or $80 per month. If he plans to save for 5 years, which option would result in the highest total savings?

27 Francois wants to save money. He can either save $1 per day, $7 per week, or $30 per month. If he plans to save for 4 years, which option would result in the highest total savings?

28 Diala wants to save money. She can either save $1.50 per day, $5 per week, or $40 per month. If she plans to save for 10 years, which option would result in the highest total savings?

29 Hisham wants to save money. He can either save $3 per day, $15 per week, or $80 per month. If he plans to save for 10 years, which option would result in the highest total savings?



30 Leyth wants to save money. He can either save $2 per day, $10 per week, or $50 per month. If he plans to save for 10 years, which option would result in the highest total savings?

31 Kamala wants to save money. She can either save $3 per day, $20 per week, or $100 per month. If she plans to save for 10 years, which option would result in the highest total savings?

32 Safa wants to save money. She can either save $2.50 per day, $15 per week, or $60 per month. If she plans to save for 10 years, which option would result in the highest total savings?

33 Michael wants to save money. He can either save $5 per day, $30 per week, or $200 per month. If he plans to save for 10 years, which option would result in the highest total savings?

Let's Explore

What should you look for when deciding what type of bank account to open? What bank account features would best suit your needs?

- Do you make frequent withdrawals or transfers? You will want to compare different bank account policies and fees associated with such transactions. For example, some banks allow unlimited ATM withdrawals if using their ATMs but will charge you for using other banks' ATMs.
- Are you concerned about not having sufficient funds in your account due to automatic debits or a post-dated check you may have forgotten that you wrote? Of course, the best way to avoid unnecessary NSF situations is to keep up-to-date with your expenses and budget accordingly. Sometimes it

can be a timing issue. For example, you may get paid the third week of every month but have an automatic debit or check drawn from your account earlier in the month, which you may not have sufficient funds for at the time. In that case, you may want to inquire about overdraft protection options at your bank that link your checking account to another account (such as a savings account), credit card or line of credit, to cover the deficit in your checking account. However, each bank may have its own limits on how many times overdraft protection can be used.

- What is your bank's policy on providing fraud protection to its customers? You should become familiar with your bank's policies and procedures in case you notice suspicious activity with your account. Although banks normally offer protection if a customer is the victim of fraudulent activity, they may impose a specific timeframe for customers to report unauthorized transactions in order to qualify for full protection.
- What are the fees and processing time at your bank associated with different transactions? In some cases, you may be able to transact using a post-dated check. However, there may be instances where the payee requires a manager's check or bank draft, which your bank would typically charge you for.
- Are you considering applying for a credit card, loan or mortgage? You will definitely want to compare interest rates and features offered by different financial institutions. For example, some credit cards offer discounts or rewards when used at specific establishments.