Checkbook Balancing Exercise (KEY)

You opened a checking account on Feb 1, 2023. Your opening balance was \$835.25. During the month you had the following activity in your checking account:

Feb 2	Check #1001 – Foxridge Apartments - rent	\$500.00
Feb 2	Deposit	\$100.00
Feb 5	Check # 1002 – Farm State Insurance	\$65.50
Feb 12	Check # 1003 – Kroger - groceries	\$45.35
Feb 15	ATM withdrawal	\$50.00
Feb 20	Check #1004 – Townie-corp - credit card	\$120.85
Feb 20	Service charge – bank	\$5.00
Feb 28	Deposit	\$25.00

First thing to do is enter all of these transactions into your checkbook register – see the next page. Keep a running total of your checking account balance – do this for each of the transactions. You should end up with \$173.55 as the ending balance in your register.

It's Feb. 23, 2236 and you've just received your monthly statement from the bank, along with 2 canceled checks (checks that have cleared your account). Now it's time to balance your check book. Use the following monthly statement to balance your checkbook. Here's how:

- 1. In the "X" column of your checkbook register, clearly mark (with an X) all of the transactions that are listed on your monthly statement.
- 2. Use the checkbook balancing worksheet on the monthly statement.
 - a. Write the ending balance from the statement on the first line (Line A) of the worksheet.

- b. Total all deposits to your account that have NOT cleared (are not listed on your statement). Write this total on Line B.
- c. Add Lines A and B to calculate the subtotal and enter the result on Line C.
- d. Total all withdrawals from your account that are not listed on your monthly statement. Enter the total on Line D.
- e. Subtract Line D from Line C. This amount should be exactly equal to the ending balance in your checkbook register. If not, you have made a mistake go back and do it again!

Checkbook Register						
Item	Date	Transaction	l	X	Amount of	Balance
Number		Description	Payment		Deposit	
	2-1	Opening Balance		Х		835.25
1001	2-2	Foxridge Apartments	500.00	Х		500.00
		<u>.</u>				335.25
	2-2	Deposit		Х	100.00	100.00
						435.25
1002	2-5	Farm State Insurance	65.50	Х		65.50
						369.75
1003	2-12	Kroger	45.35			45.35
		groceries				324.40
	2-15	ATM	50.00	Х		50.00
						274.40
1004	2-20	Townie-Corp	120.85			120.85
		Credit card				153.55
	2-20	Service Charge – bank	5.00	Х		5.00
						148.55
	2-28	Deposit			25.00	25.00
						173.55

Canceled Checks

Joe Smith			1001
SSN: 215-66-1098	Feb 2		20 23_
Phone: (919) 515-6092			
3500 Broadway Verona, VA 24588			
Pay to the			
Order of Foxridge Apartments		\$!	<u>500.00</u>
Five Hundred and 00/100			DOLLARS
First State Bank of Virginia 5000 Hillsborough St. Abingdon, VA 23665			
FOR			
Joe Smith			1002
Joe Smith SSN: 215-66-1098	Feb 5		1002 20 23_
SSN: 215-66-1098 Phone: (919) 515-6092	Feb 5		
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway	Feb 5		
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway Verona, VA 24588	Feb 5		
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway Verona, VA 24588 Pay to the	Feb 5		20 23_
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway Verona, VA 24588	Feb 5		
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway Verona, VA 24588 Pay to the	Feb 5		20 23_
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway Verona, VA 24588 Pay to the Order of Farm State Insurance Sixty-five and 50/100	Feb 5		20 23_ 65.50
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway Verona, VA 24588 Pay to the Order of Farm State Insurance Sixty-five and 50/100 First State Bank of Virginia	Feb 5		20 23_ 65.50
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway Verona, VA 24588 Pay to the Order of Farm State Insurance Sixty-five and 50/100	<u>Feb 5</u>		20 23_ 65.50
SSN: 215-66-1098 Phone: (919) 515-6092 3500 Broadway Verona, VA 24588 Pay to the Order of Farm State Insurance Sixty-five and 50/100 First State Bank of Virginia 5000 Hillsborough St.	Feb 5		20 23_ 65.50

First State Bank of Virginia

Monthly Bank Statement

for the Period Jan 20 - Feb 20, 2023

Beginning Balance:	\$835.25
Deposits:	\$100.00
Withdrawals:	\$620.50
Ending Balance:	\$314.75

Transactions

Deposits: Feb 5 \$100.00

Checks: Feb 4 \$500.00 # 1001

Feb 8 \$65.50 # 1002

Service Charges & ATM Withdrawals:

Feb 15 \$50.00 Feb 20 \$5.00

Checkbook Balancing Worksheet

A.	Ending Balance from Monthly Statement:	\$314.75	
В.	Add Any deposits made, but not Recorded on Monthly Statement:	+ 25.00	
C.	Subtotal:	= \$339.75	
D.	Minus Any Checks Written, but not Recorded on Monthly Statement:	- 166.20	
E.	Ending Balance:	= \$173.55	