

## 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, 2023 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!



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

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

