

Checkbook Balancing Exercise

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 – rent	\$500.00
Feb 2	Deposit	\$100.00
Feb 5	Check # 1002 – insurance	\$65.50
Feb 12	Check # 1003 – groceries	\$45.35
Feb 15	ATM withdrawal	\$50.00
Feb 20	Check #1004 – 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!

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

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:	_____
B.	Add Any deposits made, but not Recorded on Monthly Statement:	+ _____
C.	Subtotal:	= _____
D.	Minus Any Checks Written, but not Recorded on Monthly Statement:	- _____
E.	Ending Balance:	= _____