How to Balance a Checkbook

By Jdeke von Kolberg July 2018

Maintaining the Ledger or Checkbook Register

- You must have a ledger or checkbook register. This can be:
 - The little book provided with the checks
 - An Excel (or similar) spreadsheet
 - Checking account management software
 - A lined piece of paper!
- No matter what format your ledger is
 - If you write a check, record it immediately and subtract the amount of the check from the balance
 - If you make a deposit, record it immediately and add the amount of the deposit to the balance
- Put a comment with each transaction so you know what it is

When Your Bank Statement Arrives...

Look at it for fees. A bank may charge fees for:

- Providing check images (required for Exchequers!)
- Deposited checks that bounced
- Deposits exceeding a stated number
- Transactions exceeding a stated number (see next 2 pages for images showing where you find this information)

These fees show up on the statement as *debits*. You must enter these debits into your ledger.

If a check bounced, you must also subtract the check amount from your balance, and record both the fee and the check amount as a Receivable in your quarterly report!

Transaction history

	Check	2007	Depos		Withdrawals/	Ending daily
Date	Number	Description	Cree	dits	Debits	balance
9/6		Deposit	INNE	I.NN		NNNNNNN
9/7		Deposit	hinh	1.00		NNNNNN
9/15		Deposit	NIN	NÑ.		NN.NNN.
9/20		Deposit FEE FOR BU	OUNCED CHECK - DEBIT	NA.		
9/20		Cashed/Deposited Item Retn Unpaid Fee			12.00	
9/20		Deposits discuss to the LL B	BOUNCED CHECK - DEBIT		49.00	NA, ANAMA
9/21	NANA	Check			NNNINN	NNNNENN
9/25		eDeposit IN Branch/Store 09/25/17 12:16:32 Pm 554 N Main	า St 2ที่ที่ที่	ΩΩ.	2.00.00	Lojostilso
9/25		eDeposit IN Branch/Store 09/25/17 12:17:24 Pm 554 N Male	1 St NNR	N.N.N		
9/25	NNN	Check			'NN.NN	ZNNNNN.AN
9/26	NNNN	Check			NNN.NN	NNNNN.NN
9/27	NNNN	Check			ONN.NN	25-100-100-10
9/27	NNNN	Check			NNN.NN	
9/27	NNNN	Check			NN.NNNE	2NNNN.NN
9/29	NNNN	Deposited OR Cashed Check			NNN!NN	
9/29		Monthly Check Return/Image Strit Fee	CHECK IMAGING FEE - DEBIT		2.00	พท.ททพ.ทท
Ending bala	ance on 9/30					2Nnnnn.nn
Totals	,		NNNN.	NINO	SNNNNN.NN	

RL1 Robin Leguillow, 7/15/2018

If your bank charges fees based on a minimum balance, this will show here. "Waived" means the minimum balance has been maintained. The actual fee will also be in the debits column (see previous page)

Monthly service fee summary

For a complete list of fees and detailed account information, see the Wells—Fargo Account Fee and Information Schedule and Account Agreement applicable to your account (EasyPay Card Terms and Conditions for prepald cards) or talk to abanker. Go to weilsfargo.com/feefaq for a link to these documents, and answers to common monthly service fee questions.

Fee period 09/01/2017 - 09/30/2017	Standard monthly service fee \$0.00	You paid \$0.00
The bank has waived the fee for this fee period.		

Account transaction fees summary

		Llerits	Excess	Service charge per	Total service
Service charge description	Units used	included	units	excess units (S)	charge (S)
Cash Deposited (\$)	1,900	7,500	0	0.0030	0.00
Transactions	67	200	0	0.50	0.00
Intal service charges					60.00

If your bank charges fees per transaction, this will show here. The columns show how many units you used, how many are included for free, how many used in excess, and what the charge is per excess unit. The total service charge is in the last column, and it will also be in the debit column for Transaction History (see previous page) as a "Cash Deposited Fee" or a "Transaction Fee".

Failure to record the bank fees from the statement in your ledger will mean you can't balance the bank statement. Also, you may end up bouncing your own check! Once you have recorded all fees from the bank statement in your ledger, you can then identify checks and deposits that have cleared the bank.

What does "cleared" mean? It means those checks/deposits that are on the bank statement.

TIP: You also need to check that the amount shown on the bank statement matches the amount in your ledger. You could have made a mistake in recording the transaction. The bank could have made a mistake in recording the transaction. If you find bank mistakes, you need to go to the bank to discuss it with them.

Check off transactions that cleared

Starting Balance								\$ 1,952.67	
Check#	Date	Name	Purpose	R	Οι	ıt	In	Balance	
nnnn	12/12/2017	person 1	Fun Event refund	R	\$	71.00		\$1,881.67	
nnnn	12/12/2017	person 2	Fun Event refund	R	\$	80.00		\$1,801.67	
nnnn	12/12/2017	person 3	Fun Event refund		\$	27.00		\$1,774.67	
nnnn	12/12/2017	person 4	Fun Event refund	R	\$	22.00		\$1,752.67	
nnnn	12/12/2017	person 5	site fee for Fun Event	R	\$	100.00		\$1,652.67	
	12/15/2017	deposit	Fun Event Gate	R			\$ 400.00	\$2,052.67	
	12/29/2017	Wells Fargo	check copying charge	R	\$	2.00		\$2,050.67	

Number	Date	Transaction	Withdra	awal		Deposit		\$ 1952.6		.67
上附都什	121	PERSON I	71	00	V	,			71	00
	12	FUN EVENT REPUND						18	18:	67
井井井	121	PERSON 2	80	00		,			80	00
	12	FUN EVENT REFUND						18	10	67
###	12/	PERSON 3	27	00	П				27	00
	12	FUN EVENT REFUND						17	774	67
###	12/	PERSON 4	22	00	V	,			22	00
	12	FUNEVEUT REFUND						1	152	67
件件件	12/	PERSON S	100	00					100	00
	12	SITE FEE FUNEVENT						14	52	67
	(al	DEPOSIT GATE INTAKE			V	400	00		400	00
	15	GATE INTAKE FUN EVENT						a	52	67
				1	<u> </u>	•	_			
	131	WELLS FARGO	2	00					a	60

131	WELL'S FARGO CHECK COPYING CHARGE	2	00	1	a	60
29	CHECK COPYING CHARGE				2050	67

These examples both contain the same data. One was done using an Excel spreadsheet to maintain the ledger. One was done using the check register booklet that comes in a box of checks.

On the spreadsheet, the column marked "R" shows the transactions that were reported on the bank statement.

On the booklet, the column marked with a check shows the transactions that were reported on the bank statement.

As you can see, there is one check for \$27 that has not cleared the bank, written to person 3.

Do the Calculations

Use the form provided on the bank statement. It even has instructions!

Account Balance Calculation Worksheet	Number	Items Outstanding	Amount
 Use the following worksheet to calculate your overall account balance. 			
 Go through your register and mark each check, withdrawal, ATM transaction, payment, deposit or other credit listed on your statement. Be sure that your register shows any interest paid into your account and any service charges, automatic payments or ATM transactions withdrawn from your account during this statement period. 			
Use the chart to the right to list any deposits, transfers to your account, outstanding checks, ATM withdrawals, ATM payments or any other withdrawals (including any from previous months) which are listed in your register but not shown on your statement.			
ENTER			_
A. The ending balance			
shown on your statement \$			
ADD			
B. Any deposits listed in your \$			
register or transfers into \$			
your account which are not \$			
shown on your statement. + \$			
TOTAL \$			
CALCULATE THE SUBTOTAL			
(Add Parts A and B)			
TOTAL \$			
SUBTRACT			_
C. The total outstanding checks and			
withdrawals from the chart above \$			
CALCULATE THE ENDING BALANCE	4		
(Part A + Part B - Part C)			
This amount should be the same			
as the current balance shown in			-
your check register			
Name and Address of the Party o			
		Total amount S	

The amount shown in field A comes from the first page of the statement.

If you made any deposits after the end date of the statement, they'll be in your ledger, and in your ledger balance, but not on the bank statement. Put them in B, add them up, and add the total to the amount in A.

If there were any checks written after the end of the statement period, OR if any checks have not cleared the bank, put them in the chart to the right, and put the total amount of outstanding checks in C.

The ending balance is the total of the statement balance (A) plus outstanding deposits (B) minus outstanding checks (C).

That should match the ending balance in your ledger.

Account Balance Calculation Worksheet	Number	Items Outstanding	Amount
Use the following worksheet to calculate your overall account balance.	NNNN	Person 3	27.00
Go through your register and mark each check, withdrawal, ATM transaction, payment, deposit or other credit listed on your statement. Be sure that your register shows any interest paid into your account and any service charges, automatic payments or ATM transactions withdrawn from your account during this statement period.			
Use the chart to the right to list any deposits, transfers to your account, outstanding checks, ATM withdrawals, ATM payments or any other withdrawals (including any from previous months) which are listed in your register but not shown on your statement.			
ENTER			
A. The ending balance shown on your statement \$ 2077.67			
ADD			
B. Any deposits listed in your segister or transfers into syour account which are not shown on your statement. + 5			
CALCULATE THE SUBTOTAL (Add Parts A and B)			
TOTAL \$ 2077.67			
SUBTRACT C. The total outstanding checks and withdrawals from the chart above \$ 27.00			
CALCULATE THE ENDING BALANCE (Part A + Part B - Part C) This amount should be the same as the current balance shown in your check register			
		Total amount \$	27,00

What if it does not match?

- •Double-check your math. Make sure you added and subtracted everything correctly since the checkbook last balanced correctly.
- •Double-check the amounts. Make sure the amounts in your register match the amounts on the statement.
- •Look for missing transactions. Did you forget to write something down? Has something not cleared or have you recorded something that happened after the statement date?
- •Subtract the balance in your check register from the balance on the statement. Does the amount match the amount of one of the transactions? If so, that transaction has probably not been accounted for correctly yet.
- •If the difference between the balance in your checkbook and the balance on your statement has an even number of pennies, divide the difference by 2. Does this new amount match the amount of one of the transactions? If so, that transaction was probably added instead of subtracted or vice versa.

IT MATCHES!

You are finished balancing the bank statement for this month. You should:

- Sign and date the first page.
- Sign and date the calculation worksheet.
- Scan the entire statement to PDF.
- Send it to your Seneschal for signature.
- When you receive the signed statement back from the Seneschal, put it in your electronic folders. It must be attached to your quarterly report.