

How to Balance Your Checkbook

Millions of people have never learned how to balance their checkbook. Perhaps you're one of them. If so, this article will show you how to balance your checkbook quickly and easily.

Items needed:

1. Pencil.
2. Calculator.
3. Your check register.
4. Monthly statement from your bank.

Each month your bank will send you a statement detailing the activity in your account. This includes the checks you wrote, your ATM withdrawals, deposits, charges and fees. Be sure to review this statement soon after receiving it to ensure that it reflects the figures in your check register.

8 Easy Steps to Balancing Your Checkbook

Next comes the "fun" part that everyone enjoys! But don't worry. Just follow these eight easy steps and you'll have your checkbook balanced in no time! But before getting started, make sure you're not distracted and aren't pressed for time. Though the process isn't difficult, it does require a little concentration. Ready to get started?

1. Each month your bank should send you a monthly reconciliation worksheet. Enter the ending balance shown on your statement.
2. Place a mark in your check register for every item that appears on your bank statement. If you encounter any items that are not in your check register, start by determining if the item is correct. Perhaps you forgot to record the check (or the deposit) in your check register. If you suddenly remember that the item is accurate, simply list it in your check register. However, if you are quite certain the item is incorrect, call your bank right away to have them investigate the matter.
3. If there are deposits and other credits in your check register that are not on your statement, be sure to add these to your ending balance.
4. Next, list the checks, ATM withdrawals, fees and other debits that are on your check register but not listed on the statement. To get your new ending balance, *subtract* these debit items from the balance you came up with in step 3.
5. Write the balance in your checkbook.

6. List any deposits that are on the statement that are *not* in your check register. Then *add* them to your checkbook balance.

Only two more steps to go – you're doing great!

7. List the checks, ATM withdrawals, fees and other debits that are on your statement but are not listed in your check register. To get your new ending checkbook balance, *subtract* these debits from your balance in the previous step.
8. The two totals should now be equal to the penny. If they don't match, go over everything again until you find the error. If you're unable to find it, add up the figures in your checkbook again. If you still can't find the error, call your bank and ask them to help.

There – done for another month!