

Know Your CHEQUING ACCOUNT

- IT'S A -
**MONEY
THING™**

STEP-BY-STEP INSTRUCTIONS TO BALANCING YOUR CHEQUEBOOK

WHAT YOU'LL NEED



Your most recent statement and/or cancelled cheques



A chequebook balancing form (previous page)



Your chequebook register



A calculator and a pencil

1. Reconcile your cheques

Determine if there are cheques that haven't cleared your account. Sort your cancelled cheques in cheque number order, or use the listing of your cleared cheques in the order shown on your statement. In your chequebook register, check off each cancelled cheque returned to you or each cheque that appears on the cheque listing, making sure that the amount you recorded is the amount shown on your statement.

2. Reconcile your deposits

Make sure each deposit shown on your statement is recorded in your chequebook register (especially if you have direct deposits, which you can easily forget to record). Also, go through your deposit slips and paycheque stubs, and make sure that your statement shows all the deposits you've made. Check off the deposits in your chequebook register as you did for cheques.

3. Reconcile your ATM withdrawals and debit card purchases

Go through the same process with your ATM withdrawals and debit card purchases, checking off each transaction on your statement in your chequebook register. If the statement shows transactions that aren't included in your chequebook register, record them now.

4. Record interest earned and fees

Check your statement for any other fees and record them in your chequebook register. Also record any interest earned in your chequebook register.

5. List outstanding deposits

Go through your chequebook register; in column one of the chequebook balancing form, list the outstanding deposits with dates (the deposits that you did not check off in your chequebook register as having cleared the account). Total the column of outstanding deposits.

6. List outstanding cheques

Now go through your chequebook register; in column two of the balancing form, list your outstanding cheques (the cheques that you did not check off in your chequebook register as having cleared your account), as well as any outstanding debit purchases or ATM withdrawals that have not yet cleared your account. Total the column of outstanding cheques, debits and ATM withdrawals.

7. Record your ending balance

On line 1 of the bottom section of the chequebook balancing form, enter the ending balance shown on your statement.

8. Enter outstanding deposits

On line 2 of the bottom section of the chequebook balancing form, enter the total outstanding deposits from column one.

9. Enter outstanding cheques

On line 3 of the bottom section of the chequebook balancing form, enter the total outstanding cheques from column two.

10. Calculate your balance

Use a calculator to total lines 1 through 3, as indicated by the plus and minus signs on the chequebook balancing form, and enter the new total on line 4. This should equal the balance shown in your chequebook register. If it doesn't, check for math errors in your chequebook register, such as reversed numbers (e.g., \$53 instead of \$35), subtracting a deposit instead of adding it, adding a cheque written instead of subtracting it, automatic payments that you forgot to record, etc.

Well done! Now, do this each and every month and you'll be in control of your chequing account.

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