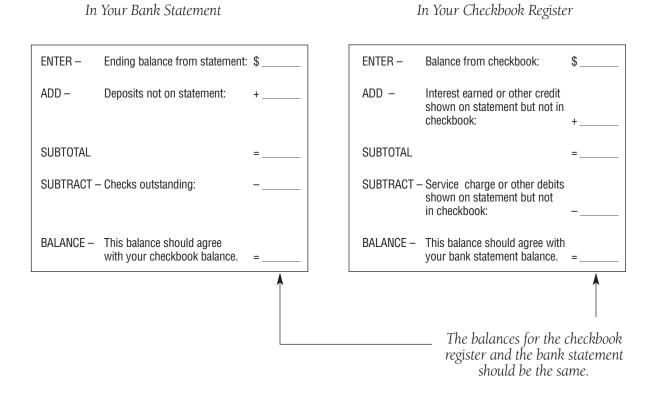
## BALANCING YOUR CHECKBOOK

You must balance (reconcile) your monthly bank statement with your checkbook register to verify that neither you nor the bank have committed an error. This is important. An inaccurate balance can result in an overdrawn account and expensive bank charges.

Balance your checkbook as soon as you receive the statement by completing the following steps.

**Step 1:** Compare the information on each check and each deposit with the entries in your checkbook register and with the balance statement. If all these agree, place a check mark ( $\checkmark$ ) in the proper column. Remember to add interest earned and deduct service charges in your checkbook.

**Step 2:** Complete the following.



**Step 3:** Compare the new Checkbook Register balance with that of the bank statement. They should be the same. Never allow the Checkbook Register and the bank statement to disagree in balance. The most common mistakes are arithmetic errors. Using a printing calculator will help avoid these mistakes, because it enables you to check your calculator entries against the original figures. Your arithmetic errors will also be reduced if you use a budgeting software program.