What is a Net Worth Statement?

Worksheet

A Net Worth Statement shows your total assets (what you own) minus total liabilities (what you owe), giving your net worth — your overall financial wealth at that moment.

Questions

1. Assets 400,000, Liabilities100,000. Net worth?

A) $400,000
B) $300,000
C) $500,000
D) $100,000

2. Which is an asset?

A) Mortgage
B) Credit card debt
C) Savings account
D) Car loan

3. Which is a liability?

A) Real estate owned
B) Investment account
C) Student loan balance
D) Retirement account

4. Increasing net worth happens when

A) debt increases
B) income only rises
C) assets grow faster than debt
D) liabilities decrease only

5. Assets: home 300,000, savings25,000, car 15,000. Liabilities: mortgage180,000, car loan $8,000. Find net worth.

6. Assets: cash 10,000, investments50,000, house 200,000. Liabilities: credit cards2,000, student loans 30,000, mortgage120,000. Calculate net worth.

7. Assets total 500,000. Liabilities total150,000. What is net worth?

8. Define: What is included in assets on a net worth statement?

9. Define: What counts as liabilities?

10. Define: How is net worth calculated?

Answer Key

1. B) $300,000 — 400,000 −100,000 = $300,000.
2. C) Savings account — A savings account is money you own; others are debts.
3. C) Student loan balance — A student loan is money you owe.
4. C) assets grow faster than debt — Net worth grows when assets increase or liabilities decrease — ideally both.
5. Total Assets = 300,000 +25,000 + 15,000 =340,000 Total Liabilities = 180,000 +8,000 = 188,000 Net Worth =340,000 − 188,000 =152,000
6. Total Assets = 10,000 +50,000 + 200,000 =260,000 Total Liabilities = 2,000 +30,000 + 120,000 =152,000 Net Worth = 260,000 −152,000 = $108,000
7. Net Worth = 500,000 −150,000 Net Worth = $350,000
8. Everything you own: real estate, savings, investments, vehicles, retirement accounts, jewelry.
9. Everything you owe: mortgages, car loans, student loans, credit card debt, personal loans.
10. Total Assets − Total Liabilities = Net Worth.