

Determine Your Financial Starting Point

You are beginning your journey to Financial Success. Before getting directions for any destination you must first determine your starting point. You may feel like you are starting from a disadvantage – or that the roads are steeper and rockier for you. Keep in mind, just like in any journey, where you start from or what obstacles you encounter may lengthen your travel time - but nothing can change the fact that no matter where you are coming from - you can always get there from here.

Objective: To establish where you are financially.

Time Required: One to two hours.

Instructions: Using the **Financial Statement** worksheet ...

1. List all of your liquid and fixed assets from your checking and savings accounts, stocks, bonds, equipment, jewelry, furniture, etc.
2. List the current market value (not necessarily what you paid for an item but what you could get from a willing buyer if you were selling without pressure).
3. List all of your liabilities – your installments loans, your unpaid credit card debt, your mortgage balance, etc., everything and everybody you owe money to.
4. Determine your net worth by subtracting the total dollars of liability from the total dollars of assets.

Now you know where you stand financially and you can begin your journey to financial independence.

Checklist

Date Completed

1 Use the **Financial Statement** worksheet to complete your personal financial statement.

2 Subtract the total dollars of liability from the total dollars of assets to calculate your net worth.

3 Re-calculate your net worth in six months to measure your progress.

Financial Statement

Name: _____

Date: _____

ASSETS

Liquid Assets

Cash \$ _____

Checking Accounts \$ _____

Savings Accounts \$ _____

Money Market Accounts \$ _____

Savings Bonds \$ _____

Certificates of Deposit \$ _____

Marketable Securities

Mutual Funds \$ _____

Corporate stocks \$ _____

Corporate bonds \$ _____

Government bonds \$ _____

Other \$ _____

Cash Value

Life Insurance \$ _____

Prepaid Items

Escrow for insurance & taxes on your home \$ _____

Fixed Assets

House \$ _____

2nd Home \$ _____

Furniture \$ _____

Electronics \$ _____

Computer \$ _____

Clothing \$ _____

Jewelry \$ _____

Collections \$ _____

Art Objects \$ _____

Equipment

Lawn \$ _____

Craft \$ _____

Other \$ _____

Recreation

Boat \$ _____

Trailer \$ _____

Plane \$ _____

Sporting equipment \$ _____

		Automobiles	\$
		Motorcycles	\$
Total Liquid Assets	\$	Retirement Programs	
		(a) Employer	\$
		(b) Individual	\$
+ Total Fixed Assets	\$	Real Estate	
		(a) Vacation	\$
TOTAL ASSETS	\$	(b) Investment	\$
		Value of Business	\$
		Loans Receivable	\$
		TOTAL FIXED ASSETS	\$

LIABILITIES

Installment Loans (Balance)		Other Loans	
Automobile	_____	Secured	_____
Recreation	_____	Unsecured	_____
Furniture	_____	Total Mortgage	_____
Appliances	_____	Total Other	_____
Credit Card	_____	TOTAL LIABILITIES	\$ _____
Other	_____		

Mortgage Loans

House	_____
2 nd Home	_____
Invest. – real estate	_____

NET WORTH COMPUTATION

<i>Total Assets</i>	_____
<i>(minus) Total Liabilities</i>	_____
<i>Current Net Worth</i>	\$ _____