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FSOS 3101

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Worksheet 1: Personal Balance Statement (12 points)

Directions: Create your personal balance sheet by completing all applicable fields in the table below. Be sure to include all your current assets and debts and total each section.

Next, compute your net worth and answer the response questions below.

*All worksheet answers **MUST be TYPED** or 2 points will be taken off for each assignment turned in not typed (i.e., handwriting)

ASSETS	\$		DEBTS	\$
Checking Account	523.62		Credit Card Debt	549.53
Savings Account	2046.22			
WF Rewards Account	19.14			
Stock Investments	256.57			
Total assets	2845.55		Total Debts	549.53

Net Worth = $2845.55 - 549.53 = 2296.02$

Response Questions: (3 points for each question)

1. What surprised you about your balance sheet and net worth? Provide **two** things that surprised you.

One thing that moderately surprised me with that at this moment, my credit card debt is right around the amount in my Checking's account. This actually makes sense since when tracking my spending, I realized that I was spending roughly what I was making every pay period. Despite this, however, I have a positive net worth of \$2296.02. While this isn't surprising per se, the fact that I'm maintaining and constantly adding to a savings account at a time where I'm not incurring

much of an income is something I'm proud of. This is especially the case considering that, according to our text, "College students typically have more debts than assets. Thus, they are technically insolvent..."(p.81, Garman & Forgue).

2. Based on the information in your balance sheet, where would you like to make changes? **Provide two examples and explain.**

One of the main changes I would like to work on is ensure that my checking account always contains more than the total debts that I owe. I want to make sure that I stay comfortable in the amount that I have, and never have to take from my savings account unless run into an emergency. Part of the reason that I'm having this issue right now is due to a hectic schedule that doesn't allow me to work as much as I would like.

Another change would be to, at some point, invest more into stocks. My portfolio only contains two different assets, and while I'm not investing much at the moment, it will be important for me to diversify my investments to ensure that I'm not relying to heavily on only a handful of assets.