# PERSONAL BALANCE SHEET GUIDE

*Understand what you own, what you owe, and the steps you can take next.*

## What is a personal balance sheet?

A personal balance sheet is a financial snapshot. It compares your assets, which are things you own, with your liabilities, which are amounts you owe. The difference is your net worth.

**NET WORTH = TOTAL ASSETS - TOTAL LIABILITIES**

## Completed example

| Category | Amount | Explanation |
|---|---|---|
| Checking and savings | $7,500 | Money already available in accounts |
| Retirement and investments | $9,000 | Long-term financial assets |
| Vehicle and personal property | $14,500 | Estimated current resale value |
| Total assets | $31,000 | Everything owned in this example |
| Credit cards and loans | $10,950 | Total outstanding debt |
| Net worth | $20,050 | $31,000 minus $10,950 |

## How to complete your workbook

1. **1. Enter current values:** Use the amount you could reasonably access or receive today, not the original purchase price.
2. **2. Enter current balances:** For debts, use the amount still owed, not the original loan amount.
3. **3. Review the totals:** The workbook automatically calculates total assets, total liabilities, and net worth.
4. **4. Choose one action:** Examples include adding $50 to savings or paying an extra $25 toward a credit card.
5. **5. Update quarterly:** Review the worksheet every three months to measure progress.

## Career Coach tip

**Start with accurate numbers, not perfect numbers. A realistic snapshot gives you a better foundation for setting goals.**

## Common mistakes to avoid

- Counting monthly income as an asset before it has been received.

- Using the original purchase price of a vehicle instead of its current estimated value.
- Leaving out small debts, past-due bills, or medical balances.
- Comparing your financial situation to someone else instead of measuring your own progress.

## Your next step

Open the Excel workbook, complete the light-colored input cells, review your net worth, and write one action you will take before your next quarterly review.