

10-12 – Extension Activity for *Budgeting 101*

Specific Outcome(s)

- Career and Life Management
 - R4. Demonstrate knowledge of and a commitment to achieving personal financial goals
 - Develop the skills for calculating net worth and other indicators of the status of personal resources

At the end of this extension activity, students will be able to calculate net worth.

Materials Needed

- Calculators

Materials Provided

- Your Net Worth handout
- Net Worth Scenario

Logistics

- Photocopy the Your Net Worth handout 😊
 - Print enough copies for each student.

Procedure

- Remind students of the definition of net worth, assets, and liabilities. Additionally, provide them with the formula to calculate net worth.
 - “An asset is something valuable or useful. You can sell assets to get money. A liability is something that you owe.”
 - “Net worth is the difference between your assets and your liabilities. In other words, it’s your total wealth.”
 - $\text{Total assets} - \text{Total liabilities} = \text{Net worth}$
- Have students guess the net worth of the following celebrities (as of mid-2023):
 - MrBeast – \$100 million
 - Olivia Rodrigo – \$8 million
 - Joe Biden – \$9 million
 - Taylor Swift – \$600 million
 - Christopher Nolan – \$250 million
 - Bill Gates – \$131 billion

- Give students the opportunity to calculate their own net worth. Reassure them that having a negative net worth early in life isn't uncommon.
 - If they're struggling to determine their own assets and liabilities, have them use the provided scenario.
 - Circulate and help students as needed.
- When ready, get students to wrap up what they are doing. Then, highlight how we use net worth as a tool to determine financial health. When someone knows their total wealth (i.e., their net worth), they can take steps to improve it.
- Thank students for their hard work.

Assets	Liabilities

_____ (total assets) – _____ (total liabilities) = _____ (net worth)

Assets	Liabilities
2010 Ford F-150 (Vehicle): \$10,200	Mastercard: \$320.56
Artwork: \$1,200	Visa: \$521.61
Savings Account: \$2,500	Line of Credit: \$1,235
Chequing Account: \$650	
Emergency Fund: \$500	