

Name:

Class:

Date:

Activity 8.1A: Calculating Net Worth

Instructions

Calculate the net worth for each of the following scenarios. Make sure you classify each of the items on the list as either an asset or a liability and subtract the total liabilities from the total assets to get the net worth.

1. Emily has her own business spraying fertilizer and pesticides on lawns. She owns a truck valued at \$6,500; a trailer worth \$700; spraying motor, hoses, and tank valued at \$350; a four-wheeler with boom sprayer valued at \$1,500; and \$250 worth of fertilizer and pesticides in her inventory. She has a loan with a current balance of \$4,200. She also has \$200 in the bank. What is her net worth?

Emily's net worth

Answer:

2. Javier has a diversified livestock project. He has 8 market hogs valued at \$125 each, 10 ewes worth \$100 each, 1 ram worth \$200, 5 bred heifers worth \$900 each, and a goat worth \$50. He owes his dad \$1,500, but his brother owes him \$250. He also has \$175 in the bank, \$350 in feed, and \$200 in equipment, panels, feeders, etc. What is Javier's net worth?

Javier's net worth

Answer:

3. Katie works at a local fast food restaurant. She has \$1,200 in the bank. She just bought a car. Its value is \$10,000, but she has a loan from the bank for \$9,100. She also has a horse that has a value of \$1,500, and tack and supplies for the horse worth \$850. What is Katie's net worth?

Katie's net worth

Answer:

4. Joseph mows lawns for the neighbors. He mows his parents' lawn in exchange for free use of their mower. Last week Joseph mowed 5 lawns at \$10 each. He put all of that money in a sock and hid it from his brother in his sock drawer. He also has \$15 in his wallet, \$75 taped to the back of a picture frame, and \$230 in the bank.

His sister owes him \$25, and he owes his mother \$75 for a new pair of school shoes she bought him. What is his net worth?

Joseph's net worth

Answer:

5. Audrey has a custom hay harvesting business. She bought a used tractor, swather, rake, and baler. The tractor is worth \$25,000, the swather is worth \$10,000, the rake is worth \$500, and the baler is worth \$4,000. She has a loan from an independent investor for \$22,000. She also owes the co-op \$550 for fuel and baling twine. What is her net worth?

Audrey's net worth

Answer:

6. After having learned everything she possibly could in her high school agriculture classes, Leslie decided to attend college and major in agricultural business. Because she did not do her homework or pay attention in classes, her grades were not high enough to get a scholarship. She does not want her parents to pay for her education, so she takes out a student loan for \$5,000. She uses this money to pay for tuition and fees (\$4,100) and rent for a month (\$900). She uses her credit card to buy books (\$300) and her parking pass (\$150). Leslie decides to get a job delivering pizzas in her 1991 Toyota Corolla (worth \$500) so that she can eat and pay utility bills. What is Leslie's net worth?

Leslie's net worth:

Answer: