

Solving for the Unknown

Name: _____ Date: _____

Directions: Show all your work and when possible show a check.

Net Worth Accounting Equation: $NW = A - L$

Formula Key:

- NW = Net Worth
- A = Assets
- L = Liabilities

1. Fred has \$700 in liabilities and a net worth of \$1,300. What is the value of his assets?

2. George has a net worth of \$3,500. His assets are worth approximately \$4,000. What must be the value of his liabilities?

3. Molly's only liability is a debt to her brother Ron for \$8. Her net worth is \$22. What is the value of Molly's assets?

4. Percy's net worth is \$34,000. He has assets that are worth \$41,000. What is the value of his liabilities?

Net Income Accounting Equation: $NI = I - E$

- NI = Net Income
- I = Gross income
- E = Expenses

5. Winky has a monthly net income of \$7. Her only expense each month is clothing which costs \$4. What is Winky's wage?
6. Kreatur has a net income of \$0. He earns \$104 each month. How much must his expenses be?
7. After getting his paycheck and paying all his bills, Charlie has \$60 left over each month. He makes \$460 a month. What are his monthly expenses?