

Determining your net worth

Tax-filing season provides a good opportunity to learn more about your current financial situation. While you have all your records on hand, you can review your finances and calculate your net worth.

Your net worth represents the total value of all your assets minus all your outstanding debts. Taking an annual snapshot of your financial situation can help you see if you are on track to achieve your financial goals and pinpoint obstacles that might be getting in your way.

Assess your current situation first

The best way to reach your goals is to develop a financial plan. Before you can map out a plan, however, you need to know where you currently stand. The accompanying worksheet is designed to help you figure that out. Simply list the value of all your assets and the amount of your liabilities. You can use your year-end account statements as sources for some of this information.

Identify planning gaps

When you look at a summary of your assets and liabilities, you will have a better financial overview. If you are not happy with your personal bottom line, try to figure out where the problems are. Do you have enough money in your emergency account or do you typically rely on credit cards to pay unexpected expenses? Perhaps you are carrying more

debt than you should. Maybe the bulk of your net worth is coming from just one asset type, such as your employer's stock or the value of your home. By reviewing your overall financial picture, you may be able to identify and fix problems before your goals are compromised.

Annual review

Keeping track of your net worth on a regular basis is a good way to assess how effectively you are managing your money over time. It's smart to calculate your net worth every year. The current year's figure can provide a key benchmark for you to measure against next year.

As you review your financial picture, remember to consider the potential effects of inflation. Even if the inflation rate stays relatively low, a dollar won't be worth as much in the future. That's all the more reason to take stock of your situation now.



For more information, speak with your BMO financial professional.



We're here to help.™

BMO Wealth Management provides this publication for informational purposes only and it is not and should not be construed as professional advice to any individual. The information contained in this publication is based on material believed to be reliable at the time of publication, but BMO Wealth Management cannot guarantee the information is accurate or complete. Individuals should contact their BMO representative for professional advice regarding their personal circumstances and/or financial position. The comments included in this publication are not intended to be a definitive analysis of tax applicability or trust and estates law. The comments are general in nature and professional advice regarding an individual's particular tax position should be obtained in respect of any person's specific circumstances.

BMO Wealth Management is a brand name that refers to Bank of Montreal and certain of its affiliates in providing wealth management products and services. Not all products and services are offered by all legal entities within BMO Wealth Management.

BMO Private Banking is part of BMO Wealth Management. Banking services are offered through Bank of Montreal. Investment management services are offered through BMO Private Investment Counsel Inc., an indirect subsidiary of Bank of Montreal. Estate, trust, planning and custodial services are offered through BMO Trust Company, a wholly owned subsidiary of Bank of Montreal.

BMO Nesbitt Burns Inc. provides comprehensive investment services and is a wholly owned subsidiary of Bank of Montreal. If you are already a client of BMO Nesbitt Burns Inc., please contact your Investment Advisor for more information. All insurance products and advice are offered through BMO Estate Insurance Advisory Services Inc. by licensed life insurance agents, and, in Quebec, by financial security advisors.

® "BMO (M-bar Roundel symbol)" is a registered trademark of Bank of Montreal, used under licence.

All rights are reserved. No part of this publication may be reproduced in any form, or referred to in any other publication, without the express written permission of BMO Wealth Management.

Net Worth Worksheet

Take an inventory of your assets and liabilities to figure out your net worth.

Assets	
Cash (in the bank, money market accounts, etc.)	
Mutual funds, exchange traded funds, stocks, bonds, and other securities	
Retirement account(s)	
Business interest(s)	
Life insurance cash value	
Residence(s)	
Other real estate	
Cars, trucks, etc.	
Other assets	
Total Assets	
Liabilities	
Credit card balances	
Mortgage(s)	
Car loan(s)	
Other debts	
Total Liabilities	
Net worth (Assets minus liabilities)	