



Roadmap to Financial Success for Entrepreneurs

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The 4 Balance Sheets of Life

In Life There are 4 Balance Sheets:

Intangible Balance Sheet

Results Balance Sheet

Financial Balance Sheet

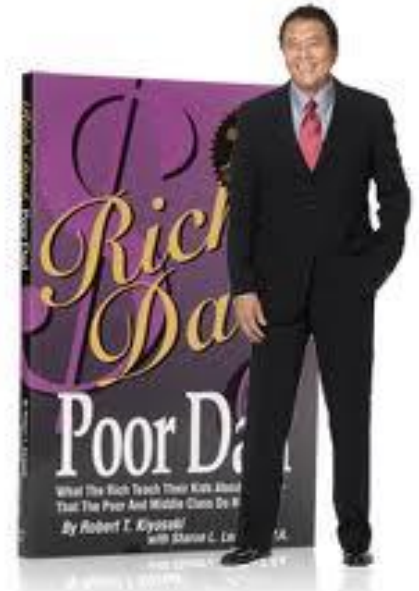
Legacy Balance Sheet





Key Lessons From Rich Dad

- “Money without financial intelligence is money soon gone.”
- “It’s now how much money you make, it’s how much money you keep.”
- “Rich people acquire Assets.”
- “The poor and middle class acquire liabilities, but they think they are assets.”



- Robert Kiyosaki



What is a Balance Sheet?

Assets (Good) Liabilities (Bad)



Equity

“If you want to be rich, simply spend your life buying assets. If you want to be poor or middle class, spend your life buying liabilities. Its not knowing the difference that causes most of the financial struggle.”

– Robert Kiyosaki



➤ Breakthrough Thought:

Do Not Confuse Assets & Liabilities!

- **Assets:** An asset puts money in your pocket
- **Liabilities:** A liability takes money out of your pocket
- **Net Worth:** The difference between Assets and Liabilities

“If you want to be rich, accounting could be the most important subject you should learn.”

– Robert Kiyosaki



What's in a Financial Balance Sheet?

ASSETS

- Cash, Gold
- Life Insurance
- Stocks, Bonds
- Real Estate

PURCHASES

- House
- Cars
- Furniture

LIABILITIES

- Mortgage
- Car Loan
- Credit Card Debt
- Student Loans
- Other Debt

EQUITY

= Net Worth



How to Determine Net Worth?

EQUITY = **ASSETS** + **PURCHASES** - **LIABILITIES**

NET WORTH = **OWN** - **OWE**



"Your Net Worth consists of what you own minus what you owe." – Paul J. Meyer



Balance Sheet for Most People

ASSETS

FINANCIAL ASSETS

- Job
- Checking Account \$1,000

PURCHASES

- Car \$30,000
- Home \$160,000

=====

TOTAL ASSETS \$191,000

LIABILITIES

“GOOD” LIABILITIES

- Student Loan \$50,000

“BAD” LIABILITIES

- Credit Cards \$20,000
- Car Loan \$40,000
- Home Mortgage \$155,000

=====

TOTAL LIABILITIES \$265,000

NET WORTH = (\$74,000)



The Goal of Financial Freedom!

ASSETS

FINANCIAL ASSETS

- Job
- Checking Account \$1,000

PURCHASES

- Car \$30,000
- Home \$160,000

=====

TOTAL ASSETS \$191,000



LIABILITIES

"GOOD" LIABILITIES

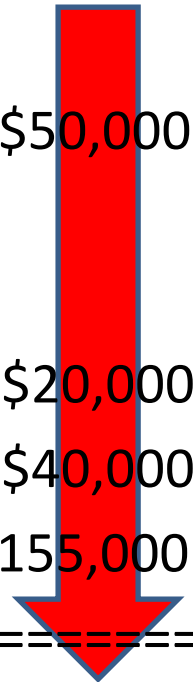
- Student Loan \$50,000

"BAD" LIABILITIES

- Credit Cards \$20,000
- Car Loan \$40,000
- Home Mortgage \$155,000

=====

TOTAL LIABILITIES \$265,000



NET WORTH = **(\$74,000)**





What's in Your Intangible Balance Sheet?

Intangible Assets

- Education
- Work Ethic
- Job
- Business
- Decisions
- Opportunities
- Reputation
- Experience

LIABILITIES

- Limiting Beliefs
- Negative Attitudes
- Fear, Worry, Dishonesty
- Procrastination
- Indecision

EQUITY

= People Blessed

+Goals Reached

+ Legacy = Destiny



Your Intangible Balance Sheet

“BE” ASSETS

- Reliability
- Honesty
- Faithfulness
- Punctuality
- Persistence
- Commitment

“BE” LIABILITIES

- Unreliable
- Dishonesty
- Unfaithfulness
- Always Late
- Easily Give Up
- Lack of
Commitment

EQUITY

= ??



Your Intangible Balance Sheet

“BELIEVE” ASSETS

- Money is a Tool
- Stewardship Mentality
- God’s Will is Prosperity
- God Has a Purpose for My Life

“BELIEVE” LIABILITIES

- Money is Evil
- Ownership Mentality
- Poverty is Humility
- No idea of God’s Will for your Life

EQUITY

= ??



Your Intangible Balance Sheet

“THINK” ASSETS

- Positive Mental Attitude (PMA)
- Abundance Mentality
- Positive Perspective = How You “See” the World
- Recognize Opportunities

“THINK” LIABILITIES

- Negative Mental Attitude
- Scarcity Mentality
- Fear, Worry, Doubt, Insecurity
- Greed, Jealousy
- Can Only “See” Limitations

EQUITY

= ??



Your Intangible Balance Sheet

“KNOW” ASSETS

- Education
- Knowledge
- Information
- Skills
- Experience

“KNOW” LIABILITIES

- Ignorance
- Lack of Education
- Lack of Know How
- Lack of Desire to Learn
- Lack of Experience

EQUITY

= ??



Your Intangible Balance Sheet

“DO” ASSETS

- Opportunity
- Decision Making
- Action!

“DO” LIABILITIES

- Procrastination
- Indecision
- Inaction
- Analysis Paralysis

EQUITY

= ??



Your Intangible Balance Sheet

“PEOPLE” ASSETS

- Family
- Mentors
- Clients
- Co-Workers
- Employees
- Suppliers

“PEOPLE” LIABILITIES

- “Small Minded”
People
- Negative People
- Negative
Influences

EQUITY

= ??



Your Intangible Balance Sheet

“HAVE” ASSETS

- Job or Work
- Business
- Real Estate
- Home
- Cars
- Insurance

“HAVE” LIABILITIES

- Loans
- Debt
- Mortgage
- Credit Cards
- Leases
- Taxes

EQUITY

= ??



Your Intangible Net Worth

“EARN” ASSETS

- Name
- Reputation
- Track Record
- Experience
- Credit History

INTANGIBLE EQUITY

- = *People Benefitted*
- = *Riches, Net Worth, Money*
- = *Abundance, Blessings, Prosperity, Success, Freedom, Peace of Mind*
- = *Estate, Inheritance, Legacy, Destiny*



What's in a Results Balance Sheet?

ASSETS

- Body
- Health
- Spiritual Life
- Education
- Relationships
- Properties
- Businesses
- Investments
- Bucket List

LIABILITIES

- Illnesses
- Past Mistakes
- Failed Relationships
- Bad Decisions
- Failures in Life
- Financial Losses

EQUITY

= Net Worth



“Real” Balance Sheet - Bad

ASSETS

“INTANGIBLE” ASSETS

- Hard Work Ethic
- Honesty
- Family
- Health
- Traditional Education

FINANCIAL ASSETS

- Job
- Checking Account \$1,000

PURCHASES

- Car \$30,000
- Home \$200,000

=====

TOTAL ASSETS **\$231,000**

LIABILITIES

“INTANGIBLE” LIABILITIES

- Victim Mentality, Comfort Zone
- Bad Habits, Addictions, Wrong Friends
- Fears, Doubts, Insecurity
- Bad Attitudes, Character Flaws

“GOOD” LIABILITIES

- Student Loans \$80,000

“BAD” LIABILITIES

- Credit Cards \$20,000
- Car Loan \$40,000
- Home Mortgage \$195,000

=====

TOTAL LIABILITIES **\$335,000**

NET WORTH = **(\$104,000)**



“Ideal” Balance Sheet - Good

ASSETS

“INTANGIBLE” ASSETS

- YOU ARE YOUR BEST INVESTMENT!
- Prosperity and Abundance Mindset
- Positive Mental Attitude
- Dreams, Vision, Purpose, Goals, Destiny, Direction in Life, Sense of Destiny
- Work on Your Business

FINANCIAL ASSETS

- | | |
|---------------------------|-------------|
| • Checking Account | \$100,000 |
| • Savings Account | \$100,000 |
| • “Your Own Bank” Policy | \$1,000,000 |
| • Your Own Business | \$1,000,000 |
| • Investments | \$1,000,000 |
| • Real Estate Investments | \$700,000 |

PURCHASES

- | | |
|--------|-------------|
| • Car | \$100,000 |
| • Home | \$1,000,000 |
- =====

TOTAL ASSETS **\$5,000,000**

LIABILITIES

“INTANGIBLE” LIABILITIES

“GOOD” LIABILITIES

- | | |
|--------------------|-----|
| • Student Loans | \$0 |
| • Investment Loans | \$0 |

“BAD” LIABILITIES

- | | |
|-----------------|-----|
| • Credit Cards | \$0 |
| • Car Loans | \$0 |
| • Home Mortgage | \$0 |
- =====

TOTAL LIABILITIES **\$0**

NET WORTH = **\$5,000,000**



What's in a Legacy Balance Sheet?

ASSETS

- Heritage & Legacy
- Wealth & Protection
- Legal & Asset Protection
- Philanthropy
- Destiny
- Eternity

LIABILITIES

- Bad Memories
- No Protection
- No Will
- Problems & Debts
- Broken Promises
- Time Poorly Spent

EQUITY

= Net Worth



What's in Wealth & Protection?

LIFE INSURANCE

- **Death Benefit**
 - Whole Life
 - Term Life
 - Paid Up Additions
- **Beneficiaries**
- **Instructions in Trust/Will What to do with Death Benefit**

LIABILITIES

- **Policy Loans**

EQUITY

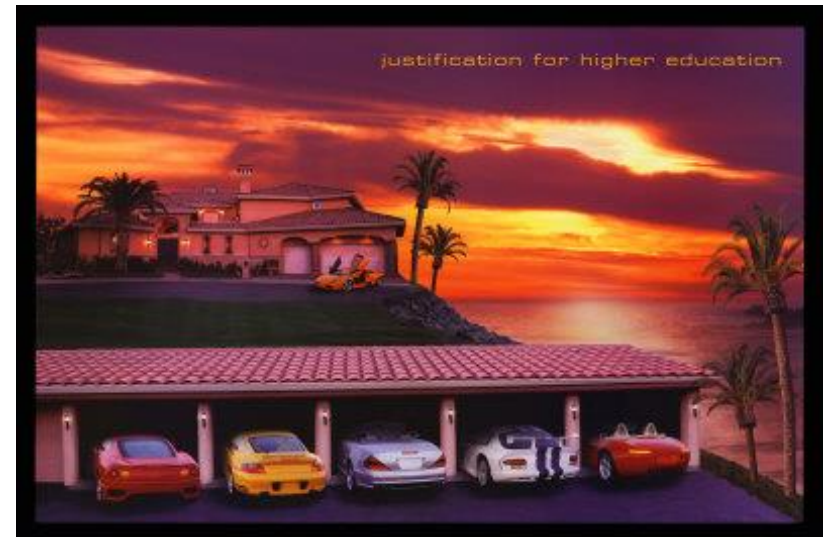
= Net Death Benefit



CONCLUSION:

How Is Your Balance Sheet?

What is Your Net Worth?





HW: Where are you Today?

ASSESSMENT: Identify Your Starting Point. Your Reality Today.

1.) What Does your Financial Balance Sheet look like currently?

- What are your Assets?
- What are your Liabilities?

2.) What Does Your Income Statement look like?

- What are your Income sources?
- What is your Expense History for the last 2 months?

3.) What Does your Intangible Balance Sheet look like?

- What are your greatest Assets?
- What are you greatest Liabilities?

4.) How is your Legacy Balance Sheet?

- Will your family be protected if something happened to you?

Questions? Thoughts?

