

CREDIT CARDS AND DEBT

Reading a Credit Card Statement

Detailed practice, calculation, decision-making, and assessment

GRADES 9-12	TIME 2 x 42 min	GROUPING I / pairs / whole	PRODUCT Statement review checklist
YOUR CHALLENGE Read a fictional credit card statement, check the math, locate important dates and costs, and create a plan for paying safely and on time.			

A Statement Tells the Story of One Billing Cycle

A credit card statement lists the starting balance, payments, purchases, fees, interest, new balance, minimum payment, and due date. Reading every section helps a cardholder catch errors and avoid unnecessary costs.

Term	Student-friendly meaning
Billing cycle	The period of activity covered by the statement.
Previous balance	Amount owed at the start of the cycle.
Payment or credit	Money that lowers the balance.
Purchase	A charge added to the account.
Interest charge	Cost charged for borrowing.
Minimum payment	Smallest required payment shown for the cycle.
Payment due date	Date the issuer must receive the payment.
PRIVACY RULE Use only fictional or fully covered account numbers in class. Never share a password, PIN, security code, or full account number.	

Part 1 - Read the Account Summary

Statement item	Amount or date	What it means	Action or question
Previous balance	\$480.00		
Payments and credits	-\$200.00		
Purchases	+\$315.00		
Fees	+\$25.00		
Interest	+\$12.60		
New balance	\$632.60		
Credit limit	\$1,000.00		
Minimum payment	\$30.00		
Payment due date	September 18		

Which amounts raise the balance? Which amount lowers it? Which two items require action before September 18?

Part 2 - Check the Statement Math

Use: previous balance - payments + purchases + fees + interest = new balance.

Step	Calculation	Result
Start with previous balance		
Subtract payment		
Add purchases		
Add fee		
Add interest		
Compare with stated new balance		

Find available credit: credit limit - new balance. Then find the percent of the \$1,000 limit being used.

Part 3 - Review the Transactions

Date	Description	Amount	Recognized?	Receipt or record checked	Question or action
Aug 4	Market	\$82.40			
Aug 9	Transit pass	\$95.00			
Aug 12	Online game	\$18.60			
Aug 18	School supplies	\$74.00			
Aug 22	Restaurant	\$45.00			

Add the five purchases. Do they equal the \$315 statement total? Which transaction should be reviewed first if the cardholder does not recognize it?

Part 4 - Plan the Payment

Riley has \$180 available before the due date. Riley needs \$120 for transportation and food before the next paycheck.

Choice	Payment amount	Money left for needs	Meets minimum?	Balance still owed	Risk or benefit
Pay minimum	\$30				
Pay \$60	\$60				
Pay all available after needs					
Pay full statement balance	\$632.60				

Which choices are possible with the facts given? Which choice protects current needs while paying more than the minimum? Explain.

TIMING CHECK A payment generally must be received by the due date, not merely sent that day. Check the statement for the accepted payment methods and cut-off time.

Part 5 - My Statement Review Routine

Review step	What I will check	Evidence or action
Confirm billing dates		
Check previous and new balances		
Match payments		
Review every purchase		
Check fees and interest		
Locate minimum and due date		
Choose payment amount		
Save confirmation		
Report an unrecognized charge safely		

Write a 150-200 word memo for Riley. Include the verified new balance, available credit, credit-use percentage, transaction check, recommended payment, and one timing or privacy rule.