

# Senior Seminar

## Personal Finance



# Classroom Session 3

Lesson II (Part 2):  
Net Worth Statement –  
Liabilities & Net Worth



# Credit Card Statement


<b>New Balance</b>	<b>\$1,191.00</b>
<b>Minimum Payment Due</b>	<b>\$35.00</b>
<b>Payment Due Date</b>	<b>12/03/16<sup>‡</sup></b>


**‡ Late Payment Warning:** If we do not receive your Minimum Payment Due by the Payment Due Date of 12/03/16, you may have to pay a late fee of up to \$37.00 and your APRs may be increased to the Penalty APR of 29.49%.

**Minimum Payment Warning:** If you make only the minimum payment each period, you will pay more in interest and it will take you longer to pay off your balance. For example:

If you make no additional charges and each month you pay...	You will pay off the balance shown on this statement in about...	And you will pay an estimated total of...
Only the Minimum Payment Due	4 years	\$1,502
\$40	3 years	\$1,450 (Savings = \$52)

If you would like information about credit counseling services, call 1-888-733-4139.


 See page 2 for important information about your account.

 **See Page 9 for an important Privacy Notice and the following pages for important notices about Your Billing Rights, Electronic Fund Transfer Error Resolution and a notice for WA residents.**

## Blue Cash Rewards

as of Oct 2016

**224.37**

 For more details about Rewards, please visit [americanexpress.com/rewardsinfo](http://americanexpress.com/rewardsinfo)


## Account Summary

Previous Balance	\$1,074.05
Payments/Credits	-\$1,074.05
New Charges	+\$1,096.00
Fees	+\$95.00
Interest Charged	+\$0.00


<b>New Balance</b>	<b>\$1,191.00</b>
<b>Minimum Payment Due</b>	<b>\$35.00</b>

Credit Limit	\$15,600.00
Available Credit	\$14,409.00
Cash Advance Limit	\$2,000.00
Available Cash	\$2,000.00
Days in Billing Period:	30

## Customer Care

 **Pay by Computer**  
[americanexpress.com/pbc](http://americanexpress.com/pbc)

**Customer Care** 1-888-258-3741      **Pay by Phone** 1-800-472-9297

 See Page 2 for additional information.

# Credit Card Statement – Interest Rates

## 2016 Fees and Interest Totals Year-to-Date

	<b>Amount</b>
Total Fees in 2016	\$95.00
Total Interest in 2016	\$0.00

## Interest Charge Calculation

Your Annual Percentage Rate (APR) is the annual interest rate on your account.

	<b>Transactions Dated</b>		<b>Annual Percentage Rate</b>	<b>Balance Subject to Interest Rate</b>	<b>Interest Charge</b>
	<b>From</b>	<b>To</b>			
Purchases	11/12/1999		13.24% (v)	\$0.00	\$0.00
Cash Advances	11/12/1999		25.49% (v)	\$0.00	\$0.00
<b>Total</b>					<b>\$0.00</b>

(v) Variable Rate

Money Journal	Net Worth Statement	
<p><u>Inflows</u></p> <ul style="list-style-type: none"> <li>➤ Income</li> </ul> <p><u>Outflows</u>                      <b>Goals</b> →</p> <ul style="list-style-type: none"> <li>➤ Savings</li> <li>➤ Expenses <ul style="list-style-type: none"> <li>○ Fixed</li> <li>○ Variable</li> <li>○ Periodic</li> </ul> </li> </ul>	<p><u>Assets (what you own)</u></p> <p>Cash &amp; Cash Equivalents</p> <ul style="list-style-type: none"> <li>➤ Checking &amp; Savings</li> <li>➤ CDs</li> <li>➤ Money Market</li> </ul> <p>Investments</p> <ul style="list-style-type: none"> <li>➤ Mutual Funds</li> <li>➤ Bonds</li> <li>➤ Stocks</li> </ul> <p>Use Assets</p> <ul style="list-style-type: none"> <li>➤ House</li> <li>➤ Vehicles</li> <li>➤ Personal Property</li> </ul>	<p><u>Liabilities (what you owe)</u></p> <p>Short-term Debt</p> <ul style="list-style-type: none"> <li>➤ Credit Cards</li> </ul> <p>Long-term Debt</p> <ul style="list-style-type: none"> <li>➤ Student Loans</li> <li>➤ Auto Loans</li> <li>➤ Home Mortgage</li> </ul> <p><u>Net Worth (what you're worth)</u></p>
		<p>Assets = Liabilities + Net Worth</p> <p>Assets – Liabilities = Net Worth</p> <p>What you Own – What you Owe = What you are Worth</p>

Prepare a  
**Net Worth Statement**  
and Calculate Net Worth

Checking account \$25,000

Emergency Savings Account \$12,000

Individual Retirement Account (IRA) \$15,000

Credit Cards \$3,000

Student Loans \$22,000

House \$200,000 with Mortgage \$160,000

Car \$15,000 with Auto Loan \$10,000

Personal Property \$25,000