

**E SS 3 AM11
COMPOUND INTEREST**

Name: _____

Step 1: Set up the spreadsheet for an investment of \$1000 at 4% p.a. compounded semi-annually for 3 years

Enter the spreadsheet below with values and formulas onto your computer

SR#9

	A	B	C	D	E	F
1	PRINCIPAL	1000				
2	RATE p.a.	0.04				
3						
4	# COMPOUND PERIODS PER YEAR	2				
5	RATE PER PERIOD	= B2/B4				
6						
7						
8	PERIOD	OPENING BALANCE	RATE	INTEREST PER PERIOD	CLOSING BALANCE	TOTAL INTEREST
9	1	=B1	=B5	=B9*C9	=B9 + D9	= E9 - B9
10	= A9 + 1	=E9	=C9	=B10 * C10	=B10 + D10	= F9 + D10
11						