

7. An investment of \$8000 at 12% per annum compounded quarterly is to be made for 5 years. Use the spreadsheet below to answer the following questions: Answer on the spreadsheet.

	A	B	C	D	E	F
1	PRINCIPAL					
2	RATE p.a.					
3						
4	COMPOUND PERIODS PER YEAR					
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						

- What values must be entered into cells B1, B2, B4? Fill in on spreadsheet above
- Which row must you copy down to in order to calculate the closing balance? _____
- What values will be found in cells A9 to F9, and in cells A10 to F10? Fill in on spreadsheet above