

1. Create the following spreadsheet
2. You are going to put \$1,000 in a savings account for a year. You want to know how much interest you will earn at the end of each month and what your new savings account balance will be at the end of each month.
3. Enter formulas into the shaded areas. Do all the formulas for Months 1 & 2, working across the rows. Then all three columns can be filled down.
 - a. **Monthly Interest Rate:** You know the yearly amount. What do you have to do to a yearly rate amount to break it into a per month amount?
 - b. **Beginning Balance:**
 - i. The beginning balance for month 1 is shown in the top portion of the spreadsheet.
 - ii. For all other months, the beginning balance will be the previous months ending balance.
 - c. **Interest Earned:** Monthly **Beginning Balance** multiplied by Monthly **Interest Rate** (USE ABSOLUTE CELL REFERENCE like \$A\$1)
 - d. **Ending Balance:** **Beginning Balance** plus **Interest Earned**
4. Format all dollar amounts to currency with a dollar sign & 2 decimal places.
5. Add a single line border under the column headings.
6. Do any other formatting necessary to make your spreadsheet easy to read
7. Run Spell Check and proofread for any errors
8. Save the file to your X drive and call it *Savings1*
9. Set your header
10. Use Print Preview to be sure that the spreadsheet fits on one page

SAVINGS ACCOUNT

Beginning Balance	\$1,000.00
Yearly Interest Rate	6.0%
Monthly Interest Rate	0.5%

Month	Beginning Balance	Interest Earned	Ending Balance
1	\$1,000.00	\$5.00	\$1,005.00
2	\$1,005.00	\$5.03	\$1,010.03
3	\$1,010.03	\$5.05	\$1,015.08
4	\$1,015.08	\$5.08	\$1,020.15
5	\$1,020.15	\$5.10	\$1,025.25
6	\$1,025.25	\$5.13	\$1,030.38
7	\$1,030.38	\$5.15	\$1,035.53
8	\$1,035.53	\$5.18	\$1,040.71
9	\$1,040.71	\$5.20	\$1,045.91
10	\$1,045.91	\$5.23	\$1,051.14
11	\$1,051.14	\$5.26	\$1,056.40
12	\$1,056.40	\$5.28	\$1,061.68