

Spreadsheet Guide

Step-By-Step Instructions

Reinforcement Calculating Current and Future Interest Problem 26A

Complete the Spreadsheet

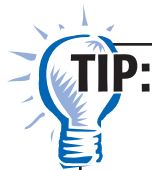
- Step 1** Read the instructions for Problem 26A in your textbook. This problem involves determining the maturity date and interest expense to be paid in the current and following year for ten notes.
- Step 2** Launch the Spreadsheet Problem.

PROBLEM 26A
CALCULATING CURRENT AND
FUTURE INTEREST

(name)
(date)

	Amount	Issue Date	Interest Rate	Term	Maturity Date	Interest	
						Current Year	Following Year
1		10-Dec		30 days	9-Jan	\$0.00	\$0.00
2		21-Nov		60 days	20-Jan	\$0.00	\$0.00
3		10-Oct		90 days	8-Jan	\$0.00	\$0.00
4		5-Dec		60 days	3-Feb	\$0.00	\$0.00
5		10-Nov		120 days	10-Mar	\$0.00	\$0.00
6		8-Sep		180 days	7-Mar	\$0.00	\$0.00
7		17-Nov		70 days	26-Jan	\$0.00	\$0.00
8		1-Oct		6 months	1-Apr	\$0.00	\$0.00
9		1-Dec		3 months	1-Mar	\$0.00	\$0.00
10		1-Aug		9 months	1-May	\$0.00	\$0.00

- Step 3** Type your name and today's date in the cells containing the *(name)* and *(date)* placeholders.
- Step 4** Type the amount and interest rate for the first note in the appropriate cells of the spreadsheet template. The spreadsheet template will automatically calculate the interest for the current year and following year for the first note.



TIP: When entering the interest rates, it is not necessary to type a percent sign after the number, nor is it necessary to type the number as a decimal. For example, type 9% as **9** in cell D11. The spreadsheet will automatically format this as a percent.

- Step 5** Continue to type the amounts and interest rates for the remaining notes. The current year interest and following year interest will be automatically calculated for each note.
- Step 6** Save the spreadsheet using the **Save** option from the **File** menu. You should accept the default location for the save as this is handled by the Accounting Management System.

Name _____

Date _____

Class _____

- Step 7** Print the completed spreadsheet.
- Step 8** Exit the spreadsheet program.
- Step 9** In the Close Options window, select the location where you would like to save your work.
- Step 10** Complete the Analyze activity from your textbook for this problem.



TIP: Always save your work before performing What-If Analysis. It is not necessary to save your work after performing What-If Analysis unless your teacher instructs you to do so.

What-If Analysis

Suppose the note amount for Note #10 is \$3,333. What would the current year interest be? What would the following year interest be?
