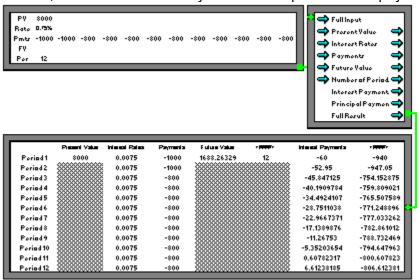# Savings and Loans Example

FILE: SAL1.cln

Introduction

The Savings and Loans object calculates the value of investments or loan and other parameters such as number of periods, interest rate etc..

This file is an example of calculating the future value of a loan, having borrowed £8000, over 12 months, at 0.75% per month interest. The repayments for the first two months are £1000, after that we can only afford £800 per month repayments.

	Present Value	Interest Rates	Payments	Future Value		Interest Payments	
Period 1	8000	0.0075	-1000	1688.26329	12	-60	-940
Period 2		0.0075	-1000			-52.95	-947.05
Period 3		0.0075	-800			-45.847125	-754.152875
Period 4		0.0075	-800			-40.1909784	-759.809021
Period 5		0.0075	-800			-34.4924107	-765.507589
Period 6		0.0075	-800			-28.7511038	-771.248896
Period 7		0.0075	-800			-22.9667371	-777.033262
Period 8		0.0075	-800			-17.1389876	-782.861012
Period 9		0.0075	-800			-11.26753	-788.732469
Period 10		0.0075	-800			-5.35203654	-794.647963
Period 11		0.0075	-800			0.60782317	-800.607823
Period 12		0.0075	-800			6.61238185	-806.612381

Notice that only 1 value is entered for the Rate of Interest, this will be taken as a constant, if several were entered, then this would be taken as the interest rate varying.

This is an Input Table object, used here to input the values for the Savings and Loans calculation. Notice that the repayments are negative, **negative values are money going out**. The present value is positive, because it was money received from the bank.

This is the Savings and Loans object, this object does all the calculating in this sheet. The input we are using is the Full Input, which takes a complete array and processes it to remove headings, and transposes it if necessary.

This is an <u>Output Table</u>, we use it here to display the results from the Savings and Loans object, since we are taking a tap off the Full Output, we get a complete table of the results.