

EXAMPLE 3-5

How much will be accumulated in a fund, earning 6% interest, at the end of 10 years if \$114.1 is deposited at the end of each year for 10 years, beginning in 1987? (Figure 3-2e.)

Solution:

$$i = 0.06; n = 10; A = \$114.1; F = ?$$

$$\begin{aligned} F &= A(F/A, 6\%, 10) = \$114.1(13.181) \\ &= \$1,504 \end{aligned}$$