

Daily Balance Method

Transaction	Date	Amount	Balance
Balance	12/31/2017		\$1,000
Deposit	1/1/2018	\$200	\$1,200
Withdrawal	1/2/2018	(\$100)	\$1,100
Withdrawal	1/10/2018	(\$400)	\$700
Deposit	1/15/2018	\$200	\$900
Withdrawal	1/16/2018	(\$1,000)	(\$100)
Deposit	1/18/2018	\$300	\$200
Deposit	1/21/2018	\$700	\$900
Withdrawal	1/31/2018	(\$100)	\$800

Interest rate of 5%

.05 x (1/365) 0.000136986

Dates	Number of days	Balance	Calculation	Interest amount
1/1/2018	1	\$1,200	\$1200 x 0.0000274	\$0.16
1/2/2018 to 1/9/2018	8	\$1,100	\$1100 x 0.0000274	\$1.21
1/10/2018 to 1/14/2018	5	\$700	\$700 x 0.0000274	\$0.48
1/15/2018	1	\$900	\$900 x 0.0000274	\$0.12
1/16/2018 to 1/17/2018	2	(\$100)	\$0 x 0.0000274	\$0.00
1/18/2018 to 1/20/2018	3	\$200	\$200 x 0.0000274	\$0.08
1/21/02 to 1/30/2018	10	\$900	\$900 x 0.0000274	\$1.23
1/31/2018	1	\$800	\$800 x 0.0000274	\$0.11
TOTAL	31			\$3.40

Average Daily Balance Method

Transaction	Date	Amount	Balance
Balance	12/31/2017		\$1,000
Deposit	1/1/2018	\$200	\$1,200
Withdrawal	1/2/2018	(\$100)	\$1,100
Withdrawal	1/10/2018	(\$400)	\$700
Deposit	1/15/2018	\$200	\$900
Withdrawal	1/16/2018	(\$1,000)	(\$100)
Deposit	1/18/2018	\$300	\$200
Deposit	1/21/2018	\$700	\$900
Withdrawal	1/31/2018	(\$100)	\$800

Interest rate of 5%

.05 X (1/365) 0.00013699

Dates	Number of days	Balance	Accumulated balance
1/1/2018	1	\$1,200	\$1,200
1/2/2018 to 1/9/2018	8	\$1,100	\$8,800
1/10/2018 to 1/14/2018	5	\$700	\$3,500
1/15/2018	1	\$900	\$900
1/16/2018 to 1/17/2018	2	(\$100)	\$0
1/18/2018 to 1/20/2018	3	\$200	\$600
1/21/02 to 1/30/2018	10	\$900	\$9,000
1/31/2018	1	\$800	\$800
TOTAL	31		\$24,800

Average daily
balance
800.00000000

Result

Step 1	5.0 divided by 100	0.05000
Step 2	.05 times 1/365	0.000136986
Step 3	.00136986 times 31	0.004246575
Step 4	.004246575 times \$800.00000	3.397260274
Step 5	rounded	\$3.40