

We can write this in a single calculation as

£500 × 1.05 × 1.05 × 1.05 × 1.05 = £607.75

Or using index notation as

 $£500 \times 1.05^4 = £607.75$

105% of the original salary = £1312.50

1% of the original salary = £1312.50 ÷ 105

100% of the original salary = £1312.50 \div 105 \times 100

=£1250



