**Here are some very important and helpful guidelines for using Excel**

* **Whenever your answer is a calculated number in a cell of an Excel spreadsheet please do not just type that number into the cell.**
* **For example, if your calculation involves the numbers in cells C2, A3 and A5,**
* **and you want to divide the number in C2 by the number in A3 less the number in A5,**
* **Use a formula like:** **=C2/(A3-A5)** **to show your calculation. Just type** **=C2/(A3-A5) into the cell.**

**C. You can also add a comment to any cell in Excel. If you don't know how to do this in Excel, look up "comment" in Excel help.**

**D. Excel financial functions are very useful, quick and easy to use:**

* **To access functions in Excel, click on INSERT, then on FUNCTION.**
* **Select the type of function you want to use, such as FINANCIAL, STATISTICAL, MATHEMATICAL, etc.**
* **Within** **the type of function select the exact function you want, for example from FINANCIAL functions, select Future Value (FV)**

**E. Excel functions have the following form -**

**FV(rate,nper,pmt,pv)**

**where FV = Future Value, and this function's arguments are: rate = rate of return, nper = # of periods, pmt = amount of payment each period, and pv = present value.**

**Here are examples of useful Excel functions:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Description** | **Function Name** | **Argument 1** | **Argument 2** | **Argument 3** | **Argument 4** |
| **Future Value** | **FV** | **rate** | **nper** | **pmt** | **pv** |
| **Present Value** | **PV** | **rate** | **nper** | **pmt** | **fv** |
| **Payment per Period** | **PMT** | **rate** | **nper** | **pv** | **fv** |
| **Rate of Return** | **RATE** | **nper** | **pmt** | **pv** | **fv** |
| **Net Present Value** | **NPV** | **rate** | **value 1** | **value 2** | **value n** |
| **Internal Rate of Return** | **IRR** | **values 1,2,3 etc** | **guess (% IRR)** |  |  |