

# CIMA.F3.v2023-08-29.q147

□□□□:	F3
□□□□:	F3 Financial Strategy
□□□:	CIMA
□□ □□ □□□:	147
□□:	v2023-08-29
# □□ □:	1363
# □□ □□□:	1470
<a href="https://www.krdump.com/CIMA.F3.v2023-08-29.q147.html">https://www.krdump.com/CIMA.F3.v2023-08-29.q147.html</a>	

## NEW QUESTION: 1

A company's statement of financial position includes non-current assets which are leased, the tax regime follows the accounting treatment.

Which cash flows should be discounted when evaluating the cost of lease finance?

- A. Lease payments, tax relief on implied interest and tax relief on straight-line account depreciation.
- B. Lease payments and straight-line accounting depreciation.
- C. Lease payments, implied interest and straight-line accounting depreciation.
- D. Lease payments and implied interest.

Answer: B ([LEAVE A REPLY](#))

## NEW QUESTION: 2

□□□□ □□□ □□□□ □□□ □□ □□□ □□ □□□□ □□□ □□□□ □ □□ □□□□ □□ □□□ □□□□□.

□□ □□□ □□□□ □□□ □□ □□ □□ □□□ □□□□ □□ □□□ □□ □□□ □□□□ □□□□.

□□ □□ □□ □□□:

\* □□ □□□□□ □□□ □□□ 200□ □□

\* □□□ □□□□ 1,500□ □□

\* □□□□□ 100□□

□□ □□□ □□ □□□ 10%□□□.

□□□□ □□□□□ □□ □□□ □□□ □□□□ □ □□□ □□□□.

□□□ □□ □□□□ □□□ □□ □□□ □□□□□ 2□□□□□ □□□□□ □□ 4%□ □□□ □□ □□□□.

□□ □□□ □□ □□□ □ □□□ □□ □□□□ □□ □□ □□□ □□□□□?

A. \$34.67

B. \$32.78

C. \$33.33

D. \$15.00

Answer: (SHOW ANSWER)

**NEW QUESTION: 3**

Company P and Company C are both companies.

Company P has a profit margin of 20%.

Company C has a profit margin of 10%. Company P's profit margin is 10% higher than Company C's.

Company P's profit margin is 20% higher than Company C's.

Company C's profit margin is \$5.50 higher than Company P's.

Company C's profit margin is 10% higher than Company P's.

Company P's profit margin is 10% higher than Company C's.

Company C's profit margin is 10% higher than Company P's. Company C's profit margin is \$5.50 higher than Company P's.

	Company P	Company C
	\$	\$
3 months ago	9.50	4.25
1 month ago	8.75	4.75
Today	7.75	5.25

Company P's profit margin is 10% higher than Company C's.

A. Company P's profit margin is 10% higher than Company C's.

B. Company C's profit margin is 10% higher than Company P's.

C. Company P's profit margin is 20% higher than Company C's.

D. Company C's profit margin is 10% higher than Company P's.

Answer: B (LEAVE A REPLY)

**NEW QUESTION: 4**

Company P and Company C are both companies.

A. 10%

B. 20%

C. 30%

D. 40%

E. 100 000

F. 1000 000

Answer: (SHOW ANSWER)

NEW QUESTION: 5

J and K are companies. J has earnings of \$80 million and a price/earnings ratio of 15. K has earnings of \$50 million and a price/earnings ratio of 10. The current share price of J is \$3.45. What is the current share price of K?

Company	J	K
Earnings for year ended 31 December 20X5	\$80 million	\$50 million
Price/earnings ratio	15	10
Current share price	\$3.45	\$2.00

What is the current share price of K?

- A. \$1.7
- B. \$2.0
- C. \$3.0
- D. \$3.2

Answer: C (LEAVE A REPLY)

NEW QUESTION: 6

Company X has a market value of \$200 million and a price/earnings ratio of 10.

Company Y has a market value of \$250 million and a price/earnings ratio of 15.

Company Z has a market value of \$350 million and a price/earnings ratio of 20.

\* Company X = 200 million

\* Company Y = 2,500 million

\* Company Z = 350 million, 100 million

\* P/E ratio = 10%

\* P/E ratio = 7%

□□□ □□□□ □□ □ □□ □□□ □□ □□□□ □□□□□□.

- A. Minimum value = \$25.0 million, and maximum value = \$50.0 million
- B. Minimum value = \$25.0 million, and maximum value = \$35.0 million
- C. Minimum value = \$20.0 million, and maximum value = \$50.0 million
- D. Minimum value = \$20.0 million, and maximum value = \$35.0 million

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 7**

□□□ R□ □□□□ S□ □□□ □□ □□□□□ □□ □□□.

R□□ □□□□□ 2□ □□□□ □□□□□□□ 10□□□.

S□□ □□□□□ 5□□ □□□□ □□□ 7□□ □□□□□.

R□□ 6000□ □□□ □□□ □□□□, □ □□□ □□□□ 2000□ □□□ □□□ □□□ □□□ □ □□ □□□ □□□□ □□. □ □□□□ □ □□□ □□□□ □ □□ □ 800□ □□ □□□ □ □□□□.

□□□ □□□ □□□ □□ □□□ □□□ □ □□ □ □□ □□□ □□□□ □□□□?

- A. 8, 20, 50, 60, 200
- B. 8, 20, 50, 200
- C. 20, 50, 60, 200
- D. 7, 10, 20, 50, 200

Answer: A ([LEAVE A REPLY](#))

□□\_F0

Calc\_Set1

**NEW QUESTION: 8**

Y□□ X□□ □□□□ □□□ 1.6□□ □□ □□□ 0□□ □□□□ 50%(□□/□□ + □□□□)□ □□□□ □□□□ □□□□□.

□□□ □□□□ 5%□□ □□ □□□□□□□ 10%□ □□□ □□□ □□□□□.

□□□□□ 30%□□□.

□□ Y□ 60%□ □□□□□□ 40%□ □□□ □□□ □□□ □□ □□ □□□□ □□□ □□□□ □□□ □?

- A. 11.9%
- B. 11.6%
- C. 9.1%
- D. 13%

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 9**

AAB□□ A□□□ □□□□ □□□□□ A\$□□□. □□□ □□ □□□ □□□□ □□□□ □□ □

□□ BBA□□ □□□□□□□. BBA□□ B□□□ □□□ □□□□□□ BS□□□.

□□ AAB□ □□□□ □□□ □□□ □□ □□ □□□ □□ □□□□ □□□□.





- C. □□ □ □□□ □□□ □□ □□□ □□ □□□ □□□ □□□□□.
- D. □□ □□□ □□ □□□□□ □□□ □□□□□ □□□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 15**

T□□ □□□ P□ □□□□ □□ □□□ □□□□□ P□□ □□ □□□□ □□□□ □□ □□□ □□□□□.

T □□□ □□□□□ 20%□□ 25%□ □□□□ □□□ □□□□□.

- A. □□ P□□ 100%□ 1□ □ □□□□ □□□ □□□□□.
- B. T□□ P□ □□□ □□□□□□□ □□□□.
- C. P□□□ □□□□ □□□ □□□ □□ □□□ □□□□.
- D. □□ P□ □□ tsx □□□ 40%□□□.
- E. P□□□ □□□□ □□□□□ □□□ □□□ □□□□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 16**

LPM Company□ □□ C□ □□□ □□ □□□ □□□ CS□□□□.

3□□ □□ □□□ □□□□□ □□□ □□□□□□. □□□□□ □□□ □□ CS□ □□ □□□ □□□ □□□□□□. LPM Company□ □□ □□□□ □□□ □□□ □□ □□□ □□□□ □□ □□ □□□ □□□□ □□ □□□□ □□□□.

□□□ □□□□ □□□ □□□□□.

□ □□□□ □□□ □□ □□ □□ □□ □□ □□ □□ □□ □□ □□ □□ □□ □□□□□\*?

- A. □□□□ □□□ □□ □□□ □□□□.
- B. □□ □□□ □□□□□.
- C. □□□ □□ □□□□□ □□□ □□ □ □□ □□ □□□ □□ □□□.
- D. □□□□□ □□ □□□□ □□□□□.
- E. □□ □□□□ □□ □□ □□□ □□□□□.

Answer: B,D,E ([LEAVE A REPLY](#))

F3 □□ □□□ □□□□□ □□ DumpTop □□ □□□□ □□□ F3 □□! DumpTop □ □□ F3 □□ □□□ □□□□□□□, DumpTop F3 □□ □□□ □□□□□□□□□ □□□ □□□□□□ □□. □□□□□ □□□ □□□□ □□ DumpTop F3 □□□ □□□□□.

<https://www.dumptop.com/CIMA/F3-dump.html> (435 Q&As Dumps, **30%OFF** Special Discount: **KrDump**)

**NEW QUESTION: 17**

CI IJ□ □□ □□□ □□ X □□□ □□□□□ □□□□□□□. □□□ □□ □□□ □ □□□□ □ □□ □ □□□□. □□□ □□□ □ □□□□ □□□ □□ □□□□ □□□ □□ □ □□□ X □□ □ □□□□ □□□.



□□□ □□ □□ □□□□ □□□□□ □□ □□□ □□□□ □□ □□ 200 □□□ □□□ □□ □□□ □□□□□.

□ □□□ □□□□□ □□ □□□ □□□ □□ □□□□□ □□□□□ 1,500 □ □□□ □ □□□ □□□□.

□□ □□□□ □□ □ □□□ □□ □□□ □ □□ □□□ □□□□□?

- A. □□ □□
- B. □□□□□ □□□□
- C. □□
- D. □□
- E. □□□□

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 19**

□ □□□ □□□□□ □□□□ □□ □□□□ □□□ □□□□ □□ 1,200 □□□ □□□ □□ □□□.

□□ □□□:

\* □□□ □□ □□ □□□ □□ \$15.00 □□ 20% □□□ □□□□ □□□□□.

\* □□ □□□□□□□ 200 □□□□□□□.

\* □ □□□□□□ 600 □ □□□ □□□ □□□ NPV □ □□□ □□□ □□□□□.

□□□□ □□ □ □□□ □□ □□□ □□□ □□□ □□□□□?

- A. \$16.00
- B. \$14.00
- C. \$9.00
- D. \$11.00

Answer: A ([LEAVE A REPLY](#))

Calc\_Set3

**NEW QUESTION: 20**

□□□□ □□□ □ □□□ □□□□□ □□□. W□, MBO(Management Buyout) □□. □□□□ 200 □□□□ □□□□.

□□□□ □□ □ □□ □□□ □□(VCC) □ □□ □□ □□ □□ □□ □□□□ □□□□.

	\$ million
Managers – equity	10
VCC – equity	50
VCC – debt	80
Bank loan	60
Total	200

VCC 5% of the MBO 35% of the W? \$ million

\$  million

Answer:

65

NEW QUESTION: 21

Operating profit before taxation is \$1000 million. The company has a 35% tax rate and a 5% preference dividend. What is the profit after preference dividend?

	\$ million
Operating profit	1000
Profit before taxation	875
Profit after taxation	625
Profit after preference dividend	500

Operating profit before taxation is \$1000 million. The company has a 35% tax rate and a 5% preference dividend. What is the profit after preference dividend?

Operating profit before taxation is \$1000 million. The company has a 35% tax rate and a 5% preference dividend. What is the profit after preference dividend?

Operating profit before taxation is \$1000 million. The company has a 35% tax rate and a 5% preference dividend. What is the profit after preference dividend?

- A. \$0.100
- B. \$0.200
- C. \$0.175
- D. \$0.125

Answer: A (LEAVE A REPLY)

NEW QUESTION: 22

Operating profit before taxation is \$1000 million. The company has a 35% tax rate and a 5% preference dividend. What is the profit after preference dividend?

□□ □ □□ □ □□ □□□ 500□ □□□□□.  
 □□□□ □□□ □□□ □□□ □□□ □ □□ □□□ □□□□□.  
 T□□ □□□□□ 1000□ □□□ 10% □□□□ □□□□ □□.  
 □□□ □□ □□ □□□ 90%□ □□□□ □□□□.  
 □□□□ 20%□ □□□□□.  
 □□ □□□ □□□ □ □□□□.

	The Overall Stock Market	The Retail Sector	Recent Takeovers in the Retail Sector
P/E multiples	20.0 times	10.0 times	13.0 times

□□ □ □□ □□ □ □□ □□□ □□ □□□□ □□□ □□□□□?

- A. 3,200□ □□
- B. 4,160□ □□
- C. 6,500□ □□
- D. 5,020□ □□

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 23**

Company C is a listed company. It is currently considering the acquisition of Company D. The original founder of Company C currently owns 52% of the shares.

Alternative forms of consideration for Company D being considered are as follows:

- \* Cash payment, financed by new borrowing
- \* issue of new shares in Company C

Which of the following is an advantage of a cash offer over a share-for exchange from the viewpoint of the original founder of Company C?

- A. A share for share exchange would result in a significant change in control of Company C whereas a cash offer would not.
- B. A share-for-share exchange would require the approval of the Competition Authorities but a cash offer would not.
- C. A cash offer would result in a lower gearing ratio therefore reduce the weighted average cost of capital whereas a cash offer would not.
- D. A share-for-share exchange would require the approval shareholders in Company C but a cash offer would not.

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 24**

□□□ □□□□ □□ □□□□ □□□□.

Earnings in the last financial year	\$6 million
Share price	\$2
Number of \$1 shares in issue	40 million
Retained earnings	\$20 million
Share capital	\$40 million
Revaluation reserve	\$4 million

□□ □□□ □□□ □□□ P/E□ 11□□□.

□ □□□□□ PER□ □□ □□□□□□ □□□ □□□ □□□□.

11 x \$  million

□□ □□□ □□□ □□□□□.

A. 8

B. 6

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 25**

□□ □□□ □□□□ □□ □□□□ □□ □□□ □□□□ □□ □□□□ □□ □□□ □□ □□□□.

□□ □□□□□ □□ □ □□ □□ □□□ □□□□ □□□□.

□□□□ □□ □ □□□ □□□□ □□□□.

\* □□□ □□□

\* □□ □□

□□□□ □□ □□□□□ □□□□ □□□□ □ □□□ □□ □ □□□□□?

A. □□ □□□ □□□□□ □□ □□ □□ □□ □□□ □□□ □ □ □□□□.

B. □□□ □□□ □□ □□□ □□□□ □□ □□□□ □□□□□ □□□□ □□□ □□□□.

C. □□□ □□□□ □□ □□□ □□□□ □□□□ □□□□.

D. □□□ □□□ □□□ □□ □□ □ □□ □□□ □□ □□□□.

E. □□□ □□□ □ □□ □□□□□ □□□□ □□ □□□□ □□ □□□ □□□□□ □□□□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 26**

M□ □□ □□□□ □□□ □□ □□□ □□□□□ □□ □□□□□ □□ □□ □□□□ □□ □ □□□□ □ □□ □□□ □ □□□□ □□□□□□.

□□ □ □□□□□ □□ □□□□ □□ □□ □□

A. □□ □□ □□ □□□□ □□□.

B. □□□ □□□□□ □□□ □□□ □□□□ □□□□.

C. □□□ □□□□□ □□□□ □□□ □□ □□□ □ □□□□.

D. □□□ □□□ □□□ □□ □ □□□□.

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 27**

□□□ □□□ □□ □□□ □□□□□.

\* □□ 4,000□ □□(□□ □□)

\* 6□□ □□□ □□□□(□□ □□)

□□□ □□□ □□□□□.

\* □□□ □□□□ □□□ □□□ □□□□ □□ □□ □□□ □□□ □□□□□.

\* □□□ □□ □□□ □□□ □□ □□□ □□□□□ □□□ □□□□□□.

□□□□□□ □□□ □□ □□□ □□□ □□ □□□□□ 20%□ □□□□ □ □□□ □□□ □

□□□.

A. □□□ □□ □□□□□□.

B. □□ □□□ □□ □□□ □□□□.

C. □□□ □□ □□□ □□□□.

D. □□□ □□ □□□ □□□□.

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 28**

□□ A□ □□□ □□□□ □□ □□ □□□□□. □□ □□□ □□□□□ □□□.

□□ □□□ A□□ □□□ □□□ □□□□ □□□ □□□□ □□□ □□ □□ □□□ B□□ □□ □□□□.

□□ □□ = 1.6

□□□□ 40:60

□□□□□ 20%□□□.

□□ □□□□□□ □□ □□□□□ 7%□□ □□□ □□□□□ 5%□□□.

□□ A□ □□ □□□□ □□□ □□□□□?

□□□ □□ □ □□□□□ □□□□□□.

? %

Answer:

12.3, 12.30

**NEW QUESTION: 29**

□□ □□□ □□□ □□□□ □□□ □□□□□.

□□ □□□□ □□□ □□□ □□□ □□ □□ □ □□□ □□□ □□ □□□ □□□ □□□ □□□ □□ □□

□□.

□□ □□□□ □□□□□□.



□□ X□ □□□ A\$□ □□ A□ □□□ □□ □□□□.  
 □□□ B\$□ □□ B□ □□□ □□□□□.  
 X□□ □ □□□ 25%□ B□□ □□ □□ □□□ □□ □□□ □□□.  
 □□ A□ □□ □□□ □□□ □□□□.  
 □□ B□ □□ □□□ □□□ A\$1/B\$2□ □□□□□□. □, A\$1 = B\$2□□□□.  
 B\$□ A\$□ □□ 10% □□□□□□ B□□□□□ □□□ □□□ □ □□ □□□ □□□ □□□□.  
**A.** 23.3%□ □□.  
**B.** 22.7%□ □□.  
**C.** 30.3%□ □□.  
**D.** 27.0%□ □□.

**Answer: A (LEAVE A REPLY)**

**F3** □□ □□□ □□□□□ □□ DumpTop □□ □□□□ □□□ F3 □□! DumpTop □ □□  
**F3** □□ □□□ □□□□□□, DumpTop F3 □□ □□□ □□□□□□□□ □□□ □□□□□□  
 □□. □□□□ □□□ □□□□ □□ DumpTop F3 □□□ □□□□□□.  
<https://www.dumptop.com/CIMA/F3-dump.html> (435 Q&As Dumps, **30%OFF Special**  
**Discount: KrDump**)

**NEW QUESTION: 32**

□□□ □□□□□□ □ □□□ □□□ □ □□□□□ □□□ □□□□ □□□□□□. □ □□□ □  
 □ □□ □□□□□ □□□ □□□ □□ □□ □□□ □□□ □□□ □□□ □□□. □ □□□ □□ □□□□  
 □□ □□□ □□□□ 5□□ □□ □□ □□□ □□□□ □□□□. □□□ □□□ □□ □□□ □  
 □ □□□ □□□ □ □□□ MBO(Management Buy-out)□□ □□ □□ □ □□□ □□□□□ □  
 □□.  
 □□□ □□□□ MBO □□ □□□ □□ □□ □ □□ □□□□ □□ □□□□. □□ □□□□ □  
 □□ □□□ □□□□ □□□ □□□ □□ □□□ □□□ □□□□□□□.

	\$ million
Agreed selling price	100
Equity invested by managers	35
Equity invested by venture capitalists	30
Borrowing from venture capitalist – secured, 5% interest, redeemable in 5 years	35

□□ □□□□□ MBO□ □ 5□ □□ □□□ □□ 39%□ □□ □□□ □□ □□ □□□ □□□□  
 □ □□□□□. □ □□ □□ □□□□ □□□□ □□□□□.  
 □ □□ □□□ □□□□ □□ 5□ □□ □□ □□□□□ □□□□ □ □ □□□ MBO □□ □□□  
 □□?  
**A.** 1□4639□ □□  
**B.** 1□ 1,139□ □□  
**C.** \$120 1400□ □□  
**D.** 1□ 5,514□ □□





- A. □□□ □□□□ □ □□□ □□ □□□ □□□ □□ □□□ □□□□□.
- B. □□□□□ □□ □□□ □□□□ □□□ □□□ □□□□ □□□ □□□□.
- C. □□ □□□ □□ □□□ □□□ □□□□□□□.
- D. □□□ □□ □□□□ □□□□□.

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 37**

□□□□□ □□□□ □□□□ Z□□ □□□ □□□ □□□□ □□.

Y.

□ □□ □□ □□ □□□□□□□□.

□□ □□□□ □□□ □□, □□□ □□ □□ □□ □□□ □□□□ □□ □□□□□.

Z□□ □□ □□□ □□□□□□□□ □□□ □□□□ □□□, □□□□□ □□□□ □□□ □□□ □□ □□□□ □□□ □□□□ □□□ □□□ □□.

Y□□ □□ □□ □ □□ □□□ □□□ □□□□□ □□□ □□□□ □□ □□ □□ □□□□□□?

- A. Y□□ □□ □□ □□□□ □□ □□□ □□□□□.
- B. □□ Y□ □□ □□□ □□ □□□ □□□□.
- C. Y□□ Z□□ □□□□□ □□□ □□ □□□ □□□□ □ □□□□□.
- D. □□ Y□ □□ □□□ □□□□ □□□ □□ □□□□□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 38**

A□□ □□ 3□□ □□□□□□ B□□ □□□ □□□□□.

□□ 3□ □□ □□□ □□□□□□ □□□ □□□ □□ □□□ □□ □□□ □□□□□.

□□ □□□□ □ B□□ □□□ □□□□□ □□□□ □□□ □□□, □□□□□ □□ □□□ □ □□□□□□□□.

□□□□□□ □□ □□□ □□ □□ □□ □ □□□□ □□ □□□□ □□□□ □□□□□.

A□□ B□□ □□□ □□□□ □□ □□ □□□□ □□□□ □□□□ □□□□ □□□□.

□□ □ B□□ □□ □□□ □□□ □□□□ □□ □□ □□ □□□ □□□ □□ □□ □ □□□ □ □□□ □ □□□□?

- A. □□ □□ □□□ □□□ □□□□□ □□□□ □□□□.
- B. □□□ □□□□ □□□□ □□□ □□ □□□ □□□□ □□ □□□□.
- C. □□□ □□ □□ □□□ □□□ □□□□ □□□□□.
- D. □□ □□□ □□□□ □□□ □□□□.
- E. □□□ □□□□ □□ □□□□ □□□□ □□□□ □□□ □□□□.

Answer: C,D,E ([LEAVE A REPLY](#))

**NEW QUESTION: 39**

□□□ □□□ □□□ □□□ □□□□ □□ □□□ □□ □□ □□□ □□□□□□□.

□□ □□ □□□ □□□ □□□□□.

□□□□ □□ □□ □□□□□ □□□□ □ □□ □□□ □□□□□ □□□□ □□ □□□□ □ □□□□ □□□□.

□□□ □□□□ □□ □□□ □□□ □□□□□.

□□ □ □□□ □□ □□□□□ □□□□ □□□ □□ □ □□□ □□□□□?

- A. □□□□ □□ □□ □□□ □□ □□□ □□□□.
- B. □□ □□□□ □□□□□ □□□ □□□ □□ □□□ □□□□ □□□ □□□□□.
- C. □□□ □□ □□ □□□□ □□ □□□ □□□□ □□□.
- D. □□ □□□ □□□ □□ □□□ □□□ □ □□□□.
- E. □□□□□ □□□□ □□ □□□ □□□□.

Answer: C,D,E ([LEAVE A REPLY](#))

**NEW QUESTION: 40**

□ □□□ □□ □□□□□ □□ □□□ □□ □□□ □□□□□□□.

□□□ □□□ □□□□.


\* □□ □□□ □□ □□□ □□ □□□ □□ □□ □□□ □□□□□ □□□ □ □□□□.

\* □□ □□□ □□ 5%□ □□□□ □□□□ □ 1,000□ □□□ □□ □□ □□□ □□□□□.

\* □□□ □□□ □□□□□ □□□ □□□ 400,000□□□ □□□□ □□, □□ □□□ □□ □□ □□□□ □□□ □□□□ □□□.

\* □□□ □□ □□□□□□□□ □□□ □□□□ □□□ \$150,000□ □□□□ □□□ □□□□ □.

□□□ □□□ □□□□ 6%□ □□□□ □□ □□□ □□□ □□ □ □□□ □□□□ □□□□.

 CIMA	\$'000
Operating Profit	1,300
Interest	(500)
Profit before tax	800
Taxation (25%)	(200)
Profit after tax	600

□□□□ 6%□ □□□□ □□□ □□□□ □□□□□ □□ □□□ □□ □□□ □□□ □□ □□ □□□.

- A. \$50,000
- B. \$25,000
- C. \$100,000
- D. \$75,000

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 41**

A company currently has a 5.25% fixed rate loan but it wishes to change the interest style of the loan to variable by using an interest rate swap directly with the bank.

The bank has quoted the following swap rate:

\* 4.50% - 455% in exchange for Libor

Libor is currently 4%.

□□□ □□□ □□□□ Libor□ 4%□ □□□□ □□. □□□□□ □□□ □□□□□?

- A. 5.25%
- B. 4.70%
- C. 4.00%
- D. 4.75%

Answer: C ([LEAVE A REPLY](#))

**NEW QUESTION: 42**

Company WWW is identical in all operating and risk characteristics to Company ZZZ. but their capital structures differ. Company WWW and Company ZZZ both pay corporate income tax at 20%

Company WWW has a gearing ratio (debt: equity) of 1:3 Its pre-tax cost of debt is 6%.

Company ZZZ Is all-equity financed. Its cost of equity is 15%

What is the cost of equity tor Company WWW?

- A. 17.0%
- B. 17.7%
- C. 18.0%
- D. 17.4%

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 43**

A□□ □□ □□□ □□ B□□ □□□ □□□□. B□□ □□□□ □□ □□□ □□□ □ □□□ □ □□ □□□ □□□ □□ □□□□. A□□ □□□□ □ □□□ □□ □ □□□ □□ □□ □□□ □ □□□□(NPV) □□□□ □□□□□□. □□□ □□ □□□ □□□□:

A□□□ B□□ □□□ □□ □□□□ □□ □□ □□□ □□□□□?

□□ □□□ \$ □□□□ □□□□□.

\$  million



□□ A□ □□ □□ □□□ □□□□ 30%□ □□□ □□(□□ □ □□ + □□)□ □□□ □□□□.  
 □□□ □□ □□□ □□(□□ □ □□ + □□)□ 50%□□□. □□□□ □□□ □□□ □□□ □□  
 □ □□ □□ □□□ □□□□. A□□ □□□ □□□ □□□.

□□□□. □□ □ □ □□ A□□ □□□ □□□ □□ B□□ □□□ □□□□□□□.

□□ □ □□ □□□ □ □□ □ □□ □□□ □□□□□?

A. □□□ □□ □□□ □□ □ □□□ □□□ □□ □□□ □□□ □□□□.

B. A□□ □□□□□□□□□□ □□□ □□□□□ □ □□ □□□□.

C. □□ □□ □□□ □□ □□ □□□ □□ A□ □□ B□ □□□□ □□ □ □ □□□ □ □□ □  
 □ □□□ □□□□ □□ □□□□□.

D. A□□ □□□□ □□ □□ □ □□□ □□□□.

E. □□□□□□□ B□ □□□ □□□□□ □□ □□□ □□□ □ □□ □

Answer: B,C ([LEAVE A REPLY](#))

F3 □□ □□□ □□□□□ □□ DumpTop □□ □□□□ □□□ F3 □□! DumpTop □ □□  
 F3 □□ □□□ □□□□□□□, DumpTop F3 □□ □□□ □□□□□□□□□ □□□ □□□□□□  
 □□. □□□□ □□□ □□□□ □□ DumpTop F3 □□□ □□□□□.

<https://www.dumptop.com/CIMA/F3-dump.html> (435 Q&As Dumps, **30%OFF Special**

Discount: **KrDump**)

**NEW QUESTION: 47**

□□ □□ □ □□ □□ □□□ □□□□ □ □□ □□□ □□□□□?

A)

Spot rate FS1 = K\$1.40  
 12 month forward rate FS1 = K\$1.44  
 Interest rates on 12 month deposits = 5% on F\$ and 8% on K\$

B)

Current spot rates  
 FS1 = K\$1.40  
 K\$1 = L\$2.10  
 L\$1 = F\$0.34

C)

Current spot rates  
 FS1 = K\$1.40  
 K\$1 = L\$2.10  
 L\$1 = F\$0.40

D)

Spot rate FS1 = K\$1.40  
 12 month forward rate FS1 = K\$1.44  
 Interest rates on 12 month deposits = 5% on F\$ and 9% on K\$

A. □□ C

B. □□ B

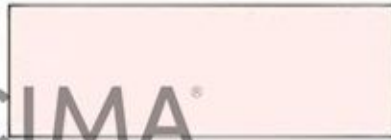
C. □□ D



The government of country X could refuse to grant visas to GHJ's staff who need to move to country X.



CIMA®



The government of country X could introduce high taxes for outside companies which would make it difficult for GHJ to continue production in country X.



Local staff could find out how to make the product and use that knowledge to start a production plant of their own.



The government of country X could refuse to renew visas for staff brought from GHJ's home country.



Employ at least 50% local people in the product & plant

Import partly completed products from GHJ's home country

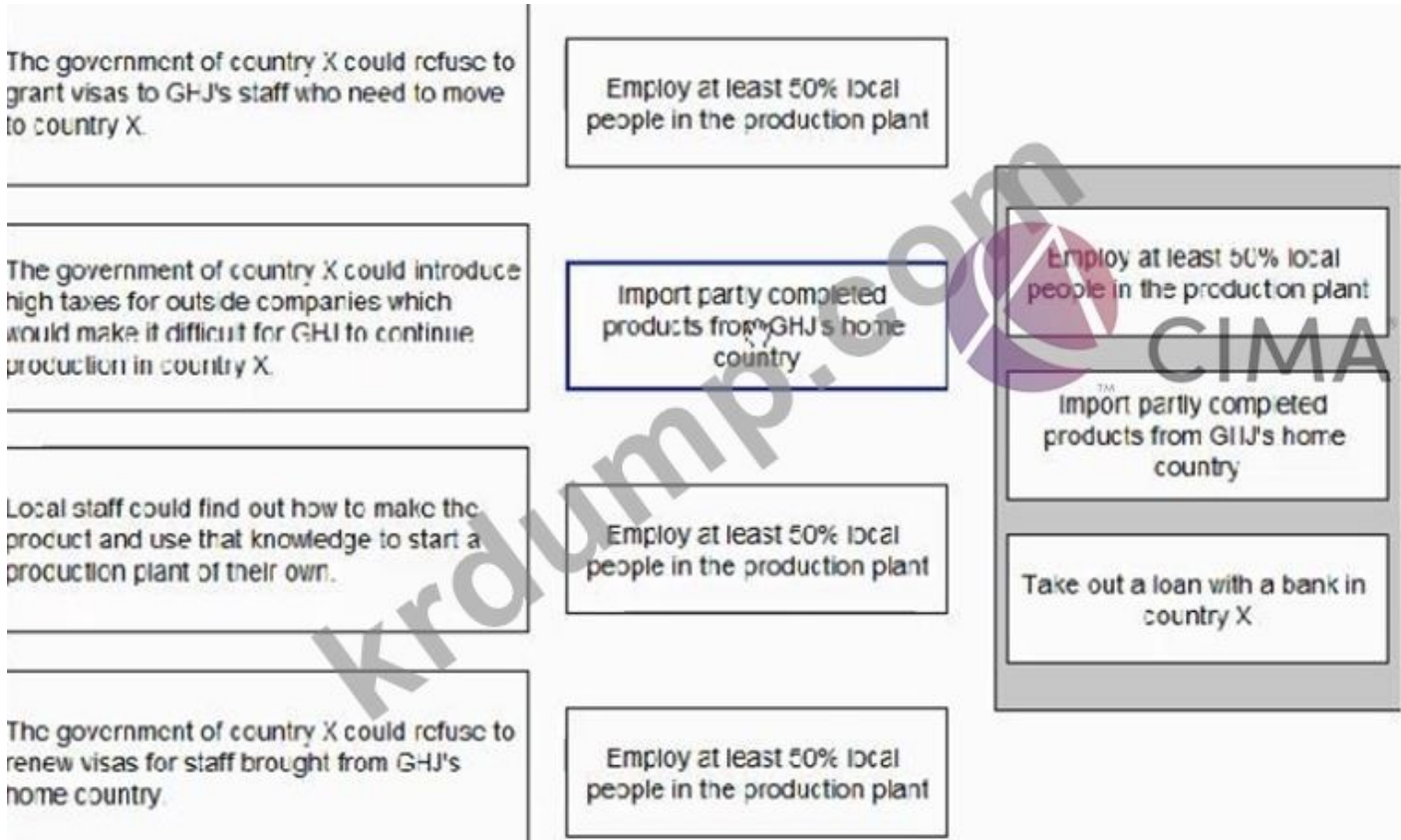
Take out a loan with a bank in country X

**Answer:**

The answer key diagram shows four text boxes on the left, each with a corresponding option box on the right. The option boxes are connected to the text boxes by dashed lines. The options are:

- Employ at least 50% local people in the product & plant
- Import partly completed products from GHJ's home country
- Employ at least 50% local people in the product & plant
- Take out a loan with a bank in country X

The diagram also includes the CIMA logo and a watermark 'Krdump.com'.



**NEW QUESTION: 50**

A company is considering setting up a production plant in a foreign country.

The company is aware of the risks of "boot-strapping" a production plant in a foreign country.

Which of the following is a risk of boot-strapping a production plant in a foreign country?

- A. The company may not be able to find enough local staff to work in the production plant.
- B. The company may not be able to find enough local suppliers to provide raw materials for the production plant.
- C. The company may not be able to find enough local customers to buy the products produced in the production plant.
- D. The company may not be able to find enough local banks to provide loans for the production plant.

Answer: C ([LEAVE A REPLY](#))

**NEW QUESTION: 51**

A company is considering setting up a production plant in a foreign country.

The company is aware of the risks of boot-strapping a production plant in a foreign country. A company is considering setting up a production plant in a foreign country. The company is aware of the risks of boot-strapping a production plant in a foreign country.

Which of the following is a risk of boot-strapping a production plant in a foreign country? A company is considering setting up a production plant in a foreign country. The company is aware of the risks of boot-strapping a production plant in a foreign country.

- A. □□ □□ □□□ □□ □□ □□□ □□ A□ □□ B□ □□□□ □□ □ □ □□□ □ □□ □ □□□ □□□□ □□ □□□□□.
- B. A□□ □□□□□□□□□□ □□□ □□□□□ □ □□ □□□□.
- C. □□□□□□□ B□ □□□ □□□□□ □□ □□□ □□□ □ □□ □
- D. A□□ □□□□ □□□□ □ □□□ □□□□.
- E. □□□ □□ □□□ □□ □ □□□ □□□ □□ □□□ □□□ □□□ □□□□.

Answer: A,B ([LEAVE A REPLY](#))

**NEW QUESTION: 52**

□□□ □□ 12□ 31□□□ □□□□□ □□□□□. □□ □□□□ □□□□□.

20X0□ 12□ 1□

\* □□□ □□ □□□ \$400,000□ □□□□□□.

\* □□□□□ □□□ □□□□□□ □□□□□ □□□□ □□ □□□ 20X1□ 1□ 31□ □□□□ □□ □□□□□ □□□□ □□□□□□ □□□□□□.

\* □□□ □ □□□ □□ □□□ □□ □□ □□□□□ □□□□□□.

20X0□ 12□ 31□

\* □□□□□ □□ □□□ \$480,000□□ □□ □□□ □□ □□□ \$75,000(□□ □□)□□□.

□□ □ □□ □□□ □□ □□□ □□□□ 20X0□ 12□ 31□□ □□□□ □□□□□ □□□□□ □ □□□□□□□ □□□ □□□ □□□□□?

- A. \$5,000□ □□□□ □□□□ □□□□□.
- B. \$75,000□ □□□ □□ □□ □□□□ □□□□□.
- C. \$5,000□ □□□□ □□ □□ □□□□ □□□□□.
- D. \$75,000□ □□□ □□□□ □□□□□.

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 53**

□□□ □□□ □□□□ □□□ □□ □□□□□ □□ □□□ □□ □□□□ □□□□ □□ □□ □□ □□□□.

□□ □□□ □□□□□ 20%□□ 25%□ □□□□ □□□ □□□□□.

□□ □ □□□ □□□□ □□□ □□ □□□□ □□□□ □ □□□ □□□□□?

- A. □□□ □□□□ □□□ □□ □□ □□□ □□□□□.
- B. □□□□ □□□□ □□□□□ □□□ □□□ □□□□.
- C. □□□ □□□□□ 40%□□□.
- D. □□□ □□□ □□ □□□ □□□□□□□ □□□□.
- E. □□□□ 100%□ 1□ □□ □□□□ □□□ □□□□□.

Answer: A,D,E ([LEAVE A REPLY](#))

**NEW QUESTION: 54**

E□□ □□□□□□□□. □□□□□ □□□ □□□□□ F□□ □□ □□□□□ □□□□ □□. □ □□□ □□□ □□□□ □□□□ □□□ □□□□ □□□ □□□ □□□□.

□ □□□ □□ □□□□ □□□ □□□□.  
□ □□ □□ □□□□ □□□ □□□□ □□□□ 30%□ □□□□□.  
□□ E□ □□□□ □□□ □□□□ □□ □□ F□ □□□ "□□□□□"□ □ □□□ □□□□.  
□□ E□ □□□ □□□□ □□ □□ F□ □□□□ □□□□ □□ □□ □□□ □□□□□□.  
□□ □□□ □□ □□□ □□□□□.

- A. 1,890
- B. 2,700
- C. 3,150
- D. 4,500

Answer: C ([LEAVE A REPLY](#))

**NEW QUESTION: 55**

PYP□ □□ □□ □□□□□. □□□□ □□ □□ □□□ □□□ □ □□□ □□□ □□□ □□ □□  
□ □□ □□ □□ □□□ □□ □□□ □□□□ □□□□. PYP□ □□ □□□□ □ □□ □□□  
□□□□ □□ 10□ □□ □□□ □□□□□□.  
□□ □□ □ □□□ □□ □□□□ □□□□ □□□□ □□ □ □ □□ □□□ □□□□□?  
A. □□ □□□□ □□ □□ □□ □□□□□ □□□□□ □□  
B. □ □□□ □□ □□□ □□□□□ □□ □□□ 10□□□□ 5□□□□ □□  
C. □□ □□□□ □□ □□ □□ □□□ □□□ □□□□□ □□  
D. □□ 5□□ □□ □□□ 5% □□□□□ PYP□ □□□ □□ □□.

Answer: A,B ([LEAVE A REPLY](#))

**NEW QUESTION: 56**

□□ □ □□ □ □□□ □□ □□□ 500□ □□□□□.  
□□□ □□□ □□□ □□□□ □□□ □□□ □□□□□.  
□ □□□ □□ \$3.60□ □□□□ □□ □□ 1,000□ □□ □□□□ □□□□.  
□□ 1,000□ □□□ □□ □□ □□ □□□ □□□□.  
□ □□□ □□ □□□□ 5%□□□.  
□□□ 20%□ □□□ □□□.  
□□□ □□□ □□□ 6%□ □□□□ □□□□(P/E) □□□  
□□ □□□ 9.5□.  
□□ □□□ P/E □□□□ □□□ □□□□□ □□ □□□ □□□ □ □□□ □□□ □□□□?

- A. 5% □□
- B. 1% □□
- C. 0% □□
- D. 7% □□

Answer: D ([LEAVE A REPLY](#))

**NEW QUESTION: 57**

□□□ □□ □□ □□ □□□□□.  
□□□□ □ □□□□ □□ □□□ □□ □□ □□□ □□□ □□□□□.

□□ □□ □ □□:□□ □□□ □□ □□ □□□ □□□□ 40:60□ □□□.

Modigliani□ Miller□ □□ □□ □□ □□ □□□ □□□ □□□ □□ □□□ □□□□.

- A. □□□ □□□□ □□ □□□□□.
- B. □□.
- C. □□□ □□.
- D. □□.

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 58**

20X3□ 10□ 31□:

\* □□□ 20X4□ 3□ 31□ □□□ □□ 20X4□ 1□□ □□ □□□ □□□ □□□□□.

\* □□□ 20X4□ 3□ 31□ □□□□□ □□ □□□□□ □□□□ □□□□□ □□□□□.

\* □ □□□ IAS 39 □□ □□: □□ □ □□□ □□ □□ □□ □□□□□ □□□□ □□□□□□ □.

□□□□□□ 20X3□ 12□ 31□□ □□□□□ □□□□□ \$10,000(□□)□□□.

□□□□□ □□□□ □□□ 20X3□ 12□ 31□□ □□□□ □□□□□ □□□□□□ □□□ □ □□□□ □□□?

- A. \$10,000□ □□□ □□□□□□□□ □□□□□.
- B. \$10,000□ □□□ □□□□□□□□ □□□□□.
- C. □□□ □□□ □□□ □□□ □□□ □□□ □□□ 20X3□□□ □□□□ □□□□.
- D. □□□□□ □□□□ □□□□ □□□□ 20X3□□ □□□□ □□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 59**

AA□ □□ □□ □□□ □□□□ □□□□. □□ □□□ □□ AA□ □□□ □□□□.

Cost of equity	10%
Cost of debt (post tax)	4%
WACC	7.6%
Gearing (debt / (debt + equity))	40%
Rate of corporate income tax	20%

□□□ □□ □□□ □□□ □□□ □□□ 50%□ □ □□□□.

AA□ □□ □□ □□□ □□□ □□ □□ □□ □□ □□□□□ □□□□ □□□□□□□?

- A. □□ □□□ 4% □□ □□□□□.
- B. WACC□ 7.6 □□ □□
- C. □□ □□□ 10% □□ □□□□□.
- D. □□ □□□ 10% □□□□ □□□□□.
- E. □□ □□□ 4%□ □□ □□
- F. WACC□ 7.6% □□□□ □□□□□.

Answer: B,F ([LEAVE A REPLY](#))

**NEW QUESTION: 60**

□□□ □□□ □□□□ □□□□ □□□□ □□□□.

□□ □□□□ □□□□□.

\* □□□ □ 7.14% □ □□□ □□□□□.

\* □□ □□□ 100□ □□□□□.

\* □□ □□ □□□ 5□ □□ □□ □□□□ □□□□□.

\* □□□□□ □□□□.

\* □□□ □□□ □□□ □□□ 30% □□

□□ □□□ NPV□ □□□□□?

□□ □□□ \$000□ □□□□□.

**Answer:**

\$ ?

740

**NEW QUESTION: 61**

□□ C□ □□ □□□□ □□ □□□ □□ 4,500□ □□□ □□□□ □□ □□ □□□ □□□ □□ □□□. □□□□□ □□ □□□ □□□□□ □□□□□ □□□□□, □□□ □□□□□□□ □□□ □□ □□□□□ □□□□□.

Maximum price offered (\$ per share)	Number of shares requested at this price (million)
\$4.25	12.0
\$4.50	3.0
\$4.75	2.0
\$5.00	5.0

□□ C□ □□□ □□□□ □□□□□□ □□□ □□□ □ □□ □□ □□□ □□□□□ □□□ □□□ □□□□□ □□□.

C□□ □□ □□ □□□ □□□□ □□□?

- A. \$4.75
- B. \$4.25
- C. \$4.50
- D. \$4.00

**Answer: C (LEAVE A REPLY)**

**F3** □□ □□□ □□□□□ □□ DumpTop □□ □□□□ □□□ F3 □□! DumpTop □ □□  
**F3** □□ □□□ □□□□□□, DumpTop F3 □□ □□□ □□□□□□□□ □□□ □□□□□ □□.  
 □□□□ □□□ □□□□ □□ DumpTop F3 □□□ □□□□□.

<https://www.dumptop.com/CIMA/F3-dump.html> (435 Q&As Dumps, **30%OFF Special**  
 Discount: **KrDump**)

**NEW QUESTION: 62**



**NEW QUESTION: 65**

Company V has been established on 1 January 20X0.

Company V has acquired 40% of the shares of Company A for 1,500 shares of Company V.

Company A has been established to develop a new type of engine which will be launched at the end of 20X1. Company A is forecasting that the new engine will result in free cash flows to equity of \$2m in its first year of operation and that this will rise by 8% per year for the foreseeable future. The new engine is the only commercial activity that Company A is involved in.

Company V intends to sell its stake in Company A when the new engine is launched.

Company A has a cost of equity of 12%.

Assuming that Company V receives an amount that reflects the present value of their shares in company A.

What is the estimated annual rate of return to Company V from this investment? (To the nearest %)

- A. 10%
- B. 3%
- C. 33%
- D. 16%

**Answer: A (LEAVE A REPLY)**

**NEW QUESTION: 66**

Company P has been established on 1 January 20X0. Company P has acquired 10% of the shares of Company Y for 1,000 shares of Company P. Company Y has been established to develop a new type of engine which will be launched at the end of 20X1. Company Y is forecasting that the new engine will result in free cash flows to equity of \$2m in its first year of operation and that this will rise by 8% per year for the foreseeable future. The new engine is the only commercial activity that Company Y is involved in.

- A. 10%
- B. 3%
- C. 33%
- D. 16%

**Answer: B,D (LEAVE A REPLY)**

**NEW QUESTION: 67**

Company A has been established on 1 January 20X0. Company A has acquired 10% of the shares of Company B for 1,000 shares of Company A. Company B has been established to develop a new type of engine which will be launched at the end of 20X1. Company B is forecasting that the new engine will result in free cash flows to equity of \$2m in its first year of operation and that this will rise by 8% per year for the foreseeable future. The new engine is the only commercial activity that Company B is involved in.

Company A has a cost of equity of 12%. Assuming that Company A receives an amount that reflects the present value of their shares in company B. What is the estimated annual rate of return to Company A from this investment? (To the nearest %)

- A. 10%
- B. 3%
- C. 33%
- D. 16%

	NPV in \$ million
Company A	250
Company B	125
Combined group post-acquisition	400

Assume that the combined group's NPV is the sum of the NPVs of the two companies. What is the NPV of the combined group post-acquisition?

\$  million

**Answer:**

150

\$  million

**NEW QUESTION: 68**

Assume that the combined group's NPV is the sum of the NPVs of the two companies.

What is the NPV of the combined group post-acquisition?

Assume that the combined group's NPV is the sum of the NPVs of the two companies. What is the NPV of the combined group post-acquisition?

A. 250 B. 125 C. 400 D. 150 E. 375

Assume that the combined group's NPV is the sum of the NPVs of the two companies. What is the NPV of the combined group post-acquisition?

Assume that the combined group's NPV is the sum of the NPVs of the two companies. What is the NPV of the combined group post-acquisition?

Assume that the combined group's NPV is the sum of the NPVs of the two companies. What is the NPV of the combined group post-acquisition?

Assume that the combined group's NPV is the sum of the NPVs of the two companies. What is the NPV of the combined group post-acquisition?

**Answer: (SHOW ANSWER)**

**NEW QUESTION: 69**

The ex div share price of Company A's shares is \$3.50  
An investor in Company A currently holds 2,000 shares.  
Company A plans to issue a scrip dividend of 1 new share for every 10 shares currently held.  
After the scrip dividend, what will be the total wealth of the shareholder?  
Give your answer to the nearest whole \$.

\$

**Answer:**

7000

\$

**NEW QUESTION: 70**

TTT pic is a listed company. The following information is relevant:

Current cost of equity	14%
Pre-tax cost of debt	6%
Current WACC	12.16%
Current market value of equity	\$80 million
Current market value of debt	\$20 million

TTT pic's board is considering issuing new 6% irredeemable debt to re-purchase equity. This is expected to change TTT pic's debt to equity mix to 40: 60 by market value. The corporate tax rate is 20%.

What will be TTT pic's WACC following this change in capital structure?

- A. 11.66%
- B. 13.43%
- C. 12.67%
- D. 11.09%

**Answer: D (LEAVE A REPLY)**

**NEW QUESTION: 71**

□□ □ □□ □□ □□□ □□ □ □□□ □□ □□□□□?

- A. □□□□ □□□ □□□ □□□□□.
- B. □□ □□ □□□ □□□ □□ □□□□□.
- C. □ □□□ □□□□ NPV □□□□□ □□ □□□□ □□□□ □□□□□.
- D. □□□□ □□□ □□□□ □□ □□□ □□□ □□□ □□□□□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 72**

□□□□ □□□ □□□□.

\* □□□□□□(P/E)□ 10□□□.

\* □□□ 1000□□.

\* □□□□ 1□ □□.

□□□□ □□□ P/E □□□ 8□ □□□□ □□□ 900□ □□□ □□□ □□□□□□.

□□ □□ □ □□□ □□ □ □□□ □□ □□ □□(□□ □□)□ □□ □□□ □□□□ □□□□

□□ □□□□□?

A.  $\frac{100 \times 8}{9}$

B.  $\frac{100 \times 8}{10}$

C.  $\frac{100 \times 10}{8}$

D.  $9 \times 8$

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 73**

J□□ K□□ □□□□ □□ □□ □□□ K□ □□□ □□ □□□□ □□□□ □ □□□ □□ □□.

□ □□□ □□ □□ □□□ □□□ □ □□□□.

Company	J	K
Earnings for year ended 31 December 20X5	\$80 million	\$50 million
Price/earnings ratio	15	10
Current share price	\$3.45	\$2.00

Select the maximum price for each share that Company J should place on Company K during negotiations.

- A. \$3.0
- B. \$1.7
- C. \$2.0
- D. \$3.2

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 74**

□□□ □□ □□ □□□□ □□□□ □□□□ □□□□. □□□ □□ □□ IPO(Initial Public Offering) □ □□ □□□□ □□□ □□□□□.

□□ □□ □ □□□ □ □□□ □□□□□?

- A. □□□ □□ □□□□ □□ □□□□ □□□ □□ □□□ □□ □□□.
- B. □□ □□ □□□ □□□□ □□□ □□ □□□ □□□ □ □□□□.
- C. □□□□ □□□□ □□□□ □□□ □□□ □ □□ □□ □□ □□□ □□□□.
- D. □□□□ □□□□ IPO□□ □□ □□ □□□ □□□□ □□□ □□□ □□ □□□ □□ □ □ □□□.
- E. IPO□ □□□□□ □□□□□.

Answer: A,B,D ([LEAVE A REPLY](#))

**NEW QUESTION: 75**

□□□ 10%□ IRR□ □□□□ □ □□□□□ □□□□ □□ □□□□□ □□□□ □□□ □□□ □□□□□ □□□.

\* □□ □ \$4□ □□ □□□ 100□ □□ □□□□ □□□□.

\* □□ □□□ □□ □□ 5□□ □□ 1□□ \$3.50□□□.

\* □□□ WACC□ □□ 8%□□□.

□□□ □□ □□□ □□□ □□(TERP)□ □□□□□?

□□□ □□ 2□□□□□ □□□□□.

\$ ?

Answer:

4.06, 4.060

**NEW QUESTION: 76**

□□□ □□□ □□□ □□□□ □□□□□. □□ □□ □□□ □□□ □□□□.

\* □□□□□ 1□□

\* □□ □□ \$5

\* □□□ 500□□ □□ □□

\* 10% □□ □□□□

\* □□□ □□ □□ □□

□□□ □□ □ □□□ □□□ □□□?

□□□ □□ □ □□□□ □□□□□.

\$ ?

A. 4.97, 4.98



□□ □ 20X2□ 6□ 30□□ □□□□ □□□□□ □□□□□ □ □□□□□□□□□□ □□ □  
□□ □□ □□□□ □□□ □□□□ □□ □□□□□?

- A. \$7□□□ □□□□ □□□□□.
- B. 700□ □□□ □□□□□□□□ □□□□□□□.
- C. 500□ □□□ □□□□□□ □□□□ 200□ □□□ □□□□□□□□ □□□□□.
- D. 200□ □□□ □□□□□□ □□□□ 500□ □□□ □□□□□□□□ □□□□□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 80**

□□ □□ □□□ □□ □□□ □□□ □□ □□ □□(CIV)□ □□□□ □□ □□□ □□□□□ □  
□□□□□.

□□ □□ □□□:

- \* □□□ 30% □□
- \* □□□□□□□ 9%, □□ □□□□□ 7%, WACC□ 8%
- \* □□ □□□□□ 2,600□ □□□ □□□□□□□.

□□□ CIV□ □□□□□.

- A. 2□ 8900□
- B. 2□ 2800□
- C. 5□ 3100□
- D. 3□ 2,500□

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 81**

□□□ □□□ □□□ □□□□ □□□ □□□□ □□□□□.  
□□ □□ □□□ □□ □□ □□□ □□□ □□□□.  
□□ □□ □□□ □□□□□ \$1.50□ □□□ □□ □□□□ □□□□□□.  
□□□ □□ □□ □□□ 10% □□□ □□□ □□□□□ □□□ □□□□ □□ □□□□.  
□□ □□□□□ □□ □□□ □□□□ □□□ □□ □□□ □□□ □□□□□.

- A. 2,750□ □□ □□
- B. \$20.0 □□ □□
- C. 4,750□ □□ □□
- D. 3,500□ □□ □□

Answer: C ([LEAVE A REPLY](#))

**NEW QUESTION: 82**

□□ XXY□ X\$□ □□□ □□□□ X □□□□ □□□□□. Z\$□ □□□ □□□□ Z □□□□ □□  
□□ □□ ZZY□ □□□□□ □□□.

XXY □□□ □□ □□□□ □□ 3□ □□ ZZY □□ □□□ □□ □□□ □□□□□ □□□□□ □  
□□ □□□□□□. □□ □□ TBC'□ □□□ □□□ □□ □□□□ □□□□ □□□□□.

	Year 1	Year 2	Year 3
Forecast free cash flow to all investors Z\$ million	200	220	240
Forecast exchange rate	TBC	TBC	TBC
Forecast free cash flow to all investors X\$ million	TBC	TBC	TBC
Discount factor @ 8%	0.926	0.857	0.794
Present value X\$ million	TBC	TBC	TBC

□□ □□□ □□□□□.

Current exchange rate	Z\$ 1 = X\$ 2
Rate of inflation in country X	2%
Rate of inflation in country Z	4%

X\$ □□□ □□ □□□ 3□□□ □□□ □□□ □□(□□ □□□ □□ S□□)□ □□□□□?

- A. X\$5□ 400□
- B. X\$4□ 5300□
- C. X\$4□ 1□□
- D. X\$3□ 6□□

Answer: ([SHOW ANSWER](#))

### NEW QUESTION: 83

Company Z has identified four potential acquisition targets: companies A, B, C and D. Company Z has a current equity market value of \$590 million. The price it would have to pay for the equity of each company is as follows:

	A	B	C	D
Equity market value (\$ million)	25	62	67	60

Only one of the target companies can be acquired and the consideration will be paid in cash. The following estimations of the new combined value of Company Z have been prepared for each acquisition before deduction of the cash consideration:

	Z+A	Z+B	Z+C	Z+D
Equity market value (\$ million)	620	655	666	652

Ignoring any premium paid on acquisition, which acquisition should the directors pursue?

- A. B
- B. C
- C. D
- D. A

Answer: C ([LEAVE A REPLY](#))

**NEW QUESTION: 84**

Company ABC is planning to bid for company DDD, an unlisted company in an unrelated industry sector to ABC.

The directors of ABC are considering a number of different valuation methods for DDD before making a bid.

Which of the following is the MOST appropriate method for ABC to use to value DDD?

- A. DDD's P/E ratio.
- B. DDD's book value.
- C. ABC's P/E ratio multiplied by DDD's book value.
- D. DDD's book value multiplied by ABC's P/E ratio.

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 85**

- ABC is considering a bid for DDD. ABC's P/E ratio is 10. DDD's P/E ratio is 5.
- ABC's book value is \$100 million. DDD's book value is \$20 million.
- ABC's VCC is \$50 million. DDD's VCC is \$10 million.

	\$ million
Managers – equity	5
VCC – equity	25
VCC – debt	40
Bank loan	30
Total	100

VCC is \$50 million. ABC is considering a bid for DDD. ABC's P/E ratio is 10. DDD's P/E ratio is 5.



□□□□ □□ □□□□□□ □□□□□□ □□□ □□□□ □□□□ □□ □□□ □□□□.  
□□□ □□ 2□□□□□ □□□□□□.

\$ ?

**Answer:**

14.37

**NEW QUESTION: 89**

□□□ □□□□(□□□□□□) □□□ □□□□ □□□□ □□□ □□□□ □□□□.

A □□□ □□□ □□ □□□ □□ □□ □□□ □□□ □□□ □ □□ □□□□□□.

\* □□□ □□□ □□□□ □□□□ □□□□

\* □□ □□□□ □□□ □□□□ □□□□□□.

\* □□ □□□ □□□□□ □□□ □□□ □□□□□□.

B □□□ □□ □□□□ □□ □□□□□□ □□ □□□□ □□□ □□□□ □□ □□□□ □□□□ □□□□ □□□□.

□□ B□□ □□□□ □□□ □□□□ □□ □□□ □□□ □□□□□□ □□ □□ □□ □ □□□ □□□□□□.

A. □□□□ □□□ □□□□ □□□□ □□□ □□□ □ □□□ □□□ □□□□.

B. □□□□□ □□□□□□ □□□□□□ □□ □□□□.

C. □□□□ □□□□ □□□ □□ □□□ □□□ □ □□ □□ □□□ □□ □□□.

D. □□ □□□□ □□□ □□□ □ □□ □□□ □□□□ □□ □□□ □□□□ □□□□□ □□ □□□□.

E. □□□ □□ □□ □□□□□ □□□□□□ □ □□□□.

**Answer: A,B,D (LEAVE A REPLY)**

**NEW QUESTION: 90**

□□□□ □□□ □□□ □□ □□□ □□□□□□.

A. □□□ □□ □□

B. □□□□ □□.

C. □□□ □□□ □□.

D. □□ □□□ □□.

**Answer: D (LEAVE A REPLY)**

**NEW QUESTION: 91**

□□ □□□ 5□ □□ □□□□□□ □□ 5□□ □□□□ □□□□ □□□□ □□□□. □□ □□ □□ □□□ □□□□ □□□□ □□□□ □□□□ □□□ □□□□ □□ □□□ □□□□□.

□ □□ □□ □□□ □□□ □□□ □□□ □□□ □□□ □□□ □□□□□□□ □□ □□□□ □□.

□□□□□ □□ □□ □□ □□□□ □□□ 70%□ □□□□ IPO□ □□□□ □□□□.

□□□□ □□□ □□ □□ □□ □ □□□ □ □□□ □□□□□□?

A. □□□□□ □□□□ □□□ □□□□.



**NEW QUESTION: 94**

20X3 10 31:

\* 3 31 20X4 1 20X4.

\* 3 31 20X4.

\* IAS 39 20X3 12 31 \$10,000( )

20X3 12 31 20X3 12 31

20X3 12 31

A. \$10,000

B. \$10,000

C. 20X3

D. 20X3

Answer: A (LEAVE A REPLY)

**NEW QUESTION: 95**

4

Entity name	Description of entity
1	A government-owned (public sector) entity.
2	A large company whose shares are traded on a major stock exchange.
3	A small company whose shares are traded on a small company stock exchange and are owned by investors seeking maximum capital growth on their investment.
4	A small family-owned private company whose shareholders rely on their dividend income as their main source of income.

4

A. C

B. □

C. A

D. □

Answer: (SHOW ANSWER)

**NEW QUESTION: 96**

\$10,000,000

8%

	\$'000
Revenue	10,500
Costs	(5,000)
Profit before interest and tax	5,500
Interest on borrowings at 8%	(800)
Profit before tax	4,700
Tax at 20%	(940)
Profit after tax	3,760

□□□□ □□□□ □□□□□ □□ □□□ □□□□ □□ □□□□□?

- A. 11.0%
- B. 8.0%
- C. 9.4%
- D. 10.0%

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 97**

A□□ □□ □□ □□□□ □□□□ □□ □□(B□)□ □□□ □□□ B□□ □□ □□□□ □□□ □□□□□.

□□ A□ □□ B□□□ □□□ □□□□ □□□ B□ □□□ □□□ □□□ □□□□.

A□□ □□ □ □□ □□ □□ □□ □□□□ □□ □□□□□ □□ □□□ □□□□□.

□□ □ □ □□□ □□□ □□ □□□ □□□ □□□ □ □□□ □□□□□?

- A. □□□□ □□ □□ A□ □□ □□□□□□ □ □ □□□ □□ □ □□□□.
- B. □□□□ □□ A□□ □□□ □□□□□□ □□□□ □ □□□□.
- C. □□□□ □□ □□ A□ □□ □□□□□□ □ □ □□□ □□ □ □□□□.
- D. □□□□ □□ A□□ □□ □□□ □□□ □□ □ □□□□.
- E. □□ □□ □□□□□ □□□□ □□□□ □□□ □□ □□□□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 98**

□□ □□□ □ □□ □□□ □□ □□□ □□□□□□.

□□ □ □ □□ □□□ □ □□ □□ □□□ □□ □□ □□□ □□□ □□ □□□ □□□□ □ □ □□□□□ □□□□□□.

□□ □□□ □□□ □□□ □□□ □□□ □□□□.

□□□□ □□□ □□ □□□ □□□ □□ □□ □□□□ □□□□ □□□□.

□□ □ □□□ □□ □□□ □□□ □ □□ □ □□ □□ □ □□□ □□□□□?

- A. □□□ □□ □□□ □□□ □□□ □□□ □□□□ □□ □ □□□□.
- B. □□ □□□ □□□ □□□ □□□ □□□□.
- C. □□□ □□ □□□ □□□ □□ □□ □□□ □□□ □□□ □ □□□□.
- D. □□□ □□□ □□ □□ □□□ □□□□ □□□ □ □□ □□□ □□ □□□□.
- E. □□□ □□□□ □□□ □□□ □□□ □□□□ □□□□.

Answer: C,D,E ([LEAVE A REPLY](#))

**NEW QUESTION: 99**





Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 104**

□□□ □□ □□□ □□ □□□□□ □□□□ □□□□□□□ □□□ □□ □□□ □□□□□ □□□□ □□.

□□□□ □□□□ □□□□ □□ □□□ □□ □□□ □□□□□.  
□□ □ □□ □□□ □□□ □ □□□ □□ □□□ □□ □□□ □□□□□?

- A. □□ □□
- B. □□ □□□□□□ □□
- C. □□ □□ □□□ □□□ PER
- D. □□ □□ □□

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 105**

□□ □□□ □□ □□ □□□□ □□□ □□□□ □□ 3□ 5□□ □□□ □□□ □□□□□.  
□□□□□ □□ □□ □□□ □□□ □□□ □□ □ □□□□.  
□□□□□ □□□ □□ □□□ □ □ □□ □□□□ □□□□□□.  
□□□□ □ □□□□ 20% □□□ □□□□ □□ □□ □□□ □ □□ □□ □□ □□□ □□□□ □□□□.  
□□□□.

	<b>Current situation</b>	<b>With project and rights</b> (estimated)	<b>With project and bond</b> (estimated)
Market value of equity (\$million)	3,500	4,500	4,000
Gearing (debt:debt + equity)	1:4	1:5	2:5

□□□ □□□ □□ 3□□ □□ □□□ 3% □□□ □□ □□□□ □□ 3□□ □□ 5% □□□□□ □.

□□□□ □□ □□□ □□□□□.

□□□ □□ □□□□ □□ □□□ □□ □□□ □□□□□□.

□□□ □□□ □□□□ □□ □□ □ □□□ □□ □□□□□□?

A. □□ □□□ □□ □□□ □□□ □□□□.

B. □□ □□□ □□□ □□ □□□ □□□□ □□□ □ □□□□.

C. □□□□□□ □□□ □□□ □□ □□ □□□ □□□□□ □□□□ WACC□ □□□ □□□ □.

D. □□ □□ □□□□ □□□□ □□□ □□□□□□.

E. □□ □□□ □□ □□□□□ □□ □□ □□□ □□ □□□ □□□ □□□□.

Answer: B,E ([LEAVE A REPLY](#))

**NEW QUESTION: 106**

□□ □□□□□□□ □□□ □□□□ □□□ □□□□□.

\* □□ \$2□ 900□ □ □

\* □□ □□□ 2□□ □□□ 8% □□, 3□ □ □□□□ □□ □□.

□□ □□□□□□□ □□□ □□ 3□ □□ □□ □□□□ □□ □□ 20%□ □□ □□ □□□ □ □□□ □□□□□.

□ □□□ 1000□□□ □□□□ □□□□.

□□ □□□□□□□ □□ □□□ □□□□ □ □□□ 3□ □ □□□ □□ □ □□ □□□ □□□ □□?

□□ □□□ \$ □□□ □□□□□.

□□ □□.

Answer:

34, 35,

34000000, 35000000

F3 □□ □□□ □□□□□ □□ DumpTop □□ □□□□ □□□ F3 □□! DumpTop □ □□ F3 □□ □□□ □□□□□□□, DumpTop F3 □□ □□□ □□□□□□□□□ □□□ □□□□□ □□. □□□□ □□□ □□□□ □□ DumpTop F3 □□□ □□□□□.

<https://www.dumptop.com/CIMA/F3-dump.html> (435 Q&As Dumps, **30%OFF** Special

Discount: **KrDump**)

**NEW QUESTION: 107**

□□ A□ □□ B□□□ □□ □□□ □□ □□□, □ □□□ □□□ □□□ □□□□ □□□ □□ B □□□ □□ □□□□ □□ 5□□□ □□□ □□ □□□□ □□□□□.

A□□ □□□ □□ □□□□□ □□ □□□ □□□□□ □ A□□ □□ □□□□□□□ □□□ □ □□ □ □□□□ □□□□ □□□□.



□□ □ □□ □□ □ □□ □□ □□□□□?

- A. □□ □□□ □ □□ □ □□ □□□□ □□□□□ □□□ □□□□ □□□□.
- B. □□ □□□ □□ □□□□ □□ □□□□□.
- C. □□□□□ □□□ □□□ □□□ □□□ □□□ □□□ □□ □□□□ □ □□ □□□ □□ □□ □□□ □□□□.
- D. □□ □□□ □□□□ □□ □□□ □□ □□□□.
- E. □□□□□□ □□□ □□□□ □□ □□□ □□ □□□□□.
- F. □□ □□□ □□ □□□ □□□□ □□□□.

Answer: A,D,F ([LEAVE A REPLY](#))

**NEW QUESTION: 111**

□□□□□□ □□ □□□□ □□□□□ □□□ □□□ □ □□ 200□ □□□ □□ □□□ □□□ □□.

□□□ □ □□ □ □□□ □□ □□ □□ □□□ □□□□□.

□□ □□□ □□□ □□□□.

\* □□□ □□□ □□ □□□□□□ □□□ □ □□□□.

\* □□□□□ □□□□ □□ □□□ □ □□□□□ □□□ □□□□□□ □□ □□□□□ □□ □□□□.

□□ □□ □□□□ □□ □ □□ □□□ □□□□ □□□□□ □□ □□□ □□□□□□.

□. □□ □ □□ □□□ □ □□□ □□□ □□□ □□□□ □□□□.

	\$000
Salvage value at the end of the project	20
Lease payments	2,200
Tax relief on full lease payment	550
Tax relief on interest element of lease payments	200
Tax relief on tax depreciation allowances	450
Tax relief on accounting depreciation charge	400
Maintenance charges	100

- □□□□ □□□□ □□ □ □□□ □□?
- A. □□ □□□ □□□□□□ \$70,000 □□□□□.
  - B. □□ □□□ □□□□□□ \$30,000 □ □□□□.
  - C. □□ □□□ □□□□□□ \$120,000 □□□□□.
  - D. □□ □□□ □□□□□□ \$20,000 □□□□□.

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 112**

A □□ □□□ ex div □□□ \$3.50□□□.

A □□□ □□□□ □□ 2,000□□ □□□□ □□□□.

A□□ □□ □□□□ □□ □□ 10□□ □□ 1□□ □□□ □□□□□ □□□ □□□□.

□□□□ □□□ □ □□□ □ □□ □□□ □□□?

□□ □□□ □□ \$□□□□□□.

\$

A. 7000

B. 8000

Answer: A ([LEAVE A REPLY](#))

\$

**NEW QUESTION: 113**

□□□ □□ □□(MBO)□ □□ □□ □□ □ □□□ □□ R□ □□□□□ □□□.

□□□□ 1000□□□□□ □□□□.

□□□□ □□ □ □□ □□□ □□(VCC)□ □□ □□ □□ □□□ □□ □□□□ □□□□.

VCC□ 5□ □□ □□ □□□□ □□ 30%□ MBO □□ □□□ □□ □□ □□□ □□□□□.

VCC□ □□ □□□□ □□□□ □□ 5□ □ □□ R□ □□ □ □□ □□□ □□□□□?

□□□ □□ □ □□□□ □□□□□.

\$ ? □□

Answer:

111.4, 111,

111.0, 111.1, 111.2,

111.3, 111.5, 111.6,

111.7

**NEW QUESTION: 114**

□□□ □□ □ □□ □□ □□□□□ □□□ □□□ □□□, □□□□□□ □□ □□□ □□ □□

□□□ □□ □□□ □□□□ □□□□ □□ □□□ □□□□□.

□□ □ □□□ □□ □ □□ □ □□ □□□ □□□□□?

A. □□□□ □□ □□□□ □□□□ □□□□ □□□ □□□□ □□□ □□□ □□ □□ □□ □□ □□□□.

B. □□□□□□ □□□ □□□□ □□□□□ □□□ □□ □□□ □□□ □□□ □ □□ □□ □ □□ □□□□ □□ □ □□□□.

C. □□□ □□□□ □□ □□□ □□□ □ □□ □□ □□□□□ □□□ □ □□□□.

D. □□□ □□□ □□ □□□ □□□ □□□ □□□ □□ □□ □□ □□□ □□□ □ □□□□.

E. □□□□ □□□□□ □□□ □□□□□□ □□□ □□ □□□□ □□ □□ □□□□ □□□ □□□□□ □□□ □ □□□□.

F. □□□ □□□□ □□ □□□ □□ □□ □□□ □□□ □□□ □□ □ □□□□.

Answer: C,D,F (LEAVE A REPLY)

NEW QUESTION: 115

□□ □ □□□ □□ □□ □□□ □□□□□□.

A company has two subsidiaries in a country where the currency has become very strong. It is worried that its overseas customers will stop buying its goods.		Translation risk
A company has a major overseas supplier. The country in which the supplier operates has a strengthening currency.		Economic risk
A company has to convert its subsidiaries' financial statements into the presentation currency in order to consolidate the financial statements.		Financial risk
A company has ordered a machine which it has agreed to pay for in a foreign currency in 8 months time.		Transaction risk

Answer:

A company has two subsidiaries in a country where the currency has become very strong. It is worried that its overseas customers will stop buying its goods.	Translation risk	Translation risk
A company has a major overseas supplier. The country in which the supplier operates has a strengthening currency.	Financial risk	Economic risk
A company has to convert its subsidiaries' financial statements into the presentation currency in order to consolidate the financial statements.	Transaction risk	Financial risk
A company has ordered a machine which it has agreed to pay for in a foreign currency in 8 months time.	Economic risk	Transaction risk

NEW QUESTION: 116

□□ WWW□ KKA □□□ □□ □□ □□□ □□ □□□□. □□ KKA□ □□ □□□ \$5.00□□ □.

□□ WWW□ □□ □ □□□ □□□□ □□□□.

" □□ KKA□ □□ 1□□ \$5.75□ □□ □□

" □□ KKA □□ 15□□ □□ □□ \$90□ 5□ □□ □□□

Company KKA □□□ □□ □□ □□ □□□□□ □□□□□.

- A.  $10\%$
- B.  $80\%$
- C.  $15\%$
- D.  $20\%$

Answer: D ([LEAVE A REPLY](#))

**NEW QUESTION: 117**

On 12/31/20X0, ABC Company has a debt to equity ratio of 1.2. The company's WACC is 7.6%. The cost of equity is 10%. The cost of debt (post tax) is 4%. The rate of corporate income tax is 20%. The company's debt to equity ratio is expected to increase to 2.0 by 12/31/20X3. The company's WACC is expected to be 7.6% on 12/31/20X3.

- A. 20X2 12 31
- B. 20X3 12 31
- C. 20X0 12 31
- D. 20X1 12 31

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 118**

ABC Company has a debt to equity ratio of 1.2. The company's WACC is 7.6%. The cost of equity is 10%. The cost of debt (post tax) is 4%. The rate of corporate income tax is 20%. The company's debt to equity ratio is expected to increase to 2.0 by 12/31/20X3. The company's WACC is expected to be 7.6% on 12/31/20X3. The company's debt to equity ratio is expected to increase to 2.0 by 12/31/20X3. The company's WACC is expected to be 7.6% on 12/31/20X3.

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 119**

ABC Company has a debt to equity ratio of 1.2. The company's WACC is 7.6%. The cost of equity is 10%. The cost of debt (post tax) is 4%. The rate of corporate income tax is 20%. The company's debt to equity ratio is expected to increase to 2.0 by 12/31/20X3. The company's WACC is expected to be 7.6% on 12/31/20X3.

Cost of equity	10%
Cost of debt (post tax)	4%
WACC	7.6%
Gearing (debt / (debt + equity))	40%
Rate of corporate income tax	20%

- A. WACC is 4%
- B. WACC is 7.6%
- C. WACC is 4%

- D.  $10\%$
- E. WACC  $7.6\%$
- F.  $10\%$

Answer: A,B,E ([LEAVE A REPLY](#))

**NEW QUESTION: 120**

ACC. BDD Company BDD ACC BDD ACC BDD Company BDD9 I Company ACC 3

- A.
- B.
- C.
- D.
- E.

Answer: A,D,E ([LEAVE A REPLY](#))

**NEW QUESTION: 121**

XYZ has a variable rate loan of \$200 million on which it is paying interest of Libor + 3%. XYZ entered into a swap with AG bank to convert this to a fixed rate 8% loan. AB bank charges an annual commission of 0.4% for making this arrangement Calculate the net payment from KYZ to AB bank at the end of the first year if Libor was 2% throughout the year. Give your answer in \$ million, to one decimal place.

\$  million

Answer:

22.8

\$  million

F3 DumpTop F3! DumpTop F3  
 F3, DumpTop F3  
<https://www.dumptop.com/CIMA/F3-dump.html> (435 Q&As Dumps, 30%OFF Special Discount: **KrDump**)

**NEW QUESTION: 122**

ZZZ

□□□□□ □□□□ □□□ □□□□ □□□ □□ □□□□ □□□□ □□□ □□□ □□□ □□ □□□□. 22Z□ □□□□ □□□□□ □□□ □□□ □□□□□ □□□□ □□ □□□□□ □□□ □□ □□□ □□□□□.

ZZZ□ □□ □ □ □□ □□□□□□ □□□ □□□□□□ □□□ □□□ □□ □□□□ □□□□ □□, □□□ □□□ □□ □□ □□□□ □□□□□ □□ □□ □□ □□ □□ □□□ □□□□ □□□ □□□ 10% □ □□□□□. □□□ □□□.

□□□□ □□□ □□ □□□ □□□ □□□ □□□ □□ □□ □□□ □□□□□□. □□ □□ □ □□□□ □□ □□□ □□□□ □□ □□□ □□ □□□ □□□□ □□□□. □□ □ □□ □□ □ □□ □ □□ □□□ □□□ □□ □□ □□□ □□□ □□□ □□□ □□□ □□□□□.

ZZZ□ □□□□ □□□ □□□ □□□ □□□□ □□□ □□ □ □□□ □□□□ □□□□. □□ □ □□ □ □□ □ ZZZ□ □□□ □□ □ □□□□ □□□ □□ □□□□ □□ □ □□ □□□ □□ □□□?

- A. □□ □□□ □□ □□□□ □□ □□ □□□ □□□ □□□□ □□ □□□ "□□" □□ □□
- B. □□ □□ □ □□ □□ □□.
- C. □□□ □□□ □□ □□□ □□□□ □□ □□□ □□ □□
- D. □□ □□, □□□ □□□□ □□ □□□□ □□□□□ □□
- E. □□ □□, □□□□ □□□ □ □□ □□ □□ □□

Answer: B,C,D ([LEAVE A REPLY](#))

**NEW QUESTION: 123**

□□□ □□□ □□□□ □□□ □□□□ 20%□ □□□□ □□□□□. □□ □□□ □□□ □□ □□□□□ □□□□. □□□ NPV□ 1□□ □□□ □□□□□ □□□□□ 2□ □□□ □□□□ □□□. □□□ □ □□ □□□ □□□□ □□□□.

- \* □□ □□.
- \* □□ □□.
- \* □□ □□ □ □□□□ □□□□ □□ □□.

Modigliani□ Miller□ □□ □□ □□□ □□□□ □□□□ □□ □□□ □□ □ □□□ □□ □□ □□□□ □□□ □□ □□□□□□□.



□ □□□ □□ □□ 4□□ □□ 1□□ □□□□□ □□□□□□.

□□ □□□:

\* □□ □□ □□ □□□ \$10.00□□□.

\* □□□□ □□□□ 20% □□□ □□□□ □□□□□.

\* □□ □□□ □□□ □□□□ 10%□ □□□□□.

\* □□ □□□ □□□□ 5%□□□.

□□□ □□ □□□ □□□ □□□ □□□□□?

□□□ □□ □ □□□□ □□□□□.

**Answer:**

\$ ?

11.20, 11.2

**NEW QUESTION: 126**

□□ □□□□□□□ □□□ □□□□ □□□ □□□□□.

\* □□ \$2□ 900□ □ □

\* □□ □□□ 2□□ □□□ 8% □□, 3□ □ □□□□ □□ □□.

□□ □□□□□□□ □□□ □□ 3□ □□ □□ □□□□ □□ □□ 20%□ □□ □□ □□□ □  
□ □□□ □□□□□.

□ □□□ 1000□□□□ □□□□ □□□□.

□□ □□□□□□□ □□ □□□ □□□□ □ □□□ 3□ □ □□□ □□ □ □□ □□□ □□□  
□□?

□□ □□□ \$ □□□ □□□□□.

□□ □□.

**Answer:**

34, 35, 34000000, 35000000

**NEW QUESTION: 127**

WW□ □□ □□ □□□□□. □□ □□□ WW□ □□ □□□□ □□□□□ □□□□□□. □□  
□ □□□□□ WW□ □ □ □□ □□□ □□□□ □□□ □□□□ □ □□□□  
□□□□□□ WW□ □□□ □□□ □□□□ □□□□□.

□□ □□□ □□□ □□ □□ □□ □ □ □□ WW□ □□□ □□□□ □□ □□□ □□□ □□  
□□□□ □□□□ □□□□□□. □□□ □□□□□□ □□ □□(□□ □□)□ □□□ □□□□  
□□□ □ □□□□□ □□□ □□□□□ □□□□□□. □□□ □□□ □□ □□□ □□□□.

□□ □□□ □□□ □□ □□□□ □□□ □ □□□ □ □□ □□□ □□□□□?

**A.** □□□□□□ □□ □□□ WW□ □□□□ □□□ □□ □ □□□□ □□□ □□ □□□ □□  
□ □□□□.

**B.** □□□ □□□ □□□□ □□ □□□ □□□□□.

**C.** □□□ □□ □□□ □□ □□ □□□□ □□□□□.

**D.** □□ □□ □□□ □□ WW□ □ □ □□□□ □□□□□.

**E.** □□□ □□□ □□□ WW□ □□□ □□□ □□□□ □□□□ □□□ □□□.

F. WW□ □□ □□ □□□ □□□□ □□□ □□□ □□□□ □□□ □□ □□□□□□.

Answer: B,E,F ([LEAVE A REPLY](#))

**NEW QUESTION: 128**

□□ □ □□□□ □□□ □□□ □□ □□□ □□ 6□□ □□ 5□□ □□□ □□□□ □□□.

□□□□□ □□□□ □□□ □□□ □□ □□□ □□ □□□□.

□□□ □□ □□ □□ □□□□□ □□□□ □□□ □□□ □□ □□□ □□□□ □□□□.

□□ □ □□ □□□ □□ □□ □□□□ □□□ □□□□□?

- A. □□ □□ □□
- B. 6□□ □□ □□
- C. □□□□
- D. □□

Answer: C ([LEAVE A REPLY](#))

**NEW QUESTION: 129**

XYZ is a multi-national group with subsidiary AA in Country A and subsidiary BB in Country B. The capital structures of AA and BB are set up to take advantage of the lower tax rate in Country A Thin capitalisation rules in Country B will limit the ability for either AA or BB to claim tax relief on:

- A. interest paid by AA
- B. interest paid by BB
- C. interest earned by BB.
- D. interest earned by AA

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 130**

T□□ □□□ □□□□□□.

□□ □ □□ □ □□ □□□ 500□ □□□□□.

□□□□ □□□ □□□ □□□ □□□ □ □□ □□□ □□□□□.

T□□ □□□□□ 1000□ □□□ 10% □□□□ □□□□ □□.

□□□ □□ □□ □□□ 90%□ □□□□ □□□□.

□□□□ 20%□ □□□□□.

□□ □□□ □□□ □ □□□□.

	The Overall Stock Market	The Retail Sector	Recent Takeovers in the Retail Sector
P/E multiples	20.0 times	10.0 times	13.0 times

□□ □ □□ □□ □ □□ □□□ □□ □□□□ □□□ □□□□□?

- A. 5,020 □ □□
- B. 6,500 □ □□
- C. 3,200 □ □□
- D. 4,160 □ □□

Answer: D ([LEAVE A REPLY](#))

**NEW QUESTION: 131**

XYZ□ A □□□ □□□ AA, B □□□ □□□ BB□ □□ □□□ □□□□□.  
 AA □ BB□ □□ □□□ A □□□ □□ □□□ □□□□□ □□□□□□□. B □□□ □□ □□□  
 □□□ AA □□ BB□ □□□ □□ □□ □□□ □□□ □ □□ □□□ □□□□□.

- A. AA□ □□ □□
- B. BB□ □□□ □□
- C. AA□ □□□ □□
- D. BB□ □□ □□.

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 132**

□□□ 10%□ IRR□ □□□□ □□□ □□□□□ □□□□ □□ □□□□□ □□□□ □□□ □  
 □□ □□□□□ □□□.  
 □□ □□□□ □□□□□.

- \* □□ □ \$4□ □□ □□□ 100□ □□ □□□□ □□□□.
- \* □□ □□□ □□ □□ 5□□ □□ 1□□ \$3.50□□□□.
- \* □□□ WACC□ □□ 8%□□□.

□□□ □□ □□□ □□□ □□(TERP)□ □□□□□?  
 □□□ □□ 2□□□□□ □□□□□.

- \$ ?
- A. 4.06, 4.060
  - B. 4.06, 4.050

Answer: A ([LEAVE A REPLY](#))

**NEW QUESTION: 133**

□□□□□ □□□ □□□ □□□□ □□□□.  
□□ □□ □□ □□□ □□ □□□ □□ □□ □□□□ □□□ □□□□ □□ □□□□ □□□ □  
□ □□□□ □□□□□□.

Offer price	% take up
\$8.50	10%
\$9.00	20%
\$9.50	30%
\$10.00	40%

□□□ □□□□□□ □□□ □□□□ □□□□□ □□□□ □□ □□□ □□□□□?

- A. \$9.00
- B. \$8.50
- C. \$9.50
- D. \$10.00

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 134**

□□□ □□□□ □□□□□ □□□ □□ □□□□ □□ □□□□□ □□□□ □□□□.  
□□□ □□□□ □□□ □□□ □□□ □□□ □□□ □□ □□□ □□□□□.  
□□ □□ □□ □□ □□□ □□□ □□ □□□□□.  
□□ □□ □□ □□ □ □□ □□ □□ □□ □□□ □□ □□□ □□ □□ □□□ □□□□□?

- A. □□
- B. □□□□
- C. □□ □□
- D. □□□□

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 135**

□□□ □□□□□ □□ □□□ □□□ □□□□ IRR□  
10%  
□□ □□□□ □□□□□□.  
\* □□ □ \$4□ □□ □□□ 100□ □□ □□□□ □□□□.  
\* □□ □□□ □□ □□ 5□□ □□ 1□□ \$3.50□□□□.  
\* □□□ WACC□ □□ 8%□□□□.  
□□□ □□ □□□ □□□ □□(TERP)□ □□□□□?  
□□□ □□ 2□□□□□ □□□□□□.  
\$ ?

**Answer:**

4.06, 4.060

**NEW QUESTION: 136**

□□□ □□□□ □□□ □□□□□ □□ □□ □□ □ □□ □□□ □ □□□ □□□□□?

- A. □□□ □□□□ □□□□ □□.
- B. □□ □□□ □□.
- C. □□□□ □□□ □□□□ □□ □□□ □□.
- D. □□ □□ □□ □□.
- E. □□□ □□ □□ □□ □□.

**Answer: B,C,E (LEAVE A REPLY)**

F3 □□ □□□ □□□□□ □□ DumpTop □□ □□□□ □□□ F3 □□! DumpTop □ □□  
F3 □□ □□□ □□□□□□, DumpTop F3 □□ □□□ □□□□□□□□ □□□ □□□□□□  
□□. □□□□ □□□ □□□□ □□ DumpTop F3 □□□ □□□□□.

<https://www.dumptop.com/CIMA/F3-dump.html> (435 Q&As Dumps, **30%OFF** Special  
Discount: **KrDump**)

**NEW QUESTION: 137**

- □□□ □□□□ □□ □□ □□□ □□□ □□□ 4□ □□□□□ □□□□ □□□□.
- □□ □□:
- \* 4□ □□ □□.
- \* \$45,000□ □□ □□ □□□, □□ □□□ 1□□ □□.
- □□:
- \* □□ □□□□ □□ □□ □□□□ 10%□□□.
- \* □□□□□ □□ □□□ \$200,000□□ □□ □□ □□□□ □□□.
- \* \$100,000□ □□ □□ □□ □□ □□□ □□□□ □□□ □□ □ □□□□□.
- \* □□□ □□□ □□□ □□□□ □□□ □□□□.
- \* □□□□ 20%□□ □□□□□ □□□□ □□ □□□□□.
- □□ □□ □□□ □□□ □□□□.

	Time 0	Year 1	Year 2	Year 3	Year 4	Year 5
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>LEASING</b>						
Lease payments	(45)	(45)	(45)	(45)		
Salvage Value					100	
Tax relief on lease payments		9	9	9	9	0
Net cash flow	(45)	(36)	(36)	(36)	109	0
Net present value @ 10%	(60)					
<b>BUYING</b>						
Outlay/Salvage Value	(200)				100	
Tax relief on tax depreciation allowance		0	5	5	5	5
Net cash flow	(200)	0	5	5	105	5
Net present value @ 10%	(117)					

□□ □□ □ □□ □ □□□ □ □□□ □□□□□?

- A. 10% □□□ □□□ □□□□□□□□.
- B. □□□□□ □□ □□ □□□ □□□□□ □□□.
- C. □□□□ □□ □□ □□□ □□□□ □□□□ □□□□□.
- D. □□ □□□ □□ □□□ □□□
- E. □□□ □□ □□□ □□□□□□□□.
- F. □□ □□ □□□□ □□□□□ □

Answer: A,C,D ([LEAVE A REPLY](#))

**NEW QUESTION: 138**

□□□ □□□□□ □□ □□□ □□□ □□□□□ □□□. □□ □□□□ □□□□□□.

- \* □ \$4□ □□□ □□□ 1,000□ □□ □□□□.
- \* □□ □□□ □□□□ □□ □□ □□ 4□□ □□ □□ 1□□□□□.

\* □□□□ □ □□□ TERP(ex-right price) □ \$3.80 □□□. □□ □□□ □□□ □□□□□ □□ □□ □□ □□□ □□□□□? □□□ □□ □ □□□□ □□□□□.

**Answer:**

\$ ? □□  
7.5, 7.50

**NEW QUESTION: 139**

□□ □□ □□□ □□ □□□ □□ □□□□ □□□ □□□ □□□ □□□ □□□□.

	\$ million
Operating profit	1000
Profit before taxation	800
Profit after taxation	600
Profit after preference dividend	400

□□□ □□□ □□ □□□ □□ □□ □□□ □□ □□□□ □□ □□□ □□□□□ □□□□□ □.

□□ □□□ □□□□ □□□ □□ □□ □□□ 20□□□ 20%□ □□□ □□□□ □□. □□ □□□ □□□□□□ □□□□ □□□ □□ □□ □□□ □□□ □□□ □□ □□□ □□□□.

- A. \$0,125
- B. \$0,075
- C. \$0,050
- D. \$0,100

**Answer: C ([LEAVE A REPLY](#))**

**NEW QUESTION: 140**

□□□□ □□□ □□□ □ USD10□□□. □□□ □□□ □□□□ □□□ □ USD12□□ GBP □ □□ USD□ □□□□□.

□□□ □□□ □□ □□ □□ □ □□ □□?

- A. □□□□□ □□□□ □□□ □□. □□□ □□□ □□□□□ □□□□ □□ □□□□□ □□ □□□□.
- B. □□□ □□□ □□ □□□ □□ □□□□ □□□□ □□ □□□ □ □□ □□□□□.
- C. □□□□ □□□ □□□ □□□ □□□□ □□□□.
- D. USD□ GBP □□ □□□ □□□□ □ □□(□ □□ □□)□ □□ □□□ □□□□□.

**Answer: A ([LEAVE A REPLY](#))**

**NEW QUESTION: 141**

□□ □□□□□□□ □□ □□□ □□ □□□ □□□ □□ 3□ □□ □□□ □□□ □ □□ □□ □□□ □□□□ □□□□. □□ □□ □□□ 4□□ □□ □□□□ □□ □□□□ □□□□□.

□□ □□□□□□□□ □□ □ □ □□ □□□□ □□ □□□ □□□ □ □□ □□□ □□□□□□ □.

- A. □□□□ 4□ 1□ □□□□□ □□□.
- B. □□□□ □□□ □□ □□□□□.
- C. □□ □3□□□□ □□□ □□□□□.
- D. □□□ □□□ □□ □□ □□□ □□□□.
- E. □□ □□□ □□ □□□ □□ □□□ □□□□□.

Answer: B,C,D ([LEAVE A REPLY](#))

**NEW QUESTION: 142**

A□□ □□ □□□ □□ B□□ □□□ □□□□. B□□ □□□□ □□ □□□ □□□ □ □□□ □ □□ □□□ □□□ □□ □□□□. A□□ □□□□ □ □□□ □□ □ □□□ □□ □□ □□□ □ □□□□□(NPV) □□□□ □□□□□□□. □□□ □□ □□□ □□□□:

	NPV in \$ million
Company A	250
Company B	125
Combined group post-acquisition	400

A□□□ B□□ □□□ □□ □□□□ □□ □□ □□□ □□□□□? □□ □□□ \$ □□□□ □□□□□.

- A. 150
- B. 160

Answer: A ([LEAVE A REPLY](#))

\$  million

**NEW QUESTION: 143**

□□□ □□□ □□□ □□□□ □□□ □□□□ □□□□□.

□□ □□ □□□ □□ □□ □□□ □□□ □□□□.

	\$ million
Revenue from electricity sales at \$2.00 per Kilowatt	300
Costs	200
Net profit	100

□□ □□ □□□ □□□□□ \$1.50□ □□□ □□ □□□□ □□□□□□.

□□□ □□ □□ □□□ 10% □□□ □□□ □□□□□ □□□ □□□□ □□ □□□□.

□□ □□□□□ □□ □□□ □□□□ □□□ □□ □□□ □□□ □□□□□.

- A. 3,500□ □□ □□
- B. 4,750□ □□ □□
- C. \$20.0 □□ □□
- D. 2,750□ □□□ □□

Answer: B ([LEAVE A REPLY](#))

**NEW QUESTION: 144**

□□□ □□□□ □□ □□□ □□ 2,000□ □□□ □□□□ □□□.

□□ □□ □□ 20% □□□ □□□□□ □□□□.

□□ 1□□ □□□□ 1□□□□ □□□ 5□□□ 2□□□□ □□ □□□ □□□□.

	The Overall Stock Market	The Retail Sector	Recent Takeovers in the Retail Sector
P/E multiples	20.0 times	10.0 times	13.0 times

□□ □□ □□□ □□□□□.

- A. □□ □□ 25□□ □□□ □□ 1□
- B. □□ □□ 20□□ □ □□ 1□
- C. □□ □□ 4□□ □ □□ 1□
- D. □□ □□ 5□□ □ □□ 1□

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 145**

□□ □ □□ □□□□□ □□□□ □□ □□□□ □□ □□ □□□ □□□□□?

- A. □□□□ □□□ □□ □□
- B. □□ □□□□□ □□ □□
- C. □□ □□□ □□ □□ □□
- D. □□□□ □□ □□□ □□
- E. □□ □□

Answer: ([SHOW ANSWER](#))

**NEW QUESTION: 146**

Z wishes to borrow at a floating rate and has been told that it can use swaps to reduce the effective interest rate it pays. Z can borrow floating at Libor + 1, and fixed at 10%.

Which of the following companies would be the most appropriate for Z to enter into a swap with?

- A. Company D - it can borrow at L + 1 ½ and fixed at 10.5%
- B. □□ A - □□ L + 1 ½□ □□ □ □□ 9.5%□ □□
- C. □□ E - L + 1 ½ □ 12% □□□□ □□□□□ □□□ □ □□□□.
- D. □□ C - L + 1 ½□□ □□ □ □□ 9%□ □□

Answer: D ([LEAVE A REPLY](#))

**NEW QUESTION: 147**

□□ □ □□□ □□ □□□ □□ □□□□ □□ □ □ □□ □□□□ □□□ □□□□□?

- A. (□□□ □□□□)/(□□□ □□□□) □□ □□.
- B. (□□□)/(□□, □□, □□□□□ □□ □ □□) □□□ □□.
- C. □□□□□□□ □□.
- D. □□□ □□□ □□.
- E. □□□□ □□□□ □□□□□□□ □□.

Answer: B,C,E ([LEAVE A REPLY](#))

F3 □□ □□□ □□□□□ □□ DumpTop □□ □□□□ □□□ F3 □□! DumpTop □ □□  
 F3 □□ □□□ □□□□□□, DumpTop F3 □□ □□□ □□□□□□□□ □□□ □□□□□□  
 □□. □□□□ □□□ □□□□ □□ DumpTop F3 □□□ □□□□□.

<https://www.dumptop.com/CIMA/F3-dump.html> (435 Q&As Dumps, **30%OFF** Special

Discount: **KrDump**)