

MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
	545 749	35

1 Determine the company's sustainable growth rate if you know the following information: ROA = 10%, ROE = 14%, EAT = 1000, Payout portion of profit = 400.

- A 9.17%
- B 6.38%
- C 5.93%
- D 4.17%

2 What should be the main goal of a corporation?

- A Maximizing the company's profit.
- B Maximizing company value.
- C Maximizing project activities.
- D Cost minimization in any case.

3 If a company has debt with both fixed and floating interest rate, what effect will a general rise in interest rates in the economy have on the interest coverage ratio?

- A The interest coverage ratio will not change.
- B The interest coverage ratio will increase.
- C The interest coverage ratio will decrease.
- D Interest rate changes are not included in the indicator.

4 Select the incorrect statement regarding asset turnover.

- A The higher the value of the indicator, the higher the ROA and the lower the ROE.
- B This is a determinant of company growth.
- C The higher the value of the indicator, the higher the ROA and ROE.
- D It is related to the length of the company's cash cycle.

5 DuPont's five-factor decomposition does not include:

- A Operating profit margin. ✓
- B Effect of interest burden.
- C Tax effect. ✓
- D The length of the cash cycle.

6 Choose the correct statement:

- A The profit margin can also be understood as a competitive constraint.
- B Profit margin can also be understood as capacity and competitive constraint.
- C Asset turnover can also be understood as a capacity and competitive constraint.
- D Asset turnover can also be understood as a competitive constraint.

7 Choose the correct statement:

- A Financial leverage is always positive. ✓
- B Financial leverage can equal to 0.5.
- C We classify financial leverage as an indicator of indebtedness.
- D If financial leverage is equal to 1, it means that the firm uses only debt for financing.

8 EL car corp. plans an investment project that will expand the production capacity of electric cars. A project can be compared with riskiness of the US shares in the electro car industry, for which the expected return was evaluated at 14%. The yield on US government bonds is 5.5%. What is the minimum acceptable rate of return for the planned project?

- A 14%. $r = 14\%$
 $YTM = 5.5\%$
- B 5.5%
- C 19.5%
- D 8.5%

9 Choose which of the firm's decision is an investment decision.

- A Purchase of bonds.
- B Issue of shares.
- C Purchase of a business plant. ✓
- D Reinvestment of profit.

10 If the value of financial leverage is 2.4, it implies that:

- A Liabilities > Equity. ✓
- B Liabilities = Equity.
- C Assets = Equity.
- D Liabilities < Equity.

11 If asset turnover ratio equals to 1.5, what kind of company it probably is.

- A This is probably a service providing company. ✓
- B This is probably a capital-intensive company.
- C We are unable to determine a kind of business.
- D This is probably a monopoly.

12 The company's ROA is 12%. Assuming that the cost of paid capital is 200,000 and the total value of debt is 1,500,000, what impact would the use of additional debt financing have on ROE?

- A Further debt financing would have a positive effect on ROE (positive leverage effect).
- B Further debt financing would have a negative effect on ROE (negative leverage effect). $ROA < i$
- C It is possible to estimate the effect on ROA, not ROE.
- D It is not possible to determine the effect on ROE.

13 Choose the incorrect statement regarding financial planning:

- A Predictions in financial planning are always uncertain.
- B The simplest prediction method is based on sales prediction.
- C Predictions in financial planning are very accurate.
- D Creating a financial plan requires a thorough knowledge of the company based on financial analysis.

14 If we focus on a question of whether a company can deliver more value through an activity than others, which principle of responsible business we deal with.

- A The principle of multiplication.
- B The principle of comparative advantage.
- C The principle of materiality.
- D The principle of absolute advantage.

15 The company's net profit margin is 16%, the tax burden is 20%. What is the operating profit margin?

- A 19.2%
- B 12.8%
- C 20%
- D 36%

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MD RUBEL SATU	533420	21

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- 12** If the value of financial leverage is 2.4, it implies that:
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Jed Hamze	546254	26

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$$ROE \times \text{Plowback}$$

$$1 - ROE \times \text{Plowback}$$

$$\text{plowback} =$$

$$5.93 = 14 \times$$

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Taslima Rahman Mishra	546168	23

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Aye Trixi Myat	556 305	22

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Sobina Rzyawez	593388	38

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$\frac{TR}{AV-GP}$

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Sharhan Shameem Deeb	533385	39

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 B This is probably a capital-intensive company.
 C We are unable to determine a kind of business.
 D This is probably a monopoly.
-
- 12** Determine the company's sustainable growth rate if you know the following information: ROA = 10%, ROE = 14%, EAT = 1000, Payout portion of profit = 400.
- A 9.17%
 B 6.38%
 C 5.93%
 D 4.17%

13 If we focus on a question of whether a company can deliver more value through an activity than others, which principle of responsible business we deal with.

- A The principle of multiplication.
- B The principle of comparative advantage.
- C The principle of materiality.
- D The principle of absolute advantage.

14 What should be the main goal of a corporation?

- A Maximizing the company's profit.
- B Maximizing company value.
- C Maximizing project activities.
- D Cost minimization in any case.

15 The company's net profit margin is 16%, the tax burden is 20%. What is the operating profit margin?

- A 19.2%
- B 12.8%
- C 20%
- D 36%

Sustainable growth rate =

MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
MD ARIFUZZAMAN	533366	42

1 The company's ROA is 12%. Assuming that the cost of paid capital is 200,000 and the total value of debt is 1,500,000, what impact would the use of additional debt financing have on ROE?

- A Further debt financing would have a positive effect on ROE (positive leverage effect).
- B Further debt financing would have a negative effect on ROE (negative leverage effect).
- C It is possible to estimate the effect on ROA, not ROE.
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4 Choose the incorrect statement regarding financial planning:

- A Predictions in financial planning are always uncertain.
- B The simplest prediction method is based on sales prediction.
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- A The profit margin can also be understood as a competitive constraint.
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- C Asset turnover can also be understood as a capacity and competitive constraint.
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- A 14%.
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- D 8.5%.

14 DuPont's five-factor decomposition does not include:

- A Operating profit margin.
- B Effect of interest burden.
- C Tax effect.
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15 If a company has debt with both fixed and floating interest rate, what effect will a general rise in interest rates in the economy have on the interest coverage ratio?

- A The interest coverage ratio will not change.
- B The interest coverage ratio will increase.
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- D Interest rate changes are not included in the indicator.

14% = ROF
5.5% = Bond

$$\begin{array}{r} - \square \\ 20\% \\ \hline 16\% \end{array} = \frac{16\%}{5}$$

MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
ARUP RATAN	543382	44

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MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
Aaron Wedlich	546257	43

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MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
<i>Gwendal Berkhault</i>	<i>545567</i>	45

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MPF_AFAP: 1st test

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Anya Zhang	543339	37

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- 6** Determine the company's sustainable growth rate if you know the following information: ROA = 10%, ROE = 14%, EAT = 1000, Payout portion of profit = 400.
- $100 - (ROE) - ROA$
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$$\begin{aligned} NP &= 16\% \\ TB &= 20\% \\ \text{operating profit margin} &= 16\% \end{aligned}$$

MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
		46

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Handwritten notes:
- Assets = 1,5
- ^{1,5}

MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
Batu MEFTVN	546 195	41

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7 EL car corp. plans an investment project that will expand the production capacity of electric cars. A project can be compared with riskiness of the US shares in the electro car industry, for which the expected return was evaluated at 14%. The yield on US government bonds is 5.5%. What is the minimum acceptable rate of return for the planned project?

- A 14%.
- B 5.5%.
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- D 8.5% -

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- A Liabilities > Equity.
- B Liabilities = Equity.
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10 DuPont's five-factor decomposition does not include:

- A Operating profit margin.
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11 The company's net profit margin is 16%, the tax burden is 20%. What is the operating profit margin?

- A 19.2%
- B 12.8%
- C 20%
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12 Select the incorrect statement regarding asset turnover.

- A The higher the value of the indicator, the higher the ROA and the lower the ROE.
- B This is a determinant of company growth.
- C The higher the value of the indicator, the higher the ROA and ROE.
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- 13** The company's ROA is 12%. Assuming that the cost of paid capital is 200,000 and the total value of debt is 1,500,000, what impact would the use of additional debt financing have on ROE?
- A** Further debt financing would have a positive effect on ROE (positive leverage effect).
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- 14** Choose the correct statement:
- A** The profit margin can also be understood as a competitive constraint.
 - B** Profit margin can also be understood as capacity and competitive constraint.
 - C** Asset turnover can also be understood as a capacity and competitive constraint.
 - D** Asset turnover can also be understood as a competitive constraint.

- 15** Determine the company's sustainable growth rate if you know the following information: ROA = 10%, ROE = 14%, EAT = 1000, Payout portion of profit = 40.
- A** 9.17%
 - B** 6.38%
 - C** 5.93%
 - D** 4.17%

$$g = b \cdot ROA$$

$$1400 \quad | \quad 1000$$

$$1500$$

$$200$$

$$\frac{A}{E} \Bigg| \frac{A}{E}$$

$$\frac{NI}{Sales}$$

$$FL = 1.4$$

$$b = 0.60$$

$$b = 0.60$$

$$\frac{1000}{x} = 0.14$$

$$x = \frac{1000}{0.14}$$

$$ROE = \frac{1000}{1000} \cdot \frac{140}{1000}$$

$$| \quad 74492$$

MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
Mutahar Zafar	548231	31

- 1** If asset turnover ratio equals to 1.5, what kind of company it probably is.
- A This is probably a service providing company.
 - B This is probably a capital-intensive company.
 - C We are unable to determine a kind of business.
 - D This is probably a monopoly.
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- 2** EL car corp. plans an investment project that will expand the production capacity of electric cars. A project can be compared with riskiness of the US shares in the electro car industry, for which the expected return was evaluated at 14%. The yield on US government bonds is 5.5%. What is the minimum acceptable rate of return for the planned project?
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- 12** If we focus on a question of whether a company can deliver more value through an activity than others, which principle of responsible business we deal with.
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- 13** If a company has debt with both fixed and floating interest rate, what effect will a general rise in interest rates in the economy have on the interest coverage ratio?
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ROA 5.93%

Expected return = 14%
yield on bond = 5.5%
18.5%

MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
		40

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MPF_AFAP: 1st test

Jméno a příjmení – pište do okénka	Učo	Číslo zadání
Kushagra Bhatnagar	546177	30

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MPF_AFAP: 1st test

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MAGASGM HENASGMENKO	54622 G	19

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MPF_AFAP: 1st test

Jméno a příjmení - pište do okénka	Učo	Číslo zadání
		27

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ABDUR RAHMAN	543331	18

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