

Free PDF Quiz CIMA - Pass-Sure Online CIMA PRA19-F03-1 Training Materials

ONLINE PRACTICE TEST **Test of Knowledge**

Testers. In this respect, CIMA PRA19-F03-1 Study Guide is obviously your best choice. CIMA PRA19-F03-1 certification training gives advantage candidates saving you a lot of time and improving your learning efficiency.

How to book CIMA F3: Financial Strategy Exam

- Step 1: Visit the [Official website](#)
- Step 2: Book the exam via the CIMA Financial Strategy Exam
- Step 3: Pay the exam with a credit or debit card

CIMA F3 Financial Strategy Sample Questions (Q44-Q49):

NEW QUESTION #44
A company's Board of Directors is assessing the likely cost of financing future new projects using either equity or debt. The directors are uncertain of the effects on key variables. Which THREE of the following statements are true?

- A. Retained earnings have no risk, and is therefore the lowest form of equity finance
- B. Equity finance will reduce the overall financial risk
- C. Debt finance has a higher cost than equity finance
- D. Equity finance will increase earnings to a higher total future dividends
- E. Debt finance is always preferable to equity finance
- F. The choice between using either equity or debt will have no impact on the amount of corporate income tax payable

Answer: B,C,D

NEW QUESTION #45
An oil company has recently plans an issue of new ordinary shares to the general public to raise funds for its current project. The following data are given:
• 10 million ordinary shares are currently in issue with a market value of \$2 each share
• The new shares will be issued at \$3.50 million and is expected to give a positive NPV of \$5 million
• The issue will be priced at a 10% discount to the current share price
What gain or loss per share will accrue to the existing shareholders?

- A. Gain of \$0.08
- B. Loss of \$0.08
- C. Gain of \$0.18
- D. Loss of \$0.18

Answer: A

NEW QUESTION #46
A company has 1% convertible bonds in issue. The bonds are convertible in 5 years time at a value of 20 ordinary shares per \$100 nominal value bond.
Each share

DOWNLOAD the newest TorrentExam CIMA PRA19-F03-1 PDF dumps from Cloud Storage for free:
<https://drive.google.com/open?id=1U3u8sCzAoAmBgT5PRAXHuq0Hje1fNYLZ>

In TorrentExam's website you can free download study guide, some exercises and answers about CIMA Certification CIMA PRA19-F03-1 Exam as an attempt.

TorrentExam helped many people taking IT certification exam who thought well of our exam dumps. 100% guarantee to pass IT certification test. It is the fact which is proved by many more candidates. If you are tired of preparing CIMA CIMA PRA19-F03-1 Exam, you can choose TorrentExam CIMA CIMA PRA19-F03-1 certification training materials. Because of its high efficiency, you can achieve remarkable results.

>> Online CIMA PRA19-F03-1 Training Materials <<

The CIMA CIMA PRA19-F03-1 Exam Prep Material is Provided to

The CIMA PRA19-F03-1 study guide to good meet user demand, will be a little bit of knowledge to separate memory, every day we have lots of fragments of time, such as waiting in line to take when you eat, or time in buses commute on the way by subway every day, but when you add them together will be surprised to find a day we can make use of the time is so much debris. We have three version of our CIMA PRA19-F03-1 Exam Questions which can let you study at every condition so that you can make full use

of your time. And you will get the CIMA PRA19-F03-1 certification for sure.

CIMA F3 Financial Strategy Sample Questions (Q217-Q222):

NEW QUESTION # 217

An aerospace company is planning to diversify into car manufacturing.

Relevant data:

What is the the cost of equity to be used in the WACC for the project appraisal?

Give your answer in percentage, as a whole number.

- A. 19%
- B. 19%
Use the project's business risk (car industry asset beta): Asset beta for car manufacturing = 1.19. Re- gear this beta to reflect the financing (gearing) of the aerospace company Debt-to-equity ratio = 20:80 # D/E=0.25D/E = 0.25D/E=0.25 Tax rate = 30% Re-geared equity beta = $\frac{1.19[1+0.7 \times 0.25]}{1+1.19 \times 0.25} = 1.19 \times 1.175 \approx 1.40$
Beta_e = $\frac{1.19[1+(1-T) \times \frac{D}{E}]}{1+1.19 \times 0.25} = 1.19 \times 1.175 \approx 1.40$ Apply CAPM to get the cost of equity: Risk-free rate = 5% Market risk premium = 10% $k_e = R_f + \beta_e \times \text{Market Premium} = 5\% + 1.40 \times 10\% = 5\% + 14\% = 19\%$
 $k_e = R_f + \beta_e \times \text{Market Premium} = 5\% + 1.40 \times 10\% = 5\% + 14\% = 19\%$

Answer: A,B

NEW QUESTION # 218

An unlisted company:

Is owned by the original founder and member of their families.

Is growing more rapidly than other companies in the same industry.

Pays a fixed annual divided

Which of the following methods would be the most appropriate to value this company's equity?

- A. Discounted cash flow analysis based on forecast future free cash flows.
- B. Asset based approach including intangibles.
- C. P/E ratio of a listed company in the same industry.
- D. Divided valuation method.

Answer: A

Explanation:

Because the company is unlisted, growing faster than the industry, and pays only a fixed dividend (not linked to performance), dividend or simple P/E methods won't capture its value properly. A DCF based on future free cash flows is most suitable.

NEW QUESTION # 219

Company A has agreed to buy all the share capital of Company B.

The Board of Directors of Company A believes that the post-acquisition value of the expanded business can be computed using the "boot-strapping" concept.

Which of the following most accurately describes "boot-strapping" in this context?

- A. Forecasting the future free cash flows of the combined entities and discounting these at the bidder's Weighted Average Cost of Capital
- B. Adding together the current post tax earnings of each company and multiplying this by the price earnings ratio of the acquired entity
- C. Combining the pre-acquisition market capitalisation of each company
- D. Adding together the current post-tax earnings of each company and multiplying this by the price /earnings ratio of the bidder

Answer: D

Explanation:

"Boot-strapping" in takeover valuation is the shortcut where you:

Add the current post-tax earnings of bidder and target;

Apply the bidder's (usually higher) P/E ratio to that combined earnings figure to estimate the post-acquisition value.

NEW QUESTION # 220

Which of the following statements is true of a spin-off (or demerger)?

- A. Raises finance to fund new projects.
- B. Increases the risk of a takeover bid for the core entity.
- C. Changes the ownership structure of the core entity by introducing new shareholders.
- D. Allows investors to identify the true value of the demerged business.

Answer: D

Explanation:

A spin-off/demerger normally involves separating a division or subsidiary and giving its shares to the existing shareholders. It doesn't in itself raise finance (A), it doesn't introduce new shareholders to the core entity (B), and it does not inherently increase takeover risk (D). Its main advantage is that it allows the market to value the demerged business separately, revealing its "true" value - C is correct.

NEW QUESTION # 221

Which THREE of the following would be of most interest to lenders deciding whether to provide long-term debt to a company?

- A. Dividend cover
- B. Quality of current management
- C. Earnings per share
- D. interest cover on existing debt
- E. Current gearing ratio

Answer: B,D,E

Explanation:

A - Quality of current management: affects risk of default and how well the business is run.

B - Current gearing ratio: shows how much existing leverage there is and the risk of over-gearing.

E - Interest cover on existing debt: key indicator of the firm's ability to service interest payments.

EPS (C) and dividend cover (D) are more relevant to equity investors than to new long-term lenders.

NEW QUESTION # 222

.....

There has been fierce and intensified competition going on in the practice materials market. As the leading commodity of the exam, our CIMA PRA19-F03-1 practice materials have get pressing requirements and steady demand from exam candidates all the time. So our CIMA PRA19-F03-1 practice materials have active demands than others with high passing rate of 98 to 100 percent. We are one of the largest and the most confessional dealer of practice materials. That is why our CIMA PRA19-F03-1 practice materials outreach others greatly among substantial suppliers of the exam

CIMA PRA19-F03-1 Valid Exam Vce: <https://www.torrentexam.com/CIMA PRA19-F03-1-exam-latest-torrent.html>

Even you come across troubles during practice the CIMA PRA19-F03-1 study materials, CIMA Online CIMA PRA19-F03-1 Training Materials Various versions choice, TorrentExam CIMA PRA19-F03-1 Valid Exam Vce is the only way to go through your exam and get success in TorrentExam CIMA PRA19-F03-1 Valid Exam Vce Profession, Yes, some companies also have their CIMA CIMA PRA19-F03-1 test dumps, CIMA Online CIMA PRA19-F03-1 Training Materials Even if you are not so content with it, you still have other choices.

This chapter is an introduction to building a complete Android app, Code can be beautiful as well as useful, Even you come across troubles during practice the CIMA PRA19-F03-1 Study Materials;

Various versions choice, TorrentExam is the only way to go through your exam and get success in TorrentExam Profession, Yes, some companies also have their CIMA CIMA PRA19-F03-1 test dumps.

CIMAPRA19-F03-1 Valid Test & CIMAPRA19-F03-1 Cert Material & CIMAPRA19-F03-1 Sure Pass Exam

Even if you are not so content with it, you still have other choices.

2026 Latest TorrentExam CIMAPRA19-F03-1 PDF Dumps and CIMAPRA19-F03-1 Exam Engine Free Share: <https://drive.google.com/open?id=1U3u8sCzAoAmBgT5PRAXHuq0Hje1fNYLZ>