

Latest Released CIMA CIMAPRA19-F03-1 Reliable Practice Materials: F3 Financial Strategy - CIMAPRA19-F03-1 Exams Collection

CIMA CIMAPRA19-F03-1 Exams Collection

In this revised CIMAPRA19-F03-1 Study Guide is everything you have to ace. CIMAPRA19-F03-1 contains training material that advantageously contains sample questions and of course improving your learning efficiency.

How to book CIMA F3: Financial Strategy Exams

- Step 1: Visit the [Official website](#)
- Step 2: Select the CIMA F3: Financial Strategy Exam
- Step 3: Pay the exam amount (69423-4400 LKR)

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

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

- A. Future earnings will be less, and it therefore the likely form of equity finance.
- B. Equity finance will reduce the overall financial risk.
- C. Debt finance will increase the cost of equity.
- D. Debt finance will increase the cost of equity.
- 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 all-equity financed company plans to issue 100 ordinary shares to the general public to raise funds for a new project. The shares are currently trading at \$10 per share.
• 100 million ordinary shares are currently in issue with a market value of \$3 million.
• A new project will cost \$2 million and is expected to give a positive NPV of \$1 million.
• The new project will be added as a risk component to the current share price.
What gain (in cents per share) will occur to the existing shareholders?

- A. Gain of \$0.00
- B. Loss of \$0.00
- C. Gain of \$1.00
- D. Loss of \$0.10

Answer: C

NEW QUESTION # 46
A company has 1% convertible bonds in issue. The bonds are convertible in 5 years time at a rate of 20 ordinary shares per \$100 nominal value (400).
Each share

© CIMA CIMAPRA19-F03-1 Sample Test, Printed © CIMA of Strategy - ©Unilever Value Chain Ltd 2019

P.S. Free & New CIMAPRA19-F03-1 dumps are available on Google Drive shared by BraindumpsPass:
<https://drive.google.com/open?id=1rDtVifjDvw1LyxCdP9rsy2vxkzLBadcL>

In order to meet the demands of all customers, our company has a complete set of design, production and service quality guarantee system, the CIMAPRA19-F03-1 study materials are perfect. We can promise that quality first, service upmost. If you buy the CIMAPRA19-F03-1 study materials from our company, we are glad to provide you with the high quality CIMAPRA19-F03-1 Study Materials and the best service. The philosophy of our company is "quality is life, customer is god." We can promise that our company will provide all customers with the perfect quality guarantee system and sound management system.

Are you in the condition that you want to make progress but you don't know how to and you are a little lost in the preparation. Perhaps you need help with our CIMAPRA19-F03-1 preparation materials. A good product, the most important thing is to seize the user's most concerned part. We can tell you that 99% of those who use our CIMAPRA19-F03-1 Exam Questions have already got the certificates they want and they all lead a better life now. Just buy our CIMAPRA19-F03-1 training braindumps, then you will succeed as well!

>> CIMAPRA19-F03-1 Reliable Practice Materials <<

Free PDF CIMA - CIMAPRA19-F03-1 Latest Reliable Practice Materials

To meet the different and specific versions of consumers, and find the greatest solution to help you review, we made three versions for you. Three versions of F3 Financial Strategy prepare torrents available on our test platform, including PDF version, PC version and APP online version. The trait of the software version is very practical. It can simulate real test environment, you can feel the atmosphere of the F3 Financial Strategy exam in advance by the software version, and install the software version several times. PDF version of CIMAPRA19-F03-1 Exam torrents is convenient to read and remember, it also can be printed into papers so that you are able to write some notes or highlight the emphasis. PC version of our CIMAPRA19-F03-1 test braindumps only supports windows users and it is also one of our popular types to choose.

CIMA F3 Financial Strategy Sample Questions (Q188-Q193):

NEW QUESTION # 188

Company T is a listed company in the retail sector.

Its current profit before interest and taxation is \$5 million.

This level of profit is forecast to be maintainable in future.

Company T has a 10% corporate bond in issue with a nominal value of \$10 million.

This currently trades at 90% of its nominal value.

Corporate tax is paid at 20%.

The following information is available:

□ Which of the following is a reasonable expectation of the equity value in the event of an attempted takeover?

- A. \$50.2 million
- B. **\$41.6 million**
- C. \$32.0 million
- D. \$65.0 million

Answer: B

Explanation:

In CIMA F3, equity valuation using P/E multiples is based on earnings available to ordinary shareholders (i.e. profit after interest and tax). The syllabus emphasises that when valuing a potential takeover target, you should (1) derive maintainable post-tax earnings and then (2) apply a P/E multiple that reflects prices actually paid in comparable acquisitions, not just average stock-market multiples.

Calculate maintainable earnings:

Profit before interest and tax (PBIT) = \$5m

Less interest on 10% bonds: $10\% \times \$10m = \$1m$

Profit before tax = \$4m

Tax at 20% = \$0.8m

Earnings for equity = \$3.2m

Select the appropriate P/E multiple:

F3 explains that "takeover P/Es" are usually higher than sector trading P/Es, reflecting the control premium.

Here we have:

Overall market P/E = 20

Retail sector P/E = 10

Recent retail takeovers P/E = 13

For a takeover valuation we use the 13× multiple from recent sector takeovers.

Compute equity value:

$\text{Equity value} = 3.2m \times 13 = 41.6m$
 $\text{Equity value} = 3.2 \times 13 = 41.6$

Debt's market value (90% of \$10m) is not added here because the P/E method already gives the equity value.

So, a reasonable expected equity value in a takeover is \$41.6 million.

NEW QUESTION # 189

Which THREE of the following methods of business valuation would give a valuation of the equity of an entity, rather than the value of the whole entity?

- A. Forecast future cash flows to equity, discounted at the cost of equity.
- B. Expected dividend in one year's time / (cost of equity - growth rate).

- C. Non-current assets, plus current assets, minus current liabilities
- D. Forecast future cash flows to all Investors, discounted at the weighted average cost of capital.
- E. Total earnings x appropriate price-earnings ratio.

Answer: A,B,E

NEW QUESTION # 190

STU has relatively few tangible assets and is dependent for profits and growth on the high-value individuals it employs. Which of the following statements best explains why the net asset valuator method's considered unstable for TU?

- A. STU does not account for its tangible assets
- B. STU accounts for its intangible assets at net realisable value.
- C. STU accounts for its intangible assets at historical value.
- D. STU does not account for its intangible assets.

Answer: D

Explanation:

STU's value is mainly in its people (human capital) and has few tangible assets. Net asset valuation relies on balance sheet assets, but internally generated intangibles like human capital are not recognised under normal accounting rules. So the accounts underestimate the real value of the business.

NEW QUESTION # 191

A company has a financial objective of maintaining a gearing ratio of between 30% and 40%, where gearing is defined as debt/equity at market values.

The company has been affected by a recent economic downturn leading to a shortage of liquidity and a fall in the share price during 20X1.

On 31 December 20X1 the company was funded by:

- * Share capital of 4 million \$1 shares trading at \$4.0 per share.
- * Debt of \$7 million floating rate borrowings.

The directors plan to raise \$2 million additional borrowings in order to improve liquidity.

They expect this to reassure investors about the company's liquidity position and result in a rise in the share price to \$4.2 per share. Is the planned increase in borrowings expected to help the company meet its gearing objective?

- A. No, gearing would increase and the gearing objective would be exceeded both before and after the announcement.
- B. No, gearing would increase and the gearing objective would be met before the announcement but exceeded after the announcement.
- C. Yes, gearing would fall and the gearing objective would be exceeded before the announcement but met after the announcement.
- D. No, gearing would increase but the gearing objective would be met both before and after the announcement.

Answer: A

Explanation:

Before announcement:

$$\text{Equity} = 4 \text{m shares} \times \$4.0 = \$16 \text{m}$$

$$\text{Debt} = \$7 \text{m}$$

$$\text{Gearing} = 7 / 16 = 43.75\% \# \text{ already above 40\%}.$$

After additional \$2m debt and higher share price:

$$\text{Debt} = 7 + 2 = \$9 \text{m}$$

$$\text{Equity} = 4 \text{m} \times \$4.2 = \$16.8 \text{m}$$

$$\text{Gearing} = 9 / 16.8 = 53.6\% \# \text{ even further above the 40\% ceiling}$$

So the gearing objective is exceeded both before and after, and gearing rises.

NEW QUESTION # 192

A company has in a 5% corporate bond in issue on which there are two loan covenants.

- * Interest cover must not fall below 3 times

* Retained earnings for the year must not fall below \$3.5 million

The Company has 200 million shares in issue.

The most recent dividend per share was \$0.04.

The Company intends increasing dividends by 10% next year.

Financial projections for next year are as follows:

Advise the Board of Directors which of the following will be the status of compliance with the loan covenants next year?

- A. The company will be in compliance with both covenants.
- B. The company will be in breach of both covenants.
- C. The company will be in breach of the covenant in respect of interest cover only.
- D. The company will breach the covenant in respect of retained earnings only.

Answer: D

Explanation:

From the projections, the company's interest cover remains above the required 3 times, so that covenant is satisfied. However, after paying the increased dividend (10% rise in DPS), the retained earnings for the year fall below the required \$3.5 million, so the company would breach only the retained earnings covenant.

NEW QUESTION # 193

.....

BraindumpsPass is a wonderful study platform that contains our hearty wish for you to pass the CIMA PRA19-F03-1 exam by our CIMA PRA19-F03-1 exam materials. So our responsible behaviors are our instinct aim and tenet. By devoting in this area so many years, we are omnipotent to solve the problems about the CIMA PRA19-F03-1 learning questions with stalwart confidence. And as long as you study with our CIMA PRA19-F03-1 exam questions, you will find that our CIMA PRA19-F03-1 learning guide is the best for the outstanding quality and high pass rate as 99% to 100%.

CIMA PRA19-F03-1 Exams Collection: <https://www.braindumpspass.com/CIMA/CIMA PRA19-F03-1-practice-exam-dumps.html>

CIMA CIMA PRA19-F03-1 Reliable Practice Materials Good aftersales service, Our company gives priority to the satisfaction degree of the clients on our CIMA PRA19-F03-1 exam questions and puts the quality of the service in the first place, CIMA CIMA PRA19-F03-1 Reliable Practice Materials The promotion or acceptance will be easy, Any software that is made available to download from this web site/server (the "Software") is the copyrighted work of BraindumpsPass CIMA PRA19-F03-1 Exams Collection Inc, and the use of all Software is governed strictly by the terms and conditions set forth in the license agreement that accompanies and/or is included with the Software (the "License Agreement"), Our CIMA PRA19-F03-1 guide quiz is willing to provide you with a basis for making judgments.

Traffic shaping and policing, Frames allow you to CIMA PRA19-F03-1 Exams Collection display more than one Web page in a browser window, Good aftersales service, Our company gives priority to the satisfaction degree of the clients on our CIMA PRA19-F03-1 Exam Questions and puts the quality of the service in the first place.

Marvelous CIMA PRA19-F03-1 Reliable Practice Materials Help You to Get Acquainted with Real CIMA PRA19-F03-1 Exam Simulation

The promotion or acceptance will be easy, Any software that is CIMA PRA19-F03-1 Reliable Exam Guide made available to download from this web site/server (the "Software") is the copyrighted work of BraindumpsPass Inc, and the use of all Software is governed strictly by the terms and conditions CIMA PRA19-F03-1 set forth in the license agreement that accompanies and/or is included with the Software (the "License Agreement").

Our CIMA PRA19-F03-1 guide quiz is willing to provide you with a basis for making judgments.

- Valid CIMA PRA19-F03-1 Test Discount Test CIMA PRA19-F03-1 Valid CIMA PRA19-F03-1 Latest Questions Open ➔ www.practicevce.com enter CIMA PRA19-F03-1 and obtain a free download New CIMA PRA19-F03-1 Test Sims
- Use F3 Financial Strategy sure pass guide dumps to pass F3 Financial Strategy actual test Search for (CIMA PRA19-F03-1) and obtain a free download on ➔ www.pdfvce.com New CIMA PRA19-F03-1 Test Sims
- 2026 The Best CIMA PRA19-F03-1 Reliable Practice Materials | 100% Free CIMA PRA19-F03-1 Exams Collection Search for ✓ CIMA PRA19-F03-1 ✓ and download exam materials for free through ➔ www.examcollectionpass.com ▲

□ New CIMA PRA19-F03-1 Real Test

- Utilizing CIMA PRA19-F03-1 Reliable Practice Materials - Get Rid Of F3 Financial Strategy □ The page for free download of □ CIMA PRA19-F03-1 □ on □ www.pdfvce.com □ will open immediately □ New CIMA PRA19-F03-1 Real Test
- Proven and Recommended Way to Pass CIMA CIMA PRA19-F03-1 Certification Exam □ Open □ www.examdiscuss.com □ and search for ⇒ CIMA PRA19-F03-1 ⇄ to download exam materials for free □ □ Examcollection CIMA PRA19-F03-1 Free Dumps
- Valid CIMA PRA19-F03-1 Real Test □ New CIMA PRA19-F03-1 Real Test □ New CIMA PRA19-F03-1 Test Forum □ Search for (CIMA PRA19-F03-1) and download it for free immediately on “ www.pdfvce.com ” □ New CIMA PRA19-F03-1 Test Forum
- New CIMA PRA19-F03-1 Test Sims □ Latest CIMA PRA19-F03-1 Exam Bootcamp □ New CIMA PRA19-F03-1 Exam Online □ Search for □ CIMA PRA19-F03-1 □ and download it for free immediately on □ www.dumpsmaterials.com □ □ Reliable CIMA PRA19-F03-1 Test Guide
- New CIMA PRA19-F03-1 Exam Online □ Test CIMA PRA19-F03-1 Price □ Latest CIMA PRA19-F03-1 Study Guide □ The page for free download of “ CIMA PRA19-F03-1 ” on 《 www.pdfvce.com 》 will open immediately □ □ Test CIMA PRA19-F03-1 Valid
- CIMA - CIMA PRA19-F03-1 - F3 Financial Strategy –Professional Reliable Practice Materials □ Simply search for ⇒ CIMA PRA19-F03-1 □ for free download on 〔 www.pdfdumps.com 〕 □ CIMA PRA19-F03-1 Practice Exam Questions
- CIMA PRA19-F03-1 Real Questions -amp; CIMA PRA19-F03-1 Exam Cram -amp; CIMA PRA19-F03-1 Latest Dumps □ □ □ www.pdfvce.com □ is best website to obtain (CIMA PRA19-F03-1) for free download □ Test CIMA PRA19-F03-1 Price
- CIMA PRA19-F03-1 Real Questions -amp; CIMA PRA19-F03-1 Exam Cram -amp; CIMA PRA19-F03-1 Latest Dumps □ Search for 「 CIMA PRA19-F03-1 」 on “ www.exam4labs.com ” immediately to obtain a free download □ Test CIMA PRA19-F03-1 Price
- myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, myportal.utt.edu.tt, www.stes.tyc.edu.tw, bbs.t-firefly.com, www.stes.tyc.edu.tw, www.stes.tyc.edu.tw, www.stes.tyc.edu.tw, www.stes.tyc.edu.tw, zenwriting.net, www.stes.tyc.edu.tw, bbs.t-firefly.com, Disposable vapes

BONUS!!! Download part of BraindumpsPass CIMA PRA19-F03-1 dumps for free: <https://drive.google.com/open?id=1rDtVIjDvw1LyxCdP9rsy2vxkzLBadcL>