

國立聯合大學 104 學年度

管理學院財務金融(院)學系寒假轉學生招生考試試題紙

科目： 財務管理 第 1 頁共 6 頁

Multiple Choice Questions: (可用工程計算機)

1. Which one of the following terms is defined as a conflict of interest between the corporate shareholders and the corporate managers?
 - A. articles of incorporation
 - B. corporate breakdown
 - C. agency problem
 - D. bylaws
 - E. legal liability
2. Which one of the following best illustrates that the management of a firm is adhering to the goal of financial management?
 - A. increase in the amount of the quarterly dividend
 - B. decrease in the per unit production costs
 - C. increase in the number of shares outstanding
 - D. decrease in the net working capital
 - E. increase in the market value per share
3. Nielsen Auto Parts had beginning net fixed assets of \$218,470 and ending net fixed assets of \$209,411. During the year, assets with a combined book value of \$6,943 were sold. Depreciation for the year was \$42,822. What is the amount of net capital spending?
 - A. \$33,763
 - B. \$40,706
 - C. \$58,218
 - D. \$65,161
 - E. \$67,408
4. Adelson's Electric had beginning long-term debt of \$42,511 and ending long-term debt of \$48,919. The beginning and ending total debt balances were \$84,652 and \$78,613, respectively. The interest paid was \$4,767. What is the amount of the cash flow to creditors?
 - A. -\$1,641
 - B. -\$1,272
 - C. \$1,272
 - D. \$7,418
 - E. \$11,175
5. The Daily News had net income of \$121,600 of which 40 percent was distributed to the shareholders as dividends. During the year, the company sold \$75,000 worth of common stock. What is the cash flow to stockholders?
 - A. -\$75,000
 - B. -\$26,360
 - C. -\$2,040
 - D. \$123,640
 - E. \$147,960

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科目： 財務管理 第 2 頁共 6 頁

6. The Cookie Shoppe expects sales of \$437,500 next year. The profit margin is 5.3 percent and the firm has a 30 percent dividend payout ratio. What is the projected increase in retained earnings?
- A. \$21,000
 - B. \$17,500
 - C. \$20,600
 - D. \$16,231
 - E. \$18,300
7. Monika's Dinor is operating at 94 percent of its fixed asset capacity and has current sales of \$611,000. How much can the firm grow before any new fixed assets are needed?
- A. 4.99 percent
 - B. 5.78 percent
 - C. 6.02 percent
 - D. 6.38 percent
 - E. 6.79 percent
8. Stop and Go has a 4.5 percent profit margin and an 18 percent dividend payout ratio. The total asset turnover is 1.6 and the debt-equity ratio is 0.45. What is the sustainable rate of growth?
- A. 8.13 percent
 - B. 8.54 percent
 - C. 8.89 percent
 - D. 9.26 percent
 - E. 9.36 percent
9. The Dog House has net income of \$3,450 and total equity of \$8,600. The debt-equity ratio is 0.60 and the payout ratio is 30 percent. What is the internal growth rate?
- A. 14.47 percent
 - B. 17.78 percent
 - C. 21.29 percent
 - D. 29.40 percent
 - E. 33.33 percent
10. The Design Team just decided to save \$1,500 a month for the next 5 years as a safety net for recessionary periods. The money will be set aside in a separate savings account which pays 4.5 percent interest compounded monthly. The first deposit will be made today. What would today's deposit amount have to be if the firm opted for one lump sum deposit today that would yield the same amount of savings as the monthly deposits after 5 years?
- A. \$80,459.07
 - B. \$80,760.79
 - C. \$81,068.18
 - D. \$81,333.33
 - E. \$81,548.20

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科目： 財務管理 第 3 頁共 6 頁

11. Stephanie is going to contribute \$300 on the first of each month, starting today, to her retirement account. Her employer will provide a 50 percent match. In other words, her employer will contribute 50 percent of the amount Stephanie saves. If both Stephanie and her employer continue to do this and she can earn a monthly rate of 0.90 percent, how much will she have in her retirement account 35 years from now?
- A. \$1,936,264
 - B. \$1,943,286
 - C. \$1,989,312
 - D. \$2,068,418
 - E. \$2,123,007
12. You just won a national sweepstakes! For your prize, you opted to receive never-ending payments. The first payment will be \$12,500 and will be paid one year from today. Every year thereafter, the payments will increase by 3.5 percent annually. What is the present value of your prize at a discount rate of 8 percent?
- A. \$166,666.67
 - B. \$248,409.19
 - C. \$277,777.78
 - D. \$291,006.12
 - E. \$300,000.00
13. Your credit card company charges you 1.65 percent interest per month. What is the annual percentage rate on your account?
- A. 18.95 percent
 - B. 19.80 percent
 - C. 20.90 percent
 - D. 21.25 percent
 - E. 21.70 percent
14. What is the effective annual rate if a bank charges you 8.25 percent compounded quarterly?
- A. 8.32 percent
 - B. 8.38 percent
 - C. 8.42 percent
 - D. 8.51 percent
 - E. 8.61 percent
15. Sessler Manufacturers made two announcements concerning its common stock today. First, the company announced that the next annual dividend will be \$1.75 a share. Secondly, all dividends after that will decrease by 1.5 percent annually. What is the maximum amount you should pay to purchase a share of this stock today if you require a 14 percent rate of return?
- A. \$11.29
 - B. \$12.64
 - C. \$13.27
 - D. \$14.00
 - E. \$14.21

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科目： 財務管理 第 4 頁共 6 頁

16. Samuelson Electronics has a required payback period of three years for all of its projects. Currently, the firm is analyzing two independent projects. Project A has an expected payback period of 2.8 years and a net present value of \$6,800. Project B has an expected payback period of 3.1 years with a net present value of \$28,400. Which projects should be accepted based on the payback decision rule?
- A. Project A only
 - B. Project B only
 - C. Both A and B
 - D. Neither A nor B
 - E. Answer cannot be determined based on the information given.
17. Douglass Interiors is considering two mutually exclusive projects and have determined that the crossover rate for these projects is 11.7 percent. Project A has an internal rate of return (IRR) of 15.3 percent and Project B has an IRR of 16.5 percent. Given this information, which one of the following statements is correct?
- A. Project A should be accepted as its IRR is closer to the crossover point than is Project B's IRR.
 - B. Project B should be accepted as it has the higher IRR.
 - C. Both projects should be accepted as both of the project's IRRs exceed the crossover rate.
 - D. Neither project should be accepted since both of the project's IRRs exceed the crossover rate.
 - E. You cannot determine which project should be accepted given the information provided.
18. Kelly's Corner Bakery purchased a lot in Oil City 6 years ago at a cost of \$302,000. Today, that lot has a market value of \$340,000. At the time of the purchase, the company spent \$15,000 to level the lot and another \$20,000 to install storm drains. The company now wants to build a new facility on that site. The building cost is estimated at \$1.51 million. What amount should be used as the initial cash flow for this project?
- A. -\$1,470,000
 - B. -\$1,850,000
 - C. -\$1,875,000
 - D. -\$1,925,000
 - E. -\$1,945,000
19. Jefferson & Sons is evaluating a project that will increase annual sales by \$145,000 and annual cash costs by \$94,000. The project will initially require \$110,000 in fixed assets that will be depreciated straight-line to a zero book value over the 4-year life of the project. The applicable tax rate is 32 percent. What is the operating cash flow for this project?
- A. \$11,220
 - B. \$29,920
 - C. \$43,480
 - D. \$46,480
 - E. \$46,620

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科目：財務管理 第 5 頁共 6 頁

20. A project has an accounting break-even point of 15,329 units. The fixed costs are \$382,000 and the projected variable cost per unit is \$29.10. The project will require \$780,000 for fixed assets which will be depreciated straight-line to zero over the project's 6-year life. What is the projected sales price per unit?
- A. \$54.02
 - B. \$48.18
 - C. \$56.67
 - D. \$47.65
 - E. \$62.50
21. Wexford Industrial Supply is considering a new project with estimated depreciation of \$26,000, fixed costs of \$79,000, and total sales of \$187,000. The variable costs per unit are estimated at \$11.80. What is the accounting break-even level of production?
- A. 5,415 units
 - B. 7,248 units
 - C. 4,871 units
 - D. 6,949 units
 - E. 5,333 units
22. One year ago, you purchased 150 shares of a stock at a price of \$54.18 a share. Today, you sold those shares for \$40.25 a share. During the past year, you received total dividends of \$182 while inflation averaged 4.2 percent. What is your approximate real rate of return on this investment?
- A. -24.20 percent
 - B. -27.67 percent
 - C. -20.00 percent
 - D. 20.00 percent
 - E. 24.20 percent
23. The risk-free rate of return is 3.9 percent and the market risk premium is 6.2 percent. What is the expected rate of return on a stock with a beta of 1.21?
- A. 10.92 percent
 - B. 12.79 percent
 - C. 11.40 percent
 - D. 12.47 percent
 - E. 12.22 percent
24. You would like to combine a risky stock with a beta of 1.68 with U.S. Treasury bills in such a way that the risk level of the portfolio is equivalent to the risk level of the overall market. What percentage of the portfolio should be invested in the risky stock?
- A. 32 percent
 - B. 40 percent
 - C. 54 percent
 - D. 60 percent
 - E. 68 percent

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科目：財務管理 第 6 頁共 6 頁

25. Titan Mining Corporation has 14 million shares of common stock outstanding, 900,000 shares of 9 percent preferred stock outstanding and 220,000 ten percent semiannual bonds outstanding, par value \$1,000 each. The common stock currently sells for \$42 per share and has a beta of 1.15, the preferred stock currently sells for \$80 per share, and the bonds have 17 years to maturity and sell for 91 percent of par. The market risk premium is 11.5 percent, T-bills are yielding 7.5 percent, and the firm's tax rate is 32 percent. What discount rate should the firm apply to a new project's cash flows if the project has the same risk as the firm's typical project?
- A. 16.88 percent
 - B. 14.72 percent
 - C. 15.54 percent
 - D. 14.59 percent
 - E. 15.17 percent