FINAP – test   Name:

1. Based on data from the balance sheet and the profit/loss statement, calculate the values of selected ratios.

Balance statement (in 1000 €)   **Profit/loss statement (in 1000 €)**

Item	2016	Item	2016
Total assets	143 196	Sales of goods	200
Fixed assets	76 885	Costs of goods sold	150
Tangible fixed assets	76 885	Sale margin	50
Current assets	66 311	Production	80 000
Inventories	25 000	Consumption from production	40 000
Short-term receivables	35 000	Value added	40 050
Cash & Bank accounts	6311	Staff costs	20 000
Equity & liabilities	143 196	Taxes and fees	1 000
Equity	105 697	Depreciation	12 862
Subscribed capital	60 000	Proceeds on sale of fixed assets	1 200
Retained profit	42 345	Net book value of fixed assets sold	1 000
Net profit	3 352	Profit/loss from operating activities	6 388
Liabilities	37 500	Interest income	0
Long-term liabilities	22 500	Interest expense	2 250
Bank credits	22 500	Profit/loss from financial activities	-2 250
Short-term liabilities	15 000	Income tax	786
		Profit/loss after tax	3 352

a) Cost-revenue ratio

b) Fixed assets turnover

c) Current ratio

d) Equity multiplier

2. A company profit (before deducting interest and taxes) is CZK 15m. The company uses a total capital of CZK 200m. Debt interest rate is 10%, the profit tax rate is 20%. Assuming the company's debt ratio is 40%, calculate

a) return on equity;

b) the degree of financial leverage.

c) At what level of EBIT does the financial leverage break-even point is?

3. Use shift-share analysis to break down the employment change in the *agriculture sector* in the Central Bohemian Region.

(in thousands of employees)	Central Bohemian Region		Czech Republic		
	2004	2008	2004	2008	
Agriculture	30	20	200	160	
Industry	150	180	1,400	1,550	
Building industry	50	60	430	480	
Services	320	340	2,650	2,810	
Total	550	600	4,680	5,000	

4. By using the Altman model, you have prepared the 2015 bankruptcy forecast for 20 companies based on 2015 financial statements. At the end of 2016, you verified the success rate of these forecasts. Based on the table with actual and estimated groupings (B = bankruptcy, N = non-bankrupt), compile a classification matrix and determine the overall model reliability, model sensitivity and model specificity.

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Reality	B	B	B	B	B	B	N	N	N	N	N	N	N	N	N	N	N	N	N	N
Model	B	B	B	N	N	N	N	N	B	N	N	N	N	N	B	N	N	B	N	N

5. Theory

a) Characterize the types of indicator systems.

b) What problems are associated with the 2nd generation of aggregate indices.

c) Explain the principle of variable and fixed costs.