

# TU-A1300 - Introduction to Industrial Engineering and Management, 07.09.2020-30.11.2020

Dashboard / Courses / School of Science / department of... / tu-a1300 - in... / Sections / accounting ex... / Cash flows

Started on	Sunday, 22 November 2020, 1:24 AM
State	Finished
Completed on	Sunday, 22 November 2020, 2:57 AM
Time taken	1 hour 33 mins
Grade	9.00 out of 12.00 (75%)

Question 1

Flag question Mark 1.00 out of 1.00 Correct

The company's financial year is the calendar year. Certain costs (incl. wages, rents, and taxes) of 195000 € total are paid out in the middle of each month.

The company's first financial year is, exceptionally, only six months of length (1.7.-31.12.). At the beginning of the first financial year, the company has taken out a loan of 720000 € total that has not been amortized. However, an interest of 5 % p.a. has been paid at the end of the financial year. The company has made an initial investment of 1080000 €. Half of the investment has been paid during the previous financial year and the rest must be paid at the beginning of the second financial year. Nothing has been sold yet during the first financial year.

The revenues of the second financial year are estimated according to shipped (billed) quantities of 30000 units at a unit price of 300 € per unit. The variable costs consist of purchasing the materials and are expected to be 174 € per unit. At the end of the second financial year, 360000 € of the debt must be amortized and interest must be paid.

The company then specifies the plan for the second financial year. 34 % of the annual volumes are delivered during the first half of the year and 66 % during the second. Monthly volumes are constant during both phases and the customers are given one month for payments. The company purchases the materials for the second financial year in three equal installments. The first batch has arrived at the end of December, but the bill is not due until at the end of January. The next batches arrive at the beginning of May and September. In order for the business to run smoothly during the next year as well, the company purchases an additional batch of materials for 7500 units towards the end of December (20.12). Each batch is payable in 14 days.

It is recommended to make a table of months having the monthly information of incoming and outgoing payments allocated to the three cash flows, changes in cash and equivalents, and total cash and equivalents.

Calculate the cash flow from operating activities of the first financial year.

Answer: -1350000

The correct answer is: -1350000

Correct

Marks for this submission: 1.00/1.00.

Question 2

Flag question Mark 1.00 out of 1.00 Correct

Calculate the cash flow from investment activities of the entire first financial year.

Answer: -5400000

The correct answer is: -5400000

Correct

Marks for this submission: 1.00/1.00.

Question 3

Flag question Mark 1.00 out of 1.00 Correct

Calculate the payments received from the customers during the first half of the second financial year (1.1.-30.6.).

Answer: 2550000

The correct answer is: 2550000

Correct

Marks for this submission: 1.00/1.00.

Question 4

Flag question Mark 1.00 out of 1.00 Correct

Calculate the payments made to the company's suppliers 1.1.-30.6.

Answer: 3480000

The correct answer is: 3480000

Correct

Marks for this submission: 1.00/1.00.

Question 5

Flag question Mark 1.00 out of 1.00 Correct

Calculate the company's cash flow from operating activities during the first half of the second financial year (1.1.-30.6.).

Answer: -2100000

The correct answer is: -2100000

Correct

Marks for this submission: 1.00/1.00.

Question 6

Flag question Mark 1.00 out of 1.00 Correct

Calculate the company's cash flow from investment activities during the first half of the second financial year(1.1.-30.6.).

Answer: -5400000

The correct answer is: -5400000

Correct

Marks for this submission: 1.00/1.00.

Question 7

Flag question Mark 1.00 out of 1.00 Correct

Calculate the change in cash and equivalents during the first half of the second financial year (1.1.-30.6.).

Answer: -7500000

The correct answer is: -7500000

Correct

Marks for this submission: 1.00/1.00.

Question 8

Flag question Mark 0.00 out of 1.00 Incorrect

Let's consider the company's monthly liquidity: The company would become insolvent if its cash and equivalents would be less than 0,00 € at the end of any month. How much at least must the company have had shareholder's capital, i.e. the money that the owners have invested to the company at the beginning, so that it will not become insolvent during the first half of the second financial year (1.1.-30.6.)?

Answer: 1425000

The correct answer is: 7365000

Incorrect

Marks for this submission: 0.00/1.00.

Question 9

Flag question Mark 1.00 out of 1.00 Correct

Calculate the company's cash flow from operating activities of the entire second financial year (1.1.-31.12.).

Answer: 90000

The correct answer is: 90000

Correct

Marks for this submission: 1.00/1.00.

Question 10

Flag question Mark 1.00 out of 1.00 Correct

Calculate the company's cash flow from financing activities of the entire second financial year (1.1.-31.12.).

Answer: -3600000

The correct answer is: -3600000

Correct

Marks for this submission: 1.00/1.00.

Question 11

Flag question Mark 0.00 out of 1.00 Not answered

Let's consider the company's monthly liquidity again: The company would become insolvent if its cash and equivalents would be less than 0,00 € at the end of any month. How much, at least, must the company have had shareholder's capital, i.e. the money that the owners have invested to the company at the beginning, so that it will not become insolvent during the entire second accounting period (1.1.-31.12.)?

Answer:

The correct answer is: 8460000

Question 12

Flag question Mark 0.00 out of 1.00 Not answered

Let's consider the company's monthly liquidity in more detail: The company would become insolvent if it's cash and equivalents would be less than 0,00 € at the end of any month. How much does the company have to take new debt at the beginning of the third financial year in order not to become insolvent in January of the third year? Let's assume that the company had just enough shareholder's capital at the end of the second year.

Answer:

The correct answer is: 510000

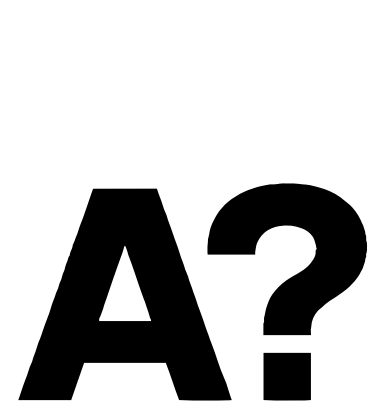
## Quiz navigation

1	2	3	4	5	6	7	8	9
✓	✓	✓	✓	✓	✓	✓	✗	✓
10	11	12						
✓	✗	✗						

Finish review

Formulas

Material flows



Tuki / Support  
Opiskelijaille / Students

- MyCourses instructions for students
- email: mycourses(at)aalto.fi

Opettajille / Teachers

- MyCourses help
- MyTeaching Support form

Palvelusta

- MyCourses rekisteriseloste
- Tietosuojailmoitus
- Palvelukuvauus
- Saavutettavuusseloste

About service

- MyCourses protection of privacy
- Privacy notice
- Service description
- Accessibility summary

Service

- MyCourses registerbeskrivning
- Dataskyddsmeddeltande
- Beskrivning av tjänsten
- Sammanfattning av tillgängligheten

