

## ACCA P4 – Advanced Financial Management

### Practice & revision kit: FOR EXAMS FROM 1 SEPTEMBER 2016 TO 31 AUGUST 2017

#### Errata sheet: May 2016

Question	Page	Answer ref	Details of error and changes to be made
4 Chawan	p.106		The figures for interest cover relate to 2013-2015, not 2012-2014
50 Ennea	p.230		The gearing ratios should be 45% (current), 51.7% (proposal 1), 48.1% (proposal 2), 39.8% (proposal 3)
70 Chmura	p.292		The answer estimates the values of Nd1 and Nd2 using d1 and d2 values that are calculated to 4 decimal places. It is easier and quicker to leave d1 and d2 to 2 decimal places (which results in a Nd1 value of 0.7224 and Nd2 of 0.5398).
75 Blipton	p.316		MIRR in part (ii) = 23.4%
76 Jupiter	p.320		In part (c) all references to FCF should say FCFE (i.e. free cash flow to equity).
80 Pursuit	P339-340		The workings for terminal values are correct if the discount factors are calculated accurately however if they are calculated to 3 decimal places then the figures change slightly (from 28074 to 28059 on page 339 working 4, and from 151,566 to 151,475 in working 7 on page 340).
Mock 3 Q1	p.443		In the final line $1.09 - 4$ should say $1.09^{-4}$ .
Mock 3 Q2	p.448		If interest rates rise to 4.1% the futures price should be 95.74 not 96.74 (all of the other calculations are correct).