



Exam Name - Certified Professional Financial Analyst (CPFA)[™]

Exam Code – CPFA-002

Sample Exam

1) Based on what data is prepared financial analysis? Please select the most appropriate answer.

- A. only from financial accounting
- B. only from financial and management accounting
- C. only from financial and management accounting, forecasts and budgets
- D. only from financial and management accounting, forecasts and budgets, various estimates and other possible sources

Answer: D

2) What is the name for financial analysis method, which shows the changes (ratio or difference) of the same item/indicator over time (e.g. comparison of fixed assets at the end of the reporting period compared to the end of the previous year).

- A. vertical analysis
- B. horizontal analysis
- C. analysis of activity
- D. analysis of differential indicators

Answer: B

3) How is the absolute change (absolute variance) calculated?

- A. as a difference
- B. as a ratio
- C. as a percentage

Answer: A

4) What is the name for this indicator? profit / equity?

- A. Return on Assets
- B. Return on equity
- C. Return on capital employed
- D. Asset turnover ratio

Answer: B

5) What is missing in the denominator of Net margin (Return on revenue) formula below?

- A. profit
- B. total assets
- C. costs of goods sold
- D. revenues

Answer: D

6) Which indicator shows the entity's ability to meet its short and long term liabilities?

- A. Solvency
- B. Cash ratio (Absolute liquidity ratio)
- C. Debt to equity ratio
- D. Return on equity

Answer: A

7) Which financial analysis indicator shows how much are investors willing to pay per unit of profit?

- A. P/E ratio
- B. Price to book ratio (P/B) (Market value to book ratio (M/B))
- C. Dividend per share
- D. Dividend payout ratio

Answer: A

8) Financial analysis indicator Interest coverage should be at minimum

- A. 1
- B. 3
- C. 15
- D. 50

Answer B