**Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**FIN 531 Exam 1 Instructions**

During this exam, you may not use any printed material other than this instruction set, and you may not use any network or internet resource except as instructed here. Only the one Exam file can be used. No other files or programs on the computer may be used except as instructed here. You may use the help system in Excel. The video monitoring system is active in this room and you are being monitored.

Go to **START >>** **My Computer** and double-click on the **S: drive** icon

Find the **dhawley** folder and double click on it

Double click on the only file in that directory, named **FIN531Exam1.xlsx** to open that file on your computer.

Immediately save the file to the desktop of the computer you are using, renaming it as [YourLastName]Exam1.xlsx. (Click on the menu icon at the top left corner of the Excel window, select Save As, click on the DESKTOP icon on the left, change the File Name to [YourLastName]Exam1.xlsx and then click on SAVE.) Check to be sure you have a copy saved on your computer’s desktop.

**Save your file often as you work on it.** When you are finished you will upload it to the digital dropbox in BlackBoard.

**Problem 1 (60 Points)**

Complete the Income Statements using appropriate formulas and the inputs from Rows 3-12. Note that all of the statements are in thousands of dollars but the inputs are in dollars.

Write a formula to computer 2009 earnings per share in Cell D36. This is in actual dollars, not thousands of dollars.

Complete the Balance Sheets using appropriate formulas , information from the Income Statements, and the inputs from Rows 3-12.

In the Statement of Cash Flows, use appropriate formulas and information from the Income Statements and Balance Sheets to compute correct values for the HIGHLIGHTED CELLS ONLY. A positive number indicates a source of cash, and a negative number indicates a use of cash.

In Columns F and G, create common-size statements for the Income Statements and the Balance Sheets for 2008 and 2009. Format the common-size statements appropriately given the formatting of their parent statements.

**Problem 2 (20 Points)**

You are given the cash flow and cash balance data for a company for 12 months. The company has set a $10,000 ending cash balance as its monthly target. The company uses short-term loans and marketable securities investments to bring the cash balance to $10,000 at the end of each month. Short-term loans will be paid down or paid off with any excess balances and marketable securities will be used only when the loan balance is zero. Marketable securities will be sold first to supply any needed cash infusions before loans are used.

Use the information that is given to compose formulas in Row 13 that give the balance of short-term loans at the end of each month. If no loans are outstanding, the cell should show zero as the balance.

In Row 14, compose formulas that give the balance of marketable securities at the end of each month. The formula should show positive balances when marketable securities are being used, and it should show zero when marketable securities are not being used.

In Cell C16, create a formula that gives the highest monthly balance of short term loans outstanding. This formula should work for any possible values for these 12 months.

Format the range C10:N10 so that all values less than zero display as red numbers instead of black numbers.

**Problem 3 (10 Points)**

Create a formula in Cell C8 that computes Net Income for January using Sales for January and the Net Profit Margin input given in Cell C3. The formula must be able to be copied to cells D8:H8 and still give the correct Net Income for each month.

**Problem 4 (10 Points)**

Format the given information so it looks like the picture on the following page. Don’t worry about getting colors exactly right. The font size in the header is 18 and the font is bold. The row height in the header is 33 (44 pixels). Other widths or heights do not need to be exact.

**When finished:**

Save your work and close Excel.

Access the BlackBoard site for this class.

Post your file to the Digital Dropbox.

Turn this instruction set in to Dr. Hawley.