

CMFAS Module 6 – Securities Products and Analysis

Summary of Updates

(May 2019 – Version 2.6)

The updates made to the CMFAS Module 6 (May 2017 – Version 2.5) are summarized as follows:

**Additions / updates / corrections are indicated in blue italics.*

Deletions are indicated in strikethrough.

Chapter	Page No.	Update / Amendment																																																																								
3 – Investment Analysis – Understanding Financial Statements																																																																										
Section 3.3.1 – Major Financial Statements	Pg 21	<ul style="list-style-type: none"> <p>Non-Current Assets</p> <table> <tr> <td>Property, Plant & Equipment</td> <td>9</td> <td>130,000</td> <td>120,000</td> </tr> <tr> <td>Goodwill</td> <td>10</td> <td>30,000</td> <td>30,000</td> </tr> <tr> <td>Intangible Assets</td> <td>11</td> <td>60,000</td> <td>50,000</td> </tr> <tr> <td style="text-align: right;"><i>Sub-total:</i></td> <td></td> <td>220,000</td> <td>200,000</td> </tr> </table> <p>Current Assets</p> <table> <tr> <td>Inventories</td> <td>12</td> <td>12,000</td> <td>10,000</td> </tr> <tr> <td>Trade Receivables</td> <td>13</td> <td>20,000</td> <td>20,000</td> </tr> <tr> <td>Short-term investments</td> <td>14</td> <td>50,000</td> <td>45,000</td> </tr> <tr> <td>Cash and cash equivalents</td> <td>15</td> <td>8,000</td> <td>10,000</td> </tr> <tr> <td style="text-align: right;"><i>Sub-total:</i></td> <td></td> <td>90,000</td> <td>85,000</td> </tr> </table> <ul style="list-style-type: none"> <p><i>Current Assets</i></p> <table> <tr> <td><i>Cash and cash equivalents</i></td> <td>15</td> <td><i>8,000</i></td> <td><i>10,000</i></td> </tr> <tr> <td><i>Inventories</i></td> <td>12</td> <td><i>12,000</i></td> <td><i>10,000</i></td> </tr> <tr> <td><i>Trade Receivables</i></td> <td>13</td> <td><i>20,000</i></td> <td><i>20,000</i></td> </tr> <tr> <td><i>Short-term investments</i></td> <td>14</td> <td><i>50,000</i></td> <td><i>45,000</i></td> </tr> <tr> <td style="text-align: right;"><i>Sub-total:</i></td> <td></td> <td><i>90,000</i></td> <td><i>85,000</i></td> </tr> </table> <p><i>Non-Current Assets</i></p> <table> <tr> <td><i>Property, Plant & Equipment</i></td> <td>9</td> <td><i>130,000</i></td> <td><i>120,000</i></td> </tr> <tr> <td><i>Goodwill</i></td> <td>10</td> <td><i>30,000</i></td> <td><i>30,000</i></td> </tr> <tr> <td><i>Intangible Assets</i></td> <td>11</td> <td><i>60,000</i></td> <td><i>50,000</i></td> </tr> <tr> <td style="text-align: right;"><i>Sub-total:</i></td> <td></td> <td><i>220,000</i></td> <td><i>200,000</i></td> </tr> </table> 	Property, Plant & Equipment	9	130,000	120,000	Goodwill	10	30,000	30,000	Intangible Assets	11	60,000	50,000	<i>Sub-total:</i>		220,000	200,000	Inventories	12	12,000	10,000	Trade Receivables	13	20,000	20,000	Short-term investments	14	50,000	45,000	Cash and cash equivalents	15	8,000	10,000	<i>Sub-total:</i>		90,000	85,000	<i>Cash and cash equivalents</i>	15	<i>8,000</i>	<i>10,000</i>	<i>Inventories</i>	12	<i>12,000</i>	<i>10,000</i>	<i>Trade Receivables</i>	13	<i>20,000</i>	<i>20,000</i>	<i>Short-term investments</i>	14	<i>50,000</i>	<i>45,000</i>	<i>Sub-total:</i>		<i>90,000</i>	<i>85,000</i>	<i>Property, Plant & Equipment</i>	9	<i>130,000</i>	<i>120,000</i>	<i>Goodwill</i>	10	<i>30,000</i>	<i>30,000</i>	<i>Intangible Assets</i>	11	<i>60,000</i>	<i>50,000</i>	<i>Sub-total:</i>		<i>220,000</i>	<i>200,000</i>
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Chapter	Page No.	Update / Amendment
Appendix A – Review Questions		
Question 5	Pg 193	<ul style="list-style-type: none"> Jensen Company has an annual interest expense of \$30,000. If Jensen's times interest earned ratio is 2.9x, what is Jensen's earnings before taxes? Jensen Company has an annual interest expense of \$30,000. If Jensen's times interest earned ratio is 2.9x, what is Jensen's earnings before <i>interest and</i> taxes?