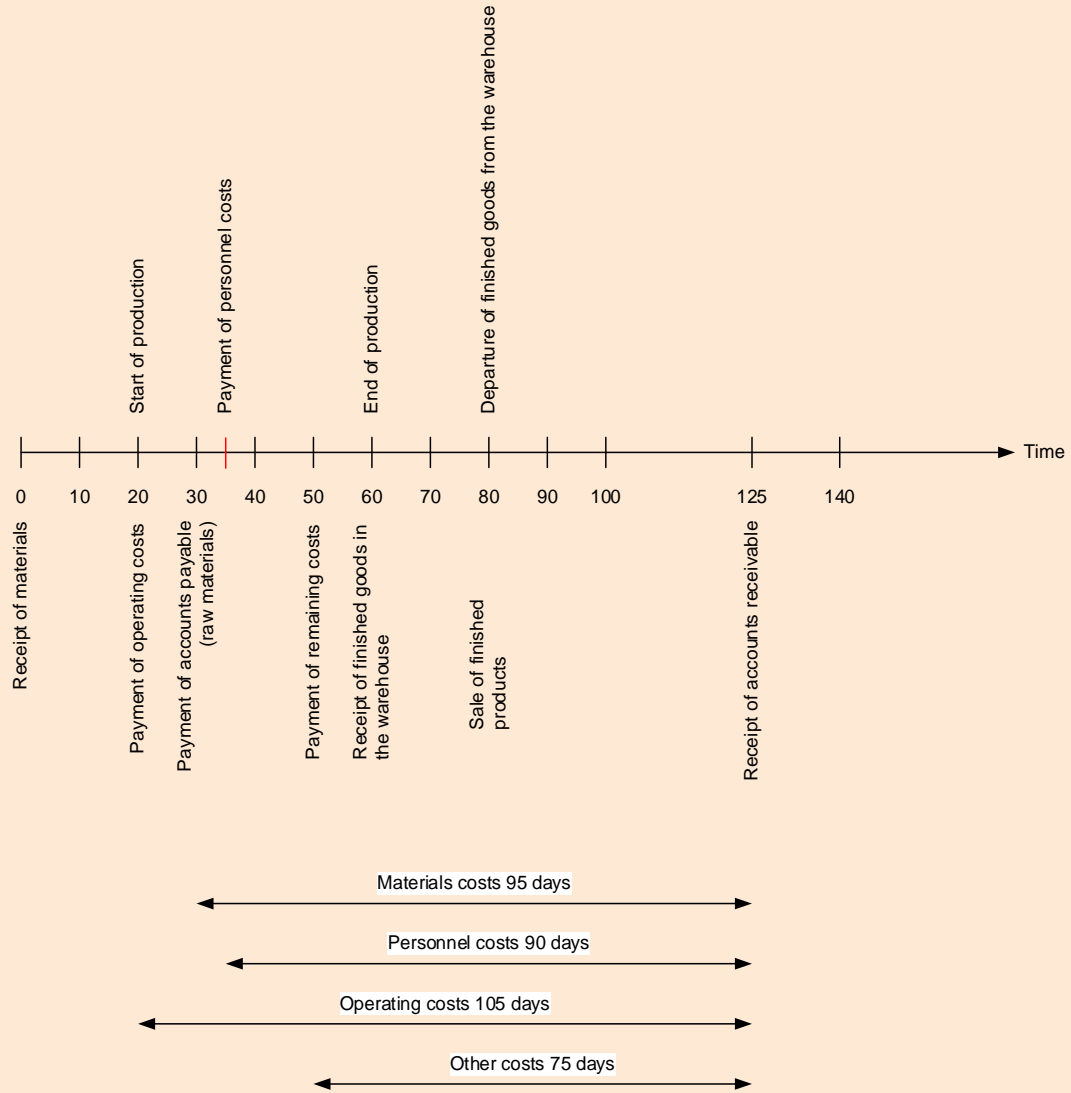


## D16 Financing – Solutions

1  
a and b



c  
Capital requirements, fixed assets (FA):

Cost type	Expenditure (in CHF)
Office equipment	10,000
Tools and machines	410,000
Building	740,000
<b>Total capital requirements, FA</b>	<b>1,160,000</b>

Capital requirements, current assets (CA):

Cost type	Expenditure (@4M sales/year)		Commitment in days	Cumulative expenditure (in CHF)	
	Percent	per year (in CHF)			per day (in CHF)
Materials costs	35%	1,400,000	3,889	95 days <sup>1</sup>	369,455
Personnel costs	20%	800,000	2,222	90 days <sup>2</sup>	199,980
Operating costs	13%	520,000	1,444	105 days <sup>3</sup>	151,620
Other costs	10%	400,000	1,111	75 days <sup>4</sup>	83,325
Total capital requirements, FA					<b>804,380</b>

<sup>1</sup>  $20 + 40 + 20 + 45 - 30 = 95$  days

<sup>2</sup>  $40 + 20 + 45 - 15 = 90$  days

<sup>3</sup>  $40 + 20 + 45 = 105$  days

<sup>4</sup>  $40 + 20 + 45 - 30 = 75$  days

Total capital requirements (FA + CA): CHF 1,964,380

## 2

Criteria	Customer credit	Supplier credit
Borrower	Supplier	Customer
Lender	Customer	Supplier
Provision of funds	Provided to supplier when customer pays in advance	Nothing is provided to the customer, but cash flow is improved by delaying payment for goods
When loan is granted	When the customer pays	At delivery of goods on invoice
When loan is repaid	Upon delivery of goods	When invoice is paid with cash

## 3

- a Self-financing
- b Credit financing
- c Definancing
- d Credit financing
- e Credit financing
- f Equity financing
- g Self-financing

4

a

<b>Example</b>	<b>External financing</b>	<b>Internal financing</b>	<b>Proprietorial financing</b>	<b>Debt financing</b>
The enterprise "Skotisch AG" operates in the solar energy field and would like to pursue a new solar project, for which it needs financial resources.				
1) "Skotisch AG" issues additional shares.	×		×	
2) The enterprise borrows the funds by issuing bonds.	×			×
3) In order to finance the project, no dividends will be paid to shareholders this year.		×	×	
4) A part of the enterprise is sold off.		×	×	×

<b>Example</b>	<b>External financing</b>	<b>Internal financing</b>	<b>Proprietorial financing</b>	<b>Debt financing</b>
"Siggenthaler GmbH" wants to reorganize its warehouse in preparation for taking on the production of three new models next year.				
5) The shareholders decide on an increase in capital investment.	×		×	
6) The enterprise takes out a loan from a bank.	×			×
7) The shares in another enterprise held by "Siggenthaler GmbH" are sold.		×	×	×

- b
- 1) Equity financing
  - 2) Credit financing
  - 3) Self-financing
  - 4) Definancing
  - 5) Equity financing
  - 6) Credit financing
  - 7) Definancing