

## CFA® SAMPLE QUESTION – LEVEL I

### Financial Reporting and Analysis

**Q:** A company engaged in real estate transactions had an exceptionally successful quarter and as a result it has selectively structured a few of the most profitable deals to qualify as installment sales.

Structuring deals this way:

- (a)** Allows the firm to boost future margins.
- (b)** Results in lower taxes for the accounting period.
- (c)** Hurts near-term margins but boosts long-term margins.



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