IMC OTM v.22 Errata & Addendum for Units 1 and 2

Edition / Volume	Page number	Correction
1	11	'Finally, a further levy of £1 on all purchases and sales on excess of £10,000 is charged to finance the Takeover Panel (the PTM levy).' Should read: ''Finally, a further levy of £1.50 on all purchases and sales on excess of £10,000 is charged to finance the Takeover Panel (the PTM levy).'
1	13	'A further levy of £1 on all purchases and sales of shares in excess of £10,000 is levied to finance the PTM levy.' Should read: 'A further levy of £1.50 on all purchases and sales of shares in excess of £10,000 is levied to finance the PTM levy.'
1	13	(see tables below)

'PTM levy for two trades	£2.00
Net cost (absolute)	£70.46
Net cost (percentage)	0.66%'

Should read:

'PTM levy for two trades	£3.00
Net cost (absolute)	£71.46
Net cost (percentage)	0.67%'

1	271	'Pensions | Annual allowance	£40,000	£60,000' | Should read: | 'Pensions:		
Annual allowance	£60,000	£60,000' |
1	311	'Jeremy is a higher-rate taxpayer so CGT 24,500 × 28% Answer: £6,860 (Note: tax rate = 28% as it is a sale of residential property that is not a main residence)' Should read: 'Jeremy is a higher-rate taxpayer so CGT 24,500 × 24% Answer: £5,880 (Note: tax rate = 24% as it is a sale of residential property that is not a main residence)'
2	44	'The second value is calculated thus:' Should read: 'The second value is calculated thus: Second value $= 100 \times \left[\left(\frac{108}{100}\right) \times \left(\frac{95}{100}\right)\right]^{1/2} = 101.29$'

2	50	'Now, what is the value of this deposit after three years if interest is paid annually?
		Here: $r = 0.1$;
		$T = 3$;
		$D = £100$; and
		$m = 1$.
		$D_3 = £100 \times [1 + 0.1]^3$
		$= £100 \times (1.10)^3$
		$= £100 \times 1.334 = £134.49$'
		Should read:
		'Now, what is the value of this deposit after three years if interest is paid annually?
		Here: $r = 0.1$;
		$T = 3$;
		$D = £100$; and
		$m = 1$.
		$D_3 = £100 \times [1 + 0.1]^3$
		$= £100 \times (1.10)^3$
		$= £100 \times 1.331 = £133.10$'

| | | 2 | 183 |

	'Small	Medium-sized
Turnover	<£6.5m	<£25.9m
Balance sheet total	<£3.26m	<£12.9m
Average number of employees	<50	<250'

Should read:

	'Small	Medium-sized
Turnover	<£10.2m	<£36m
Balance sheet total	<£5.1m	<£18m
Average number of employees	<50	<250'

2   491

'Sharpe measure$_{\text{fund B}}$ $= \dfrac{R_B - R_f}{\sigma_B}$

$= \dfrac{12\% - 4\%}{8\%}$

$= 1'$

Should read:

'Sharpe measure$_{\text{fund B}}$ $= \dfrac{R_B - R_f}{\sigma_B}$

$= \dfrac{12\% - 4\%}{18\%}$

$= 0.44'$