



Worksheet 2: Analysis or not

For each of the following pairs of sentences, decide which one is analytical and which one is not. Remember that analysis is about effects, consequences, or reactions

1	Sentence 1	Sentence 2
	The business has three shops, and each shop has a large inventory.	The business has three shops, and the large inventory has a high cost.

Sentence 1	Sentence 2

2	Sentence 1	Sentence 2
	The lower quality of raw materials was used to make the finished product.	The lower quality of raw materials led to lower quality finished goods.

Sentence 1	Sentence 2

3	Sentence 1	Sentence 2
	The increased confidence of investors led to increase in share prices.	The confidence of investors and share prices have increased.

Sentence 1	Sentence 2

4	Sentence 1	Sentence 2
	The receipt of loan and liquidity/current ratio/quick ratio of business has increased.	The receipt of loan has increased the liquidity/current ratio/quick ratio of business.

Sentence 1	Sentence 2

5	Sentence 1	Sentence 2
	Return on capital employed has increased as for the year 2021 it was 10.5% and 2020 was 8.95%	Return on capital employed has increased in 2021 due to increase in profit for the year compared to capital employed for 2020.

Sentence 1	Sentence 2



6	Sentence 1	Sentence 2
	The control of expenses increased the profit margin.	The profit margin is calculated by profit/revenue x 100.

Sentence 1	Sentence 2

7	Sentence 1	Sentence 2
	In August, the business has a negative cash flow, and this could be avoided by not purchasing the machinery.	By delaying the purchase of machinery to later month, the business could keep the cash flow positive for August.

Sentence 1	Sentence 2

8	Sentence 1	Sentence 2
	The control is diluted by issuing more shares.	The share issue led to a dilution of control.

Sentence 1	Sentence 2