

Entrepreneurship Building a Business

Chapter 21 Financial Management

Section 21.1 Analyzing Your Finances

SECTION 21.1 After You Read Answer Key

Self-Check

1. By comparing financial information from one period to another, you can identify patterns and trends and use this analysis to make sound management decisions.
2. Each form of financial analysis provides a piece of information. All indicate some financial characteristic, which collectively form a financial picture of the business.
3. Past and present financial analysis provides a road map for management.

Think

4. If some merchandise purchased was not recorded, financial statements would be inaccurate, which could lead to spending more than is available.

English Language Arts

5. Students may detect a tone of whimsical irony in Frost's short poem. Accept answers that agree or disagree with Frost's tone and sentiment, as long as the answers are explained and supported by reasonable arguments.