

Inspired Entertainment (NASDAQ:INSE) Sees Increasing Returns

Description

To find a stock that can make you a lot of money, look for certain trends in a business. One important trend is to see if the company is making more money with the money it has. This is called Return on Capital Employed (ROCE). Another trend to watch for is if the company is using more money to make even more money. For example, we looked at Inspired Entertainment and saw that its ROCE is 15%, which is better than other companies in the Hospitality industry. This means Inspired Entertainment is doing well at using its money to make more money. It's now making a profit after not doing so well five years ago. This company is reinvesting its profits back into the business, which could lead to even more success in the future. It's a good idea to keep an eye on companies like this to see if they continue to do well.

Vocabulary List:

1. **Trend** /trend/ (noun): A general direction in which something is developing or changing.
2. **Profit** /'prɒfɪt/ (noun): A financial gain especially the difference between the amount earned and the amount spent.
3. **Reinvesting** /,ri:.ɪn'vestɪŋ/ (verb): To invest again or invest an amount earned from an investment.
4. **Industry** /'ɪndəstri/ (noun): Economic activity concerned with the processing of raw materials and manufacturing of goods.
5. **Capital** /'kæpɪtl/ (noun): Wealth in the form of money or assets owned by a person or organization.
6. **Success** /sək'ses/ (noun): The accomplishment of an aim or purpose.

Comprehension Questions

Multiple Choice

1. What is an important trend to look for in a business to find a stock that can make you a lot of money?
Option: Revenue growth
Option: Return on Capital Employed (ROCE)
Option: Number of employees
Option: Social media presence
2. What does ROCE stand for?

- Option: Revenue on Capital Earnings
- Option: Return on Capital Earnings
- Option: Return on Capital Employed
- Option: Revenue of Capital Employed

3. What percentage is the ROCE of Inspired Entertainment as mentioned in the text?

- Option: 5%
- Option: 10%
- Option: 15%
- Option: 20%

4. What is one advantage of a company reinvesting its profits back into the business?

- Option: Higher executive salaries
- Option: Increased consumer prices
- Option: Potential for more success in the future
- Option: Reduced product quality

5. What does the text advise investors to do with companies like Inspired Entertainment?

- Option: Sell immediately
- Option: Ignore their performance
- Option: Keep an eye on them
- Option: Invest blindly

6. Why is it important to monitor trends in a company like Inspired Entertainment?

- Option: To copy their business model
- Option: To predict their stock price
- Option: To see if they continue to do well
- Option: To criticize their decisions

True-False

7. ROCE is an acronym for Responsible Operations in Corporate Environment.

8. Inspired Entertainment was not making a profit five years ago.

9. Reinvesting profits back into the business can lead to more success in the future.

10. ROCE is a metric used to measure how efficiently a company uses its capital.

11. Looking at a company's ROCE can give insights into its financial performance.

12. Investors are advised to blindly invest in companies without analyzing their financial trends.

Gap-Fill

13. Inspired Entertainment is doing well at using its money to make more money, indicated by its ROCE of _____ %.

14. The text suggests that reinvesting profits back into the business could lead to even more _____ in the future.

15. It is a good idea to keep an _____ on companies like Inspired Entertainment to see if they continue to do well.

16. ROCE is a metric that shows how well a company is making more money with the money it has _____.

17. One important trend to watch for in a business is if the company is using more money to make even more _____.

18. Looking at a company like Inspired Entertainment can provide insights into its financial performance _____.

Answer

Multiple Choice: 1. Return on Capital Employed (ROCE) 2. Return on Capital Employed 3. 15% 4. Potential for more success in the future 5. Keep an eye on them 6. To see if they continue to do well

True-False: 7. False 8. False 9. True 10. True 11. True 12. False

Gap-Fill: 13. 15 14. success 15. eye 16. employed 17. money 18. performance

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. Why was the performance called off?

- Option: Due to bad weather conditions
- Option: Lack of audience interest
- Option: Technical issues
- Option: Scheduling conflicts

2. What did the orchestra do before the concert?

- Option: Rehearsed their pieces
- Option: Canceled the event
- Option: Demanded higher pay
- Option: Changed the venue

3. What did the audience gain from attending the event?

- Option: A memorable experience
- Option: Financial profit
- Option: A new album release
- Option: Reassessment of the industry

4. How did the performers address the misunderstanding?

- Option: Apologized to the audience
- Option: Rehearsed more rigorously
- Option: Canceled the show
- Option: Clarified the situation

5. What method was used to highlight the differences between the two acts?

- Option: Updated the audience on the trends
- Option: Conducted a rehearsal
- Option: Demanded equal pay
- Option: Made a comparison

6. What was the ultimate goal of the event?

- Option: Profit maximization
- Option: Reinvestment in the industry
- Option: Attainment of industry capital
- Option: Achieve success

7. What action did the main performer take before the performance?

- Option: Apologized to the audience
- Option: Canceled the show
- Option: Rehearsed more pieces

Option: Demanded certain conditions

8. What unexpected event occurred during the show?

Option: Unplanned performance addition

Option: Technical difficulties

Option: Marketing comparison

Option: Incident of disturbance

9. What did the entertainment industry follow during the event?

Option: Trend of virtual performances

Option: Financial profit trend

Option: Reinvestment trend

Option: Conducting trend analysis

10. What condition was the main performer struggling with during the show?

Option: Aphasia

Option: Dementia

Option: Impaired hearing

Option: Reassessment

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. The company decided to raise additional _____ for expansion.

12. The new artist made a spectacular _____ with their first performance.

13. The audience felt _____ by the sudden rainstorm during the outdoor concert.

14. The successful company believes in _____ profits into research and development.

15. She has years of experience in the fashion _____ specializing in haute couture.

16. The theater had elegant _____ overlooking the stage for premium seating.

17. The artist's affairs were handled by a legal _____ due to their health issues.

18. Stay tuned for live _____ on the event schedule and changes.

19. The theater hosted a series of grand _____ to celebrate its anniversary.

20. The company recorded a significant increase in _____ compared to last year.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

21. The event featured a guest appearance by a famous celebrity.
22. The main focus of the evening was to provide top-notch for the attendees.
23. The show was due to unforeseen circumstances.
24. Despite the initial setbacks the event was considered a by the organizers.
25. The sudden incident forced a of the entire performance plan.
26. The classical delivered a mesmerizing performance that left the audience in awe.
27. After the confusion the main performer for the inconvenience caused.
28. The musicians better treatment and conditions for their performance.
29. The singer's struggle with affected the quality of the show.
30. The artist's deteriorating health was due to early-onset .

Answer

Multiple Choice: 1. Due to bad weather conditions 2. Rehearsed their pieces 3. A memorable experience 4. Clarified the situation 5. Made a comparison 6. Achieve success 7. Demanded certain conditions 8. Incident of disturbance 9. Trend of virtual performances 10. Aphasia

Gap-Fill: 11. capital 12. debut 13. trapped 14. reinvesting 15. industry 16. balconies 17. conservatorship 18. updates 19. performances 20. profit

Matching sentence: 1. Special 2. Entertainment 3. Canceled 4. Success 5. Reassessment 6. Orchestra 7. Apologized 8. Demanded 9. Aphasia 10. Dementia

CATEGORY

1. Entertainment - LEVEL1

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