

ACTIVITY: OBTAINING CAPITAL FOR YOUR BUSINESS

I. FILL IN THE BLANKS

[10 marks]

Instructions: Fill in the blank with the correct word.

- a) _____ is the wealth in the form of money or other assets owned by a person.
- b) Money that is taken from your own pockets is known as _____.
- c) _____ and _____ can be an excellent source of funds.
- d) A legal contract in which you promise to pay the debt is known as a _____.
- e) Banks and _____ are considered to be the most popular source of business loans.
- f) The methods of gathering funds for a new business that aren't as traditional as more familiar sources is called _____ the _____.

II. SHORT ANSWERS

[22 marks]

Answer all of the questions on the lines provided.

1. What is Capital?

_____ [2]

2. List the types of Capital

_____ [4]

3. Who is an Investor?

[2]

4. State the importance of having Capital for a business.

[3]

5. What type of business would you like to own in the future? Why?

[3]

6. Complete the table by explaining each type of capital. [8]

TYPES OF CAPITAL	DEFINITION
Personal Savings	
Outside the Box	
Financial Institutions	
Friends and Family	