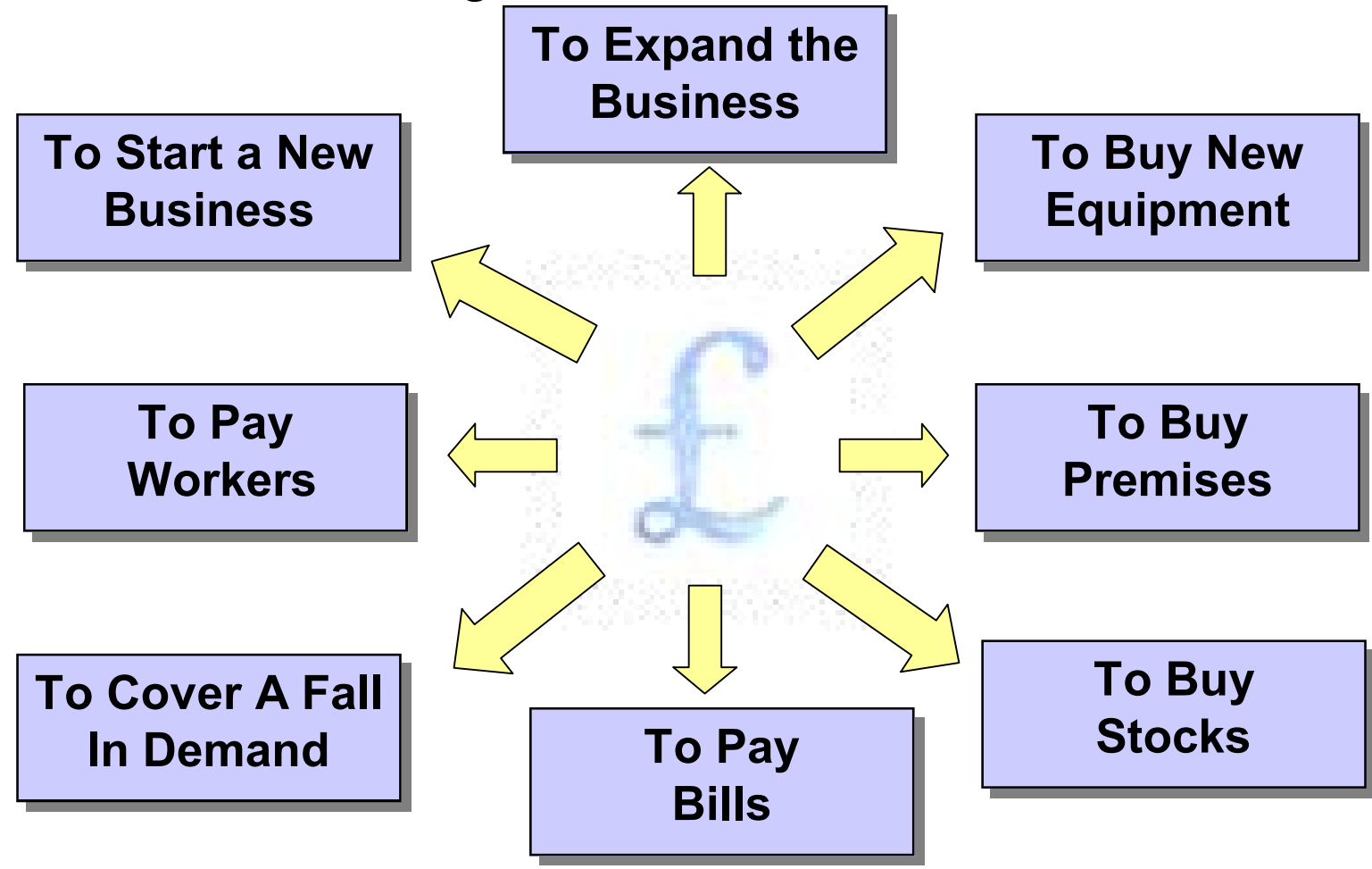




Why Do Firms Need Finance?

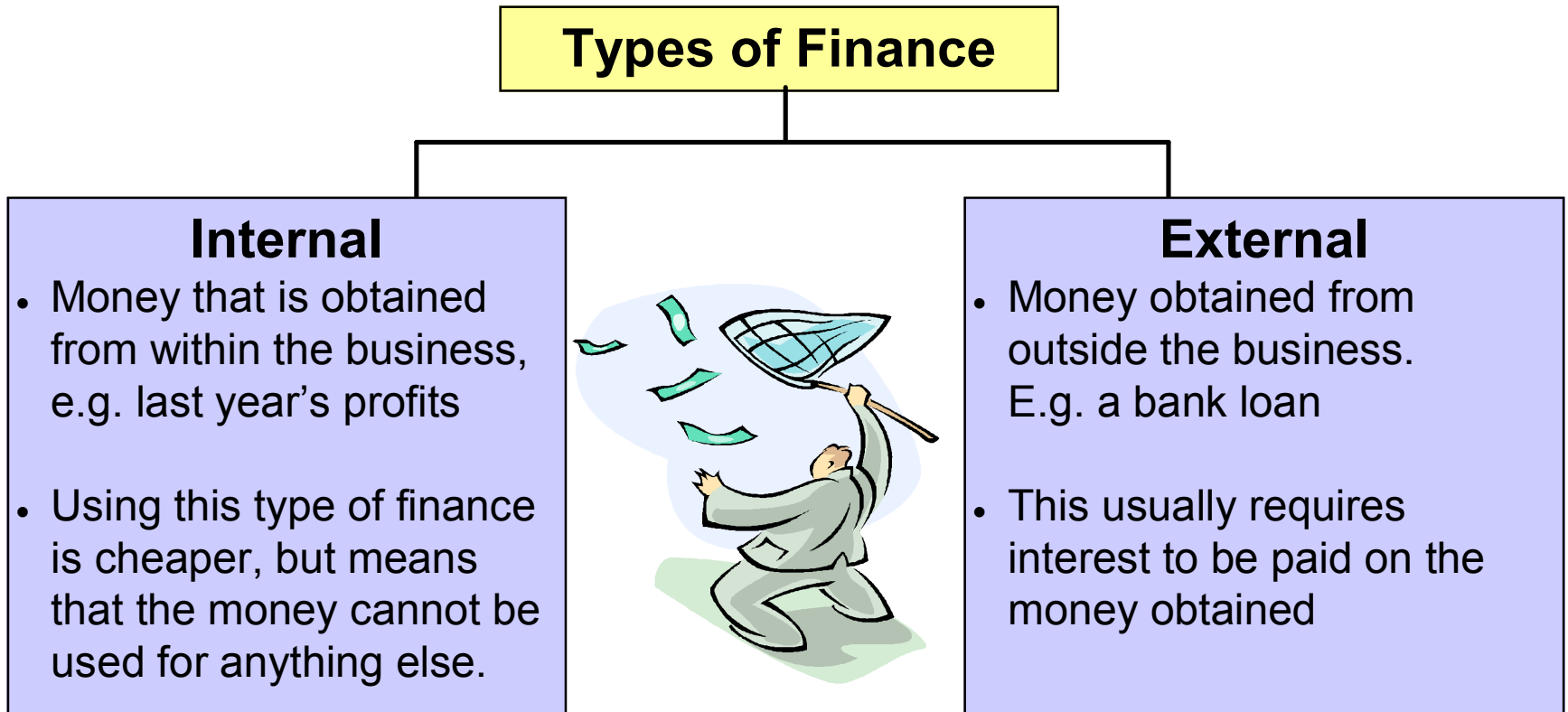
- There are a number of reasons why finance may be needed, including:





Different Types of Finance

- There are 2 different types of finance:





Finance and Time

- The type of finance a business will use often depends upon how long they need the money for:

Short-Term

This refers to finance that is only required for a ***Maximum of 12 Months***

Medium-Term

This refers to finance that is required for ***more than 1 year, but less than 5 years***

Long-Term

This refers to finance that is required for ***more than 5 years***





Sources of Finance

- There are a number of possible forms of finance available for a business:

