

10.1_B

Term	Definition	Stress pattern
capital investment		
working capital		
bank loan		
personal loan		
bank overdraft facility		
trade credit		
share issues		
corporate bonds		
asset sales		

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Answers

Term	Definition	Stress pattern
capital investment	the money paid to buy a capital (fixed) asset	● ● ● ' ● ●
working capital	current assets minus current liabilities	● ● ' ● ● ●
bank loan	money lent by/borrowed from a bank	' ● ●
personal loan	money lent by/borrowed from a friend or family member	' ● ● ● ●
bank overdraft facility	not a loan, but money which a bank has agreed that a client can borrow from time to time	● ' ● ● ● ● ● ● ●
trade credit	when a firm supplies goods or services to a company and allows them to pay later	' ● ● ●
share issues	the shares a company sells publicly in order to raise capital	' ● ● ●
corporate bonds	an alternative to shares, issued by companies to raise capital; a kind of IOU for borrowers	● ● ● ' ●
asset sales	property or other goods (excluding stock) owned by a company or person which are sold to raise money	' ● ● ●