**ACF 11**

**Sources of Finance, Definitions, Advantages & Disadvantages**

1. **Complete the tables below:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Source** | **Short or Long Term** | **Definition** | **Advantage** | **Disadvantage** |
| Bank Overdraft |  |  |  |  |
| Term Loan |  |  |  |  |
| Lease of Finance |  |  |  |  |
| Trade Credit |  |  |  |  |
| Credit Cards |  |  |  |  |
| Loans from Family and Friends |  |  |  |  |

1. **Factors considered by financial institutions when approving finance**

|  |  |
| --- | --- |
| *Risk* | *Describe each factor* |
|  |  |
|  |  |
|  |  |
|  |  |
| *Return* |  |
|  |  |
|  |  |