Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**2.1.1 Internal finance**

1. What is meant by the term internal finance?

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1. Which three of the following are examples of internal finance?
	1. Share capital
	2. Personal savings
	3. Sale of assets
	4. Family and friends
	5. Crowd funding
	6. Retained profit
2. Which one of the three correct answers in question two is the only option for a new business venture? Explain your answer.

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1. Which one of the following is the best example of an advantage of using sale of an asset to fund expansion?
	1. No interest repayments
	2. Lease new equipment
	3. Available even if making a loss
	4. Disposes of obsolete equipment

Explanation:

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1. State three assets that a dairy farmer may be able to sell to raise finance. Try to give a range of different examples not similar ones.
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