

Solution 1.43

Identify the following as either equity or debt financing: bonds, stock sales, retained earnings, venture capital, short term loan, capital advance from friend, cash on hand, credit card, home equity loan.

Solution:

Bonds - debt; stock sales – equity; retained earnings – equity; venture capital – debt;
short term loan – debt; capital advance from friend – debt; cash on hand – equity;
credit card – debt; home equity loan - debt.