

# [Finance and accounting issues outline](https://assignbuster.com/finance-and-accounting-issues-outline/)

[Finance](https://assignbuster.com/essay-subjects/finance/)

Knowing which investment to make with the available resources also requires being aware of levels of uncertainty attached to the investment. When classifying investments, they may be grouped into either short-term- where returns are expected within a short time-frame, and long-term-where returns are expected after a relatively long time.
Finally, there is the sources of finance, commonly referred to as funding, includes financial institutions i. e. banks, informal lending facilities i. e. shylocks, financial instruments e. g. bonds and liquidating assets that are not in use. There are also debts where a company, individual or group may decide to transfer a debt previously incurred to a lending institution or individual. The lending institution or individual would then receive repayment of the debt when due. This is done where a relationship of trust has been built between the borrower and lender and it usually implies an urgent situation. A company, individual or business may choose this as a source of funding when they require money urgently and mostly the decision is arrived at, as a last resort.