

## Section - 2

Ans 1 Capital is a term for financial assets. Such as funds held in deposit accounts and/or funds obtained from special financing sources. Capital can also be associated with capital assets of a company that requires significant amounts of capital to finance or expand.

Capital can be held through financial assets or raised from debt or equity financing. Businesses will typically focus on three types of business capital: working capital, equity capital, and debt capital. In general, business capital is a core part of running a business and financing capital-intensive assets.

Capital assets are assets of a business found on either the current or long-term portion of the balance sheet.