

## Sources of capital

The ideal business scenario is that you never need to raise extra capital (cash). Your cash flow is strong, or you have sufficient savings in the business to fund your business plans. However, at times, even profitable businesses need additional capital to take advantage of various opportunities.

The best reasons to raise capital are:

- Starting a business – set up costs and working capital.
- Buying a business – the purchase price.
- Expanding capacity – new equipment, staff, premises or location.
- Expanding market demand – marketing, exporting.
- Product or service development – research and testing.

The worst reason to raise capital is:

- You are running out of cash...

If you are looking to source additional capital, then the best place to start is this [article on your options](#). Then, download the [Investment Ready Guide](#), which will explain in more detail options such as angel funding and venture capital.

Of course, the best source of capital will always be your own.

### [How much money do you need when starting a business?](#)

Work out the amount of start-up and working capital you'll need to start your business.

### [Main sources of finance](#)

Looking for finance for your business? This article lists a number of options for you to consider, to start your business or take it to the next level.

### [How to raise capital for your business](#)

This guide looks at the various sources of business funding available and what you need to do to attract such funding.

### [The Investment Ready Guide](#)

The Investment Ready Guide from New Zealand Trade and Enterprise will help you decide if your business is ready for, or indeed requires, investment funding.

### [Business grants for Kiwi businesses](#)

Find out about grants that are available and other funding avenues you might want to consider.

### [Work and Income Enterprise Allowance](#)

The Work and Income Enterprise Allowance can be a bridge to financial self-sufficiency. Find out if it can help you start your business.

### [Tips on applying for a loan](#)

Read our top tips on applying for a loan to help you get finance for your business start-up.

### [What banks are looking for when you borrow money](#)

Your bank will want a lot of information when you apply for a loan. This article outlines what banks look for when you apply to borrow money, and why.

### [What investors look for in a person](#)

This article outlines the factors that investors will be looking for to help them decide whether your business is a worthwhile investment.

### [What investors look for in a business](#)

There are key elements that potential investors look for in a business. This article explains what these main criteria are likely to be.

## **Understanding financial statements**

A basic understanding of financial management will give you an informed view of your company's performance, aid communication with anyone giving you business advice and allow you to make better decisions.