



Leasing

BENEFITS TO THE CUSTOMER OF LEASING

No Capital outlay; Often no deposits are required

Leaves existing borrowing lines intact; A leasing facility preserves liquidity for other more appropriate uses. By establishing another line of borrowing the customer maintains existing credit lines for working capital.

Helps cash flow forecasting; Rentals fixed at the inception of a lease assist expense budgeting and cash flow forecasting. This enables the customer to precisely calculate the cost associated with using the equipment.

Leasing cannot be withdrawn; A lease is non-cancellable unlike an overdraft, for example, which is repayable on demand and may be reduced during a credit squeeze. Leasing companies do not review their customer's financial status each year and do not therefore vary the limits or the interest rate charged.

Leasing is inflation proof; Equipment can be acquired at current prices and rentals met out of future earnings. This means that the equipment should easily pay for itself, and the leasing rate will not increase with future interest rate rises.

Leasing is tax efficient; Leasing rentals are generally tax deductible in full as operating expenses. The customer. Therefore, gets a better return on his investment by using leasing rather than paying cash for the equipment.

Leasing is straightforward; Leasing minimises administrative costs and simplifies tax and accounting procedures. Asset depreciation becomes the lessor's responsibility.

Upgrade options; Leasing allows your business to keep up with changes in technology and respond to any industry or competitive pressures. Your original installation can be altered, either during or at the end of the lease, to accommodate unforeseen changes.

Buying title; At the end of the lease for a nominal fee you can choose to purchase title and own the equipment outright.

Maintenance costs; On-going costs of maintenance or service packages can be included in the lease rental amount, creating one single payment covering the equipment and service.

What information we need;

In order to provide you with a bespoke pricing package for your customer we would require their company name, prices and brief description of equipment and over what duration.

Duration can be 2 to 6 years



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