

# BENEFITS OF LEASING

Why pay up-front for assets that typically only provide a return on investment over time and depreciate throughout?



Here are some key reasons why so many organisations like you use leasing as an alternative to cash or a bank facility.

- 1 Tax Savings:** Many private organisations stand to benefit from significant tax benefits as finance lease payments are 100% tax deductible unlike typically using cash.
- 2 Enables Budgets:** Budget holders get to make investment decisions based upon their needs and stakeholder returns and not compromised by limitations on available capital budgets.
- 3 Low, Fixed Costs:** Small, regular payments that don't change, regardless of any changes to interest rates, allows easy budgeting throughout the term.
- 4 Costs Match Return:** Rather than paying for everything upfront, the customers is able to spread costs in line with the return on their investment.
- 5 Make Capital Work:** Don't sink valuable cash into depreciating assets, deploy it elsewhere for higher returns.
- 6 Flexibility:** Leasing allows customers to determine the term, how frequently they pay and exactly what they want to include.
- 7 Manage Obsolescence:** Refresh assets strategically rather than face large, unbudgeted write offs.
- 8 Spread Risk:** Clients reduce dependency on their primary funder(s). Their existing credit lines remain unaffected and they will have access to the largest panel of specialist asset funders in the UK.
- 9 Spread VAT:** the cost of the VAT is paid in instalments rather than as a lump sum up-front (excluding Hire/Lease Purchase agreements).
- 10 Turnkey Solution:** Customers can build all their costs into the agreement (not just the assets) to maximise their benefits even further.