

Why Businesses Lease!

Business customers are faced with three choices when buying equipment. Do they pay using their own cash, with a loan or should they lease?

The Key Benefits of Leasing:

Minimal Down Payment – Most businesses earn revenue over time, but have to pay for equipment up-front, in one go. Why pay out in one lump sum when with leasing you can pay a small amount every month/quarter? Businesses prefer to pay as they use!

Cash – Cash is king and it makes sense to use it for expansion or critical business needs. Leasing for office technology preserves precious cash.

Tax Advantages – Leasing is 100% tax allowable and can effectively be self-financing.... e.g.

- Cost of IT Solution **£5,000**
- 3 Year Finance Lease @ £170.20 per month (1+35)
- Total Payable = £170.20 x 36 = **£6,127.20**
- You pay **£1,127.20** interest over 3 years
- Leasing is 100% tax deductible so assuming tax rate is 30%
- £6,127.20 x 30% is **£1,838.16**

The reduction in tax to be paid (£1838.16) more than cover the interest charge (£1,127.20). Plus.... you have had the use of the asset for the last 3yrs!

Preserving Credit Lines – Grenke offers leasing from just £500 upwards. Preserve your precious existing bank lines and optimise your use of commercial credit sources.

Technology Upgrades – Leasing allows you to take advantage of technology improvements. With Grenke you can upgrade your equipment regularly at a reasonable cost without having to worry about disposing of your depreciated older technology.

Flexible Payment Levels – Businesses can choose the payment level. Grenke options range from 1 to 5 years, depending on the equipment. Select the right option for you so that you can have the technology you need at the price you are comfortable with.

Leasing ultimately enables you to equip your business today at an affordable fixed monthly cost leaving working capital free to develop your business tomorrow.