

# Why a Vendor Programme works



# Why it makes sense to spread the cost with leasing

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## **Saves Working Capital**

If businesses buy equipment outright, the capital invested becomes tied up in depreciating assets, precluding investment in other projects. Leasing, on the other hand, allows you to save resources for other purposes, such as new business opportunities, unexpected needs, business development or marketing.

## **Easier Budgeting**

Payments are fixed for the full agreement period and are not affected by inflation or changes in interest rates. So businesses can accurately plan for their finance payments in advance, helping simplify the budgeting process.

## **Maintains Credit Lines**

With leasing, existing credit lines arranged with a bank remain intact. As a result, businesses can acquire the solution they need and have the additional flexibility to still use their bank's facilities in the future.

## **No Deposit**

A deposit need not be a prerequisite of the leasing agreement. Businesses simply make regular payments throughout the life of the agreement.

## **Tax Efficiency**

Lease payments may be offset against taxable profits, reducing the net cost of leasing the equipment.

## **Upgrade Opportunities**

Leasing allows you to keep up-to-date with advancing technology and to respond to changing needs. Businesses can add to or upgrade their original installation to accommodate unforeseen changes in their requirements. In many cases, by extending the length of the lease, this can be achieved without an increase in monthly or quarterly payments.

## Convenience

Payments can simply be made by direct debit. Multiple payments can be collected on one single monthly or quarterly direct debit, saving on bank charges and administrative time.

## Flexibility

Individual leasing agreements, including contract lengths, are tailored to meet the particular needs of each business, ensuring that the payments match the company's existing and planned budget.





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