

Funding options

Business Contract Hire

Business Contract Hire otherwise known as Contract Hire is a fixed term agreement based upon a predetermined annual mileage, with or without maintenance and servicing options.

Contract Hire removes the risk of depreciation and regularizes cash flow with a fixed monthly payment including road fund licence.

Additional services can be arranged to include vehicle servicing and maintenance, tyres and exhaust replacements, breakdown assistance, and relief vehicle facility. The ability of the Funder to reclaim all of the VAT on the purchase price in turn reduces the monthly payment in comparison with a purchase plan.

Benefits of Business Contract Hire:

- *The rentals are tax deductible*
- *Initial payment requirements are generally low*
- *Pre-determined costs and fixed term smooth out cash flow*
- *Accurate budgeting with minimal administration*
- *Contract Hire can include maintenance and vehicle servicing*
- *No purchasing or disposal hassles*
- *No risk of depreciation*
- *The contract hire company is able to reclaim all the VAT of the purchase price of the vehicles, which is reflected in much lower overall costs.*

Car Contract Purchase

Business Contract Purchase (C.P) utilizes the future value of a vehicle to reduce monthly costs. This value is guaranteed based upon an agreed predetermined annual mileage and allows an option to either purchase the vehicle for this price or simply return it to the contract Funder with no extra cost (subject to mileage and/ or condition). Service and maintenance facilities can also be included where required with car contract purchase agreements. The main difference between business contract purchase and contract hire is that you have the options to retain the vehicle at the end of the agreement.

Benefits of Car Contract Purchase:

- *Initial payment requirements are generally low*
- *Pre-determined costs and fixed terms smooth out cash flow*
- *Payments can include maintenance and vehicle servicing*
- *No purchasing or disposal hassles*
- *No risks of depreciation*
- *Accurate budgeting with minimal administration*

New Car Leasing

New car leasing provides both an individual and/ or a business with a convenient method of affording a new car; without the significant financial outlay of paying for the full value of your new car upfront.

Paying only for the depreciation of the car ie the money the car loses during the term of the agreement; Business Contract Hire and Personal Contract Hire (the main products for new car leasing) provide a financially viable option instead of buying your car outright.

New car leasing is suitable for business and individuals alike - giving you the opportunity in many cases to afford a vehicle that could have been over budget if you were to purchase the new car via a bank loan rather than using car leasing services.

Personal Contract Hire

Personal Contract Hire is designed to provide private individuals with most of the advantages previously only available to businesses. Again, service and maintenance facilities are available.

Benefits of Personal Contract Hire:

- *Initial payment requirements are generally low*
- *Pre-determined costs smooth out cash flow*
- *Rentals can include maintenance and Service Packages*
- *No purchasing, disposal hassles or risks*
- *No depreciation risk*

Personal Contract Purchase

Designed for the consumer, PCP utilizes the future value of a vehicle to reduce monthly costs. This value is guaranteed based upon an agreed predetermined annual mileage and allows an option to either purchase the vehicle for this price or simply return it to the Funder with no extra cost (subject to mileage and/ or condition). Service and maintenance facilities can also be included where required.

Benefits of Personal Contract Purchase Schemes:

- *Initial payment requirements are generally low*
- *Pre-determined costs and fixed terms smooth out personal cash flow*
- *Rentals can include maintenance*
- *No purchasing or disposal hassles*
- *Option to purchase the vehicle at the end of the contract*
- *No risks of depreciation*

Hire Purchase

Hire Purchase is the traditional method of funding for private individuals and businesses. Generally a deposit of 10% to 20% is required with the funded balance financed at a fixed rate throughout the term of the agreement. Vehicle Solutions can provide Hire purchase facilities at a *current* APR of 9.8% equivalent Flat rate 4.9%.

For Business hire purchase offers an "on balance sheet" type of funding which has carries an annual 25% write down allowance up to a maximum of £3000.00.

One Supplier for all your Vehicles