



Business asset finance explained

Business asset finance is an agreement that enables businesses to obtain the assets needed to manage and/or expand effectively and spread the cost/outlay.

Regardless of the size of the business, the decision to invest in assets is always difficult. However, there are some key benefits, including:

- / It's a great alternative to a traditional bank loan.
- / Increased tax benefits.
- / Payments can be budgeted according to cash flow.
- / Lenders secure against the asset.

Specialists can advise on:

- / Hire purchase - allows you to buy an asset and pay for it over a period of time, spreading the cost via an agreement with a finance company. An initial deposit is payable; and
- / Finance lease – a rental agreement through which an asset can be obtained for a fixed term. At the end of the initial term, the agreement can be extended or sold with a rebate of the sale proceeds to the client.

You will need to ensure that your management accounts are up to date, that you have current detailed lists of debtors, creditors and all assets, and you might need up-to-date projections before a lender will consider your application. Please talk to us about finance. We can introduce you to finance specialists who have many years of experience and success in advising businesses across a wide range of sectors.