

Financing Your IT Solution

Smoothing the curves of Technology Investment

New technology is always on the horizon, financing your investment in IT can enable your business to maintain your competitive advantage with predictable monthly payments. Financing can provide the opportunity to assist with cashflow, reduce your taxable deductions and can help free up other lines of credit.

What is financing?

Financing is the ability to spread the cost of an investment over a period of up to 5 years which reduces the monthly outgoings of the business and helps maintain cashflow.

By utilising finance options, you can keep your equipment up to date and keep the investment cost to a manageable fixed monthly amount. This enables you to plan for growth within the business, set future budgets and smooth the curve of your Technology Investment.



What types of finance are available?

Axis First work with a small number of hand-picked suppliers who offer a range of financing solutions; here is a summary of our most popular services.

Leasing

The most popular way for a business to finance their IT investment is to take out a lease agreement with a leasing company.

Leasing falls into two main categories; lease purchase and lease rental. The fundamental difference between these is that with a lease purchase agreement you own the asset at the end of the term and with a lease rental agreement you do not own the asset.

Technology Refresh

If you intend to lease your equipment and decide to replace or add equipment during the term; you might want to consider "Technology Refresh" from Axis First. Technology Refresh accrues during the term of the agreement and offers an amount of credit against the payments that have been made to date. You can draw on this resource as early as 3 months into the contract. This credit can then be used towards the replacement cost of new equipment or to add items to the contract without increasing your monthly payments, we just simply extend the term of the agreement.



Microsoft 6/50

As Microsoft Gold Certified Partners; Axis First are also able to offer financing through Microsoft Finance. One of their current promotions is 6/50 where the payment for the first six months is only £50.00 per month and then you pay 36 monthly payments and own the equipment at the end of the term.

Why should I finance my IT solution?

There are several reasons why companies look to finance their IT solutions.

The most obvious reason is to eliminate the large capital outlay and to keep payments to a minimum which helps to smooth out the peaks and troughs in your cashflow.

What other benefits are there from financing?

All payments made under a lease agreement are treated as an operating cost and therefore reduce the taxable profit of the business by 100% of the payments.

If you use a leasing company to acquire your equipment, this can protect other credit lines into your business such as overdrafts or loans.

Leasing guarantees a fixed rate for the term of the agreement despite what happens to interest rates from the Bank of England, you are able to manage your budgets more accurately.

The future savings and profits made by leasing can often be used to justify or rationalise a more expensive or better product rather than the “quick-fix” cheaper option which rarely is the best option in the medium or long term.

How much can I borrow and at what rate?

As with all forms of credit, the loan and rate amounts are based on individual company circumstances. Axis First have relationships with a small number of hand-picked finance companies who understand technology equipment and services as well as companies with their own funds who do not need to use high-street lenders.

How easy is it to finance?

Arranging finance does not have to be complicated; Axis First can often organise the lending with the finance company on your behalf.

Occasionally, we might ask you to produce the latest set of management accounts if the filed accounts with companies' house are not reflective of your current position or are somewhat outdated.

Usually the whole process is relatively painless and simple to organise. We are happy to recommend finance companies or work with your existing company if you prefer.

What exactly can I finance?

Axis First are able to arrange finance on computer equipment, application software and operating systems, bespoke software development, installation, consultancy and training.

What should I do if I am interested in finance?

Call a member of the Axis First for Technology Sales Team on 01278 421020 to discuss finance options for your business.

Finance is approved subject to status. The rate may vary on your circumstances and loan amount. Any products or services are subject to availability and are subject to change without prior notice.