



ALPHABET

# Alphabet Contract Hire

Simple vehicle leasing to help you budget with confidence

[www.alphabet.co.uk](http://www.alphabet.co.uk)



# Introducing Alphabet Contract Hire

If you don't want the financial risk of buying your own vehicles, or the time consuming admin of sourcing, servicing and selling them, help is at hand. Contract Hire leasing with Alphabet could be just what you're looking for.

With Contract Hire (also called 'Operating Lease') you can hire a vehicle at a fixed monthly cost for a specific period of time (one to five years as standard) and mileage. If you stay within the agreed contract limits and return the vehicle in reasonable condition according to the BVRLA Fair Wear and Tear guidelines, you can simply give the vehicle back to us at the end of the term with nothing more to pay.

It's simple to arrange, makes budgeting easy, and leaves you free to concentrate on keeping the wheels of your business turning.



# What can Contract Hire do for you?



## Easy budgeting and better cashflow

With fixed monthly costs you always know where you are financially, so your business can benefit from accurate budgeting and improved cashflow.



## No financial risk

As the costs of ownership, like unexpected maintenance<sup>1</sup> or unpredictable resale values, rest with us, you can plan ahead with confidence.



## Tax and balance sheet benefits

With Contract Hire you may be able to reclaim VAT on monthly rentals<sup>2</sup> and even take your fleet off your company balance sheet<sup>3</sup>.



## Reduced capital expenditure

Buying vehicles is a significant business cost. Contract Hire can help you avoid that outlay and free-up capital that you can invest elsewhere to move your business forward.



## Save time, hassle, and resources

Managing your Contract Hire fleet is quick and easy. Using our dedicated online portal, everything you need to configure, quote, order and more is at your fingertips.

Our experienced teams are ready to manage the day-to-day admin of your fleet, allowing you to focus on what matters most. With Contract Hire, your monthly fixed term rental includes:

- Road fund licence
- UK and European breakdown cover
- Tyres<sup>4</sup>
- Fine management
- In-Life management
- Vehicle disposal

<sup>1</sup> Unless you choose to add Maintenance at the start of your contract.

<sup>2</sup> If you are a VAT registered company you can either wholly or partially reclaim the VAT on the monthly rentals. For cars if the vehicle is used 100% for business use then you can claim 100% of the VAT on the monthly rentals. For cars if the vehicle is used 50% for business and 50% for personal use then you can claim only 50% of the VAT on the monthly rental. For Commercial vehicles you can claim 100% of the VAT on the monthly rentals, subject to your VAT status and restrictions.

<sup>3</sup> For businesses that continue to report to UK GAAP (aimed primarily at private companies) Contract Hire is determined as being "off their balance sheet". For those who report under IFRS16 Contract Hire is now reported on their balance sheet.

<sup>4</sup> Tyres issues which fall under the BVRLA Fair Wear and Tear guidelines.

# Additional considerations

Depending on how you use your Contract Hire vehicles, there may be some additional costs to bear in mind.

## **Fair Wear and Tear**

When you return a vehicle to us, we appraise it using the BVRLA Fair Wear and Tear guidelines. If we find anything outside of these guidelines, we'll let you know what costs you might be liable for.

## **Excess mileage**

Your expected mileage coverage will be agreed at the start of your contract. This figure is included in your contract, along with what's called the "excess mileage pence per mile cost".

If the demands of your business mean you expect to go over this mileage at any point during the term, just get in touch with us straight away to discuss your options.

If any vehicle you return to us at the end of the term is over the mileage shown in your contract, you'll be charged the excess mileage pence per mile cost.



# Ease the strain with optional extras

Want even more flexibility and peace of mind? Our team can help find the right package for you and your business with a comprehensive range of additional fixed-cost options, including:

- Servicing and maintenance
- Fuel management
- Accident management
- Short, medium or long term rental vehicles





# Take the next step

To find out more about what Contract Hire can do for your business, get in touch today.

Call us on **0370 50 50 100**  
or visit **[www.alphabet.co.uk](http://www.alphabet.co.uk)**

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