

1 Ford Transit LWB Double Chassis Cab 2.4 TDCI 140ps

Comparison between Funding by Operating Lease and Outright purchase

Cost to the Council

Funding From Operational Lease

Life	7.00	Year	Capital		Total
	£		£	£	Lease Cost
Lease cost	4,087.10	1.00	25,705.00	4,087.10	4,087.10
		2.00		4,087.10	4,087.10
159.00		3.00		4,087.10	4,087.10
per 1000		4.00		4,087.10	4,087.10
4,087.10		5.00		4,087.10	4,087.10
		6.00		4,087.10	4,087.10
		7.00		4,087.10	4,087.10
Total				28,609.67	28,609.67
NET PRESENT VALUE	Total				24,990.72

Cost to the Council

Funding by Outright Purchase (CAPITAL)

Life	7.00	Year	Capital	Interest Cost	Total
			£	£	Capital Cost
Interest	0.03500	1.00	25,705.00		25,705.00
		2.00			0.00
		3.00			0.00
		4.00			0.00
		5.00			0.00
		6.00			0.00
		7.00			0.00
Less Residual Approx			(5,140)	This residual value reflects the figure used in the lease quotation- 20.% of cost	(5,140)
Total			20,565.00		20,565.00
NET PRESENT VALUE	Total				20,932.37

Summary of Revenue Costs

		Cost for Period 7 Years		Annual Cost Actual Costs	NPV Costs
		Total Costs £	NPV £		
A	Funded from Capital	20,565	20,932	Best Option 2,937.86	2,990.34
B	Operating Lease	28,610	24,991	4,087.10	3,570.10
C	Finance Lease	0	0	0.00	0.00
D	Hire Purchase	0	0	0.00	0.00
	Difference			1,149.24	579.76