

Automatic Posting of Extended Rentals

An asset status can be applied to any asset. This is used to determine if an extended rental should automatically be activated for an operating lease at the end of the term.

Once the lease is complete, you will change the asset status to reflect what has happened to the leased asset.

The status of an asset at the end of the lease can be:

On Sold
Other
Returned to Stock
Written Off
At Client

The asset status during the life of the lease will be "At Client". If this remains the status at the end of the lease, the system will automatically keep charging the standard instalment amount to the client until the asset status is changed.

This will ensure you do not lose any additional income because your client has continued to use the asset after the end of the lease. The automatic charging of the extended rental will ensure all ongoing income is realised.

Extra Charges

There may be a requirement to add other charges due to be paid by a client at the same time as the lease instalment. The most typical example of this is a service charge on the asset.

Extra charges are set up by way of an automatic payment on the account. They will be set up to run for the same period of time as the lease, and will post on the same day as the lease instalment. GST can be automatically added to the charge.

This means that any extra charges that are to be billed to a client will happen automatically so they will not be missed. These charges are shown separately on the ledger so it is easy to reconcile what has or has not been paid if the account goes into arrears.

Early Terminations

These can be quoted and printed at any time detailing the payout and rebate amounts. The date of the quote can be altered to a date in the future. This will take into account instalments posted within that period to calculate the rebate correctly at the future date.

A professional looking quotation can be printed and mailed to the client so they have a record of that quotation.

Details of the termination quote can be automatically saved as a communication so that you have a permanent record of the quote on the day you gave it.

Operating vs Finance Leases

Setting up separate account types allows for the correct treatment of these two lease types.

Normally all instalments from an operating lease are considered income (the rental of the asset) and you retain ownership of the asset which can be depreciated in your books. GST is payable on the full instalment value.

A Finance Lease instalment has both an interest and principal component, and only the interest is recognised as income. GST is usually only on the principal portion of the instalment, so does not reflect 1/9th of the instalment.

Both of these scenarios are handled automatically by the system so once it is set up you can have full confidence that both GST and income are being recognised and recorded accurately.

Minimum Hardware Requirements

IBM compatible PC with a minimum of 128Mb RAM
Pentium II processor 350MHz
Laser Printer
CD Writer for Backup

Software Requirements

Microsoft Windows 98, NT, 2000 or XP
Microsoft Office 97, 2000 or XP

Networking

Windows NT4, 2000 or 2003
Terminal Services supported
If more than 5 users then we recommend MSSQL Server, otherwise MSDE will be used as the database.
File Server with 256Mb RAM minimum, preferably 512 Mb
Pentium III 500Mhz processor