

CASE STUDY



Peter Jordon/Buro Happold

Client: Buro Happold
Project Cost: Total £1.6 million

Buro Happold is a large firm of consultant engineers responsible for work at the Dome, the New Arsenal stadium and the development of Ascot.

They were the first client to choose leasing as part of the partnership between Plus Finance and fitout specialist Overbury.

Refurbishment of their London office was due as part of the standard lease terms. In addition to which they also decided on a complete change in furniture to match the collaborative studio working methods being used. This would not be cheaper as the office is a 'bit of a showcase' for the business when so many customers come through the door, says Chairman Rod Macdonald.

Macdonald says Buro Happold decided on lease finance because:

'the level of our monthly payments are fixed for five years. We know how precisely how much we must allow in our budgets.

'As the facility is a rental agreement we are allowed full tax relief on the payments. We have carried out several other fitout works on our offices and in each case we have had to establish how much of the work is repair and how much is capital improvement. Having done this we have to convince the tax authority that we are right. This process often takes three to four years to reach a final conclusion and until we reach that conclusion we do not know exactly what the works have cost.



Richard Norbury / Buro Happold

'The costs of the works are spread over a 5 year period and paid much like office rent and rates'



Paul Freedman/Buro Happold

Buro Happold investigated whether this arrangement was more or less costly than a straight loan with, for example a high street bank and found the costs would be very similar. In fact, the simple month-by-month cost is slightly higher

'but taxation is slightly better than with the simple bank loan' says Macdonald. 'We also avoid the costly time and fees involved in putting our case to the tax authorities.'

Since this first project, Plus has gone on to finance fitout projects for other Buro Happold offices including, Bath, Leeds, Glasgow, Dublin and New York plus all their ongoing IT requirements.