

Michael Maziere
The Lux Centre
2-4 Hoxton Square
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13 May 1999

Dear Michael,

LFVDA Financial Support 1999/2000

Following the LFVDA board meeting on Tuesday 11th May, I am writing to inform you that the board has agreed a revenue grant of £122,819 and a project award of £10,000 for the 1999/2000 financial year. This represents a decrease of £2,000 (1.6%) on the 1998/99 award, and is the direct result of the last minute decision by the British Film Institute to remove over £25,000 from the LFVDA overall budget. Given limited room for manoeuvre and the lack of notice we have tried to minimise the results of the cut as much as possible across our client and project base.

The board discussed the particular situation of the Lux in some detail. It was agreed that in view of the complex funding package that has been drawn together a comparable percentage cut of 5.5% would create difficulties. On the other hand, it was clearly discriminatory against LFVDA and its other clients to exclude the Lux from any reduction in funding given that its grant represents over 25% of the total BFI funding. Whilst we regret that the reduction has been imposed and at such late notice, we believe that the Lux should be able to assimilate this into overall expenditure plans.

We are suggesting the following schedule of payment:

On signature of Service level agreement		£30,704
Second Instalment	1 July 1999	£30,704
Third Instalment	1 October 1999	£30,704
Final Instalment	1 January 2000	£30,707

If this is not convenient then please let me know as soon as possible as any changes will affect our cashflow projections. The project funding is payable against an agreed capital application as match funding. It can be transferred, with prior approval, into general revenue funds should the application prove unsuccessful.

I am currently finalising a service level agreement based on the Arts Council's figures. Given the indications from the British Film Institute that they will be expecting to monitor closely our activities for their own performance indicators, then it 's sensible to ensure that detailed information is in place. This will be sent through to you for signature next week.

Best wishes

Gill Henderson
Chief Executive