

## VAT Position - Grand Union House

IW tells me that the advice from Michael Jacobs of Nicholson Graham & Jones is that LFVDA should charge LFMC and LVA the full rental for their parts of the building (including VAT). LFMC should therefore register for VAT (LVA is already registered).

The BFI will enter into an agreement with LFMC and LVA that it makes up "the difference between what LFMC and LVA can afford and the full cost of the rent, in the form of a grant".

This would be a separate, earmarked amount of money over and above any existing grant aid; the agreement would run for the length of their tenancies.

David Powell  
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