HMRC - VATSC55200 - Consideration: How To Confirm Management Charges

Accounting entries or invoices alone are not sufficient evidence to establish that a supply has taken place. The rules governing whether a supply is made as described in VATSC03000 are also applicable here. The three main points for management charges that have to be considered are:

Do the supplies exist? Does the value given represent any actual supplies made, or is it just a book figure?

Who is making the supply and what supply is being made?

What is the value of the supply? How is the supply costed and does the value have any relation to the supply being made?

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